

## KENTUCKY PUBLIC PENSIONS AUTHORITY

David L. Eager, Executive Director

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March 1, 2024

Ms. Katie Carney Office of Fiscal Statement Review Legislative Research Commission Capitol Annex, Room 104 Frankfort, KY 40601

RE: House Bill 52 (2024 RS BR 6) – GA Version
AA Statement Required by KRS 6.350
AA Statement 1 and 2 of 5

## Dear Ms. Carney:

The Kentucky Public Pensions Authority (KPPA) had previously provided an Actuarial Analysis of House Bill 52 (2024 RS BR 6) – HCS 1 Version via letter dated February 9, 2024. We have now examined the GA Version of House Bill 52 (2024 RS BR 6).

We have determined that the GA Version of House Bill 52 (2024 RS BR 6) would <u>not</u> impact the previous actuarial statement provided for this legislation. Therefore, the Actuarial Analysis of House Bill 52 (2024 RS BR 6) – HCS 1 Version, dated February 9, 2024, is applicable to House Bill 52 (2024 RS BR 6) – GA Version.

We have not requested any further actuarial analysis of House Bill 52 (2024 RS BR 6) – GA Version by the KPPA's independent actuary. Please let me know if you have any questions regarding our analysis of House Bill 52 (2024 RS BR 6) – GA Version.

Sincerely,

David L. Eager Executive Director

**Kentucky Public Pensions Authority** 

David Euge



## KENTUCKY PUBLIC PENSIONS AUTHORITY

## David L. Eager, Executive Director

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February 9, 2024

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

RE: House Bill 52 (24 RS BR 6) – HCS 1 Version AA Statement Required by KRS 6.350

AA Statement 1 and 2 of 5

Dear Ms. Carney:

Kentucky Public Pensions Authority (KPPA) had previously provided an Actuarial Analysis for House Bill 52 (2024 RS BR 6) via letter dated January 18, 2024. KPPA has now examined the HCS 1 Version of House Bill 52 (2024 RS BR 6).

We have determined that the HCS 1 Version of House Bill 52 (2024 RS BR 6) would not impact the previous actuarial analysis provided for this legislation. Therefore, the Actuarial Analysis of House Bill 52 (2024 RS BR 6) dated January 18, 2024, is applicable to House Bill 52 (2024 RS BR 6) - HCS 1 Version.

We have not requested any further actuarial analysis of House Bill 52 (2024 RS BR 6) – HCS 1 Version by the Authority's independent actuary. Please let me know if you have any questions regarding our analysis of House Bill 52 (2024 RS BR 6) – HCS 1 Version.

Sincerely,

David L. Eager, Executive Director Kentucky Public Pensions Authority

David Euger

January 18, 2024

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

RE: House Bill 52 (24 RS BR 6)

AA Statement Required by KRS 6.350

AA Statement 1 and 2 of 5

Dear Ms. Carney:

House Bill 52 (2024 RS BR 6) would create a new section of Subtitle 17A of KRS Chapter 304 to define "cancer screening, test, or procedure"; require coverage for screenings, tests, and procedures performed for the purpose of detecting cancer that occur prior to diagnosis; amend KRS 304.17C-125, 205.522, 164.2871, and 18A.225 to require limited health service benefit plans, Medicaid, 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 cancer coverage requirement; provide that various sections apply to health insurance policies, certificates, plans, or contracts issued or renewed on or after January 1, 2025; establish the construction of certain provisions for purposes of federal law and require state officials to comply; require the Department of Insurance to determine whether the coverage requirement for cancer detection would be in addition to essential health benefits required under federal law; and require the Department of Insurance and the Cabinet for Health and Family Services to obtain federal waivers, if necessary. The bill would be effective, in part, January 1, 2025.

Kentucky Public Pensions Authority (KPPA) staff members have examined House Bill 52 (2024 RS BR 6). 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 52 (2024 RS BR 6) 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 inclusion of preventive cancer screenings causes an increase to insurance premiums for the plans provided through KPPA; and
- 4. There is no estimated change in administrative expenses.

We have not requested any further actuarial analysis of House Bill 52 (2024 RS BR 6) by the KPPA's independent actuary.

Please let me know if you have any questions regarding our analysis of House Bill 52 (2024 RS BR 6).

Sincerely,

David L. Eager, Executive Director

David Euger

Kentucky Public Pensions Authority

March 6, 2024

Ms. Katie Carney

Director's Office

Legislative Research Commission

Capitol Annex, Room 104

Frankfort, KY 40601

**RE:** HB 52 GA - AN ACT AN ACT relating to coverage for cancer detection.

AA Statement 3 and 4 of 5

Dear Ms. Carney:

Judicial Form Retirement System (JFRS) has examined the **GA version** of **HB 52.** After review, we do not believe this version will have an impact or change the previous actuarial analysis provided by JFRS on January 30, 2024 with regards the HB 52.

As a result, we have not requested any further actuarial analysis of HB 52 by the Systems' independent actuary. Please let me know if you have any questions regarding our analysis.

Sincerely,

**Bo Cracraft** 

**Executive Director** 

Cal & Cept

January 30, 2024

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

RE: HB 52 - AN ACT relating to coverage for cancer detection. AA Statement 3 and 4 of 5

Dear Ms. Carney:

HB 52 (BR 6) would create a new section KRS Chapter 304 to define "cancer screening, test, or procedure" while also requiring coverage for screenings, tests, and procedures performed for detecting cancer that occur prior to diagnosis. The proposed legislation would also amend various statutes to require limited health service benefit plans, Medicaid, self-insured employer group health plans, and the state employee health plan to comply with the cancer coverage requirement. The bill also provides that various sections apply to health insurance policies, certificates, plans, or contracts issued or renewed on or after January 1, 2025; establishes the construction of certain provisions for purposes of federal law and require state officials to comply; requires the Department of Insurance to determine whether the coverage requirement for cancer detection would be in addition to essential health benefits required under federal law; require the Department of Insurance and the Cabinet for Health and Family Services to obtain federal waivers, if necessary.

Staff of the Judicial Form Retirement System (JFRS) has reviewed **HB 52** (**BR 6**) 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 addition of required "screening, test, or procedures" 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 required screenings 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 52 (BR 6)** by the Systems' independent actuary. Please let me know if you have any questions regarding this analysis.

Sincerely,

Cal & Ceff

Bo Cracraft, Executive Director