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State/Territory Name: Kentucky

State Plan Amendment (SPA)#: 23-0018

This file contains the following documents in the order listed

- 1) Corrected Approval Letter
- 2) Originally issued Approval Letter
- 3) Corrected CMS 179 Form
- 4) 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

November 20, 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 23-0018

Dear Lisa Lee:

Enclosed please find a corrected approval package for your Kentucky State Plan Amendment (SPA) submitted under transmittal number (TN) 23-0018. This SPA, implementing changes to hearing, vision and dental, was originally approved on November 13, 2023. The approval package sent to Kentucky included the following error:

- The SPA description on the CMS-179 form included elements that were removed during the review process.

The enclosed corrected package contains the original signed letter, the approved SPA pages, and corrected CMS-179.

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

Sincerely,

A red rectangular box redacts the signature of James G. Scott. A blue ink signature is visible above the box.

James G. Scott, Director
Division of Program Operations

Digitally signed by James G. Scott
-S
Date: 2023.11.20 14:43:12 -06'00'

Enclosures

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

November 14, 2023

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 23-0018

Dear Commissioner Lee:

The Centers for Medicare & Medicaid Services (CMS) reviewed your Medicaid State Plan Amendment (SPA) submitted under transmittal number (TN) 23-0018. This amendment proposes to modify manual pricing of Durable Medical Supplies to be reimbursed at MSRP - 18 percent and to waive requirements for a face-to-face visit, new physician's order, and new medical necessity documentation to replace Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) if lost, destroyed, or irreparably damaged.

We conducted our review of your submittal according to statutory requirements in Title XIX of the Social Security Act and implementing regulations in 42CFR 424.57, 440.230, and 441, Subpart B. This letter is to inform you that Kentucky's Medicaid SPA 23-0018 was approved on November 13, 2023, with an effective date of July 1, 2023.

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

Sincerely,

A red rectangular box redacting the signature of James G. Scott. The box is solid red and covers the entire signature area.

Digitally signed by James
G. Scott -S
Date: 2023.11.14 17:46:42
-06'00'

James G. Scott, Director
Division of Program Operations

Enclosures

cc: Erin Bickers, KY DMS

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

1. TRANSMITTAL NUMBER

2 3 — 0 0 1 8

2. STATE

KY3. 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

July 1, 2023

5. FEDERAL STATUTE/REGULATION CITATION

42CFR 424.57, 440.230, 441, Subpart B

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 2023\$ 0b. FFY 2024\$ 0

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Att. 3.1-A Page 12

Att. 3.1-A Page 13

Att. 3.1-B Page 11

Att. 3.1-B Page 39

Att. 4.19-B Page 20.14

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

Att. 3.1-A Page 12

Att. 3.1-A Page 13

Att. 3.1-B Page 11

Att. 3.1-B Page 39

Att. 4.19-B Page 20.14

9. SUBJECT OF AMENDMENT

Making changes Durable Medical Supplies manually priced items to be reimbursed at MSRP -18% and waiver requirements for a face-to-face visit, new physician's order, and new medical necessity documentation to replace DME POS if lost, destroyed, or irreparably damaged. KT

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

8/29/23

15. RETURN TO

Lisa Lee

275 E. Main St.

Frankfort, KY 40601

FOR CMS USE ONLY

16. DATE RECEIVED

08/29/2023

17. DATE APPROVED

11/13/2023

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL

07/01/2023

19. SIGNATURE OF APPROVING OFFICIAL

Digitally signed by James G. Scott -S

Date: 2023.11.20 14:43:42 -06'00'

20. TYPED NAME OF APPROVING OFFICIAL

James G. Scott

21. TITLE OF APPROVING OFFICIAL

Director, Division of Program Operations

22. REMARKS

Pen and ink changes made in Box 9 updating description to reflect revised submission. - KT 11/16/23.

State/Territory: Kentucky

AMOUNT, DURATION, AND SCOPE OF MEDICAL AND
REMEDIAL CARE AND SERVICES PROVIDED TO THE
CATEGORICALLY NEEDY

27. Medical supplies, equipment, and appliances suitable for use in any setting in which normal life activities take place.

☒ Provided: ☐ No limitations ☒ With limitations* ☐ Not provided.

*Description provided on attachment

TN No. 23-018
Supersedes
TN No. 03-006

Approval Date: 11/13/2023

Effective Date: 07/01/2023

State/Territory Kentucky

AMOUNT, DURATION, AND SCOPE OF MEDICAL AND
REMEDIAL CARE AND SERVICES PROVIDED TO THE
CATEGORICALLY NEEDY

27. Medical Supplies, Equipment, and Appliances

An item of medical supplies and equipment means equipment that can withstand repeated use and includes, but is not limited to, the following items: prosthetics, orthotics, beds, canes, walkers, wheelchairs, traction equipment, oxygen, and oxygen equipment. Coverage of an item of medical supplies, equipment, and appliances means: shall serve a medical purpose; shall not generally be useful to a person in the absence of illness or injury; and shall be medically necessary and reasonable.

- a. A provider must be Medicare and Medicaid certified. Items must be medically necessary and, if required, prior authorized.
- b. All miscellaneous codes require prior authorization. Any item that does not have a designated HCPCS code and is determined by the department to be a covered item will use the designated miscellaneous HCPCS code and require prior authorization.
- c. Any item being reimbursed at \$500.00 or more will require prior authorization.
- d. The following general types of medical supplies, equipment and appliances are excluded from coverage under the medical supplies, equipment, and appliances program:
 1. Items which are primarily and customarily used for a non-medical purpose, such as air conditioners and room heaters;
 2. Physical fitness equipment, such as exercycles and treadmills;
 3. Home modifications
 4. Items considered educational or recreational.
 5. Routine maintenance for purchased items is not covered, which includes but is not limited to testing, cleaning, regulating, or accessing equipment as may be recommended or required by the operator's manual or considered best practice to maintain good working order. Routine maintenance of rental items to maintain good working order is included in the rental cost.
- e. A cast or splint shall be limited to two (2) per ninety (90) day period for the same injury or condition. Limitation can be exceeded based on medical necessity.

TN No. 23-018
Supersedes
TN No. 06-013

Approval Date: 11/13/2023

Effective Date: 07/01/2023

State/Territory. Kentucky

AMOUNT, DURATION, AND SCOPE OF MEDICAL AND
REMEDIAL CARE AND SERVICES PROVIDED TO THE
MEDICALLY NEEDY

27. Medical supplies, equipment, and appliances suitable for use in any setting in which normal life activities take place.

☒ Provided ☐ No limitations ☒ With Limitations* ☐ Not Provided

*Description provided on attachment.

TN No. 23-18
Supersedes
TN No. 03-006

Approval Date: 11/13/2023

Effective Date: 07/01/2023

State/Territory: Kentucky

AMOUNT, DURATION, AND SCOPE OF MEDICAL AND
REMEDIAL CARE AND SERVICES PROVIDED TO THE
CATEGORICALLY NEEDY

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TN No: 23-018
Supersedes
TN No: 06-013

Approval Date: 11/13/2023

Effective Date: 07/01/2023

XIV. Medical Supplies, Equipment and Appliances

1. General DME Items

For DME items that have a HCPC code (except for customized items) reimbursement shall be based on the Medicaid fee schedule, not to exceed the supplier's usual and customary charge.

2. Manual Pricing of DME Items

- a. The department will reimburse suppliers of medical supplies, equipment and appliances for manually priced items in the Medicaid program durable medical equipment fee schedule at the manufacturer's suggested retail price minus eighteen percent (18%) pricing where there is a manufacturer's suggested retail price. Enteral nutrition and custom-made orders are to be reimbursed at invoice plus 20%.