

State: Kentucky

Demonstration Name: Kentucky Health Care Partnership

Description & Status:

The Kentucky Health Care Partnership is a sub-state Demonstration that uses a single managed care plan model, including public and private providers, to deliver health care to beneficiaries living in the city of Louisville in Jefferson County and fifteen surrounding counties. Demonstration enrollees receive a comprehensive benefit package which includes all State plan benefits and certain additional benefits not available under the State plan.

Populations:

Most non-institutionalized Medicaid beneficiaries are required to enroll in the Demonstration.

Approval Date: December 9, 1993

Effective Date: November 1, 1997

Renewal Date: November 17, 2011

Expiration Date: December 31, 2012

Pending Actions: There are no pending actions for this Demonstration.

**KENTUCKY HEALTH CARE PARTNERSHIP
SECTION 1115 DEMONSTRATION
FACT SHEET**

Name of Section 1115 Demonstration:	Kentucky Health Care Partnership
Waiver Number:	11-W-0000-5/4
Date Proposal Submitted:	May 26, 1993
Date Proposal Approved:	December 9, 1993
Date Implemented:	November 1, 1997
Date Extension Proposal Submitted:	March 4, 2002
Date Extension Proposal Approved:	October 31, 2002
Date Extension Proposal Submitted:	June 28, 2005
Date Extension Proposal Approved:	October 25, 2005
Date Expires:	October 31, 2008
Date Extension Proposal Submitted:	April 30, 2008
Date Extension Proposal Approved:	October 30, 2008
Date Expires:	October 31, 2011
Date Extension Proposal Submitted:	October 29, 2010
Date Extension Proposal Approved:	November 17, 2011
Date Expires:	December 31, 2012

Summary

The Kentucky Health Care Partnership Demonstration was approved in 1993 but the State lacked the legislative authority to immediately implement the program. The Demonstration was subsequently implemented on November 1, 1997, and was to divide the Commonwealth into eight regional managed care networks with each region served by a single managed care entity. Statewide expansion was to be completed by June 30, 1999. However, the Commonwealth was never able to fully implement the Demonstration beyond its two most urban areas. On July 1, 2000, one of the two operating Partnerships terminated its contract with the Commonwealth leaving only one Partnership remaining in the Commonwealth's largest urban area. This Partnership, known as Passport Health Plan (PHP), is a private non-profit entity that manages the Medicaid delivery system for the city of Louisville in Jefferson County and the fifteen surrounding counties. This area comprises approximately 20 percent of the State's Medicaid population.

Partnership beneficiaries receive a comprehensive benefit package that corresponds to benefits and services available under the Medicaid State plan. Any willing provider may participate in the Partnership plan which enjoys widespread provider participation.

On October 31, 2002, the Demonstration was extended for a 3-year period. The Demonstration was extended for additional 3-year periods on October 25, 2005 and October 30, 2008.

On November 17, 2011, an extension was approved to allow the Demonstration to operate through December 31, 2012. Upon the December 31, 2012, expiration date of the Demonstration, the Commonwealth must continue the delivery of Medicaid services for beneficiaries previously covered under the Demonstration under a delivery model that ensures adequate choice for Medicaid beneficiaries.

Amendments

Amendment #4

Date Amendment Submitted: May 4, 2006
Date Amendment Approved: May 24, 2006

On May 4, 2006, the Commonwealth submitted an amendment to modify the Special Terms and Conditions to ensure premium and co-payment limits assessed under the Kentucky Health Care Partnership Demonstration correspond to the premium and co-payment limits as approved under the Medicaid State plan.

Amendment #3

Date Amendment Submitted: September 13, 2001
Date Amendment Approved: April 19, 2002

On September 13, 2001, the Commonwealth submitted an amendment requesting waivers of provisions of the Benefits Improvement and Protection Act (BIPA) of 2000, to continue to apply its current payment methodology, which did not conform to the current Prospective Payment System (PPS) for Federally Qualified Health Centers (FQHCs) and Rural Health Clinics (RHCs).

Amendment #2

Date Amendment Submitted: July 11, 2000
Date Amendment Approved: April 27, 2001

On July 11, 2000 the Commonwealth submitted an amendment in response to the change in the Demonstration’s design from a statewide to a sub-state model. With the change to a sub-state model, the Commonwealth desired to limit its risk for budget neutrality to a sub-state as opposed to statewide basis. This amendment was approved April 27, 2001.

Eligibility

Most non-institutionalized Medicaid beneficiaries, including the dual eligibles, are required to enroll in the Demonstration. Dual eligibles must enroll in the Partnership to receive their Medicaid-only benefits such as pharmacy and transportation. They do not have to choose a primary care provider within the partnership network and retain their Medicare freedom of choice.

Delivery System

The Partnership is a coalition of medical providers from both the public and private sectors. The public sector providers include the local health departments and Federally Qualified Health Centers. The Partnership functions as a provider-controlled managed care network and contracts with a private health maintenance organization (HMO) to provide the necessary administrative structure (i.e. enrollment, beneficiary education, claims processing, etc). Provider networks include hospitals, physicians, pharmacies, emergency transportation, and other providers to ensure the covered services are available within the Partnership. Any willing provider may participate in the Partnership.

Benefits

All Medicaid State plan services are provided under the Demonstration. The Partnership benefit package also includes wellness, preventive services, and disease management services not available under the traditional State plan. The partnership provides non-emergency transportation services for enrollees who require transport by stretcher only. A statewide transportation broker provides all other forms of non-emergency transportation.

Quality and Evaluation Plan

Kentucky must conduct an evaluation of the Demonstration that at a minimum will assess the effectiveness of achieving the goals and objectives of the Demonstration. The State must submit evaluation updates in each of the quarterly and annual Demonstration reports. The State contracts with an External Quality Review Organization to review and monitor compliance.

Cost Sharing

Co-payments and premiums for Demonstration enrollees may not exceed co-payments and premiums assessed under the State plan.

State Funding Source

The Commonwealth certifies that State/local monies are used as matching funds for the Demonstration and that such funds shall not be used as matching funds for any other Federal grant or contract, except as permitted by law.

CMS Contacts

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