1 AN ACT relating to contraceptive coverage.

2 WHEREAS, the federal Patient Protection and Affordable Care Act, Pub. L. No. 111-
3 148, includes a contraceptive coverage guarantee as part of a broader requirement for health
4 insurance to cover key preventive care services without out-of-pocket costs for patients; and

5 WHEREAS, the General Assembly intends to build on existing state and federal law to
6 promote gender equity and sexual and reproductive health and to ensure greater contraceptive
7 coverage equity and timely access to all United States Food and Drug Administration-approved
8 birth control drugs, devices, and products, and related services, for all individuals covered by
9 health benefit plans in Kentucky; and

10 WHEREAS, medical management techniques, such as denials, step therapy, or prior
11 authorization, in public and private health care coverage can impede access to the most effective
12 contraceptive methods;

13 NOW, THEREFORE,

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

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

17 ***(1) As used in this section:***

18 ***(a) "FDA" means the United States Food and Drug Administration;***

19 ***(b) "Health benefit plan" has the same meaning as in KRS 304.17A-005,***
20 ***except for purposes of this section, the term shall include student health***
21 ***insurance offered by a Kentucky-licensed insurer under written contract***
22 ***with a university or college whose students it proposes to insure; and***

23 ***(c) "Religious employer" means an organization that is:***

24 ***1. Organized and operates as a nonprofit entity; and***

25 ***2. Referred to in 26 U.S.C. sec. 6033(a)(3)(A)(i) or (iii), as amended.***

26 ***(2) Except as otherwise provided in subsection (3) or (5) of this section, a health***
27 ***benefit plan issued, amended, renewed, effective, or delivered on or after the***

1 *effective date of this Act shall provide coverage for the following:*
2 *(a) All FDA-approved contraceptive drugs, devices, and products, including:*
3 *1. Those prescribed:*
4 *a. By a covered person's provider; or*
5 *b. As otherwise authorized under state and federal law;*
6 *2. Over-the-counter contraceptive drugs, devices, and products; and*
7 *3. Those dispensed on-site at a provider's office, if available;*
8 *(b) Voluntary sterilization procedures;*
9 *(c) Patient education and counseling on contraception; and*
10 *(d) Follow-up services related to drugs, devices, products, and procedures*
11 *covered under this section, including but not limited to:*
12 *1. Management of side effects;*
13 *2. Counseling for continued adherence; and*
14 *3. Device insertion and removal.*
15 *(3) For the coverage required under subsection (2)(a) of this section, the health*
16 *benefit plan shall:*
17 *(a) If the FDA has designated a therapeutic equivalent of an FDA-approved*
18 *prescription contraceptive drug, device, or product, cover either:*
19 *1. The original FDA-approved prescription contraceptive drug, device,*
20 *or product; or*
21 *2. At least one (1) therapeutic equivalent of the original FDA-approved*
22 *prescription contraceptive drug, device, or product;*
23 *(b) If a contraceptive drug, device, or product is deemed medically inadvisable*
24 *by the covered person's provider, defer to the determination and judgment*
25 *of the provider and provide coverage for an alternate prescribed FDA-*
26 *approved contraceptive drug, device, or product;*
27 *(c) Provide coverage for the single dispensing of a thirteen (13) unit supply of*

1 ***contraceptives intended to last over a twelve (12) month duration, which, at***
2 ***the discretion of the provider, may be furnished or dispensed all at once or***
3 ***over the course of twelve (12) months;***
4 ***(d) Reimburse a provider or dispensing entity per unit for furnishing or***
5 ***dispensing an extended supply of contraceptives;***
6 ***(e) Not deny the coverage required under this section because a covered person***
7 ***changed contraceptive methods within a twelve (12) month period; and***
8 ***(f) Not require a prescription to trigger the coverage of FDA-approved over-***
9 ***the-counter contraceptive drugs, devices, and products.***
10 ***(4) A health benefit plan subject to the coverage requirements of this section:***
11 ***(a) Shall not impose a deductible, coinsurance, copayment, or any other cost-***
12 ***sharing requirement on the coverage, unless the health benefit plan is***
13 ***offered as a qualifying high deductible health plan for a health savings***
14 ***account, in which case the plan shall establish cost-sharing only at the***
15 ***minimum level necessary to preserve the covered person's ability to claim***
16 ***tax-exempt contributions and withdrawals from the person's health savings***
17 ***account under 26 U.S.C. sec. 223, as amended;***
18 ***(b) Except as otherwise authorized under this section, shall not impose any***
19 ***restrictions or delays on the coverage; and***
20 ***(c) Shall provide the same level of benefits to a covered person's covered***
21 ***dependents as the plan provides to the covered person.***
22 ***(5) (a) A religious employer may request a health benefit plan without coverage***
23 ***for any FDA-approved drugs, devices, products, procedures, and services***
24 ***used for contraceptive purposes that are contrary to the religious employer's***
25 ***religious tenets.***
26 ***(b) A religious employer that makes a request under paragraph (a) of this***
27 ***subsection shall:***

1 ***1. Be provided a health benefit plan without the contraceptive coverage;***
2 ***and***
3 ***2. Provide written notice to each prospective covered person, prior to the***
4 ***covered person's enrollment in the health benefit plan, listing the***
5 ***contraceptive drugs, devices, products, procedures, and services the***
6 ***employer refused to cover for religious reasons.***
7 ***(6) Nothing in this section shall be construed to:***
8 ***(a) Exclude coverage for contraceptive drugs, devices, and products as***
9 ***prescribed by a provider, acting within the provider's scope of practice, for***
10 ***reasons other than contraceptive purposes, including but not limited to:***
11 ***1. Decreasing the risk of ovarian cancer;***
12 ***2. Eliminating symptoms of menopause; or***
13 ***3. Contraception that is necessary to preserve the life of the covered***
14 ***person; or***
15 ***(b) Require a health benefit plan to cover experimental or investigational***
16 ***treatments.***
17 ➔Section 2. KRS 164.2871 is amended to read as follows:
18 (1) The governing board of each state postsecondary educational institution is authorized to
19 purchase liability insurance for the protection of the individual members of the governing
20 board, faculty, and staff of such institutions from liability for acts and omissions committed
21 in the course and scope of the individual's employment or service. Each institution may
22 purchase the type and amount of liability coverage deemed to best serve the interest of
23 such institution.
24 (2) All retirement annuity allowances accrued or accruing to any employee of a state
25 postsecondary educational institution through a retirement program sponsored by the state
26 postsecondary educational institution are hereby exempt from any state, county, or
27 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[shall]

(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 Section 1 of this Act.

➔Section 3. KRS 205.522 is amended to read as follows:

(1) The Department for Medicaid Services and any managed care organization contracted to provide Medicaid benefits pursuant to this chapter shall comply with the provisions of ***Section 1 of this Act, except subsection (4)(c) of Section 1 of this Act, and*** KRS 304.17A-167, 304.17A-235, 304.17A-257, 304.17A-259, 304.17A-515, 304.17A-580, 304.17A-600, 304.17A-603, 304.17A-607, and 304.17A-740 to 304.17A-743, as applicable.

(2) A managed care organization contracted to provide Medicaid benefits pursuant to this chapter shall comply with the reporting requirements of KRS 304.17A-732.

➔Section 4. KRS 205.6485 is amended to read as follows:

(1) The Cabinet for Health and Family Services shall prepare a state child health plan meeting

1 the requirements of Title XXI of the Federal Social Security Act, for submission to the
2 Secretary of the United States Department of Health and Human Services within such
3 time as will permit the state to receive the maximum amounts of federal matching funds
4 available under Title XXI. The cabinet shall, by administrative regulation promulgated in
5 accordance with KRS Chapter 13A, establish the following:
6 (a) The eligibility criteria for children covered by the Kentucky Children's Health
7 Insurance Program. However, no person eligible for services under Title XIX of the
8 Social Security Act 42 U.S.C. 1396 to 1396v, as amended, shall be eligible for
9 services under the Kentucky Children's Health Insurance Program except to the
10 extent that Title XIX coverage is expanded by KRS 205.6481 to 205.6495 and
11 KRS 304.17A-340;
12 (b) The schedule of benefits to be covered by the Kentucky Children's Health
13 Insurance Program, which shall include preventive services, vision services including
14 glasses, and dental services including at least sealants, extractions, and fillings, and
15 which shall be at least equivalent to one (1) of the following:
16 1. The standard Blue Cross/Blue Shield preferred provider option under the
17 Federal Employees Health Benefit Plan established by U.S.C. sec. 8903(1);
18 2. A mid-range health benefit coverage plan that is offered and generally
19 available to state employees; or
20 3. Health insurance coverage offered by a health maintenance organization that
21 has the largest insured commercial, non-Medicaid enrollment of covered lives
22 in the state;
23 (c) The premium contribution per family of health insurance coverage available under
24 the Kentucky Children's Health Insurance Program with provisions for the payment
25 of premium contributions by families of children eligible for coverage by the
26 program based upon a sliding scale relating to family income. Premium contributions
27 shall be based on a six (6) month period not to exceed:

1 1. Ten dollars ($10), to be paid by a family with income between one hundred
2 percent (100%) to one hundred thirty-three percent (133%) of the federal
3 poverty level;
4 2. Twenty dollars ($20), to be paid by a family with income between one
5 hundred thirty-four percent (134%) to one hundred forty-nine percent
6 (149%) of the federal poverty level; and
7 3. One hundred twenty dollars ($120), to be paid by a family with income
8 between one hundred fifty percent (150%) to two hundred percent (200%)
9 of the federal poverty level, and which may be made on a partial payment
10 plan of twenty dollars ($20) per month or sixty dollars ($60) per quarter;
11 (d) There shall be no copayments for services provided under the Kentucky Children's
12 Health Insurance Program; and
13 (e) The criteria for health services providers and insurers wishing to contract with the
14 Commonwealth to provide the children's health insurance coverage. However, the
15 cabinet shall provide, in any contracting process for the preventive health insurance
16 program, the opportunity for a public health department to bid on preventive health
17 services to eligible children within the public health department's service area. A
18 public health department shall not be disqualified from bidding because the
19 department does not currently offer all the services required by paragraph (b) of this
20 subsection. The criteria shall be set forth in administrative regulations under KRS
21 Chapter 13A and shall maximize competition among the providers and insurers. The
22 Cabinet for Finance and Administration shall provide oversight over contracting
23 policies and procedures to assure that the number of applicants for contracts is
24 maximized.
25 (2) Within twelve (12) months of federal approval of the state's Title XXI child health plan,
26 the Cabinet for Health and Family Services shall assure that a KCHIP program is
27 available to all eligible children in all regions of the state. If necessary, in order to meet this

1 assurance, the cabinet shall institute its own program.

2 (3) KCHIP recipients shall have direct access without a referral from any gatekeeper primary
3 care provider to dentists for covered primary dental services and to optometrists and
4 ophthalmologists for covered primary eye and vision services.

5 ***(4) The Kentucky Children's Health Insurance Program shall comply with Section 1***
6 ***of this Act, except subsection (4)(c) of Section 1 of this Act.***

7 ➔Section 5. KRS 18A.225 (Effective January 1, 2022) is amended to read as follows:

8 (1) (a) The term "employee" for purposes of this section means:

9 1. Any person, including an elected public official, who is regularly employed by
10 any department, office, board, agency, or branch of state government; or by a
11 public postsecondary educational institution; or by any city, urban-county,
12 charter county, county, or consolidated local government, whose legislative
13 body has opted to participate in the state-sponsored health insurance
14 program pursuant to KRS 79.080; and who is either a contributing member
15 to any one (1) of the retirement systems administered by the state, including
16 but not limited to the Kentucky Retirement Systems, County Employees
17 Retirement System, Kentucky Teachers' Retirement System, the Legislators'
18 Retirement Plan, or the Judicial Retirement Plan; or is receiving a contractual
19 contribution from the state toward a retirement plan; or, in the case of a public
20 postsecondary education institution, is an individual participating in an optional
21 retirement plan authorized by KRS 161.567; or is eligible to participate in a
22 retirement plan established by an employer who ceases participating in the
23 Kentucky Employees Retirement System pursuant to KRS 61.522 whose
24 employees participated in the health insurance plans administered by the
25 Personnel Cabinet prior to the employer's effective cessation date in the
26 Kentucky Employees Retirement System;

27 2. Any certified or classified employee of a local board of education;

1 3. Any elected member of a local board of education;
2 4. Any person who is a present or future recipient of a retirement allowance
3 from the Kentucky Retirement Systems, County Employees Retirement
4 System, Kentucky Teachers' Retirement System, the Legislators' Retirement
5 Plan, the Judicial Retirement Plan, or the Kentucky Community and Technical
6 College System's optional retirement plan authorized by KRS 161.567,
7 except that a person who is receiving a retirement allowance and who is age
8 sixty-five (65) or older shall not be included, with the exception of persons
9 covered under KRS 61.702(4)(c), unless he or she is actively employed
10 pursuant to subparagraph 1. of this paragraph; and
11 5. Any eligible dependents and beneficiaries of participating employees and
12 retirees who are entitled to participate in the state-sponsored health insurance
13 program;
14 (b) The term "health benefit plan" for the purposes of this section means a health benefit
15 plan as defined in KRS 304.17A-005;
16 (c) The term "insurer" for the purposes of this section means an insurer as defined in
17 KRS 304.17A-005; and
18 (d) The term "managed care plan" for the purposes of this section means a managed
19 care plan as defined in KRS 304.17A-500.
20 (2) (a) The secretary of the Finance and Administration Cabinet, upon the recommendation
21 of the secretary of the Personnel Cabinet, shall procure, in compliance with the
22 provisions of KRS 45A.080, 45A.085, and 45A.090, from one (1) or more
23 insurers authorized to do business in this state, a group health benefit plan that may
24 include but not be limited to health maintenance organization (HMO), preferred
25 provider organization (PPO), point of service (POS), and exclusive provider
26 organization (EPO) benefit plans encompassing all or any class or classes of
27 employees. With the exception of employers governed by the provisions of KRS

1 Chapters 16, 18A, and 151B, all employers of any class of employees or former
2 employees shall enter into a contract with the Personnel Cabinet prior to including
3 that group in the state health insurance group. The contracts shall include but not be
4 limited to designating the entity responsible for filing any federal forms, adoption of
5 policies required for proper plan administration, acceptance of the contractual
6 provisions with health insurance carriers or third-party administrators, and adoption
7 of the payment and reimbursement methods necessary for efficient administration of
8 the health insurance program. Health insurance coverage provided to state
9 employees under this section shall, at a minimum, contain the same benefits as
10 provided under Kentucky Kare Standard as of January 1, 1994, and shall include a
11 mail-order drug option as provided in subsection (13) of this section. All employees
12 and other persons for whom the health care coverage is provided or made available
13 shall annually be given an option to elect health care coverage through a self-funded
14 plan offered by the Commonwealth or, if a self-funded plan is not available, from a
15 list of coverage options determined by the competitive bid process under the
16 provisions of KRS 45A.080, 45A.085, and 45A.090 and made available during
17 annual open enrollment.
18 (b) The policy or policies shall be approved by the commissioner of insurance and may
19 contain the provisions the commissioner of insurance approves, whether or not
20 otherwise permitted by the insurance laws.
21 (c) Any carrier bidding to offer health care coverage to employees shall agree to
22 provide coverage to all members of the state group, including active employees and
23 retirees and their eligible covered dependents and beneficiaries, within the county or
24 counties specified in its bid. Except as provided in subsection (20) of this section,
25 any carrier bidding to offer health care coverage to employees shall also agree to
26 rate all employees as a single entity, except for those retirees whose former
27 employers insure their active employees outside the state-sponsored health

1 insurance program.
2 (d) Any carrier bidding to offer health care coverage to employees shall agree to
3 provide enrollment, claims, and utilization data to the Commonwealth in a format
4 specified by the Personnel Cabinet with the understanding that the data shall be
5 owned by the Commonwealth; to provide data in an electronic form and within a
6 time frame specified by the Personnel Cabinet; and to be subject to penalties for
7 noncompliance with data reporting requirements as specified by the Personnel
8 Cabinet. The Personnel Cabinet shall take strict precautions to protect the
9 confidentiality of each individual employee; however, confidentiality assertions shall
10 not relieve a carrier from the requirement of providing stipulated data to the
11 Commonwealth.
12 (e) The Personnel Cabinet shall develop the necessary techniques and capabilities for
13 timely analysis of data received from carriers and, to the extent possible, provide in
14 the request-for-proposal specifics relating to data requirements, electronic
15 reporting, and penalties for noncompliance. The Commonwealth shall own the
16 enrollment, claims, and utilization data provided by each carrier and shall develop
17 methods to protect the confidentiality of the individual. The Personnel Cabinet shall
18 include in the October annual report submitted pursuant to the provisions of KRS
19 18A.226 to the Governor, the General Assembly, and the Chief Justice of the
20 Supreme Court, an analysis of the financial stability of the program, which shall
21 include but not be limited to loss ratios, methods of risk adjustment, measurements
22 of carrier quality of service, prescription coverage and cost management, and
23 statutorily required mandates. If state self-insurance was available as a carrier
24 option, the report also shall provide a detailed financial analysis of the self-insurance
25 fund including but not limited to loss ratios, reserves, and reinsurance agreements.
26 (f) If any agency participating in the state-sponsored employee health insurance
27 program for its active employees terminates participation and there is a state

1 appropriation for the employer's contribution for active employees' health insurance
2 coverage, then neither the agency nor the employees shall receive the state-funded
3 contribution after termination from the state-sponsored employee health insurance
4 program.
5 (g) Any funds in flexible spending accounts that remain after all reimbursements have
6 been processed shall be transferred to the credit of the state-sponsored health
7 insurance plan's appropriation account.
8 (h) Each entity participating in the state-sponsored health insurance program shall
9 provide an amount at least equal to the state contribution rate for the employer
10 portion of the health insurance premium. For any participating entity that used the
11 state payroll system, the employer contribution amount shall be equal to but not
12 greater than the state contribution rate.
13 (3) The premiums may be paid by the policyholder:
14 (a) Wholly from funds contributed by the employee, by payroll deduction or otherwise;
15 (b) Wholly from funds contributed by any department, board, agency, public
16 postsecondary education institution, or branch of state, city, urban-county, charter
17 county, county, or consolidated local government; or
18 (c) Partly from each, except that any premium due for health care coverage or dental
19 coverage, if any, in excess of the premium amount contributed by any department,
20 board, agency, postsecondary education institution, or branch of state, city, urban-
21 county, charter county, county, or consolidated local government for any other
22 health care coverage shall be paid by the employee.
23 (4) If an employee moves his or her place of residence or employment out of the service area
24 of an insurer offering a managed health care plan, under which he or she has elected
25 coverage, into either the service area of another managed health care plan or into an area
26 of the Commonwealth not within a managed health care plan service area, the employee
27 shall be given an option, at the time of the move or transfer, to change his or her coverage

1 to another health benefit plan.
2 (5) No payment of premium by any department, board, agency, public postsecondary
3 educational institution, or branch of state, city, urban-county, charter county, county, or
4 consolidated local government shall constitute compensation to an insured employee for
5 the purposes of any statute fixing or limiting the compensation of such an employee. Any
6 premium or other expense incurred by any department, board, agency, public
7 postsecondary educational institution, or branch of state, city, urban-county, charter
8 county, county, or consolidated local government shall be considered a proper cost of
9 administration.
10 (6) The policy or policies may contain the provisions with respect to the class or classes of
11 employees covered, amounts of insurance or coverage for designated classes or groups of
12 employees, policy options, terms of eligibility, and continuation of insurance or coverage
13 after retirement.
14 (7) Group rates under this section shall be made available to the disabled child of an
15 employee regardless of the child's age if the entire premium for the disabled child's
16 coverage is paid by the state employee. A child shall be considered disabled if he or she
17 has been determined to be eligible for federal Social Security disability benefits.
18 (8) The health care contract or contracts for employees shall be entered into for a period of
19 not less than one (1) year.
20 (9) The secretary shall appoint thirty-two (32) persons to an Advisory Committee of State
21 Health Insurance Subscribers to advise the secretary or the secretary's designee regarding
22 the state-sponsored health insurance program for employees. The secretary shall appoint,
23 from a list of names submitted by appointing authorities, members representing school
24 districts from each of the seven (7) Supreme Court districts, members representing state
25 government from each of the seven (7) Supreme Court districts, two (2) members
26 representing retirees under age sixty-five (65), one (1) member representing local health
27 departments, two (2) members representing the Kentucky Teachers' Retirement System,

1 and three (3) members at large. The secretary shall also appoint two (2) members from a
2 list of five (5) names submitted by the Kentucky Education Association, two (2) members
3 from a list of five (5) names submitted by the largest state employee organization of
4 nonschool state employees, two (2) members from a list of five (5) names submitted by
5 the Kentucky Association of Counties, two (2) members from a list of five (5) names
6 submitted by the Kentucky League of Cities, and two (2) members from a list of names
7 consisting of five (5) names submitted by each state employee organization that has two
8 thousand (2,000) or more members on state payroll deduction. The advisory committee
9 shall be appointed in January of each year and shall meet quarterly.
10 (10) Notwithstanding any other provision of law to the contrary, the policy or policies provided
11 to employees pursuant to this section shall not provide coverage for obtaining or
12 performing an abortion, nor shall any state funds be used for the purpose of obtaining or
13 performing an abortion on behalf of employees or their dependents.
14 (11) Interruption of an established treatment regime with maintenance drugs shall be grounds
15 for an insured to appeal a formulary change through the established appeal procedures
16 approved by the Department of Insurance, if the physician supervising the treatment
17 certifies that the change is not in the best interests of the patient.
18 (12) Any employee who is eligible for and elects to participate in the state health insurance
19 program as a retiree, or the spouse or beneficiary of a retiree, under any one (1) of the
20 state-sponsored retirement systems shall not be eligible to receive the state health
21 insurance contribution toward health care coverage as a result of any other employment
22 for which there is a public employer contribution. This does not preclude a retiree and an
23 active employee spouse from using both contributions to the extent needed for purchase
24 of one (1) state sponsored health insurance policy for that plan year.
25 (13) (a) The policies of health insurance coverage procured under subsection (2) of this
26 section shall include a mail-order drug option for maintenance drugs for state
27 employees. Maintenance drugs may be dispensed by mail order in accordance with

1 Kentucky law.
2 (b) A health insurer shall not discriminate against any retail pharmacy located within the
3 geographic coverage area of the health benefit plan and that meets the terms and
4 conditions for participation established by the insurer, including price, dispensing
5 fee, and copay requirements of a mail-order option. The retail pharmacy shall not
6 be required to dispense by mail.
7 (c) The mail-order option shall not permit the dispensing of a controlled substance
8 classified in Schedule II.
9 (14) The policy or policies provided to state employees or their dependents pursuant to this
10 section shall provide coverage for obtaining a hearing aid and acquiring hearing aid-related
11 services for insured individuals under eighteen (18) years of age, subject to a cap of one
12 thousand four hundred dollars ($1,400) every thirty-six (36) months pursuant to KRS
13 304.17A-132.
14 (15) Any policy provided to state employees or their dependents pursuant to this section shall
15 provide coverage for the diagnosis and treatment of autism spectrum disorders consistent
16 with KRS 304.17A-142.
17 (16) Any policy provided to state employees or their dependents pursuant to this section shall
18 provide coverage for obtaining amino acid-based elemental formula pursuant to KRS
19 304.17A-258.
20 (17) If a state employee's residence and place of employment are in the same county, and if the
21 hospital located within that county does not offer surgical services, intensive care services,
22 obstetrical services, level II neonatal services, diagnostic cardiac catheterization services,
23 and magnetic resonance imaging services, the employee may select a plan available in a
24 contiguous county that does provide those services, and the state contribution for the plan
25 shall be the amount available in the county where the plan selected is located.
26 (18) If a state employee's residence and place of employment are each located in counties in
27 which the hospitals do not offer surgical services, intensive care services, obstetrical

1 services, level II neonatal services, diagnostic cardiac catheterization services, and
2 magnetic resonance imaging services, the employee may select a plan available in a county
3 contiguous to the county of residence that does provide those services, and the state
4 contribution for the plan shall be the amount available in the county where the plan
5 selected is located.
6 (19) The Personnel Cabinet is encouraged to study whether it is fair and reasonable and in the
7 best interests of the state group to allow any carrier bidding to offer health care coverage
8 under this section to submit bids that may vary county by county or by larger geographic
9 areas.
10 (20) Notwithstanding any other provision of this section, the bid for proposals for health
11 insurance coverage for calendar year 2004 shall include a bid scenario that reflects the
12 statewide rating structure provided in calendar year 2003 and a bid scenario that allows
13 for a regional rating structure that allows carriers to submit bids that may vary by region
14 for a given product offering as described in this subsection:
15 (a) The regional rating bid scenario shall not include a request for bid on a statewide
16 option;
17 (b) The Personnel Cabinet shall divide the state into geographical regions which shall be
18 the same as the partnership regions designated by the Department for Medicaid
19 Services for purposes of the Kentucky Health Care Partnership Program
20 established pursuant to 907 KAR 1:705;
21 (c) The request for proposal shall require a carrier's bid to include every county within
22 the region or regions for which the bid is submitted and include but not be restricted
23 to a preferred provider organization (PPO) option;
24 (d) If the Personnel Cabinet accepts a carrier's bid, the cabinet shall award the carrier
25 all of the counties included in its bid within the region. If the Personnel Cabinet
26 deems the bids submitted in accordance with this subsection to be in the best
27 interests of state employees in a region, the cabinet may award the contract for that

region to no more than two (2) carriers; and

(e) Nothing in this subsection shall prohibit the Personnel Cabinet from including other requirements or criteria in the request for proposal.

(21) Any fully insured health benefit plan or self-insured plan issued or renewed on or after July 12, 2006, to public employees pursuant to this section which provides coverage for services rendered by a physician or osteopath duly licensed under KRS Chapter 311 that are within the scope of practice of an optometrist duly licensed under the provisions of KRS Chapter 320 shall provide the same payment of coverage to optometrists as allowed for those services rendered by physicians or osteopaths.

(22) Any fully insured health benefit plan or self-insured plan issued or renewed~~[on or after June 29, 2021,]~~ to public employees pursuant to this section shall comply with:

(a) KRS 304.12-237;

(b) KRS 304.17A-270 and 304.17A-525;

(c) KRS 304.17A-600 to 304.17A-633;

(d) KRS 205.593;

(e) KRS 304.17A-700 to 304.17A-730;

(f) KRS 304.14-135;

(g) KRS 304.17A-580 and 304.17A-641;

(h) KRS 304.99-123;

(i) KRS 304.17A-138;~~[and]~~

(j) ***KRS 304.17A-148;***

(k) Section 1 of this Act; and

(l) Administrative regulations promulgated pursuant to statutes listed in this subsection.

~~[(23) Any fully insured health benefit plan or self-insured plan issued or renewed on or after January 1, 2022, to public employees pursuant to this section shall comply with KRS 304.17A-148.]~~

➔Section 6. KRS 446.350 is amended to read as follows:

1 ***(1)*** Government shall not substantially burden a person's freedom of religion. The right to act
2 or refuse to act in a manner motivated by a sincerely held religious belief may not be
3 substantially burdened unless the government proves by clear and convincing evidence
4 that it has a compelling governmental interest in infringing the specific act or refusal to act
5 and has used the least restrictive means to further that interest. A "burden" shall include
6 indirect burdens such as withholding benefits, assessing penalties, or an exclusion from
7 programs or access to facilities.
8 ***(2) Nothing in Section 1 of this Act shall be construed to be in violation of this***
9 ***section.***
10 ➔Section 7. This Act shall take effect January 1, 2023.