

# CABINET FOR HEALTH AND FAMILY SERVICES

#### **Medicaid Oversight and Advisory Board**

Medicaid Eligibility, Enrollment, and Redeterminations
Lisa Lee, DMS Commissioner
Veronica Judy-Cecil, Sr. Deputy Commissioner

August 27, 2025



# Kentucky Medicaid at a Glance

Approximately 1.4 million members

Over 600,000 children – more than half of the children in Kentucky

Approximately 450,000 Expansion Members

Over 69,000 enrolled providers

\$20.6 billion in total SFY 2025 expenditures (Administrative and Benefits combined)



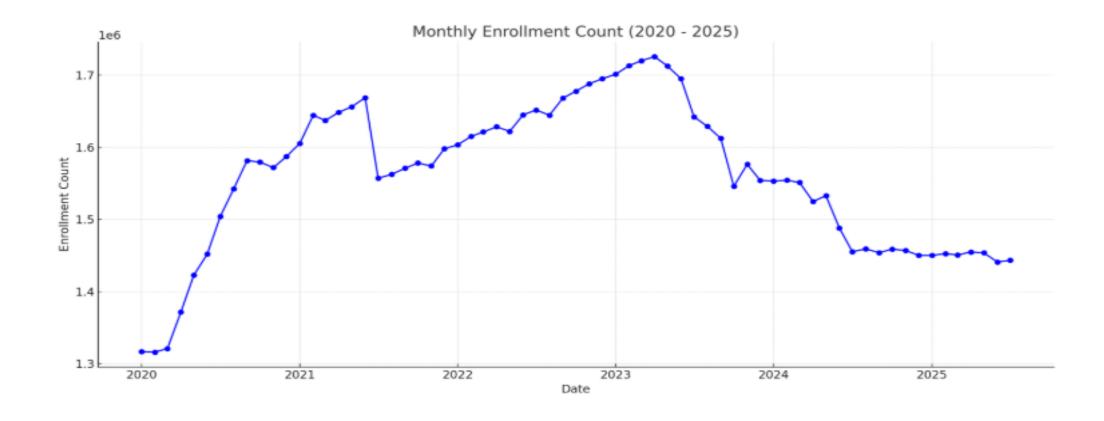
## Request

- For each month from January 2020 to present, please provide the total number of Medicaid enrollees; number of enrollees by eligibility category; number of enrollees by gender; and number of enrollees by age (provided in a separate report)
- Describe the data sources used to verify applicant/member information when conducting eligibility determinations and redeterminations; both passive and active (complete list provided in separate report)
- For each month from January 2020 to present, please provide the total number of redeterminations completed; the number of redeterminations by age on the date of redetermination; and how many were passively redetermined each month (report on age provided in a separate report)
- Describe DMS oversight activities related to eligibility that monitor the eligibility process, eligibility contractors, and eligibility fraud
- Describe DMS's plan for implementing recently enacted federal changes to eligibility and redeterminations; specifically, what are DMS's plans for conducting eligibility redeterminations every 6 months, and what are DMS's plans for implementing and complying with federally established work requirements for Medicaid
- Discuss future enrollment projections based on the federally implemented changes to Medicaid eligibility and work requirements
- Provide a summary of changes the department is seeking to make under the recently submitted state plan amendment application SPA KY-25-002



## Medicaid Enrollment Trend

January 2020 to July 2025





## Data Sources to Verify Eligibility (not all inclusive)

#### **Income and Employment**

**Internal Revenue Service (IRS):** Tax return data for income verification.

**State Wage Information Collection Agencies (SWICA):** Reports wages from employers.

**Unemployment Insurance (UI):** Verifies unemployment benefits received.

**Lexis-Nexis Asset Verification System:** checks financial institutions, property, vehicles and other public records

#### **Identity and Citizenship**

#### **Social Security Administration (SSA):**

Verifies Social Security Numbers (SSNs).

Confirms U.S. citizenship and identity.

SSA Death Master File: Confirms individuals are alive

**State Vital Records**: Confirms that individuals are alive and eligible.

Department of Homeland Security (DHS) via Verification of Lawful Presence (VLP) Interface:

Confirms immigration status for non-citizens.

Appriss: Source of arrest and incarceration data

#### **Residency and Address**

**MCO Interface:** Updates information for members if they have a different known address.

Postal Service National Change of Address (NCOA): Detects address changes.

Public Assistance Reporting Information System (PARIS): Checks federal benefits and income, and enrollment in Medicaid or other public assistance program in more than one state

#### **Other Benefits and Program Participation**

**Supplemental Nutrition Assistance Program (SNAP):** Crosschecks benefit status.

**Temporary Assistance for Needy Families (TANF):** Confirms benefit receipt and income.

#### **Medicare Enrollment**

#### **Centers for Medicare & Medicaid Services (CMS):**

Verifies Medicare enrollment to coordinate coverage and cost-sharing.



### Medicaid Redeterminations





## Oversight of Eligibility Activities

- Conduct regular audits and reviews to ensure accuracy
- Complaint line to Office of Inspector General
- Provide training for eligibility workers on updated policies and systems
- Operate a Quality Control (QC) program that randomly samples and reviews eligibility cases using findings to improve processes
- Monitor contractor performance through reports and evaluations, including performance metrics and penalties for noncompliance
- Ensure timely updates to the system when policy changes occur, and monitor implementation to verify correct application
- Use electronic data sources (e.g. Internal Revenue Services, Social Security Administration) to verify income, residency and other eligibility factors, and conduct regular re-checks to confirm ongoing eligibility
- Use data analytics to monitor application processing times, error rates and enrollment trends, as well as to identify patterns or potential fraud
- Track appeals to identify incorrect eligibility decisions and detect systemic issues



## House Resolution 1 (119<sup>th</sup> Congress)

- Community Engagement (Section 71119)
  - Beginning January 1, 2027, states will be required to condition Medicaid eligibility for expansion adults ages 19-64 on participation in work, qualifying activities, or at least half-time enrollment in school.
    - Certain populations are explicitly exempt: pregnant women, disabled, medically frail, and parents of dependent children ages 13 and under.
  - As required by House Bill 695 (2025 RS), 1115 waiver was submitted to CMS on July 1, 2025
  - The U.S. Department of Health and Human Services is required to issue a rule by June 1, 2026, and additional guidance is anticipated from the Centers for Medicare and Medicaid Services.
  - Using data collected for the 1115 Community Engagement Waiver, it is estimated that approximately 70,000 Medicaid expansion members may be subject to community engagement requirements.



## House Resolution 1 (119<sup>th</sup> Congress)

- 6-month Redeterminations (Section 77107)
  - Effective December 31, 2026, states will be required to conduct Medicaid redeterminations every six months for adult enrollees.
  - The Centers for Medicare and Medicaid Services must issue guidance by December 31, 2025.
  - The Cabinet for Health and Family Services is proactively engaging a consultant to support implementation.
  - At this stage, the Cabinet is currently assessing potential impacts to workforce, budget, and systems based on limited information currently available.



## Future Enrollment Projections Based on H.R.1

- Currently assessing impact
- Need for federal guidance around Community Engagement
- Assessing potential impact of recertifications every 6 months
- More precise prediction upon receipt of guidance



## State Plan Amendment (SPA) 25-002

- The SPA was submitted to align the presumptive eligibility provisions in the State Plan with revisions made to 907 KAR 20:050, ensuring compliance with requirements in House Bill 7 (2022 Regular Session).
- Changes included:
  - Requiring hospitals to assist individuals with completing and submitting the full Medicaid application
  - Establishing standards for hospitals making presumptive eligibility determinations
  - Submitting updated training materials



## QUESTIONS?

