

**July 5<sup>th</sup>, 2018**

*\*Note: This template is being finalized for review and approval by OMB. It is structured for easy and consistent use by states and will facilitate cross state assessment and the identification of trends, challenges and best practices to support learning collaboration and policy / operations enhancements as may be needed. Until such time, its use is optional, although it conveys the nature and extent of monitoring information that CMS is seeking on SUD demonstrations, and the state's comments on its structure and ease of use are helpful in finalizing it. The SUD STCs require the state's compliance with Federal Systems Updates. As federal systems continue to evolve and incorporate additional 1115 waiver reporting and analytics functions, the state is required to work with CMS to:*

- a. Revise the reporting templates and submission processes to accommodate timely compliance with the requirements of the new systems;*
- b. Ensure all 1115, T-MSIS, and other data elements that have been agreed to for reporting and analytics are provided by the state; and*
- c. Submit deliverables to the appropriate system as directed by CMS.*

*When this template is OMB approved, then the state will be required to use it.*

**1. Title Page for the State’s SUD Demonstration or SUD Components of Broader Demonstration**

*The state should complete this Transmittal Title Page at the beginning of a demonstration and submit as the title page of all SUD Monitoring Reports. The content of this transmittal table should stay consistent over time.*

<b>State</b>	<i>Kentucky</i>
<b>Demonstration Name</b>	<i>SUD Demonstration, Kentucky Helping to Engage and Achieve Long Term Health (KY HEALTH)</i>
<b>Approval Date</b>	<i>January 12, 2018.</i>
<b>Approval Period</b>	<i>January 12, 2018 – September 30, 2023</i>
<b>SUD (or if broader demonstration, then SUD Related) Demonstration Goals and Objectives</b>	<p><i>Effective upon CMS’ approval of the SUD Implementation Protocol, as described in STC 93, the demonstration benefit package for all Medicaid beneficiaries as authorized by this demonstration will include OUD/SUD residential treatment, crisis stabilization and withdrawal management services provided in IMDs, which are not otherwise matchable expenditures under section 1903 of the Act. Medicaid beneficiaries residing in IMDs under the terms of this demonstration will have coverage of all benefits that would otherwise be covered if the beneficiary were not residing in an IMD. Effective upon CMS’ approval of this demonstration, methadone treatment services will be a covered service under the state plan for Medicaid beneficiaries.</i></p> <p><i>The coverage of OUD/SUD residential treatment, crisis stabilization, withdrawal management and methadone treatment services will expand Kentucky’s current SUD benefit package available to all Medicaid beneficiaries. Note: room and board costs are not considered allowable costs for residential treatment service providers unless they qualify as inpatient facilities under section 1905(a) of the Act.</i></p> <p><i>A waiver of the NEMT assurance is granted for methadone treatment services to allow the state not to provide NEMT for methadone services to all Medicaid beneficiaries, except that NEMT for methadone services will be provided for children under age 21 who are subject to EPSDT, former foster care youth, and for pregnant women. (A waiver of the NEMT assurance for all other Medicaid covered services is granted for beneficiaries eligible through the new adult group, as defined in 42 CFR 435.119, except for beneficiaries in that group who are under age 21 and subject to EPSDT, pregnant, medically frail, survivors of domestic violence, or former foster care youth.)</i></p>

## 2. Executive Summary

*The executive summary should be reported in the fillable box below. This executive summary is intended for summary level information only. The recommended word count is 500 words or less.*

*The Kentucky HEALTH 1115 Waiver began the first quarter preparing for a Go Live date of April 1, 2019. The communications team executed an extensive program communications plan, including topic specific webinars such as Medically Frail or provider focused training. Significant improvements were made to the program website to facilitate improved navigation and streamline information sharing. The Kentucky HEALTH program hosted three monthly Stakeholder Forums in the first quarter of 2019. These sessions were held in various communities in the state to provide an in person opportunity for outreach and education. Go live training for all stakeholders, including frontline staff, providers, Application Assistants, and others were completed. MCO forums that engaged the Managed Care Organizations on policy, technology and communications were held.*

*An extensive system testing protocol was followed in anticipation of the initial go live date. This testing spanned all systems and users. Weekly status meetings were held to review the entirety of the program and provided an opportunity to examine and mitigate any identified risks or issues.*

*The project team developed contingency plans around possible court ruling scenarios after the second lawsuit was filed on January 15, 2019. These efforts encompassed every component of Kentucky HEALTH. This rollback was the most significant challenge we experienced in this reporting period, however, we had prepared an intricate network of stakeholders that allowed us to successfully distribute our messaging throughout the state. Our system teams were able to create a timeline for rolling back the system capabilities to align with a variety of ruling decisions.*

*On March 27, 2019, the U.S. District Court for the District of Columbia vacated the approval of the demonstration project component known as Kentucky HEALTH. The system Rollback plan was executed prior to the original go live date, with no impact to beneficiaries.*

*The SUD 1115 KY HEALTH component continued toward implementation as it was not included in the original adverse ruling. To that end, the waiver of NEMT for methadone treatment, as well as the expansion of the substance use disorder program moved forward. Early in the year forms were developed and providers were notified of the opportunity to self-attest to the residential level of care they perform. This included information on granting a temporary waiver of the IMD exclusion up to 96 bed. All forms were due back mid-March and on April 1, 2019, twenty-seven providers received the temporary waiver to expand bed coverage. Provider and MCO information sessions were conducted to prepare for these changes. The SUD team met regularly with IT to review timelines and ensure capabilities and needs were aligned. The initial draft State Plan Amendment was reviewed in late January in preparation of submission to CMS for approval on April 5th.*

**3. Narrative Information on Implementation, by Reporting Topic**

Prompts	Demonstration year (DY) and quarter first reported	Related metric (if any)	Summary
<b>1.2 Assessment of Need and Qualification for SUD Services</b>			
<b>1.2.1 Metric Trends</b>			
Discuss any relevant trends that the data shows related to assessment of need and qualification for SUD services. At a minimum, changes (+ or -) greater than two percent should be described.	<i>EXAMPLE DY 1, Qtr. 2</i>	<i>EXAMPLE 8: Medicaid beneficiaries with SUD diagnosis treated in an IMD</i>	<i>The number of beneficiaries with a SUD diagnoses treated in an IMD in the last quarter decreased by 5% due to the closure of one IMD in the state.</i>
<i>[Add rows as needed]</i>			
<input checked="" type="checkbox"/> The state has no metrics trends to report for this reporting topic.			
<b>1.2.2 Implementation Update</b>			
Compared to the demonstration design details outlined in the STCs and implementation plan, have there been any changes or does the state expect to make any changes to: A) the target population(s) of the demonstration? B) the clinical criteria (e.g., SUD diagnoses) that qualify a beneficiary for the demonstration?	<i>EXAMPLE DY 1, Q2</i>	<i>EXAMPLE N/A</i>	There are no planned changes to the target population or clinical criteria.
Are there any other anticipated program changes that may impact metrics related to assessment	<i>DY 1, Q2</i>	<i>EXAMPLE 6 and 7: Medicaid</i>	<i>no</i>

of need and qualification for SUD services? If so, please describe these changes.		<i>beneficiaries with SUD diagnosis (monthly)</i>	
<input type="checkbox"/> The state has no implementation update to report for this reporting topic.			
<b>2.2 Access to Critical Levels of Care for OUD and other SUDs (Milestone 1)</b>			
<b>2.2.1 Metric Trends</b>			
Discuss any relevant trends that the data shows related to assessment of need and qualification for SUD services. At a minimum, changes (+ or -) greater than two percent should be described.			N/A
<i>[Add rows as needed]</i>			
<input checked="" type="checkbox"/> The state has no metrics trends to report for this reporting topic.			
<b>2.2.2 Implementation Update</b>			
Compared to the demonstration design and operational details outlined the implementation plan, have there been any changes or does the state expect to make any changes to: a. Planned activities to improve access to SUD treatment services across the continuum of care for Medicaid beneficiaries (e.g. outpatient services, intensive outpatient services, medication assisted treatment, services in intensive residential and			

inpatient settings, medically supervised withdrawal management)? b. SUD benefit coverage under the Medicaid state plan or the Expenditure Authority, particularly for residential treatment, medically supervised withdrawal management, and medication assisted treatment services provided to individuals in IMDs?			
Are there any other anticipated program changes that may impact metrics related to access to critical levels of care for OUD and other SUDs? If so, please describe these changes.			
<i>[Add rows as needed]</i>			
<input checked="" type="checkbox"/> The state has no implementation updates to report for this reporting topic.			
<b>3.2 Use of Evidence-based, SUD-specific Patient Placement Criteria (Milestone 2)</b>			
<b>3.2.1 Metric Trends</b>			
Discuss any relevant trends that the data shows related to assessment of need and qualification for SUD services. Changes (+ or -) greater than two percent should be described.			
<i>[Add rows as needed]</i>			
<input checked="" type="checkbox"/> The state is reporting metrics related to Milestone 2, but has no metrics trends to report for this reporting topic.			

<input type="checkbox"/> The state is not reporting any metrics related to this reporting topic.			
<b>3.2.2 Implementation Update</b>			
<p>Compared to the demonstration design and operational details outlined the implementation plan, have there been any changes or does the state expect to make any changes to:</p> <ul style="list-style-type: none"> <li>a. Planned activities to improve providers’ use of evidence-based, SUD-specific placement criteria?</li> <li>b. Implementation of a utilization management approach to ensure:               <ul style="list-style-type: none"> <li>i. Beneficiaries have access to SUD services at the appropriate level of care?</li> <li>ii. Interventions are appropriate for the diagnosis and level of care?</li> <li>iii. Use of independent process for reviewing placement in residential treatment settings?</li> </ul> </li> </ul>			
<p>Are there any other anticipated program changes that may impact metrics related to the use of evidence-based, SUD-specific patient placement criteria (if the</p>			



state is reporting such metrics)? If so, please describe these changes.			
<input checked="" type="checkbox"/> The state has no implementation updates to report for this reporting topic.			
<b>4.2 Use of Nationally Recognized SUD-specific Program Standards to Set Provider Qualifications for Residential Treatment Facilities (Milestone 3)</b>			
<b>4.2.1 Metric Trends</b>			
Discuss any relevant trends that the data shows related to assessment of need and qualification for SUD services. Changes (+ or -) greater than two percent should be described.			
<i>[Add rows as needed]</i>			
<input type="checkbox"/> The state is reporting metrics related to Milestone 3, but has no metrics trends to report for this reporting topic.			
<input checked="" type="checkbox"/> The state is not reporting any metrics related to this reporting topic.			
<b>4.2.2 Implementation Update</b>			
Compared to the demonstration design and operational details outlined the implementation plan, have there been any changes or does the state expect to make any changes to: a. Implementation of residential treatment provider qualifications that meet the ASAM Criteria or other nationally recognized, SUD-specific program standards? b. State review process for residential treatment providers' compliance with qualifications standards?			

c. Availability of medication assisted treatment at residential treatment facilities, either on-site or through facilitated access to services off site?			
Are there any other anticipated program changes that may impact metrics related to the use of nationally recognized SUD-specific program standards to set provider qualifications for residential treatment facilities (if the state is reporting such metrics)? If so, please describe these changes.			
<i>[Add rows as needed]</i>			
<input checked="" type="checkbox"/> The state has no implementation updates to report for this reporting topic.			
<b>5.2 Sufficient Provider Capacity at Critical Levels of Care including for Medication Assisted Treatment for OUD (Milestone 4)</b>			
<b>5.2.1 Metric Trends</b>			
Discuss any relevant trends that the data shows related to assessment of need and qualification for SUD services. At a minimum, changes (+ or -) greater than two percent should be described.			
<i>[Add rows as needed]</i>			
<input checked="" type="checkbox"/> The state has no metrics trends to report for this reporting topic.			
<b>5.2.2 Implementation Update</b>			

<p>Compared to the demonstration design and operational details outlined the implementation plan, have there been any changes or does the state expect to make any changes to planned activities to assess the availability of providers enrolled in Medicaid and accepting new patients in across the continuum of SUD care?</p>			
<p>Are there any other anticipated program changes that may impact metrics related to provider capacity at critical levels of care, including for medication assisted treatment (MAT) for OUD? If so, please describe these changes.</p>			
<p><i>[Add rows as needed]</i></p>			
<p><input checked="" type="checkbox"/> The state has no implementation updates to report for this reporting topic.</p>			
<p><b>6.2 Implementation of Comprehensive Treatment and Prevention Strategies to Address Opioid Abuse and OUD (Milestone 5)</b></p>			
<p><b>6.2.1 Metric Trends</b></p>			
<p>Discuss any relevant trends that the data shows related to assessment of need and qualification for SUD services. At a minimum, changes (+ or -) greater than two percent should be described.</p>			
<p><i>[Add rows as needed]</i></p>			
<p><input checked="" type="checkbox"/> The state has no metrics trends to report for this reporting topic.</p>			
<p><b>6.2.2 Implementation Update</b></p>			

<p>Compared to the demonstration design and operational details outlined the implementation plan, have there been any changes or does the state expect to make any changes to:</p> <ul style="list-style-type: none"> <li>a. Implementation of opioid prescribing guidelines and other interventions related to prevention of OUD?</li> <li>b. Expansion of coverage for and access to naloxone?</li> </ul>			
<p>Are there any other anticipated program changes that may impact metrics related to the implementation of comprehensive treatment and prevention strategies to address opioid abuse and OUD? If so, please describe these changes.</p>			
<p><i>[Add rows as needed]</i></p>			
<p><input checked="" type="checkbox"/> The state has no implementation updates to report for this reporting topic.</p>			
<p><b>7.2 Improved Care Coordination and Transitions between Levels of Care (Milestone 6)</b></p>			
<p><b>7.2.1 Metric Trends</b></p>			
<p>Discuss any relevant trends that the data shows related to assessment of need and qualification for SUD services. At a minimum, changes (+ or -) greater than two percent should be described.</p>			
<p><i>[Add rows as needed]</i></p>			

<input checked="" type="checkbox"/> The state has no metrics trends to report for this reporting topic.			
<b>7.2.2 Implementation Update</b>			
Compared to the demonstration design and operational details outlined the implementation plan, have there been any changes or does the state expect to make any changes to implementation of policies supporting beneficiaries’ transition from residential and inpatient facilities to community-based services and supports?			
Are there any other anticipated program changes that may impact metrics related to care coordination and transitions between levels of care? If so, please describe these changes.			
<i>[Add rows as needed]</i>			
<input checked="" type="checkbox"/> The state has no implementation updates to report for this reporting topic.			
<b>8.2 SUD Health Information Technology (Health IT)</b>			
<b>8.2.1 Metric Trends</b>			
Discuss any relevant trends that the data shows related to assessment of need and qualification for SUD services. Changes (+ or -) greater than two percent should be described.			
<i>[Add rows as needed]</i>			
<input checked="" type="checkbox"/> The state has no metrics trends to report for this reporting topic.			
<b>11.2.2 Implementation Update</b>			

<p>Compared to the demonstration design and operational details outlined in STCs and implementation plan, have there been any changes or does the state expect to make any changes to:</p> <ul style="list-style-type: none"> <li>a. How health IT is being used to slow down the rate of growth of individuals identified with SUD?</li> <li>b. How health IT is being used to treat effectively individuals identified with SUD?</li> <li>c. How health IT is being used to effectively monitor “recovery” supports and services for individuals identified with SUD?</li> <li>d. Other aspects of the state’s plan to develop the health IT infrastructure/capabilities at the state, delivery system, health plan/MCO, and individual provider levels?</li> <li>e. Other aspects of the state’s health IT implementation milestones?</li> <li>f. The timeline for achieving health IT implementation milestones?</li> </ul>			
---	--	--	--

g. Planned activities to increase use and functionality of the state’s prescription drug monitoring program?			
Are there any other anticipated program changes that may impact metrics related to SUD Health IT (if the state is reporting such metrics)? If so, please describe these changes.			
<i>[Add rows as needed]</i>			
☒ The state has no implementation updates to report for this reporting topic.			
<b>9.2 Other SUD-Related Metrics</b>			
<b>9.2.1 Metric Trends</b>			
Discuss any relevant trends that the data shows related to assessment of need and qualification for SUD services. At a minimum, changes (+ or -) greater than two percent should be described.			
<i>[Add rows as needed]</i>			
☒ The state has no metrics trends to report for this reporting topic.			
<b>9.2.2 Implementation Update</b>			
Are there any anticipated program changes that may impact the other SUD-related metrics? If so, please describe these changes.			
<i>[Add rows as needed]</i>			
☒ The state has no implementation updates to report for this reporting topic.			
<b>10.2 Budget Neutrality</b>			

<b>10.2.1 Current status and analysis</b>			
Discuss the current status of budget neutrality and provide an analysis of the budget neutrality to date. If the SUD component is part of a comprehensive demonstration, the state should provide an analysis of the SUD-related budget neutrality and an analysis of budget neutrality as a whole.			
<i>[Add rows as needed]</i>			
<input checked="" type="checkbox"/> The state has no metrics trends to report for this reporting topic.			
<b>10.2.2 Implementation Update</b>			
Are there any anticipated program changes that may impact budget neutrality? If so, please describe these changes.			
<i>[Add rows as needed]</i>			
<input checked="" type="checkbox"/> The state has no implementation updates to report for this reporting topic.			
<b>11.1 SUD-Related Demonstration Operations and Policy</b>			
<b>11.1.1 Considerations</b>			
Highlight significant SUD (or if broader demonstration, then SUD-related) demonstration operations or policy considerations that could positively or negatively impact beneficiary enrollment, access to services, timely provision of services, budget neutrality, or any			



<p>other provision that has potential for beneficiary impacts. Also note any activity that may accelerate or create delays or impediments in achieving the SUD demonstration’s approved goals or objectives, if not already reported elsewhere in this document. See report template instructions for more detail.</p>			
<i>[Add rows as needed]</i>			
<input checked="" type="checkbox"/> The state has no related considerations to report for this reporting topic.			
<b>11.1.2 Implementation Update</b>			
<p>Compared to the demonstration design and operational details outlined in STCs and the implementation plan, have there been any changes or does the state expect to make any changes to:</p> <ul style="list-style-type: none"> <li>a. How the delivery system operates under the demonstration (e.g. through the managed care system or fee for service)?</li> <li>b. Delivery models affecting demonstration participants (e.g. Accountable Care Organizations, Patient Centered Medical Homes)?</li> <li>c. Partners involved in service delivery?</li> </ul>			

Has the state experienced any significant challenges in partnering with entities contracted to help implement the demonstration (e.g., health plans, credentialing vendors, private sector providers)? Has the state noted any performance issues with contracted entities?			The state has five Managed Care Organizations. All MCOs were invited to and attended information sessions on requirements. System communications were tested with all MCOs and acknowledgement from each that they were successful in implementing changes.
What other initiatives is the state working on related to SUD or OUD? How do these initiatives relate to the SUD demonstration? How are they similar to or different from the SUD demonstration?			
<i>[Add rows as needed]</i>			
<input type="checkbox"/> The state has no implementation updates to report for this reporting topic.			
<b>12.1 SUD Demonstration Evaluation Update</b>			
<b>12.1.1 Narrative Information</b>			
Provide updates on SUD evaluation work and timeline. The appropriate content will depend on when this report is due to CMS and the timing for the demonstration. See report template instructions for more details.	<i>DY1, Q1</i>	<i>N/A</i>	<i>The state and the independent evaluator (University of Pennsylvania) consulted with various stakeholders and information partners, including the Kentucky Cabinet for Health and Family Services' Office of Health Data and Analytics and Department of Behavioral Health, Developmental and Intellectual Disabilities, as well as the University of Kentucky, to develop an SUD demonstration evaluation plan to meet the specifications detailed in CMS Technical Assistance for SUD demonstrations. This was conducted according to the timeline specified in the STCs, targeting the submission date of the first draft of the SUD plan for 90 days after demonstration approval (May 19, 2019).</i>
Provide status updates on deliverables related to the demonstration evaluation and indicate whether the expected	<i>DY1, Q1</i>	<i>SUD Evaluation Plan Draft #1</i>	<i>As requested, the state submitted the first draft of the SUD evaluation plan on May 17, 2019.</i>

timelines are being met and/or if there are any real or anticipated barriers in achieving the goals and timeframes agreed to in the STCs.		<i>due</i> <i>6/19/2019</i>	
List anticipated evaluation-related deliverables related to this demonstration and their due dates.	<i>DY1, Q1</i>	<i>SUD Evaluation Plan Draft #2</i> <i>due</i> <i>8/24/2019</i>	<i>The state received feedback from CMS on the first draft of the SUD evaluation plan on June 24, 2019, and was informed that the second draft of the evaluation plan is due in 60 days (8/24/2019).</i>
<i>[Add rows as needed]</i>			
<input type="checkbox"/> The state has no SUD demonstration evaluation update to report for this reporting topic..			
<b>13.1 Other Demonstration Reporting</b>			
<b>13.1.1 General Reporting Requirements</b>			
Have there been any changes in the state’s implementation of the demonstration that might necessitate a change to approved STCs, implementation plan, or monitoring protocol?			
Does the state foresee the need to make future changes to the STCs, implementation plan, or monitoring protocol, based on expected or upcoming implementation changes?			
Compared to the details outlined in the STCs and the monitoring protocol, has the state formally requested any changes or does the state expect to formally request any changes to:			

a. The schedule for completing and submitting monitoring reports? b. The content or completeness of submitted reports? Future reports?			
Has the state identified any real or anticipated issues submitting timely post-approval demonstration deliverables, including a plan for remediation?			
<i>[Add rows as needed]</i>			
<input checked="" type="checkbox"/> The state has no updates on general reporting requirements to report for this reporting topic.			
<b>13.1.2 Post Award Public Forum</b>			
If applicable within the timing of the demonstration, provide a summary of the annual post-award public forum held pursuant to 42 CFR § 431.420(c) indicating any resulting action items or issues. A summary of the post-award public forum must be included here for the period during which the forum was held and in the annual report.			
<i>[Add rows as needed]</i>			
<input type="checkbox"/> There was not a post-award public forum held during this reporting period and this is not an annual report, so the state has no post award public forum update to report for this reporting topic.			
<b>14.1 Notable State Achievements and/or Innovations</b>			
<b>14.1 Narrative Information</b>			

<p>Provide any relevant summary of achievements and/or innovations in demonstration enrollment, benefits, operations, and policies pursuant to the hypotheses of the SUD (or if broader demonstration, then SUD related) demonstration or that served to provide better care for individuals, better health for populations, and/or reduce per capita cost. Achievements should focus on significant impacts to beneficiary outcomes. Whenever possible, the summary should describe the achievement or innovation in quantifiable terms, e.g., number of impacted beneficiaries.</p>			<p>Providers were notified of the opportunity to identify their level of care and receive a waiver of the IMD exclusion to expand from 16 beds to 96. Twenty-seven providers were granted the temporary waiver to expand bed coverage as of 4/1/2019.</p> <p>Managed Care Organizations were provided information sessions and trained on processing claims with new claims codes within the expanded services.</p> <p>IT system teams were consulted and a plan was developed to implement new system requirements. These new processes were tested successfully with the MCOs.</p> <p>The initial draft State Plan Amendment was reviewed in late January in preparation of submission to CMS for approval on April 5<sup>th</sup>.</p> <p>Weekly status meetings were held to track implementation milestones, action items and decisions to ensure rigor within all actions and efforts.</p> <p>The SUD Evaluation and Monitoring Plan activities were tracked with the state Monitoring plan resubmitted to CMS the first week of January. UPENN met with the state in January to discuss updates on SUD monitoring and data collection. The Qualitative part of design was completed in March. The draft SUD Evaluation Plan was submitted to CMS in May.</p>
<p>Summary of the authorization of extension of coverage to former foster care youth who were the responsibility of another state</p>			<p>The state had not changed any practices pertaining to the extension of coverage to former foster care youth who were the responsibility of another state.</p>
<p>Summary of authorization to alignment of a beneficiary's annual redetermination with their employer sponsored insurance (ESI) open enrollment period, including any children enrolled in</p>			<p>The state has not changed any practices pertaining to the alignment of a beneficiary's annual redetermination with their employer sponsored insurance (OEP) Open Enrollment Period.</p>

Medicaid Section 1115 SUD Demonstration Monitoring Report – Part B  
Kentucky – SUD Demonstration, KY HEALTH  
DY2 – January 2019 – December 2019  
Q1 Y2 – January 2019 –March 2019  
Submitted on 06/28/2019

---

Medicaid or CHIP and covered by a parent or caretaker's ESI			
<input type="checkbox"/> The state has no notable achievements or innovations to report for this reporting topic.			