

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 406 (24 RS BR 275) AA Statement Required by KRS 6.350 AA Statement 1 and 2 of 5

Dear Ms. Carney:

House Bill 406 (2024 RS BR 275) creates a new section of Kentucky Revised Statute Chapter 205 to allow perinatal mood and anxiety disorders screenings to be claimed as a service for the child as part of the early and periodic, diagnostic and treatment benefit; amends KRS 205.6497 to require the Kentucky Children's Health Insurance Program to cover perinatal mood and anxiety disorders screenings; create a new section of Subtitle 17A of KRS Chapter 304 to require a health plan to cover perinatal mood and anxiety disorders screenings as part of a well-child or well-baby visit; amends KRS 164.2871 and 18A.225 to require self-insured employer group health plans offered by a state postsecondary education institution and the state employee health plan to cover perinatal mood and anxiety disorders screenings; direct that certain provisions apply to health plans issued or renewed on after January 1, 2025; requires the Cabinet for Health and Family Services or the Department for Medicaid Services to request federal authorization, if necessary, and report on requests; require the Department of Insurance to request a federal waiver under certain circumstances; and provides that provisions are severable. This bill is effective, in part, January 1, 2025.

Kentucky Public Pensions Authority (KPPA) staff members have examined House Bill 406 (2024 RS BR 275). 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 406 (2024 RS BR 275) 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

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4. There is no estimated change in administrative expenses.

We have not requested any further actuarial analysis of House Bill 406 (2024 RS BR 275) by the KPPA's independent actuary.

Please let me know if you have any questions regarding our analysis of House Bill 406 (2024 RS BR 275).

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 406 (BR 275) - AN ACT relating to coverage for perinatal mood and anxiety disorders screenings. AA Statement 3 and 4 of 5

Dear Ms. Carney:

HB 406 (BR 275) creates a new section of KRS Chapter 205 to allow perinatal mood and anxiety disorders screenings to be claimed as a service for the child as part of the early and periodic, diagnostic and treatment benefit; amends statute to require the Kentucky Children's Health Insurance Program to cover perinatal mood and anxiety disorders screenings; creates a new section KRS Chapter 304 to require a health plan to cover perinatal mood and anxiety disorders screenings as part of a well-child or well-baby visit; amends statute to require self-insured employer group health plans offered by a state postsecondary education institution and the state employee health plan to cover perinatal mood and anxiety disorders screenings; directs that certain provisions apply to health plans issued or renewed on after January 1, 2025; requires the Cabinet for Health and Family Services or the Department for Medicaid Services to request federal authorization, if necessary, and report on requests; and requires the Department of Insurance to request a federal waiver under certain circumstances.

Staff of the Judicial Form Retirement System (JFRS) has reviewed **HB 406 (BR 275)** 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 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.
- There is no estimated change to current employer costs; however, if the requirements outlined in the legislation 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 406 (BR 275)** by the Systems' independent actuary. Please let me know if you have any questions regarding this analysis.

Sincerely,

Cal & Cept

Bo Cracraft, Executive Director