



Andy Beshear
GOVERNOR

CABINET FOR HEALTH AND FAMILY SERVICES
DEPARTMENT FOR MEDICAID SERVICES

Steven Stack, MD
SECRETARY

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Lisa D. Lee
COMMISSIONER

TO:

Acquired Brain Injury
Adult Day Care
Ambulatory Surgical Center
Audiologist
Behavioral Health Service Organization
Behavioral Health Multi-Specialty Group
Chiropractor
Dentist
Home and Community Based Waiver
Home Delivered Meals
Home Health
Hospital Providers
Independent Laboratory and Radiological Services
Licensed Alcohol and Drug Counselor
Licensed Behavior Analyst

Licensed Clinical Social Workers
Licensed Marriage and Family Therapist
Licensed Professional Art Therapist
Licensed Psychological Practitioner
Licensed Psychologist
Medical Equipment, Supplies, and Appliances
Michelle P. Waiver
Model II Waiver
Money Follows the Person Post Transition
Services
Multi-Therapy Agency
Nurse Anesthetist
Nurse Midwife
Nurse Practitioner
Occupational Therapist
Optician

Optometrist
Physical Therapist
Physicians
Physician Assistant
Podiatry
Private Duty Nursing
Psychiatric Distinct Part Unit
Psychiatric Hospital
Psychiatric Residential Treatment Facility
Psychologist
Radiological Services and Other Lab and X-Ray
Rehabilitation Distinct Part Unit
Renal Dialysis
Speech-Language Pathologist
Supports for Community Living

FROM: Lisa D. Lee, Commissioner

DATE: July 23, 2026

RE: Medicaid Budget Impact on Provider Reimbursement

Thanks to actions taken by Governor Beshear on July 22, 2026, the Kentucky Department for Medicaid Services (DMS) is pleased to inform you that the previously announced 4% reduction to Medicaid provider reimbursement rates has been reversed.

As a result, the planned rate reduction will not be implemented at this time, and Medicaid reimbursement rates will remain at their current levels.

This action provides a temporary solution. The Department continues to work with the Governor's Office, the Cabinet for Health and Family Services, and the General Assembly to identify a longer-term path forward for Medicaid funding.

We recognize the essential role you play in serving Kentucky Medicaid members and appreciate your continued partnership and commitment to providing high-quality care across the Commonwealth.

Thank you for your continued service to Kentucky's Medicaid program. Please direct any questions regarding this letter to CHFS.listens@ky.gov.