



KENTUCKY PUBLIC PENSIONS AUTHORITY

David L. Eager, Executive Director

1260 Louisville Road · Frankfort, Kentucky 40601
kyret.ky.gov · Phone: 502-696-8800 · Fax: 502-696-8822



March 12, 2024

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

RE: House Bill 734 (2024 RS BR 2400)
AA Statement Required by KRS 6.350
AA Statement 1 and 2 of 5

Dear Ms. Carney:

House Bill 734 (2024 RS BR 2400) creates new sections of Kentucky Revised Statute Chapter 205 to require the eligibility periods for all public assistance programs administered by the Cabinet for Health and Family Services be extended to the maximum period of eligibility permitted under federal law; prohibits the Cabinet for Health and Family Services from relying exclusively on automated, artificial-intelligence based, or algorithmic software in the identification of fraud in programs administered by the cabinet; requires Cabinet for Health and Family Services personnel to review relevant documentation before denying, discontinuing, or reducing an individual's benefits; amends KRS 205.178 to conform; amends KRS 205.231 to establish a presumption of innocence for public assistance beneficiaries when appealing a decision to disqualify the individual; creates a new section of Subtitle 17 of KRS Chapter 304 to require insurers to provide a special enrollment period for pregnant individuals and specify coverage requirements; amends KRS 304.17A-145 to require health benefit plans that provide coverage for dependents to cover maternity care for all covered individuals regardless of age; amends KRS 18A.225, 164.2871, 194A.099, 205.522, 205.6485, and 205.5372 to conform; amends KRS 205.592 to allow Medicaid income limits for certain women and children to be increased under certain circumstances; creates a new section of KRS Chapter 205 to require Medicaid coverage for lactation support services and breastfeeding supplies; amends KRS 205.1783 to require the Supplemental Nutrition Assistance Program (SNAP) Employment and Training program to offer the same services as are offered to Kentucky Transitional Assistance Program participants; amends KRS 100.982 and 100.984 to permit the operation of family child-care homes in any residential zone without a conditional use permit; amends KRS 199.894 to define terms; creates a new section of KRS Chapter 199 to establish the Child Care Assistance Program; creates a new section of KRS Chapter 383 to allow court eviction-records to be expunged after three years; requires payment of back rent; creates a new section of KRS Chapter 164 to establish a tuition and student fee waiver for eligible pregnant women and parents; directs the Legislative Research Commission to establish the Basic Health Program Design Task Force to make recommendations regarding the basic health program eligibility, cost sharing, and reimbursement rates; authorize the Cabinet for Health and Family Services to establish a basic health program; direct the Cabinet for Health and Family Services to prepare and submit federal waiver applications to provide supported housing and supported employment services to certain Medicaid beneficiaries; to waive the single risk pool requirement and establish a state-based reinsurance program; and to permit the cabinet to accept SNAP applications from

incarcerated individuals up to six months prior to release; appropriates to the Kentucky House Corporation: 2024-2026: \$10,000,000 for a rental assistance program for pregnant women and households that include

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children under the five years of age; appropriates to the Department of Agriculture: 2024-2026: \$2,200,000 to establish a school nutrition reimbursement program and to support the Senior Farmers' Market Nutrition Assistance Program; appropriates to the Cabinet for Health and Family Services: 2024-2025: \$37,094,200, 2025-2026: \$67,088,400 to expand the Women, Infants, and Children Farmers Market Nutrition Assistance Program to include Jefferson County, establishes a Women, Infants, and Children's Program supplemental payment, expand Supplemental Nutrition Assistance Program Employment and Training program offerings, and fund an additional 280 slots in the Home and Community Based waiver program, an additional 2,100 slots in the Michelle P. waiver program, and an additional 800 slots in the Supports for Community Living waiver program; directs the Cabinet for Health and Family Services to seek federal approval as necessary; directs the Department of Insurance to seek a federal cost defrayment waiver as necessary; and provides that the Act may be cited as the Advancing Lives for Pregnancy and Healthy Alternatives Act or the ALPHA Act. The bill includes an appropriation and is effective, in part, January 1, 2025.

Kentucky Public Pensions Authority (KPPA) staff members have examined House Bill 734 (2024 RS BR 2400). 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 KPPA. House Bill 734 (2024 RS BR 898) will not change the actuarial accrued liability of any of the systems.

In accordance with KRS 6.350 (2)(c), the KPPA 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 change increases insurance premiums for the plans offered by the KPPA; and
4. There is no estimated change in administrative expenses.

We have not requested any further actuarial analysis of House Bill 734 (2024 RS BR 2400) by the KPPA's independent actuary.

Please let me know if you have any questions regarding our analysis of House Bill 734 (2024 RS BR 2400).

Sincerely,



David L. Eager, Executive Director
Kentucky Public Pensions Authority

