

205.6328 Medicaid managed care contracts after March 27, 2025, to include provision for collection of expenditure data -- Quarterly budget analysis report required -- Applicability of Open Records Act -- Quarterly reports from managed care companies to department -- Quarterly enrollee demographics report -- Quarterly health care provider tax and assessment report.

- (1) (a) A Medicaid managed care contract entered into by the Department for Medicaid Services on or after March 27, 2025, shall not be valid, and a payment to a Medicaid managed care vendor by the Finance and Administration Cabinet or the Cabinet for Health and Family Services shall not be made, unless the Medicaid managed care contract contains a provision that the contractor shall collect Medicaid expenditure data by the categories of services paid for by the Medicaid Program. Actual statewide Medicaid expenditure data by all categories of Medicaid services, including mandated and optional Medicaid services, special expenditures and offsets, recoupments and clawbacks, and disproportionate share hospital payments by type of hospital, shall be compiled by the Department for Medicaid Services for all Medicaid providers and forwarded to the Legislative Research Commission for referral to the Medicaid Oversight and Advisory Board, the Interim Joint Committee on Appropriations and Revenue, the Interim Joint Committee on Families and Children, the Interim Joint Committee on Health Services, and the Office of Budget Review on a quarterly basis. Projections of Medicaid expenditures by categories of Medicaid services shall be provided to the Medicaid Oversight and Advisory Board, the Interim Joint Committee on Appropriations and Revenue, the Interim Joint Committee on Families and Children, the Interim Joint Committee on Health Services, and the Office of Budget Review upon request.
- (b) Medicaid expenditure data required to be collected and reported pursuant to paragraph (a) of this subsection shall include expenditures made by any third-party administrator contracted by a managed care organization to assist in providing services and benefits to Medicaid beneficiaries, including but not limited to any dental benefit administrator, vision benefit administrator, hearing benefit administrator, or transportation benefit administrator.
- (2) The Department for Medicaid Services shall submit a quarterly budget analysis report to the Legislative Research Commission for referral to the Medicaid Oversight and Advisory Board, the Interim Joint Committee on Appropriations and Revenue, the Interim Joint Committee on Families and Children, the Interim Joint Committee on Health Services, and the Office of Budget Review no later than seventy-five (75) days after the end of each quarter. The report shall provide monthly detail of actual expenditures, eligibles, and average monthly cost per eligible by eligibility category along with current trailing twelve (12) month averages for each of these figures. The report shall also provide actual figures for all categories of noneligible-specific expenditures such as supplemental medical insurance premiums, Kentucky patient access to care, nonemergency transportation, drug rebates, cost settlements, and disproportionate share hospital payments by type of hospital. The report shall compare the actual expenditure experience with those underlying the enacted or revised enacted budget and explain any significant

variances which may occur.

- (3)
 - (a) Except as provided in KRS 61.878, all records and correspondence relating to Kentucky Medicaid, revenues derived from Kentucky Medicaid funds, and expenditures utilizing Kentucky Medicaid funds of a Medicaid managed care company operating within the Commonwealth shall be subject to the Kentucky Open Records Act, KRS 61.870 to 61.884. This subsection shall not apply to any records and correspondence relating to Medicaid specifically prohibited from disclosure by the federal Health Insurance Portability and Accountability Act privacy rules.
 - (b) No later than sixty (60) days after the end of each quarter, each Medicaid managed care company operating within the Commonwealth shall prepare and submit to the Department for Medicaid Services sufficient information to allow the department to meet the following requirements ninety (90) days after the end of each quarter. The department shall forward to the Legislative Research Commission for referral to the Medicaid Oversight and Advisory Board, the Interim Joint Committee on Appropriations and Revenue, the Interim Joint Committee on Families and Children, the Interim Joint Committee on Health Services, and the Office of Budget Review a quarterly report detailing monthly actual expenditures by service category, monthly eligibles, and average monthly cost per eligible for Medicaid and the Kentucky Children's Health Insurance Program along with current trailing twelve (12) month averages for each of these figures. The report shall also provide actual figures for other categories such as pharmacy rebates and reinsurance. Finally, the department shall include in this report the most recent information or report available regarding the amount withheld to meet Department of Insurance reserve requirements, and any distribution of moneys received or retained in excess of these reserve requirements.
- (4) The Cabinet for Health and Family Services shall submit a quarterly enrollee demographics report to the Legislative Research Commission for referral to the Medicaid Oversight and Advisory Board, the Interim Joint Committee on Appropriations and Revenue, the Interim Joint Committee on Families and Children, the Interim Joint Committee on Health Services, and the Office of Budget Review no later than seventy-five (75) days after the end of each quarter. The enrollee demographics report shall provide a summary of enrollee demographics and shall include data on at least the following demographic characteristics for enrollees by county:
 - (a) The total number of individuals enrolled in the Medicaid program during each month of the previous quarter by eligibility category;
 - (b) The number of individuals enrolled in the Medicaid program by employment status, including full-time employment, part-time employment, and unemployed;
 - (c) The number of individuals enrolled in the Medicaid program by race and ethnicity;
 - (d) The number of individuals enrolled in the Medicaid program by citizenship status, refugee status, legal immigration status, illegal or undocumented

- immigration status, or other status under which an individual is present in the United States;
- (e) The number of beneficiaries enrolled in the Medicaid program with dependents;
 - (f) The total number of dependents enrolled in the Medicaid program; and
 - (g) Any other information or data related to Medicaid beneficiaries requested by the Legislative Research Commission.
- (5) The Department for Medicaid Services shall submit a quarterly health care provider tax and assessment report to the Legislative Research Commission for referral to the Medicaid Oversight and Advisory Board, the Interim Joint Committee on Appropriations and Revenue, the Interim Joint Committee on Families and Children, the Interim Joint Committee on Health Services, and the Office of Budget Review no later than seventy-five (75) days after the end of each quarter. The health care provider tax report shall include the total amount of revenue generated during the previous quarter and the corresponding federal funding match generated during the previous quarter under:
- (a) KRS 142.303;
 - (b) KRS 142.307;
 - (c) KRS 142.314;
 - (d) KRS 142.315;
 - (e) KRS 142.316;
 - (f) KRS 142.318;
 - (g) KRS 142.361;
 - (h) KRS 142.363;
 - (i) KRS 205.6406(3)(h);
 - (j) KRS 205.6406(3)(j);
 - (k) KRS 205.6412; and
 - (l) Any other provider tax or assessment on healthcare providers.
- (6) All reports required to be submitted to the Legislative Research Commission under this section shall be submitted in a form and manner prescribed by the Legislative Research Commission.
- (7) As used in this section, the term "Medicaid program" includes the Kentucky Medical Assistance Program established in KRS 205.510 to 205.5630 and the Kentucky Children's Health Insurance Program established in KRS 205.6483.

Effective: March 27, 2025

History: Repealed, reenacted, and amended 2025 Ky. Acts ch. 110, sec. 7, effective March 27, 2025. -- Amended 1996 Ky. Acts ch. 371, sec. 34, effective July 15, 1996. -- Created 1994 Ky. Acts ch. 512, sec. 81, effective July 15, 1994.