

1 AN ACT relating to operations within the Cabinet for Health and Family Services.

2 ***Be it enacted by the General Assembly of the Commonwealth of Kentucky:***

3 ➔Section 1. KRS 79.080 is amended to read as follows:

4 (1) The term "health maintenance organization" for the purposes of this section, means
5 a health maintenance organization as defined in KRS 304.38-030, which has been
6 licensed~~[by the Kentucky Health Facilities and Health Services Certificate of Need~~
7 ~~and Licensure Board]~~ and issued a certificate of authority by the Department of
8 Insurance as a health maintenance organization and which is qualified under the
9 requirements of the United States Department of Health, Education and Welfare,
10 except as provided in subsection (4) of this section.

11 (2) Cities of all classes, counties, and urban-county governments and the agencies of
12 cities, counties, charter county, and urban-county governments are authorized to
13 establish and operate plans for the payment of retirement, disability, health
14 maintenance organization coverage, or hospitalization benefits to their employees
15 and elected officers, and health maintenance organization coverage or
16 hospitalization benefits to the immediate families of their employees and elected
17 officers. The plan may require employees to pay a percentage of their salaries into a
18 fund from which coverage or benefits are paid, or the city, county, charter county,
19 urban-county government, or agency may pay out of its own funds the entire cost of
20 the coverage or benefits. A plan may include a combination of contributions by
21 employees and elected officers and by the city, county, charter county, urban-county
22 government, or agency into a fund from which coverage or benefits are paid, or it
23 may take any form desired by the city, county, charter county, urban-county
24 government, or agency. Each city, county, charter county, urban-county
25 government, or agency may make rules and regulations and do all other things
26 necessary in the establishment and operation of the plan.

27 (3) Cities of all classes, counties, charter counties, urban-county governments, the

1 agencies of cities, counties, charter counties, and urban-county governments, and all
2 other political subdivisions of the state may provide disability, hospitalization, or
3 other health or medical care coverage to their officers and employees, including
4 their elected officers, through independent or cooperative self-insurance programs
5 and may cooperatively purchase the coverages.

6 (4) Any city, county, charter county, or urban-county government which is a
7 contributing member to any one (1) of the retirement systems administered by the
8 state may participate in the state health insurance coverage program for state
9 employees as defined in KRS 18A.225 to 18A.229. Should any city, county, charter
10 county, or urban-county government opt at any time to participate in the state health
11 insurance coverage program, it shall do so for a minimum of three (3) consecutive
12 years. If after the three (3) year participation period, the city, county, charter county,
13 or urban-county government chooses to terminate participation in the state health
14 insurance coverage program, it will be excluded from further participation for a
15 period of three (3) consecutive years. If a city, county, charter county, or urban-
16 county government, or one (1) of its agencies, terminates participation of its active
17 employees in the state health insurance coverage program and there is a state
18 appropriation for the employer's contribution for active employees' health insurance
19 coverage, neither the unit of government, or its agency, nor the employees shall
20 receive the state-funded contribution after termination from the state employee
21 health insurance program. The three (3) year participation and exclusion cycles shall
22 take effect each time a city, county, charter county, or urban-county government
23 changes its participation status.

24 (5) Any city, county, charter county, urban-county government, or other political
25 subdivision of the state which employs more than twenty-five (25) persons and
26 which provides hospitalization benefits or health maintenance organization
27 coverage to its employees and elected officers, shall annually give its employees an

1 option to elect either standard hospitalization benefits or membership in a qualified
2 health maintenance organization which is engaged in providing basic health
3 services in a health maintenance service area in which at least twenty-five (25) of
4 the employees reside; except that if any city, county, charter county, urban-county
5 government, or agencies of any city, county, charter county, urban-county
6 government, or any other political subdivision of the state which does not have a
7 qualified health maintenance organization engaged in providing basic health
8 services in a health maintenance service area in which at least twenty-five (25) of
9 the employees reside, the city, county, charter county, urban-county government, or
10 agencies of the city, county, charter county, urban-county government, or any other
11 political subdivision of the state may annually give its employees an option to elect
12 either standard hospitalization benefits or membership in a health maintenance
13 organization which has been licensed~~[by the Kentucky Health Facilities and Health~~
14 ~~Services Certificate of Need and Licensure Board]~~ and issued a certificate of
15 authority by the Department of Insurance as a health maintenance organization and
16 which is engaged in providing basic health services in a health maintenance service
17 area in which at least twenty-five (25) of the employees reside. Any premium due
18 for health maintenance organization coverage over the amount contributed by the
19 city, county, charter county, urban-county government, or other political subdivision
20 of the state which employs more than twenty-five (25) persons for any other
21 hospitalization benefit shall be paid by the employee.

22 (6) If an employee moves his place of residence or employment out of the service area
23 of a health maintenance organization, under which he has elected coverage, into
24 either the service area of another health maintenance organization or into an area of
25 the state not within a health maintenance organization service area, the employee
26 shall be given an option, at the time of the move or transfer, to elect coverage either
27 by the health maintenance organization into which service area he moves or is

1 transferred or to elect standard hospitalization coverage offered by the employer.

2 (7) Any plan adopted shall provide that any officer or member of a paid fire or police
3 department who has completed five (5) years or more as a member of the
4 department, but who is unable to perform his duties by reason of heart disease or
5 any disease of the lungs or respiratory tract, is presumed to have contracted his
6 disease while on active duty as a result of strain or the inhalation of noxious fumes,
7 poison or gases, and shall be retired by the pension board under terms of the
8 pension system of which he is a member, if the member passed an entrance physical
9 examination and was found to be in good health as required.

10 (8) The term "agency" as used herein shall include boards appointed to operate
11 waterworks, electric plants, hospitals, airports, housing projects, golf courses, parks,
12 health departments, or any other public project.

13 (9) After August 1, 1988, except as permitted by KRS 65.156, no new retirement plan
14 shall be created pursuant to this section, and cities which were covered by this
15 section on or prior to August 1, 1988, shall participate in the County Employees
16 Retirement System effective August 1, 1988. Any city, county, charter county,
17 urban-county, or agency thereof which provided a retirement plan for its employees,
18 pursuant to this section, on or prior to August 1, 1988, shall place employees hired
19 after August 1, 1988, in the County Employees Retirement System. The city,
20 county, charter county, urban-county, or agency thereof shall offer employees hired
21 on or prior to August 1, 1988, membership in the County Employees Retirement
22 System under the alternate participation plan as described in KRS 78.530(3), but
23 such employees may elect to retain coverage under this section.

24 ➔Section 2. KRS 200.480 is amended to read as follows:

25 The Commission for Children with Special Health Care Needs shall ~~make a biennial~~
26 report ~~to the Governor showing~~ the amount of money received and expended and a
27 detailed statement of its activities **to the Governor and General Assembly upon**

1 ~~*request*~~ for such period. A copy of such report shall be furnished each member of the
2 General Assembly at its first session following the filing of such report with the
3 Governor.

4 ➔SECTION 3. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO
5 READ AS FOLLOWS:

6 *Notwithstanding the provisions of KRS Chapter 13A, the Cabinet for Health and*
7 *Family Services may amend material that had been previously incorporated by*
8 *reference in an administrative regulation governing the Supplemental Nutrition*
9 *Assistance Program, formerly known as the federal food stamp program, through*
10 *technical amendment if the amendment is prescribed by the United States Department*
11 *of Agriculture.*

12 ➔Section 4. KRS 205.560 is amended to read as follows:

13 (1) The scope of medical care for which the Cabinet for Health and Family Services
14 undertakes to pay shall be designated and limited by regulations promulgated by the
15 cabinet, pursuant to the provisions in this section. Within the limitations of any
16 appropriation therefor, the provision of complete upper and lower dentures to
17 recipients of Medical Assistance Program benefits who have their teeth removed by
18 a dentist resulting in the total absence of teeth shall be a mandatory class in the
19 scope of medical care. Payment to a dentist of any Medical Assistance Program
20 benefits for complete upper and lower dentures shall only be provided on the
21 condition of a preauthorized agreement between an authorized representative of the
22 Medical Assistance Program and the dentist prior to the removal of the teeth. The
23 selection of another class or other classes of medical care shall be recommended by
24 the council to the secretary for health and family services after taking into
25 consideration, among other things, the amount of federal and state funds available,
26 the most essential needs of recipients, and the meeting of such need on a basis
27 insuring the greatest amount of medical care as defined in KRS 205.510 consonant

1 with the funds available, including but not limited to the following categories,
2 except where the aid is for the purpose of obtaining an abortion:

- 3 (a) Hospital care, including drugs, and medical supplies and services during any
4 period of actual hospitalization;
- 5 (b) Nursing-home care, including medical supplies and services, and drugs during
6 confinement therein on prescription of a physician, dentist, or podiatrist;
- 7 (c) Drugs, nursing care, medical supplies, and services during the time when a
8 recipient is not in a hospital but is under treatment and on the prescription of a
9 physician, dentist, or podiatrist. For purposes of this paragraph, drugs shall
10 include products for the treatment of inborn errors of metabolism or genetic,
11 gastrointestinal, and food allergic conditions, consisting of therapeutic food,
12 formulas, supplements, amino acid-based elemental formula, or low-protein
13 modified food products that are medically indicated for therapeutic treatment
14 and are administered under the direction of a physician, and include but are
15 not limited to the following conditions:

- 16 1. Phenylketonuria;
- 17 2. Hyperphenylalaninemia;
- 18 3. Tyrosinemia (types I, II, and III);
- 19 4. Maple syrup urine disease;
- 20 5. A-ketoacid dehydrogenase deficiency;
- 21 6. Isovaleryl-CoA dehydrogenase deficiency;
- 22 7. 3-methylcrotonyl-CoA carboxylase deficiency;
- 23 8. 3-methylglutaconyl-CoA hydratase deficiency;
- 24 9. 3-hydroxy-3-methylglutaryl-CoA lyase deficiency (HMG-CoA lyase
25 deficiency);
- 26 10. B-ketothiolase deficiency;
- 27 11. Homocystinuria;

- 1 12. Glutaric aciduria (types I and II);
- 2 13. Lysinuric protein intolerance;
- 3 14. Non-ketotic hyperglycinemia;
- 4 15. Propionic acidemia;
- 5 16. Gyrate atrophy;
- 6 17. Hyperornithinemia/hyperammonemia/homocitrullinuria syndrome;
- 7 18. Carbamoyl phosphate synthetase deficiency;
- 8 19. Ornithine carbamoyl transferase deficiency;
- 9 20. Citrullinemia;
- 10 21. Arginosuccinic aciduria;
- 11 22. Methylmalonic acidemia;
- 12 23. Argininemia;
- 13 24. Food protein allergies;
- 14 25. Food protein-induced enterocolitis syndrome;
- 15 26. Eosinophilic disorders; and
- 16 27. Short bowel syndrome;
- 17 (d) Physician, podiatric, and dental services;
- 18 (e) Optometric services for all age groups shall be limited to prescription services,
- 19 services to frames and lenses, and diagnostic services provided by an
- 20 optometrist, to the extent the optometrist is licensed to perform the services
- 21 and to the extent the services are covered in the ophthalmologist portion of the
- 22 physician's program. Eyeglasses shall be provided only to children under age
- 23 twenty-one (21);
- 24 (f) Drugs on the prescription of a physician used to prevent the rejection of
- 25 transplanted organs if the patient is indigent;
- 26 (g) Nonprofit neighborhood health organizations or clinics where some or all of
- 27 the medical services are provided by licensed registered nurses or by advanced

1 medical students presently enrolled in a medical school accredited by the
 2 Association of American Medical Colleges and where the students or licensed
 3 registered nurses are under the direct supervision of a licensed physician who
 4 rotates his services in this supervisory capacity between two (2) or more of the
 5 nonprofit neighborhood health organizations or clinics specified in this
 6 paragraph;

7 (h) Services provided by health-care delivery networks as defined in KRS
 8 216.900; *and*

9 (i) Services provided by midlevel health-care practitioners as defined in KRS
 10 216.900; ~~and~~

11 ~~(j) Smoking cessation treatment interventions or programs prescribed by a~~
 12 ~~physician, advanced practice registered nurse, physician assistant, or dentist,~~
 13 ~~including but not limited to counseling, telephone counseling through a~~
 14 ~~quitline, recommendations to the recipient that smoking should be~~
 15 ~~discontinued, and prescription and over the counter medications and nicotine~~
 16 ~~replacement therapy approved by the United States Food and Drug~~
 17 ~~Administration for smoking cessation].~~

18 (2) Payments for hospital care, nursing-home care, and drugs or other medical,
 19 ophthalmic, podiatric, and dental supplies shall be on bases which relate the amount
 20 of the payment to the cost of providing the services or supplies. It shall be one (1) of
 21 the functions of the council to make recommendations to the Cabinet for Health and
 22 Family Services with respect to the bases for payment. In determining the rates of
 23 reimbursement for long-term-care facilities participating in the Medical Assistance
 24 Program, the Cabinet for Health and Family Services shall, to the extent permitted
 25 by federal law, not allow the following items to be considered as a cost to the
 26 facility for purposes of reimbursement:

27 (a) Motor vehicles that are not owned by the facility, including motor vehicles

1 that are registered or owned by the facility but used primarily by the owner or
2 family members thereof;

3 (b) The cost of motor vehicles, including vans or trucks, used for facility business
4 shall be allowed up to fifteen thousand dollars (\$15,000) per facility, adjusted
5 annually for inflation according to the increase in the consumer price index-u
6 for the most recent twelve (12) month period, as determined by the United
7 States Department of Labor. Medically equipped motor vehicles, vans, or
8 trucks shall be exempt from the fifteen thousand dollar (\$15,000) limitation.
9 Costs exceeding this limit shall not be reimbursable and shall be borne by the
10 facility. Costs for additional motor vehicles, not to exceed a total of three (3)
11 per facility, may be approved by the Cabinet for Health and Family Services if
12 the facility demonstrates that each additional vehicle is necessary for the
13 operation of the facility as required by regulations of the cabinet;

14 (c) Salaries paid to immediate family members of the owner or administrator, or
15 both, of a facility, to the extent that services are not actually performed and are
16 not a necessary function as required by regulation of the cabinet for the
17 operation of the facility. The facility shall keep a record of all work actually
18 performed by family members;

19 (d) The cost of contracts, loans, or other payments made by the facility to owners,
20 administrators, or both, unless the payments are for services which would
21 otherwise be necessary to the operation of the facility and the services are
22 required by regulations of the Cabinet for Health and Family Services. Any
23 other payments shall be deemed part of the owner's compensation in
24 accordance with maximum limits established by regulations of the Cabinet for
25 Health and Family Services. Interest paid to the facility for loans made to a
26 third party may be used to offset allowable interest claimed by the facility;

27 (e) Private club memberships for owners or administrators, travel expenses for

1 trips outside the state for owners or administrators, and other indirect
2 payments made to the owner, unless the payments are deemed part of the
3 owner's compensation in accordance with maximum limits established by
4 regulations of the Cabinet for Health and Family Services; and

5 (f) Payments made to related organizations supplying the facility with goods or
6 services shall be limited to the actual cost of the goods or services to the
7 related organization, unless it can be demonstrated that no relationship
8 between the facility and the supplier exists. A relationship shall be considered
9 to exist when an individual, including brothers, sisters, father, mother, aunts,
10 uncles, and in-laws, possesses a total of five percent (5%) or more of
11 ownership equity in the facility and the supplying business. An exception to
12 the relationship shall exist if fifty-one percent (51%) or more of the supplier's
13 business activity of the type carried on with the facility is transacted with
14 persons and organizations other than the facility and its related organizations.

15 (3) No vendor payment shall be made unless the class and type of medical care
16 rendered and the cost basis therefor has first been designated by regulation.

17 (4) The rules and regulations of the Cabinet for Health and Family Services shall
18 require that a written statement, including the required opinion of a physician, shall
19 accompany any claim for reimbursement for induced premature births. This
20 statement shall indicate the procedures used in providing the medical services.

21 (5) The range of medical care benefit standards provided and the quality and quantity
22 standards and the methods for determining cost formulae for vendor payments
23 within each category of public assistance and other recipients shall be uniform for
24 the entire state, and shall be designated by regulation promulgated within the
25 limitations established by the Social Security Act and federal regulations. It shall
26 not be necessary that the amount of payments for units of services be uniform for
27 the entire state but amounts may vary from county to county and from city to city, as

1 well as among hospitals, based on the prevailing cost of medical care in each locale
2 and other local economic and geographic conditions, except that insofar as allowed
3 by applicable federal law and regulation, the maximum amounts reimbursable for
4 similar services rendered by physicians within the same specialty of medical
5 practice shall not vary according to the physician's place of residence or place of
6 practice, as long as the place of practice is within the boundaries of the state.

7 (6) Nothing in this section shall be deemed to deprive a woman of all appropriate
8 medical care necessary to prevent her physical death.

9 (7) To the extent permitted by federal law, no medical assistance recipient shall be
10 recertified as qualifying for a level of long-term care below the recipient's current
11 level, unless the recertification includes a physical examination conducted by a
12 physician licensed pursuant to KRS Chapter 311 or by an advanced practice
13 registered nurse licensed pursuant to KRS Chapter 314 and acting under the
14 physician's supervision.

15 (8) If payments made to community mental health centers, established pursuant to KRS
16 Chapter 210, for services provided to the intellectually disabled exceed the actual
17 cost of providing the service, the balance of the payments shall be used solely for
18 the provision of other services to the intellectually disabled through community
19 mental health centers.

20 (9) No long-term-care facility, as defined in KRS 216.510, providing inpatient care to
21 recipients of medical assistance under Title XIX of the Social Security Act on July
22 15, 1986, shall deny admission of a person to a bed certified for reimbursement
23 under the provisions of the Medical Assistance Program solely on the basis of the
24 person's paying status as a Medicaid recipient. No person shall be removed or
25 discharged from any facility solely because they became eligible for participation in
26 the Medical Assistance Program, unless the facility can demonstrate the resident or
27 the resident's responsible party was fully notified in writing that the resident was

1 being admitted to a bed not certified for Medicaid reimbursement. No facility may
2 decertify a bed occupied by a Medicaid recipient or may decertify a bed that is
3 occupied by a resident who has made application for medical assistance.

4 (10) Family-practice physicians practicing in geographic areas with no more than one (1)
5 primary-care physician per five thousand (5,000) population, as reported by the
6 United States Department of Health and Human Services, shall be reimbursed one
7 hundred twenty-five percent (125%) of the standard reimbursement rate for
8 physician services.

9 (11) The Cabinet for Health and Family Services shall make payments under the Medical
10 Assistance program for services which are within the lawful scope of practice of a
11 chiropractor licensed pursuant to KRS Chapter 312, to the extent the Medical
12 Assistance Program pays for the same services provided by a physician.

13 (12) (a) The Medical Assistance Program shall use the appropriate form and
14 guidelines for enrolling those providers applying for participation in the
15 Medical Assistance Program, including those licensed and regulated under
16 KRS Chapters 311, 312, 314, 315, and 320, any facility required to be
17 licensed pursuant to KRS Chapter 216B, and any other health care practitioner
18 or facility as determined by the Department for Medicaid Services through an
19 administrative regulation promulgated under KRS Chapter 13A. A Medicaid
20 managed care organization shall use the forms and guidelines established
21 under KRS 304.17A-545(5) to credential a provider. For any provider who
22 contracts with and is credentialed by a Medicaid managed care organization
23 prior to enrollment, the cabinet shall complete the enrollment process and
24 deny, or approve and issue a Provider Identification Number (PID) within
25 fifteen (15) business days from the time all necessary completed enrollment
26 forms have been submitted and all outstanding accounts receivable have been
27 satisfied.

- 1 (b) Within forty-five (45) days of receiving a correct and complete provider
2 application, the Department for Medicaid Services shall complete the
3 enrollment process by either denying or approving and issuing a Provider
4 Identification Number (PID) for a behavioral health provider who provides
5 substance use disorder services, unless the department notifies the provider
6 that additional time is needed to render a decision for resolution of an issue or
7 dispute.
- 8 (c) Within forty-five (45) days of receipt of a correct and complete application for
9 credentialing by a behavioral health provider providing substance use disorder
10 services, a Medicaid managed care organization shall complete its contracting
11 and credentialing process, unless the Medicaid managed care organization
12 notifies the provider that additional time is needed to render a decision. If
13 additional time is needed, the Medicaid managed care organization shall not
14 take any longer than ninety (90) days from receipt of the credentialing
15 application to deny or approve and contract with the provider.
- 16 (d) A Medicaid managed care organization shall adjudicate any clean claims
17 submitted for a substance use disorder service from an enrolled and
18 credentialed behavioral health provider who provides substance use disorder
19 services in accordance with KRS 304.17A-700 to 304.17A-730.
- 20 (e) The Department of Insurance may impose a civil penalty of one hundred
21 dollars (\$100) per violation when a Medicaid managed care organization fails
22 to comply with this section. Each day that a Medicaid managed care
23 organization fails to pay a claim may count as a separate violation.
- 24 (13) Dentists licensed under KRS Chapter 313 shall be excluded from the requirements
25 of subsection (12) of this section. The Department for Medicaid Services shall
26 develop a specific form and establish guidelines for assessing the credentials of
27 dentists applying for participation in the Medical Assistance Program.

1 ➔Section 5. KRS 205.561 is amended to read as follows:

2 (1) The cabinet shall submit a report to the Governor and the Legislative Research
3 Commission on the dispensing of prescription medications to persons eligible under
4 KRS 205.560 upon request~~[, on or before October 31, 2003, and every third year~~
5 ~~thereafter]~~. The report shall also include current data on the most utilized and
6 abused drugs in the Kentucky Medicaid program, a determination of factors causing
7 high drug costs and drug usage rates of Medicaid recipients, and the effectiveness of
8 the drug formulary and prior authorization process in managing drug costs. The
9 report shall be reviewed by the Drug Management Review Advisory Board created
10 under KRS 205.5636.

11 (2) A reasonable fee for dispensing prescription medications shall be determined by the
12 Department for Medicaid Services.

13 ➔Section 6. KRS 205.590 is amended to read as follows:

14 (1) The following technical advisory committees shall be established for the purpose of
15 acting in an advisory capacity to the council with respect to the administration of the
16 medical assistance program and in performing the function of peer review:

17 (a) A Technical Advisory Committee on Physician Services consisting of five (5)
18 physicians appointed by the council of the Kentucky State Medical
19 Association;

20 (b) A Technical Advisory Committee on Hospital Care consisting of five (5)
21 hospital administrators appointed by the board of trustees of the Kentucky
22 Hospital Association;

23 (c) A Technical Advisory Committee on Dental Care consisting of five (5)
24 dentists appointed by the Kentucky Dental Association;

25 (d) A Technical Advisory Committee on Nursing Service consisting of five (5)
26 nurses appointed by the board of directors of the Kentucky State Association
27 of Registered Nurses;

- 1 (e) A Technical Advisory Committee on Nursing Home Care consisting of six (6)
2 members of which five (5) members shall be appointed by the Kentucky
3 Association of Health Care Facilities, and one (1) member shall be appointed
4 by the Kentucky Association of Nonprofit Homes and Services for the Aging,
5 Inc.;
- 6 (f) A Technical Advisory Committee on Optometric Care consisting of five (5)
7 members appointed by the Kentucky Optometric Association;
- 8 (g) A Technical Advisory Committee on Podiatric Care consisting of five (5)
9 podiatrists appointed by the Kentucky Podiatry Association;
- 10 (h) A Technical Advisory Committee on Primary Care consisting of five (5)
11 primary care providers, two (2) of whom shall represent licensed health
12 maintenance organizations, appointed by the Governor, until such time as an
13 association of primary care providers is established, whereafter the association
14 shall appoint the members;
- 15 (i) A Technical Advisory Committee on Home Health Care consisting of five (5)
16 members appointed by the board of directors of the Kentucky Home Health
17 Association;
- 18 (j) A Technical Advisory Committee on Consumer Rights and Client Needs
19 consisting of five (5) members, with one (1) member to be appointed by each
20 of the following organizations: the Kentucky Combined Committee on Aging,
21 the Kentucky Legal Services Corporation, the Arc of Kentucky, the
22 Department of Public Advocacy, and the National Association of Social
23 Workers-Kentucky Chapter;
- 24 (k) A Technical Advisory Committee on Behavioral Health consisting of six (6)
25 members, with one (1) member to be appointed by each of the following
26 organizations: the Kentucky Mental Health Coalition, the Kentucky
27 Association of Regional Programs, the National Alliance on Mental Illness

- 1 (NAMI) Kentucky, a statewide mental health consumer organization, the
2 People Advocating Recovery (PAR), and the Kentucky Brain Injury Alliance;
- 3 (l) A Technical Advisory Committee on Children's Health consisting of ten (10)
4 members, with one (1) member to be appointed by each of the following
5 organizations: the Kentucky Chapter of the American Academy of Pediatrics,
6 the Kentucky PTA, the Kentucky Psychological Association, the Kentucky
7 School Nurses Association, the Kentucky Association for Early Childhood
8 Education, the Family Resource and Youth Services Coalition of Kentucky,
9 the Kentucky Youth Advocates, the Kentucky Association of Hospice and
10 Palliative Care, a parent of a child enrolled in Medicaid or the Kentucky
11 Children's Health Insurance Program appointed by the Kentucky Head Start
12 Association, and a pediatric dentist appointed by the Kentucky Dental
13 Association;
- 14 (m) A Technical Advisory Committee on Intellectual and Developmental
15 Disabilities consisting of nine (9) members, one (1) of whom shall be a
16 consumer who participates in a nonresidential community Medicaid waiver
17 program, one (1) of whom shall be a consumer who participates in a
18 residential community Medicaid waiver program, one (1) of whom shall be a
19 consumer representative of a family member who participates in a community
20 Medicaid waiver program, and one (1) of whom shall be a consumer
21 representative of a family member who resides in an ICF/ID facility that
22 accepts Medicaid payments, all of whom shall be appointed by the Governor;
23 one (1) member shall be appointed by the Arc of Kentucky; one (1) member
24 shall be appointed by the Commonwealth Council on Developmental
25 Disabilities; one (1) member shall be appointed by the Kentucky Association
26 of Homes and Services for the Aging; and two (2) members shall be appointed
27 by the Kentucky Association of Private Providers, one (1) of whom shall be a

1 nonprofit provider and one (1) of whom shall be a for-profit provider;

2 (n) A Technical Advisory Committee on Therapy Services consisting of six (6)
3 members, two (2) of whom shall be occupational therapists and shall be
4 appointed by the Kentucky Occupational Therapists Association, two (2) of
5 whom shall be physical therapists and shall be appointed by the Kentucky
6 Physical Therapy Association, and two (2) of whom shall be speech therapists
7 and shall be appointed by the Kentucky Speech-Language-Hearing
8 Association; and

9 (o) A Technical Advisory Committee on Pharmacy consisting of five (5)
10 pharmacists appointed by the Kentucky Pharmacists Association.

11 (2) The members of the technical advisory committees shall serve until their successors
12 are appointed and qualified.

13 (3) Each appointive member of a committee shall serve without compensation but shall
14 be entitled to reimbursement for actual and necessary expenses in carrying out his
15 duties with reimbursement for expenses being made in accordance with state
16 regulations relating to travel reimbursement.

17 ➔Section 7. KRS 205.690 is amended to read as follows:

18 The secretary shall submit a written report to the General Assembly ~~during each regular~~
19 ~~session thereof and shall~~ upon written request ~~submit a written report to~~ or appear in
20 person before any joint interim committee of the General Assembly within thirty (30)
21 days of ~~a~~ such request. ~~;~~ The following information related to the implementation of
22 KRS 205.2003 ***shall be provided:***

23 (1) The number of recipients placed in public and private work experience programs;

24 (2) The number of recipients placed in regular full-time employment; and

25 (3) The costs to the Commonwealth and participating local agencies or organizations of
26 the implementation of the work program required under KRS 205.2003.

27 ➔Section 8. KRS 205.712 is amended to read as follows:

- 1 (1) The Department for Income Support, Child Support Enforcement, is established in
2 the Cabinet for Health and Family Services.
- 3 (2) The duties of the Department for Income Support, Child Support Enforcement, or
4 its designee, shall include:
- 5 (a) Serve as state agency authorized to administer Part D of Title IV of the Social
6 Security Act, 42 U.S.C. secs. 651 to 669;
 - 7 (b) Serve as the information agency as provided in the Uniform Interstate Family
8 Support Act, KRS Chapter 407;
 - 9 (c) Serve as collector of all court-ordered or administratively ordered child
10 support payments pursuant to Part D of Title IV of the Social Security Act;
 - 11 (d) Serve as the agent for enforcement of international child support obligations,
12 and respond to requests from foreign reciprocating countries;
 - 13 (e) Establish and enforce an obligation upon receipt of a completed, notarized
14 voluntary acknowledgment-of-paternity form;
 - 15 (f) Enforce Kentucky child support laws, including collection of court-ordered or
16 administratively ordered child support arrearages and prosecution of persons
17 who fail to pay child support;
 - 18 (g) Publicize the availability of services and encourage the use of these services
19 for establishing paternity and child support;
 - 20 (h) Pay the cost of genetic testing to establish paternity, subject to recoupment
21 from the alleged father, when paternity is administratively or judicially
22 determined; and obtain additional testing when an original test is contested,
23 upon request and advance payment by the contestant;
 - 24 (i) Establish child support obligations and seek modification of judicially or
25 administratively established child support obligations in accordance with the
26 child support guidelines of the Commonwealth of Kentucky as provided under
27 KRS 403.212;

- 1 (j) Administratively establish child support orders which shall have the same
2 force and effect of law;
- 3 (k) Issue an administrative subpoena to secure public and private records of utility
4 and cable companies and asset and liability information from financial
5 institutions for the establishment, modification, or enforcement of a child
6 support obligation;
- 7 (l) Impose a penalty for failure to comply with an administrative subpoena;
- 8 (m) Provide notices, copies of proceedings, and determinations of support
9 amounts to any parties or individuals who are applying for or receiving Title
10 IV-D services, or who are parties to cases in which Title IV-D services are
11 being provided; **and**
- 12 (n) Issue interstate administrative subpoenas to any individual or entity for
13 financial or other information or documents which are needed to establish,
14 modify, or enforce a child support obligation pursuant to Part D of Title IV of
15 the Social Security Act, 42 U.S.C. secs. 651 et seq. An administrative
16 subpoena lawfully issued in another state to an individual or entity residing in
17 this state shall be honored and enforced in the Circuit Court where the
18 individual or entity resides. ~~[-and]~~
- 19 ~~(3)~~~~(e)~~ **The Department for Income Support, Child Support Enforcement, or its**
20 **designee** may promulgate administrative regulations to implement this section and
21 adopt forms or implement other requirements of federal law relating to interstate
22 administrative subpoenas, **and may amend forms by technical amendment that are**
23 **mandated by the federal Office of Child Support Enforcement and incorporated**
24 **by reference in administrative regulation.**
- 25 ~~(4)~~~~(3)~~ Effective September 30, 1999, the cabinet shall establish a system to receive
26 and process all child support payments. The system shall include existing computer
27 systems to record the payments. The automated system shall include a state case

1 registry that contains records with respect to each case in which services are being
2 provided by the cabinet and each child support order established or modified in the
3 state on or after October 1, 1998.

4 ~~(5)~~~~(4)~~ The cabinet shall establish and operate a state disbursement unit for the
5 collection, disbursement, and recording of payments under support orders for all
6 Title IV-D cases and for all cases initially issued in the state on or after January 1,
7 1994, in which a wage withholding has been court-ordered or administratively
8 ordered, pursuant to Part D of Title IV of the Social Security Act. Establishment of
9 the state unit may include the designation and continuation of existing local
10 collection units to aid efficient and effective collection, disbursement, and recording
11 of child support payments.

12 ~~(6)~~~~(5)~~ After the establishment of the disbursement unit child support collection
13 system, the cabinet or its designee shall serve as collector of all court-ordered or
14 administratively ordered child support payments pursuant to Part D of Title IV of
15 the Social Security Act.

16 ~~(7)~~~~(6)~~ Where establishment of paternity and enforcement and collection of child
17 support is by law the responsibility of local officials, the cabinet shall refer cases to
18 the appropriate official for such action. The cabinet may enter into cooperative
19 arrangements with appropriate courts and law enforcement officials to assist the
20 cabinet in administering the program of child support recovery, including the
21 entering into of financial arrangements with such courts and officials as provided
22 for under the provisions of federal law and regulations. The local county attorney
23 shall be considered the designee of the cabinet for purposes of administering the
24 program of child support recovery within a county, subject to the option of the
25 county attorney to decline such designation. Nothing in this section shall prevent the
26 secretary from taking such action, with prior written notice, as appropriate if the
27 terms and conditions of the cooperative agreement are not met. When a cooperative

1 agreement with a contracting official is canceled for good cause, the cabinet may
2 not offer that cooperative agreement to that official during the official's tenure.

3 ~~(8)~~⁽⁷⁾ Where the local county attorney, friend of the court, domestic relations agent,
4 or other designee of the cabinet has been contracted for the purpose of
5 administering child support enforcement pursuant to Title IV-D of the Social
6 Security Act, the contracting official shall be deemed to be representing the cabinet
7 and as such does not have an attorney-client relationship with the applicant who has
8 requested services pursuant to Title IV-D of the Social Security Act nor with any
9 dependent on behalf of the individuals for whom services are sought.

10 ~~(9)~~⁽⁸⁾ The cabinet shall determine the name of each obligor who owes an arrearage
11 of at least two thousand five hundred dollars (\$2,500). After notification to the
12 obligor owing an arrearage amount of two thousand five hundred dollars (\$2,500),
13 the cabinet shall transmit to the United States secretary of health and human
14 services the certified names of the individuals and supporting documentation for the
15 denial, revocation, or limitation of the obligor's passport. The cabinet shall notify
16 the identified obligor of the determination and the consequences and provide an
17 opportunity to contest the determination.

18 ~~(10)~~⁽⁹⁾ The cabinet shall determine the name of an obligor owing an arrearage and
19 shall indefinitely deny, suspend, or revoke a license or certification that has been
20 issued if the person has a child support arrearage that equals or exceeds the amount
21 that would be owed after six (6) months of nonpayment or fails, after receiving
22 appropriate notice, to comply with subpoenas or warrants relating to paternity or
23 child support proceedings as provided by 42 U.S.C. sec. 666(a)(16).

24 ~~(11)~~⁽¹⁰⁾ The cabinet shall forward the name of the individual to a board of licensure or
25 board of certification for the notification of the denial, revocation, or suspension of
26 a driver's license, professional license or certification, occupational license or
27 certification, recreational license, or sporting license.

1 ~~(12)~~~~(11)~~ The denial or suspension shall remain in effect until the child support
2 arrearage has been eliminated or payments on the child support arrearage are being
3 made in accordance with a court or administrative order, the person complies with
4 the subpoena or warrant relating to paternity or child support proceedings, or the
5 appeal of the denial or suspension is upheld and the license is reinstated.

6 ~~(13)~~~~(12)~~ Except for cases administered by the cabinet under 42 U.S.C. secs. 651 et seq.
7 which shall be afforded the appeal process set forth by KRS 405.450(3), an
8 individual who has a license or certification denied, revoked, or suspended shall
9 have the right to appeal to the licensing or certifying board.

10 ~~(14)~~~~(13)~~ A dispute hearing shall be conducted by the cabinet in accordance with KRS
11 405.450. The only basis for a dispute hearing shall be a mistake in fact.

12 ~~(15)~~~~(14)~~ The cabinet shall in its discretion enter into agreements with financial
13 institutions doing business in the Commonwealth to develop and operate, in
14 coordination with the financial institutions, a data match system as required by KRS
15 205.772 to 205.778.

16 ~~(16)~~~~(15)~~ The cabinet may issue both intrastate and interstate administrative subpoenas
17 to any individual or entity for financial or other information or documents that are
18 needed to establish, modify, or enforce a child support obligation pursuant to Title
19 IV-D of the Social Security Act, 42 U.S.C. secs. 651 et seq. An administrative
20 subpoena lawfully issued in another state to an individual or entity in this state shall
21 be honored and enforced in the Circuit Court of the county in which the individual
22 or entity resides.

23 ~~(17)~~~~(16)~~ The Cabinet for Health and Family Services shall forward to the Office of the
24 Attorney General a list of names of delinquent obligors and, in cooperation with the
25 Office of the Attorney General, shall promulgate administrative regulations in
26 accordance with KRS Chapter 13A to implement KRS 15.055.

27 ~~(18)~~~~(17)~~ The cabinet shall compare a quarterly report provided by the Finance and

1 Administration Cabinet of all tort claims made against the state by individuals with
 2 the child support database to match individuals who have a child support arrearage
 3 and may receive a settlement from the state.

4 ~~(19)~~~~(18)~~ The cabinet shall prepare and distribute to the cabinet's designee for the
 5 administration of the child support program information on child support
 6 collections and enforcement. The information shall include a description of how
 7 child support obligations are:

- 8 (a) Established;
- 9 (b) Modified;
- 10 (c) Enforced;
- 11 (d) Collected; and
- 12 (e) Distributed.

13 ~~(20)~~~~(19)~~ The cabinet's designee for the administration of the child support program
 14 shall distribute, when appropriate, the following:

- 15 (a) Information on child support collections and enforcement; and
- 16 (b) Job listings posted by employment services.

17 ➔Section 9. KRS 216.577 is amended to read as follows:

18 Upon a finding that conditions in a long-term care facility constitute a Type A violation,
 19 and the licensee fails to correct the violation within the time specified for correction by
 20 the cabinet, the secretary shall take at least one (1) of the following actions with respect to
 21 the facility in addition to the issuance of a citation, or the assessment of a civil penalty
 22 therefor:

- 23 (1) Institute proceedings to obtain an order compelling compliance with the regulations,
 24 standards, or requirements as set forth by the *Cabinet for Health and Family*
 25 *Services*~~[Kentucky Health Facilities and Health Services Certificate of Need and~~
 26 ~~License Board]~~, the provisions of KRS 216.510 to 216.525, or applicable federal
 27 laws and regulations governing the certification of a long-term care facility under

- 1 Title 18 or 19 of the Social Security Act;
- 2 (2) Institute injunctive proceedings in Circuit Court to terminate the operation of the
- 3 facility; or
- 4 (3) Selectively transfer residents whose care needs are not being adequately met by the
- 5 long-term care facility.

6 ➔Section 10. KRS 216.935 is amended to read as follows:

7 As used in KRS 216.935 to 216.939, unless the context requires otherwise:

- 8 (1) "Home health aide" means an individual who is hired to perform home health aide
- 9 services.
- 10 (2) "Home health agency" means a public agency or private organization, or a
- 11 subdivision of such an agency or organization which is licensed as a home health
- 12 agency by the Cabinet for Health and Family Services~~[Kentucky Health Facilities~~
- 13 ~~and Health Services Certificate of Need and Licensure Board]~~ and is certified to
- 14 participate as a home health agency under Title XVIII of the Social Security Act.
- 15 (3) "Home health aide services" means those services provided by a home health aide
- 16 and supervised by a registered nurse which are directed towards the personal care of
- 17 the patient. Such services shall include, but not be limited to, the following:
- 18 (a) Helping the patient with bath and care of mouth, skin, and hair;
- 19 (b) Helping the patient to the bathroom or in using a bedpan;
- 20 (c) Helping the patient in and out of bed and assisting with ambulation;
- 21 (d) Helping the patient with prescribed exercises which the patient and home
- 22 health aide have been taught by appropriate professional personnel;
- 23 (e) Assisting with medication ordinarily self-administered that has been
- 24 specifically ordered by a physician or advanced practice registered nurse;
- 25 (f) Performing incidental household services as are essential to the patient's
- 26 health care at home, if these services would have been performed if the patient
- 27 was in a hospital or skilled nursing facility; and

1 (g) Reporting changes in the patient's condition or family situation to the
2 professional nurse supervisor.

3 (4) "Nurse aide" means an individual, including a nursing student, medication aide, and
4 a person employed through a nursing pool, who provides nursing or nursing related
5 services to a resident in a nursing facility or home health agency, excluding:

6 (a) An individual who is a licensed health professional;

7 (b) A volunteer who provides the nursing or nursing-related services without
8 monetary compensation; and

9 (c) A person who is hired by the resident or family to sit with the resident and
10 who does not perform nursing or nursing-related services.

11 ➔Section 11. KRS 205.713 is amended to read as follows:

12 All forms, child support orders, wage withholding orders, or orders amending an existing
13 child support order, entered in any case in Circuit Court, District Court, or family court
14 that require entry into the state case registry under KRS 205.712 ~~(4)~~~~(3)~~ shall be entered
15 on forms adopted by the Administrative Office of the Courts after consultation with the
16 Cabinet for Health and Family Services. If the provisions of a child support order are
17 contained in an order that is narrative in nature, the adopted forms shall be used in
18 addition to the narrative order.

19 ➔Section 12. KRS 205.802 is amended to read as follows:

20 All forms, child support orders, wage withholding orders, or orders amending an existing
21 child support order, entered in any case in Circuit, District, or Family Court that require
22 entry into the state case registry pursuant to KRS 205.712 ~~(4)~~~~(3)~~ shall be entered on
23 forms adopted by the Administrative Office of the Courts in coordination with the
24 Cabinet for Health and Family Services. If the provisions of a child support order are
25 contained in an order that is narrative in nature, the adopted forms shall be used in
26 addition to the narrative order.

27 ➔Section 13. KRS 211.670 is amended to read as follows:

- 1 (1) All lists and medical records maintained by hospitals and medical laboratories
2 pursuant to KRS 211.660 shall be confidential. All information collected and
3 analyzed pursuant to KRS 211.660 ~~and 211.665 shall~~ be held confidential as to the
4 identity of the individual patient. Staff of the cabinet, the department, or its designee
5 may use the information to notify parents of available medical care and other
6 services available for the child and family. Further disclosure shall be made only
7 pursuant to the written consent of the child's parent or legal guardian.
- 8 (2) Access to information assembled by the Kentucky birth surveillance registry shall
9 be limited to the cabinet, the department, or its designee and to qualified persons or
10 organizations engaged in demographic, epidemiological or other similar studies
11 related to health and health care provision. A written agreement to maintain
12 confidentiality shall be required if access is approved for persons other than
13 representatives of the cabinet.
- 14 (3) The department shall maintain a record of all persons given access to the
15 information in the Kentucky birth surveillance registry. The record shall include: the
16 name of the person authorizing access; name, title, and organizational affiliation of
17 person given access; dates of access; and the specific purpose for which information
18 is to be used. This record of access shall be open to public inspection during normal
19 operating hours of the department.
- 20 (4) Information assembled by the Kentucky birth surveillance registry may be disclosed
21 in summary, statistical, or other form which does not identify particular individuals
22 or individual sources of information.
- 23 (5) Any person who, in violation of a written agreement to maintain confidentiality,
24 discloses any information provided under KRS 211.660 ~~and 211.665~~ may be
25 denied further access to confidential information maintained by the department.
- 26 ➔Section 14. KRS 405.411 is amended to read as follows:
- 27 (1) The Cabinet for Health and Family Services' designee under KRS 205.712 ~~(Z)~~~~(6)~~

1 for the administration of child support may compile a list of the names of persons
2 under its jurisdiction who have a child support arrearage that equals or exceeds six
3 (6) months without payment, or fail, after receiving appropriate notice, to comply
4 with subpoenas or warrants relating to paternity or child support proceedings as
5 provided by 42 U.S.C. sec. 666(a)(16). The cabinet may furnish this list to the
6 newspaper of general circulation in that county for publication.

7 (2) The Department for Income Support, Child Support Enforcement, in the Cabinet for
8 Health and Family Services shall determine uniform standards for publication. The
9 cabinet is authorized to promulgate the necessary administrative regulations under
10 KRS Chapter 13A to implement the provisions of this section.

11 (3) For purposes of this section, "newspaper of general circulation" means a publication
12 bearing a title or name, regularly issued at least as frequently as once a week for a
13 definite price, having a second-class mailing privilege, being not less than four (4)
14 pages, published continuously during the immediately preceding one (1) year
15 period, which is published for the dissemination of news of general interest, and is
16 circulated generally in the political subdivision in which it is published and in
17 which notice is to be given. In any county where a publication fully complying with
18 this definition does not exist, the Cabinet for Health and Family Services may
19 publish this list in the publication utilized by the Circuit Court Clerk of the county
20 for publication of other legal notices in the county. A newspaper that is not engaged
21 in the distribution of news of general interest to the public, but that is primarily
22 engaged in the distribution of news of interest to a particular group of citizens, is
23 not a newspaper of general circulation.

24 ➔Section 15. The following KRS sections are repealed:

25 194A.090 Citizen advisory bodies -- Public Health Services Advisory Council --
26 Institute for Aging.

27 209.400 Legislative intent.

- 1 209.410 Definitions.
- 2 209.420 Senior and Physically Disabled Adult Discount Program for retail goods and
3 services.
- 4 211.665 Advisory committee -- Duties.
- 5 211.674 Perinatal Advisory Committee -- Membership -- Meetings -- Report.
- 6 213.143 Commemorative copy of birth or marriage certificate -- Fee.
- 7 218A.150 License required to manufacture controlled substances.
- 8 218A.160 Criteria for issuance of license -- Appeal.