

1 AN ACT relating to Medicaid managed care.

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

3 ➔SECTION 1. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO
4 READ AS FOLLOWS:

5 *(1) The Department for Medicaid Services shall administer the state's Medicaid*
6 *program under a fee-for-service model, Medicaid managed care model, or other*
7 *Medicaid delivery system model as permitted under federal law.*

8 *(2) If at any time on or after January 1, 2026, the Department for Medicaid Services*
9 *chooses to utilize a Medicaid managed care model for the administration of any*
10 *part of the state's Medicaid program, the Department for Medicaid Services shall*
11 *not award a contract for the delivery of Medicaid services to more than three (3)*
12 *Medicaid managed care organizations or other entities seeking to provide*
13 *Medicaid benefits under this chapter.*

14 *(3) Nothing in this section prohibits the administration of the Medicaid program*
15 *under more than one (1) delivery system model.*

16 ➔Section 2. Notwithstanding any provision of law to the contrary, the Cabinet for
17 Health and Family Services, Department for Medicaid Services shall procure new
18 Medicaid managed care contracts in accordance with KRS Chapter 45A and Section 1 of
19 this Act. Contracts procured under this section shall have an effective date no later than
20 January 1, 2027.