

## 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

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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