

BUDGET REVIEW SUBCOMMITTEE ON HEALTH AND FAMILY SERVICES

Minutes of the 4th Meeting of the 2025 Interim

September 17, 2025

Call to Order and Roll Call

The 4th meeting of the Budget Review Subcommittee on Health and Family Services was held on September 17, 2025, at 10:30 AM in Room 129 of the Capitol Annex. Senator Craig Richardson, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator Craig Richardson, Co-Chair; Senators Stephen Meredith, Karen Berg, and Lindsey Tichenor; and Representatives Adam Bowling, Samara Heavrin, Robert Duvall, Ken Fleming, Rebecca Raymer, Lisa Willner, and Nick Wilson.

Guests: Adam Mather, President, Kentucky Association of Health Care Facilities; Raquel Reynolds, Vice President, ElderCare Partners; Joe Jurgensen, Health Care Director of Operations, Management Systems of Kentucky; Lisa Lee, Commissioner, Department for Medicaid Services (DMS), Cabinet for Health and Family Services (CHFS); Steve Bechtel, Chief Financial Officer, DMS, CHFS; Leslie Hoffman, Deputy Commissioner, DMS, CHFS; and Carmen Hancock, Director, Division of Long Term Services and Supports, DMS, CHFS.

LRC Staff: Miriam Fordham, and Benjamin Thompson.

Approval of Minutes

Representative Duvall made the motion to approve the minutes of the August 20, 2025 meeting of the subcommittee. Senator Berg seconded the motion and the minutes were approved without objection.

Funding for Personal Care Homes

Adam Mather, President, Kentucky Association of Health Care Facilities; Raquel Reynolds, Vice President, ElderCare Partners; and Joe Jurgensen, Health Care Director of Operations, Management Systems of Kentucky provided an overview of the services that personal care homes provide and the funding needed to operate them.

In response to questions from Chair Richardson, Mr. Jurgensen stated that two thousand individuals are being served by personal care homes in Kentucky. Mr. Jurgensen noted that patient referrals are from guardianship services.

In response to a question from Representative Duvall, Mr. Jurgensen confirmed that there

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are no credentialing requirements for personal care home staff in Kentucky.

In response to questions from Representative Fleming, Ms. Reynold said that in Minnesota reimbursement rates are individualized depending on a person's level of need.

Medicaid Budget Update: Fiscal Year 2025 Year-End Report and Fiscal Year 2026 Outlook

Lisa Lee, Commissioner, DMS, CHFS; and Steve Bechtel, Chief Financial Officer, DMS, CHFS provided an update on the DMS budget.

In response to questions from Senator Meredith, Mr. Bechtel noted that the DMS pharmacy benefit manager (PBM) determines whether to buy generic or brand name medicines depending on the level of rebate that could be attained by buying the name brand.

Status Update on Medicaid Home and Community Based Services Waivers and Wait List Management

Leslie Hoffman, Deputy Commissioner, DMS, CHFS; and Carmen Hancock, Director, Division of Long Term Services and Supports, DMS, CHFS provided an update on the 1915C Home and Community Based Services Waivers and the waitlist for each waiver.

Adjournment

There being no further business before the subcommittee, the meeting was adjourned at 12:00 PM.