

**Kentucky Department of Insurance
Financial Impact Statement**

- I. Mandating health insurance coverage of BR 6 / HB 52 HCS 1, is not expected to materially increase premiums, based upon our analysis of the proposed mandate and our experience with similar health insurance benefits. The mandate requires coverage with no cost sharing for cancer screening, tests, and procedures, meaning any initial screening, test, or procedure performed for the purpose of detecting cancer prior to diagnosis. Our analysis includes health benefit plans, for all fully insured policies in Kentucky, excluding Medicaid and state employees.

The proposed BR 6 / HB 52 HCS 1, as described above, is not expected to materially increase the total cost of health care in the Commonwealth, based upon our analysis of the proposed mandate and our experience with similar health insurance benefits. Our analysis includes health benefit plans, for all fully insured policies in Kentucky, excluding Medicaid and state employees.

The proposed BR 6 / HB 52 HCS 1, as described above, is not expected to materially increase administrative expenses of insurers, based upon our analysis of the proposed mandate and our experience with similar health insurance benefits. The proposed legislation for all insured health benefit plan coverages, excluding Medicaid and state employees, is not expected to materially increase administrative expenses of Insurers. It is our assumption that Insurers will have this information readily available, and the additional administrative requirements imposed by this mandate would not significantly impact the administrative costs relative to current levels.

Our analysis included the use of data and statistics from The Affordable Care Act (ACA), Kaiser Family Foundation, California Fiscal Impact Statements for AB 1520, actuarial judgement, and a 2022 Annual Data Report provided by DOI.

Note: It is acknowledged that there is potential for long-term savings due to increased affordability and accessibility to cancer screenings which could lead to earlier detection of cancer. This was considered in estimating the fiscal impact range, however, due to time and budget constraints, a full and in-depth analysis was not performed.

Note: BR 6 states that the mandated coverage shall not apply if it is determined that the state must make payments to defray the cost of the requirement under 42 U.S.C sec. 18031(d)(3).

Disclosure: L&E made several assumptions in performing the analysis. Several of these assumptions are subject to material uncertainty and it is not unexpected that actual results could materially differ from these estimates if a more in-depth analysis were to be performed.

Disclosure: Due to the material disclosure requirements required therein, we must acknowledge that the content of this report may not comply with Actuarial Standard of Practice No. 41 Actuarial Communications



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(Signature of Commissioner/Date)

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