

Section 3, which governs the state-sponsored health insurance program for public employees under KRS 18A.225, is directly impacted by this mandate. It now requires that any fully insured or self-insured health plan for public employees comply with Section 1, meaning these plans must include the same prosthetic and orthotic coverage. This requirement is added alongside other statutory mandates, making prosthetic and orthotic coverage a non-negotiable benefit for public employee health plans. As a result, the Personnel Cabinet and insurers bidding to provide coverage for state employees must incorporate these benefits into their plan designs, ensuring uniform application across all public employee plans.

The fiscal impact of SB 97/SCS 1 on local government is indeterminable but likely negative. The fiscal impact is unchanged from the bill as introduced. If a local government participates in the state-sponsored health insurance program or offers its own benefit plans, it will need to comply with the new coverage requirements which could potentially increase premiums and administrative costs.

Data Source(s): LRC Staff

Preparer: HT **Reviewer:** BW (MDA) **Date:** 3/10/26