



KENTUCKY PUBLIC PENSIONS AUTHORITY

Ryan Barrow, Executive Director

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January 15, 2025

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

RE: Senate Bill 74 (2025 RS BR 287)
AN ACT relating to coverage of annual mental health wellness examination
AA Statement Required by KRS 6.350
AA Statement 1 of 3.

Dear Ms. Allen:

The Kentucky Public Pensions Authority (KPPA) staff have reviewed the proposed legislation cited above and certify the following in accordance with KRS 6.350 (2)(c):

1. The estimated number of individuals potentially affected as of June 30, 2024 are 433,461 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 changes increase insurance premiums for the plans offered by the KPPA; and
4. There is no estimated change in administrative expenses.

KPPA has not sought further analysis of the proposed legislation from the independent actuary.

Should you have any questions regarding our assessment of the proposed bill, please contact us.

Sincerely,

A handwritten signature in dark ink, appearing to read "Ryan Barrow".

Ryan Barrow, Executive Director
Kentucky Public Pensions Authority

February 5, 2025

Mrs. Maurya Allen
Deputy Director's Office
Legislative Research Commission
Capitol Annex, Room 186
Frankfort, KY 40601

**RE: SB 74 - AN ACT relating to coverage of annual mental health wellness examinations.
AA Statement 2 of 3.**

Dear Mrs. Allen:

SB 74 (BR 287) amends KRS Chapter 304 and creates a new section to require certain health insurance policies to provide coverage for an annual mental health wellness examination; require the coverage to be no less extensive than coverage for medical and surgical benefits, comply with the Mental Health Parity and Addiction Equity Act of 2008, and not to be subject to any cost-sharing requirements; amend KRS 164.2871, 205.522, 205.6485, and 18A.225 to require self-insured employer group health plans provided by the governing board of a state postsecondary education institution, Medicaid, the Kentucky Children's Health Insurance Program, and the state employee health plan to comply with the mental health coverage requirement; amend KRS 304.17C-125 to apply the mental health wellness examination requirement to limited health service contracts; state purpose of the Act; direct that provisions apply to health plans issued or renewed on or after the effective date of the section; require the Cabinet for Health and Family Services to seek federal approval if it determines that such approval is necessary; provide that Section 1 may be cited as the Kentucky Act in Support of Annual Mental Health Wellness Exams; EFFECTIVE, in part, January 1, 2026.

Staff of the Judicial Form Retirement System (JFRS) has reviewed **SB 74 (BR 287)** 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. Requiring health plans to provide additional levels of coverage could lead to higher insurance premiums for plans provided by JFRS, however 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, 2024, are 1,012 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, if the inclusion of the additional coverage as outlined in the legislation resulted in 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 74 (BR 287)** by the Systems' independent actuary. Please let me know if you have any questions regarding this analysis.

Sincerely,

A handwritten signature in black ink, appearing to read "Bo Cracraft". The signature is written in a cursive, flowing style.

Bo Cracraft,
Executive Director