



# KENTUCKY PUBLIC PENSIONS AUTHORITY

David L. Eager, Executive Director

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February 29, 2024

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

**RE: Senate Bill 34 (2024 RS BR 8)**  
**AA Statement Required by KRS 6.350**  
**AA Statement 1 and 2 of 5**

Dear Ms. Carney:

Senate Bill 34 (2024 RS BR 8) 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; amend 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; authorizes the Cabinet for Health and Family Services to establish a basic health program; directs 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 Housing Corporation: 2024-2026: \$10,000,000 for a rental assistance program for pregnant women and households that include 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; appropriate to the Cabinet for Health and Family Services: 2024-2025: \$284,843,200, 2025-2026: \$314,838,400 to expand the Women, Infants, and Children Farmers Market Nutrition Assistance Program to include Jefferson County, establish a Women, Infants, and Children's Program supplemental payment, expand Supplemental Nutrition Assistance Program Employment and Training program offerings; supports the Child Care Assistance Program, 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; provide that the Act may be cited as the Advancing Lives for Pregnancy and Healthy Alternatives Act or the ALPHA Act; APPROPRIATION; EFFECTIVE, in part, January 1, 2025.

Kentucky Public Pensions Authority (KPPA) staff members have examined Senate Bill 34 (2024 RS BR 8). 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 34 (2024 RS BR 8) 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. 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 Senate Bill 34 (2024 RS BR 8) by the KPPA's independent actuary.

Please let me know if you have any questions regarding our analysis of Senate Bill 34 (2024 RS BR 8).

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

March 6, 2024

Ms. Katie Carney

Director's Office

Legislative Research Commission

Capitol Annex, Room 104

Frankfort, KY 40601

**RE: SB 34 - AN ACT relating to the promotion of family well-being and making an appropriation therefor.**

**AA Statement 3 and 4 of 5**

Dear Ms. Carney:

**SB 34 (BR 8)** would create new sections of KRS 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; prohibit 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; require Cabinet for Health and Family Services personnel to review relevant documentation before denying, discontinuing, or reducing an individual's benefits; amend KRS 205.178 to conform; amend KRS 205.231 to establish a presumption of innocence for public assistance beneficiaries when appealing a decision to disqualify the individual; create 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; amend 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; amend KRS 18A.225, 164.2871, 194A.099, 205.522, 205.6485, and 205.5372 to conform; amend KRS 205.592 to allow Medicaid income limits for certain women and children to be increased under certain circumstances; create a new section of KRS Chapter 205 to require Medicaid coverage for lactation support services and breastfeeding supplies; amend 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; amend KRS 100.982 and 100.984 to permit the operation of family child-care homes in any residential zone without a conditional use permit; amend KRS 199.894 to define terms; create a new section of KRS Chapter 199 to establish the Child Care Assistance Program; create a new section of KRS Chapter 383 to allow court eviction-records to be expunged after three years; require payment of back rent; create a new section of KRS Chapter 164 to establish a tuition and student fee waiver for eligible pregnant women and parents; direct 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; appropriate to the Kentucky Housing Corporation: 2024-2026: \$10,000,000 for a rental assistance program for pregnant women and households that include children under the five years of age; appropriate 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; appropriate to the Cabinet for Health and Family Services: 2024-2025: \$284,843,200, 2025-2026: \$314,838,400 to expand the Women, Infants, and Children Farmers Market Nutrition Assistance Program to include Jefferson County, establish a Women, Infants, and Children's Program supplemental payment, expand Supplemental Nutrition Assistance Program Employment and Training program offerings; support the Child Care Assistance Program, 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; direct the Cabinet for Health and Family Services to seek federal approval as necessary; direct the Department of Insurance to seek a federal cost defrayment waiver as necessary; provide that the Act may be cited as the Advancing Lives for Pregnancy and Healthy Alternatives Act or the ALPHA Act.


Staff of the Judicial Form Retirement System (JFRS) has reviewed **SB 34 (BR 8)** and determined it would not materially increase or decrease benefits, or increase or decrease participation in benefits, or change the current actuarial liability of either plan administered by JFRS. The requirements outlined in the legislation could cause an increase to insurance premiums for the plans provided through JFRS, but that is not easily measurable at this time.

In compliance with KRS 6.350(2)(c), the Judicial Form Retirement Systems (the agency in charge with the administration of JRP and LRP) certifies the following:

1. The estimated number of participants potentially affected, as of June 30, 2023, are 1,018 individuals participating in JRP or LRP.
2. There is no estimated change in benefits.
3. There is no estimated change to current employer costs; however, however, if the requirements outlined in the legislation increased insurance premiums, there could be an increase in employer cost.
4. There is no estimated change to administrative expenses.

We have not requested any further actuarial analysis of **SB 34 (BR 8)** by the Systems' independent actuary. Please let me know if you have any questions regarding this analysis.

Sincerely,

A handwritten signature in black ink that reads "Carl B Cracraft". The signature is written in a cursive style with a large initial "C" and a stylized "B".

Bo Cracraft,

Executive Director