

7A.286 Board duties and permitted activities.

- (1) The board, consistent with its purpose as established in KRS 7A.273, shall:
 - (a) On an ongoing basis, conduct an impartial review of all state laws and regulations governing the Medicaid program and recommend to the General Assembly any changes it finds desirable with respect to program administration, including delivery system models, program financing, benefits and coverage policies, reimbursement rates, payment methodologies, provider participation, or any other aspect of the program;
 - (b) On an ongoing basis, review any change or proposed change in federal laws and regulations governing the Medicaid program and report to the Legislative Research Commission on the probable costs, possible budgetary implications, potential effect on healthcare outcomes, and the overall desirability of any change or proposed change in federal laws or regulations governing the Medicaid program;
 - (c) At the request of the Speaker of the House of Representatives or the President of the Senate, evaluate proposed changes to state laws affecting the Medicaid program and report to the Speaker or the President on the probable costs, possible budgetary implications, potential effect on healthcare outcomes, and overall desirability as a matter of public policy;
 - (d) At the request of the Legislative Research Commission, research issues related to the Medicaid program;
 - (e) Beginning in 2026 and at least once every five (5) years thereafter, cause a review to be made of the administrative expenses and operational cost of the Medicaid program. The review shall include but not be limited to evaluating the level and growth of administrative costs, the potential for legislative changes to reduce administrative costs, and administrative changes the department may make to reduce administrative costs or staffing needs. At the discretion of the Legislative Research Commission, the review may be conducted by a consultant retained by the board;
 - (f) Beginning in 2027 and at least once every five (5) years thereafter, cause a program evaluation to be conducted of the Medicaid program. In any instance in which a program evaluation indicates inadequate operating or administrative system controls or procedures, inaccuracies, inefficiencies, waste, extravagance, unauthorized or unintended activities, or other deficiencies, the board shall report its findings to the Legislative Research Commission. The program evaluation shall be performed by a consultant retained by the board;
 - (g) Beginning in 2028 and at least once every five (5) years thereafter, cause an actuarial analysis to be performed of the Medicaid program, to evaluate the sufficiency and appropriateness of Medicaid reimbursement rates established by the department and those paid by any managed care organization contracted by the department for the delivery of Medicaid services. The actuarial analysis shall be performed by an actuary retained by the board;
 - (h) Beginning in 2029 and at least once every five (5) years thereafter, cause the

overall health of the Medicaid population to be assessed. The assessment shall include but not be limited to a review of health outcomes, healthcare disparities among program beneficiaries and as compared to the general population, and the effect of the overall health of the Medicaid population on program expenses. The assessment shall be performed by a consultant retained by the board; and

- (i) Beginning in 2026 and annually thereafter, publish a report covering the board's evaluations and recommendations with respect to the Medicaid program. The report shall be submitted to the Legislative Research Commission no later than December 1 of each year, and shall include at a minimum a summary of the board's current evaluation of the program and any legislative recommendations made by the board.
- (2) The board, consistent with its purpose as established in KRS 7A.273, may:
 - (a) Review all new or amended administrative regulations related to the Medicaid program and provide comments to the Administrative Regulation Review Subcommittee established in KRS 13A.020;
 - (b) Make recommendations to the General Assembly, the Governor, the secretary of the cabinet, and the commissioner of the department regarding program administration, including benefits and coverage policies, access to services and provider network adequacy, healthcare outcomes and disparities, reimbursement rates, payment methodologies, delivery system models, funding, and administrative regulations. Recommendations made pursuant to this section shall be nonbinding and shall not have the force of law; and
 - (c) On or before December 1 of each calendar year, adopt an annual research agenda. The annual research agenda may include studies, research, and investigations considered by the board to be significant. Board staff shall prepare a list of study and research topics related to the Medicaid program for consideration by the board in the adoption of the annual research agenda. An annual research agenda adopted by the board may be amended by the Legislative Research Commission to include any studies or reports mandated by the General Assembly during the next succeeding regular session.
 - (3) At the discretion of the Legislative Research Commission, studies and research projects included in an annual research agenda adopted by the board pursuant to subsection (2)(c) of this section may be conducted by outside consultants, analysts, or researchers to ensure the timely completion of the research agenda.

Effective: March 27, 2025

History: Created 2025 Ky. Acts ch. 110, sec. 17, effective March 27, 2025; and ch. 117, sec. 7, effective March 27, 2025.

Legislative Research Commission Note (3/27/2025). This statute was created with identical text in 2025 Ky. Acts ch. 110, sec. 17, and ch. 117, sec. 7, and those sections have been codified together.