

1 AN ACT relating to coverage for the treatment of stuttering.

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

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

5 (1) As used in this section:

6 (a) "Habilitative services" means health care services that help a person keep,  
7 learn, or improve skills and functioning for daily living;

8 (b) "Habilitative speech therapy" means speech therapy that helps a person  
9 keep, learn, or improve skills and functioning for daily living;

10 (c) "Rehabilitative services" means health care services that help a person  
11 restore or improve skills and functioning for daily living that have been lost  
12 or impaired; and

13 (d) "Rehabilitative speech therapy" means speech therapy that helps a person  
14 restore or improve skills and functioning for daily living that have been lost  
15 or impaired.

16 (2) Except as provided in subsection (4) of this section, any health insurance policy,  
17 certificate, plan, or contract, including but not limited to a health benefit plan,  
18 that provides coverage for:

19 (a) Habilitative services, shall provide coverage for habilitative speech therapy  
20 as a treatment for stuttering, regardless of whether the stuttering is  
21 classified as developmental;

22 (b) Rehabilitative services, shall provide coverage for rehabilitative speech  
23 therapy as a treatment for stuttering; or

24 (c) Both habilitative services and rehabilitative services, shall provide the  
25 coverage required under paragraphs (a) and (b) of this subsection.

26 (3) The coverage required under subsection (2) of this section shall:

27 (a) Not be:

- 1           1. Subject to any maximum annual benefit limit, including any limits on  
2           the number of visits an insured may make to a speech-language  
3           pathologist;  
4           2. Limited based on the type of disease, injury, disorder, or other medical  
5           condition that resulted in the stuttering; or  
6           3. Subject to utilization review or utilization management requirements,  
7           including prior authorization or a determination that the speech  
8           therapy services are medically necessary; and  
9           **(b) 1. Include coverage for speech therapy provided in person and via**  
10           **telehealth.**  
11           **2. The telehealth coverage required under this paragraph shall:**  
12           **a. Not be less than the coverage required for health benefit plans**  
13           **under KRS 304.17A-138; and**  
14           **b. Include the use of any communication technology, application,**  
15           **or platform to deliver telehealth services, except coverage may be**  
16           **restricted to technology, applications, or platforms that are**  
17           **compliant with any applicable privacy provisions of the federal**  
18           **Health Insurance Portability and Accountability Act of 1996, 42**  
19           **U.S.C. sec. 1320d et seq., as amended.**  
20           **(4) If the application of any requirement of this section to a qualified health plan as**  
21           **defined in 42 U.S.C. sec. 18021(a)(1), as amended, would result in a**  
22           **determination that the state must make payments to defray the cost of the**  
23           **requirement under 42 U.S.C. sec. 18031(d)(3) and 45 C.F.R. sec. 155.170, as**  
24           **amended, then the requirement shall not apply to the qualified health plan until**  
25           **the cost defrayal requirement is no longer applicable.**

26           ➔Section 2. KRS 304.17C-125 (Effective January 1, 2025) is amended to read as  
27 follows:

1 *The following*~~[KRS 304.17A-262]~~ shall apply to limited health service benefit plans,  
2 including any limited health service contract, as defined in KRS 304.38A-010:

3 *(1) KRS 304.17A-262; and*

4 *(2) Section 1 of this Act.*

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

6 (1) *With respect to the administration and provision of Medicaid benefits pursuant to*  
7 *this chapter,* the Department for Medicaid Services,~~[and]~~ any managed care  
8 organization contracted to provide Medicaid benefits pursuant to this chapter, *and*  
9 *the state's medical assistance program* shall *be subject to, and* comply with, the  
10 *following, as applicable:*~~[provisions of]~~

11 *(a) KRS 304.17A-163;*~~[,]~~

12 *(b) KRS 304.17A-1631;*~~[,]~~

13 *(c) KRS 304.17A-167;*~~[,]~~

14 *(d) KRS 304.17A-235;*~~[,]~~

15 *(e) KRS 304.17A-257;*~~[,]~~

16 *(f) KRS 304.17A-259;*~~[,]~~

17 *(g) KRS 304.17A-263;*~~[,]~~

18 *(h) KRS 304.17A-515;*~~[,]~~

19 *(i) KRS 304.17A-580;*~~[,]~~

20 *(j) KRS 304.17A-600, 304.17A-603, and 304.17A-607;*~~[, and]~~

21 *(k) KRS 304.17A-740 to 304.17A-743; and*~~[, as applicable]~~

22 *(l) Section 1 of this Act.*

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

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

26 (1) *As used in this section, "KCHIP" means the Kentucky Children's Health*  
27 *Insurance Program.*

1 **(2)** The Cabinet for Health and Family Services shall:

2 **(a)** Prepare a state child health plan, **known as KCHIP**, meeting the requirements  
3 of Title XXI of the Federal Social Security Act, for submission to the  
4 Secretary of the United States Department of Health and Human Services  
5 within such time as will permit the state to receive the maximum amounts of  
6 federal matching funds available under Title XXI; **and** ~~the cabinet shall,~~

7 **(b)** By administrative regulation promulgated in accordance with KRS Chapter  
8 13A, establish the following:

9 ~~1. (a)~~ The eligibility criteria for children covered by **KCHIP, which**  
10 **shall include a provision that** ~~the Kentucky Children's Health Insurance~~  
11 ~~Program. However,~~ no person eligible for services under Title XIX of  
12 the Social Security Act, 42 U.S.C. **secs.** 1396 to 1396v, as amended,  
13 shall be eligible for services under **KCHIP**, ~~the Kentucky Children's~~  
14 ~~Health Insurance Program~~ except to the extent that Title XIX coverage  
15 is expanded by KRS 205.6481 to 205.6495 and KRS 304.17A-340;

16 ~~2. (b)~~ The schedule of benefits to be covered by **KCHIP** ~~the Kentucky~~  
17 ~~Children's Health Insurance Program~~, which shall: ~~include preventive~~  
18 ~~services, vision services including glasses, and dental services including~~  
19 ~~at least sealants, extractions, and fillings, and which shall~~

20 **a.** Be at least equivalent to one (1) of the following:

21 ~~i. [1.]~~ The standard Blue Cross/Blue Shield preferred provider  
22 option under the Federal Employees Health Benefit Plan  
23 established by **5** U.S.C. sec. 8903(1);

24 ~~ii. [2.]~~ A mid-range health benefit coverage plan that is offered and  
25 generally available to state employees; or

26 ~~iii. [3.]~~ Health insurance coverage offered by a health  
27 maintenance organization that has the largest insured

1 commercial, non-Medicaid enrollment of covered lives in the  
2 state; and

3 **b. Comply with subsection (6) of this section;**

4 ~~3.[(e)]~~ The premium contribution per family ~~for[of]~~ health insurance  
5 coverage available under **KCHIP, which**~~[the Kentucky Children's~~  
6 ~~Health Insurance Program with provisions for the payment of premium~~  
7 ~~contributions by families of children eligible for coverage by the~~  
8 ~~program based upon a sliding scale relating to family income. Premium~~  
9 ~~contributions]~~ shall be based:

10 **a.** On a six (6) month period; and

11 **b. Upon a sliding scale relating to family income** not to exceed:

12 ~~i. [1.]~~ Ten dollars (\$10), to be paid by a family with income  
13 between one hundred percent (100%) to one hundred thirty-  
14 three percent (133%) of the federal poverty level;

15 ~~ii. [2.]~~ Twenty dollars (\$20), to be paid by a family with income  
16 between one hundred thirty-four percent (134%) to one  
17 hundred forty-nine percent (149%) of the federal poverty  
18 level; and

19 ~~iii. [3.]~~ One hundred twenty dollars (\$120), to be paid by a  
20 family with income between one hundred fifty percent  
21 (150%) to two hundred percent (200%) of the federal  
22 poverty level, and which may be made on a partial payment  
23 plan of twenty dollars (\$20) per month or sixty dollars (\$60)  
24 per quarter;

25 ~~4. [(d)]~~ There shall be no copayments for services provided under  
26 **KCHIP**~~[the Kentucky Children's Health Insurance Program]; and~~

27 ~~5. [(e)]~~ **a.** The criteria for health services providers and insurers

1 wishing to contract with the Commonwealth to provide ~~the~~  
2 ~~children's health insurance~~ coverage **under KCHIP**.

3 **b.** ~~However,~~ The cabinet shall provide, in any contracting process  
4 for **coverage of** ~~the~~ preventive **services** ~~health insurance~~  
5 ~~program~~, the opportunity for a public health department to bid on  
6 preventive health services to eligible children within the public  
7 health department's service area. A public health department shall  
8 not be disqualified from bidding because the department does not  
9 currently offer all the services required by ~~paragraph (b) of~~ this  
10 **section** ~~subsection~~. The criteria shall be set forth in administrative  
11 regulations under KRS Chapter 13A and shall maximize  
12 competition among the providers and insurers. ~~The Cabinet for~~  
13 Finance and Administration **Cabinet** shall provide oversight over  
14 contracting policies and procedures to assure that the number of  
15 applicants for contracts is maximized.

16 ~~(3)(2)~~ Within twelve (12) months of federal approval of the state's Title XXI child  
17 health plan, the Cabinet for Health and Family Services shall assure that a KCHIP  
18 program is available to all eligible children in all regions of the state. If necessary,  
19 in order to meet this assurance, the cabinet shall institute its own program.

20 ~~(4)(3)~~ KCHIP recipients shall have direct access without a referral from any  
21 gatekeeper primary care provider to dentists for covered primary dental services  
22 and to optometrists and ophthalmologists for covered primary eye and vision  
23 services.

24 ~~(5)(4)~~ **KCHIP** ~~The Kentucky Children's Health Insurance Plan~~ shall comply with  
25 KRS 304.17A-163 and 304.17A-1631.

26 **(6) The schedule of benefits required under subsection (2)(b)2. of this section shall**  
27 **include:**

- 1        (a) Preventive services;  
2        (b) Vision services, including glasses;  
3        (c) Dental services, including sealants, extractions, and fillings; and  
4        (d) The coverage required under Section 1 of this Act.

5        ➔Section 5. KRS 164.2871 (Effective January 1, 2025) is amended to read as  
6 follows:

- 7 (1) The governing board of each state postsecondary educational institution is  
8 authorized to purchase liability insurance for the protection of the individual  
9 members of the governing board, faculty, and staff of such institutions from liability  
10 for acts and omissions committed in the course and scope of the individual's  
11 employment or service. Each institution may purchase the type and amount of  
12 liability coverage deemed to best serve the interest of such institution.
- 13 (2) All retirement annuity allowances accrued or accruing to any employee of a state  
14 postsecondary educational institution through a retirement program sponsored by  
15 the state postsecondary educational institution are hereby exempt from any state,  
16 county, or municipal tax, and shall not be subject to execution, attachment,  
17 garnishment, or any other process whatsoever, nor shall any assignment thereof be  
18 enforceable in any court. Except retirement benefits accrued or accruing to any  
19 employee of a state postsecondary educational institution through a retirement  
20 program sponsored by the state postsecondary educational institution on or after  
21 January 1, 1998, shall be subject to the tax imposed by KRS 141.020, to the extent  
22 provided in KRS 141.010 and 141.0215.
- 23 (3) Except as provided in KRS Chapter 44, the purchase of liability insurance for  
24 members of governing boards, faculty and staff of institutions of higher education  
25 in this state shall not be construed to be a waiver of sovereign immunity or any  
26 other immunity or privilege.
- 27 (4) The governing board of each state postsecondary education institution is authorized

1 to provide a self-insured employer group health plan to its employees, which plan  
2 shall:

3 (a) Conform to the requirements of Subtitle 32 of KRS Chapter 304; and

4 (b) Except as provided in subsection (5) of this section, be exempt from  
5 conformity with Subtitle 17A of KRS Chapter 304.

6 (5) A self-insured employer group health plan provided by the governing board of a  
7 state postsecondary education institution to its employees shall comply with:

8 (a) KRS 304.17A-163 and 304.17A-1631;

9 (b) KRS 304.17A-265;

10 (c) KRS 304.17A-261;~~[and]~~

11 (d) KRS 304.17A-262; **and**

12 **(e) Section 1 of this Act.**

13 ➔Section 6. KRS 18A.225 (Effective January 1, 2025) is amended to read as  
14 follows:

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

16 1. Any person, including an elected public official, who is regularly  
17 employed by any department, office, board, agency, or branch of state  
18 government; or by a public postsecondary educational institution; or by  
19 any city, urban-county, charter county, county, or consolidated local  
20 government, whose legislative body has opted to participate in the state-  
21 sponsored health insurance program pursuant to KRS 79.080; and who  
22 is either a contributing member to any one (1) of the retirement systems  
23 administered by the state, including but not limited to the Kentucky  
24 Retirement Systems, County Employees Retirement System, Kentucky  
25 Teachers' Retirement System, the Legislators' Retirement Plan, or the  
26 Judicial Retirement Plan; or is receiving a contractual contribution from  
27 the state toward a retirement plan; or, in the case of a public



- 1 postsecondary education institution, is an individual participating in an  
2 optional retirement plan authorized by KRS 161.567; or is eligible to  
3 participate in a retirement plan established by an employer who ceases  
4 participating in the Kentucky Employees Retirement System pursuant to  
5 KRS 61.522 whose employees participated in the health insurance plans  
6 administered by the Personnel Cabinet prior to the employer's effective  
7 cessation date in the Kentucky Employees Retirement System;
- 8 2. Any certified or classified employee of a local board of education or a  
9 public charter school as defined in KRS 160.1590;
- 10 3. Any elected member of a local board of education;
- 11 4. Any person who is a present or future recipient of a retirement  
12 allowance from the Kentucky Retirement Systems, County Employees  
13 Retirement System, Kentucky Teachers' Retirement System, the  
14 Legislators' Retirement Plan, the Judicial Retirement Plan, or the  
15 Kentucky Community and Technical College System's optional  
16 retirement plan authorized by KRS 161.567, except that a person who is  
17 receiving a retirement allowance and who is age sixty-five (65) or older  
18 shall not be included, with the exception of persons covered under KRS  
19 61.702(2)(b)3. and 78.5536(2)(b)3., unless he or she is actively  
20 employed pursuant to subparagraph 1. of this paragraph; and
- 21 5. Any eligible dependents and beneficiaries of participating employees  
22 and retirees who are entitled to participate in the state-sponsored health  
23 insurance program;
- 24 (b) The term "health benefit plan" for the purposes of this section means a health  
25 benefit plan as defined in KRS 304.17A-005;
- 26 (c) The term "insurer" for the purposes of this section means an insurer as defined  
27 in KRS 304.17A-005; and

- 1 (d) The term "managed care plan" for the purposes of this section means a  
2 managed care plan as defined in KRS 304.17A-500.
- 3 (2) (a) The secretary of the Finance and Administration Cabinet, upon the  
4 recommendation of the secretary of the Personnel Cabinet, shall procure, in  
5 compliance with the provisions of KRS 45A.080, 45A.085, and 45A.090,  
6 from one (1) or more insurers authorized to do business in this state, a group  
7 health benefit plan that may include but not be limited to health maintenance  
8 organization (HMO), preferred provider organization (PPO), point of service  
9 (POS), and exclusive provider organization (EPO) benefit plans  
10 encompassing all or any class or classes of employees. With the exception of  
11 employers governed by the provisions of KRS Chapters 16, 18A, and 151B,  
12 all employers of any class of employees or former employees shall enter into  
13 a contract with the Personnel Cabinet prior to including that group in the state  
14 health insurance group. The contracts shall include but not be limited to  
15 designating the entity responsible for filing any federal forms, adoption of  
16 policies required for proper plan administration, acceptance of the contractual  
17 provisions with health insurance carriers or third-party administrators, and  
18 adoption of the payment and reimbursement methods necessary for efficient  
19 administration of the health insurance program. Health insurance coverage  
20 provided to state employees under this section shall, at a minimum, contain  
21 the same benefits as provided under Kentucky Kare Standard as of January 1,  
22 1994, and shall include a mail-order drug option as provided in subsection  
23 (13) of this section. All employees and other persons for whom the health care  
24 coverage is provided or made available shall annually be given an option to  
25 elect health care coverage through a self-funded plan offered by the  
26 Commonwealth or, if a self-funded plan is not available, from a list of  
27 coverage options determined by the competitive bid process under the

1 provisions of KRS 45A.080, 45A.085, and 45A.090 and made available  
2 during annual open enrollment.

3 (b) The policy or policies shall be approved by the commissioner of insurance  
4 and may contain the provisions the commissioner of insurance approves,  
5 whether or not otherwise permitted by the insurance laws.

6 (c) Any carrier bidding to offer health care coverage to employees shall agree to  
7 provide coverage to all members of the state group, including active  
8 employees and retirees and their eligible covered dependents and  
9 beneficiaries, within the county or counties specified in its bid. Except as  
10 provided in subsection (20) of this section, any carrier bidding to offer health  
11 care coverage to employees shall also agree to rate all employees as a single  
12 entity, except for those retirees whose former employers insure their active  
13 employees outside the state-sponsored health insurance program and as  
14 otherwise provided in KRS 61.702(2)(b)3.b. and 78.5536(2)(b)3.b.

15 (d) Any carrier bidding to offer health care coverage to employees shall agree to  
16 provide enrollment, claims, and utilization data to the Commonwealth in a  
17 format specified by the Personnel Cabinet with the understanding that the data  
18 shall be owned by the Commonwealth; to provide data in an electronic form  
19 and within a time frame specified by the Personnel Cabinet; and to be subject  
20 to penalties for noncompliance with data reporting requirements as specified  
21 by the Personnel Cabinet. The Personnel Cabinet shall take strict precautions  
22 to protect the confidentiality of each individual employee; however,  
23 confidentiality assertions shall not relieve a carrier from the requirement of  
24 providing stipulated data to the Commonwealth.

25 (e) The Personnel Cabinet shall develop the necessary techniques and capabilities  
26 for timely analysis of data received from carriers and, to the extent possible,  
27 provide in the request-for-proposal specifics relating to data requirements,

1 electronic reporting, and penalties for noncompliance. The Commonwealth  
2 shall own the enrollment, claims, and utilization data provided by each carrier  
3 and shall develop methods to protect the confidentiality of the individual. The  
4 Personnel Cabinet shall include in the October annual report submitted  
5 pursuant to the provisions of KRS 18A.226 to the Governor, the General  
6 Assembly, and the Chief Justice of the Supreme Court, an analysis of the  
7 financial stability of the program, which shall include but not be limited to  
8 loss ratios, methods of risk adjustment, measurements of carrier quality of  
9 service, prescription coverage and cost management, and statutorily required  
10 mandates. If state self-insurance was available as a carrier option, the report  
11 also shall provide a detailed financial analysis of the self-insurance fund  
12 including but not limited to loss ratios, reserves, and reinsurance agreements.

13 (f) If any agency participating in the state-sponsored employee health insurance  
14 program for its active employees terminates participation and there is a state  
15 appropriation for the employer's contribution for active employees' health  
16 insurance coverage, then neither the agency nor the employees shall receive  
17 the state-funded contribution after termination from the state-sponsored  
18 employee health insurance program.

19 (g) Any funds in flexible spending accounts that remain after all reimbursements  
20 have been processed shall be transferred to the credit of the state-sponsored  
21 health insurance plan's appropriation account.

22 (h) Each entity participating in the state-sponsored health insurance program shall  
23 provide an amount at least equal to the state contribution rate for the employer  
24 portion of the health insurance premium. For any participating entity that used  
25 the state payroll system, the employer contribution amount shall be equal to  
26 but not greater than the state contribution rate.

27 (3) The premiums may be paid by the policyholder:

- 1 (a) Wholly from funds contributed by the employee, by payroll deduction or  
2 otherwise;
- 3 (b) Wholly from funds contributed by any department, board, agency, public  
4 postsecondary education institution, or branch of state, city, urban-county,  
5 charter county, county, or consolidated local government; or
- 6 (c) Partly from each, except that any premium due for health care coverage or  
7 dental coverage, if any, in excess of the premium amount contributed by any  
8 department, board, agency, postsecondary education institution, or branch of  
9 state, city, urban-county, charter county, county, or consolidated local  
10 government for any other health care coverage shall be paid by the employee.
- 11 (4) If an employee moves his or her place of residence or employment out of the  
12 service area of an insurer offering a managed health care plan, under which he or  
13 she has elected coverage, into either the service area of another managed health care  
14 plan or into an area of the Commonwealth not within a managed health care plan  
15 service area, the employee shall be given an option, at the time of the move or  
16 transfer, to change his or her coverage to another health benefit plan.
- 17 (5) No payment of premium by any department, board, agency, public postsecondary  
18 educational institution, or branch of state, city, urban-county, charter county,  
19 county, or consolidated local government shall constitute compensation to an  
20 insured employee for the purposes of any statute fixing or limiting the  
21 compensation of such an employee. Any premium or other expense incurred by any  
22 department, board, agency, public postsecondary educational institution, or branch  
23 of state, city, urban-county, charter county, county, or consolidated local  
24 government shall be considered a proper cost of administration.
- 25 (6) The policy or policies may contain the provisions with respect to the class or classes  
26 of employees covered, amounts of insurance or coverage for designated classes or  
27 groups of employees, policy options, terms of eligibility, and continuation of

- 1 insurance or coverage after retirement.
- 2 (7) Group rates under this section shall be made available to the disabled child of an  
3 employee regardless of the child's age if the entire premium for the disabled child's  
4 coverage is paid by the state employee. A child shall be considered disabled if he or  
5 she has been determined to be eligible for federal Social Security disability benefits.
- 6 (8) The health care contract or contracts for employees shall be entered into for a  
7 period of not less than one (1) year.
- 8 (9) The secretary shall appoint thirty-two (32) persons to an Advisory Committee of  
9 State Health Insurance Subscribers to advise the secretary or the secretary's  
10 designee regarding the state-sponsored health insurance program for employees.  
11 The secretary shall appoint, from a list of names submitted by appointing  
12 authorities, members representing school districts from each of the seven (7)  
13 Supreme Court districts, members representing state government from each of the  
14 seven (7) Supreme Court districts, two (2) members representing retirees under age  
15 sixty-five (65), one (1) member representing local health departments, two (2)  
16 members representing the Kentucky Teachers' Retirement System, and three (3)  
17 members at large. The secretary shall also appoint two (2) members from a list of  
18 five (5) names submitted by the Kentucky Education Association, two (2) members  
19 from a list of five (5) names submitted by the largest state employee organization of  
20 nonschool state employees, two (2) members from a list of five (5) names submitted  
21 by the Kentucky Association of Counties, two (2) members from a list of five (5)  
22 names submitted by the Kentucky League of Cities, and two (2) members from a  
23 list of names consisting of five (5) names submitted by each state employee  
24 organization that has two thousand (2,000) or more members on state payroll  
25 deduction. The advisory committee shall be appointed in January of each year and  
26 shall meet quarterly.
- 27 (10) Notwithstanding any other provision of law to the contrary, the policy or policies

1 provided to employees pursuant to this section shall not provide coverage for  
2 obtaining or performing an abortion, nor shall any state funds be used for the  
3 purpose of obtaining or performing an abortion on behalf of employees or their  
4 dependents.

5 (11) Interruption of an established treatment regime with maintenance drugs shall be  
6 grounds for an insured to appeal a formulary change through the established appeal  
7 procedures approved by the Department of Insurance, if the physician supervising  
8 the treatment certifies that the change is not in the best interests of the patient.

9 (12) Any employee who is eligible for and elects to participate in the state health  
10 insurance program as a retiree, or the spouse or beneficiary of a retiree, under any  
11 one (1) of the state-sponsored retirement systems shall not be eligible to receive the  
12 state health insurance contribution toward health care coverage as a result of any  
13 other employment for which there is a public employer contribution. This does not  
14 preclude a retiree and an active employee spouse from using both contributions to  
15 the extent needed for purchase of one (1) state sponsored health insurance policy  
16 for that plan year.

17 (13) (a) The policies of health insurance coverage procured under subsection (2) of  
18 this section shall include a mail-order drug option for maintenance drugs for  
19 state employees. Maintenance drugs may be dispensed by mail order in  
20 accordance with Kentucky law.

21 (b) A health insurer shall not discriminate against any retail pharmacy located  
22 within the geographic coverage area of the health benefit plan and that meets  
23 the terms and conditions for participation established by the insurer, including  
24 price, dispensing fee, and copay requirements of a mail-order option. The  
25 retail pharmacy shall not be required to dispense by mail.

26 (c) The mail-order option shall not permit the dispensing of a controlled  
27 substance classified in Schedule II.

- 1 (14) The policy or policies provided to state employees or their dependents pursuant to  
2 this section shall provide coverage for obtaining a hearing aid and acquiring hearing  
3 aid-related services for insured individuals under eighteen (18) years of age, subject  
4 to a cap of one thousand four hundred dollars (\$1,400) every thirty-six (36) months  
5 pursuant to KRS 304.17A-132.
- 6 (15) Any policy provided to state employees or their dependents pursuant to this section  
7 shall provide coverage for the diagnosis and treatment of autism spectrum disorders  
8 consistent with KRS 304.17A-142.
- 9 (16) Any policy provided to state employees or their dependents pursuant to this section  
10 shall provide coverage for obtaining amino acid-based elemental formula pursuant  
11 to KRS 304.17A-258.
- 12 (17) If a state employee's residence and place of employment are in the same county,  
13 and if the hospital located within that county does not offer surgical services,  
14 intensive care services, obstetrical services, level II neonatal services, diagnostic  
15 cardiac catheterization services, and magnetic resonance imaging services, the  
16 employee may select a plan available in a contiguous county that does provide  
17 those services, and the state contribution for the plan shall be the amount available  
18 in the county where the plan selected is located.
- 19 (18) If a state employee's residence and place of employment are each located in  
20 counties in which the hospitals do not offer surgical services, intensive care  
21 services, obstetrical services, level II neonatal services, diagnostic cardiac  
22 catheterization services, and magnetic resonance imaging services, the employee  
23 may select a plan available in a county contiguous to the county of residence that  
24 does provide those services, and the state contribution for the plan shall be the  
25 amount available in the county where the plan selected is located.
- 26 (19) The Personnel Cabinet is encouraged to study whether it is fair and reasonable and  
27 in the best interests of the state group to allow any carrier bidding to offer health



1 care coverage under this section to submit bids that may vary county by county or  
2 by larger geographic areas.

3 (20) Notwithstanding any other provision of this section, the bid for proposals for health  
4 insurance coverage for calendar year 2004 shall include a bid scenario that reflects  
5 the statewide rating structure provided in calendar year 2003 and a bid scenario that  
6 allows for a regional rating structure that allows carriers to submit bids that may  
7 vary by region for a given product offering as described in this subsection:

8 (a) The regional rating bid scenario shall not include a request for bid on a  
9 statewide option;

10 (b) The Personnel Cabinet shall divide the state into geographical regions which  
11 shall be the same as the partnership regions designated by the Department for  
12 Medicaid Services for purposes of the Kentucky Health Care Partnership  
13 Program established pursuant to 907 KAR 1:705;

14 (c) The request for proposal shall require a carrier's bid to include every county  
15 within the region or regions for which the bid is submitted and include but not  
16 be restricted to a preferred provider organization (PPO) option;

17 (d) If the Personnel Cabinet accepts a carrier's bid, the cabinet shall award the  
18 carrier all of the counties included in its bid within the region. If the Personnel  
19 Cabinet deems the bids submitted in accordance with this subsection to be in  
20 the best interests of state employees in a region, the cabinet may award the  
21 contract for that region to no more than two (2) carriers; and

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

24 (21) Any fully insured health benefit plan or self-insured plan issued or renewed on or  
25 after July 12, 2006, to public employees pursuant to this section which provides  
26 coverage for services rendered by a physician or osteopath duly licensed under KRS  
27 Chapter 311 that are within the scope of practice of an optometrist duly licensed

1 under the provisions of KRS Chapter 320 shall provide the same payment of  
 2 coverage to optometrists as allowed for those services rendered by physicians or  
 3 osteopaths.

4 (22) Any fully insured health benefit plan or self-insured plan issued or renewed to  
 5 public employees pursuant to this section shall comply with:

- 6 (a) KRS 304.12-237;
- 7 (b) KRS 304.17A-270 and 304.17A-525;
- 8 (c) KRS 304.17A-600 to 304.17A-633;
- 9 (d) KRS 205.593;
- 10 (e) KRS 304.17A-700 to 304.17A-730;
- 11 (f) KRS 304.14-135;
- 12 (g) KRS 304.17A-580 and 304.17A-641;
- 13 (h) KRS 304.99-123;
- 14 (i) KRS 304.17A-138;
- 15 (j) KRS 304.17A-148;
- 16 (k) KRS 304.17A-163 and 304.17A-1631;
- 17 (l) KRS 304.17A-265;
- 18 (m) KRS 304.17A-261;
- 19 (n) KRS 304.17A-262;~~[and]~~
- 20 (o) **Section 1 of this Act; and**
- 21 **(p)** Administrative regulations promulgated pursuant to statutes listed in this  
 22 subsection.

23 ➔Section 7. Sections 1, 2, 5, and 6 of this Act apply to policies, certificates,  
 24 plans, and contracts issued or renewed on or after January 1, 2025.

25 ➔Section 8. (1) For purposes of 45 C.F.R. sec. 156.115, the benefits required  
 26 under Section 1 of this Act are intended to be, and shall be considered, substantially equal  
 27 to the benefits required under the state's EHB-benchmark plan.

1           (2) For purposes of 45 C.F.R. sec. 155.170, the benefits required under Section 1  
2 of this Act are intended to be, and shall be considered by the state as, a benefit required  
3 by State action "for purposes of compliance with Federal requirements," and thus, the  
4 state shall not consider or identify the benefits required under Section 1 of this Act as  
5 being in addition to the essential health benefits required under federal law.

6           (3) The "Federal requirements" referred to in subsection (2) of this section  
7 include:

8           (a) The requirement to provide coverage for essential health benefits, which shall  
9 include items and services covered within the category of rehabilitative and habilitative  
10 services and devices, as required under 42 U.S.C. sec. 18022(b)(1)(G), as amended; and

11           (b) The requirement to not discriminate in the provision of health benefits, as  
12 required under 45 C.F.R. sec. 156.125, 45 C.F.R. sec. 92.2, and 45 C.F.R. sec. 147.104.

13           (4) The commissioner of insurance and any other state official or state agency  
14 shall:

15           (a) Comply with the requirements of this section; and

16           (b) Not take any action that is in violation of or in conflict with this section.

17           ➔Section 9. Notwithstanding KRS 194A.099:

18           (1) Within 90 days of the effective date of this section and subject to Section 8 of  
19 this Act, the Department of Insurance shall identify, in accordance with 45 C.F.R. sec.  
20 155.170(a)(3), whether the application of any requirement of Section 1 of this Act to a  
21 qualified health plan (QHP) is in addition to the essential health benefits required under  
22 federal law.

23           (2) If it is determined that the application of any requirement of Section 1 of this  
24 Act to a QHP is in addition to the essential health benefits required under federal law,  
25 then the department shall, within 180 days of the effective date of this section, apply for a  
26 waiver under 42 U.S.C. sec. 18052, as amended, or any other applicable federal law of all  
27 or any of the cost defrayal requirements under 42 U.S.C. sec. 18031(d)(3) and 45 C.F.R.

1 sec. 155.170, as amended.

2 (3) The application required under subsection (2) of this section:

3 (a) Shall comply with the requirements of federal law for obtaining a waiver; and

4 (b) May propose changes to the state's EHB-benchmark plan, as defined in 45  
5 C.F.R. sec. 156.20, that are not in conflict with existing state law.

6 ➔Section 10. If the Cabinet for Health and Family Services determines that a  
7 waiver or other authorization from a federal agency is necessary to implement Section 3  
8 or 4 of this Act for any reason, including the loss of federal funds, the cabinet shall,  
9 within 90 days of the effective date of this section, request the waiver or authorization,  
10 and may only delay implementation of those provisions for which a waiver or  
11 authorization was deemed necessary until the waiver or authorization is granted.

12 ➔Section 11. Sections 1 to 7 of this Act take effect January 1, 2025.