

## KENTUCKY PUBLIC PENSIONS AUTHORITY

David L. Eager, Executive Director

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February 13, 2024
Ms. Katie Carney
Executive Assistant, Director's Office
Legislative Research Commission
Capitol Annex, Room 186
Frankfort, KY 40601

RE: House Bill 322 (24 RS BR 1476)

AA Statement Required by KRS 6.350

AA Statement 1 and 2 of 5

Dear Ms. Carney:

House Bill 322 (2024 RS BR 1476) creates a new section of Subtitle 17A of Kentucky Revised Statute Chapter 304 to require health benefit plans to provide coverage for the testing of hepatitis C virus infection in pregnant women and the treatment of hepatitis C virus infection in postpartum women; amends KRS 205.522, 205.6485, 164.2871, and 18A.225 to require Medicaid, KCHIP, self-insured employer plans provided by state postsecondary institutions, and the state employee health plan to comply with the hepatitis C virus infection coverage requirement for pregnant and postpartum women; makes technical amendments; and requires the Cabinet for Health and Family Services to seek federal approval if they determine that such approval is necessary. This bill is effective, in part, January 1, 2025.

Kentucky Public Pensions Authority (KPPA) staff members have examined House Bill 322 (2024 RS BR 1476). We have determined that the bill will not increase or decrease benefits, nor will it increase or decrease the participation in benefits, in any of the retirement systems administered by the Kentucky Public Pensions Authority. House Bill 322 (2024 RS BR 1476) will not change the actuarial accrued liability of any of the systems administered by KPPA.

In accordance with KRS 6.350 (2)(c), Kentucky Public Pensions Authority certifies the following:

- 1. The estimated number of individuals potentially affected as of June 30, 2023, are 421,609 active, inactive, and retired members in the plans administered by KPPA;
- 2. There is no estimated change in benefit payments;
- 3. There may be an increase in employer costs if the change increases insurance premiums for the plans offered by the KPPA; and
- 4. There is no estimated change in administrative expenses.

House Bill 322 (2024 RS BR 1476) AA Statement Required by KRS 6.350 Page 2

We have not requested any further actuarial analysis of House Bill 322 (2024 RS BR 1476) by the KPPA's independent actuary.

Please let me know if you have any questions regarding our analysis of House Bill 322 (2024 RS BR 1476).

Sincerely,

David L. Eager, Executive Director Kentucky Public Pensions Authority February 16, 2024

Ms. Katie Carney Director's Office Legislative Research Commission Capitol Annex, Room 104 Frankfort, KY 40601

RE: HB 322 (BR 1476) - AN ACT relating to coverage for hepatitis C virus infection. AA Statement 3 and 4 of 5

Dear Ms. Carney:

**HB 322 (BR 1476)** creates a new section of KRS Chapter 304 to require health benefit plans to provide coverage for the testing of hepatitis C virus infection in pregnant women and the treatment of hepatitis C virus infection in postpartum women. The bill also amends statute require Medicaid, KCHIP, self-insured employer plans provided by state postsecondary institutions, and the state employee health plan to comply with the hepatitis C virus infection coverage requirement for pregnant and postpartum women and requires the Cabinet for Health and Family Services to seek federal approval if they determine that such approval is necessary.

Staff of the Judicial Form Retirement System (JFRS) has reviewed **HB 322 (BR 1476)** and determined it would not materially increase or decrease benefits, or increase or decrease participation in benefits, or change the current actuarial liability of either plan administered by JFRS. The additional requirements with regards to hepatitis C testing and treatment could cause an increase to insurance premiums for the plans provided through JFRS, but that is not easily measurable at this time.

In compliance with KRS 6.350(2)(c), the Judicial Form Retirement Systems (the agency in charge with the administration of JRP and LRP) certifies the following:

- 1. The estimated number of participants potentially affected, as of June 30, 2023, are 1,018 individuals participating in JRP or LRP.
- 2. There is no estimated change in benefits.
- 3. There is no estimated change to current employer costs; however, if the inclusion of hepatitis C testing and treatment resulted in increased insurance premiums, there could be an increase in employer cost.
- 4. There is no estimated change to administrative expenses.

We have not requested any further actuarial analysis of **HB 322 (BR 1476)** by the Systems' independent actuary. Please let me know if you have any questions regarding this analysis.

Sincerely,

Bo Cracraft,

**Executive Director** 

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