

**Kentucky Department of Insurance  
Financial Impact Statement**

- I. Mandating health insurance coverage of BR 110 HB 67, is not expected to materially increase premiums, based upon our analysis of the proposed mandate and our experience with similar health insurance benefits. The mandate requires health benefit plans that provide hospital, medical, or surgical expenses to include coverage for twenty (20) visits per event of chronic pain treatments at no greater than the deductible, coinsurance, or copay required for a primary care visit. The required coverage includes a licensed professional specializing in at least (1) of following when ordered by a licensed provider to treat chronic pain: acupuncture, massage therapy, physical therapy, occupational therapy, osteopathic manipulation, a chronic pain management program, chiropractic services and psychotherapy. A health care provider referral shall not be required as a condition of coverage. Our analysis includes health benefit plans, for all fully insured policies in Kentucky, excluding Medicaid and state employees.

The proposed BR 110 HB 67, 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 110 HB 67, 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 data and statistics from Affordable Care Act (ACA) essential health benefits, ACA plan and benefit templates, actuarial judgement, and a 2020 Annual Data Report provided by DOI.

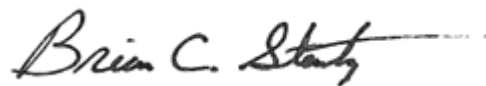
Note: It is acknowledged that there is potential for long-term savings if alternative chronic pain treatments are utilized over Opioids and/or other prescription drugs. This was considered in estimating the fiscal impact, however, a full cost savings analysis was not included due to time and financial constraints.

Disclosure: L&E made several assumptions in performing the analysis. Several of these assumptions are subject to material uncertainty and it is not unexpected that actual results could materially differ from these estimates if a more in-depth analysis were to be performed.

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.



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October 6, 2022



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(Signature of Commissioner/Date)

**FIS Actuarial Form 6-03**