

Table of Contents

State/Territory Name: Kansas

State Plan Amendment (SPA) #: 14-0005-MM4

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 3) Superseding Pages Notice (delete if not applicable)
- 4) Approved SPA Pages
- 5) Additional Attachments that are part of the state plan (delete if not applicable)

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
601 East 12th Street, Suite 355
Kansas City, Missouri 64106



Division of Medicaid and Children's Health Operations

June 9, 2014

Susan Mosier, MD, MBS, FACS
Interim Executive Director
Kansas Department of Health and Environment
900 SW Jackson, Room 900N
Topeka, KS 66612

Dear Dr. Mosier:

The Centers for Medicare & Medicaid Services (CMS) has completed its review of Kansas State Plan Amendment (SPA) Transmittal Number 14-0005-MM4. This SPA allows the A1-A3 state plan pages to supersede the current Attorney General certification, organizational chart, description of the functions of the single state agency, the description of the professional medical and support staff, and pages 2-8 of the organization of the state agency. This amendment clarified the authority and responsibilities of the Single State Agency and its relationship to other federal and state agencies, the fair hearings process, and the process for determining eligibility.

This SPA was approved June 6, 2014, with an effective date of January 1, 2014. Enclosed is a copy of the CMS 179 form, as well as, the approved pages A-1 through A-3 and supporting document pages for incorporation into the state plan.

We appreciate the cooperation and effort provided by your staff throughout this process. If you have any questions regarding this state plan amendment, please contact Karen Hatcher or myself at (816) 426-5925.

Sincerely,

//s//

Megan Buck
Acting Associate Regional Administrator
for Medicaid and Children's Health Operations

cc: Bobbie Graff-Hendrixson

Medicaid State Plan Eligibility: Summary Page (CMS 179)

State/Territory name: **Kansas**

Transmittal Number:

Please enter the Transmittal Number (TN) in the format ST-YY-0000 where ST= the state abbreviation, YY= the last two digits of the submission year, and 0000 = a four digit number with leading zeros. The dashes must also be entered.

KS-14-0005

Proposed Effective Date

01/01/2014 (mm/dd/yyyy)

Federal Statute/Regulation Citation

42 CFR 431.10

Federal Budget Impact

	Federal Fiscal Year	Amount
First Year	2014	\$ 0.00
Second Year	2015	\$ 0.00

Subject of Amendment

Single State Agency

Governor's Office Review

☒ Governor's office reported no comment

☐ Comments of Governor's office received

Describe:

☐ No reply received within 45 days of submittal

☐ Other, as specified

Describe:

Signature of State Agency Official

Submitted By:

Bobbie Graff-Hendrixson

Last Revision Date:

Jun 5, 2014

Submit Date:

Mar 27, 2014

**SUPERSEDING PAGES OF
STATE PLAN MATERIAL**

TRANSMITTAL NUMBER:

KS-14-0005-MM4

STATE:

Kansas

**PAGE NUMBER OF THE PLAN SECTION OR
ATTACHMENT:**

A1 – A3

**COMPLETE PAGES
SUPERSEDED:**

Page 1

Section 1.1 (pages 2-6)

Section 1.2 (page 7)

Section 1.3 (page 8)

Attachment 1.1-A (Attorney
General certification)

Attachment 1.2-A
(Organizational chart)

Attachment 1.2-B (Description
of the functions of the single
state agency)

Attachment 1.2-C (Description
of professional medical and
supporting staff)

Attachment 1.2-D

**PARTIAL PAGES
SUPERSEDED:**

Section 1.4 (page 9)(State
Medical Care Advisory
Committee only. Tribal
consultation will remain in the
state plan.)



Medicaid Administration

OMB Control Number 0938-1148

OMB Expiration date: 10/31/2014

State Plan Administration Designation and Authority

A1

42 CFR 431.10

Designation and Authority

State Name:

Kansas

As a condition for receipt of Federal funds under title XIX of the Social Security Act, the single state agency named below submits the following state plan for the medical assistance program, and hereby agrees to administer the program in accordance with the provisions of this state plan, the requirements of titles XI and XIX of the Act, and all applicable Federal regulations and other official issuances of the Department.

Name of single state agency:

Kansas Department of Health and Environment, Division of Health Care Finance

Type of Agency:

- ☐ Title IV-A Agency
- ☒ Health
- ☐ Human Resources
- ☐ Other

Type of Agency

The above named agency is the single state agency designated to administer or supervise the administration of the Medicaid program under title XIX of the Social Security Act. (All references in this plan to "the Medicaid agency" mean the agency named as the single state agency.)

The state statutory citation for the legal authority under which the single state agency administers the state plan is:

K.S.A. 75-7409 and ERO 38

The single state agency supervises the administration of the state plan by local political subdivisions.

☐ Yes ☒ No

☒ The certification signed by the state Attorney General identifying the single state agency and citing the legal authority under which it administers or supervises administration of the program has been provided.

An attachment is submitted.

The state plan may be administered solely by the single state agency, or some portions may be administered by other agencies.

The single state agency administers the entire state plan under title XIX (i.e., no other agency or organization administers any portion of it).

☐ Yes ☒ No



Medicaid Administration

☒ Waivers of the single state agency requirement have been granted under authority of the Intergovernmental Cooperation Act of 1968.

The waivers are still in effect.

☒ Yes ☐ No

Enter the following information for each waiver:

Remove

Date waiver granted (MM/DD/YY): 05/21/14

The type of responsibility delegated is (check all that apply):

- ☐ Determining eligibility
- ☒ Conducting fair hearings
- ☐ Other

Name of state agency to which responsibility is delegated:

Kansas Department of Health and Environment (KDHE), Division of Health Care Finance (DHCF) delegates authority to the Office of Administrative Hearings (OAH)

Describe the organizational arrangement authorized, the nature and extent of responsibility for program administration delegated to the above named agency, and the resources and/or services of such agency to be utilized in administration of the plan:

Kansas, as a state participant in the Medicaid program, has agreed to follow applicable federal Medicaid "fair hearing" statutes and regulations. 42 C.F.R. Part 431, Subpart E and Part 438, Subpart F. Kansas Department of Health and Environment (KDHE), Division of Health Care Finance (DHCF) delegates authority for conducting State Fair Hearings (SFH) to the Office of Administrative Hearings (OAH). OAH is responsible for conducting the SFH as well as providing administrative support for the SFH process. A request for a SFH is made directly to OAH by the appellant but can also be made with an agency party to the decision. For eligibility SFHs, the entity making the eligibility decision at issue is responsible for staffing the SFH as well as completing a summary of the facts of the case. Staff from KDHE DHCF or the Department of Children and Families (DCF) attend the Hearing and represent the Medicaid agency. OAH conducts all Medicaid SFHs. KDHE DHCF staff review all initial orders issued by OAH that involve the Medicaid program. Staff from other agencies with responsibility for Medicaid also review the order. Staff within KDHE DHCF are responsible for coordinating any request for review of an initial order.

After conducting the hearing, the Office of Administrative Hearings (OAH) will issue the initial order that provides all parties with a written decision made by the administrative law judge. If any party is not satisfied with the decision, a review of the initial order may be requested by submitting the request to the State Medicaid Agency, Kansas Department of Health and Environment (KDHE), Division of Health Care Finance (DHCF). The State Appeals Committee, a three member board consisting of three KDHE DHCF employees who are not party to the initial decision, will review the initial order if such a review is requested. The OAH is responsible for all communication (verbal and written) to the appellant and the state agency. If the state agency or the State Appeals Committee decision reverses or changes an OAH initial order, OAH sends the written final order to the appellant and the agency reflecting the agency's decision. The appellant and the agency then have 30 days to file a petition for judicial review of the final order with the appropriate district court. The scope of review of the order from the administrative law judge is limited to the conclusion of law.



Medicaid Administration

The methods for coordinating responsibilities among the agencies involved in administration of the plan under the alternate organizational arrangement are as follows:

Kansas Department of Health and Environment (KDHE), Division of Health Care Finance (DHCF) ensures all Medicaid applicants and recipients are informed of their State Fair Hearing (SFH) rights. The right to a SFH is noted on the attestation page of the application. SFH rights and processes are provided on every notice of action. Each managed care organization (MCO) has a member handbook. Within the handbook is a section on Grievances, Appeals and SFHs. The member handbooks are approved by KDHE DHCF. If a member is not managed care eligible the member may request a Medicaid member handbook from the Medicaid fiscal agent or access the handbook and other Medicaid information on the fiscal agent website.

SFH rights are codified in the Kansas Administrative Procedures Act at Kansas Statutes Annotated (K.S.A) 77-501 et seq .

KDHE DHCF provides the following assurances:

- o KDHE DHCF retains oversight of the State Plan and has a process to monitor the entire appeals process, including the quality and accuracy of the final decisions made by the Office of Administrative Hearings (OAH).
- o KDHE DHCF will ensure that every applicant and beneficiary is informed, in writing, of the SFH process and how to contact OAH and how to obtain information about SFHs from that agency.
- o KDHE DHCF will ensure that OAH complies with all federal and state laws, regulations and policies.
- o KDHE DHCF and OAH have a written agreement that specifies the scope of the delegation and the responsibilities of the agencies.

Add

- ☐ The agency that administers or supervises the administration of the plan under Title X of the Act as of January 1, 1965, has been separately designated to administer or supervise the administration of that portion of this plan related to blind individuals.

The entity or entities that have responsibility for determinations of eligibility for families, adults, and for individuals under 21 are:

- ☒ The Medicaid agency
- ☐ Single state agency under Title IV-A (in the 50 states or the District of Columbia) or under Title I or XVI (AABD) in Guam, Puerto Rico, or the Virgin Islands
- ☐ An Exchange that is a government agency established under sections 1311(b)(1) or 1321(c)(1) of the Affordable Care Act

The entity that has responsibility for determinations of eligibility for the aged, blind, and disabled are:

- ☒ The Medicaid agency
- ☒ Single state agency under Title IV-A (in the 50 states or the District of Columbia) or under Title I or XVI (AABD) in Guam, Puerto Rico, or the Virgin Islands
- ☐ An Exchange that is a government agency established under sections 1311(b)(1) or 1321(c)(1) of the Affordable Care Act
- ☐ The Federal agency administering the SSI program

The entity or entities that have responsibility for conducting fair hearings with respect to denials of eligibility based on the applicable modified adjusted gross income standard are:

- ☒ Medicaid agency
- ☐ An Exchange that is a government agency established under sections 1311(b)(1) or 1321(c)(1) of the Affordable Care Act
- ☐ An Exchange appeals entity, including an entity established under section 1411(f) of the Affordable Care Act



Medicaid Administration

The agency has established a review process whereby the agency reviews appeals decisions made by the Exchange or Exchange appeals entity or other state agency, but only with respect to conclusions of law, including interpretations of state or federal policies.

☒ Yes ☐ No

State Plan Administration Organization and Administration

A2

42 CFR 431.10
42 CFR 431.11

Organization and Administration

Provide a description of the organization and functions of the Medicaid agency.

The Kansas Department of Health and Environment (KDHE) Division of Health Care Finance (DHCF) is the single State Medicaid Agency designated to administer or supervise the administration of the Medicaid program under Title XIX of the Social Security Act. KDHE DHCF is the division which is responsible for administering the State of KS Medicaid Program inclusive of determining eligibility policy and criteria, service coverage, and payment policies for Medicaid and CHIP programs. The KDHE DHCF has 4 units. The units are: Eligibility; Medicaid Operations; Clinical Policy and Improvement; and Program Finance and Informatics.

The Eligibility Unit provides statewide policy and guidance for all Medicaid and CHIP groups. Eligibility determination and case maintenance activities for all MAGI populations are made by the KanCare Clearinghouse. Non-MAGI populations which the KanCare Clearinghouse determines eligibility are: SSI children when there is also a MAGI household member; SSI adults when there is also a MAGI household member; Breast and Cervical Cancer and SOBRA. The Eligibility Policy Unit is responsible for overseeing all eligibility program, policy, training and outreach activities related to potential Medicaid members and Medicaid members. The Eligibility Unit reviews State Fair Hearings (SFH) decisions related to eligibility determination. The unit develops statewide training strategy for eligibility workers. KDHE DHCF staff ensures automated systems support policy and are included in program integrity activities. The Working Healthy Section with the eligibility unit manages the Working Healthy program, including education, outreach and program promotion, facilitating enrollment, premium oversight and the Working Healthy supplemental personal assistance program, Work Opportunities Reward Kansans (WORK). The Presumptive Medical Disability Team (PMDT) examines disability claims for people who are seeking medical coverage but have yet to be determined eligible by the Social Security Administration (SSA).

The Medicaid Operations Unit is responsible for the procurement, management, and oversight of all Medicaid and CHIP funding contracts. This unit annually writes and amends contracts; performs program integrity; and manages third-party liability collections (including Medicare) from primary insurance carriers. Medicaid Operations is also responsible for the fiscal agent, claims processing, encounter data validation, dispute resolution, State Fair Hearings (SFH), and federal mandates. The Medicaid Operations Unit receives all Acknowledgements and Orders for State Fair Hearings (SFH) from the Office of Administrative Hearings (OAH). The Medicaid Operations Unit disseminates the Acknowledgements and Orders from OAH to the appropriate entity. The Medicaid Operations Unit is specifically responsible for provider and member SFHs not related to eligibility determination. The KanCare Clearing House is a part of the Medicaid Operations Unit. The KanCare Clearing House is a private contractor whose function is to screen medical assistance applications and determine CHIP eligibility. State staff co-located with the private contractor determines eligibility for the Medicaid program. If the application is a CHIP eligible member the private contractor works the application and determines CHIP eligibility. The private contractor does not determine Medicaid eligibility. The contractor transfers Medicaid eligible applications to state staff for Medicaid eligibility determination. The primary responsibility for provider and beneficiary relations and communication about the Medicaid program are also included in this unit. This unit manages the Medicaid State Plan and processes regulations. This unit oversees the policy implementation process, evaluates policy outcomes post implementation, and Payment Error Rate Measurement (PERM) projects for Kansas Medicaid. Audits are the responsibility of this unit.

The Clinical Policy and Improvement Unit (CPI) oversees health care purchasing and delivery of Medicaid services. The KDHE DHCF purchases health care through two product lines: capitated managed care, and fee-for-service. The CPI unit is responsible for managing the contracts with the managed care organizations (MCO) and the delivery of care through Medicaid fee-for-service. The



Medicaid Administration

Pharmacy section within the CPI unit directs the Medicaid fee-for-service pharmacy program, the Preferred Drug List (PDL), Drug Utilization Review Board (DUR), oversight of the MCOs' pharmacy program, and the rebate program. The Institutional Reimbursement section is responsible for establishing reimbursement rates, upper payment limits, diagnosis-related groups (DRGs) for Medicaid inpatient services. This section conducts reviews of cost reports and financial data to determine utilization of Critical Access Hospitals (CAH), FQHCs, and IHS providers. This section is responsible for overseeing and reporting on DSH payments and the UCC pool payments for the 1115 Waiver.

The Program Finance and Informatics (PFI) Unit is responsible for computing the fiscal impact of proposed policies, forecasting caseloads, performing federal financial reporting, and establishing capitation rates for Medicaid and CHIP managed care and analytical support. The PFI provides oversight over Medicaid funds to ensure adherence to state and federal regulations. This unit tracks and evaluates legislative activities which may have an impact on the activities of DHCF, both at the state and federal levels. The Medicaid Eligibility Quality Control (MEQC) team is located in this unit. MEQC performs continuous auditing for accuracy of eligibility including PERM.

Upload an organizational chart of the Medicaid agency.

An attachment is submitted.

Provide a description of the structure of the state's executive branch which includes how the Medicaid agency fits in with other health, human service and public assistance agencies.

Kansas government is modeled on the federal system, with three branches of government. The executive branch manages the day-to-day administrative duties of running the state government. The executive branch consists of the Governor, the Lieutenant Governor and Secretaries/Agency Heads of state executive departments.

Agencies headed by officials appointed by the Governor (with confirmation by the Senate) that have a role in the administration of the Medicaid program are:

Department of Administration - Provides administrative support for all agencies and departments, including human resources, payroll and information technology. The Office of Administrative Hearings, the organization delegated authority for state fair hearings, is a division of the Department of Administration.

Department for Aging and Disability Services – Provides oversight for the operation of the state's long term care (LTC) programs, including nursing facilities, PACE and all 1915(c) waivers. This agency is also responsible for functional assessments occurring with the LTC programs.

Department of Corrections – Provides oversight of corrections, including minors in the custody of the state of Kansas who are designated Foster Children.

Department for Children and Families (DCF) – Provides oversight of most social services programs in the state, including SNAP, TANF and Child Welfare. This agency has been delegated authority to make Medicaid determinations for Child Welfare programs and some non-MAGI programs. Staff assigned to regional DCF Service Centers performs eligibility functions under the supervision of Regional Directors. DCF is the Title IV –A agency. Functions include determination of initial eligibility, adjustment of eligibility, re-determination of eligibility and related functions.

Agencies headed by an elected official that provide administrative support for Medicaid are:

Kansas Insurance Department - Regulates companies licensed to provide insurance products in the state of Kansas, including all Kansas Managed Care Organizations servicing Medicaid populations.

Secretary of State – Responsible for publishing various legal documents for the state, including administrative regulations supporting the Medicaid program.

Attorney General – Responsible for providing legal services to the state. Operates the Medicaid Fraud and Investigative Unit.



Medicaid Administration

Legislative Division of Post Audit-Develops and conducts performance and cost audits of state programs at the request of the Kansas Legislature. This includes audits of the Medicaid program.

Entities that determine eligibility other than the Medicaid Agency (if entities are described under Designation and Authority)

Remove

Type of entity that determines eligibility:

- ☒ Single state agency under Title IV-A (in the 50 states or the District of Columbia) or under Title I or XVI (AABD) in Guam, Puerto Rico, or the Virgin Islands
- ☐ An Exchange that is a government agency established under sections 1311(b)(1) or 1321(c)(1) of the Affordable Care Act
- ☐ The Federal agency administering the SSI program

Provide a description of the staff designated by the entity and the functions they perform in carrying out their responsibility.

The Department of Children and Families (DCF) staff are responsible for accepting applications, processing applications and ongoing case maintenance. DCF is responsible for a subset of the non-MAGI population as follows:

- Long Term Care (including Special Income Group)
- Medicare Savings Plans (except when made for a MAGI person)
- Medically Needy for Aged, Blind and Disabled
- TWIIA Basic and Medically Improved
- SSI recipients, except when there is also a MAGI household member
- SSI Protected Groups – Pickle, Adult Disabled Child, Early Widows/ers, Disabled Widow/ers
- Child Welfare programs – Foster Care and Adoption Subsidy groups

Add

Entities that conduct fair hearings other than the Medicaid Agency (if are described under Designation and Authority)

Remove

Type of entity that conducts fair hearings:

- ☐ An Exchange that is a government agency established under sections 1311(b)(1) or 1321(c)(1) of the Affordable Care Act
- ☐ An Exchange appeals entity, including an entity established under section 1411(f) of the Affordable Care Act

Provide a description of the staff designated by the entity and the functions they perform in carrying out their responsibility.

Add

Supervision of state plan administration by local political subdivisions (if described under Designation and Authority)

Is the supervision of the administration done through a state-wide agency which uses local political subdivisions?

☐ Yes ☒ No

The types of the local subdivisions that administer the state plan under the supervision of the Medicaid agency are:

☐ Counties



Medicaid Administration

☐ Parishes

☐ Other

Are all of the local subdivisions indicated above used to administer the state plan?

☐ Yes ☐ No

State Plan Administration

Assurances

A3

42 CFR 431.10

42 CFR 431.12

42 CFR 431.50

Assurances

- ☒ The state plan is in operation on a statewide basis, in accordance with all the requirements of 42 CFR 431.50.
- ☒ All requirements of 42 CFR 431.10 are met.
- ☒ There is a Medical Care Advisory Committee to the agency director on health and medical services established in accordance with meeting all the requirements of 42 CFR 431.12.
- ☒ The Medicaid agency does not delegate, to other than its own officials, the authority to supervise the plan or to develop or issue policies, rules, and regulations on program matters.

Assurance for states that have delegated authority to determine eligibility:

- ☒ There is a written agreement between the Medicaid agency and the Exchange or any other state or local agency that has been delegated authority to determine eligibility for Medicaid eligibility in compliance with 42 CFR 431.10(d).

Assurances for states that have delegated authority to conduct fair hearings:

- ☐ There is a written agreement between the Medicaid agency and the Exchange or Exchange appeals entity that has been delegated authority to conduct Medicaid fair hearings in compliance with 42 CFR 431.10(d).
- ☐ When authority is delegated to the Exchange or an Exchange appeals entity, individuals who have requested a fair hearing are given the option to have their fair hearing conducted instead by the Medicaid agency.

Assurance for states that have delegated authority to determine eligibility and/or to conduct fair hearings:

- ☒ The Medicaid agency does not delegate authority to make eligibility determinations or to conduct fair hearings to entities other than government agencies which maintain personnel standards on a merit basis.

PRA Disclosure Statement

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-1148. The time required to complete this information collection is estimated to average 40 hours per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850.

V.20130917

Division of Health Care Finance



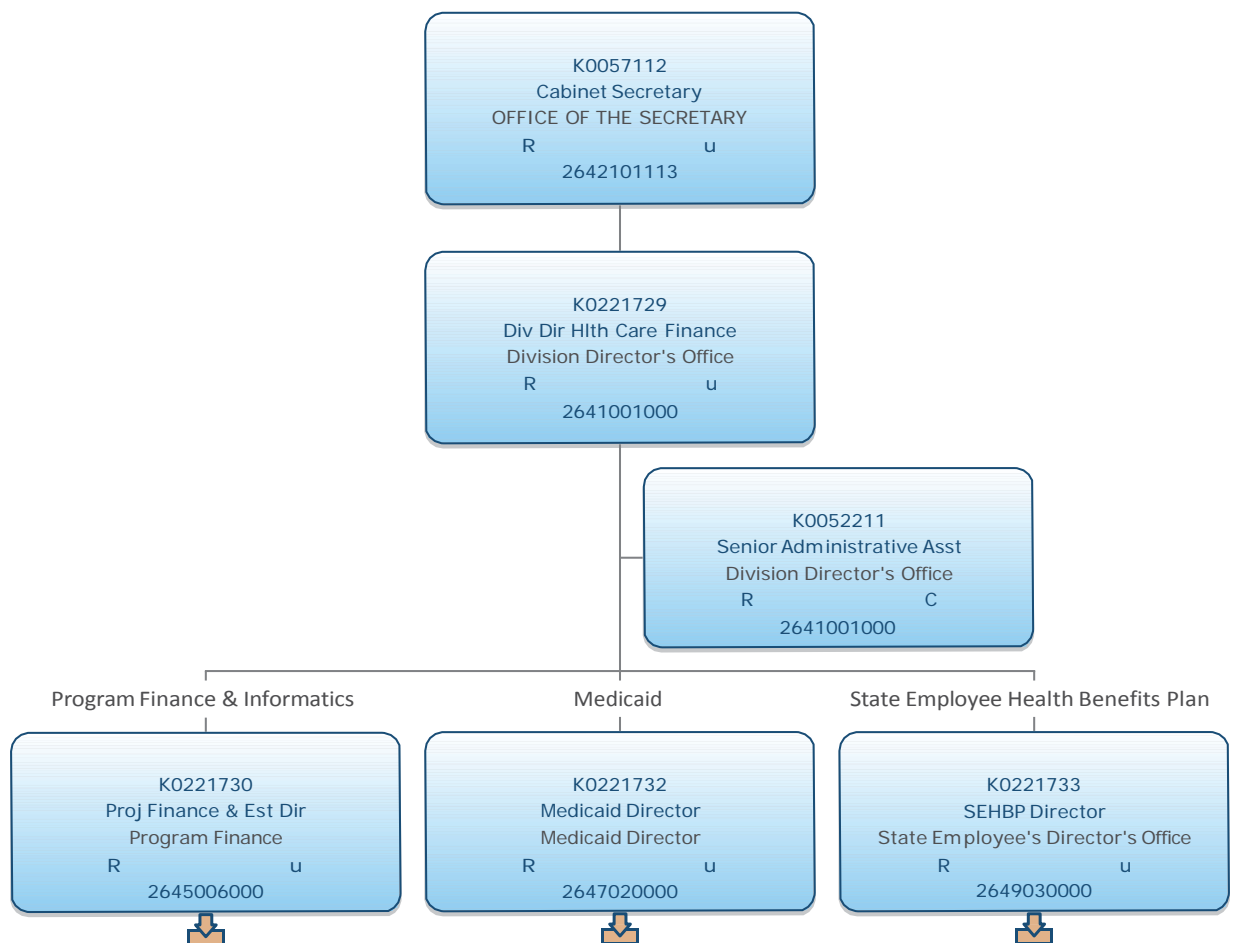
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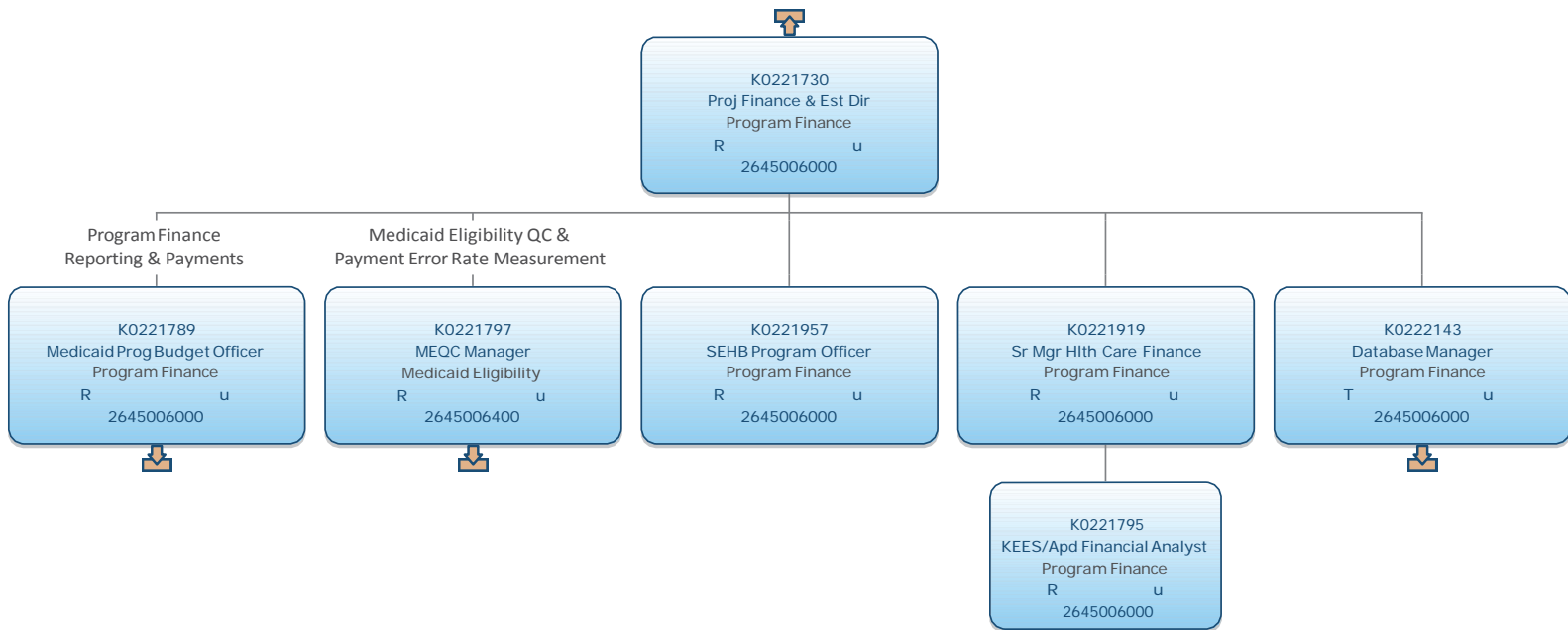
Contents

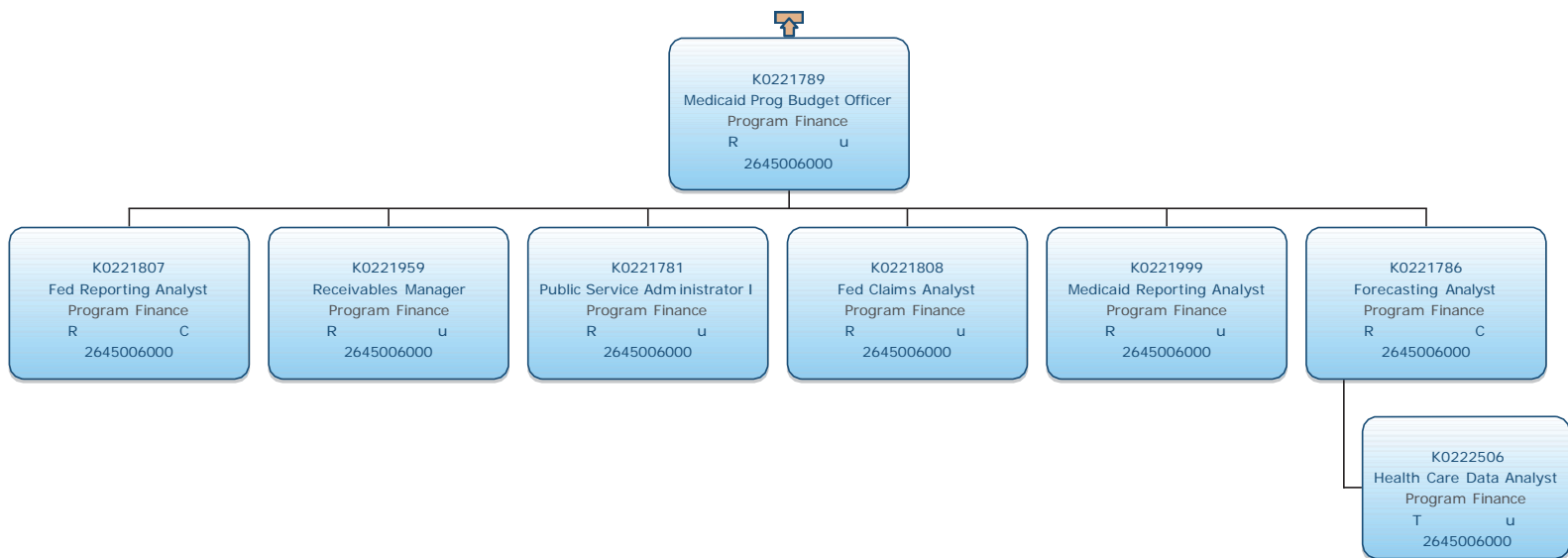
.....	1
Contents	2
2642101113.....	4
2645006000.....	5
Sub-chart15.....	6
2645006400.....	7
Sub-chart16.....	8
Sub-chart17.....	9
2647020000.....	10
2647021000.....	11
Sub-chart18.....	12
2647021300.....	13
2647021500.....	14
2647022000.....	15
Sub-chart19.....	16
Sub-chart20.....	17
Sub-chart21.....	18
Sub-chart22.....	19
2647022400.....	20
Sub-chart23.....	21
Sub-chart24.....	22
Sub-chart25.....	23
Sub-chart26.....	24
Sub-chart27.....	25
2647023500.....	26

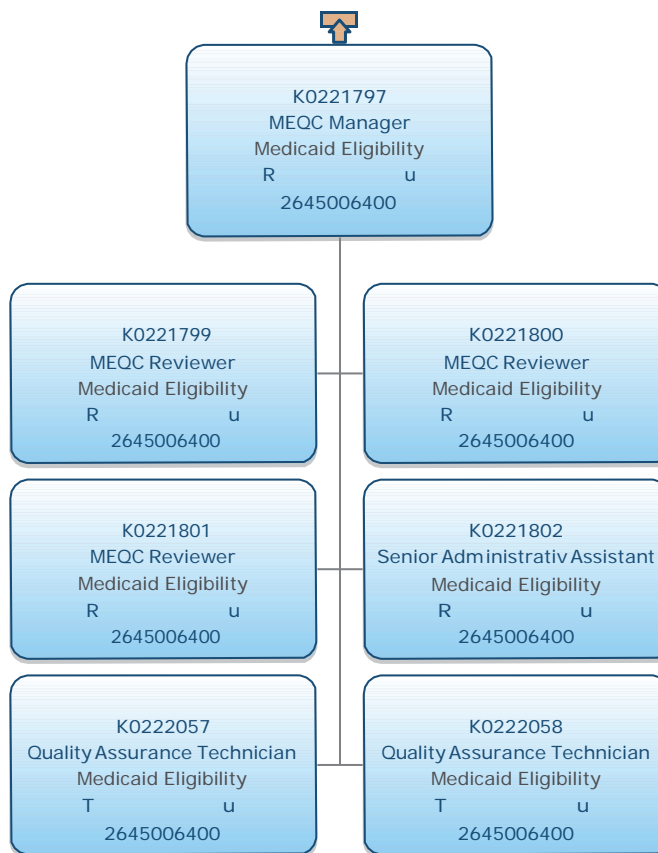
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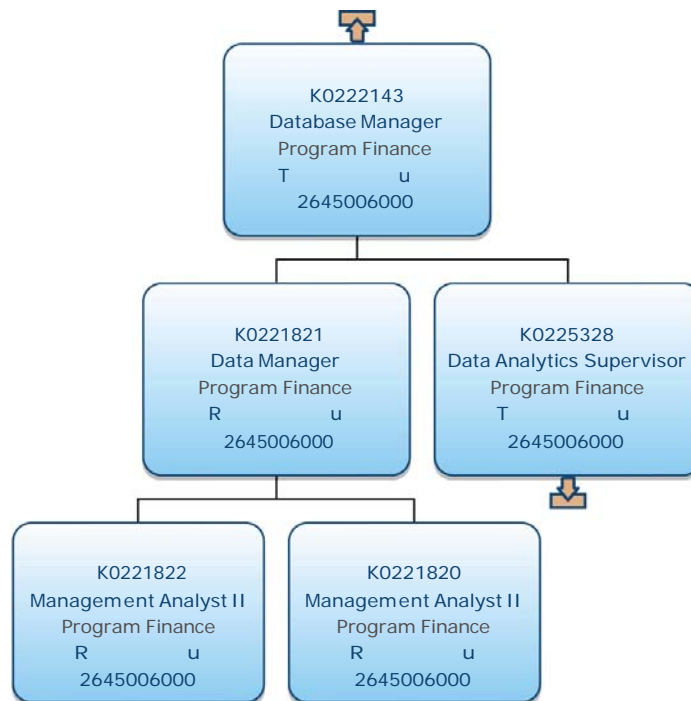
Sub-chart28.....	27
Sub-chart29.....	28
2649030000.....	29
2649032000.....	30
2649039000.....	31
Sub-chart30.....	32
Sub-chart31.....	33
Sub-chart32.....	34
2649034000.....	35
Index.....	36

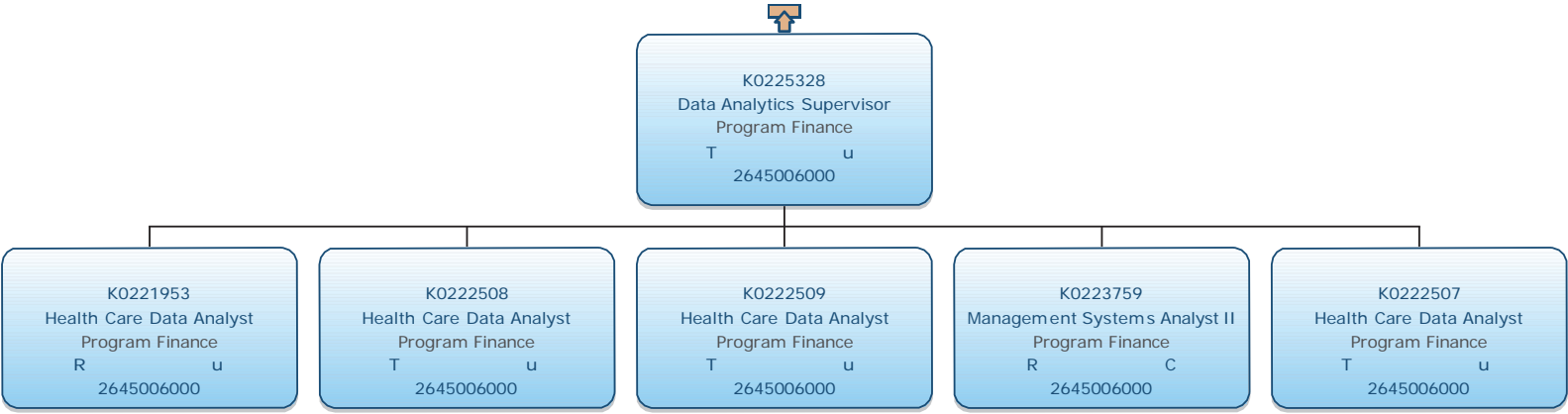


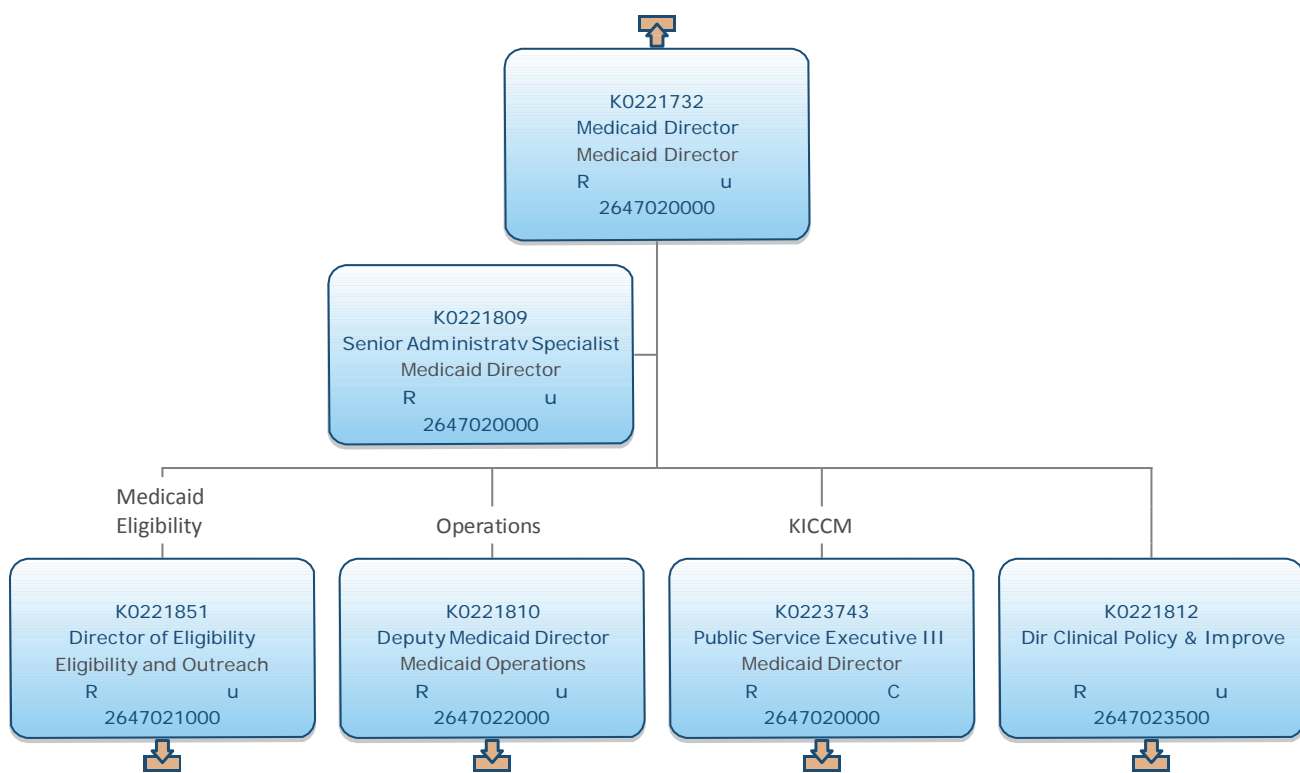


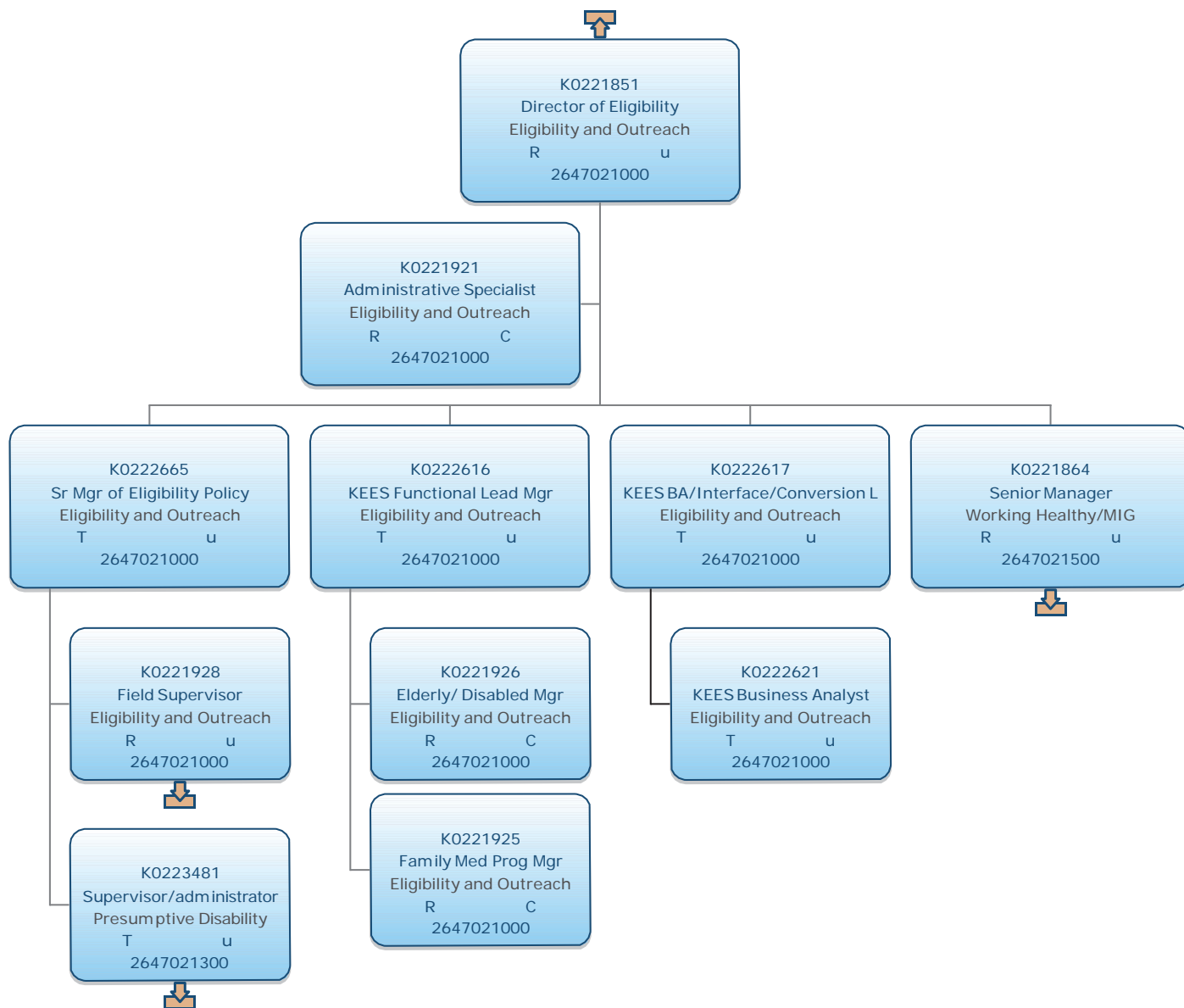


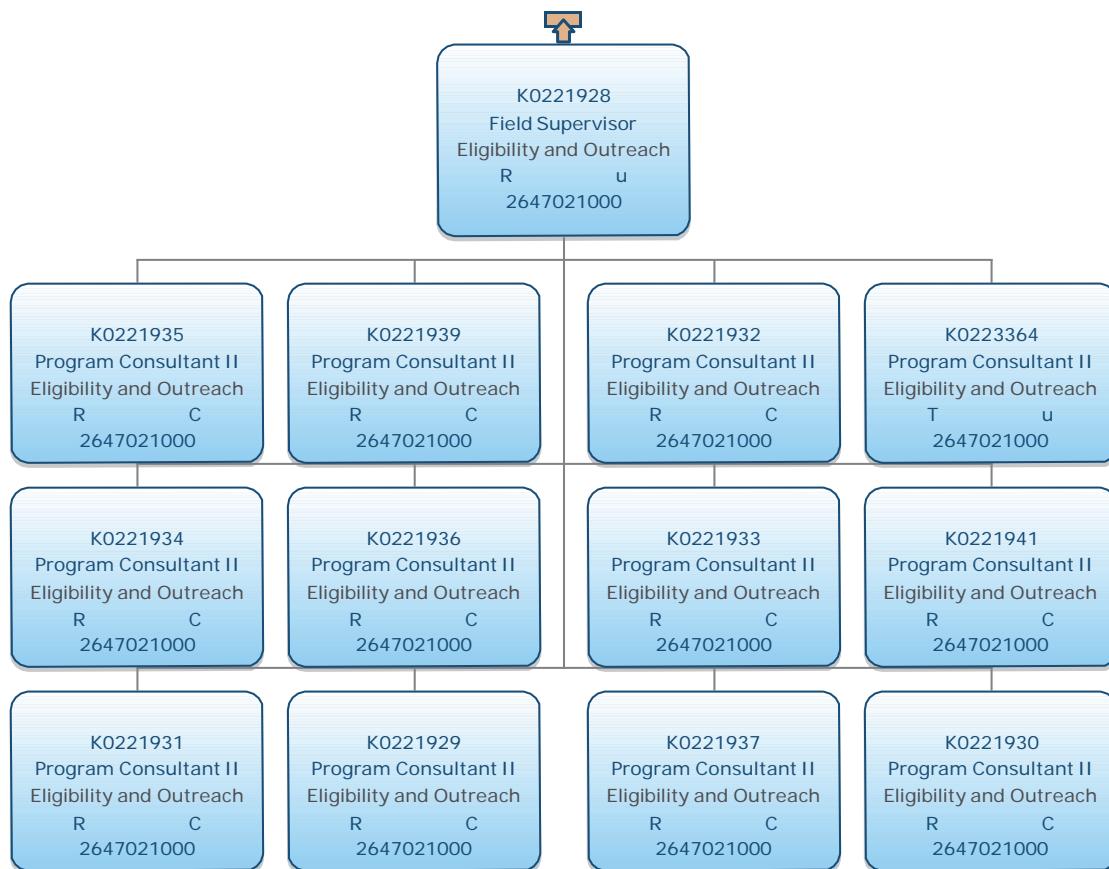


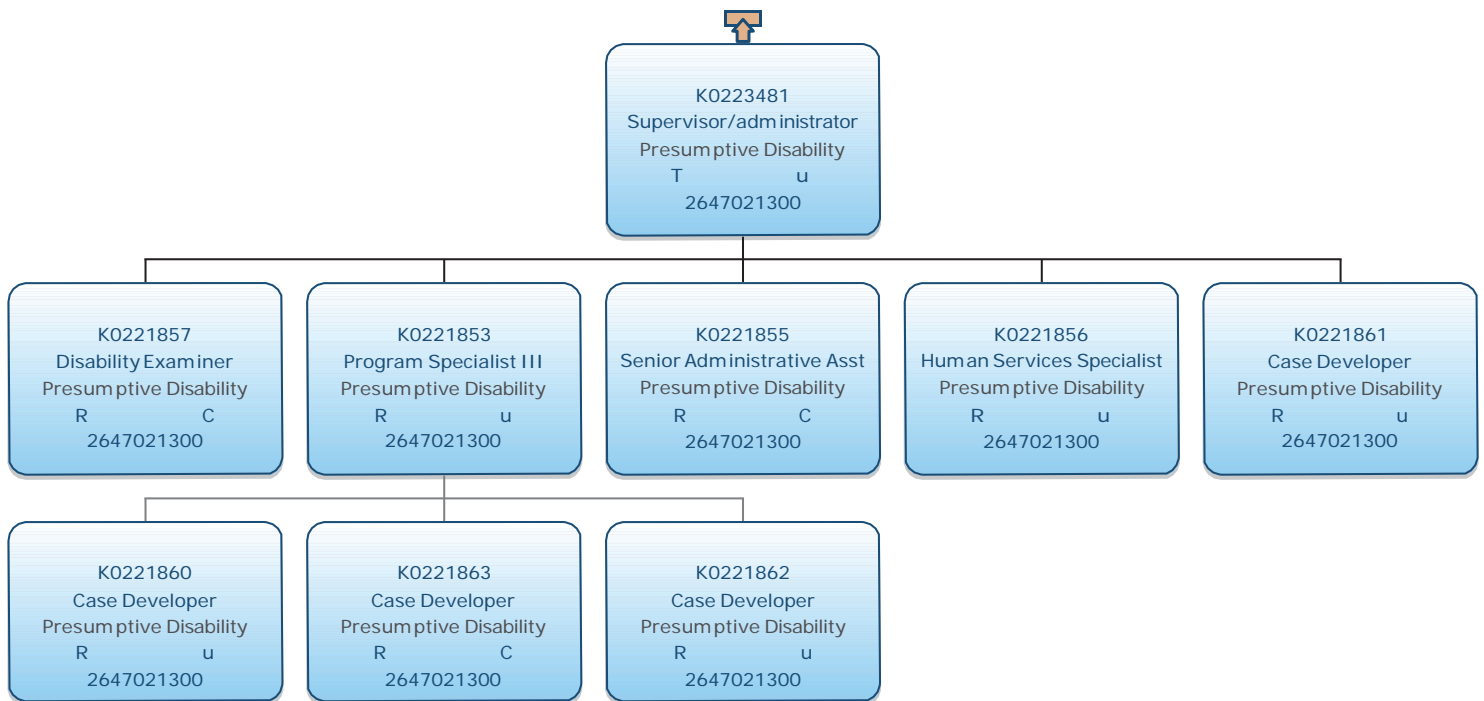


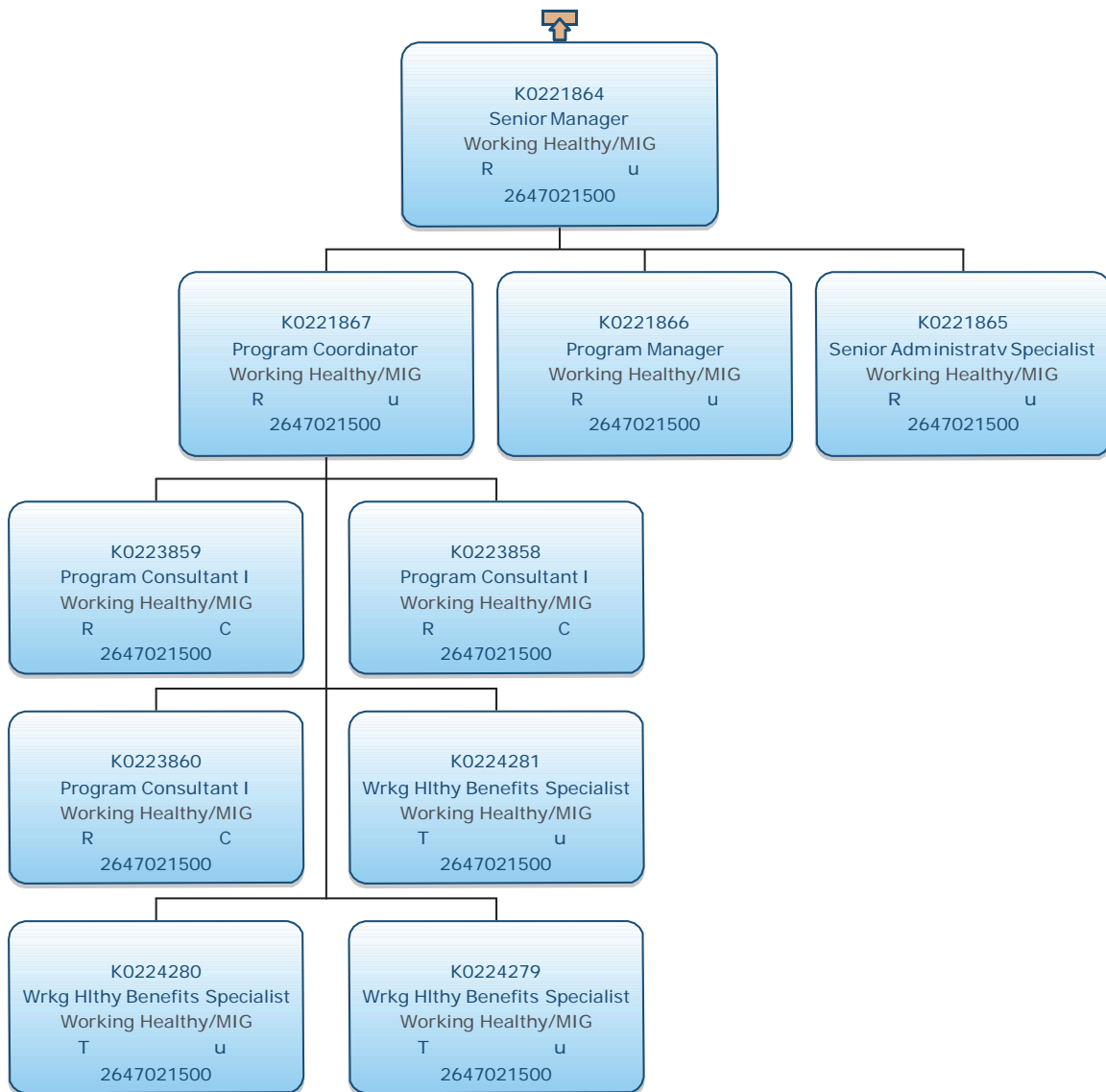


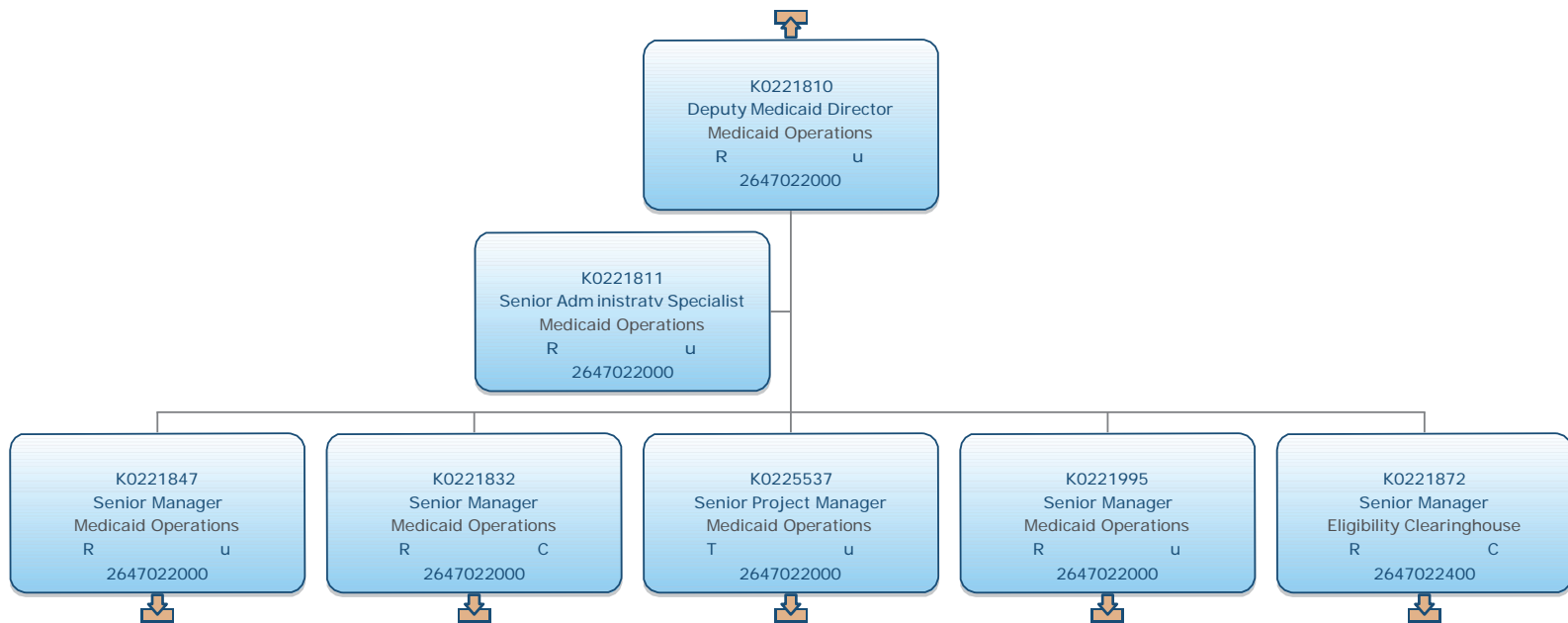


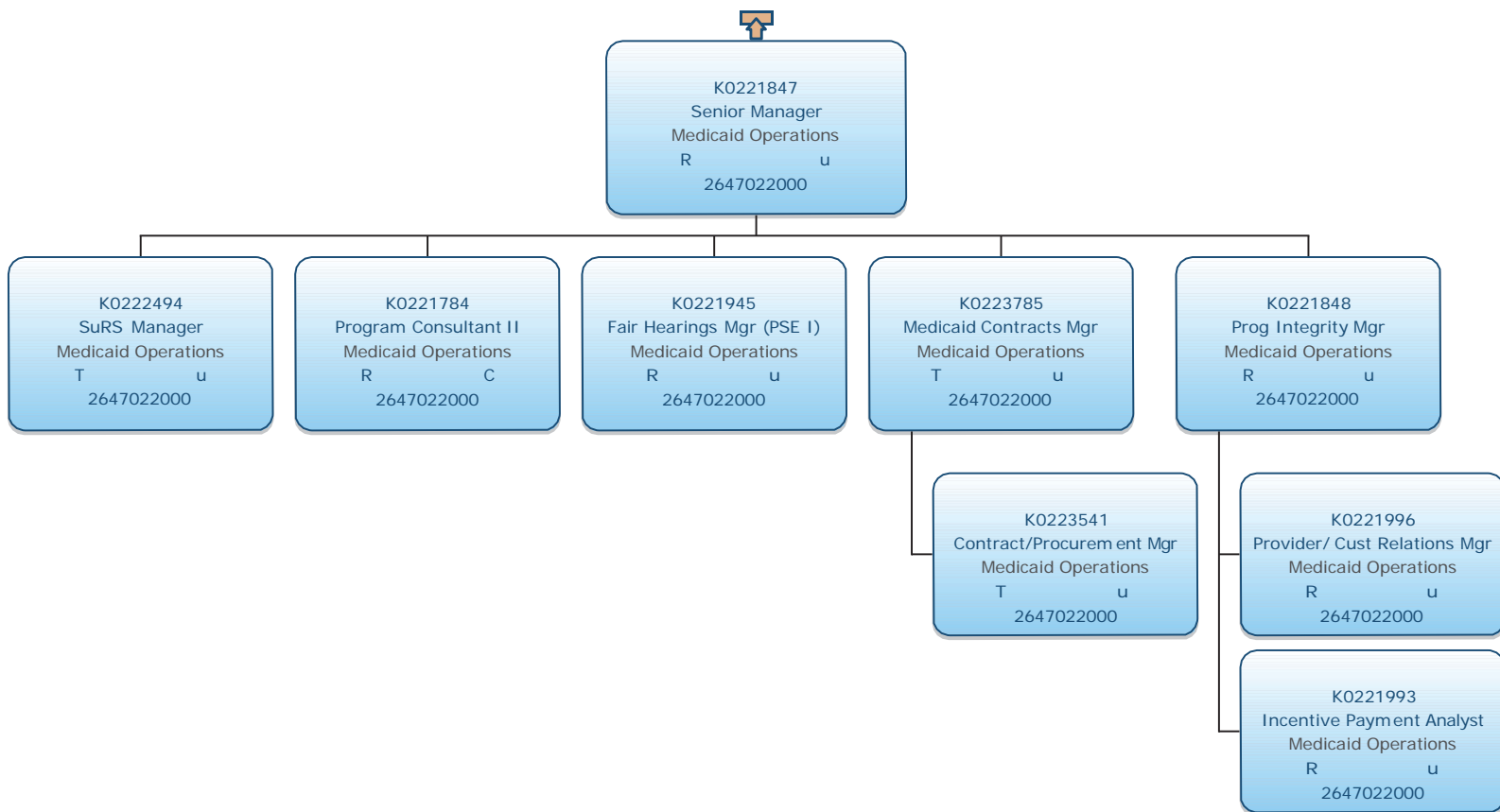


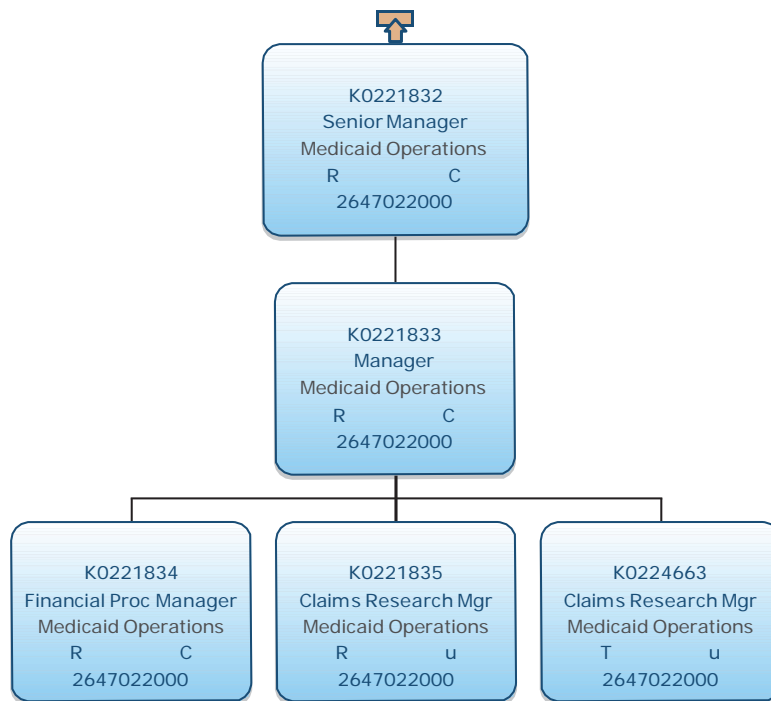


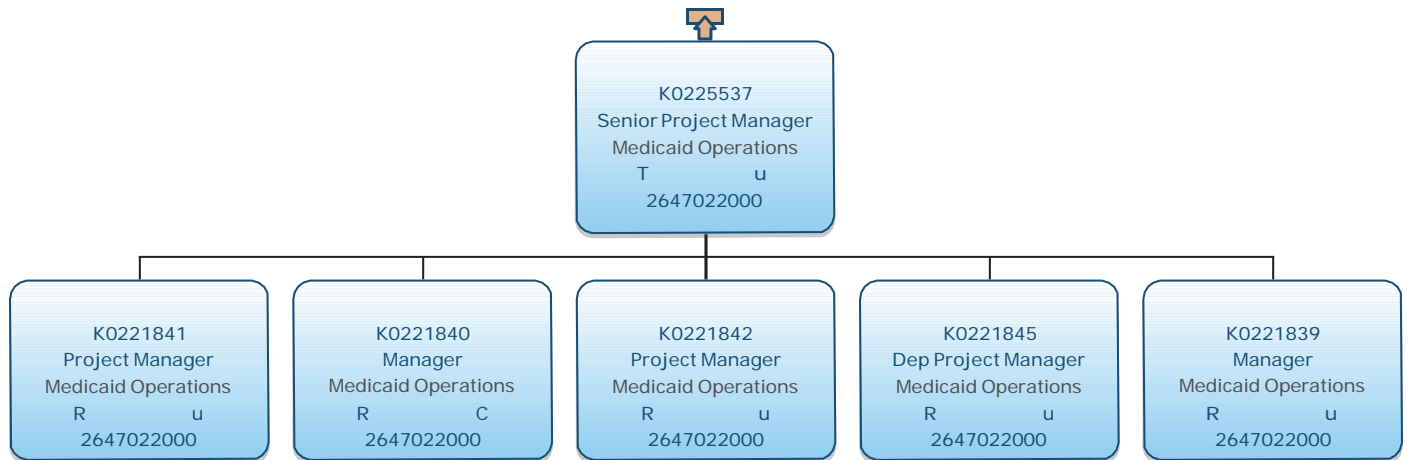


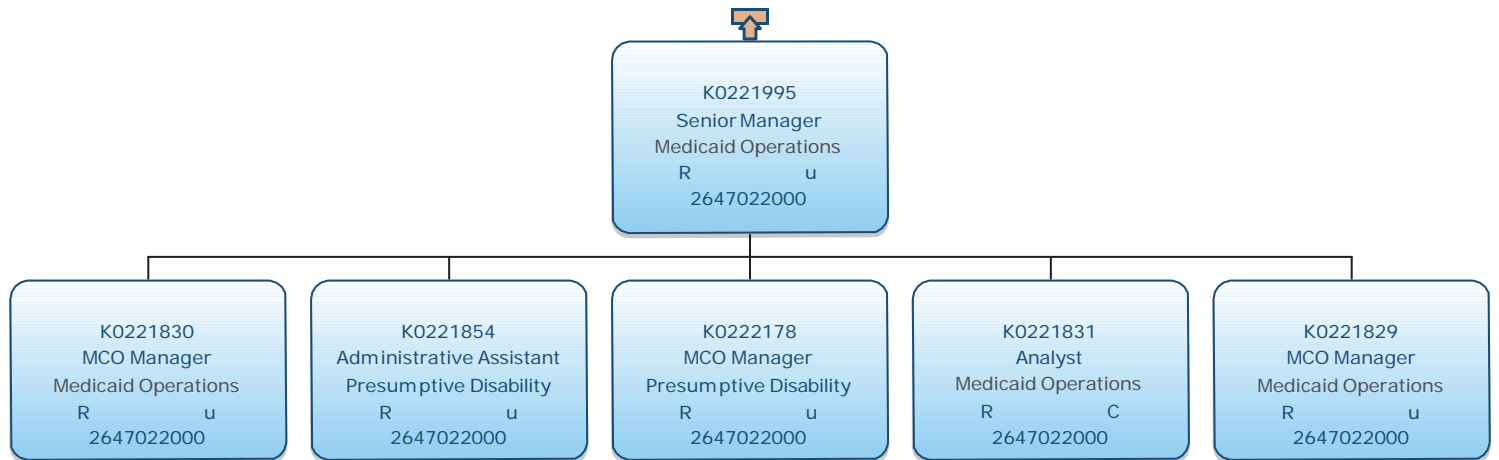


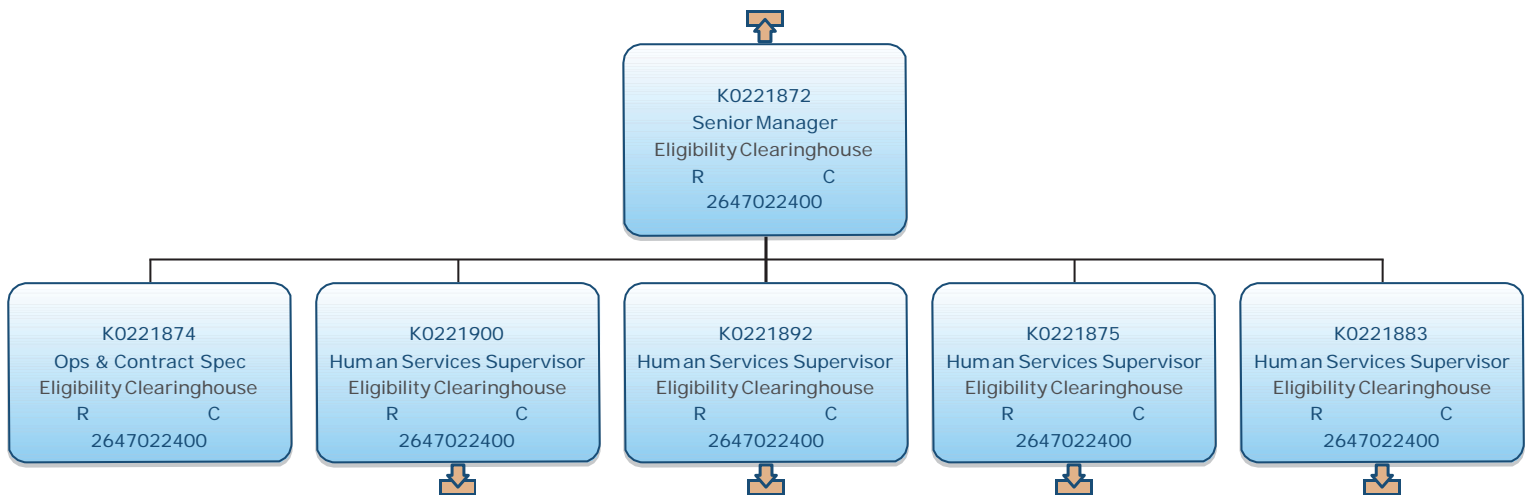


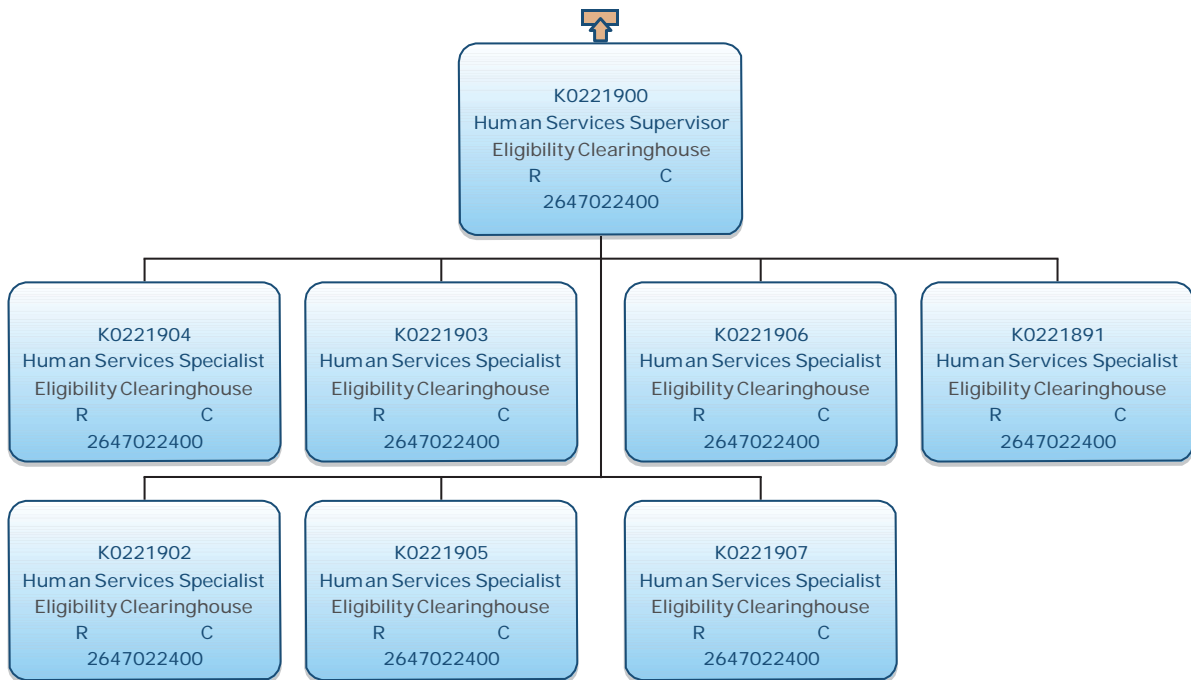


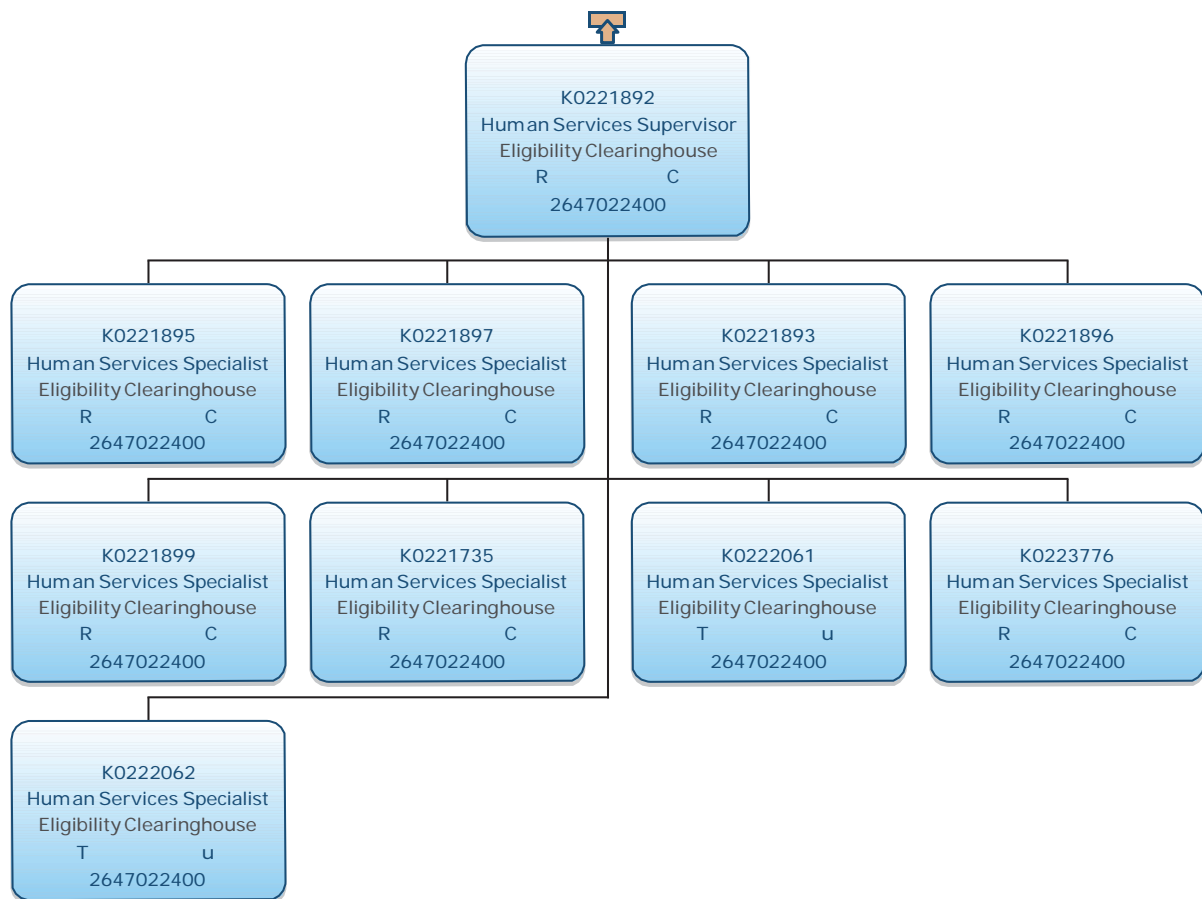


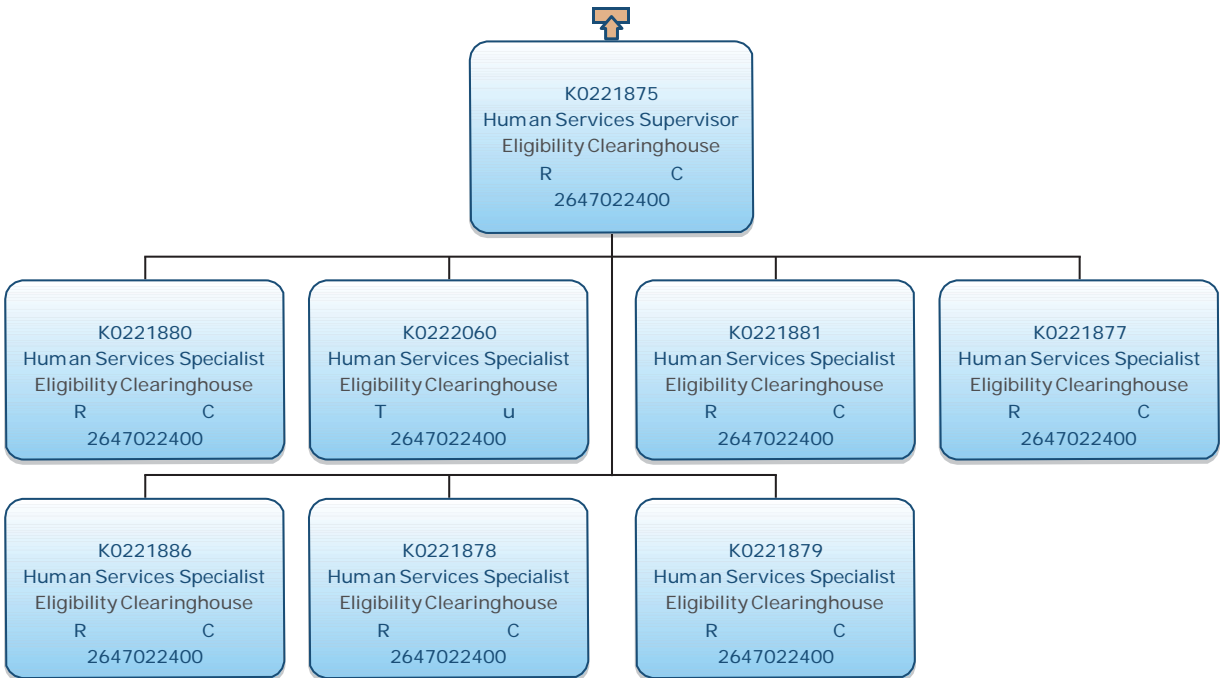


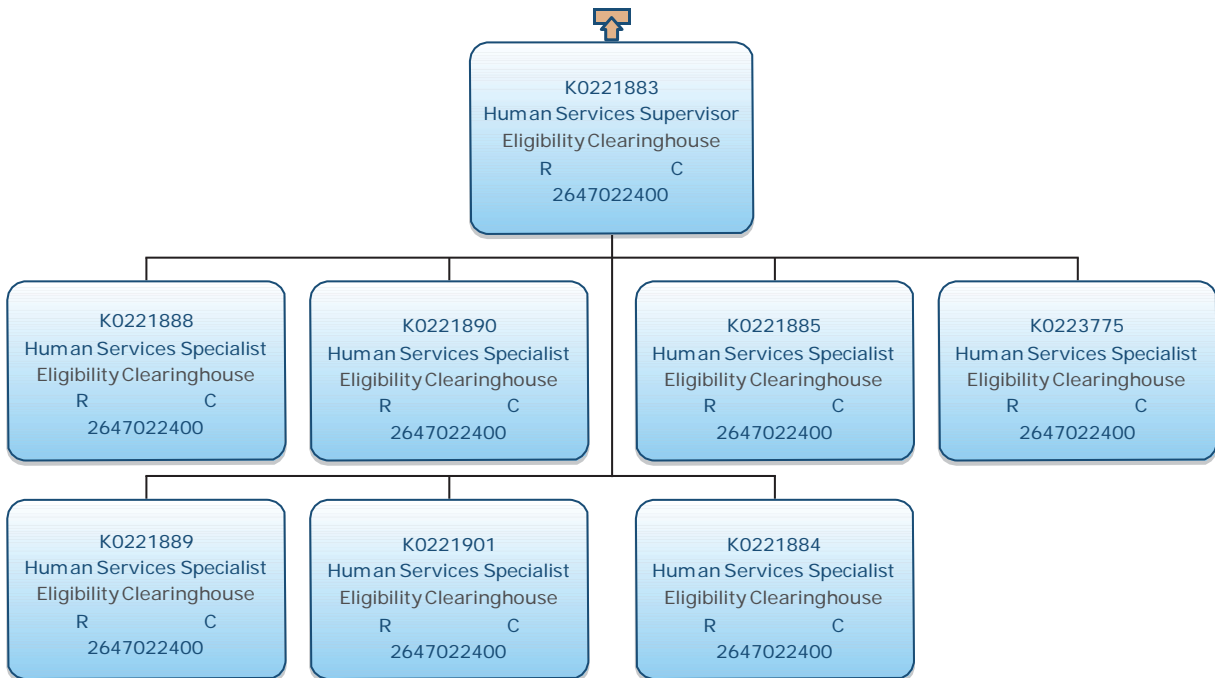


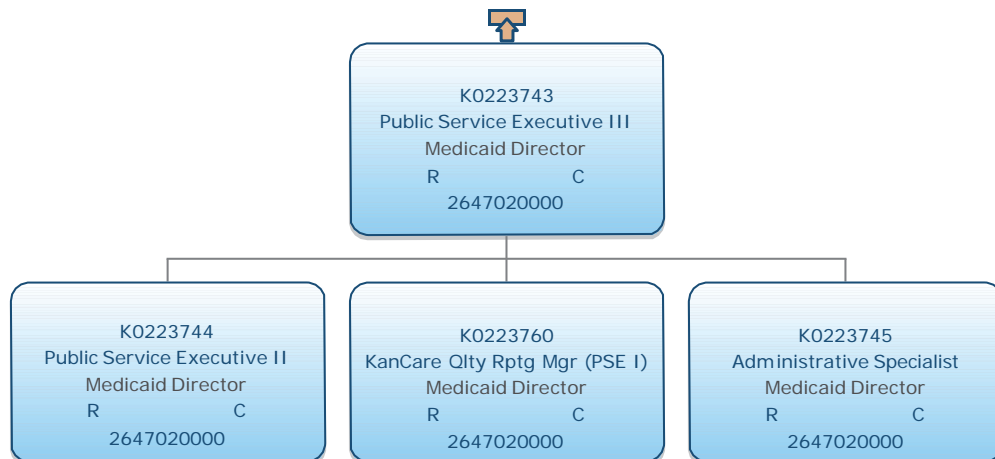


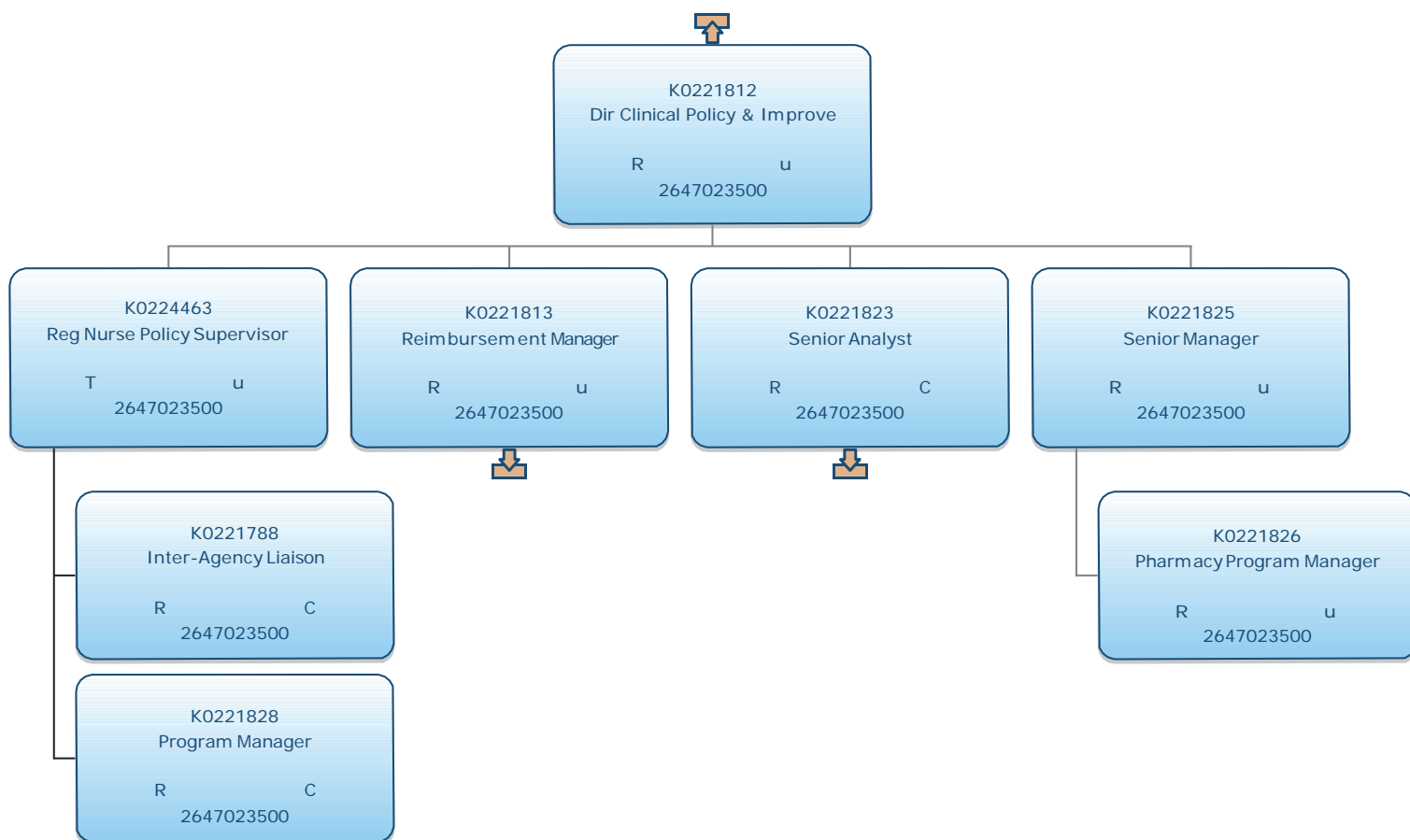


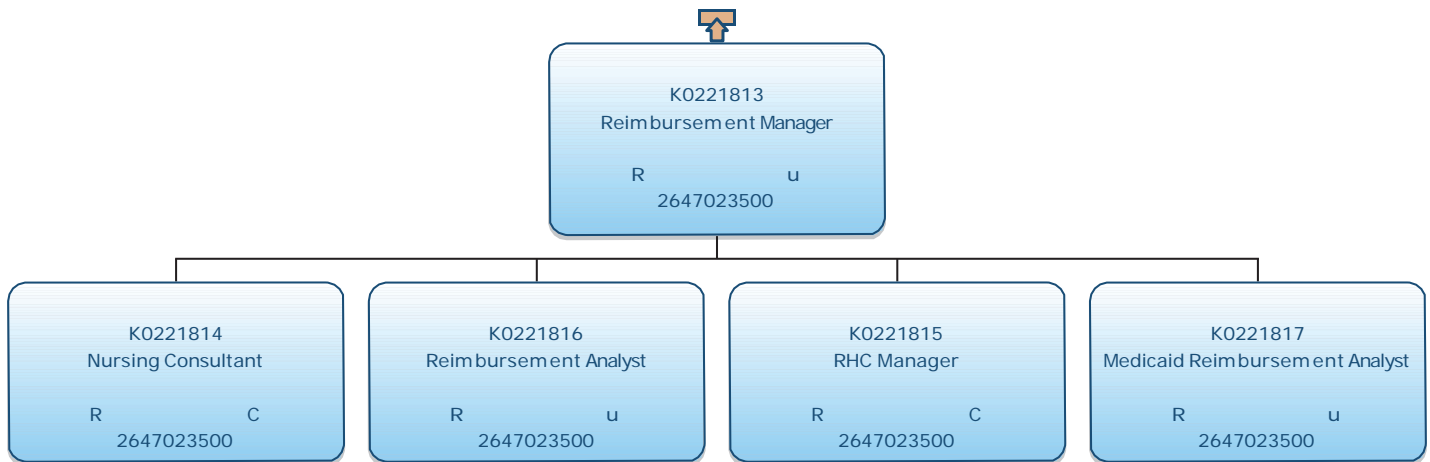


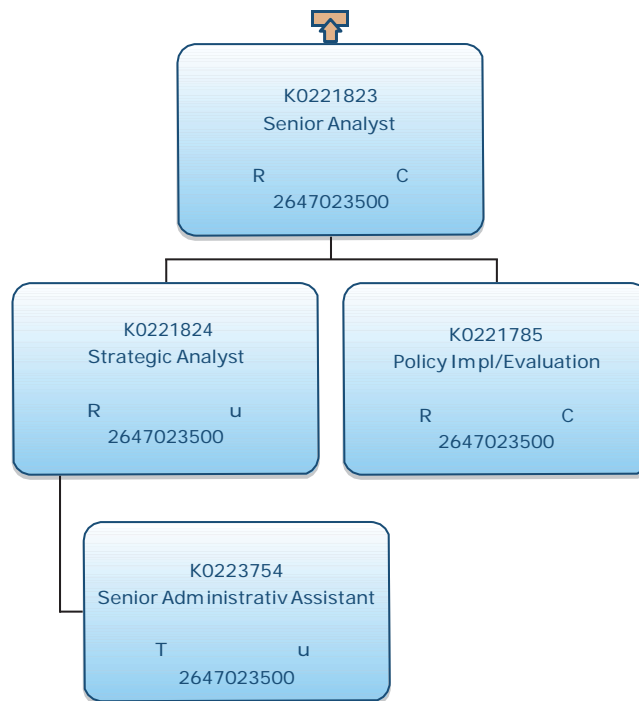


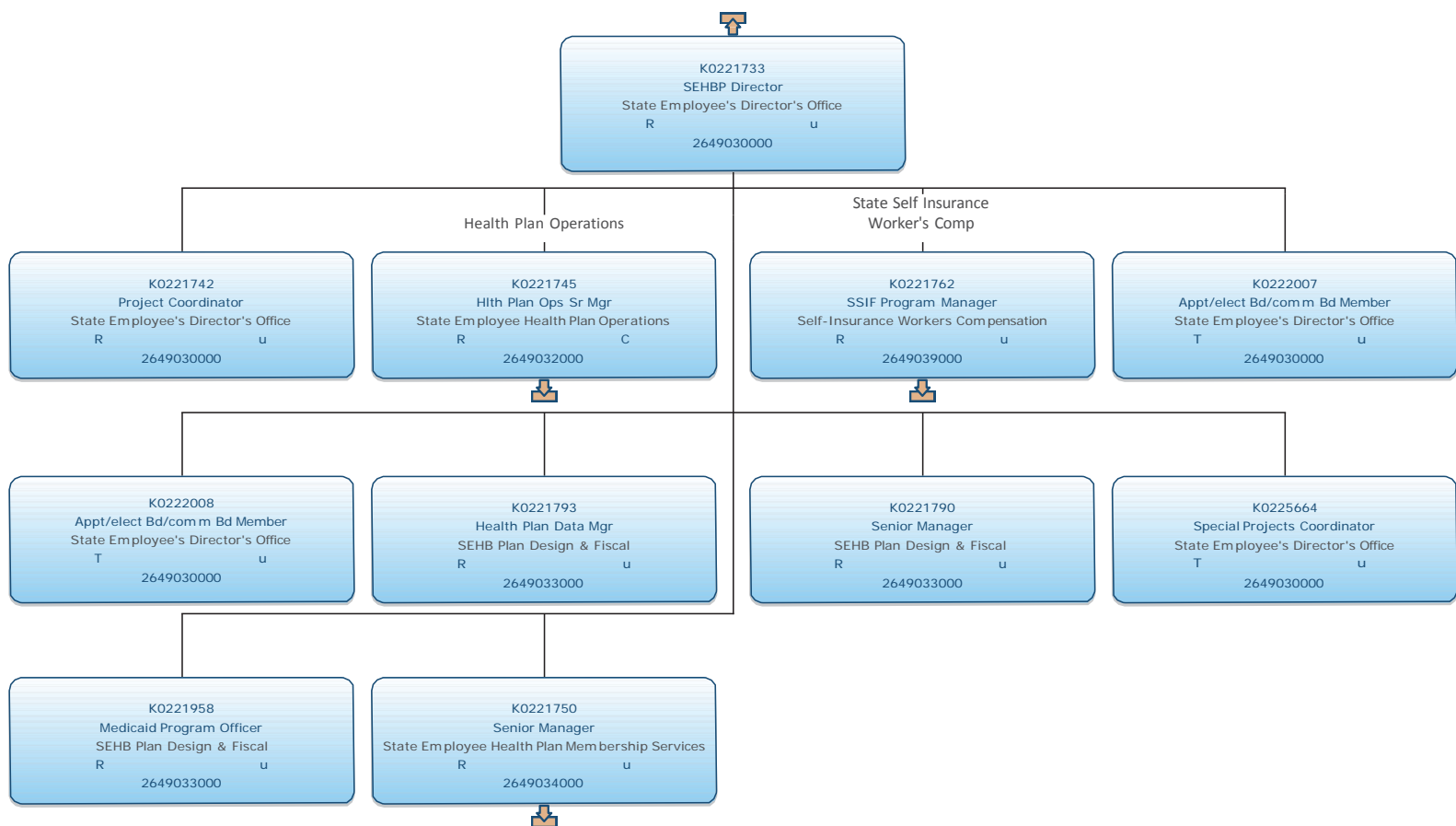


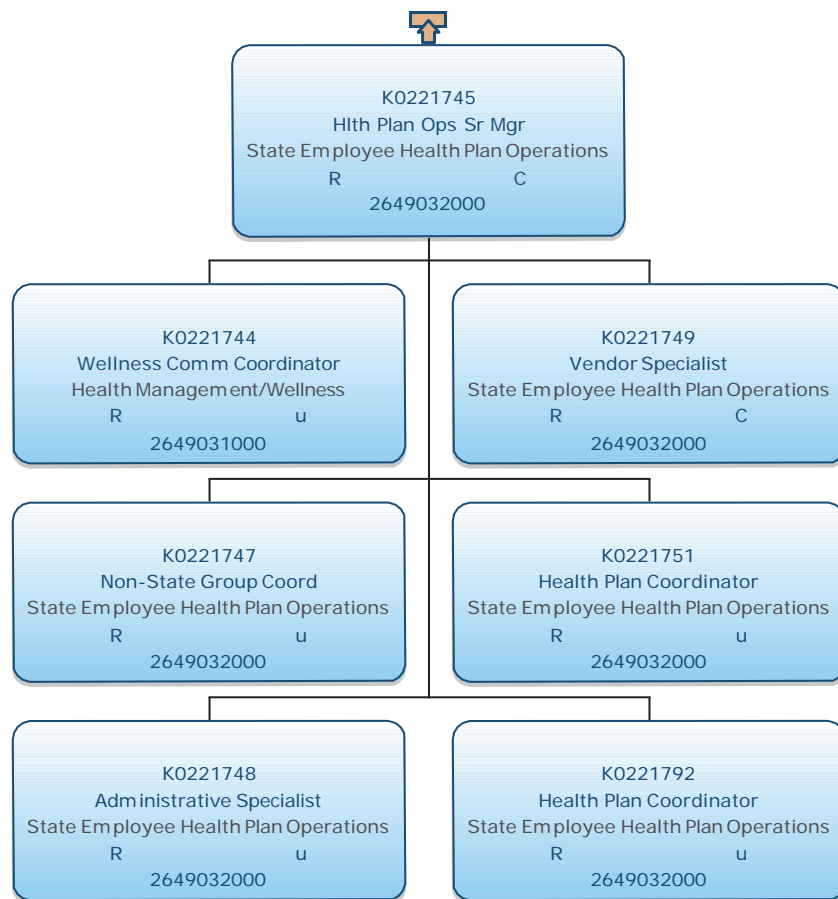


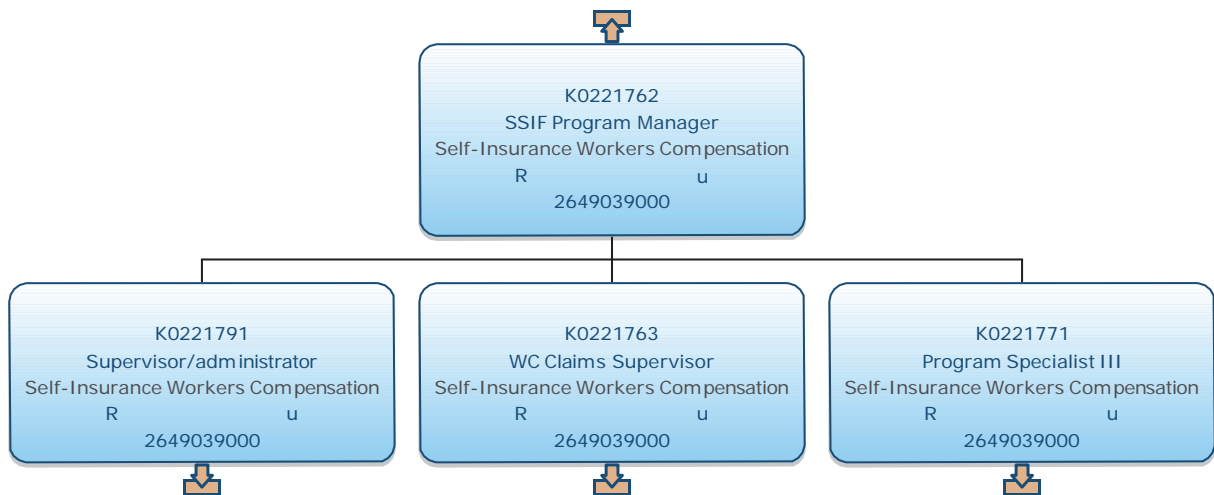








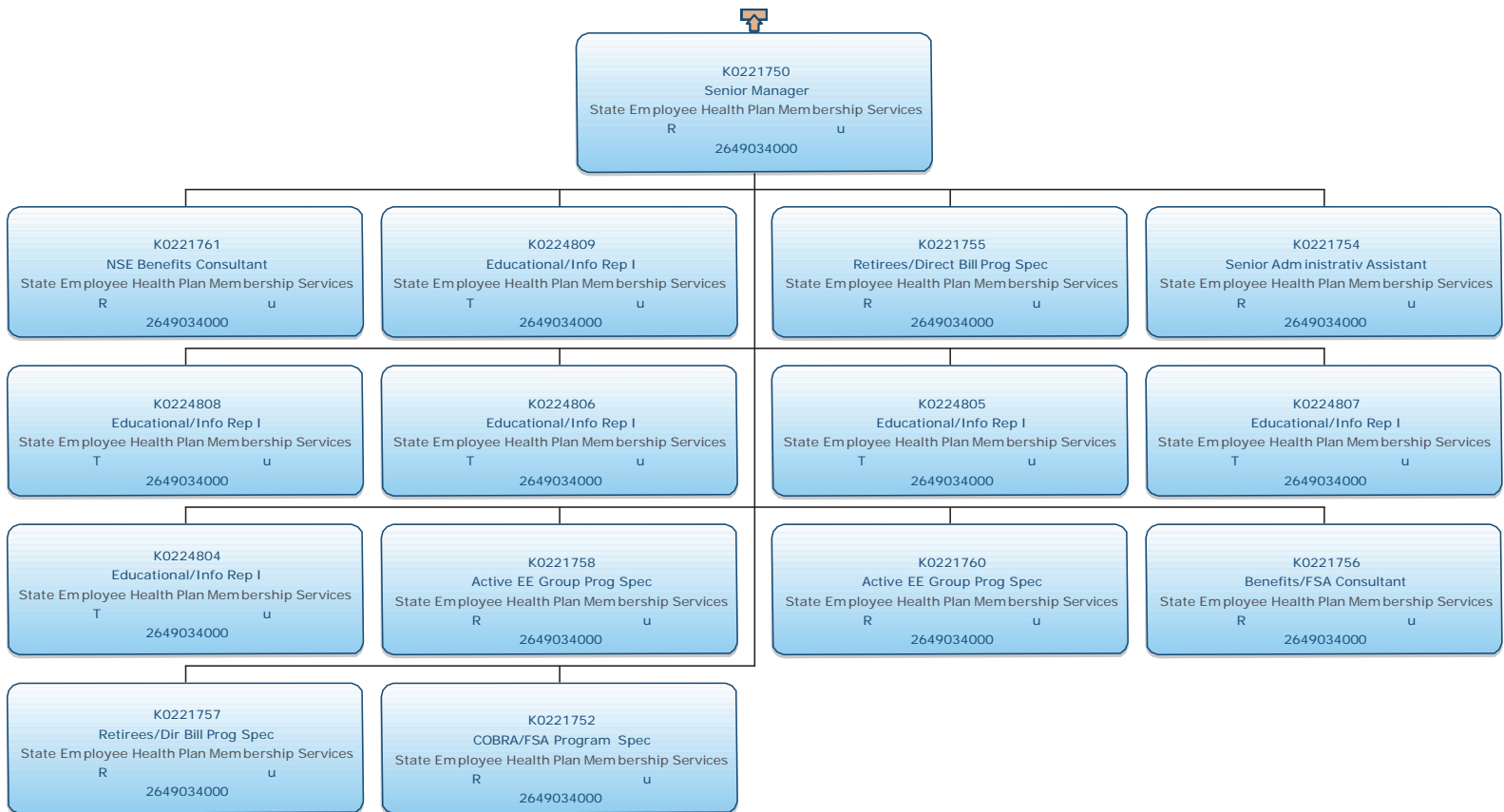












Index Continued