**205.6320 Cabinet to strengthen managed care component of KenPAC Program and to establish standards for access and quality for organizations serving Medicaid recipients.**

(1) The Cabinet for Health and Family Services shall seek to strengthen the managed care component of the KenPAC Program. The cabinet shall by promulgation of administrative regulation, pursuant to KRS Chapter 13A, establish the following:

(a) Inclusion of noninstitutionalized blind, aged, and disabled recipients in an effort to reduce inappropriate usage as permitted by federal Medicaid regulations;

(b) Financial incentives for KenPAC physicians who effectively manage the care of their patients. These incentives may include an increase in the case management fee for demonstrated effective case management, or through other arrangements that encourage the effective and efficient management of patients. Clear and concise administrative regulations promulgated under KRS Chapter 13A shall be established by the cabinet to determine physician qualification for the incentives;

(c) A pilot project to establish an oversight and education program in the KenPAC system to assist with patient education regarding the appropriate and effective use of the system and to assist providers with more efficient management of patients;

(d) Criteria to avoid duplication of the provision of early and periodic screening, diagnosis, and treatment-type services to children in the KenPAC Program;

(e) A review of the feasibility of a demonstration project to allow health maintenance organizations to bid on the provision of services to KenPAC participants;

(f) Extension of KenPAC to all counties within the state. The cabinet shall determine the feasibility of working with state-supported medical schools to obtain physicians in the counties where KenPAC does not operate; and

(g) More stringent reporting and verification requirements in contracts with KenPAC physicians regarding verification of services provided to KenPAC patients.

(2) The secretary shall promulgate by administrative regulation standards for access and quality which any health maintenance organizations serving Medicaid recipients shall meet. The secretary shall not provide Medicaid services through a health maintenance organization which does not demonstrate the capacity to meet the standards. The standards shall address at least the following subjects:

(a) Access to care including patient to physician ratios, availability of appropriate specialists, distance to care, travel and waiting times, and physical and language barriers;

(b) Internal and external methods for monitoring quality of care;

(c) Data collection and reporting, including provision of data on utilization, outcomes, enrollee satisfaction, and the number, type, and resolution of grievances and complaints, with subpopulation data for at-risk populations;

(d) Due-process procedures including written notice of appeal rights, timelines for resolution of complaints, and expedited appeals processes;

(e) Consumer representation and patient advocacy; and

(f) Marketing practices including prohibited practices and standards for advertisements and printed marketing materials.

**Effective:** June 20, 2005

**History:** Amended 2005 Ky. Acts ch. 99, sec. 252, effective June 20, 2005. -- Amended 1998 Ky. Acts ch. 426, sec. 210, effective July 15, 1998. -- Amended 1996 Ky. Acts ch. 371, sec. 31, effective July 15, 1996. -- Created 1994 Ky. Acts ch. 512, sec. 77, effective July 15, 1994.