

## **KENTUCKY PUBLIC PENSIONS AUTHORITY**

David L. Eager, Executive Director

1260 Louisville Road • Frankfort, Kentucky 40601 kyret.ky.gov • Phone: 502-696-8800 • Fax: 502-696-8822



February 7, 2024

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

## RE: House Bill 415 (2024 RS BR 1463) AA Statement Required by KRS 6.350 AA Statement 1 and 2 of 5

Dear Ms. Carney:

House Bill 415 (2024 RS BR 1463) amends Kentucky Revised Statute 304.17A-258 to require health benefit plans to provide coverage for certain formulas; it creates a new section of Subtitle 17A of KRS Chapter 304 to require health benefit plans to provide coverage for breastfeeding support and equipment; amends KRS 205.522, 205.6485, 164.2871, and 18A.225 to require Medicaid, the Kentucky Children's Health Insurance Program, self-insured employer group health plans provided by the governing board of a state postsecondary education institution, and the state employee health plan to comply with the coverage requirements for formulas and breastfeeding support and equipment; it makes technical amendments; amends KRS 205.560 to conform; provides that certain provisions apply to health benefit plans issued or renewed on or after January 1, 2025; and requires the Cabinet for Health and Family Services to seek federal approval if they determine that such approval is necessary. This bill will be effective, in part, January 1, 2025.

Kentucky Public Pensions Authority (KPPA) staff members have examined House Bill 415 (2024 RS BR 1463). 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 415 (2024 RS BR 1463) 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 415 (2024 RS BR 1463) by the KPPA's independent actuary.

Please let me know if you have any questions regarding our analysis of House Bill 415 (2024 RS BR 1463).

Sincerely,

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David L. Eager, Executive Director Kentucky Public Pensions Authority

February 13, 2024

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

## RE: HB 415 (BR 1463) - AN ACT relating to coverage for the care of children. AA Statement 3 and 4 of 5

Dear Ms. Carney:

**HB 415 (BR 1463)** amends KRS Chapter 304 to require health benefit plans to provide coverage for certain formula and would create a new section to require health benefit plans to provide coverage for breastfeeding support and equipment. In addition, it amends statute to require Medicaid, the Kentucky Children's Health Insurance Program, self-insured employer group health plans provided by the governing board of a state postsecondary education institution, and the state employee health plan to comply with the coverage requirements for formulas and breastfeeding support and equipment and provides that certain provisions apply to health benefit plans issued or renewed on or after January 1, 2025.

Staff of the Judicial Form Retirement System (JFRS) has reviewed **HB 415 (BR 1463)** 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 requirements outlined in the legislation 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 addition of the additional requires outline in the bill 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 415 (BR 1463)** by the Systems' independent actuary. Please let me know if you have any questions regarding this analysis.

Sincerely,

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Bo Cracraft, Executive Director