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State/Territory Name: KS

State Plan Amendment (SPA) #: 16-0002-MM4

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) Summary Form (with 179-like data)
- 3) Approved SPA Pages

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

April 7, 2016

Mike Randol, Director
Kansas Department of Health and Environment
Division of Health Care Finance
900 SW Jackson, Room 900N
Topeka, KS 66612

Dear Mr. Randol:

On December 30, 2015, the Centers for Medicare & Medicaid Services received Kansas state plan amendment (SPA) transmittal submitted SPA# 16-0002-MM4. This SPA implements the Kanas Executive Reorganization #43 which moves the determination of Medicaid eligibility for individuals who are elderly and disabled to the Kansas Department of Health and Environment, Division of Health Care Finance.

SPA 16-0002-MM4 was approved on April 4, 2016 with an effective date of January 1, 2016, as requested. Enclosed is a copy of the CMS-179 summary form, as well as the approved SPA pages for incorporation into the Kansas State Plan.

If you have any questions regarding this amendment, please contact Karen Hatcher or Barbara Cotterman at 816-426-5925.

Sincerely,

//s//

James G. Scott
Associate Regional Administrator
for Medicaid and Children's Health Operations

Enclosures

cc:
Bobbie Graff-Hendrixson
Kimberly Tjelmeland

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-16-0002

Proposed Effective Date

01/01/2016 (mm/dd/yyyy)

Federal Statute/Regulation Citation

42 CFR 431.10

Federal Budget Impact

	Federal Fiscal Year	Amount
First Year	2016	\$ 0.00
Second Year	2017	\$ 0.00

Subject of Amendment

This SPA is making organizational changes to the Medicaid programs, as required by Executive Reorganization Order 43.

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: **KIM Tjelmeland**

Last Revision Date: **Mar 28, 2016**

Submit Date: **Jan 6, 2016**



Medicaid Administration

State Name:

OMB Control Number: 0938-1148

Transmittal Number: KS - 16 - 0002

Expiration date: 10/31/2014

State Plan Administration Designation and Authority

A1

42 CFR 431.10

Designation and Authority

State Name:

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:

Type of Agency:

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

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:

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

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



Medicaid Administration

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 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.

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.



Medicaid Administration

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

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



Medicaid Administration

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.

In the Medicaid Operations unit are functional teams with subject matter expertise. These functional teams are Eligibility, Business Analysis testing and Claims Management, Contracts & Fiscal Agent Operations, Project Management, the Managed Care Team and Clinical Policy and Improvement. The Program Finance and Informatics 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 Eligibility Team provides statewide policy and guidance for all Medicaid and CHIP groups. The Eligibility Policy Team is responsible for overseeing all eligibility program, policy, and outreach activities. The Eligibility Team reviews State Fair Hearings (SFH) decisions related to eligibility determination. KDHE DHCF staff ensures automated systems support policy. The staff performs program integrity activities. The Working Healthy Section within the eligibility team 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 training team develops and delivers statewide training for eligibility workers. Out stationed workers who determine eligibility for MAGI and Non-MAGI programs are also part of the eligibility team.

The KanCare Eligibility Clearing House receives applications for the MAGI, Non-MAGI, elderly and disabled programs. The Eligibility Clearinghouse team determines Medicaid eligibility. This team is co-located with a private contractor, which screens and enrolls for the CHIP program.

Business Analysis testing and Claims Management team oversees the daily operations of the fiscal agents. This includes but is not limited to the MMIS system oversight, business analysis testing, claims payment, and encounter validation.

The Contracts & Fiscal Agent Operations team is responsible for procurement, management, and oversight of all Medicaid and CHIP funding contracts, the fiscal agent, claims processing, encounter data validation, dispute resolution, State Fair Hearings (SFH), and federal mandates. This team annually writes and amends contracts; performs program integrity; and manages third-party liability collections (including Medicare) from primary insurance carriers. This team receives all Acknowledgements and Orders for State Fair Hearings (SFH) from the Office of Administrative Hearings (OAH), disseminates and manages the Acknowledgements and Orders from OAH. 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 Project Management team writes APDs, and manages all projects with the fiscal agent to ensure federal mandates are followed and implemented according to federal regulation.

The Managed Care team is responsible for the oversight, and management of the contracts with the Managed Care Organizations (MCO). This includes but not limited to daily operations, provider contracts with the MCOs, member rights and protections and audits.



Medicaid Administration

The Clinical Policy and Improvement (CPI) team contains clinical healthcare professionals who are responsible for the Medicaid fee-for-service pharmacy program, the Preferred Drug List (PDL), Drug Utilization Review Board (DUR), oversight of the MCOs' pharmacy program, the rebate program; medical covered services and state only funded medical programs.

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. The unit is responsible institutional reimbursement i.e. for establishing reimbursement rates, upper payment limits, diagnosis-related groups (DRGs) for Medicaid inpatient services. This unit conducts reviews of cost reports and financial data to determine utilization of Critical Access Hospitals (CAH), FQHCs, and IHS providers. The unit is responsible for overseeing and reporting on DSH payments and the UCC pool payments for the 1115 Waiver. 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:

Kansas Department of Health and Environment (KDHE) - KDHE Division of Health Care Finance (DHCF) is the single State Medicaid Agency under the direction of the Secretary for Health and Environment who reports directly to the Governor. In addition to serving as the single state agency for the Medicaid program, the Agency provides oversight for the Division of Environment and Public Health, including local health departments, immunizations, and Ryan White.

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. 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 for child welfare programs.

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

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



Medicaid Administration

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.

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 child welfare programs. Functions they perform include determination of initial Medicaid eligibility, adjustment of eligibility, re-determination of eligibility and related functions for these groups:
Children with Title IV-E Adoption Assistance, Foster Care or Guardianship Care
Children with Non-IV-E Adoption Assistance
Children identified under the Reasonable Classifications

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:

Transmittal number: 16-0002-MM4
Supersedes: 14-0005-MM4

Approval Date: April 4, 2016

Effective Date: January 1, 2016



Medicaid Administration

☐ Counties

☐ 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.20141203

Kansas Department of Health and Environment (KDHE)

Division of Health Care Finance (DHCF)

Division Director

Medicaid Operations

State Employee Health Benefits Plan

Program Finance and Informatics

Eligibility

Working Healthy/
WORK

Eligibility Policy
Training & Outreach

KEES

Training

Eligibility Clearinghouse

Medical Program(s)
Determinations

Business Analysis Testing & Claims
Management

Claims Team

Contracts & Fiscal Agent Operations

State Fair Hearings

Program & Contract
Compliance

Contract
Development

Regulations and
SPAs

Project Management

Policy Operations

Project Management

Managed Care Team

Clinical Policy and Improvement

Pharmacy

Health Care Services

Program Informatics

Medicaid Eligibility QC &
Payment Error Rate Measurement

Fiscal

Medical Program Finance and Reporting

Payment Policy Development &
Implementation