Local Government Mandate Statement Kentucky Legislative Research Commission 2024 Regular Session

Part I: Measure Information

Bill Request #:2400
Bill #: HB 734
Document ID #: <u>6964</u>
Bill Title: AN ACT relating to the promotion of family well-being and making an appropriation therefor.
Sponsor: Representative Killian Timoney
Unit of Government:XCityXCountyXUrban-CountyXCharter CountyXConsolidated LocalXGovernment
Office(s) Impacted: All offices that offer health insurance for their employees.
Requirement: <u>X</u> Mandatory Optional
Effect on Powers & Duties: X Modifies Existing X Adds New Eliminates Existing

Part II: Bill Provisions and the Estimated Fiscal Impact Relating to Local Government

Section 5 of HB 734 creates a new section of Subtitle 17 of KRS Chapter 304 that requires all insurers offering a health benefit plan to provide a special enrollment period to pregnant individuals who are eligible for coverage. The enrollment period cannot be less than the maximum time period required by federal law and cannot begin earlier than the date the individual receives confirmation of the pregnancy from a medical professional. The coverage period shall begin no later than the first day of the first calendar month in which a medical professional determines the pregnancy began; however, the pregnant individual can direct coverage to begin on the first day of any month occurring after that date but during the pregnancy.

Section 6 of HB 734 amends KRS 304.17A-145 to require all health benefit plans to provide maternity coverage.

HB 734 would have a negative fiscal impact on local governments. Based on a 2024 Department of Insurance fiscal impact statement, the expected increase in premium for health benefit plans due to HB 734, excluding Medicaid and the state employee's health plan, is approximately \$0.00 to \$1.09 per member per month. While some local governments participate in the Kentucky Employee's Health Plan, those who do not may pay higher premiums due to the requirements of the bill. This represents an increase of approximately 0.0% to 0.1% or \$0 to \$4.8 million for all fully insured policies in Kentucky, excluding Medicaid and the state employees' health plan.

The bill will likely not increase the administrative expenses of insurers.

Data Source(s): <u>LRC Staff. Department of Insurance</u>

Preparer:Bart Liguori (MS)Reviewer:KHCDate:2/27/24