

LRC staff reached out to the Kentucky League of Cities, which indicated that HB 677 as proposed may have a positive fiscal impact on cities. The magnitude of that impact would be minimal. The addition of medical laboratories to the in-network provider list may result in positive outcomes because of the increase in coverage for those services to patients within their geographic areas. A reduction in healthcare claims from providers outside of service could result in cost-savings. However, medical laboratories may attempt to increase costs or renegotiate rates in the future to recuperate any losses due to the policy changes.

LRC staff also reached out to the Kentucky Association of Counties (KACo). KACo believes the bill would have a positive fiscal impact on counties through insurance cost savings but the amount is indeterminable.

Data Source(s): LRC Staff. Kentucky League Of Cities. Kentucky Association of Counties.

Preparer: Bart Liguori (MS) **Reviewer:** KHC **Date:** 2/26/24