

1 AN ACT relating to coverage for epinephrine devices.

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) "Cost sharing" means any copayment, coinsurance, deductible, or other
7 out-of-pocket expense requirement; and

8 (b) "Epinephrine device" means a single-use device used to administer a
9 premeasured dose of epinephrine.

10 (2) All health benefit plans shall provide coverage on an annual basis for at least two
11 (2) medically necessary epinephrine devices per covered person.

12 (3) Except as provided in subsection (4) of this section, a health benefit plan shall not
13 require a covered person to pay cost sharing for the coverage required under
14 subsection (2) of this section that exceeds one hundred (\$100) dollars annually.

15 (4) If the application of any requirement of this section would be the sole cause of a
16 health benefit plan's failure to qualify as a Health Savings Account-qualified
17 High Deductible Health Plan under 26 U.S.C. sec. 223, as amended, then the
18 requirement shall not apply to that health benefit plan until the minimum
19 deductible under 26 U.S.C. sec. 223, as amended, is satisfied.

20 ➔ Section 2. KRS 304.17A-099 is amended to read as follows:

21 (1) As used in this section, "qualified health plan" has the same meaning as in 42
22 U.S.C. sec. 18021(a)(1), as amended.

23 (2) Notwithstanding any other provision of this chapter:

24 (a) Except as provided in paragraph (b) of this subsection, if the application of a
25 provision of this chapter results, or would result, in a determination that the
26 state must make payments to defray the cost of the provision under 42 U.S.C.
27 sec. 18031(d)(3) and 45 C.F.R. sec. 155.170, as amended, then the provision

1 shall not apply to a qualified health plan or any other health insurance policy,
2 certificate, plan, or contract until the requirement to make cost defrayment
3 payments is no longer applicable; and

4 (b) This subsection shall not apply to any of the following:

2. Section 1 of this Act.

8 (3) To the extent permitted by federal law, if the state is required under 42 U.S.C. sec.
9 18031(d)(3) and 45 C.F.R. sec. 155.170, as amended, to make payments to defray
10 the cost of a provision of this chapter:

14 2. The cost attributable to a provision for a qualified health plan under
15 subparagraph 1. of this paragraph shall be:

20 c. Reported by the qualified health plan issuer to:

21 i. The commissioner; and

24 (b) The commissioner shall use the information obtained under paragraph (a) of
25 this subsection to determine the statewide average of the cost attributable to
26 the provision for all qualified health plan issuers to which the provision is
27 applicable; and

1 (c) The required payments shall be:

2 1. Calculated based on the statewide average of the cost attributable to the

3 provision as determined by the commissioner under paragraph (b) of this

4 subsection; and

5 2. Submitted directly to qualified health plan issuers by the department

6 through a process established by the commissioner.

7 (4) A qualified health plan issuer that receives a payment under subsection (3)(c)2. of

8 this section shall:

9 (a) Reduce the premium charged to an individual on whose behalf the issuer

10 received the payment in an amount equal to the amount of the payment; or

11 (b) Notwithstanding KRS 304.12-090, provide a premium rebate to an individual

12 on whose behalf the issuer received the payment in an amount equal to the

13 amount of the payment.

14 (5) Any fines collected for violations of this section shall be:

15 (a) Placed in a trust and agency account within the department, which shall not

16 lapse; and

17 (b) Used solely by the department to make payments in accordance with

18 subsection (3)(c)2. of this section.

19 (6) The commissioner shall promulgate any administrative regulations necessary to

20 enforce and effectuate this section.

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

22 (1) With respect to the administration and provision of Medicaid benefits pursuant to

23 this chapter, the Department for Medicaid Services, any managed care organization

24 contracted to provide Medicaid benefits pursuant to this chapter, and the state's

25 medical assistance program shall be subject to, and comply with, the following, as

26 applicable:

27 (a) KRS 304.17A-129;

- 1 (b) KRS 304.17A-145;
- 2 (c) KRS 304.17A-163;
- 3 (d) KRS 304.17A-1631;
- 4 (e) KRS 304.17A-167;
- 5 (f) KRS 304.17A-235;
- 6 (g) KRS 304.17A-257;
- 7 (h) KRS 304.17A-259;
- 8 (i) KRS 304.17A-263;
- 9 (j) KRS 304.17A-264;
- 10 (k) KRS 304.17A-515;
- 11 (l) KRS 304.17A-580;
- 12 (m) KRS 304.17A-600, 304.17A-603, and 304.17A-607; ~~and~~
- 13 (n) KRS 304.17A-740 to 304.17A-743; and
- 14 (o) **Section 1 of this Act.**
- 15 (2) A managed care organization contracted to provide Medicaid benefits pursuant to
- 16 this chapter shall comply with the reporting requirements of KRS 304.17A-732.
- 17 ➔ Section 4. KRS 205.6485 is amended to read as follows:
- 18 (1) As used in this section, "KCHIP" means the Kentucky Children's Health Insurance
- 19 Program.
- 20 (2) The Cabinet for Health and Family Services shall:
 - 21 (a) Prepare a state child health plan, known as KCHIP, meeting the requirements
 - 22 of Title XXI of the Federal Social Security Act, for submission to the
 - 23 Secretary of the United States Department of Health and Human Services
 - 24 within such time as will permit the state to receive the maximum amounts of
 - 25 federal matching funds available under Title XXI; and
 - 26 (b) By administrative regulation promulgated in accordance with KRS Chapter
 - 27 13A, establish the following:

- 1 1. The eligibility criteria for children covered by KCHIP, which shall
2 include a provision that no person eligible for services under Title XIX
3 of the Social Security Act, 42 U.S.C. secs. 1396 to 1396v, as amended,
4 shall be eligible for services under KCHIP, except to the extent that
5 Title XIX coverage is expanded by KRS 205.6481 to 205.6495 and KRS
6 304.17A-340;
- 7 2. The schedule of benefits to be covered by KCHIP, which shall:
 - 8 a. Be at least equivalent to one (1) of the following:
 - 9 i. The standard Blue Cross/Blue Shield preferred provider
10 option under the Federal Employees Health Benefit Plan
11 established by 5 U.S.C. sec. 8903(1);
 - 12 ii. A mid-range health benefit coverage plan that is offered and
13 generally available to state employees; or
 - 14 iii. Health insurance coverage offered by a health maintenance
15 organization that has the largest insured commercial, non-
16 Medicaid enrollment of covered lives in the state; and
 - 17 b. Comply with subsection (6) of this section;
- 18 3. The premium contribution per family for health insurance coverage
19 available under KCHIP, which shall be based:
 - 20 a. On a six (6) month period; and
 - 21 b. Upon a sliding scale relating to family income not to exceed:
 - 22 i. Ten dollars (\$10), to be paid by a family with income
23 between one hundred percent (100%) to one hundred thirty-
24 three percent (133%) of the federal poverty level;
 - 25 ii. Twenty dollars (\$20), to be paid by a family with income
26 between one hundred thirty-four percent (134%) to one
27 hundred forty-nine percent (149%) of the federal poverty

level; and

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

4. There shall be no copayments for services provided under KCHIP; and

5. a. The criteria for health services providers and insurers wishing to contract with the Commonwealth to provide coverage under KCHIP.

- b. The cabinet shall provide, in any contracting process for coverage of preventive services, the opportunity for a public health department to bid on preventive health services to eligible children within the public health department's service area. A public health department shall not be disqualified from bidding because the department does not currently offer all the services required by this section. The criteria shall be set forth in administrative regulations under KRS Chapter 13A and shall maximize competition among the providers and insurers. The Finance and Administration Cabinet shall provide oversight over contracting policies and procedures to assure that the number of applicants for contracts is maximized.

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

27 (4) KCHIP recipients shall have direct access without a referral from any gatekeeper

1 primary care provider to dentists for covered primary dental services and to
2 optometrists and ophthalmologists for covered primary eye and vision services.

3 (5) KCHIP shall comply with KRS 304.17A-163 and 304.17A-1631.

4 (6) The schedule of benefits required under subsection (2)(b)2. of this section shall
5 include:

6 (a) Preventive services;

7 (b) Vision services, including glasses;

8 (c) Dental services, including sealants, extractions, and fillings; and

9 (d) The coverage required under:

10 1. KRS 304.17A-129;

11 2. KRS[and] 304.17A-145; and

12 3. Section 1 of this Act.

13 ➔Section 5. KRS 164.2871 is amended to read as follows:

14 (1) The governing board of each state postsecondary educational institution is
15 authorized to purchase liability insurance for the protection of the individual
16 members of the governing board, faculty, and staff of such institutions from liability
17 for acts and omissions committed in the course and scope of the individual's
18 employment or service. Each institution may purchase the type and amount of
19 liability coverage deemed to best serve the interest of such institution.

20 (2) All retirement annuity allowances accrued or accruing to any employee of a state
21 postsecondary educational institution through a retirement program sponsored by
22 the state postsecondary educational institution are hereby exempt from any state,
23 county, or municipal tax, and shall not be subject to execution, attachment,
24 garnishment, or any other process whatsoever, nor shall any assignment thereof be
25 enforceable in any court. Except retirement benefits accrued or accruing to any
26 employee of a state postsecondary educational institution through a retirement
27 program sponsored by the state postsecondary educational institution on or after

1 January 1, 1998, shall be subject to the tax imposed by KRS 141.020, to the extent
2 provided in KRS 141.010 and 141.0215.

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

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

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

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

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

15 (a) KRS 304.17A-129;

16 (b) KRS 304.17A-133;

17 (c) KRS 304.17A-145;

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

19 (e) KRS 304.17A-261;

20 (f) KRS 304.17A-262;

21 (g) KRS 304.17A-264; ~~and~~

22 (h) KRS 304.17A-265; **and**

23 (i) **Section 1 of this Act.**

24 (6) (a) A self-insured employer group health plan provided by the governing board of
25 a state postsecondary education institution to its employees shall provide a
26 special enrollment period to pregnant women who are eligible for coverage in
27 accordance with the requirements set forth in KRS 304.17-182.

(b) The governing board of a state postsecondary education institution shall, at or before the time an employee is initially offered the opportunity to enroll in the plan or coverage, provide the employee a notice of the special enrollment rights under this subsection.

→ Section 6. KRS 18A.225 is amended to read as follows:

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

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

26 2. Any certified or classified employee of a local board of education or a
27 public charter school as defined in KRS 160.1590;

- 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
- 3 allowance from the Kentucky Retirement Systems, County Employees
- 4 Retirement System, Kentucky Teachers' Retirement System, the
- 5 Legislators' Retirement Plan, the Judicial Retirement Plan, or the
- 6 Kentucky Community and Technical College System's optional
- 7 retirement plan authorized by KRS 161.567, except that a person who is
- 8 receiving a retirement allowance and who is age sixty-five (65) or older
- 9 shall not be included, with the exception of persons covered under KRS
- 10 61.702(2)(b)3. and 78.5536(2)(b)3., unless he or she is actively
- 11 employed pursuant to subparagraph 1. of this paragraph; and
- 12 5. Any eligible dependents and beneficiaries of participating employees
- 13 and retirees who are entitled to participate in the state-sponsored health
- 14 insurance program;

15 (b) The term "health benefit plan" for the purposes of this section means a health

16 benefit plan as defined in KRS 304.17A-005;

17 (c) The term "insurer" for the purposes of this section means an insurer as defined

18 in KRS 304.17A-005; and

19 (d) The term "managed care plan" for the purposes of this section means a

20 managed care plan as defined in KRS 304.17A-500.

21 (2) (a) The secretary of the Finance and Administration Cabinet, upon the

22 recommendation of the secretary of the Personnel Cabinet, shall procure, in

23 compliance with the provisions of KRS 45A.080, 45A.085, and 45A.090,

24 from one (1) or more insurers authorized to do business in this state, a group

25 health benefit plan that may include but not be limited to health maintenance

26 organization (HMO), preferred provider organization (PPO), point of service

27 (POS), and exclusive provider organization (EPO) benefit plans

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

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

24 (c) Any carrier bidding to offer health care coverage to employees shall agree to
25 provide coverage to all members of the state group, including active
26 employees and retirees and their eligible covered dependents and
27 beneficiaries, within the county or counties specified in its bid. Except as

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

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

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

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

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

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

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

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

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

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

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

1 government for any other health care coverage shall be paid by the employee.

- 2 (4) If an employee moves his or her place of residence or employment out of the
3 service area of an insurer offering a managed health care plan, under which he or
4 she has elected coverage, into either the service area of another managed health care
5 plan or into an area of the Commonwealth not within a managed health care plan
6 service area, the employee shall be given an option, at the time of the move or
7 transfer, to change his or her coverage to another health benefit plan.
- 8 (5) No payment of premium by any department, board, agency, public postsecondary
9 educational institution, or branch of state, city, urban-county, charter county,
10 county, or consolidated local government shall constitute compensation to an
11 insured employee for the purposes of any statute fixing or limiting the
12 compensation of such an employee. Any premium or other expense incurred by any
13 department, board, agency, public postsecondary educational institution, or branch
14 of state, city, urban-county, charter county, county, or consolidated local
15 government shall be considered a proper cost of administration.
- 16 (6) The policy or policies may contain the provisions with respect to the class or classes
17 of employees covered, amounts of insurance or coverage for designated classes or
18 groups of employees, policy options, terms of eligibility, and continuation of
19 insurance or coverage after retirement.
- 20 (7) Group rates under this section shall be made available to the disabled child of an
21 employee regardless of the child's age if the entire premium for the disabled child's
22 coverage is paid by the state employee. A child shall be considered disabled if he or
23 she has been determined to be eligible for federal Social Security disability benefits.
- 24 (8) The health care contract or contracts for employees shall be entered into for a
25 period of not less than one (1) year.
- 26 (9) The secretary shall appoint thirty-two (32) persons to an Advisory Committee of
27 State Health Insurance Subscribers to advise the secretary or the secretary's

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

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

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

27 (12) Any employee who is eligible for and elects to participate in the state health

1 insurance program as a retiree, or the spouse or beneficiary of a retiree, under any
2 one (1) of the state-sponsored retirement systems shall not be eligible to receive the
3 state health insurance contribution toward health care coverage as a result of any
4 other employment for which there is a public employer contribution. This does not
5 preclude a retiree and an active employee spouse from using both contributions to
6 the extent needed for purchase of one (1) state sponsored health insurance policy
7 for that plan year.

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

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

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

19 (14) The policy or policies provided to state employees or their dependents pursuant to
20 this section shall provide coverage for obtaining a hearing aid and acquiring hearing
21 aid-related services for insured individuals under eighteen (18) years of age, subject
22 to a cap of one thousand four hundred dollars (\$1,400) every thirty-six (36) months
23 pursuant to KRS 304.17A-132.

24 (15) Any policy provided to state employees or their dependents pursuant to this section
25 shall provide coverage for the diagnosis and treatment of autism spectrum disorders
26 consistent with KRS 304.17A-142.

27 (16) Any policy provided to state employees or their dependents pursuant to this section

1 shall provide coverage for obtaining amino acid-based elemental formula pursuant
2 to KRS 304.17A-258.

3 (17) If a state employee's residence and place of employment are in the same county,
4 and if the hospital located within that county does not offer surgical services,
5 intensive care services, obstetrical services, level II neonatal services, diagnostic
6 cardiac catheterization services, and magnetic resonance imaging services, the
7 employee may select a plan available in a contiguous county that does provide
8 those services, and the state contribution for the plan shall be the amount available
9 in the county where the plan selected is located.

10 (18) If a state employee's residence and place of employment are each located in
11 counties in which the hospitals do not offer surgical services, intensive care
12 services, obstetrical services, level II neonatal services, diagnostic cardiac
13 catheterization services, and magnetic resonance imaging services, the employee
14 may select a plan available in a county contiguous to the county of residence that
15 does provide those services, and the state contribution for the plan shall be the
16 amount available in the county where the plan selected is located.

17 (19) The Personnel Cabinet is encouraged to study whether it is fair and reasonable and
18 in the best interests of the state group to allow any carrier bidding to offer health
19 care coverage under this section to submit bids that may vary county by county or
20 by larger geographic areas.

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

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

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

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

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

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

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

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

24 (a) KRS 304.12-237;

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

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

27 (d) KRS 205.593;

- 1 (e) KRS 304.17A-700 to 304.17A-730;
- 2 (f) KRS 304.14-135;
- 3 (g) KRS 304.17A-580 and 304.17A-641;
- 4 (h) KRS 304.99-123;
- 5 (i) KRS 304.17A-138;
- 6 (j) KRS 304.17A-148;
- 7 (k) KRS 304.17A-163 and 304.17A-1631;
- 8 (l) KRS 304.17A-265;
- 9 (m) KRS 304.17A-261;
- 10 (n) KRS 304.17A-262;
- 11 (o) KRS 304.17A-145;
- 12 (p) KRS 304.17A-129;
- 13 (q) KRS 304.17A-133;
- 14 (r) KRS 304.17A-264; ~~and~~
- 15 (s) **Section 1 of this Act; and**
- 16 (t) Administrative regulations promulgated pursuant to statutes listed in this
17 subsection.

18 (23) (a) Any fully insured health benefit plan or self-insured plan issued or renewed to
19 public employees pursuant to this section shall provide a special enrollment
20 period to pregnant women who are eligible for coverage in accordance with
21 the requirements set forth in KRS 304.17-182.

22 (b) The Department of Employee Insurance shall, at or before the time a public
23 employee is initially offered the opportunity to enroll in the plan or coverage,
24 provide the employee a notice of the special enrollment rights under this
25 subsection.

26 ➔Section 7. Sections 1, 5, and 6 of this Act apply to health benefit plans issued or
27 renewed on or after January 1, 2027.

1 ➔Section 8. Notwithstanding KRS 194A.099:

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

6 (2) If it is determined that the application of any requirement of Section 1 of this
7 Act to a QHP is in addition to the essential health benefits required under federal law,
8 then the department shall, within 180 days of the effective date of this section, apply for a
9 waiver under 42 U.S.C. sec. 18052, as amended, or any other applicable federal law of all
10 or any of the cost defrayment requirements under 42 U.S.C. sec. 18031(d)(3) and 45 C.F.R.
11 sec. 155.170, as amended.

12 ➔Section 9. If the Cabinet for Health and Family Services or the Department for
13 Medicaid Services determines that a state plan amendment, waiver, or any other form of
14 authorization or approval from any federal agency to implement Section 3 or 4 of this Act
15 is necessary to prevent the loss of federal funds or to comply with federal law, the cabinet
16 or department:

17 (1) Shall, within 90 days after the effective date of this section, request the
18 necessary federal authorization or approval to implement Sections 3 and 4 of this Act;
19 and

20 (2) May only delay implementation of the provisions of Sections 3 and 4 of this
21 Act for which federal authorization or approval was deemed necessary until the federal
22 authorization or approval is granted.

23 ➔Section 10. Sections 3, 4, and 9 of this Act shall constitute the specific
24 authorization required under KRS 205.5372(1).

25 ➔Section 11. Sections 1 to 7 of this Act take effect January 1, 2027.