

1 AN ACT relating to the payment of insurance premiums and cost sharing on behalf
2 of an insured.

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

4 ➔SECTION 1. A NEW SECTION OF SUBTITLE 17A OF KRS CHAPTER 304
5 IS CREATED TO READ AS FOLLOWS:

6 *(1) As used in this section, "cost sharing" means the cost to an individual insured*
7 *under a health benefit plan according to any coverage limit, copayment,*
8 *coinsurance, deductible, or other out-of-pocket expense requirements imposed by*
9 *the plan.*

10 *(2) Except as provided in subsection (4) of this section, all health benefit plans issued*
11 *or renewed on or after the effective date of this Act shall accept, and count*
12 *towards the insured's contributions to any applicable premium or cost-sharing*
13 *requirement, premium and cost-sharing payments made on behalf of an insured*
14 *from the following:*

15 *(a) A state or federal government program, including payments made by*
16 *programs operating in accordance with title XXVI of the federal Public*
17 *Health Service Act, 42 U.S.C. sec. 300ff et. seq., as amended;*

18 *(b) An Indian tribe, tribal organization, or urban Indian organization; and*

19 *(c) A program conducted by an organization that certifies that the organization*
20 *is:*

21 *1. Exempt from taxation under 26 U.S.C. sec. 501(a), as amended;*

22 *2. Described in 26 U.S.C. sec. 170(b)(1)(A)(i) or (vi); and*

23 *3. Operating in compliance with applicable federal laws, including the*
24 *False Claims Act, 31 U.S.C. secs. 3729 to 3733.*

25 *(3) To the extent permitted under federal law, all health benefit plans may accept,*
26 *and count towards the insured's contributions to any applicable premium or cost-*
27 *sharing requirement, premium and cost-sharing payments made on behalf of an*

- 1 insured by any person not referenced in subsection (2) of this section.
- 2 **(4) If the application of the requirements of subsection (2) of this section would be**
- 3 **the sole cause of a health benefit plan's failure to qualify as a Health Savings**
- 4 **Account-qualified High Deductible Health Plan under 26 U.S.C. sec. 223, as**
- 5 **amended, then the requirements of subsection (2) of this section shall not apply to**
- 6 **that health benefit plan until the minimum deductible under 26 U.S.C. sec. 223,**
- 7 **as amended, is satisfied.**
- 8 ➔Section 2. This Act takes effect on January 1, 2022.