

**164.2871 Liability insurance for governing board members, faculty, and staff -- Retirement annuity allowances exemption -- Taxability after December 31, 1997 -- Purchase of insurance not waiver of immunity -- Self-insured employer group health plan -- Special enrollment period for pregnancy.**

- (1) The governing board of each state postsecondary educational institution is authorized to purchase liability insurance for the protection of the individual members of the governing board, faculty, and staff of such institutions from liability for acts and omissions committed in the course and scope of the individual's employment or service. Each institution may purchase the type and amount of liability coverage deemed to best serve the interest of such institution.
- (2) All retirement annuity allowances accrued or accruing to any employee of a state postsecondary educational institution through a retirement program sponsored by the state postsecondary educational institution are hereby exempt from any state, county, or municipal tax, and shall not be subject to execution, attachment, garnishment, or any other process whatsoever, nor shall any assignment thereof be enforceable in any court. Except retirement benefits accrued or accruing to any employee of a state postsecondary educational institution through a retirement program sponsored by the state postsecondary educational institution on or after January 1, 1998, shall be subject to the tax imposed by KRS 141.020, to the extent provided in KRS 141.010 and 141.0215.
- (3) Except as provided in KRS Chapter 44, the purchase of liability insurance for members of governing boards, faculty and staff of institutions of higher education in this state shall not be construed to be a waiver of sovereign immunity or any other immunity or privilege.
- (4) The governing board of each state postsecondary education institution is authorized to provide a self-insured employer group health plan to its employees, which plan shall:
  - (a) Conform to the requirements of Subtitle 32 of KRS Chapter 304; and
  - (b) Except as provided in subsection (5) of this section, be exempt from conformity with Subtitle 17A of KRS Chapter 304.
- (5) A self-insured employer group health plan provided by the governing board of a state postsecondary education institution to its employees shall comply with:
  - (a) KRS 304.17A-129;
  - (b) KRS 304.17A-133;
  - (c) KRS 304.17A-145;
  - (d) KRS 304.17A-163 and 304.17A-1631;
  - (e) KRS 304.17A-261;
  - (f) KRS 304.17A-262;
  - (g) KRS 304.17A-264; and
  - (h) KRS 304.17A-265.
- (6)
  - (a) A self-insured employer group health plan provided by the governing board of a state postsecondary education institution to its employees shall provide a special enrollment period to pregnant women who are eligible for coverage in

accordance with the requirements set forth in KRS 304.17-182.

- (b) The governing board of a state postsecondary education institution shall, at or before the time an employee is initially offered the opportunity to enroll in the plan or coverage, provide the employee a notice of the special enrollment rights under this subsection.

**Effective:** January 1, 2025

**History:** Amended 2024 Ky. Acts ch. 69, sec. 5, effective January 1, 2025; ch. 75, sec. 3, effective January 1, 2025; ch. 97, sec. 8, effective January 1, 2025; and ch. 207, sec. 7, effective January 1, 2025. -- Amended 2023 Ky. Acts ch. 30, sec. 6, effective January 1, 2025; and ch. 86, sec. 7, effective June 29, 2023. -- Amended 2022 Ky. Acts ch. 19, sec. 11, effective January 1, 2023. -- Amended 1997 (1st Extra. Sess.) Ky. Acts ch. 1, sec. 91, effective May 30, 1997. -- Amended 1995 (2d Extra. Sess.) Ky. Acts ch. 1, sec. 7, effective April 28, 1995. -- Amended 1988 Ky. Acts ch. 282, sec. 7, effective July 15, 1988. -- Amended 1986 Ky. Acts ch. 235, sec. 1, effective July 15, 1986. -- Created 1978 Ky. Acts ch. 347, sec. 1, effective June 17, 1978.

**Legislative Research Commission Note (1/1/2025).** 2024 Ky. Acts ch. 207, sec. 16, provides that the amendments to this statute in that Act shall apply to plans issued or renewed on or after January 1, 2025.

**Legislative Research Commission Note (1/1/2025).** 2024 Ky. Acts ch. 69, sec. 7, provides that the amendments to this statute in that Act shall apply to policies, certificates, plans, and contracts issued or renewed on or after January 1, 2025.

**Legislative Research Commission Note (1/1/2025).** 2024 Ky. Acts ch. 75, sec. 5, provides that the amendments to this statute in that Act shall apply to health benefit plans issued or renewed on or after January 1, 2025.

**Legislative Research Commission Note (1/1/2025).** 2024 Ky. Acts ch. 97, sec. 9, provides that the amendments to this statute in that Act shall apply to policies, plans, certificates, and contracts issued or renewed on or after January 1, 2025.

**Legislative Research Commission Note (1/1/2025).** This statute was amended by 2024 Ky. Acts chs. 69, 75, 97, and 207, which do not appear to be in conflict and have been codified together.

**Legislative Research Commission Note (1/1/2025).** Under the authority of KRS 7.136, the reviser of statutes has re-lettered the paragraphs in subsection (5) in this statute during codification to place the list of cited statutes in numerical order. The words in the text were not changed.

**Legislative Research Commission Note (1/1/2025).** 2023 Ky. Acts ch. 30, sec. 7, provides that the amendments to this statute in that Act shall apply to policies, certificates, plans, and contracts issued or renewed on or after January 1, 2025.

**Legislative Research Commission Note (6/29/2023).** This statute was amended by 2023 Ky. Acts ch. 86, sec. 7. Section 8 of that Act provides that the Act applies to health insurance policies in effect on or after June 29, 2023, and to health insurance policies issued, delivered, or renewed on or after June 29, 2023.

**Legislative Research Commission Note (1/1/2023).** 2022 Ky. Acts ch. 19, sec. 13, provides that the amendments made to this statute shall apply to health plans delivered, issued for delivery, or renewed on or after January 1, 2023.