

Fourth Quarter & Annual Report to CMS  
Regarding Operation of 1115 Waiver  
Demonstration Program  
– Quarter Ending 12.31.2024  
– Year Ending 12.31.2024

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**State of Kansas**  
**Kansas Department of Health and Environment**  
**Division of Health Care Finance**

*KanCare*

*Section 1115 Fourth Quarter and Annual Report*

*Demonstration Year: 12 (1/1/2024-12/31/2024)*

*Federal Fiscal Quarter: 1/2025 (10/1/2024-12/31/2024)*

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## 2024 Fourth Quarter Report

### I. Introduction

On August 6, 2012, the State of Kansas submitted a Medicaid Section 1115 demonstration proposal, entitled KanCare. That request was approved by the Centers for Medicare and Medicaid Services (CMS) on December 27, 2012, effective from January 1, 2013, through December 31, 2017. The State submitted a one-year temporary extension request of this demonstration to CMS on July 31, 2017. The temporary extension was approved on October 13, 2017. On December 20, 2017, the State submitted an extension request for its Medicaid 1115 demonstration. On December 18, 2018, CMS approved a renewal of the Medicaid Section 1115 demonstration proposal entitled KanCare. On June 17, 2022, CMS approved an amendment to the Medicaid Section 1115 demonstration to adjust the budget neutrality cap to account for changes in the Health Care Access Improvement Program (HCAIP) payments. On August 15, 2022, CMS approved an amendment to the Medicaid Section 1115 demonstration for continuous coverage for individuals aging out of CHIP for the period March 1, 2020 through the end of the COVID-19 Public Health Emergency (PHE) unwinding period, or until all redeterminations are conducted during the unwinding period as discussed in SHO #22-001. On September 29, 2022, CMS approved an amendment to the Medicaid Section 1115 demonstration to enable the State to provide twelve-month continuous eligibility for parents and other caretaker relatives. The State submitted an amendment and five-year renewal for its 1115 demonstration on December 28, 2022, to extend certain features of the demonstration. The State simultaneously submitted an application for a 1915(b) waiver to move the State's managed care program out of the 1115 authority. On December 14, 2023, CMS approved a renewal of the Medicaid Section 1115 demonstration proposal entitled KanCare.

This five-year demonstration will:

- Maintain twelve-month continuous eligibility for parents and caretakers;
- Maintain continuous eligibility for the duration of the COVID-19 PHE unwinding period for CHIP enrollees who turned nineteen during the COVID-19 PHE unwinding period (and therefore lost eligibility for CHIP due to age) and who are otherwise ineligible for Medicaid;
- Continue federal financial participation for services provided in an Institution for Mental Diseases (IMD) for Medicaid beneficiaries who have Substance Use Disorder (SUD); and
- Continue federal financial participation for physician consultation and personal care services for individuals with behavioral health needs.

The current demonstration is effective from January 1, 2024 through December 31, 2028.

The KanCare demonstration will assist the State in its goals to:

- Provide better access to services and reduce ineffective disenrollment for certain populations:
  - Reduce churn or inefficient disenrollment with continuous eligibility for parents and caretakers; and
  - Reduce churn or inefficient disenrollment with continuous eligibility for CHIP enrollees who turned nineteen during the COVID-19 PHE unwinding period.

- Improve access to appropriate SUD services, including:
  - Increase rates of identification, initiation, and engagement in treatment for SUD;
  - Increase adherence to and retention in SUD treatment;
  - Reduce overdose deaths, particularly those due to opioids;
  - Reduce utilization of EDs and inpatient hospital settings for treatment where the utilization is preventable or medically inappropriate through improved access to other continuum of care services;
  - Fewer readmissions to the same or higher level of care where the readmission is preventable or medically inappropriate; and
  - Improve access to care for physical health conditions among beneficiaries with SUD.
- Improve behavioral health outcomes for members who have a diagnosed serious mental illness (SMI), including:
  - Enhance community integration; and
  - Reduce psychiatric hospital admissions.

This quarterly report is submitted pursuant to item 8.7 Monitoring Reports, of the Centers for Medicare and Medicaid Services Special Terms and Conditions (STCs) issued regarding the KanCare 1115(a) Medicaid demonstration program.

## II. Continuous Eligibility Period for Parents and Other Caretaker Relatives.

The State is authorized to provide a twelve-month continuous eligibility period to Parents and Other Caretaker Relatives specified in STC 4.2(a) regardless of the delivery system through which they receive Medicaid benefits. The twelve-month period shall begin on the effective date of the individual's eligibility under § 435.915 or most recent redetermination or renewal of eligibility under § 435.916 and extend for twelve months.

The table below outlines enrollment activity for the “Parent and Caretaker Relative” population.

Month	Current Enrollment	Disenrollments	New Enrollments	Total
October 2024	36,219	1,161	1,298	38,678
November 2024	36,290	1,307	1,110	38,707
December 2024	36,141	1,340	1,160	38,641

The top reasons for disenrollment include:

- Failure to return a signed review;
- Failure to provide requested information;
- Does not meet program requirements; and
- Does not meet residency requirements.

## III. Continuous Coverage for Individuals Aging Out of CHIP

The State is authorized to provide continuous eligibility for CHIP enrollees who turned nineteen during the COVID-19 PHE (and therefore lost eligibility for CHIP due to age), specified in STC 4.2(b), through the end of the COVID-19 PHE and subsequent unwinding period, or until all redeterminations are conducted during the unwinding period.

PHE unwinding ended April 30, 2024. The State submitted the COVID-19 PHE Amendment Evaluation Final Report to CMS on February 25, 2025.

#### **IV. Demonstration Evaluation**

The entity selected by KDHE to conduct KanCare Evaluation reviews and reports is the Kansas Foundation for Medical Care, now known as KFMC Health Improvement Partners (KFMC). The revised evaluation design was submitted to CMS on January 8, 2025.

#### **V. State Contacts**

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#### **VI. Date Submitted to CMS**

March 26, 2025

## 2024 Annual Report

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The table below outlines enrollment activity for the “Parent and Caretaker Relative” population for 2024.

Month	Current Enrollment	Disenrollments	New Enrollments	Total
January 2024	42,700	1,722	1,219	45,641
February 2024	41,780	2,206	911	44,897
March 2024	40,827	1,906	929	43,662
April 2024	39,527	3,212	1,321	44,060
May 20204	36,855	4,070	1,232	42,157
June 2024	35,168	2,992	1,258	39,418
July 2024	35,628	1,438	1,570	38,636
August 2024	35,575	1,718	1,234	38,527
September 2024	35,664	1,217	1,148	38,029
October 2024	36,219	1,161	1,298	38,678
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The table below outlines enrollment activity for the Continuous Converge for Individuals Aging out of CHIP population for 2024.

Month	Enrollment Count
January 2204	663
February 2024	383
March 2024	78
April 2024	21
May 2024	0

PHE unwinding began in March 2023 and ended April 30, 2024. The State submitted the COVID-19 PHE Amendment Evaluation Final Report to CMS on February 25, 2025.

### IV. Budget Neutrality and Financial Reporting Requirements

The State has updated the quarterly Budget Neutrality template provided by CMS and has submitted this through the PDMA system, as required quarterly in 2024.

### V. Evaluation Activities and Interim Findings

The entity selected by KDHE to conduct KanCare Evaluation reviews and reports is the Kansas Foundation for Medical Care, now known as KFMC Health Improvement Partners (KFMC). CMS requested revisions to the evaluation design and the State is reviewing those requests with KFMC. The revised evaluation design was submitted to CMS on January 8, 2025.

### VI. SUD Health IT

The State of Kansas collects Substance Use Disorder treatment data from providers in two data collection systems: The Kansas Substance Use Reporting Solution (KSURS) and WellSky Human Services (WHS). KSURS collected only minimal data using the Treatment Episode Data Set (TEDS). TEDS data and was used as an interim solution until the WellSky system could be developed. KSURS is scheduled to be replaced by WellSky on May 31, 2025. The KSURS and WellSky systems are managed by the Kansas Department for Aging and Disability Services (KDADS). These systems are used by SUD service providers to collect client-level data to submit to the State for federal reporting.

The Kansas Prescription Drug Monitoring Program (K-TRACS) is the prescription drug monitoring program for the state of Kansas and is managed by the Kansas Board of Pharmacy. It is used by prescribers and pharmacists as a clinical decision-making tool to promote patient safety and healthy communities through prevention of prescription drug misuse, abuse and diversion.

WellSky and KSURS serve the basic function of collecting and monitoring client-level data but do not fully replace more robust electronic health record systems that include additional provider-oriented tools, such as the American Society of Addiction Medicine (ASAM) assessments and treatment plans. While Kansas continues to support KSURS until May 31, 2025, Kansas contracted with WellSky to develop a next-generation SUD Health IT solution for SUD providers to modernize data collection and reporting processes. As of October 2, 2023, the new system “WellSky Human Services” (WHS) has been deployed to production and is running concurrently with KSURS. This has allowed KDADS to identify issues and reporting errors to WellSky. The State will no longer utilize KSURS as of May 31, 2025, and will require SUD providers to use the WellSky system.

The Kansas Board of Pharmacy is responsible for the oversight and implementation of K-TRACS. According to the Kansas Board of Pharmacy website, the Kansas SUD Health IT Plan focuses on improving the functionality and utilization of K-TRACS to monitor the prescription and usage of controlled substances and other drugs of concern in Kansas. At the end of 2024, K-TRACS was connected to thirty-eight other states, Washington DC, Puerto Rico, and the Military Health System to share data through the PMP Interconnect (PMPi) data sharing hub.

The Kansas Board of Pharmacy continues to onboard pharmacies, independent provider offices, hospitals, and health systems to an integrated solution to deliver K-TRACS patient reports through electronic health records systems. At the end of 2024, 469 healthcare organizations across the state had successfully connected to K-TRACS.

In 2021, K-TRACS became a sub-recipient of a Substance Abuse and Mental Health Services Administration (SAMHSA) grant through KDADS. This grant continues to allow the program to develop and implement a robust compliance plan focused on pharmacies reporting prescription information to K-TRACS, as well as educating pharmacists and prescribers about K-TRACS and clinical issues around controlled substances.

Kansas’ progress on the submitted SUD Health IT Plan is evident in the outcomes below that demonstrate increased provider use and growth of the PDMP program. K-TRACS continues to track increases in utilization and user enrollment quarterly.



Measure	Q1 2024	Q2 2024	Q3 2024	Q4 2024
Aggregate Registered Users	13,990	14,381	15,033	15,357
Prescribers	10,140	10,408	10,926	11,174
Pharmacists	3,825	3,948	4,081	4,156
Others (investigators, administrators, agencies)	25	25	26	27

2024	January	February	March	April	May	June
Total Patient Queries	357,239	337,808	341,403	358,404	367,193	341,833
	July	August	September	October	November	December
	370,603	375,384	365,626	397,130	350,533	384,372

Measure	Q1 2024	Q2 2024	Q3 2024	Q4 2024
New Users				
Prescribers	301	268	518	248
Pharmacists	75	123	133	75
Others (investigators, administrators, agencies)	0	0	1	1

\*Please note: K-TRACS eliminated obsolete categories under “Others” and adjusted for more accurate reporting. As a result, more accurate registered user numbers are reported, resulting in a lower number of registered users in the “Others” category in 2024 compared to 2023.

## VII. State Contacts(s)

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## VIII. Date Submitted to CMS

March 26, 2025