

**Kentucky Department of Insurance  
Financial Impact Statement**

- I. Mandating health insurance coverage of BR 1262/HB 642, will increase premiums, based upon our analysis of the proposed mandate and our experience with similar health insurance benefits. The mandate requires coverage for coronary calcium imaging testing when ordered by a health care provider and supported by nationally recognized clinical guidelines. Our estimated increase in premiums for health benefit plans, not including state employee plans, is approximately \$0.00 to \$0.40 per member per month (PMPM). This represents an increase of approximately 0.0% to 0.1% or approximately \$0 to \$1.8 million for all fully insured policies in Kentucky, excluding Medicaid and state employees, due to the increased costs for health plans.

The proposed BR 1262, as described above, will 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 estimated increase in the total cost of health care in the Commonwealth for health benefit plans, is approximately \$0.00 to \$0.40 per member per month (PMPM). This represents an increase of approximately 0.0% to 0.1% or approximately \$0 to \$1.8 million for all fully insured policies in Kentucky, excluding Medicaid and state employees, due to the increased costs for health plans.

The proposed BR 1262, 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 American Heart Association, the American College of Cardiology, 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 coronary calcium imaging testing which could lead to earlier detection of heart disease and risk of heart attacks. 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 1262 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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2/28/2024

(Signature of Commissioner/Date)

**FIS Actuarial Form 6-03**