



**CABINET FOR HEALTH AND FAMILY SERVICES
DEPARTMENT FOR MEDICAID SERVICES**

Division of Health Care Policy
275 East Main Street 6 W-D
Frankfort, Kentucky 40621
(502) 564-6890
chfs.ky.gov

Andy Beshear
GOVERNOR

Justin Dearing
DIRECTOR

Eric Friedlander
SECRETARY

Lisa Lee
COMMISSIONER

PROVIDER POLICY LETTER

TO: Medical Supplies, Equipment, and Appliance (MSEA) Providers (PT 90 / PL #A-46)
Current Kentucky Medicaid Managed Care Organizations

DATE: June 20, 2024

RE: MSRP vs Invoice Billing

Pursuant to 907 KAR 1:479, Section 8, the Kentucky Department for Medicaid Services (DMS) reimburses medical supplies, equipment, and appliance CMS1500 claims at manufacturer suggested retail price (MSRP) minus eighteen (18) percent unless there is no MSRP or unless it is a customized item in accordance with 907 KAR 1:479 Section 1(3). Customized items or items with no MSRP are reimbursed at invoice plus twenty (20) percent.

If you have any questions, please email DivisionofHealthCarePolicy@ky.gov.

Sincerely,

Justin Dearing

Electronically signed by:
Justin Dearing, Acting Director
Division of Health Care Policy
Department for Medicaid Services

JD/js/kl