

222.425 Substance use disorder program and recovery residences not to enroll out-of-state residents in Medicaid -- Penalties -- Reimbursement -- Enforcement.

- (1) To the extent allowed by federal law, any substance use disorder program that is authorized or regulated under this chapter or holds a chemical dependency treatment services license under KRS 222.231 that was issued in accordance with KRS 216B.042, or a recovery residence as defined in KRS 222.500, shall:
 - (a) Not knowingly recruit into their facility any out-of-state resident:
 1. If the out-of-state resident is enrolled in Medicaid; or
 2. With the purpose of enrolling the out-of-state resident in Medicaid in this state; and
 - (b) Submit to the Department for Medicaid Services a recipient's proof of Kentucky residency when submitting an initial request for Medicaid reimbursement if the facility is aware that the recipient resided in another state within the past month.
- (2) Any substance use disorder program that is authorized or regulated under this chapter or holds a chemical dependency treatment services license under KRS 222.231 that was issued in accordance with KRS 216B.042, or a recovery residence as defined in KRS 222.500, that violates subsection (1)(a) of this section shall be fined:
 - (a) Twenty thousand dollars (\$20,000) for each offense; and
 - (b) Not less than five hundred dollars (\$500) for each day an out-of-state resident received Medicaid services in Kentucky.
- (3) To the extent allowed by federal law, any out-of-state resident found to be ineligible for Medicaid services in Kentucky as a result of failure to establish Kentucky as his or her residency shall reimburse the Department for Medicaid Services any fees paid by Medicaid on his or her behalf.
- (4) All enforcement actions for fines assessed under this section shall be brought on behalf of the Commonwealth by the Office of the Attorney General, and shall be filed in the county where the violation occurred or in Franklin Circuit Court.

Effective: July 15, 2024

History: Created 2024 Ky. Acts ch. 68, sec. 2, effective July 15, 2024.