

MEDICAID OVERSIGHT AND ADVISORY BOARD

6th Minutes of the 2025 Interim

October 7, 2025

Call to Order and Roll Call

The sixth meeting of the Medicaid Oversight and Advisory Board was held on October 7, 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, and Stephen Meredith; and Representatives Adam Bowling, Jason Petrie, Samara Heavrin, and Kimberly Poore Moser; and Beth Bowling (Proxy for William Baker), Lisa Lee, Laura Sudkamp (Proxy for Allison Ball), Sheila Schuster, Steven Stack, Kathryn North (Proxy for Tom Stephens), Vickie Yates Glisson, Hollie Harris, and Steve Shannon.

Guests: Jennifer Willis, Chief Executive Officer, Pathways; Danielle Amrine, Chief Executive Officer, NorthKey; Elizabeth McKune, Chief Executive Officer, Seven Counties Services; Dana Royse, Chief Executive Officer, New Vista; Pam Shepherd, Executive Director, Federated Transportation Services of the Bluegrass; and Adam Mather, President, Kentucky Association of Health Care Facilities, Kentucky Center for Assisted Living, Kentucky Senior Living Association.

LRC Staff: Chris Joffrion, DeeAnn Wenk, and DJ Burns.

Approval of Minutes

A motion to approve the September 24, 2025, minutes was made by Senator Meredith, seconded by Co-Chair Raque Adams, and approved by a voice vote.

Update on Certified Community Behavioral Health Centers

Jennifer Willis, Chief Executive Officer, Pathways, discussed Certified Community Behavioral Health Clinics (CCBHCs) including background information and care coordination services. Danielle Amrine, Chief Executive Officer, NorthKey, discussed CCBHCs transformation and comprehensive crisis response. Elizabeth McKune, Chief Executive Officer, Seven Counties Services, discussed CCBHCs care model. Dana Royse, Chief Executive Officer, New Vista, discussed CCBHCs service rates.

In response to Chair Fleming, Mr. Shannon stated navigators or kynectors are not integrated into the CCBHC model.

In response to Representative Moser, Ms. Willis stated if all community mental health centers (CMHCs) became CCBHCs then all counties would be covered.

In response to Co-Chair Raque Adams, Ms. Royse stated claims are submitted to Managed Care Organizations (MCOs) and once that claim is paid Medicaid pays a wraparound enhanced rate.

In response to Commissioner Lee, Ms. Royse stated the estimate of 28 million dollars to fund statewide CCBHCs per year is based off the yearly cost of the four CCBHCs that currently cover roughly 50 percent of the state.

In response to Representative Heavrin, Ms. Willis stated transportation is provided for any patient that needs it, except for a 202A warrant which requires law enforcement to transport the patient.

In response to Chair Fleming, Ms. Willis stated very few out of state patients travel to Kentucky to utilize services offered by CCBHCs.

In response to Ms. Yates Glisson, Ms. McKune stated Seven Counties Services facilitates monthly meetings and invites any interested group to discuss health care needs within the Jefferson County area.

The Nonemergency Medical Transportation (NEMT) Program

A. From the Broker Perspective

Pam Shepherd, Executive Director, Federated Transportation Services of the Bluegrass, discussed NEMT services provided by her agency, including the scheduling process as a NEMT broker.

In response to Chair Fleming, Ms. Shepherd stated the rate for NEMT is set by an actuarial analysis and provided by DMS to the brokers. In one month, 8,500 unduplicated Medicaid patients used NEMT out of 527,000 eligible Medicaid patients, although the utilization rate is a small percentage of the total Medicaid population, one patient could use NEMT up to 22 times per month. Ms. Shepherd stated the medical loss ratio (MLR) for FY24 was 94 percent and FY25 was 88 percent, which leaves 6 and 12 percent, respectively for overhead and administrative costs for her agency.

In response to Senator Berg, Ms. Shepherd stated her agency has implemented a new application that provides real time location feedback for subcontractors. She stated low utilization is due to a lack of knowledge of NEMT services and ineligibility.

In response to Senator Carroll, Ms. Shepherd stated subcontractors are required to administer pre-employment drug screenings and random monthly drug screens through a consortium provided by the Department of Transportation who collects all fees and associated costs. She stated pick up times are set by the patient when scheduling and passed along to the subcontractor who coordinates with other patients being transported to the same location.

In response to Representative Moser, Ms. Shepherd stated to become an approved private auto provider, an applicant must first contact the regional broker. After the applicant submits the completed packet, the regional broker and Kentucky Transportation Cabinet will review and approve the application before forwarding it to Medicaid Provider Enrollment. Upon receiving a Medicaid provider ID number, the provider will send their approval letter to the regional broker, who will then provide training on program and billing procedures. Ms. Shepherd stated a no-show or cancelled NEMT appointment is not paid. She stated each region has a different per capitated rate.

In response to Chair Fleming, Ms. Shepherd stated any profits received are reinvested into her agency. Her agency receives 40 million dollars a year for the four regions in which they provide NEMT services.

B. From the Long-term Care Perspective

Adam Mather, President, Kentucky Association of Health Care Facilities, Kentucky Center for Assisted Living, Kentucky Senior Living Association, discussed the scheduling process for NEMT transportation for long-term care facility and the challenges associated with the NEMT program.

In response to Co-Chair Raque Adams, Mr. Mather stated some health care facilities provide transportation for patients, but do not participate in the NEMT program as a subcontractor.

Discussion of Medicaid-related Administrative Regulations

The following Administrative Regulations were placed on the agenda for informational review:

907 KAR 008:020 Proposed

907 KAR 008:040 Proposed

907 KAR 010:016 Proposed

907 KAR 023:010 Proposed

In response to Co-Chair Raque Adams, Secretary Stack stated the Cabinet for Health and Family Services (CHFS) does not comment on administrative regulations during an open public comment period. He stated with the addition of CHFS's general counsel, CHFS is willing to come to a future meeting and discuss administrative regulations if given advance notice of the subject matter to be discussed. Secretary Stack stated notification was given to the legislature when the proposed administrative regulations were filed with the LRC and that without specifics he cannot determine if or where the conflict with the regulations is.

In response to Representative Bowling, Secretary Stack stated without review of the regulations ahead of time he cannot definitively say but to the best of his recollection all four are to comply with federal mandates, were budgeted for, or had no budget impacts.

In response to Co-Chair Raque Adams, Secretary Stack stated he would follow-up after checking with CHFS staff on whether he could present at the October 22, 2025 board meeting on administrative regulations during the open comment period.

In response to Chair Fleming, Secretary Stack stated he can present at the October 22, 2025 board meeting on 2025 RS HB 695 and its implications on the administrative regulations process.

Public Comment

Mike Wynn, Director of Community Programs, Grace Health, discussed kynectors being a vital first step in citizens healthcare.

Melissa Holland, Kentucky Council of Churches, discussed the importance of the Medicaid program.

Kelly Taulbee, Director of Policy, Kentucky Voices for Health, discussed concerns with the NEMT program and the importance of updating the program as transportation is the top barrier for healthcare among Medicaid patients.

Adjournment

There being no further business, the meeting was adjourned at 4:53 PM.