

304.18-090 Payment of benefits under blanket health insurance policy or contract.

Except as provided in KRS 304.17A-265 and 304.17C-137:

- (1) Subject to subsection (2) of this section, all benefits under any blanket health insurance policy or contract shall be payable to the person insured, or to the person's designated beneficiary or beneficiaries, or to the person's estate, except that if the person insured is a minor or otherwise not competent to give a valid release, the benefits may be made payable to the person's parent, guardian, conservator, or other person actually supporting the minor or person not competent to give a valid release; and
- (2)
 - (a) A blanket health insurance policy or contract may provide that all or a portion of any indemnities provided by the policy or contract on account of hospital, nursing, medical, or surgical services may, at the option of the insurer and unless the insured requests otherwise in writing not later than the time of filing proofs of such loss, be paid directly to the hospital or person rendering such services, but the policy or contract may not require that the service be rendered by a particular hospital or person.
 - (b) Payment made directly to a hospital or other person for all or a portion of any indemnities provided by a blanket health insurance policy or contract shall discharge the obligation of the insurer with respect to the amount of insurance so paid.

Effective: January 1, 2026

History: Amended 2025 Ky. Acts ch. 147, sec. 4, effective January 1, 2026. -- Amended 2023 Ky. Acts ch. 86, sec. 4, effective June 29, 2023. -- Amended 1982 Ky. Acts ch. 141, sec. 86, effective July 1, 1982. -- Created 1970 Ky. Acts ch. 301, subtit. 18, sec. 9, effective June 18, 1970.

Legislative Research Commission Note (1/1/2026). 2025 Ky. Acts ch. 147, sec. 5, provides that the amendments to this statute in that Act shall apply to policies, plans, and contracts issued or renewed on or after January 1, 2026.

Legislative Research Commission Note (6/29/2023). This statute was amended by 2023 Ky. Acts ch. 86, sec. 4. 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.

Note: 1980 Ky. Acts ch. 396, sec. 91 would have amended this section effective July 1, 1982. However, 1980 Ky. Acts ch. 396 was repealed by 1982 Ky. Acts ch. 141, sec. 146, also effective July 1, 1982.