

1 AN ACT relating to Medicaid coverage for assisted living.

2 ***Be it enacted by the General Assembly of the Commonwealth of Kentucky:***

3 ➔Section 1. (1) The Department for Medicaid Services is hereby directed to,
4 no later than November 1, 2023, prepare and submit an application to the federal Centers
5 for Medicare and Medicaid Services for a Medicaid state plan amendment to establish an
6 assisted living community services option in the Commonwealth's Medicaid state plan.

7 (2) The Medicaid state plan amendment required by this section shall:

8 (a) At a minimum, provide coverage and financial support for personal care
9 assistance provided a Medicaid beneficiary in an assisted living community that has been
10 financed as such through the Kentucky Housing Corporation with low-income housing
11 tax credits awarded under Section 42 of the Internal Revenue Code;

12 (b) Require that an individual receive a clinical assessment for the purpose of
13 determining the most appropriate level of care for that individual before the individual
14 begins receiving Medicaid covered services in either a skilled nursing facility or an
15 assisted living community;

16 (c) Permit the Department for Medicaid Services or a managed care organization
17 with whom the department has contracted for the delivery of Medicaid Services to deny
18 coverage for skilled nursing facility care or assisted living care if the level of care to be
19 delivered is inconsistent with the individual's needs as determined by the clinical
20 assessment required by paragraph (b) of this subsection;

21 (d) To the extent permitted under federal law, provide coverage and financial
22 support for room and board expenses incurred by a Medicaid beneficiary in an assisted
23 living community; and

24 (e) Include a daily reimbursement rate for assisted living community services,
25 including personal care assistance, equal to no less than 50% of the otherwise applicable
26 reimbursement rate for skilled nursing facilities.

27 (3) No later than November 1, 2023, the Department for Medicaid Services shall

- 1 submit a copy of the state plan amendment application required by this section to the
- 2 Legislative Research Commission for referral to the committee or committees of
- 3 appropriate jurisdiction.