

1 AN ACT relating to coverage for breast examinations.

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

3 ➔Section 1. KRS 304.17-316 is amended to read as follows:

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

5 ***(a) "Cost-sharing requirements" means any:***

6 ***1. Deductible, coinsurance, or copayment; or***

7 ***2. Out-of-pocket expense imposed upon an insured that is similar to an***
 8 ***expense referenced in subparagraph 1. of this paragraph;***

9 ***(b) 1. "Diagnostic breast examination" means a medically necessary and***
 10 ***appropriate examination of the breast that is used to evaluate an***
 11 ***abnormality seen or suspected from, or detected by, a screening***
 12 ***examination for breast cancer or another means of examination.***

13 ***2. As used in subparagraph 1. of this paragraph, "examination of the***
 14 ***breast" includes but is not limited to an examination using diagnostic***
 15 ***mammography, breast magnetic resonance imaging, or breast***
 16 ***ultrasound;***

17 ***(c) 1. [The term]"Mammogram" means[shall mean] an X-ray examination of***
 18 ***the breast, with at least two (2) views of each breast and with an***
 19 ***average radiation exposure at the current recommended level as set***
 20 ***forth in guidelines of the American College of Radiology, using***
 21 ***equipment dedicated specifically for mammography, including[;] but not***
 22 ***limited to:[;]***

23 ***a. The X-ray tube, filter, compression device, screens, film, and***
 24 ***cassettes;~~[-, with two (2) views of each breast and with an average~~***
 25 ***radiation exposure at the current recommended level as set forth in***
 26 ***guidelines of the American College of Radiology, and]***

27 ***b. Digital mammography; and[including]***

1 c. Breast tomosynthesis.

2 2. As used in subparagraph 1. of this paragraph,~~[The term]~~ "breast
3 tomosynthesis" means a radiologic procedure that involves the
4 acquisition of projection images over the stationary breast to produce
5 cross-sectional digital three-dimensional images of the breast; and

6 (d) 1. "Supplemental breast examination" means a medically necessary and
7 appropriate examination of the breast that is:

8 a. Used to screen for breast cancer when there is no abnormality
9 seen or suspected; and

10 b. Based on personal or family medical history, or additional
11 factors, that may increase the individual's risk of breast cancer.

12 2. As used in subparagraph 1. of this paragraph, "examination of the
13 breast" includes but is not limited to:

14 a. A mammogram; and

15 b. An examination using breast magnetic resonance imaging or
16 breast ultrasound.

17 (2) ~~[(a)]~~ Subject to subsection (3) of this section and except as otherwise provided in
18 subsection (4) of this section, a~~[all insurers issuing individual]~~ health insurance
19 ~~[policies]~~ policy, plan, certificate, or contract issued, renewed, or delivered in this
20 Commonwealth;

21 (a) That provides~~[provide]~~ coverage on an expense-incurred basis for surgical
22 services for a mastectomy~~[and that are delivered, issued for delivery,~~
23 ~~amended, or renewed on or after October 15, 1990,]~~ shall also provide
24 coverage for:

25 1. a. Low-dose mammography screening for persons who have no sign
26 or symptom of breast cancer~~[and when performed on dedicated~~
27 ~~equipment which meets the guidelines established by the~~

1 American College of Radiology and] upon self-referral or~~[-on]~~
 2 referral by a health care practitioner acting within the scope of the
 3 practitioner's licensure.

4 **b.** The coverage **required under this subparagraph may be limited**
 5 **to the following:**~~[shall make available]~~

6 **i.** One (1)~~[-screening]~~ mammogram **for**~~[to]~~ persons **ages**~~[age]~~
 7 thirty-five (35) **years** through thirty-nine (39) **years**;

8 **ii.** One (1) mammogram every two (2) years for persons ages
 9 forty (40) **years** through forty-nine (49) **years**~~[-and]~~

10 **iii.** One (1) mammogram per year for **persons ages**~~[a person]~~
 11 fifty (50) years~~[of age]~~ and over; ~~and[- may be limited to -]~~

12 **iv.** A benefit of fifty dollars (\$50) per screening mammogram.

13 **c.** **The coverage required under this subparagraph shall be subject**
 14 **to**~~[Any]~~ deductibles and coinsurance **that are**~~[factors shall be]~~ no
 15 less favorable than **the deductibles and coinsurance** for coverage
 16 for physical illness generally; **and**~~[-]~~

17 **2.(b)** **a.** ~~[All insurers issuing individual health insurance policies in~~
 18 ~~this Commonwealth that provide coverage on an expense incurred~~
 19 ~~basis for surgical services for a mastectomy and that are delivered,~~
 20 ~~issued for delivery, amended, or renewed on or after July 14, 2000,~~
 21 ~~shall also provide coverage for]Mammograms[-, performed on~~
 22 ~~dedicated equipment that meets the guidelines established by the~~
 23 ~~American College of Radiology,]~~ for any **insured**~~[covered person]~~,
 24 regardless of age, who has been diagnosed with breast disease
 25 upon referral by a health care practitioner acting within the scope
 26 of the practitioner's licensure.

27 **b.** The coverage **required**~~[provided]~~ under this

1 subparagraph~~[paragraph]~~ shall be subject to the same annual
 2 deductibles or coinsurance established for other coverages within
 3 the policy;

4 (b) Shall not impose any cost-sharing requirements for any diagnostic breast
 5 examination or supplemental breast examination that is covered under the
 6 policy, plan, certificate, or contract; and

7 (c) Shall provide any coverage not otherwise required under this section,
 8 including coverage with respect to restrictions on cost-sharing
 9 requirements, for breast examinations, including mammograms, that is
 10 required for that policy, plan, certificate, or contract under federal law.

11 (3) The coverage required under subsection (2)(a) of this section shall be limited to
 12 mammograms:~~[mammogram shall be]~~

13 (a) Performed by a radiographer:

14 1. Licensed under KRS Chapter 311B:~~[Kentucky State Certified General~~
 15 ~~Certificate Radiographer]~~ or

16 2. Certified by the~~[an]~~ American Registry of Radiologic
 17 Technologists:~~[Technology Registered Radiographer,]~~

18 (b) Interpreted by a qualified radiologist;~~[, and]~~

19 (c) Performed under the direction of a person licensed to practice medicine and
 20 certified by the American Board of Radiology;~~[.]~~

21 (d) Performed by a~~[The]~~ facility~~[performing the examination]~~ and ordered by
 22 a~~[the]~~ health care practitioner that follow~~[who ordered it shall follow]~~ federal
 23 laws relating to the notification of mammography exam results and
 24 maintaining medical records;~~[.]~~

25 ~~(4) Effective July 15, 1990, any facility in which mammograms are performed for~~
 26 ~~reimbursement under this section, KRS 304.18-098, 304.32-1591, or 304.38-1935~~
 27 ~~shall meet.]~~

1 (e) Performed by a facility that meets current criteria of the American College of
 2 Radiology Mammography Accreditation Program; and

3 (f) Performed on dedicated equipment that meets the guidelines established by
 4 the American College of Radiology.

5 (4) If the application of any requirement of subsection (2) of this section would be
 6 the sole cause of a health insurance policy's, plan's, certificate's, or contract's
 7 failure to qualify as a Health Savings Account-qualified High Deductible Health
 8 Plan under 26 U.S.C. sec. 223, as amended, then the requirement shall not apply
 9 to that policy, plan, certificate, or contract until the minimum deductible under 26
 10 U.S.C. sec. 223, as amended, is satisfied.

11 ➔Section 2. KRS 304.17A-096 is amended to read as follows:

12 (1) An insurer authorized to engage in the business of insurance in the Commonwealth
 13 of Kentucky may offer one (1) or more basic health benefit plans in the individual,
 14 small group, and employer-organized association markets. A basic health benefit
 15 plan shall cover physician, pharmacy, home health, preventive, emergency, and
 16 inpatient and outpatient hospital services in accordance with the requirements of
 17 this subtitle. If vision or eye services are offered, these services may be provided by
 18 an ophthalmologist or optometrist.

19 (2) An insurer that offers a basic health benefit plan shall be required to offer health
 20 benefit plans as defined in KRS 304.17A-005~~[(22)]~~.

21 (3) An insurer in the individual, small group, or employer-organized association
 22 markets that offers a basic health benefit plan may offer a basic health benefit plan
 23 that excludes from coverage any state-mandated health insurance benefit, except
 24 that the basic health benefit plan shall include coverage for diabetes as provided in
 25 KRS 304.17A-148, hospice as provided in KRS 304.17A-250(6), chiropractic
 26 benefits as provided in KRS 304.17A-171, breast examinations~~[mammograms]~~ as
 27 provided in KRS 304.17A-133, and those mandated benefits specified under federal

1 law.

2 (4) Notwithstanding any other provisions of this section, mandated benefits excluded
3 from coverage shall not be deemed to include the payment, indemnity, or
4 reimbursement of specified health care providers for specific health care services.

5 ➔Section 3. KRS 304.17A-133 is amended to read as follows:

6 ~~[All insurers issuing]Health benefit plans[in this Commonwealth that provide coverage~~
7 ~~for surgical services for a mastectomy and that are delivered, issued for delivery,~~
8 ~~amended, or renewed on or after July 14, 2000,]~~ shall **comply with**~~[also provide coverage~~
9 ~~for mammograms under KRS 304.17-316. The coverage shall meet the standards set forth~~
10 ~~in] KRS 304.17-316.~~

11 ➔Section 4. KRS 304.18-098 is amended to read as follows:

12 ~~[All insurers issuing]Group or blanket health insurance policies and certificates in this~~
13 ~~Commonwealth[that provide coverage on an expense incurred basis for surgical services~~
14 ~~for a mastectomy and that are delivered, issued for delivery, amended, or renewed on or~~
15 ~~after October 15, 1990,]~~ shall **comply with**~~[also provide coverage for mammograms~~
16 ~~under KRS 304.17-316. The coverage shall meet the standards set forth in] KRS 304.17-~~
17 ~~316.~~

18 ➔Section 5. KRS 304.32-1591 is amended to read as follows:

19 ~~[All—]Nonprofit hospital, medical-surgical, dental, and health service~~
20 **corporation**~~[corporations issuing] contracts in this Commonwealth[that provide hospital,~~
21 ~~medical, or surgical expense benefits for a mastectomy and that are delivered, issued for~~
22 ~~delivery, amended, or renewed on or after October 15, 1990,]~~ shall **comply with**~~[also~~
23 ~~provide coverage for mammograms under KRS 304.17-316. The coverage shall meet the~~
24 ~~standards set forth in] KRS 304.17-316.~~

25 ➔Section 6. KRS 304.38-1935 is amended to read as follows:

26 Health maintenance **organization**~~[organizations—issuing] contracts in this~~
27 ~~Commonwealth[that provide hospital, medical, or surgical expense benefits for surgical~~

1 ~~services for a mastectomy and that are delivered, issued for delivery, amended, or~~
2 ~~renewed on or after October 15, 1990,]~~ shall comply with~~[also provide coverage for~~
3 ~~mammograms under KRS 304.17-316. The coverage shall meet the minimum standards~~
4 ~~set forth in]~~ KRS 304.17-316.

5 ➔Section 7. KRS 18A.225 (Effective January 1, 2025) is amended to read as
6 follows:

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

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

- 1 public charter school as defined in KRS 160.1590;
- 2 3. Any elected member of a local board of education;
- 3 4. Any person who is a present or future recipient of a retirement
- 4 allowance from the Kentucky Retirement Systems, County Employees
- 5 Retirement System, Kentucky Teachers' Retirement System, the
- 6 Legislators' Retirement Plan, the Judicial Retirement Plan, or the
- 7 Kentucky Community and Technical College System's optional
- 8 retirement plan authorized by KRS 161.567, except that a person who is
- 9 receiving a retirement allowance and who is age sixty-five (65) or older
- 10 shall not be included, with the exception of persons covered under KRS
- 11 61.702(2)(b)3. and 78.5536(2)(b)3., unless he or she is actively
- 12 employed pursuant to subparagraph 1. of this paragraph; and
- 13 5. Any eligible dependents and beneficiaries of participating employees
- 14 and retirees who are entitled to participate in the state-sponsored health
- 15 insurance program;
- 16 (b) The term "health benefit plan" for the purposes of this section means a health
- 17 benefit plan as defined in KRS 304.17A-005;
- 18 (c) The term "insurer" for the purposes of this section means an insurer as defined
- 19 in KRS 304.17A-005; and
- 20 (d) The term "managed care plan" for the purposes of this section means a
- 21 managed care plan as defined in KRS 304.17A-500.
- 22 (2) (a) The secretary of the Finance and Administration Cabinet, upon the
- 23 recommendation of the secretary of the Personnel Cabinet, shall procure, in
- 24 compliance with the provisions of KRS 45A.080, 45A.085, and 45A.090,
- 25 from one (1) or more insurers authorized to do business in this state, a group
- 26 health benefit plan that may include but not be limited to health maintenance
- 27 organization (HMO), preferred provider organization (PPO), point of service

1 (POS), and exclusive provider organization (EPO) benefit plans
2 encompassing all or any class or classes of employees. With the exception of
3 employers governed by the provisions of KRS Chapters 16, 18A, and 151B,
4 all employers of any class of employees or former employees shall enter into
5 a contract with the Personnel Cabinet prior to including that group in the state
6 health insurance group. The contracts shall include but not be limited to
7 designating the entity responsible for filing any federal forms, adoption of
8 policies required for proper plan administration, acceptance of the contractual
9 provisions with health insurance carriers or third-party administrators, and
10 adoption of the payment and reimbursement methods necessary for efficient
11 administration of the health insurance program. Health insurance coverage
12 provided to state employees under this section shall, at a minimum, contain
13 the same benefits as provided under Kentucky Kare Standard as of January 1,
14 1994, and shall include a mail-order drug option as provided in subsection
15 (13) of this section. All employees and other persons for whom the health care
16 coverage is provided or made available shall annually be given an option to
17 elect health care coverage through a self-funded plan offered by the
18 Commonwealth or, if a self-funded plan is not available, from a list of
19 coverage options determined by the competitive bid process under the
20 provisions of KRS 45A.080, 45A.085, and 45A.090 and made available
21 during annual open enrollment.

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

25 (c) Any carrier bidding to offer health care coverage to employees shall agree to
26 provide coverage to all members of the state group, including active
27 employees and retirees and their eligible covered dependents and

1 beneficiaries, within the county or counties specified in its bid. Except as
2 provided in subsection (20) of this section, any carrier bidding to offer health
3 care coverage to employees shall also agree to rate all employees as a single
4 entity, except for those retirees whose former employers insure their active
5 employees outside the state-sponsored health insurance program and as
6 otherwise provided in KRS 61.702(2)(b)3.b. and 78.5536(2)(b)3.b.

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

17 (e) The Personnel Cabinet shall develop the necessary techniques and capabilities
18 for timely analysis of data received from carriers and, to the extent possible,
19 provide in the request-for-proposal specifics relating to data requirements,
20 electronic reporting, and penalties for noncompliance. The Commonwealth
21 shall own the enrollment, claims, and utilization data provided by each carrier
22 and shall develop methods to protect the confidentiality of the individual. The
23 Personnel Cabinet shall include in the October annual report submitted
24 pursuant to the provisions of KRS 18A.226 to the Governor, the General
25 Assembly, and the Chief Justice of the Supreme Court, an analysis of the
26 financial stability of the program, which shall include but not be limited to
27 loss ratios, methods of risk adjustment, measurements of carrier quality of

1 service, prescription coverage and cost management, and statutorily required
2 mandates. If state self-insurance was available as a carrier option, the report
3 also shall provide a detailed financial analysis of the self-insurance fund
4 including but not limited to loss ratios, reserves, and reinsurance agreements.

5 (f) If any agency participating in the state-sponsored employee health insurance
6 program for its active employees terminates participation and there is a state
7 appropriation for the employer's contribution for active employees' health
8 insurance coverage, then neither the agency nor the employees shall receive
9 the state-funded contribution after termination from the state-sponsored
10 employee health insurance program.

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

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

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

20 (a) Wholly from funds contributed by the employee, by payroll deduction or
21 otherwise;

22 (b) Wholly from funds contributed by any department, board, agency, public
23 postsecondary education institution, or branch of state, city, urban-county,
24 charter county, county, or consolidated local government; or

25 (c) Partly from each, except that any premium due for health care coverage or
26 dental coverage, if any, in excess of the premium amount contributed by any
27 department, board, agency, postsecondary education institution, or branch of

1 state, city, urban-county, charter county, county, or consolidated local
2 government for any other health care coverage shall be paid by the employee.

3 (4) If an employee moves his or her place of residence or employment out of the
4 service area of an insurer offering a managed health care plan, under which he or
5 she has elected coverage, into either the service area of another managed health care
6 plan or into an area of the Commonwealth not within a managed health care plan
7 service area, the employee shall be given an option, at the time of the move or
8 transfer, to change his or her coverage to another health benefit plan.

9 (5) No payment of premium by any department, board, agency, public postsecondary
10 educational institution, or branch of state, city, urban-county, charter county,
11 county, or consolidated local government shall constitute compensation to an
12 insured employee for the purposes of any statute fixing or limiting the
13 compensation of such an employee. Any premium or other expense incurred by any
14 department, board, agency, public postsecondary educational institution, or branch
15 of state, city, urban-county, charter county, county, or consolidated local
16 government shall be considered a proper cost of administration.

17 (6) The policy or policies may contain the provisions with respect to the class or classes
18 of employees covered, amounts of insurance or coverage for designated classes or
19 groups of employees, policy options, terms of eligibility, and continuation of
20 insurance or coverage after retirement.

21 (7) Group rates under this section shall be made available to the disabled child of an
22 employee regardless of the child's age if the entire premium for the disabled child's
23 coverage is paid by the state employee. A child shall be considered disabled if he or
24 she has been determined to be eligible for federal Social Security disability benefits.

25 (8) The health care contract or contracts for employees shall be entered into for a
26 period of not less than one (1) year.

27 (9) The secretary shall appoint thirty-two (32) persons to an Advisory Committee of

1 State Health Insurance Subscribers to advise the secretary or the secretary's
2 designee regarding the state-sponsored health insurance program for employees.
3 The secretary shall appoint, from a list of names submitted by appointing
4 authorities, members representing school districts from each of the seven (7)
5 Supreme Court districts, members representing state government from each of the
6 seven (7) Supreme Court districts, two (2) members representing retirees under age
7 sixty-five (65), one (1) member representing local health departments, two (2)
8 members representing the Kentucky Teachers' Retirement System, and three (3)
9 members at large. The secretary shall also appoint two (2) members from a list of
10 five (5) names submitted by the Kentucky Education Association, two (2) members
11 from a list of five (5) names submitted by the largest state employee organization of
12 nonschool state employees, two (2) members from a list of five (5) names submitted
13 by the Kentucky Association of Counties, two (2) members from a list of five (5)
14 names submitted by the Kentucky League of Cities, and two (2) members from a
15 list of names consisting of five (5) names submitted by each state employee
16 organization that has two thousand (2,000) or more members on state payroll
17 deduction. The advisory committee shall be appointed in January of each year and
18 shall meet quarterly.

19 (10) Notwithstanding any other provision of law to the contrary, the policy or policies
20 provided to employees pursuant to this section shall not provide coverage for
21 obtaining or performing an abortion, nor shall any state funds be used for the
22 purpose of obtaining or performing an abortion on behalf of employees or their
23 dependents.

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

- 1 (12) Any employee who is eligible for and elects to participate in the state health
2 insurance program as a retiree, or the spouse or beneficiary of a retiree, under any
3 one (1) of the state-sponsored retirement systems shall not be eligible to receive the
4 state health insurance contribution toward health care coverage as a result of any
5 other employment for which there is a public employer contribution. This does not
6 preclude a retiree and an active employee spouse from using both contributions to
7 the extent needed for purchase of one (1) state sponsored health insurance policy
8 for that plan year.
- 9 (13) (a) The policies of health insurance coverage procured under subsection (2) of
10 this section shall include a mail-order drug option for maintenance drugs for
11 state employees. Maintenance drugs may be dispensed by mail order in
12 accordance with Kentucky law.
- 13 (b) A health insurer shall not discriminate against any retail pharmacy located
14 within the geographic coverage area of the health benefit plan and that meets
15 the terms and conditions for participation established by the insurer, including
16 price, dispensing fee, and copay requirements of a mail-order option. The
17 retail pharmacy shall not be required to dispense by mail.
- 18 (c) The mail-order option shall not permit the dispensing of a controlled
19 substance classified in Schedule II.
- 20 (14) The policy or policies provided to state employees or their dependents pursuant to
21 this section shall provide coverage for obtaining a hearing aid and acquiring hearing
22 aid-related services for insured individuals under eighteen (18) years of age, subject
23 to a cap of one thousand four hundred dollars (\$1,400) every thirty-six (36) months
24 pursuant to KRS 304.17A-132.
- 25 (15) Any policy provided to state employees or their dependents pursuant to this section
26 shall provide coverage for the diagnosis and treatment of autism spectrum disorders
27 consistent with KRS 304.17A-142.

- 1 (16) Any policy provided to state employees or their dependents pursuant to this section
2 shall provide coverage for obtaining amino acid-based elemental formula pursuant
3 to KRS 304.17A-258.
- 4 (17) If a state employee's residence and place of employment are in the same county,
5 and if the hospital located within that county does not offer surgical services,
6 intensive care services, obstetrical services, level II neonatal services, diagnostic
7 cardiac catheterization services, and magnetic resonance imaging services, the
8 employee may select a plan available in a contiguous county that does provide
9 those services, and the state contribution for the plan shall be the amount available
10 in the county where the plan selected is located.
- 11 (18) If a state employee's residence and place of employment are each located in
12 counties in which the hospitals do not offer surgical services, intensive care
13 services, obstetrical services, level II neonatal services, diagnostic cardiac
14 catheterization services, and magnetic resonance imaging services, the employee
15 may select a plan available in a county contiguous to the county of residence that
16 does provide those services, and the state contribution for the plan shall be the
17 amount available in the county where the plan selected is located.
- 18 (19) The Personnel Cabinet is encouraged to study whether it is fair and reasonable and
19 in the best interests of the state group to allow any carrier bidding to offer health
20 care coverage under this section to submit bids that may vary county by county or
21 by larger geographic areas.
- 22 (20) Notwithstanding any other provision of this section, the bid for proposals for health
23 insurance coverage for calendar year 2004 shall include a bid scenario that reflects
24 the statewide rating structure provided in calendar year 2003 and a bid scenario that
25 allows for a regional rating structure that allows carriers to submit bids that may
26 vary by region for a given product offering as described in this subsection:
- 27 (a) The regional rating bid scenario shall not include a request for bid on a

- 1 statewide option;
- 2 (b) The Personnel Cabinet shall divide the state into geographical regions which
3 shall be the same as the partnership regions designated by the Department for
4 Medicaid Services for purposes of the Kentucky Health Care Partnership
5 Program established pursuant to 907 KAR 1:705;
- 6 (c) The request for proposal shall require a carrier's bid to include every county
7 within the region or regions for which the bid is submitted and include but not
8 be restricted to a preferred provider organization (PPO) option;
- 9 (d) If the Personnel Cabinet accepts a carrier's bid, the cabinet shall award the
10 carrier all of the counties included in its bid within the region. If the Personnel
11 Cabinet deems the bids submitted in accordance with this subsection to be in
12 the best interests of state employees in a region, the cabinet may award the
13 contract for that region to no more than two (2) carriers; and
- 14 (e) Nothing in this subsection shall prohibit the Personnel Cabinet from including
15 other requirements or criteria in the request for proposal.
- 16 (21) Any fully insured health benefit plan or self-insured plan issued or renewed on or
17 after July 12, 2006, to public employees pursuant to this section which provides
18 coverage for services rendered by a physician or osteopath duly licensed under KRS
19 Chapter 311 that are within the scope of practice of an optometrist duly licensed
20 under the provisions of KRS Chapter 320 shall provide the same payment of
21 coverage to optometrists as allowed for those services rendered by physicians or
22 osteopaths.
- 23 (22) Any fully insured health benefit plan or self-insured plan issued or renewed to
24 public employees pursuant to this section shall comply with:
- 25 (a) KRS 304.12-237;
- 26 (b) KRS 304.17A-270 and 304.17A-525;
- 27 (c) KRS 304.17A-600 to 304.17A-633;

- 1 (d) KRS 205.593;
- 2 (e) KRS 304.17A-700 to 304.17A-730;
- 3 (f) KRS 304.14-135;
- 4 (g) KRS 304.17A-580 and 304.17A-641;
- 5 (h) KRS 304.99-123;
- 6 (i) KRS 304.17A-138;
- 7 (j) KRS 304.17A-148;
- 8 (k) KRS 304.17A-163 and 304.17A-1631;
- 9 (l) KRS 304.17A-265;
- 10 (m) KRS 304.17A-261;
- 11 (n) KRS 304.17A-262;~~and~~
- 12 (o) **Section 3 of this Act; and**
- 13 **(p)** Administrative regulations promulgated pursuant to statutes listed in this
- 14 subsection.

15 ➔Section 8. KRS 164.2871 (Effective January 1, 2025) is amended to read as

16 follows:

- 17 (1) The governing board of each state postsecondary educational institution is
- 18 authorized to purchase liability insurance for the protection of the individual
- 19 members of the governing board, faculty, and staff of such institutions from liability
- 20 for acts and omissions committed in the course and scope of the individual's
- 21 employment or service. Each institution may purchase the type and amount of
- 22 liability coverage deemed to best serve the interest of such institution.
- 23 (2) All retirement annuity allowances accrued or accruing to any employee of a state
- 24 postsecondary educational institution through a retirement program sponsored by
- 25 the state postsecondary educational institution are hereby exempt from any state,
- 26 county, or municipal tax, and shall not be subject to execution, attachment,
- 27 garnishment, or any other process whatsoever, nor shall any assignment thereof be

1 enforceable in any court. Except retirement benefits accrued or accruing to any
2 employee of a state postsecondary educational institution through a retirement
3 program sponsored by the state postsecondary educational institution on or after
4 January 1, 1998, shall be subject to the tax imposed by KRS 141.020, to the extent
5 provided in KRS 141.010 and 141.0215.

6 (3) Except as provided in KRS Chapter 44, the purchase of liability insurance for
7 members of governing boards, faculty and staff of institutions of higher education
8 in this state shall not be construed to be a waiver of sovereign immunity or any
9 other immunity or privilege.

10 (4) The governing board of each state postsecondary education institution is authorized
11 to provide a self-insured employer group health plan to its employees, which plan
12 shall:

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

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

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

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

19 (b) KRS 304.17A-265;

20 (c) KRS 304.17A-261;~~and~~

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

22 **(e) Section 3 of this Act.**

23 ➔Section 9. This Act applies to policies, plans, certificates, and contracts issued
24 or renewed on or after January 1, 2025.

25 ➔Section 10. This Act takes effect January 1, 2025.