

Kentucky Medicaid Program Public Notice
PROPOSED CHANGES IN METHODS AND STANDARDS FOR ESTABLISHING
MEDICAID PAYMENT RATES FOR RECUPERATIVE CARE

September 16, 2026

The Kentucky Cabinet for Health and Family Services, Department for Medicaid Services (the Department) in accordance with 42 CFR 447.205, hereby provides public notice of proposed changes which is establishing the methods and standards by which the Department will reimburse for Recuperative Care service approved under KY's TEAMKY Health Related Social Needs (HRSN) Section 1115 Demonstration. The proposed effective date of change is January 1, 2027. The Department is establishing a proposed daily payment rate for all services included in the bundled service of HRSN Recuperative Care of \$232.44.

The Department for Medicaid Services estimates the total fiscal impact will be \$8,999,263 for the initial year of implementation. The proposed rate methodology is subject to approval by the federal Centers for Medicare & Medicaid Services and may be modified or revised during the approval process.

Public Comments:

Any interested party may submit questions or comments concerning these proposed changes in reimbursement methods and standards. A copy of this notice is available for public review at the Department for Medicaid Services at the address listed below. It is recommended to include the name of the public notice in the subject line. Comments or inquiries must be submitted in writing within thirty (30) days of the publication date of this notice to the Division of Quality and Population Health, Behavioral Health Innovations Branch at DMS.ISSUES@KY.GOV.