

**Kentucky Department of Insurance  
Financial Impact Statement  
HM Statement to 2020 RS BR 65/SB 61**

- I. Mandating health insurance coverage of BR 65, is not expected to materially increase administrative expenses of insurers, based upon our analysis of the proposed mandate and our experience with similar health insurance benefits. The mandate requires all health benefit plans issued or renewed on or after the effective date of this Act shall cover longterm antibiotic therapy for a covered person with Lyme disease. The therapy must be determined to be medically necessary and ordered by a licensed physician that has made a thorough evaluation of the person's symptoms, diagnostic test results, and response to treatment. Coverage may be subject to cost sharing provisions that are no less favorable than those that apply to other ongoing medication therapies. The proposed legislation for all insured health benefit plan coverages, excluding Medicaid and state employees, is not expected to materially increase administrative expenses of Insurers.

The proposed BR 65, as described above, is not expected to materially increase premiums, based upon our analysis of the proposed mandate and our experience with similar health insurance benefits.

The proposed BR 65, as described above, is not expected to materially increase the total cost of health care in the commonwealth, including and potential cost savings that may be realized, based upon our analysis of the proposed mandate and our experience with similar health insurance benefits.

Our analysis included use of data and statistics from the Center for Disease Control (CDC) and an article "Lyme Disease Costs Up to \$1.3 Billion Per Year to Treat, Study Finds" from 2015 published by Johns Hopkins Bloomberg School of Public Health. Our immateriality estimate is driven primarily by the extremely low incidence rate of new Lyme disease cases in Kentucky.



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October 22, 2019



(Signature of Commissioner/Date)

**FIS Actuarial Form 6-03**