

1 AN ACT relating to prior authorization.

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

3 ➔SECTION 1. A NEW SECTION OF KRS 304.17A-600 TO 304.17A-633 IS
4 CREATED TO READ AS FOLLOWS:

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

6 *(a) "Health care provider" means any:*

7 *1. Facility or service required to be licensed under KRS Chapter 216B;*

8 *and*

9 *2. Physician, osteopath, or podiatrist licensed under KRS Chapter 311;*

10 *and*

11 *(b) "Participating provider" means a health care provider that has entered into*
12 *an agreement with an insurer to provide health care services under a health*
13 *benefit plan.*

14 *(2) All health benefit plans shall offer a program established by the insurer offering*
15 *the health benefit plan to reduce or eliminate prior authorization requirements*
16 *for participating providers.*

17 *(3) For the program offered under subsection (2) of this section:*

18 *(a) The insurer offering the health benefit plan shall:*

19 *1. Notify participating providers of the requirements that providers must*
20 *meet in order to participate in the program; and*

21 *2. If the insurer determines that a participating provider qualifies to*
22 *participate in the program, send a notice to the provider that includes*
23 *the following:*

24 *a. A statement that the provider qualifies to participate in the*
25 *program; and*

26 *b. A list of each type of health care service, or the code for each*
27 *type of health care service, that is subject to the elimination or*

1 reduction of prior authorization requirements under the
2 program; and

3 (b) A participating provider that qualifies for, and chooses to participate in, the
4 program shall enter into the following agreements with the insurer offering
5 the health benefit plan:

6 1. A value-based healthcare reimbursement agreement wherein the
7 provider takes downside risk; and

8 2. An electronic medical records access agreement.

9 (4) Nothing in this section shall be construed to prevent an insurer or health benefit
10 plan from requiring a health care provider to provide additional information
11 about a health care service rendered to a covered person.

12 ➔Section 2. Section 1 of this Act applies to health benefit plans issued or
13 renewed on or after January 1, 2026.