

**Kentucky Department of Insurance
Financial Impact Statement
HM Statement HB 148 HCS 1**

- I. Mandating health insurance coverage of BR 462\HB 148 HCS 1, 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 mandate does not allow an insurer or its agent to prohibit or restrict an insured under a health insurance policy from making a written assignment of any substance abuse or mental health (SAMH) treatment benefits available under the policy to an SAMH facility or provider located in Kentucky that provides both substance abuse and mental health treatment services to the general public. The insurer shall make payments directly to the SAMH facility or provider upon notice of the assignment, subject to any written direction of the insured and in accordance with applicable state and federal law. Additionally, the proposed mandate specifies that it should not be construed to mandate an insurer provide a benefit that is not otherwise available under the policy nor to prohibit an insurer from enforcing any terms or conditions of the policy. Our analysis includes health benefit plans, for all fully insured policies in Kentucky, excluding Medicaid and state employees.

The proposed BR 462\HB 148 HCS 1, as described above, is not expected to materially increase the total cost of health care in the Commonwealth, based upon our analysis of the proposed mandate and our experience with similar health insurance benefits. Our analysis includes health benefit plans, for all fully insured policies in Kentucky, excluding Medicaid and state employees.

The proposed BR 462\HB 148 HCS 1, as described above, 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. Our analysis includes health benefit plans, for all fully insured policies in Kentucky, excluding Medicaid and state employees.

Our analysis included the use of actuarial judgement and a 2021 Annual Data Report provided by DOI.

Disclosure: Due to the material disclosure requirements required therein, we must acknowledge that the content of this report may not comply with Actuarial Standard of Practice No. 41 Actuarial Communications.



Traci Hughes, F.S.A. M.A.A.A.
LEWIS & ELLIS, INC.
March 3, 2023



Brian Stentz, A.S.A. M.A.A.A.
LEWIS & ELLIS, INC.
March 3, 2023



3/3/23

(Signature of Commissioner/Date)