



## KENTUCKY PUBLIC PENSIONS AUTHORITY

David L. Eager, Executive Director

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March 18, 2024

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

**RE: Senate Bill 111 (2024 RS BR 199)– HCS 1 Version  
AA Statement Required by KRS 6.350  
AA Statement 1 and 2 of 5**

Dear Ms. Carney:

The Kentucky Public Pensions Authority (KPPA) had previously provided an Actuarial Analysis of Senate Bill 111 (2024 RS BR 199) via letter dated January 26, 2024. We have now examined the HCS 1 Version of Senate Bill 111 (2024 RS BR 199).

The HCS 1 Version of Senate Bill 111 (2024 RS BR 199) retains its original provisions, except it suspends the application of any coverage requirement to a qualified health plan if the requirement would result in the state being required to make cost defrayal payments under federal law; requires the Department of Insurance to identify if any requirement is in addition to the essential health benefits required under federal law; and establishes requirements for any waiver application made by the Department of Insurance.

We have determined that the HCS 1 Version of Senate Bill 111 (2024 RS BR 199) would not change the previous actuarial impact provided for this legislation. Therefore, the Actuarial Analysis statement of Senate Bill 111 (2024 RS BR 199) dated January 26, 2024, is applicable to the HCS 1 Version of Senate Bill 111 (2024 RS BR 199).

We have not requested any further actuarial analysis of HCS 1 Version of Senate Bill 111 (2024 RS BR 199) by the KPPA's independent actuary. Please let me know if you have any questions regarding our analysis of HCS 1 Version of Senate Bill 111 (2024 RS BR 199).

Sincerely,

A handwritten signature in black ink that reads "David Eager".

David L. Eager, Executive Director  
Kentucky Public Pensions Authority



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David L. Eager, Executive Director

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January 26, 2024

Ms. Katie Carney  
Executive Assistant, Director's Office  
Legislative Research Commission  
Capitol Annex, Room 186  
Frankfort, KY 40601

**RE: Senate Bill 111 (24 RS BR 199)**  
**AA Statement Required by KRS 6.350**  
**AA Statement 1 and 2 of 5**

Dear Ms. Carney:

Senate Bill 111 (2024 RS BR 199) creates a new section of Subtitle 17A of Kentucky Revised Statute (KRS) Chapter 304 to require health insurance coverage for speech therapy as a treatment for stuttering; it amends KRS 304.17C-125, 205.522, 205.6485, 164.2871, and 18A.225 to require limited health service benefit plans, Medicaid, self-insured employer group health plans provided by the governing board of a state postsecondary education institution, and the state employee health plan to comply with the speech therapy coverage requirement and to make technical amendments; it provides that various sections apply to health insurance policies, certificates, plans, or contracts issued or renewed on or after January 1, 2025; it establishes the construction of Section 1 for purposes of federal law and require state officials to comply; and requires the Department of Insurance and the Cabinet for Health and Family Services to seek federal approval, if necessary. The bill becomes effective, in part, January 1, 2025.

Kentucky Public Pensions Authority (KPPA) staff members have examined Senate Bill 111 (2024 RS BR 199). 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 Kentucky Public Pensions Authority. Senate Bill 111 (2024 RS BR 199) will not change the actuarial accrued liability of any of the systems administered by KPPA.

In accordance with KRS 6.350 (2)(c), Kentucky Public Pensions Authority 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. Requiring health plans to cover speech therapy treatments for stuttering without cost sharing may lead to higher insurance premiums for the plans offered through KPPA, potentially increasing employer costs; and
4. There is no estimated change in administrative expenses.

We have not requested any further actuarial analysis of Senate Bill 111 (2024 RS BR 199) by the KPPA's independent actuary.

Please let me know if you have any questions regarding our analysis of Senate Bill 111 (2024 RS BR 199).

Sincerely,

A handwritten signature in black ink that reads "David Eager". The signature is written in a cursive, flowing style.

David L. Eager, Executive Director  
Kentucky Public Pensions Authority