



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

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Frankfort, Kentucky 40621
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Steven L. Beshear
Governor

Janie Miller
Secretary

Neville Wise
Acting Commissioner

July 22, 2011

Re: Managed Care Organizations
General Provider Letter – A-83

Dear Medicaid Provider:

This letter is intended to provide information and guidance relating to the expansion of managed care in the Kentucky Medicaid program.

As you may be aware, on July 7, 2011, Governor Steve Beshear announced that the state had entered into contracts with three new Managed Care Organizations (MCOs) to provide services to Medicaid recipients across the state, except for recipients receiving long term care and waiver services. The three new MCOs are CoventryCares™ of Kentucky¹, Kentucky Spirit Health Plan, and WellCare of Kentucky.

The expansion of managed care in the Medicaid Program will provide consistent, comprehensive care to patients, so vulnerable families will continue to get the quality medical services they need and reduce costs for the Kentucky Medicaid program. By moving Medicaid from a fee-for-service system to managed care, it is believed that significant savings may be realized and will prevent unnecessary devastating cuts to Medicaid Providers and other areas of state government.

¹ CoventryCares of Kentucky is a Medicaid product of Coventry Health and Life Insurance Company

The new MCOs will operate in all regions of the state except for the Passport region, which includes Breckinridge, Bullitt, Carroll, Grayson, Hardin, Henry, Jefferson, Larue, Marion, Meade, Nelson, Oldham, Shelby, Spencer, Trimble, and Washington counties. Enrollment of recipients into the new MCOs will begin in August 2011, with the MCOs being operational on October 1, 2011. Therefore, it is vitally important for each new MCO to establish a network of health care providers which is adequate and sufficient to provide medically necessary Medicaid services to respective enrollees as soon as possible. As a health care provider of Medicaid services, you may be contacted by one or more of the new MCOs to enter into an agreement(s) to provide Medicaid services under their respective plans. We encourage you to participate with all MCOs.

The Department has created a Question and Answer (Q & A) document (enclosed) which will address some of your current questions. The Q & A may provide helpful information and guidance as the expansion of Medicaid Managed Care progresses and will be updated as additional questions are identified by providers. The Q & A will be posted on the Department for Medicaid Services (DMS) website <http://chfs.ky.gov/dms/default.htm>.

As always, we appreciate your participation in the Kentucky Medicaid Program and hope this information is helpful. We also look forward to working with you and the new MCOs to improve the quality of health care and health of citizens in the Commonwealth. If you have any questions or need additional information, please contact the Department for Medicaid Services at 800-635-2570.

Sincerely,



Neville Wise, Acting Commissioner
Department for Medicaid Services

Enclosure

Enclosure

Questions and Answers relating to the Expansion of Managed Care in Medicaid

1. Question: How does the expansion of Managed Care affect my current status as a Medicaid provider?

Response: If you currently participate (are enrolled) in the Kentucky Medicaid Program, your existing provider agreement will remain in effect unless it is terminated by the Department for Medicaid Services for some reason, in which case you will be notified immediately. Following implementation of the Medicaid MCOs in October 2011, this contract will allow you to continue providing services to Medicaid recipients who are “not enrolled” in a MCO. These recipients include individuals in long term care facilities, recipients who receive waiver services, time limited aliens, Medicaid Works members, individuals eligible for spend down coverage and members eligible for Breast and Cervical Cancer Treatment Program. However, if you want to provide services to Medicaid recipients enrolled in a specific MCO, you are required to enter into a separate agreement with that MCO.

2. Question: Am I required to have an agreement with the Kentucky Medicaid Program if I plan to limit my services to Medicaid recipients enrolled in a MCO?

Response: All providers entering into an agreement with a MCO to provide services to Medicaid recipients must also enter into or have on file an agreement with the Kentucky Medicaid Program. Entering into an agreement with the Kentucky Medicaid Program does not prohibit a provider from limiting his/her services to Medicaid recipients enrolled in a MCO.

3. Question: How can I enter into an agreement with a Kentucky Medicaid MCO?

Response: To enter into an agreement with a specific MCO to provide Medicaid services, you are advised to first contact the MCO’s Provider Relations staff, who can provide the necessary forms, information, and instructions for enrollment as a provider. Terms and conditions of participation may also be discussed at that time. If at this time, you do not have an existing agreement with the Kentucky Medicaid Program, please inform the MCO immediately and the staff will facilitate your enrollment.

If you do have an existing agreement with the Kentucky Medicaid Program at this time, please inform the MCO immediately upon contact and your credentialing may be expedited, as you have already undergone credentialing with Kentucky Medicaid. Following is contact information for the three new MCOs currently contracting with the Department for Medicaid Services.

- **CoventryCares™ of Kentucky** (serving Medicaid enrollees in regions other than Region 3)
Telephone: 1-855-300-5528
Website: www.CoventryCaresKY.com
- **Kentucky Spirit Health Plan** (serving Medicaid enrollees in regions other than Region 3)
Telephone: 1-866-643-3153
Website: www.kentuckyspirithealth.com

- **WellCare of Kentucky** (serving Medicaid enrollees in regions other than Region 3)
Telephone: 1-877-389-9457
Website: www.kentucky.wellcare.com

4. Question: I served as a Primary Care Provider (PCP) under the traditional Medicaid program. Can I serve as a PCP under a new Medicaid MCO?

Response: During the MCO contracting process, the importance of using traditional Medicaid providers and established “medical homes” for their respective enrollees was emphasized; therefore, if you served as a traditional Medicaid PCP in the past, you may be considered for participation as a PCP under the new Medicaid MCOs. However, the Department cannot ensure a contract with the new MCO. You are advised to contact one or more of the new MCOs of your choice as soon as possible if you want to begin the provider participation process. Contact information for Medicaid MCOs is provided in the response to question 3. Each MCO will assist you and provide all necessary information and forms necessary for provider participation.

5. Question: Will Passport continue in Region 3?

Response: Yes, the Commonwealth of Kentucky has renewed its contract with Passport for one year and there will be no break in coverage for the 170,000 Medicaid recipients in Jefferson and 15 nearby counties (Region 3).

6. Question: Can a Passport provider participate with the new MCOs?

Response: Yes, Passport providers can enroll with the new MCOs if they wish to serve Medicaid recipients outside Region 3.

7. Question: How will Medicaid recipients be enrolled in the new MCOs?

Response: In late July, the Department for Medicaid Services will issue a letter to all Medicaid recipients, except for those receiving long term care or waiver services, and those residing in Region 3. The letter will announce the expansion of managed care in the Kentucky Medicaid Program and explain the changes recipients can expect over the next several months.

In August 2011, the Department will issue a second letter to these same recipients which includes additional information relating to the expansion and identify a specific MCO to which the family will be assigned, based upon the families prior use of Medicaid providers and services. In addition to the MCO name, contact information for the MCO will be provided, as well as directions for choosing a different MCO. Additionally, later opportunities will exist for families to change MCOs.

8. Question: With the expansion of Medicaid Managed Care, what will happen to the KenPAC program?

Response: Effective October 1, 2011, care and services provided by the new MCO’s will replace the KenPAC program.