

**Local Government Mandate Statement  
Kentucky Legislative Research Commission  
2026 Regular Session**

**Part I: Measure Information**

<b>Bill Request #:</b>	2019	<b>Bill #:</b>	HB 550
<b>Document ID #:</b>	4610	<b>Sponsor:</b>	Rep. Sarah Stalker
<b>Bill Title:</b>	AN ACT relating to reproductive health services.		

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

Office(s) Impacted:              All offering insurance          

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 550 requires that any fully insured health benefit plan or self-insured plan offered to public employees, including those provided by local governments, must comply with the new contraceptive coverage mandate outlined in Section 2. Specifically:

- Plans must cover all FDA-approved contraceptive drugs, devices, and products, voluntary sterilization procedures, patient education, counseling, and related follow-up services.
- Coverage must be provided without deductibles, copayments, coinsurance, or other cost-sharing, except for qualifying high-deductible health plans tied to health savings accounts.
- Plans must allow for 12-month supplies of contraceptives, postpartum long-acting reversible contraception, and over-the-counter contraceptives without requiring a prescription.
- Religious employers may request an exemption, but local governments are not classified as religious employers and therefore cannot opt out.

- These requirements apply to fully insured and self-insured plans issued, renewed, amended, effective, or delivered on or after January 1, 2027.

**The fiscal impact of HB 550 on local impact is likely negative.** Local governments that offer health coverage to employees will need to ensure their plans comply with the new contraceptive coverage requirements outlined in the bill.

A Fiscal Impact Statement submitted by the KY Department of Insurance estimates the proposed bill is expected to have an immaterial effect on administrative expenses, estimated at within  $\pm 0.05\%$  of premiums. The projected premium impact ranges from \$0.24 to \$1.12 per member per month, translating to an annual statewide cost of approximately \$993,000 to \$4.6 million, or about 0.0% to 0.2% of premiums. Similarly, the total cost of health care is expected to increase by \$0.20 to \$1.12 PM, resulting in an annual impact of \$844,000 to \$4.6 million, which represents 0.0% to 0.1% of overall healthcare costs. Additionally, the bill may trigger federal cost defrayal obligations for Kentucky because certain benefits, such as OTC contraceptives and male sterilization, are not included in the state benchmark plan.

According to the KY Public Pension Authority (KPPA), there may be an increase in employer costs if the changes increase insurance premiums for the plans offered by KPPA. However, there is no estimated change in benefit payments or administrated expenses.

**Data Source(s):** LRC Staff, KY Department of Insurance, KPPA

**Preparer:** HT **Reviewer:** TJ (MDA) **Date:** 2/13/26