

MEDICAID OVERSIGHT AND ADVISORY BOARD

Minutes of the 3rd Meeting of 2025 Interim

August 27, 2025

Call to Order and Roll Call

The third meeting of the Medicaid Oversight and Advisory Board was held on August 27, 2025, at 3:00 PM in Room 154 of the Capitol Annex. Representative Ken Fleming, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator Julie Raque Adams, Co-Chair; Representative Ken Fleming, Co-Chair; Senators Donald Douglas, Karen Berg, Danny Carroll, Stephen Meredith, and Craig Richardson; Representatives Adam Bowling, Jason Petrie, Samara Heavrin, Mary Lou Marzian, Kimberly Poore Moser, and Wade Williams; and William Baker, Laura Sudkamp (proxy for Allison Ball), John Hicks, Lisa Lee, Sheila Schuster, Steven Stack, Tom Stephens, Vickie Yates Glisson, Hollie Harris, Joe Petrey, and Steve Shannon.

Guests: Lisa Lee, Commissioner, Department for Medicaid Services (DMS), Cabinet for Health and Family Services (CHFS); David Verry, Assistant Director, Division of Health Plan Oversight, CHFS; Ricky Baker, Executive Director, Community Action Kentucky (CAK); Margie Meehan, Program Director, CAK; Molly Lewis, Chief Executive Officer, Kentucky Primary Care Association (KPCA); Jarrett Haley, Executive Director, Kentuckiana Regional Planning and Development Agency (KIPDA); Mia Anderson, Kynect Program Manager, KIPDA; Jim Musser, Senior Vice President, Policy and Government, Kentucky Hospital Association (KHA); Rosmond Dolen, Associate Vice President, Payor Relations and Health Finance Policy, KHA; Veronica Judy-Cecil, Deputy Commissioner, DMS, CHFS; Steven Stack, MD, Secretary, CHFS; Kay Tillow, Kentuckians for Single Payer Health Care; and Cheri Kulik, Constituent.

LRC Staff: Chris Joffrion, Cameron Franey, and DJ Burns.

Approval of Minutes

A motion to approve the minutes of the July 30, 2025, meeting was made by Senator Berg, seconded by Senator Douglas, and approved by a voice vote.

Discussion of State-Based Marketplaces and the Federally-Facilitated Marketplace

Lisa Lee, Commissioner, DMS, CHFS, discussed the timeline of Kentucky's use of State-Based Marketplace (SBM) and Federally-Facilitated Marketplace (FFM), the costs of each marketplace, and Kentucky Medicaid and qualified health plan (QHP) enrollment trends. David Verry, Assistant Director, Division of Health Plan Oversight, CHFS, discussed the advantages of a SBM versus an FFM.

In response to Chair Fleming, Mr. Verry stated to develop Kentucky's SBM an estimated 100 million dollars of federal funds were used. Ms. Lee stated CHFS would follow-up with the breakdown of costs. She stated the costs for the integrated eligibility and enrollment system (IEES) are parsed out based on specific programs and the utilization of the system. Ms. Lee stated presumptive eligibility is only available to patients in a hospital setting and that hospital staff makes the determination of presumptive eligibility. In 2014, presumptive eligibility was expanded from pregnant women to hospitals.

In response to Senator Berg, Ms. Lee stated hospitals are qualified entities to determine presumptive eligibility for Medicaid for any patient in their care.

In response to Representative Moser, Ms. Lee stated when an individual is considered presumptively eligible that coverage ends on the last day of the following month or when they are determined to be eligible for full Medicaid. She stated pregnant females are eligible for one presumptive eligibility per pregnancy and hospital patients one per year. Mr. Verry stated when an individual moves to a QHP from Medicaid, the premium payment is based on self-reported income for the year. When the individual files a tax return, depending on if their yearly income is higher or lower, an adjustment to the premium amount can be made.

In response to Co-Chair Raque Adams, Mr. Verry stated SBM applicants are asked questions to determine eligibility for Medicaid, Medicare, and QHP. Ms. Lee stated to her knowledge no state general funds are used to fund the SBM.

In response to Chair Fleming, Ms. Lee stated she would follow-up with the fees associated with the SBM.

In response to Senator Berg, Ms. Lee stated she would follow-up with the cost associated with moving from the SBM to FFM.

Discussion of the Role of Kynectors and Navigators

Ricky Baker, Executive Director, CAK, discussed kynectors employed by CAK and the services provided to the communities they serve, including enrollment and outreach activities.

Molly Lewis, Chief Executive Officer, KPCA, discussed background information on KPCA, kynectors impact, and enrollment and outreach activities provided to communities.

Jarrett Haley, Executive Director, KIPDA, discussed background information on KIPDA being a contracted kynect service provider, the region served, and enrollment activities. Mia Anderson, Kynect Program Manager, KIPDA, discussed outreach activities, data on individuals enrolled in Medicaid, and how KIPDA supports small employer groups.

In response to Representative Heavrin, Mr. Verry stated a kynector is in a hospital or clinic to help patients find the best insurance. A navigator is a grant funded position that works within communities to help enroll individuals in services offered through the IEES. If kynectors and navigators did not exist, he stated the assistance programs offered through the IEES or SBM would still be available. Ms. Anderson stated kynectors are essential to help individuals know what assistance programs are available.

In response to Representative Bowling, Mr. Verry stated kynectors are both contracted through the Kentucky Health Benefit Exchange and on a non-contracted basis through local organizations. He stated state funds are used for contracted kynectors.

In response to Representative Williams, Mr. Verry stated each county should have one local kynector who is paid an hourly wage. Ms. Anderson stated if outreach events and application numbers are not met, a penalty will be assessed as is stated in kynectors contracts with the state.

In response to Ms. Yates Glisson, Mr. Haley stated KIPDA has had a kynector contract since 2013. Ms. Anderson stated whether Kentucky utilizes a SBM or FFM, kynectors have been in place since 2013. Mr. Verry stated when using the FFM, an individual can only apply for a QHP. To apply for Medicaid, an individual would have to use multiple systems.

In response to Chair Fleming, Mr. Haley stated KIPDA's contract is approximately 2.4 million dollars per year. However, if the entirety of the contract amount is not spent in a year, the remainder is returned. Ms. Lewis stated KPCA holds three contracts for a total of approximately 7 million dollars. Mr. Baker stated KCA has one contract totaling 12

million dollars, but only 60 percent of that is used in a year. The breakdown of federal and state funds will be provided after the meeting.

In response to Ms. Harris, Ms. Lewis stated kynectors are available in the communities they serve. A kynector may not have a hospital office, but is available to assist any individual needing assistance. Ms. Anderson stated kynectors with KIPDA rotate through various locations within communities.

Discussion of Presumptive Eligibility

Jim Musser, Senior Vice President, Policy and Government, KHA, discussed background information on a hospital's role with presumptive eligibility for Medicaid. Rosmond Dolen, Associate Vice President, Payor Relations and Health Finance Policy, KHA, discussed 2022 Regular Session House Bill 7 and the process of how a qualified entity grants presumptive eligibility.

Discussion of Medicaid Eligibility, Enrollment, and Redeterminations

Ms. Lee gave an overview of Medicaid enrollment trends and state plan amendment (SPA) 25-002. Veronica Judy-Cecil, Deputy Commissioner, DMS, CHFS, discussed data sources used to verify Medicaid eligibility, redetermination trends, and oversight of eligibility activities.

In response to Chair Fleming, Ms. Judy-Cecil stated every data source is used within the system to verify eligibility for an individual. A priority system is used and if any discrepancies are found the next source is used in the list. She stated DMS currently does not have a request for proposal to develop a new system to verify eligibility. Ms. Lee stated approximately 70,000 individuals will be required to perform community engagement under the new provisions for Medicaid eligibility. She stated DMS currently does not have a request for proposal pertaining to eligibility.

In response to Senator Berg, Ms. Judy-Cecil stated provider fraud is much higher than member fraud, the process for a provider fraud case is lengthy, and during the fraud case many providers continue to be paid due to regulations.

In response to Senator Douglas, Ms. Lee stated DMS is awaiting guidance from the Center for Medicaid Services on waivers for parents considered the primary caregiver for a child.

Update on Rural Health Transformation Program Application Process

Steven Stack, MD, Secretary, CHFS, gave an update on the Rural Health Transformation Program application process, including new guidance provided by CMS.

In response to Chair Fleming, Dr. Stack stated eight vendors submitted proposals to support H.R. 1 deployment and programmatic changes. A vendor has been chosen and he will provide that information after the vendor has been notified. He stated CMS provided timelines for the transformation fund and clarification on fund usage.

In response to Co-Chair Raque Adams, Dr. Stack stated up until the application is sent all stake holders will be utilized for proposals.

Public Comment

Kay Tillow, Advocate, Kentuckians for Single Payer Health Care, discussed her organization's efforts to mitigate potential cuts to Medicaid and concerns for rural hospital closures under H.R. 1.

Cheri Kulik, Constituent, gave personal testimony on the Michelle P. Waiver pertaining to mental and behavioral health therapies.

Adjournment

There being no further business, the meeting was adjourned at 5:10 PM.