



CABINET FOR HEALTH AND FAMILY SERVICES  
DEPARTMENT FOR MEDICAID SERVICES

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Governor

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Mark D. Birdwhistell  
Secretary

J. Thomas Badgett, MD, PhD  
Acting Commissioner

July 6, 2006

Re: *KyHealth Choices* – Kentucky Medicaid Program Update

Dear Kentucky Medicaid Pharmacy Provider:

The Department for Medicaid Services recently introduced a new Medicaid initiative called *KyHealth Choices*, which offers Kentucky Medicaid members benefits that are customized to their specific needs. As part of *KyHealth Choices*, members are encouraged to be more involved in their health care and will be asked to share in the cost of their services.

As you recall, *KyHealth Choices* has four health plans. All four of the plans include some required cost sharing for pharmacy services as follows:

Plan	1 <sup>st</sup> Tier	2 <sup>nd</sup> Tier	3 <sup>rd</sup> Tier
Global Choices	\$1	\$2	5% coinsurance
Family Choices	\$1	\$2	\$3
Comprehensive Choices	\$1	\$2	5% coinsurance
Optimum Choices	\$1	\$2	5% coinsurance

**Effective July 1, 2006, participating pharmacists are not required to serve a member if the member does not make the required cost sharing at the time of service, except for an initial encounter in which a member presents with a condition that could result in harm to the member if the condition is left untreated, in which case the pharmacist must dispense a 72-hour emergency supply of the required medicine.** The member may later return to the pharmacy with the required cost-sharing amount to obtain the remainder of the prescription. Please note that DMS will only pay one dispensing fee for both the emergency supply and the remainder of the prescription. Pharmacists are required to dispense the 72-hour emergency supply for each prescription/medication.

Certain members are exempt from paying any cost-sharing amounts: pregnant women, Medicaid children under the age of 19, members in hospice, members in personal care beds or homes, and members in a LTC facility. When a claim is being processed at the point of sale, the system will tell you whether or not any cost-sharing is required, and if so, how much. As a reminder, the maximum out of pocket expense that members will be required to pay is \$225 for prescriptions per calendar year and will reset on January 1, 2007 and each January 1 thereafter. The system will also tell you when a member has reached his or her maximum out of pocket amount and cost-sharing is no longer required.

**You may call the Kentucky Medicaid Automated Voice Response System at 1-800-807-1301 or visit our website at [www.chfs.ky.gov/dms/kyhealthchoices.htm](http://www.chfs.ky.gov/dms/kyhealthchoices.htm) to find out which plan a member has or to learn more about *KyHealth Choices*.**

Sincerely,

Thomas Badgett, M.D  
Acting Commissioner

