CABINET FOR HEALTH AND FAMILY SERVICES
Department for Medicaid Services
Division of Long Term Services and Supports
(Amended After Comments)

907 KAR 2:725. 1915(c) Kentucky's Community Health for Improved Lives and Development (CHILD) Waiver Reimbursement.

RELATES TO: KRS 205.520
STATUTORY AUTHORITY: KRS 194A.030(2), 194A.050(1), 205.520(3)
CERTIFICATION STATEMENT:
NECESSITY, FUNCTION, AND CONFORMITY: The Cabinet for Health and Family Services, Department for Medicaid Services, has the responsibility to administer the Medicaid program. KRS 205.520(3) authorizes the cabinet, by administrative regulation, to comply with any requirement that may be imposed, or opportunity presented, by federal law to qualify for federal Medicaid funds. This administrative regulation establishes the reimbursement provisions to provide expanded services to individuals who have a primary diagnosis of Autism, Developmental Disability, Intellectual Disability, or Serious Emotional Disturbance.

Section 1. Definitions.
(1) "Assessed or Assessment" means the process that authorizes department or its designee to determine applicant service needs that can be met safely in a community-based setting and determine if the participant is eligible for 1915(c) CHILD Waiver services.
(2) "Autism Spectrum Disorder" (ASD) which is characterized by:
(a) Persistent deficits in social communication and social interaction across multiple contexts;
(b) Restricted, repetitive patterns of behavior, interests, or activities, currently or by history;
(c) Symptoms must be present in the early developmental period (but may not become fully manifest until social demands exceed limited capacities, or may be masked by learned strategies in later life);
(d) Symptoms cause clinically significant impairment in social, occupational, or other important areas of current functioning; and
(e) These disturbances are not better explained by intellectual disability (intellectual developmental disorder) or global developmental delay. Intellectual disability and autism spectrum disorder frequently co-occur; to make comorbid diagnoses of autism spectrum disorder and intellectual disability, social communication should be below that expected for general developmental level.
(3) "Case Manager" means an individual who meets the personnel and training requirements established in Section 5 of 907 KAR 2:720 and is responsible for facilitating person-centered planning, coordination, and oversight of all waiver and other state plan services as well as medical, social, educational, and other services, regardless of the funding source for the services to which access is gained.
(4) "Department" means the Kentucky Department for Medicaid Services or its designee.
(5) "Incident" means any occurrence that impacts health, safety, welfare, or lifestyle choice of a participant which can include a:
(a) Minor injury;
(b) Medication error without a serious outcome; or
(c) Behavior or situation that is not a critical incident.

(6) "Person-centered service plan" or "PCSP" means a written individualized plan of 1915(c) CHILD Waiver services developed in accordance with the participant and family's wants, assessed needs, and preferences that may include a transition plan to more intense or less intense level of services.

(7) "Serious Emotional Disability" or "SED" is consistent with KRS 200.503.

Section 2. Coverage.

(1) The department shall reimburse a participating 1915(c) CHILD waiver provider for a covered service provided to a participant.

(2) In order to be reimbursable by the department, a service shall be:

(a) Provided in accordance with the terms and conditions established in 907 KAR 2:720; and

(b) Prior authorized by the department.

Section 3. General Reimbursement Requirements.

(1) For the department to reimburse for a service or item, the requirements of 907 KAR 2:720 shall be met.

(2) The department shall reimburse a participating provider for a covered service as established pursuant to the 1915(c) Fee Schedule as available at: https://www.chfs.ky.gov/agencies/dms/Pages/feesrates.aspx.

Section 4. Exceptional Supports Process.

(1) A service listed in 907 KAR 2:720 that includes benefit limitations, regardless of delivery method, shall qualify for review as an exception to the benefit limitations:

(a) Based on the needs of the participant for whom the exception is requested;

(b) For a limited period of time;

(c) If the service meets the requirements for an exception in accordance with the Kentucky 1915(c) CHILD Exceptional Supports Protocol found on the 1915(c) CHILD waiver website located at: https://www.chfs.ky.gov/agencies/dms/dca/Pages/default.aspx; and

(d) If approved by the department or designee to be an exception.

(2) An exception granted pursuant to this section shall be for the sole purpose of ensuring the health, safety, and welfare of the 1915(c) CHILD Waiver participant.

(3) Each exceptional supports request shall be agreed upon by a consensus vote of the person-centered team by a person-centered team meeting.

(4) Within one (1) day of the person-centered team meeting in which an exceptional supports request is approved, the case manager shall submit the exception request through the Medicaid Waiver Management Application (MWMA), including:

(a) The name and identifying information of the participant;

(b) A description of the exceptional support being requested;

(c) Specific challenges presented by the participant and interventions provided that have resulted in the request, including dates, times, and locations of occurrences;

(d) Summary notes of the person-centered team meeting held to determine if the request for the requested exception was appropriate, including signatures of the team members and date, time, and location of the meeting;

(e) Documentation of any intervention attempted to stabilize the challenges and the resulting outcomes for any repeat exception requests; and

(f) Submission of a modified plan with the exceptional support request.

(5) The department or designee shall:

(a) Review the exception request submission within three (3) business days; and

(b) Approve, deny the request, or request additional information.

(6) An approved exception request shall be for a limited period of time, not to exceed a full person-centered plan year.

(7) The prior authorization shall follow the participant if a transition to another provider occurs through an amendment to the prior authorization.

(8) A new exception request that will continue an existing exception shall be submitted no later than fifteen (15) days prior to the end of a prior authorization period.

Section 5. Auditing and Reporting. A CHILD provider shall maintain fiscal records and incident reports in accordance with the requirements established in 907 KAR 2:720.

Section 6. Appeal Rights. A CHILD provider may appeal a department decision regarding the application of this administrative regulation. An appeal shall be in accordance with 907 KAR 1:563.

Section 7. Federal Approval and Federal Financial Participation. The department's reimbursement of services pursuant to this administrative regulation shall be contingent upon:

(1) Receipt of federal financial participation for the reimbursement; and

(2) Centers for Medicare and Medicaid Services' approval for the reimbursement.

(907 KAR 002:725. 52 Ky.R. 1489, 2094; eff. 9-15-2026.)

LISA D. LEE, Commissioner
STEVEN J. STACK, MD, MBA, Secretary

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