



**Andy Beshear**  
GOVERNOR

## PERSONNEL CABINET

501 High Street, 3<sup>rd</sup> Floor  
Frankfort, Kentucky 406 01  
Phone: (502) 564 -7430  
Fax: (502) 564 -7603

**Mary Elizabeth Bailey**  
SECRETARY

**Kentucky Department of Employee Insurance  
State Employee Health Plan Impact Statement  
BR 82 / SB 93 – HCS - Coverage for Hearing Loss  
March 14, 2025**

Mandating health insurance coverage as required by BR 82 / SB 93 HCS is expected to increase premiums, based upon the analysis of our Third-Party Administrator (“TPA”), Anthem, of the proposed mandate and experience with similar health insurance benefits. The proposed mandate requires that health benefit plans, including the Kentucky Employees’ Health Plan (“KEHP”), provide coverage for prescription hearing aids and cochlear implants without cost sharing. For purposes of this analysis, it is assumed that the bill would **not** require coverage without cost sharing for the surgery necessary to implant the cochlear implant devices, but only for the devices themselves.

The House Committee Substitute also mandates coverage for feeding and eating disorders, but this requirement is not anticipated to impact KEHP based on current coverage levels.

The estimated annual cost increase to KEHP is up to \$1.81 million effective in Plan Year 2026. This represents an annual increased cost of up to \$12.69 per planholder/employee based on current enrollment and utilization. Because the KEHP trust is funded by employee and employer premium contributions, this amount will necessitate an increase in plan premiums to be borne by the same.

Our analysis is limited to the impact on KEHP.

Disclosure: Estimated impacts for KEHP on a per-member-per-month basis may be lower than would otherwise apply to a smaller health plan in the commercial space, due to the benefits of a larger risk pool, the nature of existing KEHP coverages, the use of tailored cost avoidance programs, and/or the ability to have greater purchasing power in the marketplace. Estimates are based on recent KEHP enrollment data which is subject to change.

Disclosure: Anthem made several assumptions in performing the analysis. Several of these assumptions are subject to uncertainties about future utilization and medical costs, and it is not unexpected that actual results could materially differ from these estimates if a more in-depth analysis were to be performed.

Disclosure: Due to the material disclosure requirements required therein, we must acknowledge that the content of this report may not comply with Actuarial Standard of Practice No. 41 Actuarial Communications.



---

Christopher M.A. Chamness  
Commissioner  
Department of Employee Insurance