Local Government Mandate Statement
Kentucky Legislative Research Commission
2026 Regular Session

Part I: Measure Information

Bill Request #:	122	**Bill #:**	HB 178/GA
Document ID #:	3852	**Sponsor:**	Rep. Kim Poore Moser
Bill Title:	AN ACT relating to the psychiatric collaborative care model.		

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

Office(s) Impacted: Local Governments offering health plans

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 178/GA defines "psychiatric collaborative care model" as an evidence-based, integrated behavioral health service method. The bill mandates that insurers who provide health benefit plans covering mental health conditions must reimburse for services billed using Current Procedural Terminology (CPT) codes, which include 99492, 99493 and 99494.

The commissioner is tasked with updating these codes as needed. Additionally, insurers can deny reimbursement based on medical necessity, but such determinations must align with the Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act and adhere to specific utilization review standards.

The fiscal impact of HB 178/GA is indeterminable but likely negative. There may be additional administrative burdens on local government health plans to adjust to the changes in billing codes and ensure compliance with the updated regulations on medical necessity determinations. Local governments may see an increase in healthcare costs if the mandated reimbursements lead insurers to raise premiums, which could affect government-funded health programs and local employee benefits.

Data Source(s): LRC Staff

Preparer: HT **Reviewer:** JB **Date:** 1/28/26