



Aetna Better Health of Kentucky
9900 Corporate Campus Drive, Suite 1000
Louisville, KY 40223

April 14, 2026

Payment Policy

Support for Kentucky's 1115 Waiver Implementation

Reentry Services Launching April 1, 2026

Aetna Better Health of Kentucky (ABHKY) is proud to support the Kentucky Department for Medicaid Services (DMS) in the implementation of the newly approved Section 1115 Demonstration Waiver ("TEAMKY"). This waiver includes multiple components aimed at improving care access, health outcomes, and service continuity for vulnerable populations, including individuals transitioning from incarceration back into community settings. CMS approved Kentucky's 1115 Reentry Demonstration on **July 2, 2024**, establishing the statewide framework for pre-release and post-release Medicaid services. [chfs.ky.gov]

Reentry Program Launch – April 1

Beginning **April 1, 2026**, eligible adults and youth in state prisons and Youth Development Centers (YDCs) will be able to access a defined set of pre-release Medicaid-covered services designed to improve care transitions and reduce gaps in treatment as individuals return to the community. [chfs.ky.gov]

Scope of Reentry Services

Under the 1115 Reentry Waiver, qualifying individuals may receive:

- **Case management services** to address physical and behavioral health needs prior to release. [chfs.ky.gov]
- **Medication-Assisted Treatment (MAT)** for substance use disorders, when clinically appropriate. [chfs.ky.gov]

- **A 30-day supply of prescribed medications** provided immediately at release to support continuity of treatment. [[medicaid.gov](https://www.ky.gov/medicaid)]
- **Support with Medicaid/CHIP enrollment**, ensuring coverage is active or reinstated at the time of reentry. [[medicaid.gov](https://www.ky.gov/medicaid)]

These services are intended to begin before release and extend into the early reentry period, supporting stability and improved health outcomes.

Kentucky SKY – Services for Youth in Juvenile Justice Facilities

As part of this initiative, **Kentucky SKY**, delivered through Aetna Better Health of Kentucky, will provide these same reentry-related services to **children and youth residing in Juvenile Justice facilities**. This includes pre-release case management, behavioral and physical health coordination, and assistance in ensuring continuity of care as youth transition back to the community. *(Note: Description supported by Kentucky's inclusion of Youth Development Centers (YDCs) and youth correctional settings within the approved 1115 Reentry framework.)* [[chfs.ky.gov](https://www.ky.gov/chfs)]

Aetna Better Health of Kentucky's Role ABHKY will continue partnering with DMS, correctional agencies, community providers, and Kentucky SKY stakeholders to ensure statewide readiness, including:

- Coordinating pre-release and post-release care management activities
- Ensuring network provider capacity for physical health, behavioral health, and MAT services
- Supporting data exchange, reporting, and compliance with Special Terms and Conditions (STCs) of the 1115 Demonstration [[chfs.ky.gov](https://www.ky.gov/chfs)]

Aetna Better Health of Kentucky remains committed to improving the health and well-being of individuals and families across the Commonwealth as Kentucky implements this important initiative.

As always, do not hesitate to contact your Aetna Better Health of Kentucky Provider Relations Representative with any questions or comments.

Questions?

If you have general questions about this communication, contact Provider Relations.

You can call Provider Relations at 1-855-300-5528 (TTY: 711). We're here for you Monday through Friday, 7 AM to 7 PM ET.

[AetnaBetterHealth.com/Kentucky](https://www.aetna.com/betterhealth/kentucky)

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