

Table of Contents

State/Territory Name: **Kentucky**

State Plan Amendment (SPA)#: **24-0021**

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
601 East 12th Street, Suite 355
Kansas City, Missouri 64106-2898



Medicaid and CHIP Operations Group

December 11, 2024

Ms. Lisa Lee
Commissioner, Department for Medicaid Services
Commonwealth of Kentucky
Cabinet for Health and Human Services
275 East Main Street, 6 West A
Frankfort, KY 40601

RE: State Plan Amendment (SPA) Transmittal Number 24-0021

Dear Commissioner Lee:

The Centers for Medicare & Medicaid Services (CMS) reviewed your Medicaid State Plan Amendment (SPA) submitted under transmittal number (TN) 24-0021. This amendment makes changes to update the reimbursement language for Independent Laboratories.

We conducted our review of your submittal according to statutory requirements in 42CFR Part 493. This letter is to inform you that KY Medicaid SPA 24-0021 was approved on December 9, 2024, with an effective date January 1, 2025.

Enclosed are copies of Form CMS-179 and approved SPA pages to be incorporated into the Kentucky State Plan.

If you have any questions regarding this State Plan Amendment, please have a member of your staff contact Keri Toback at 312 353 1754 or by email at keri.toback@cms.hhs.gov.

Sincerely,


Ruth A. Hughes, Acting Director
Division of Program Operations

Enclosures

cc: Erin Bickers, KY DMS

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER

2 4 — 0 2 1

2. STATE

KY3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL
SECURITY ACT

XIX



XXI

TO: CENTER DIRECTOR
CENTERS FOR MEDICAID & CHIP SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

January 1, 2025

5. FEDERAL STATUTE/REGULATION CITATION

42 C.F.R. Part 493

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 2025\$ 0b. FFY 2026\$ 0

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Att. 3.1-A Page 7.1.1(b)(1)

Att. 3.1-B Page 13.4

Att. 4.19-B Page 20.13-E

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (If Applicable)

Att. 3.1-A Page 7.1.1(b)(1)

Att. 3.1-B Page 13.4

Att. 4.19-B Page 20.13-E

9. SUBJECT OF AMENDMENT

To update reimbursement language to Independent Laboratories

10. GOVERNOR'S REVIEW (Check One)



GOVERNOR'S OFFICE REPORTED NO COMMENT



COMMENTS OF GOVERNOR'S OFFICE ENCLOSED



NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL



OTHER, AS SPECIFIED:

11. SIGNATURE OF STATE AGENCY OFFICIAL

12. TYPED NAME

Lisa D. Lee

13. TITLE

Commissioner

14. DATE SUBMITTED

10/15/2024

15. RETURN TO

Lisa Lee

275 E. Main St. 6 W-A

Frankfort, KY 40601

FOR CMS USE ONLY

16. DATE RECEIVED

10/15/2024

17. DATE APPROVED

12/09/2024

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL

01/01/2025

19. SIGNATURE OF

20. TYPED NAME OF APPROVING OFFICIAL

Ruth A. Hughes

21. TITLE OF APPROVING OFFICIAL

Acting Director, Division of Program Operations

22. REMARKS

3. Other Lab and X-Ray Services

A. Coverage

- (1) The department shall reimburse for a procedure provided by an independent laboratory if the procedure:
 - (a) Is one that the laboratory is certified to provide by Medicare and in accordance with state regulation.
 - (b) Is prescribed in writing or by electronic request by a physician, podiatrist, dentist, oral surgeon, advanced registered nurse practitioner, or optometrist; and
 - (c) Is supervised by a laboratory director; and
 - (d) Is independent of an institutional setting
- (2) The department shall reimburse for a radiological service if the service:
 - (a) Is provided by a facility that:
 - 1) Is licensed to provide radiological services;
 - 2) Meets the requirements established in 42 CFR 440.30;
 - 3) Is certified by Medicare to provide the given service;
 - 4) Meets the requirements established in 42 CFR 493 regarding laboratory certification, registration, or other accreditation as appropriate; and
 - (b) Is prescribed in writing or by electronic request by a physician, oral surgeon, dentist, podiatrist, optometrist, advanced registered nurse practitioner, or a physician's assistant;
 - (c) Is provided under the direction or supervision of a licensed physician; and

B. Exclusions. The department shall not reimburse for an independent laboratory or radiological service for the following services or procedures:

- (1) A procedure or services that has been included in a hospital payment;
- (2) A service provided to a resident of a nursing facility or an intermediate care facility for individuals with mental retardation or a developmental disability; or
- (3) A court ordered laboratory or toxicology test. The court-ordered exclusion does not apply when medically necessary and in the scope of the Medicaid program.

C. Provider Participation Conditions.

TN # 24-021

Supersedes

TN # 09-006Approved: 12/09/2024Effective Date: 1/1/2025

3. Other Lab and X-Ray Services

A. Coverage

- (1) The department shall reimburse for a procedure provided by an independent laboratory if the procedure:
 - (a) Is one that the laboratory is certified to provide by Medicare and in accordance with state regulation.
 - (b) Is prescribed in writing or by electronic request by a physician, podiatrist, dentist, oral surgeon, advanced registered nurse practitioner, or optometrist; and
 - (c) Is supervised by a laboratory director; and
 - (d) Is independent of an institutional setting
- (2) The department shall reimburse for a radiological service if the service:
 - (a) Is provided by a facility that:
 - 1) Is licensed to provide radiological services;
 - 2) Meets the requirements established in 42 CFR 440.30;
 - 3) Is certified by Medicare to provide the given service;
 - 4) Meets the requirements established in 42 CFR 493 regarding laboratory certification, registration, or other accreditation as appropriate; and
 - (b) Is prescribed in writing or by electronic request by a physician, oral surgeon, dentist, podiatrist, optometrist, advanced registered nurse practitioner, or a physician's assistant;
 - (c) Is provided under the direction or supervision of a licensed physician; and
 - (d) Is a covered service within the CPT code range of 70010 – 78999.

B. Exclusions. The department shall not reimburse for an independent laboratory or radiological service for the following services or procedures:

- (1) A procedure or service that has been included in a hospital payment.
- (2) A service provided to a resident of a nursing facility or an intermediate care facility for individuals with mental retardation or a developmental disability; or
- (3) A court-ordered laboratory or toxicology test. The court-ordered exclusion does not apply when medically necessary and in the scope of the Medicaid program.

C. Provider Participation Conditions.

TN # 24-021

Supersedes

TN # 09 - 006

Approved: 12/09/2024

Effective Date: 1/1/2025

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.

XIII Family Planning Clinics

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 fees listed on the Physician's Fee Schedule or the Clinical Laboratory Fee Schedule.
<https://www.chfs.ky.gov/agencies/dms/Pages/feesrates.aspx>