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State/Territory Name: Kentucky

State Plan Amendment (SPA) #: 16-0003

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Atlanta Regional Office
61 Forsyth Street, Suite 4T20
Atlanta, Georgia 30303



DIVISION OF MEDICAID & CHILDREN'S HEALTH OPERATIONS

January 11, 2017

Stephen P. Miller, Commissioner
Department for Medicaid Services
275 East Main Street, 6WA
Frankfort, KY 40621-0001

Re: Kentucky State Plan Amendment 16-0003

Dear Mr. Miller:

We have reviewed the proposed Kentucky state plan amendment, KY 16-0003, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on June 22, 2016. This amendment updates the current reimbursement methodology for Community Mental Health Centers (CMHCs) and expands the services that a CMHC may provide. Expanded services are primary care services, physical therapy services, occupational therapy services and speech therapy services. Also, reimbursement to the CMHC will be at cost.

Based on the information provided, the Medicaid State Plan Amendment KY 16-0003 was approved on January 11, 2017. The effective date of this amendment is November 1, 2016. We are enclosing the approved HCFA-179 and a copy of the new state plan pages.

If you have any additional questions or need further assistance, please contact Melanie Benning at (404) 562-7414 or Melanie.Benning@cms.hhs.gov.

Sincerely,

//s//

Jackie Glaze
Associate Regional Administrator
Division of Medicaid & Children's Health Operations

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL		1. TRANSMITTAL NUMBER: 16-003	2. STATE Kentucky
FOR: HEALTH CARE FINANCING ADMINISTRATION		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE July 1, 2016	
5. TYPE OF PLAN MATERIAL (<i>Check One</i>):			
<input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT			
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (<i>Separate Transmittal for each amendment</i>)			
6. FEDERAL STATUTE/REGULATION CITATION:		7. FEDERAL BUDGET IMPACT:	
		a. FFY 2016 \$1,680,000	
		b. FFY 2017 \$6,720,000	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>):	
Att. 3.1-A, Page 7.6.1(f) – 7.6.1(g) Att. 3.1-B, Page 31.5(f) – 31.5(g) Att. 3.1-A, Page 7.6.1(nn) – 7.6.1(oo) Att. 3.1-B, Page 31.5(nn) – 31.5(oo) Att. 3.1-A, Page 7.6.1(y) – 7.6.1(aa)(1) Att. 3.1-B, Page 31.5(y) – 31.5(aa)(1) Att. 4.19-B, Page 20.15 – 20.15(1)(a)(viii)		Same	
10. SUBJECT OF AMENDMENT: The purpose of this SPA is to update the current reimbursement methodology provided to Community Mental Health Centers (CMHC) in KY and to expand the services the CMHC may provide to primary care services, including Physical Therapy, Occupational Therapy and Speech Therapy.			
11. GOVERNOR'S REVIEW (<i>Check One</i>):			
<input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT		X OTHER, AS SPECIFIED: Review delegated to Commissioner, Department for Medicaid Services	
<input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED			
<input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL: //s//		16. RETURN TO:	
13. TYPED NAME: Stephen P. Miller		Department for Medicaid Services 275 East Main Street 6W-A Frankfort, Kentucky 40621	
14. TITLE: Commissioner, Department for Medicaid Services			
15. DATE SUBMITTED: 6/14/16			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: 06/22/16		18. DATE APPROVED: 01-11-17	
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 11/01/16		20. SIGNATURE OF REGIONAL OFFICIAL: //s//	
21. TYPED NAME: Jackie Glaze		22. TITLE: Associate Regional Administrator Division of Medicaid & Children Health Opns	
23. REMARKS: Approved with the following changes to Block 4, 7, 8 and block 9 as authorized by state agency on email dated 1/3/17. Block # 4 Changed to read: November 1, 2016. Block # 7a changed to read: FFY 2017 \$6,720,000; Block # 7b changed to read: FFY 2018 \$6,720,000. Block# 8 changed to read: Attachment 3.1-A Pages 7.3.1(d), 7.6.1 (t), 7.6.1 (g), 7.6.1 (nn) (oo) (new), 7.6. 1(y) - 7.6.1 (aa): Attachment 3.1-8 pages 25.2. 31.5(t). 31.5(g). 3 1.5(nn), 31.5(oo) (new). 31.5(y) - 315(aa): Attachment 4.19-8 pages 20.15, 20.15 (I)(a), 20.15 (I)(a)(i) thru 20.15 (I)(a)(ix)(new), Pages 20.38. 20.3(a), 20.5(I), 20.13-E. 20.24 and page 27 Block# 9 changed to read: Attachment 3.1-A Pages 7.3.1 (d), 7 6. 1(1), 7.6.1 (g), 7.6.1 (nn). 7.6.1 (Y) - 7.6.1 (aa): Attachment 3.1-8 pages 25.2, 31.5(0. 3 1.5(g), 31.5(nn). 31.5(y) - 31 5(aa): Attachment 4.19-8 pages 20.15. 20.15 (I)(a). Pages 20.38. 20.3(a), 20.5(1). 20.13-E, Pages 20.15, 20.15 (1) (a). 20.24 and page 27			

9. Clinic Services

Coverage for clinic services is limited to services provided by the following clinics and includes:

1. Family planning clinics.
2. Clinics engaging in screening for the purposes of the early and periodic screening, diagnosis, and treatment component of the Medicaid Program.
3. Out-patient surgical clinics.
4. Other clinics authorized under 42 CFR 440.90.

13. Other diagnostic, screening, preventive and, rehabilitative services, i.e., other than those provided elsewhere in this plan.13d. Rehabilitative Services

A. Treatment Services for Substance Use Disorders and Mental Health Disorders

4. Rendering Providers

Provider Group	✓	✓	✓	✓			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
CMHC	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
LO	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
LABA*		✓			✓	◆	◆	✓										✓	✓							✓
LBA		✓			✓	◆	◆	✓										✓	✓							✓
CSA*																										
Prevention Specialist*																										
SU Peer Support*						◆	◆		◆	◆	◆															
Peer Support*						◆	◆		◆	◆	◆															
LCADCA*	✓	✓		✓		◆	◆	✓										◆		✓	✓	✓	✓	✓	✓	✓
LCADC	✓	✓		✓		◆	◆	✓										◆		✓	✓	✓	✓	✓	✓	✓
CADC*	✓	✓		✓		◆	◆	✓										◆		✓	✓	✓	✓	✓	✓	✓
PA*	✓	✓		✓		◆	◆	✓										◆		✓	✓	✓	✓	✓	✓	✓
APRN	✓	✓		✓		◆	◆	✓										◆		✓	✓	✓	✓	✓	✓	✓
Psychiatrist	✓	✓		✓		◆	◆	✓										◆		✓	✓	✓	✓	✓	✓	✓
MD	✓	✓		✓		◆	◆	✓										◆		✓	✓	✓	✓	✓	✓	✓
MFTA*	✓	✓		✓		◆	◆	✓										◆		✓	✓	✓	✓	✓	✓	✓
LMFT	✓	✓		✓		◆	◆	✓										◆		✓	✓	✓	✓	✓	✓	✓
LPATA*	✓	✓		✓		◆	◆	✓										◆		✓	✓	✓	✓	✓	✓	✓
LPAT	✓	✓		✓		◆	◆	✓										◆		✓	✓	✓	✓	✓	✓	✓
LPCA*	✓	✓		✓		◆	◆	✓										◆		✓	✓	✓	✓	✓	✓	✓
LPCC	✓	✓		✓		◆	◆	✓										◆		✓	✓	✓	✓	✓	✓	✓
CSW*	✓	✓		✓		◆	◆	✓										◆		✓	✓	✓	✓	✓	✓	✓
LCSW	✓	✓		✓		◆	◆	✓										◆		✓	✓	✓	✓	✓	✓	✓
LPP	✓	✓	✓	✓		◆	◆	✓										◆		✓	✓	✓	✓	✓	✓	✓
LPA*	✓	✓	✓	✓		◆	◆	✓										◆		✓	✓	✓	✓	✓	✓	✓
LP	✓	✓	✓	✓		◆	◆	✓										◆		✓	✓	✓	✓	✓	✓	✓
Service	A. Screening	B. Assessment	C. Psychological Testing	D. Crisis Intervention		E. Mobile Crisis	F. Residential Crisis Stabilization	G. Day Treatment	H. Peer Support	I. Parent/Family Peer Support	J. Intensive Outpatient Program (IOP)	K. Individual Outpatient Therapy	L. Group Outpatient Therapy	M. Family Outpatient Therapy	N. Collateral Outpatient Therapy											

13. Other diagnostic, screening, preventive and, rehabilitative services, i.e., other than those provided elsewhere in this plan.13d. Rehabilitative Services

A. Treatment Services for Substance Use Disorders and Mental Health Disorders

4. Rendering Providers

Service	LP	LPA*	LPP	LCSW	CSW*	LPCC	LPCA*	LPAT	LPATA*	LMFT	MFTA*	MD	Psychiatrist	APRN	PA*	CADC*	LCADC	LCADCA*	Peer Support*	SU Peer Support*	Prevention Specialist*	CSA	LBA	LABA*	LO	CMHC	Provider Group
O. Partial Hospitalizations	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	✓
P. Service Planning (Mental Health Only)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Q. Residential Services for SUD (Substance use only)	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	✓
R. SBIRT (Substance Use Only)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
S. Assertive Community Treatment (Mental Health Only)	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	✓
T. Comprehensive Community Support Services	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
U. Therapeutic Rehabilitation Program (Mental Health Only)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

* Billed through supervisor

✓ Individual Practitioner, Provider Group or Licensed Organization

◆ Rendering Practitioners practicing as part of a Licensed Organizations

LADC, LADCA, and CADC can only provide services for recipients with substance use disorders and within the scope of their practice.

13. Other diagnostic, screening, preventive and, rehabilitative services, i.e., other than those provided elsewhere in this plan.

13d. Rehabilitative Services

A. Treatment Services for Substance Use Disorders and Mental Health Disorders

9. Qualifications of Providers (continued)

- v. Licensed Assistant Behavior Analyst: KRS 319C.080 states that a Licensed Assistant Behavior Analyst shall:
 - (1) Have met the education requirements of the Board Certified Assistant Behavior Analyst (BCaBA) standards, has passed the BCaBA examination, and is credentialed as an assistant behavior analyst by the certification board;
 - (2) Maintain active status and fulfills all requirements for renewal and recertification with the certification board as a Board Certified Assistant Behavior Analyst;
 - (3) Conduct his professional activities in accordance with accepted standards as required by administrative regulations promulgated by the board in accordance with KRS 319C.050(1);
 - (4) Comply with all applicable administrative regulations promulgated by the board; and
 - (5) Be supervised by a certified behavior analyst in a manner consistent with the certification board requirements for supervision of Board Certified Assistant Behavior Analysts.

- w. Substance Use Peer Support is and adult peer support specialist. KAR 908 2:220 states an adult peer support specialist shall:
 - (1) Be eighteen (18) years of age or older;
 - (2) Have a current or past diagnosis of a mental health, substance use, or co-occurring mental health and substance use disorders;
 - (3) Have received or be receiving treatment;
 - (4) Have a minimum educational requirement of a high school diploma or General Equivalence Diploma (GED) certificate;
 - (5) Demonstrate a pattern of recovery from a mental health, substance use, or co-occurring mental health and substance use disorders;
 - (6) Successfully complete adult peer support specialist training approved by the department or receive a training waiver for this requirement in accordance with Section 5 of this administrative regulation; and
 - (7) Successfully complete, maintain, and submit to the department documentation of a minimum of six (6) hours of related training or education in each subsequent year.

13. Other diagnostic, screening, preventive and, rehabilitative services, i.e., other than those provided elsewhere in this plan.

13d. Rehabilitative Services

A. Treatment Services for Substance Use Disorders and Mental Health Disorders

9. Qualifications of Providers (continued)

- x. Certified Prevention Specialist – KY Certification Board for Prevention Professionals (KCBPP) states the following:
 - (1) Bachelor's Degree
 - (2) 2000 clock hours of ATOD prevention work experience
 - (3) 150 hours of training that have occurred within the past 10 years. Of these 150 hours the following are required:
 - (a) 6 hours of prevention specific ethics
 - (b) A maximum of 40 hours of on-line training and
 - (c) A maximum of 40 hours in-house training
 - (4) 120 hours of supervision by a Certified Prevention Specialist
 - (5) Passing score of the IC&RC Prevention Specialist Exam

13. Other diagnostic, screening, preventive and, rehabilitative services, i.e., other than those provided elsewhere in this plan.

13d. Rehabilitative Services

8. Community Mental Health Centers (CMHC)

A. CMHCs may provide any of the mental health/substance use services listed on Attachment 3.1-A, page 7.6.1(f) – page 7.6.1(g). Reimbursement is available for all rehabilitation services described above under covered services subject to the following:

1. Medicaid will reimburse for CMHC rehabilitation services when provided to persons diagnosed with a mental health, substance use or co-occurring mental health and substance use disorder when provided by qualified mental health professionals listed below. Service limitations applicable to other provider types are also applicable to CMHCs.
2. Providers must perform services consistent with the terms of their licensure. Professionals qualified to provide mental health or substance use rehabilitation services in the CMHCs include:
 - a. Licensed Psychologist (LP)
 - b. Licensed Psychological Practitioner (LPP)
 - c. Licensed Clinical Social Worker (LCSW)
 - d. A psychiatric social worker with a master's degree from an accredited school
 - e. Licensed Professional Clinical Counselor (LPCC)
 - f. Licensed Marriage and Family Therapist (LMFT)
 - g. Psychiatrist
 - h. Physician
 - i. Licensed Professional Art Therapist (LPAT)
 - j. Licensed Behavior Analyst (LBA)
 - k. A psychiatric nurse licensed in the Commonwealth of Kentucky with one of the following combination of education and experience:
 - (1) Master of Science in Nursing with a specialty in psychiatric or mental health nursing. No experience required.
 - (2) Bachelor of Science in Nursing and 1 year of experience in a mental health setting.
 - (3) A graduate of a three-year educational program with 2 years of experience in a mental health setting.
 - (4) A graduate of a two-year educational program (Associate degree) with 3 years of experience in a mental health setting.
 - l. Licensed Certified Alcohol and Drug Counselor (LCADC)
 - m. APRN

13. Other diagnostic, screening, preventive and, rehabilitative services, i.e., other than those provided elsewhere in this plan.

13d. Rehabilitative Services

m. Treatment Services for Substance Use Disorders and Mental Health Disorders

8. Community Mental Health Centers (CMHC) (continued)

- n. A professional equivalent, through education in a behavioral health field and experience in a behavioral health setting, qualified to provide behavioral health services. Professional equivalents may include practitioners obtaining experience to qualify for licensure in their behavioral health profession or individuals with a bachelor's degree or greater, with experience in behavioral health. Education and experience are as follows:
 - (1) Bachelor's degree and three (3) years of full-time supervised experience.
 - (2) Master's degree and six (6) months of full-time supervised experience.
 - (3) Doctoral degree. No experience.
- o. The following professionals may provide services with appropriate supervision:
 - (1) A mental health associate with a minimum of a Bachelor's degree in psychology, sociology, social work, or human services under supervision of one of the above professionals;
 - (2) A Licensed Psychological Associate (LPA);
 - (3) A Licensed Professional Counselor Associate (LPCA);
 - (4) A Certified Social Worker (CSW), Master Level;
 - (5) A Marriage and Family Therapy Associate (MFTA);
 - (6) A physician assistant working under the supervision of a physician;
 - (7) Peer Support Specialist working under the supervision of a physician, a psychiatrist, an APRN, a PA, a LP, a LPP, a LPA, a LCSW, a LMFT, a LPCC, a CSW, a MFTA, a LPCA, a LCADC, a LCADCA, CADC, a Professional Equivalent, a psychiatric nurse, a LPAT, or a LPATA;
 - (8) A certified alcohol and drug counselor (CADC) working under the supervision of a physician, a psychiatrist, an APRN, a PA, a LP, a LPP, a LPA working under the supervision of a LP, a LCSW, a LMFT, a LPCC, a CSW, a MFTA, a LPCA, a LPAT, or a LPATA with three (3) years of inpatient or outpatient clinical experience in psychiatric social work and currently employed by a hospital or forensic psychiatric facility licensed by the Commonwealth or a psychiatric unit of a general hospital or a private agency or company engaged in the provision of mental health services or a regional community mental health center;
 - (9) A community support associate who is working under the supervision of a physician, a psychiatrist, an APRN, a PA, a LP, a LPP, a LPA, a LCSW, a LMFT, a LPCC, a CSW, a MFTA, a LPCA, a LCADC, a LCADCA, a CADC, a Professional Equivalent, a psychiatric nurse, a LPAT, a LPATA, or a LBA;

13. Other diagnostic, screening, preventive and, rehabilitative services, i.e., other than those provided elsewhere in this plan.

13d. Rehabilitative Services

8. Community Mental Health Centers (CMHC) (continued)

- (10) A Licensed Professional Art Therapist Associate (LPATA);
- (11) A Licensed Assistant Behavior Analyst (LABA).
- (12) Licensed Certified Alcohol and Drug Counselor Associate (LCADCA)
- (13) Prevention Specialist
- (14) Substance Use Peer Support

9. Clinic Services

Coverage for clinic services is limited to services provided by the following clinics and includes:

1. Family planning clinics.
2. Clinics engaging in screening for the purposes of the early and periodic screening, diagnosis, and treatment component of the Medicaid Program.
3. Outpatient surgical clinics.
4. Other clinics authorized under 42 CFR 440.90.

13. Other diagnostic, screening, preventive and, rehabilitative services, i.e., other than those provided elsewhere in this plan.13d. Rehabilitative ServicesA. Treatment Services for Substance Use Disorders and Mental Health Disorders4. Rendering Providers

Provider Group	✓	✓	✓	✓			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
CMHC	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
LO	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
LABA*		✓			✓	◆	◆	✓										✓	✓					✓	✓	✓
LBA		✓			✓	◆	◆	✓										✓	✓					✓	✓	✓
CSA*																										
Prevention Specialist*																										
SU Peer Support*						◆	◆	◆	◆	◆																
Peer Support*						◆	◆	◆	◆	◆																
LCADCA*	✓	✓		✓	◆	◆		✓				◆					◆	✓	✓	✓	✓	✓	✓	✓	✓	✓
LCADC	✓	✓		✓	◆	◆		✓				◆					◆	✓	✓	✓	✓	✓	✓	✓	✓	✓
CADC*	✓	✓		✓	◆	◆		✓				◆					◆	✓	✓	✓	✓	✓	✓	✓	✓	✓
PA*	✓	✓		✓	◆	◆		✓				◆					◆	✓	✓	✓	✓	✓	✓	✓	✓	✓
APRN	✓	✓		✓	◆	◆		✓				◆					◆	✓	✓	✓	✓	✓	✓	✓	✓	✓
Psychiatrist	✓	✓		✓	◆	◆		✓				◆					◆	✓	✓	✓	✓	✓	✓	✓	✓	✓
MD	✓	✓		✓	◆	◆		✓				◆					◆	✓	✓	✓	✓	✓	✓	✓	✓	✓
MFTA*	✓	✓		✓	◆	◆		✓				◆					◆	✓	✓	✓	✓	✓	✓	✓	✓	✓
LMFT	✓	✓		✓	◆	◆		✓				◆					◆	✓	✓	✓	✓	✓	✓	✓	✓	✓
LPATA*	✓	✓		✓	◆	◆		✓				◆					◆	✓	✓	✓	✓	✓	✓	✓	✓	✓
LPAT	✓	✓		✓	◆	◆		✓				◆					◆	✓	✓	✓	✓	✓	✓	✓	✓	✓
LPCA*	✓	✓		✓	◆	◆		✓				◆					◆	✓	✓	✓	✓	✓	✓	✓	✓	✓
LPCC	✓	✓		✓	◆	◆		✓				◆					◆	✓	✓	✓	✓	✓	✓	✓	✓	✓
CSW*	✓	✓		✓	◆	◆		✓				◆					◆	✓	✓	✓	✓	✓	✓	✓	✓	✓
LCSW	✓	✓		✓	◆	◆		✓				◆					◆	✓	✓	✓	✓	✓	✓	✓	✓	✓
LPP	✓	✓	✓	✓	◆	◆		✓				◆					◆	✓	✓	✓	✓	✓	✓	✓	✓	✓
LPA*	✓	✓	✓	✓	◆	◆		✓				◆					◆	✓	✓	✓	✓	✓	✓	✓	✓	✓
LP	✓	✓	✓	✓	◆	◆		✓				◆					◆	✓	✓	✓	✓	✓	✓	✓	✓	✓
Service	A. Screening	B. Assessment	C. Psychological Testing	D. Crisis Intervention	E. Mobile Crisis	F. Residential Crisis Stabilization	G. Day Treatment	H. Peer Support	I. Parent/Family Peer Support	J. Intensive Outpatient Program (IOP)	K. Individual Outpatient Therapy	L. Group Outpatient Therapy	M. Family Outpatient Therapy	N. Collateral Outpatient Therapy												

13. Other diagnostic, screening, preventive and, rehabilitative services, i.e., other than those provided elsewhere in this plan.13d. Rehabilitative ServicesA. Treatment Services for Substance Use Disorders and Mental Health Disorders4. Rendering Providers

Service	LP	LPA*	LPP	LCSW	CSW*	LPCC	LPCA*	LPAT	LPATA*	LMFT	MFTA*	MD	Psychiatrist	APRN	PA*	CADC*	LCADC	LCADCA*	Peer Support*	SU Peer Support*	Prevention Specialist*	CSA	LBA	LABA*	LO	CMHC	Provider Group
O. Partial Hospitalizations	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆				◆	◆	◆	◆	◆
P. Service Planning (Mental Health Only)	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆				◆	◆	◆	◆	◆
Q. Residential Services for SUD (Substance use only)	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆		◆	◆	◆	◆	◆
R. SBIRT (Substance Use Only)	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆
S. Assertive Community Treatment (Mental Health Only)	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆
T. Comprehensive Community Support Services	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆
U. Therapeutic Rehabilitation Program (Mental Health Only)	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆

* Billed through supervisor

✓ Individual Practitioner, Provider Group or Licensed Organization

◆ Rendering Practitioners practicing as part of a Licensed Organizations

LADC, LADCA, and CADC can only provide services for recipients with substance use disorders and within the scope of their practice.

13. Other diagnostic, screening, preventive and, rehabilitative services, i.e., other than those provided elsewhere in this plan.

13d. Rehabilitative Services

A. Treatment Services for Substance Use Disorders and Mental Health Disorders

9. Qualifications of Providers (continued)

- v. Licensed Assistant Behavior Analyst: KRS 319C.080 states that a Licensed Assistant Behavior Analyst shall:
 - (1) Have met the education requirements of the Board Certified Assistant Behavior Analyst (BCaBA) standards, has passed the BCaBA examination, and is credentialed as an assistant behavior analyst by the certification board;
 - (2) Maintain active status and fulfills all requirements for renewal and recertification with the certification board as a Board Certified Assistant Behavior Analyst;
 - (3) Conduct his professional activities in accordance with accepted standards as required by administrative regulations promulgated by the board in accordance with KRS 319C.050(1);
 - (4) Comply with all applicable administrative regulations promulgated by the board; and
 - (5) Be supervised by a certified behavior analyst in a manner consistent with the certification board requirements for supervision of Board Certified Assistant Behavior Analysts.
- w. Substance Use Peer Support is and adult peer support specialist. KAR 908 2:220 states an adult peer support specialist shall:
 - (1) Be eighteen (18) years of age or older;
 - (2) Have a current or past diagnosis of a mental health, substance use, or co-occurring mental health and substance use disorders;
 - (3) Have received or be receiving treatment;
 - (4) Have a minimum educational requirement of a high school diploma or General Equivalence Diploma (GED) certificate;
 - (5) Demonstrate a pattern of recovery from a mental health, substance use, or co-occurring mental health and substance use disorders;
 - (6) Successfully complete adult peer support specialist training approved by the department or receive a training waiver for this requirement in accordance with Section 5 of this administrative regulation; and
 - (7) Successfully complete, maintain, and submit to the department documentation of a minimum of six (6) hours of related training or education in each subsequent year.

13. Other diagnostic, screening, preventive and, rehabilitative services, i.e., other than those provided elsewhere in this plan.

13d. Rehabilitative Services

A. Treatment Services for Substance Use Disorders and Mental Health Disorders

9. Qualifications of Providers (continued)

- x. Certified Prevention Specialist – KY Certification Board for Prevention Professionals (KCBPP) states the following:
 - (1) Bachelor's Degree
 - (2) 2000 clock hours of ATOD prevention work experience
 - (3) 150 hours of training that have occurred within the past 10 years. Of these 150 hours the following are required:
 - (a) 6 hours of prevention specific ethics
 - (b) A maximum of 40 hours of on-line training and
 - (c) A maximum of 40 hours in-house training
 - (4) 120 hours of supervision by a Certified Prevention Specialist
 - (5) Passing score of the IC&RC Prevention Specialist Exam

13. Other diagnostic, screening, preventive and, rehabilitative services, i.e., other than those provided elsewhere in this plan.

13d. Rehabilitative Services

8. Community Mental Health Centers (CMHC)

A. CMHCs may provide any of the mental health/substance use services listed on Attachment 3.1-A, page 7.6.1(f) – page 7.6.1(g). Reimbursement is available for all rehabilitation services described above under covered services subject to the following:

1. Medicaid will reimburse for CMHC rehabilitation services when provided to persons diagnosed with a mental health, substance use or co-occurring mental health and substance use disorder when provided by qualified mental health professionals listed below. Service limitations applicable to other provider types are also applicable to CMHCs.
2. Providers must perform services consistent with the terms of their licensure. Professionals qualified to provide mental health or substance use rehabilitation services in the CMHCs include:
 - a. Licensed Psychologist (LP)
 - b. Licensed Psychological Practitioner (LPP)
 - c. Licensed Clinical Social Worker (LCSW)
 - d. A psychiatric social worker with a master's degree from an accredited school
 - e. Licensed Professional Clinical Counselor (LPCC)
 - f. Licensed Marriage and Family Therapist (LMFT)
 - g. Psychiatrist
 - h. Physician
 - i. Licensed Professional Art Therapist (LPAT)
 - j. Licensed Behavior Analyst (LBA)
 - k. A psychiatric nurse licensed in the Commonwealth of Kentucky with one of the following combination of education and experience:
 - (1) Master of Science in Nursing with a specialty in psychiatric or mental health nursing. No experience required.
 - (2) Bachelor of Science in Nursing and 1 year of experience in a mental health setting.
 - (3) A graduate of a three-year educational program with 2 years of experience in a mental health setting.
 - (4) A graduate of a two-year educational program (Associate degree) with 3 years of experience in a mental health setting.
 - l. Licensed Certified Alcohol and Drug Counselor (LCADC)
 - m. APRN

13. Other diagnostic, screening, preventive and, rehabilitative services, i.e., other than those provided elsewhere in this plan.

13d. Rehabilitative Services

m. Treatment Services for Substance Use Disorders and Mental Health Disorders

8. Community Mental Health Centers (CMHC) (continued)

- n. A professional equivalent, through education in a behavioral health field and experience in a behavioral health setting, qualified to provide behavioral health services. Professional equivalents may include practitioners obtaining experience to qualify for licensure in their behavioral health profession or individuals with a bachelor's degree or greater, with experience in behavioral health. Education and experience are as follows:
 - (1) Bachelor's degree and three (3) years of full-time supervised experience.
 - (2) Master's degree and six (6) months of full-time supervised experience.
 - (3) Doctoral degree. No experience.
- o. The following professionals may provide services with appropriate supervision:
 - (1) A mental health associate with a minimum of a Bachelor's degree in psychology, sociology, social work, or human services under supervision of one of the above professionals;
 - (2) A Licensed Psychological Associate (LPA);
 - (3) A Licensed Professional Counselor Associate (LPCA);
 - (4) A Certified Social Worker (CSW), Master Level;
 - (5) A Marriage and Family Therapy Associate (MFTA);
 - (6) A physician assistant working under the supervision of a physician;
 - (7) Peer Support Specialist working under the supervision of a physician, a psychiatrist, an APRN, a PA, a LP, a LPP, a LPA, a LCSW, a LMFT, a LPCC, a CSW, a MFTA, a LPCA, a LCADC, a LCADCA, CADC, a Professional Equivalent, a psychiatric nurse, a LPAT, or a LPATA;
 - (8) A certified alcohol and drug counselor (CADC) working under the supervision of a physician, a psychiatrist, an APRN, a PA, a LP, a LPP, a LPA working under the supervision of a LP, a LCSW, a LMFT, a LPCC, a CSW, a MFTA, a LPCA, a LPAT, or a LPATA with three (3) years of inpatient or outpatient clinical experience in psychiatric social work and currently employed by a hospital or forensic psychiatric facility licensed by the Commonwealth or a psychiatric unit of a general hospital or a private agency or company engaged in the provision of mental health services or a regional community mental health center;
 - (9) A community support associate who is working under the supervision of a physician, a psychiatrist, an APRN, a PA, a LP, a LPP, a LPA, a LCSW, a LMFT, a LPCC, a CSW, a MFTA, a LPCA, a LCADC, a LCADCA, a CADC, a Professional Equivalent, a psychiatric nurse, a LPAT, a LPATA, or a LBA;

13. Other diagnostic, screening, preventive and, rehabilitative services, i.e., other than those provided elsewhere in this plan.

13d. Rehabilitative Services

8. Community Mental Health Centers (CMHC) (continued)

- (10) A Licensed Professional Art Therapist Associate (LPATA);
- (11) A Licensed Assistant Behavior Analyst (LABA).
- (12) Licensed Certified Alcohol and Drug Counselor Associate (LCADCA)
- (13) Prevention Specialist
- (14) Substance Use Peer Support

XVI. Other diagnostic, screening, preventive and rehabilitative services.

A. Community Mental Health Centers (CMHC) Reimbursement

Services provided by a CMHC provider may be provided both in the CMHC and within the community. Reimbursement will be the same regardless of where the services are performed.

Community Mental Health Centers (CMHCs) are paid CMHC-specific cost-based rates per service rendered. For services incurred on or after October 1, 2016, Medicaid will reimburse for the following providers of service. Providers will only be paid for services provided within the scope of their licensure.

1. Licensed Psychologist (LP)
2. Licensed Psychological Practitioner (LPP)
3. Licensed Clinical Social Worker (LCSW)
4. A psychiatric social worker with a master's degree from an accredited school
5. Licensed Professional Clinical Counselor (LPCC)
6. Licensed Professional Art Therapist (LPAT)
7. Licensed Marriage and Family Therapist (LMFT)
8. Licensed Behavior Analyst (LBA)
9. Psychiatrist
10. A psychiatric nurse licensed in the state of Kentucky with one of the following combination of education and experience:
 - a. Master of Science in Nursing with a specialty in psychiatric or mental health nursing. No experience required.
 - b. Bachelor of Science in Nursing and one (1) year of experience in a mental health setting.
 - c. A graduate of a three-year educational program with two (2) years of experience in a mental health setting.
 - d. A graduate of a two-year educational program (Associate degree) with three (3) years of experience in a mental health setting.
11. Licensed Certified Alcohol and Drug Counselor (LCADC)
12. A professional equivalent, through education in a behavioral health field and experience in a behavioral health setting, qualified to provide behavioral health services. Professional equivalents may include practitioners obtaining experience to qualify for licensure in their behavioral health profession or individuals with a bachelor's degree or greater, with experience in behavioral health. Education and experience are as follows:
 - (1) Bachelor's degree and three (3) years of full-time supervised experience.
 - (2) Master's degree and six (6) months of full-time supervised experience.
 - (3) Doctoral degree. No experience.
13. Physician
14. Advanced Practice Registered Nurse (APRN)
15. Physical Therapist - must meet requirements defined in 42 C.F.R. 484.4
16. Occupational Therapist - must meet requirements defined in 42 C.F.R. 484.4
17. Speech Therapist - must meet requirements defined in 42 C.F.R. 484.4

XVI. Other diagnostic, screening, preventive and rehabilitative services.

A. Community Mental Health Centers (CMHC) Reimbursement

18. The following professionals under the appropriate supervision:
- a. A mental health associate with a minimum of a Bachelor's degree in psychology, sociology, social work, or human services under supervision of one of the above professionals;
 - b. A licensed psychological associate;
 - c. A licensed professional counselor associate;
 - d. A licensed professional art therapist associate;
 - e. A certified social worker, Master Level;
 - f. A marriage and family therapy associate;
 - g. A licensed assistant behavior analyst;
 - h. i. Peer Support Specialist working under the supervision of a physician, a psychiatrist, an APRN, a PA, a LP, a LPP, a LPA, a LCSW, a LMFT, a LPCC, a CSW, a MFTA, a LPCA, a LCADC, a LCADCA, a CADC, a Professional Equivalent, a psychiatric nurse, a LPAT, or a LPATA ;
 - j. A certified alcohol and drug counselor (CADC) working under the supervision of a physician, a psychiatrist, an APRN, a PA, a LP, a LPP, a, a LCSW, a LMFT, a LPCC, a CSW, a MFTA, a LPCA, a LPAT, or a; and
 - k. A community support associate who is working under the supervision of a physician, a psychiatrist, an APRN, a PA, a LP, a LPP, a LPA, a LCSW, a LMFT, a LPCC, a CSW, a, a LPCA, a LCADC, a LCADCA a CADC, a Professional Equivalent, a psychiatric nurse, a LPAT, a LPATA, or a LBA.
 - l.. A physician assistant working under the supervision of a physician;
 - m. Physical Therapist Assistant - must meet requirements defined in 42 C.F.R. 484.4
 - n. Occupational Therapist Assistant- must meet requirements defined in 42 C.F.R. 484.4
 - o. Speech Therapist Assistant - must meet requirements defined in 42 C.F.R. 484.4
 - p. Prevention Specialist
 - q. Substance Use Peer Support Specialist
 - r. Licensed Certified Alcohol and Drug Counselor Associate (LCADCA)

B. Community Mental Health Centers In-state Reimbursement

1. The department shall reimburse a participating in-state community mental health center:
 - a. If the services are:
 - (1) Covered services outlined in the State Plan;
 - (2) Services are not provided by the CMHC acting as a 1915(c) home and community based waiver services provider, as those services are reimbursed based on the home and community based waiver;
 - (3) Provided to recipients who are not enrolled with a managed care organization; and
 - (4) Medically necessary; and
 - b. Based on the community mental health center's Medicaid allowable costs.
2. The department's reimbursement shall include reimbursing:
 - a. On an interim basis during the course of a state fiscal year; and
 - b. A final reimbursement for the state fiscal year that results from a reconciliation of the interim reimbursement amount paid to the CMHC compared to the CMHC's Medicaid allowable cost by Cost Center for the state fiscal year.

C. Interim Reimbursement for Services Other Than Behavioral Health.

1. The department's interim reimbursement to a CMHC for primary care services shall depend on the type of primary care service provided.
2. The department's interim reimbursement for:
 - a. Physician services shall be the reimbursement established for the service on the current Kentucky-specific Medicare Physician Fee Schedule.
 - b. If no reimbursement for a given physician service exists on the current Kentucky-specific Medicare Physician Fee Schedule, the department shall reimburse on an interim basis for the service as it reimburses for services outlined in Attachment 4.19-B, II Physician Services, Page 20.3 – 20.5(6).
3.
 - a. Laboratory services shall be the reimbursement established for the service on the current Kentucky-specific Medicare Laboratory Fee Schedule unless no reimbursement for the service exists on the current Kentucky-specific Medicare Laboratory Fee Schedule for the given service.
 - b. If no reimbursement for a given laboratory service exists on the current Kentucky-specific Medicare Laboratory Fee Schedule, the department shall reimburse on an interim basis for the service as it reimburses for services as described in Attachment 4.19-B, Page 20.13E;

C. Interim Reimbursement for Services Other Than Behavioral Health (continued)

4. a. Radiological services shall be the reimbursement established for the service on the current Kentucky-specific Medicare Physician Fee Schedule unless no reimbursement for the service exists on the current Kentucky-specific Medicare Physician Fee Schedule for the given service.
b. If no reimbursement for a given radiological service exists on the current Kentucky-specific Medicare Physician Fee Schedule, the department shall reimburse on an interim basis for the service as it reimburses for services as described in Attachment 4.19-B, Page 20.38;
5. a. Occupational therapy service shall be the reimbursement established for the service on the current Kentucky-specific Medicare Physician Fee Schedule unless no reimbursement for the given service exists on the current Kentucky-specific Medicare Physician Fee Schedule.
b. If no reimbursement for a given occupational therapy service exists on the current Kentucky-specific Medicare Physician Fee Schedule, the department shall reimburse on an interim basis for the service as it reimburses for the service as outlined in Attachment 4.19-B, Page 27;

C. Interim Reimbursement for Services Other Than Behavioral Health (continued)

6. a. Physical therapy service shall be the reimbursement established for the service on the current Kentucky-specific Medicare Physician Fee Schedule unless no reimbursement for the given service exists on the current Kentucky-specific Medicare Physician Fee Schedule.
- b. If no reimbursement for a given physical therapy service exists on the current Kentucky-specific Medicare Physician Fee Schedule, the department shall reimburse on an interim basis for the service as it reimburses for the service as outlined in Attachment 4.19-B, Page 27; or
7. a. Speech-language pathology service shall be the reimbursement established for the service on the current Kentucky-specific Medicare Physician Fee Schedule unless no reimbursement for the given service exists on the current Kentucky-specific Medicare Physician Fee Schedule.
- b. If no reimbursement for a given speech-language pathology service exists on the current Kentucky-specific Medicare Physician Fee Schedule, the department shall reimburse on an interim basis for the service as it reimburses for the service as outlined in Attachment 4.19-B, Page 27.
8. The department's interim reimbursement for the cost of injectable drugs administered in a CMHC shall be the reimbursement methodology established in Attachment 4.19-B, Page 20.1(b).

D. Interim Reimbursement for Behavioral Health Services through June 30, 2018.

- (1) (a) To establish interim rates for behavioral health services effective for dates of service through June 30, 2018, the department shall use the CMHC rates paid effective July 1, 2015.
- (b) To establish interim rates for behavioral health services effective for dates of service July 1 2018, and each subsequent July 1, the department shall use a CMHC's most recently submitted cost report that meets the requirements established in paragraph (c) of this subsection.
- (c) The cost report shall comply with all requirements established in F.(1) below.
- (2) The department shall:
 - (a) Review the cost report referenced in subsection (1) of this section; and
 - (b) Establish interim rates for Medicaid-covered behavioral health services:
 1. To be effective July 1, 2018;
 2. Based on Medicaid allowable costs as determined by the department through its review; and
 3. Intended to result in a reimbursement for Medicaid-covered behavioral health services:
 - a. Provided to recipients who are not enrollees in managed care;
 - b. That equals the department's estimate of behavioral health services' costs for the CMHC for the period.
 4. That shall be updated effective July 1, 2019, and each July 1 thereafter based on the most recently received cost report referenced in subsection (1) of this section.

D. Interim Reimbursement for Behavioral Health Services (continued)

- (3) Interim rates for behavioral health services effective July 1 each year shall have been trended and indexed from the midpoint of the cost report period to the midpoint of the rate year using the Medicare Economic Index.
- (4) To illustrate the timeline referenced in paragraph (2)(b) of this section, a cost report submitted by a CMHC to the department on December 31, 2017, shall be used by the department to establish behavioral health services' interim rates effective July 1, 2018.
- (5)
 - (a) A behavioral health services interim rate shall not be subject to retroactive adjustment except as specified in this section.
 - (b) The department shall adjust a behavioral health services interim rate during the state fiscal year if the rate that was established appears likely to result in a substantial cost settlement that could be avoided by adjusting the rate.
 - (c)
 - 1. If the cost report from a CMHC has not been audited or desk-reviewed by the department prior to establishing interim rates for the next state fiscal year, the department shall use the cost report under the condition that interim rates shall be subject to adjustment as established in subparagraph 2 of this paragraph.
 - 2. A behavioral health services interim rate based on a cost report which has not been audited or desk-reviewed shall be subject to adjustment when the audit or desk review is completed.
 - 3. An unaudited cost report shall be subject to an adjustment to the audited amount after the auditing has occurred.
 - (d) Upon receipt of the cost report filed December 31, 2017, the Department shall review the cost report to determine if the interim rates established in accordance with subsection 1(a) of this section need to be revised to more closely reflect the costs of services for the interim period.

E. Final Reimbursement

- (1)
 - (a) Beginning October 1, 2016, and ending June 30, 2017, by December 31 following the end of the state fiscal year, a CMHC shall submit a cost report to the department:
 - 1. In a format that has been approved by the Centers for Medicare and Medicaid Services;
 - 2. That has been audited by an independent auditing entity; and
 - 3. That states all of the:
 - a. CMHC's Medicaid allowable direct costs:
 - (i) For Medicaid-covered services rendered to eligible recipients during the cost report period; and
 - (ii) For Medicaid-covered injectable drugs rendered to eligible recipients during the cost report period;

E. Final Reimbursement (continued)

- b. CMHC's costs associated with:
 - (i) Medicaid-covered services rendered to enrollees during the cost report period and
 - (ii) Medicaid-covered injectable drugs rendered to enrollees during the cost report period;
 - c. Costs of the community board for mental health or individuals with an intellectual disability under which the CMHC operates for the cost report period; and
 - d. CMHC's costs associated with services rendered to individuals:
 - (i) That were reimbursed by an insurer or party other than the department or a managed care organization; and
 - (ii) During the cost report period.
- (b) To illustrate the timeline referenced in paragraph (a) of this subsection, an independently audited cost report stating costs associated with services and injectable drugs provided from October 1, 2016, through June 30, 2017 shall be submitted to the department by December 31, 2017.
- (2) By October 1 following the department's receipt of a CMHC's completed cost report submitted to the department by the prior December 31, the department shall:
- (a) Review the cost report referenced in subsection (1) of this section; and
 - (b) Compare the Medicaid allowable costs to the department's interim reimbursement for Medicaid-covered services and injectable drugs rendered during the same state fiscal year.
- (3) (a) After the department compares a CMHC's interim reimbursement with the CMHC's Medicaid allowable costs for the period, if the department determines that the interim reimbursement:
- 1. Was less than the CMHC's Medicaid allowable costs for the period, the department shall send a payment to the CMHC equal to the difference between the CMHC's total interim reimbursement and the CMHC's Medicaid allowable costs; or
 - 2. Exceeded the CMHC's Medicaid allowable costs for the period, the:
 - a. Department shall send written notification to the CMHC requesting the amount of the overpayment; and
 - b. CMHC shall, within thirty (30) days of receiving the department's written notice, send a:
 - (i) Payment to the department equal to the excessive amount; or
 - (ii) Payment plan request to the department.
- (b) A CMHC shall not implement a payment plan unless the department has approved the payment plan in writing.

E. Final Reimbursement (continued)

- (c) If a CMHC fails to comply with the requirements established in paragraph (a)2 of this subsection, the department shall:
 - 1. Suspend payment to the CMHC; and
 - 2. Recoup the amount owed by the CMHC to the department.

F. New Services.

- (1) Reimbursement regarding a projection of the cost of a new Medicaid-covered service or expansion shall be made on a prospective basis in that the costs of the new service or expansion shall be considered when actually incurred as an allowable cost.
- (2)
 - (a) A CMHC may request an adjustment to an interim rate after reaching the mid-year point of the new service or expansion.
 - (b) An adjustment shall be based on actual costs incurred.

G. Auditing and Accounting Records.

- (1)
 - (a) The department shall perform a desk review of each cost report to determine whether an audit is necessary and, if so, the scope of the audit.
 - (b) If the department determines that an audit is not necessary, the cost report shall be settled without an audit.
 - (c) A desk review or audit shall be used to verify costs to be used in setting the interim behavioral health services rate, to adjust interim behavioral health services rates which have been set based on unaudited data, or final settlement to cost.
- (2)
 - (a) A CMHC shall maintain and make available any records and data necessary to justify and document:
 - 1. Costs to the CMHC;
 - 2. Services provided by the CMHC;
 - 3. The cost of injectable drugs provided, if any, by the CMHC;
 - 4. Cost allocations utilized including overhead statistics and supportive documentation; and
 - 5. Any amount reported on the cost report.
 - 6. Chart of accounts
 - (b) The department shall have unlimited on-site access to all of a CMHC's fiscal and service records for the purpose of:
 - 1. Accounting;
 - 2. Auditing;
 - 3. Medical review;
 - 4. Utilization control; or
 - 5. Program planning.
- (3) A CMHC shall maintain an acceptable accounting system to account for the:
 - (a) Cost of total services provided;
 - (b) Charges for total services rendered; and
 - (c) Charges for covered services rendered to eligible recipients.
- (4) An overpayment discovered as a result of an audit or desk review shall be settled through recoupment or withholding.

H. Allowable and Non-allowable Costs.

- (1) The following shall be allowable costs:
 - (a) Services' or drugs' costs associated with the services or drugs;
 - (b) Depreciation as follows:
 - 1. A straight line method shall be used;
 - 2. The edition of the American Hospital Association's useful life guidelines currently used by the Centers for Medicare and Medicaid Services' Medicare program shall be used;
 - 3. The maximum amount for expensing an item in a single cost report shall be \$5000; and
 - 4. Only the depreciation of assets actually being used to provide services shall be recognized;
 - (c) Interest costs;
 - (d) Costs incurred for research purposes are allowable to the extent that they are related to usual patient services and are not covered by separate research funding;
 - (e) Costs of motor vehicles used by management personnel up to \$25,000;
 - (f) Costs for training or educational purposes for licensed professional staff outside of Kentucky excluding transportation costs to travel to the training or education;
 - (g) Costs associated with any necessary legal expense incurred in the normal administration of the CMHC;
 - (h) The cost of administrative staff and practitioner salaries will be reviewed for reasonableness; and
 - (i)
 - 1. Indirect costs calculated utilizing the approved Federal indirect rate, if the provider has an approved federal indirect rate. Providers shall include in indirect costs on line 1 of the cost report the same category of costs identified as indirect within the approved federal indirect rate supporting documentation. Similarly, direct costs shall be those costs identified as direct within the approved federal indirect rate. The Federal indirect rate will be applied to the same category of expenses identified as direct during the Federal rate determination. or
 - 2. For providers that do not have a federal indirect rate, indirect costs are defined as those costs of an organization which are not specifically identified with a particular project, service, program, or activity but nevertheless are necessary to the general operation of the organization and the conduct of the activities it performs. The actual allowable cost of indirect services as reported on the cost report shall be allocated to direct cost centers based on accumulated cost if no Federal indirect rate is available.
 - (j) Services provided in leased or donated space outside the walls of the facility shall be allowable costs.
 - (k) To be allowable, all costs must comply with reasonable cost principles established in 42 C.F.R. 413.
- (2) (a) The allowable cost for a service or good purchased by a facility from a related organization shall be in accordance with 42 C.F.R. 413.17 and Provider Reimbursement Manual 15-1, Chapter 10 – Cost to Related Organizations.

I. Allowable and Non-allowable Costs.

- (3) The following shall not be allowable costs:
- (a) Bad debt;
 - (b) Charity;
 - (c) Courtesy allowances;
 - (d) Political contributions;
 - (e) Costs associated with an unsuccessful lawsuit against the department or the Cabinet for Health and Family Services;
 - (f) Costs associated with any legal expense incurred related to a judgment granted as a result of an unlawful activity or pursuit;
 - (g) The value of services provided by non-paid workers;
 - (h) Travel or related costs or expenses associated with non-licensed staff attending:
 - 1. A convention;
 - 2. A meeting;
 - 3. An assembly; or
 - 4. A conference; or
 - (i) Costs related to lobbying; or
 - (j) Costs related to outreach services. Outreach services' cost will either be directly assigned or allocated to a cost report line that is not cost-settled by the department; or
 - (k) Costs incurred for transporting recipients to services.
- (4) A discount or other allowance received regarding the purchase of a good or service shall be deducted from the cost of the good or service for cost reporting purposes, including in-kind donations.
- (5) (a) Maximum allowable costs shall be the maximum amount which may be allowed as reasonable cost for the provision of a service or drug.
- (b) To be considered allowable, any cost shall:
- 1. Be necessary and appropriate for providing services; and
 - 2. Not exceed usual and customary charges.
- (6) For direct and indirect personnel costs, 100% time reporting methods shall be utilized to group/report expenses to each cost category. Detailed documentation shall be available upon request.

J. Units of Service.

- (1) (a) Interim payments for behavioral health services, physician services, physical therapy services, occupational therapy services, speech-language pathology services, laboratory services or radiological services shall be based on units of service.
- (b) A unit for a physician service, a physical therapy service, a speech-language pathology service, an occupational therapy service, a laboratory service or a behavioral health service shall be the amount indicated for the corresponding:
- 1. CPT code; or
 - 2. Healthcare Common Procedure Coding System code.

K. Reimbursement of Out-of-state Providers.

Reimbursement to a participating out-of-state community mental health center shall be the lesser of the:

- (1) Charges for the service;
- (2) Facility's rate as set by the state Medicaid Program in the other state; or
- (3) The state-wide average of payments for in-state community mental health centers.

L. Provider Appeals.

A CMHC may appeal department decisions as to the application of this state plan section as it impacts the CMHC's cost-based reimbursement in accordance with 907 KAR 1:671, Sections 8 through 10 (effective December 19, 2001).

State: Kentucky

XXX. Radiological (X-ray) Services

Payments for radiological services covered pursuant to the mandate contained in 42 CFR 440.30 shall be the lesser of the usual and customary charges or sixty (60) percent of the allowable physician fee for the same procedures where the physician is performing both the professional and technical portions of the service. The fee schedule can be found at <http://chfs.ky.gov/dms/fee.htm#fee>

For reimbursement for radiological services provided by a Community Mental Health Center – please refer to Attachment 4.19-B, Page 20.15 – 20.15(1)(a)(ii)

- (3) The flat rate for a service shall be established by multiplying the dollar conversion factor by the sum of the RVU units plus the number of units spent on that specified procedure. RBRVS units shall be multiplied by a dollar conversion factor to arrive at the fixed upper limit. The dollar conversion factors are as follows:

<u>Types of Service</u>	<u>Kentucky Conversion Factor</u>
Deliveries	Not applicable
Non-delivery Related Anesthesia	\$15.20
Non-anesthesia Related Services	\$29.67

C. Reimbursement Exceptions

- (1) Physicians, who are enrolled in the Vaccines for Children (VFC) Program, will only be reimbursed for the administration of specified immunizations obtained free from the Department for Public Health through the VFC Program to provide immunizations for Medicaid recipients under the age of nineteen (19). Vaccine costs for any VFC specified immunization will not be reimbursed for the physicians who are enrolled in the VFC Program. For additional information on vaccine administration, please see Att. 4.19-B, Page 20.5(4).

- (2) Payments for obstetrical delivery services provided on or after September 15, 1995 shall be reimbursed the lesser of the actual billed charge or at the standard fixed fee paid by type of procedure. The obstetrical services and fixed fees are:

Delivery only	\$870.00
Vaginal delivery including postpartum care	\$900.00
Cesarean delivery only	\$870.00
Cesarean delivery including postpartum care	\$900.00

- (3) For delivery-related anesthesia services provided on or after July 1, 2006, a physician shall be reimbursed the lesser of the actual billed charge or a standard fixed fee paid by type of procedure. Those procedures and fixed fees are:

Vaginal delivery	\$215.00
Cesarean section	\$335.00
Neuroxial labor anesthesia for a vaginal delivery or cesarean section	\$350.00
Additional anesthesia for cesarean delivery following neuroxial labor anesthesia for Vaginal delivery	\$25.00
Additional anesthesia for cesarean hysterectomy following neuroxial labor Anesthesia	\$25.00

- (4) Payment for individuals eligible for coverage under Medicare part B is made, in accordance with Sections A and B and items (1) through (4) and (6) of this section within the individuals Medicare deductible and coinsurance liability.

- (21) For an evaluation and assessment service with a corresponding CPT of 99407 for tobacco cessation, the Department will pay a fixed fee of \$52.03 for a physician. For the same services performed by a physician assistant or an APRN, the Department will pay 75% of the physician fee.
- (22) For reimbursement for eligible services provided by a physician or a physician assistant at a Community Mental Health Center – please refer to Attachment 4.19-B, Page 20.15 – 20.15(1)(a)(viii)

D. Assurances. The State hereby assures that payment for physician services are consistent with efficiency, economy, and quality of care and payments for services do not exceed the prevailing charges in the locality for comparable services under comparable circumstances.

XI. Laboratory Services

The state agency will reimburse participating independent laboratories, outpatient surgical clinics, renal dialysis centers, and outpatient hospital clinics 62% of the current Medicare Clinical Laboratory Fee Schedule.

- XII For services provided on or after July 1, 1990, physician (clinical diagnostic) laboratory services shall be reimbursed 60% of the current Medicare Clinical Laboratory Fee Schedule. For laboratory services with no established allowable payment rate, the payment shall be sixty-five (65) percent of the usual and customary actual billed charges.

For reimbursement for laboratory services provided by a Community Mental Health Center – please refer to Attachment 4.19-B, Page 20.15 – 20.15(1)(a)(viii)

XIII Family Planning Clinics

Effective 7/1/87, the State Agency will reimburse participating family planning agencies for covered services in accordance with 42 CFR 447.32. Payments to physicians and Advanced Registered Nurse Practitioners (ARNP) for individual services shall be reimbursed the lesser of the actual billed amount or the below listed amounts:

	Physicians	ARNP
Initial Clinic Visit	\$50.00	\$37.75
Annual Clinic Visit	\$60.00	\$45.00
Follow-up Visit with Pelvic Examination	\$25.00	\$18.75
Follow-up Visit without Pelvic Examination	\$20.00	\$15.00
Counseling Visit	\$13.00	\$13.00
Counseling Visit w/3 months contraceptive supply	\$17.00	\$17.00
Counseling Visit w/6 months contraceptive supply	\$20.00	\$20.00
Supply Only Visit – Actual acquisition cost of contraceptive supplies dispensed		

XXV. Advanced Practice Registered Nurse (APRN) Services

(1) Reimbursement

- a. Participating licensed advanced practice registered nurse shall be paid only for covered services rendered to eligible recipients. and services provided shall be within the scope of practice of a licensed APRN.
- b. Except as specified in subsection c of this section or Section 2 below, reimbursement for a procedure provided by an APRN shall be at the lesser of the following:
 1. The APRN's actual billed charge for the service; or
 2. Seventy-five (75) percent of the amount reimbursable to a Medicaid participating physician for the same service. See Attachment 4.19-B, page 20.3 – 20.5(1) for physician reimbursement.
- c. An APRN employed by a primary care center, federally qualified health center, hospital, or comprehensive care center shall not be reimbursed directly for services provide in that setting while operating as an employee.

(2) Reimbursement Limitations.

- a. The fee for administration of a vaccine to a Medicaid recipient under the age of twenty-one (21) by an APRN shall be three (3) dollars and thirty (30) cents up to three (3) administrations per APRN, per recipient, per date of service.
- b. The cost of a vaccine provided to a physician or other provider enrolled in the Vaccines for Children (VFC) Program and available free through the Vaccines for Children Program shall not be reimbursed.
- c. For information relating to physician injectable drug products that are administered by a physician or their authorized agent during an in office procedure see Attachment 4.19-B, Page 20.1(b).

Reimbursement for Physical, Occupational and Speech Therapy - Outpatient

1. Reimbursement for physical, occupational, and speech therapy services provided by a Physical Therapist, Occupational Therapist, or Speech Therapist are based on the Kentucky specific Medicaid fee schedule, which can be found at <http://chfs.ky.gov/dms/fee.htm>. The Medicaid fee schedule is based on the following methodology:
 - Physician Base Fee is calculated based on 75% of the current Medicare rate, as published by CMS on an annual basis. Except as otherwise noted in the state plan, state-developed fee schedule rates are the same for both governmental and private providers of Physical, Occupational, and Speech Therapy Services. The agency's fee schedule was set as of 1/1/16 and is effective for services provided on or after that date. All rates are published at <http://chfs.ky.gov/dms/fee.htm>.
2. Other practitioners will be reimbursed based on a step down methodology calculated as a percentage of the physician rate of 75% of the Medicare rate. The step down includes:
 - A. 85% - Physical Therapist, Occupational Therapist, Speech Language Pathologist
 - B. 50% - Physical Therapy Assistant working under the supervision of a Physical Therapist if the Physical Therapist is the billing provider for the service, Occupational Therapy Assistant working under the supervision of an Occupational Therapist if the Occupational Therapist is the billing provider,
3. For reimbursement for eligible services provided by a Physical Therapist, Occupational Therapist, Speech Language Pathologist, Physical Therapy Assistant, Occupational Therapy Assistant, or Occupational Therapist Assistant at a Community Mental Health Center – please refer to Attachment 4.19-B, Page 20.15 – 20.15(1)(a)(viii)