

**Local Government Mandate Statement
Kentucky Legislative Research Commission
2025 Regular Session**

Part I: Measure Information

Bill Request #:	849	Bill #:	HB 691
Document ID #:	4205	Sponsor:	Representative Pamela Stevenson
Bill Title:	An Act relating to coverage for the care of children		

Unit of Government: City County Urban-County
 Charter County Consolidated Local Unified Local

Office(s) Impacted: All those that provide health insurance coverage to their employees

Requirement: Mandatory Optional

Effect on Powers & Duties: Modifies Existing Adds New Eliminates Existing

Other Fiscal Statement(s) that may exist: Actuarial Analysis Corrections Impact
 Health Benefit Mandate State Employee Health Plan

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

HB 691 Section 1 would amend KRS 304.17A-258 to require that, if a health benefit plan does not cover therapeutic food, formulas, supplements and low-protein modified food products for infant health conditions described in Section 1 (2), the plan would be required to cover enteral infant and baby formulas if ordered by a doctor in a written prescription. The prescription must state that the formula is medically necessary and is proven effective as a disease-specific treatment. For each plan year coverage may be capped at \$3,000, except that a cap would be adjusted annually for inflation.

If application of the requirements in HB 691 Section 1 would be the sole cause of a health benefit plan failing to qualify as a Health Savings Account-Qualified High Deductible Health Plan under federal law, or would result in the state required to defray the cost of the requirements under federal law, the requirement would not apply until the minimum deductible is satisfied, or will not apply until defrayal payments are no longer required.

HB 691 Section 2 would amend KRS 304.17A-145 to require a health benefit plan to cover breastfeeding services without a prescription.

Statutory provisions regarding Medicaid, Kentucky Children’s Health Insurance Program (KCHIP), health insurance offered by a postsecondary educational institution, and the Kentucky Employees Health Plan would be amended to conform to the requirements of Section 1 the Act.

Sections 1, 2, 6, and 7 would apply to health benefit plans issued or renewed on or after January 1, 2026.

Sections 1-8 would take effect January 1, 2026.

HB 691 would have no or minimal fiscal impact on local governments.

The Fiscal Impact Report – BR849/HB691 prepared for the Kentucky Department of Insurance estimates the fiscal impact of the bill on health insurance premiums to be immaterial, for these reasons:

1. Health insurance coverage for enteral formula is already mandated and covered by the state’s benchmark for health insurance coverage;
2. The utilization rate for pediatric enteral nutrition is approximately 0.06%; and
3. Insurers may cap the coverage at \$3,000.

Therefore, local governments that purchase health insurance for their employees on the open market would likely suffer no fiscal impact from passage of the bill. It is not known the fiscal impact on local governments that self-insure. Similarly, the Kentucky Employees Health Plan (KEHP) currently provides the coverage required by HB 691, so the local governments that participate in KEHP would suffer no fiscal impact from the bill.

Data Source(s): Division of Insurance; Kentucky Employees’ Health Plan

Preparer: MS **Reviewer:** HT (MDA) **Date:** 3/28/25