

1 AN ACT relating to the application of health insurance subtitles.

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

3 ➔Section 1. KRS 304.17-020 is amended to read as follows:

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

5 **(a) "Health insurance" includes any policy, certificate, plan, or contract that**  
6 **provides coverage or benefits in this state for medical, surgical,**  
7 **chiropractic, physical therapy, speech pathology, audiology, professional**  
8 **mental health, dental, hospital, optometric, pharmaceutical, or other health-**  
9 **related expenses:**

10 **1. By direct payment, reimbursement, or otherwise; and**

11 **2. On a fully insured or self-insured basis or any combination thereof;**

12 **(b) "Individual market" means the market for health insurance offered to**  
13 **individuals or groups, other than in connection with the following:**

14 **1. Group health insurance, as defined in KRS 304.18-020; or**

15 **2. Blanket health insurance, as defined in KRS 304.18-060;**

16 **(c) "Most recent effective date" means the most recent effective date of the**  
17 **section, as set forth in:**

18 **1. The official version of the Kentucky Revised Statutes maintained by**  
19 **the Legislative Research Commission in accordance with KRS 7.131**  
20 **and made available to the public pursuant to KRS 7.500; or**

21 **2. Except as otherwise provided in KRS 7.138(2)(b), any certified version**  
22 **of the Kentucky Revised Statutes designated by the Legislative**  
23 **Research Commission in accordance with KRS 7.132; and**

24 **(d) "Otherwise specifically indicated or provided" means that the section or**  
25 **another section of the Kentucky Revised Statutes:**

26 **1. Expressly states that the section is applicable to; and**

27 **2. Specifically refers to;**

1 a type of insurance, coverage, or benefits that is excluded under subsection  
2 (2) of this section.

3 (2) Unless otherwise specifically indicated or provided:

4 (a) The sections of this subtitle apply only to health insurance offered in the  
5 individual market;

6 (b) If a section of this subtitle has a most recent effective date that is prior to  
7 the effective date of this Act, the section shall not apply to or affect any of  
8 the following ~~[Nothing in this subtitle shall apply to or affect]:~~

9 ~~1. (1) [Any policy of ]~~Liability or workers' compensation insurance with  
10 or without supplementary expense coverage therein;~~[-]~~

11 ~~(2) Any group or blanket policy.]~~

12 ~~2. (3)~~ Life insurance, endowment or annuity contracts, or contracts  
13 supplemental thereto which contain only such provisions relating to  
14 health insurance as:

15 ~~a. (a)~~ Provide additional benefits in case of death or  
16 dismemberment or loss of sight by accident or accidental  
17 means;~~[-]~~ or

18 ~~b. (b)~~ Operate to safeguard such contracts against lapse, or to give  
19 a special surrender value or special benefit or an annuity in the  
20 event that the insured or annuitant becomes totally and  
21 permanently disabled, as defined by the contract or supplemental  
22 contract;~~[-]~~

23 ~~3. (4)~~ Reinsurance;~~[-]~~

24 ~~4. (5)~~ ~~A~~~~[Any]~~ contract made or issued prior to June 18, 1970, together  
25 with any extensions, renewals, reinstatements or modifications thereof  
26 or amendments thereto, whenever made; or

27 5. Other types of similar or limited insurance, coverage, or benefits, to

1                   the extent specified by the commissioner in an administrative  
2                   regulation promulgated in accordance with KRS Chapter 13A; and

3           (c) If a section of this subtitle has a most recent effective date that is on or after  
4           the effective date of this Act, the section shall not apply to or affect any of  
5           the following:

6           1. Health insurance covering only accident, credit, dental, vision, or  
7           specified disease, illness, or condition;

8           2. Disability income insurance;

9           3. Paid family leave insurance;

10          4. Long-term care insurance;

11          5. Short-term nursing home insurance;

12          6. Medicare supplement insurance;

13          7. Hospital indemnity or other fixed indemnity health insurance;

14          8. Coverage provided under a limited health service benefit plan, as  
15          defined in KRS 304.17C-010, including a limited health service  
16          contract, as defined in KRS 304.38A-010;

17          9. Coverage under which benefits for medical expenses are:

18           a. Contained in, or included as a rider, amendment, or  
19           supplemental policy provision to, any liability insurance policy or  
20           contract or equivalent self-insurance; or

21           b. Supplemental to other insurance or equivalent self-insurance  
22           benefits, including the following:

23            i. Automobile medical-payment insurance; and

24            ii. Life insurance or endowment or annuity contracts;

25          10. Medical expense reimbursement coverage that is:

26           a. Specifically designed to supplement, or fill gaps in, primary  
27           health insurance coverage; and

1 b. Provided under a policy, plan, certificate, or contract that is  
2 separate from the primary health insurance coverage;

3 11. Coverage or benefits provided under:

4 a. KRS Chapter 205 or 342; or

5 b. Any other statutory-based public assistance or compensation  
6 program;

7 12. Coverage or benefits for on-site medical clinics;

8 13. Coverage or benefits provided under a health flexible spending  
9 arrangement; or

10 14. Other types of similar or limited insurance, coverage, or benefits, to  
11 the extent specified by the commissioner in an administrative  
12 regulation promulgated in accordance with KRS Chapter 13A.

13 ➔SECTION 2. A NEW SECTION OF SUBTITLE 17A OF KRS CHAPTER 304  
14 IS CREATED TO READ AS FOLLOWS:

15 (1) As used in this section, "otherwise specifically indicated or provided" means that  
16 the section or another section of the Kentucky Revised Statutes:

17 (a) Expressly states that the section is applicable to; and

18 (b) Specifically refers to;

19 a type of insurance, coverage, or benefits that is excluded under subsection (2) of  
20 this section.

21 (2) Unless otherwise specifically indicated or provided, the sections of this subtitle  
22 shall not apply to or affect any of the following:

23 (a) Policies, plans, certificates, or contracts covering only accident, credit,  
24 dental, vision, or specified disease, illness, or condition;

25 (b) Disability income insurance;

26 (c) Paid family leave insurance;

27 (d) Long-term care insurance;

- 1        (e) Short-term nursing home insurance;
- 2        (f) Medicare supplement insurance;
- 3        (g) Hospital indemnity or other fixed indemnity insurance;
- 4        (h) Coverage provided under a limited health service benefit plan, as defined in  
5                KRS 304.17C-010, including a limited health service contract, as defined in  
6                KRS 304.38A-010;
- 7        (i) Coverage under which benefits for medical expenses are:
- 8                1. Contained in, or included as a rider, amendment, or supplemental  
9                policy provision to, any liability insurance policy or contract or  
10                equivalent self-insurance; or
- 11                2. Supplemental to other insurance or equivalent self-insurance benefits,  
12                including the following:
- 13                        a. Automobile medical-payment insurance; and
- 14                        b. Life insurance or endowment or annuity contracts;
- 15        (j) Medical expense reimbursement coverage that is:
- 16                1. Specifically designed to supplement, or fill gaps in, primary health  
17                insurance coverage; and
- 18                2. Provided under a policy, plan, certificate, or contract that is separate  
19                from the primary health insurance coverage;
- 20        (k) Coverage or benefits provided under:
- 21                1. KRS Chapter 205 or 342; or
- 22                2. Any other statutory-based public assistance or compensation program;
- 23        (l) Coverage or benefits for on-site medical clinics;
- 24        (m) Coverage or benefits provided under a health flexible spending  
25                arrangement; or
- 26        (n) Other types of similar or limited insurance, coverage, or benefits, to the  
27                extent specified by the commissioner in an administrative regulation

1 *promulgated in accordance with KRS Chapter 13A.*

2 ➔Section 3. KRS 304.18-010 is amended to read as follows:

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

4 (a) *"Group health insurance" and "blanket health insurance":*

5 *1. Have the same meanings as in KRS 304.18-020 and 304.18-060,*  
6 *respectively; and*

7 *2. Include any policy, certificate, plan, or contract that provides coverage*  
8 *or benefits in this state for medical, surgical, chiropractic, physical*  
9 *therapy, speech pathology, audiology, professional mental health,*  
10 *dental, hospital, optometric, pharmaceutical, or other health-related*  
11 *expenses:*

12 *a. By direct payment, reimbursement, or otherwise; and*

13 *b. On a fully insured or self-insured basis or any combination*  
14 *thereof;*

15 (b) *"Most recent effective date" means the most recent effective date of the*  
16 *section, as set forth in:*

17 *1. The official version of the Kentucky Revised Statutes maintained by*  
18 *the Legislative Research Commission in accordance with KRS 7.131*  
19 *and made available to the public pursuant to KRS 7.500; or*

20 *2. Except as otherwise provided in KRS 7.138(2)(b), any certified version*  
21 *of the Kentucky Revised Statutes designated by the Legislative*  
22 *Research Commission in accordance with KRS 7.132; and*

23 (c) *"Otherwise specifically indicated or provided" means that the section or*  
24 *another section of the Kentucky Revised Statutes:*

25 *1. Expressly states that the section is applicable to; and*

26 *2. Specifically refers to;*

27 *a type of insurance, coverage, or benefits that is excluded under subsection*

1           **(3) of this section.**

2   **(2)** This subtitle may be cited as the Group or Blanket Health Insurance Law.

3   **(3)**~~(2)~~ **Unless otherwise specifically indicated or provided:**

4       **(a) The sections of this subtitle apply**~~This subtitle applies~~ only to group health  
5       insurance~~contracts~~ and to blanket health insurance;

6       **(b) If a section of this subtitle has a most recent effective date that is prior to**  
7       **the effective date of this Act, the section shall not apply to or affect any of**  
8       **the following**~~contracts, except~~:

9           **1.**~~(a)~~     Disability income insurance;~~and~~

10          **2.**~~(b)~~     Paid family leave insurance; **or**

11          **3. Other types of similar or limited insurance, coverage, or benefits, to**  
12          **the extent specified by the commissioner in an administrative**  
13          **regulation promulgated in accordance with KRS Chapter 13A; and**

14       **(c) If a section of this subtitle has a most recent effective date that is on or after**  
15       **the effective date of this Act, the section shall not apply to or affect any of**  
16       **the of following:**

17          **1. Group health insurance or blanket health insurance covering only**  
18          **accident, credit, dental, vision, or specified disease, illness, or**  
19          **condition;**

20          **2. Disability income insurance;**

21          **3. Paid family leave insurance;**

22          **4. Long-term care insurance;**

23          **5. Short-term nursing home insurance;**

24          **6. Medicare supplement insurance;**

25          **7. Hospital indemnity or other fixed indemnity health insurance;**

26          **8. Coverage provided under a limited health service benefit plan, as**  
27          **defined in KRS 304.17C-010, including a limited health service**

- 1                   contract, as defined in KRS 304.38A-010;
- 2           9. Coverage under which benefits for medical expenses are:
- 3                   a. Contained in, or included as a rider, amendment, or
- 4                           supplemental policy provision to, any liability insurance policy or
- 5                           contract or equivalent self-insurance; or
- 6                   b. Supplemental to other insurance or equivalent self-insurance
- 7                           benefits, including the following:
- 8                                   i. Automobile medical-payment insurance; and
- 9                                   ii. Life insurance or endowment or annuity contracts;
- 10           10. Medical expense reimbursement coverage that is:
- 11                   a. Specifically designed to supplement, or fill gaps in, primary
- 12                           health insurance coverage; and
- 13                   b. Provided under a policy, plan, certificate, or contract that is
- 14                           separate from the primary health insurance coverage;
- 15           11. Coverage or benefits provided under:
- 16                   a. KRS Chapter 205 or 342; or
- 17                   b. Any other statutory-based public assistance or compensation
- 18                           program;
- 19           12. Coverage or benefits for on-site medical clinics;
- 20           13. Coverage or benefits provided under a health flexible spending
- 21                   arrangement; or
- 22           14. Other types of similar or limited insurance, coverage, or benefits, to
- 23                   the extent specified by the commissioner in an administrative
- 24                   regulation promulgated in accordance with KRS Chapter 13A.