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State/Territory Name: Kentucky

State Plan Amendment (SPA) #: 22-0013

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services
Center for Medicaid & CHIP Services
233 North Michigan Ave., Suite 600
Chicago, Illinois 60601



Financial Management Group

January 13, 2023

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

RE: Kentucky State Plan Amendment (SPA): KY-22-0013

Dear Commissioner Lee,

We have reviewed the proposed Kentucky State Plan Amendment (SPA) to Attachment 4.19-B which was submitted to the Centers for Medicare & Medicaid Services (CMS) on December 1, 2022. This State Plan language will change to reflect the methodology for increasing Medicaid reimbursement for ground ambulance services.

Based upon the information provided by the State, we have approved the amendment with an effective date of January 1, 2023. We are enclosing the approved CMS-179 and a copy of the new state plan pages.

If you have any additional questions or need further assistance, please contact Ysabel Gavino at maria.gavino@cms.hhs.gov

Sincerely,

Todd McMillion

Todd McMillion
Director
Division of Reimbursement Review

Enclosures

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

1. TRANSMITTAL NUMBER

2. STATE

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

5. FEDERAL STATUTE/REGULATION CITATION

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY _____ \$ _____
b. FFY _____ \$ _____

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)

9. SUBJECT OF AMENDMENT

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

Lisa D. Lee

12. TYPED NAME

13. TITLE

14. DATE SUBMITTED

15. RETURN TO

FOR CMS USE ONLY

16. DATE RECEIVED

December 1, 2022

17. DATE APPROVED

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL

January 1, 2023

19. SIGNATURE OF APPROVING OFFICIAL

Todd McMillion

20. TYPED NAME OF APPROVING OFFICIAL

Todd McMillion

21. TITLE OF APPROVING OFFICIAL

Director, Division of Reimbursement Review

22. REMARKS

- (e) The base rate for BLS emergency ambulance transportation to a medical facility or provider other than the emergency room of a hospital during which the services of an ALS Medical First Response provider are required shall be sixty (60) dollars; the mileage allowance shall be two (2) dollars and fifty (50) cents per mile from mile one (1); a flat rate of fifteen (15) dollars shall be set for each additional recipient with no additional rate for mileage.
 - (f) The base rate for non-emergency ambulance transportation during which the recipient requires no medical care during transport shall be fifty-five (55) dollars and the mileage allowance shall be two (2) dollars per mile from mile one (1).
 - (g) The cost of other itemized supplies for ALS or BLS emergency transportation services shall be the actual cost as reflected on the transportation provider's invoice which shall be maintained in the provider's files and shall be produced upon request by the department. Each quarter, the department shall review a random sample of invoices to verify reported costs.
- (4) In addition to the rates described in paragraph (3) above, administration of oxygen during an ambulance transportation service (other than air ambulance transportation) shall be reimbursed at a flat rate of ten (10) dollars per one (1) way trip when medically necessary.
- (5) Reimbursement for an ambulance service shall not be made if a recipient receives transportation free as the result of a local subscription fee or tax.
- (6) Effective January 1, 2023, the Department shall make interim and final supplemental payments to Kentucky emergency ground ambulance providers licensed as Class I through III, as described below, in addition to payments made under Sections (1) through (5) above.
- (a) The Department shall pay a uniform add-on amount for emergent transports. For the calendar program year beginning January 1, 2023, total dollars available for the aggregate provider group will be \$4,403,778. The interim uniform emergent amount will be a fixed rate of \$358.07 based on the total dollars available divided by statewide emergent Medicaid ambulance transports paid in the most recent complete SFY of data available for Class I through III providers. The final uniform emergent amount will be the total dollars available, divided by actual calendar year 2023 statewide emergent transports for Class I through III providers, to adjust the final rate using actual utilization for the payment period.
 - (b) On an annual basis, the Department shall determine a lump sum monthly interim supplemental payment for each eligible provider utilizing the add-on referenced in Item (a) above and the most recent complete SFY of utilization volume available. For conservativeness and to limit potential reconciliation paybacks, the utilization volume will be decreased to 95% for purposes of the interim payment determination.
 - (c) On a periodic basis, at least once per quarter, the Department shall make interim payments to providers based upon the monthly amounts determined in Item (b).
 - (d) On an annual basis following the program year, the Department shall make final reconciled payments to providers using the following process:
 - 1. Total funds available, as identified above, will be divided by actual program year transports to determine the final per transport amount.
 - 2. The final per transport amount will be multiplied by each provider's actual program year transports to determine the total funds available per provider.
 - 3. Interim payments will be subtracted from the available funds for each provider to determine a final supplemental payment owed. If the balance is positive, the additional amount will be paid to the provider. If the balance is negative, the overpaid balance will be recouped from the provider.
 - (e) Final transport volumes will be based on Medicaid Management Information System data.