

CHAPTER 123**(SB 22)**

AN ACT relating to the public employee health insurance program.

WHEREAS, the United States Congress has enacted 10 U.S.C. sec. 1097c; and

WHEREAS, the federal government has not yet promulgated administrative regulations to implement this legislation; and

WHEREAS, when this legislation is implemented, to some extent it may preempt state action with regard to contracting to offer TRICARE supplement insurance to public employees; and

WHEREAS, to the extent that 10 U.S.C. sec. 1097c does not preempt state action, the Commonwealth should contract to offer TRICARE supplement insurance to public employees;

NOW, THEREFORE,

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

SECTION 1. A NEW SECTION OF KRS CHAPTER 18A IS CREATED TO READ AS FOLLOWS:

- (1) *The provisions of this section shall take effect to the extent that they are not preempted by 10 U.S.C. sec. 1097c, other federal law, or federal regulation.*
- (2) *As used in this section:*
 - (a) *"TRICARE" means the Department of Defense health care program for active duty and retired uniformed service members and their families; and*
 - (b) *"Employee" has the same meaning as in KRS 18A.225.*
- (3) *Beginning with plan year 2009, the Personnel Cabinet, Department for Employee Insurance, shall select and contract with one (1) or more providers to offer a group TRICARE supplement product to eligible employees who are eligible TRICARE beneficiaries.*
- (4) *The Commonwealth of Kentucky shall pay the cost of individual TRICARE supplement insurance to cover the employee, not to exceed the cost of the lowest priced individual plan offered to public employees. The employee shall pay the cost of coverage for his or her spouse and dependent children.*
- (5) *Those employees eligible for TRICARE insurance who elect the Commonwealth of Kentucky sponsored TRICARE supplement insurance shall not be eligible for other coverage offered through the public employee health insurance program. Those employees eligible for TRICARE insurance who choose not to elect the Commonwealth of Kentucky sponsored TRICARE supplement insurance shall continue to be eligible for the coverage offered through the public employee health insurance program.*
- (6) *The secretary of the Personnel Cabinet may promulgate administrative regulations to carry out the provisions of this section.*

Approved April 5, 2007.