Local Government Mandate Statement
Kentucky Legislative Research Commission
2026 Regular Session

Part I: Measure Information

Bill Request #:	BR 2136	**Bill #:**	HB 655
Document ID #:	5791	**Sponsor:**	Representative Derek Lewis
Bill Title:	AN ACT relating to limited health service benefit plans.		

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

Office(s) Impacted: Local government and local government organizations that offer limited health benefit plans (vision, hearing, dental etc.) 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 655 would amend KRS 304.17C-085, which addresses limited health benefit insurance plans, to specifically exclude from the definition of "covered services" those services and materials that would be reimbursed except for the limit on the insured's annual maximum benefits. An insurance contract that conflicts with or purports to waive this or other requirement of KRS 304.17C-085 would be void.

HB 655 would apply to contracts issued or renewed on or after the effective date of the Act.

HB 655 would have a positive fiscal impact on local governments that participate in a limited health benefit plan. It is not known how many local governments offer a limited health benefit plan to their employees, but the requirements of HB 655 should help contain insurer costs and so have a positive, or no, impact on premiums charged for limited health

benefit plans. The Act would have no fiscal impact on local governments that participate in other sorts of health benefit plans.

The Kentucky Association of Counties (KACo) reports that HB 655 would have no fiscal impact on the insurance plans it offers local governments and local government organizations through the KACo Health Benefits Group Plans.

Input for this mandate analysis has been requested of the Kentucky League of Cities (KLC). If information is received from KLC this analysis may be amended.

Data Source(s): Kentucky Association of Counties; LRC staff

Preparer: MS **Reviewer:** BW (MDA) **Date:** 3/2/26