

**COMMONWEALTH OF KENTUCKY FISCAL NOTE STATEMENT
LEGISLATIVE RESEARCH COMMISSION
2025 REGULAR SESSION**

MEASURE

2025 BR NUMBER 995

SENATE BILL NUMBER 13/SCS 1

TITLE AN ACT relating to Medicaid managed care.

SPONSOR Senator Stephen Meredith

FISCAL SUMMARY

STATE FISCAL IMPACT: YES NO UNCERTAIN

OTHER FISCAL STATEMENT(S) THAT MAY APPLY: ACTUARIAL ANALYSIS
 LOCAL MANDATE CORRECTIONS IMPACT HEALTH BENEFIT MANDATE

APPROPRIATION UNIT(S) IMPACTED: Medicaid Services

FUND(S) IMPACTED: GENERAL ROAD FEDERAL RESTRICTED _____

FISCAL ESTIMATES	2024-2025	2025-2026	ANNUAL IMPACT AT FULL IMPLEMENTATION
REVENUES			
EXPENDITURES			Indeterminable
NET EFFECT			(Indeterminable)

() indicates a decrease/negative

PURPOSE OF MEASURE: The purpose of the measure is to limit the number of Medicaid managed care (MCO) contracts to no more than three effective January 1, 2027.

FISCAL EXPLANATION: The Cabinet for Health and Family Services (CHFS, Cabinet) estimates that the Department for Medicaid Services (DMS) would incur procurement related costs of \$2.8 million total, with \$1.4 million in General Fund and \$1.4 million in Federal Funds. However, the Cabinet did not specify how the estimate was derived. Given the lack of data, the fiscal effect is indeterminable.

DATA SOURCE(S): Cabinet for Health and Family Services

PREPARER: Miriam Fordham **NOTE NUMBER:** 60 **REVIEW:** JMR **DATE:** 2/17/2025