

## **Table of Contents**

**State/Territory Name: Kentucky**

**State Plan Amendment (SPA)#: 23-0014**

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 E. 12th St., Room 355  
Kansas City, Missouri 64106



Medicaid and CHIP Operations Group

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June 16, 2023

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: Kentucky State Plan Amendment (SPA) Transmittal Number 23-0014

Dear Ms. Lee:

The Centers for Medicare & Medicaid Services (CMS) reviewed the proposed Medicaid State Plan Amendment (SPA) submitted under transmittal number (TN) 23-0014. This amendment proposes to provide a temporary extension to specific COVID-19 disaster relief (DR) provisions to increase bed hold days and payments authorized in DR SPAs 20-0006 and 21-0001.

CMS conducted our review of your submittal according to statutory requirements in Title XIX of the Social Security Act and implementing regulations. This letter is to inform you that Kentucky's Medicaid SPA Transmittal Number 23-0014 was approved on June 16, 2023, with an effective date from May 12, 2023.

If you have any questions, please contact Keri Toback at 312-353-1754 or via email at [keri.toback@cms.hhs.gov](mailto:keri.toback@cms.hhs.gov).

Sincerely,

Alissa Mooney DeBoy  
On Behalf of Anne Marie Costello, Deputy Director  
Center for Medicaid and CHIP Services

Enclosures

cc: Erin Bickers

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

1. TRANSMITTAL NUMBER

2 3 — 0 0 1 4

2. STATE

KY

3. 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

May 12, 2023

5. FEDERAL STATUTE/REGULATION CITATION

Title XIX of the Social Security Act

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 2023 \$ 1,100,000  
b. FFY 2024 \$ 1,100,000

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

7.4.b SPA Template pages 1-2

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)

9. SUBJECT OF AMENDMENT

NF bed hold extension request

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 Lee

13. TITLE  
Commissioner

14. DATE SUBMITTED  
4/3/2023

15. RETURN TO

Lisa Lee  
275 E. Main St.  
Frankfort, KY 40601

**FOR CMS USE ONLY**

16. DATE RECEIVED  
04/03/2023

17. DATE APPROVED  
06/16/2023

**PLAN APPROVED - ONE COPY ATTACHED**

18. EFFECTIVE DATE OF APPROVED MATERIAL  
05/12/2023

19. SIGNATURE OF APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL  
Alissa Mooney DeBoy On Behalf of Anne Marie Costello

21. TITLE OF APPROVING OFFICIAL  
Deputy Director, Center for Medicaid and CHIP Services

22. REMARKS

State/Territory:  KENTUCKY

## Section 7 – General Provisions

### 7.4.B. Temporary extension to the Disaster Relief Policies for the COVID-19 National Emergency

Effective the day after the end of the PHE until July 1, 2024, the agency temporarily implements the following election of section 7.4 (approved on 04/29/2020 in SPA Number KY-20-0006) of the state plan.

#### Other Policies and Procedures Differing from Approved Medicaid State Plan/Additional Information

X  The agency makes the following adjustment to provisions currently covered in the state plan:

The state will increase the number of bed hold days that NF are reimbursed for from 14 to 30 days.

## Section 7 – General Provisions

### 7.4.B. Temporary extension to the Disaster Relief Policies for the COVID-19 National Emergency

Effective the day after the end of the PHE until July 1, 2024, the agency temporarily implements the following election of section 7.4 (approved on 04/13/2021 in SPA Number KY-21-0001) of the state plan.

Payments:

4.  The agency make the following adjustments to payment rates currently covered in the state plan:

The changes outlined below for nursing facility bed reserve reimbursement will result in paying 75% of a facility's rate to any facility whose occupancy is 95% or greater for any census quarter of 2019 (instead of using occupancy from the calendar quarter prior to the rate effective date). NFs that have 95% or greater occupancy during a calendar quarter during the PHE will continue to be paid for bed reserve days at the 75% rate.

For nursing facility bed reserve reimbursement, providers are reimbursed at 75% of a facility's rate if the facility's occupancy is 95% or greater for the previous calendar quarter and reimbursed at 50% of a facility's rate if the facility's occupancy is less than 95% for the previous calendar quarter. During the Public Health Emergency, fewer providers qualified for 75% reimbursement due to a decrease in occupancy. Therefore, in addition to our existing bed reserve rules, we propose that nursing facility bed reserve reimbursement will be 75% of a facility's rate to any facility whose occupancy is 95% or greater for any census quarter of 2019.