

1 AN ACT relating to the promotion of family well-being and making an
2 appropriation therefor.

3 *Be it enacted by the General Assembly of the Commonwealth of Kentucky:*

4 ➔SECTION 1. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO
5 READ AS FOLLOWS:

6 *Notwithstanding any provision of law to the contrary:*

- 7 *(1) The cabinet shall not require participants in any public assistance program*
8 *administered under this chapter, or otherwise by the cabinet, to complete*
9 *eligibility redeterminations more frequently than is required by federal law; and*
10 *(2) Eligibility periods for public assistance programs administered under this*
11 *chapter, or otherwise administered by the cabinet, shall be equal to the maximum*
12 *period of time permitted under federal law.*

13 ➔Section 2. KRS 205.178 is amended to read as follows:

- 14 (1) At a regularly scheduled interval, each enrollment or benefit tracking agency
15 associated with the Medicaid program or the Supplemental Nutrition Assistance
16 Program of the cabinet shall receive and review information from the Kentucky
17 Lottery Corporation concerning individuals enrolled as recipients in the Medicaid
18 program or the Supplemental Nutrition Assistance Program that indicates a change
19 in circumstances that may affect eligibility, including but not limited to changes in
20 income or resources.
- 21 (2) On at least a monthly basis, each enrollment or benefit tracking agency associated
22 with the Medicaid program or the Supplemental Nutrition Assistance Program of
23 the cabinet shall receive and review information from the Vital Statistics Branch
24 concerning individuals enrolled in the Medicaid program or the Supplemental
25 Nutrition Assistance Program that indicates a change in circumstances that may
26 affect eligibility.
- 27 (3) On at least a quarterly basis, each enrollment or benefit tracking agency associated

1 with the Medicaid program or the Supplemental Nutrition Assistance Program of
2 the cabinet shall receive and review information from the Kentucky Office of
3 Unemployment Insurance concerning individuals enrolled in the Medicaid program
4 or the Supplemental Nutrition Assistance Program that indicates a change in
5 circumstances that may affect eligibility, including but not limited to changes in
6 employment or wages.

7 (4) On at least a quarterly basis, each enrollment or benefit tracking agency associated
8 with the Medicaid program or the Supplemental Nutrition Assistance Program of
9 the cabinet shall receive and review information concerning individuals enrolled in
10 the Medicaid program or the Supplemental Nutrition Assistance Program that
11 indicates a change in circumstances that may affect eligibility, including but not
12 limited to potential changes in residency as identified by out-of-state electronic
13 benefit transfer transactions.

14 (5) Notwithstanding any other provision of law to the contrary:

15 (a) Each enrollment or benefit tracking agency associated with the Medicaid
16 program or the Supplemental Nutrition Assistance Program of the cabinet
17 shall enter into a memorandum of understanding with any department,
18 agency, or division for information detailed in this section; and

19 (b) Any department, agency, or division for information detailed in this section,
20 including but not limited to the Kentucky Lottery Corporation, the Vital
21 Statistics Branch, the Office of Unemployment Insurance, and the Department
22 for Community Based Services, shall enter into any necessary memoranda of
23 understanding with the enrollment or benefit tracking agency associated with
24 the Medicaid program or the Supplemental Nutrition Assistance Program
25 requesting an agreement pursuant to paragraph (a) of this subsection.

26 (6) Each enrollment or benefit tracking agency associated with the Medicaid program
27 or the Supplemental Nutrition Assistance Program of the cabinet may contract in

1 accordance with KRS Chapter 45A with one (1) or more independent vendors to
2 provide additional data or information that may indicate a change in circumstances
3 that may affect eligibility.

4 (7) Each enrollment or benefit tracking agency associated with the Medicaid program
5 or the Supplemental Nutrition Assistance Program of the cabinet shall explore
6 joining any multistate cooperative to identify individuals who are also enrolled in
7 public assistance programs outside of this state.

8 (8) If an enrollment or benefit tracking agency associated with the Medicaid program
9 or the Supplemental Nutrition Assistance Program of the cabinet receives
10 information concerning an individual enrolled in the Medicaid program or the
11 Supplemental Nutrition Assistance Program that indicates a change in
12 circumstances that may affect eligibility, the enrollment or benefit tracking agency
13 or other appropriate agency shall review the individual's case.

14 (9) (a) Unless expressly required by federal law or as permitted by this subsection,
15 the cabinet shall not seek, apply for, accept, or renew any waiver of work
16 requirements established by the Supplemental Nutrition Assistance Program
17 under 7 U.S.C. sec. 2015(o) without first obtaining specific authorization from
18 the General Assembly to do so. The cabinet may, without first obtaining
19 specific authorization from the General Assembly, request:

20 1. A waiver of Supplemental Nutrition Assistance Program work
21 requirements for a county in which the unemployment rate is equal to or
22 greater than ten percent (10%);

23 2. A waiver of Supplemental Nutrition Assistance Program work
24 requirements in a county in which the cabinet determines that other
25 economic conditions are severe enough to necessitate a waiver; or

26 3. A statewide waiver of Supplemental Nutrition Assistance Program work
27 requirements if the state's unemployment rate is equal to or greater than

1 ten percent (10%).

2 (b) ~~{The cabinet shall not exercise the state's option under 7 U.S.C. sec.~~
3 ~~2015(o)(6).~~

4 (e) ~~—~~The cabinet may assign individuals who are subject to work requirements
5 under 7 U.S.C. sec. 2015(d)(1) to an employment and training program as
6 defined in 7 U.S.C. sec. 2015(d)(4).

7 (10) The cabinet shall, in accordance with KRS Chapter 13A, promulgate all rules and
8 administrative regulations necessary for the purposes of carrying out this section.

9 (11) Upon request from the Legislative Research Commission, the Cabinet for Health
10 and Family Services shall submit a report relating to the number of individuals
11 discovered utilizing services inappropriately, the number of individuals who were
12 removed from one (1) or more public assistance programs as a result of a review
13 pursuant to this section, and the amount of public funds preserved in total and by
14 public assistance program and aggregated by prior years.

15 ➔SECTION 3. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO
16 READ AS FOLLOWS:

17 **(1) To the extent permitted under federal law, the cabinet shall not:**

18 **(a) Rely exclusively on automated, artificial intelligence-based, or algorithmic**
19 **software to identify instances of fraud or abuse in any public assistance**
20 **program administered under this chapter or otherwise by the cabinet; or**

21 **(b) Take any action to deny, discontinue, or reduce benefits provided as part of**
22 **a public assistance program administered under this chapter or otherwise**
23 **by the cabinet unless cabinet personnel have reviewed relevant**
24 **documentation in its possession.**

25 **(2) Nothing in this section shall be interpreted to prohibit the cabinet from utilizing**
26 **automated, artificial intelligence-based, or algorithmic software for the purpose**
27 **of identifying or flagging instances of potential fraud or abuse to be investigated**

1 *further by cabinet personnel.*

2 ➔Section 4. KRS 205.231 is amended to read as follows:

- 3 (1) The secretary shall appoint one (1) or more impartial hearing officers to hear and
4 decide upon appealed decisions.
- 5 (2) Any applicant or recipient who is dissatisfied with the decision or delay in action on
6 his or her application for public assistance or the amount granted to him or her and
7 any applicant or recipient who was deemed ineligible or disqualified from public
8 assistance benefits under KRS 205.193 or 205.200 may appeal to a hearing officer,
9 except that an appeal and a hearing need not be granted if the sole issue is a federal
10 or state law requiring an automatic change adversely affecting some or all recipients
11 of the Kentucky medical assistance program so long as advance notice of the
12 change, with an explanation of appeal rights, is provided to all affected recipients.
13 However, a recipient may appeal whether the cabinet is accurately interpreting a
14 change in federal or state law which may adversely affect the recipient. On receipt
15 of an appeal, an administrative hearing shall be conducted in accordance with KRS
16 Chapter 13B.
- 17 (3) The secretary may appoint an Appeal Board for Public Assistance composed of the
18 secretary and two (2) other members. The secretary shall be chairman, and he or she
19 and one (1) other member constitute a quorum.
- 20 (4) Any applicant or recipient who is dissatisfied with the decision of a hearing officer
21 may appeal to the appeal board in the manner and form prescribed by
22 administrative regulation. The board may on its own motion affirm, modify, or set
23 aside any decision of a hearing officer on the basis of the evidence previously
24 submitted in the case, or direct the taking of additional evidence, or may permit any
25 of the parties to the decision to initiate further appeals before it. The board may
26 remove itself or transfer to another hearing officer the proceedings on any appeal
27 pending before a hearing officer. The board shall promptly notify the parties to any

1 proceedings of its findings and decisions.

2 (5) The manner in which appeals are presented and hearings and appeals conducted
3 under subsection (4) of this section shall be in accordance with administrative
4 regulations promulgated by the secretary.

5 (6) Notwithstanding any other provision of law to the contrary, if a recipient of
6 public assistance benefits provided under this chapter is deemed ineligible for, or
7 disqualified from, receiving public assistance benefits on the basis of fraudulent
8 activities and the recipient appeals the decision as permitted under this section,
9 the recipient shall be presumed innocent and the burden of proof shall lie with
10 the cabinet, unless federal law requires otherwise.

11 (7) After a decision by the appeal board, any party aggrieved by the decision may seek
12 judicial review of the decision by filing a petition in the Circuit Court of the county
13 in which the petitioner resides, in accordance with KRS 13B.140, 13B.150, and
14 13B.160.

15 ➔SECTION 5. A NEW SECTION OF SUBTITLE 17 OF KRS CHAPTER 304
16 IS CREATED TO READ AS FOLLOWS:

17 (1) As used in this section:

18 (a) "Health benefit plan" has the same meaning as in KRS 304.17A-005,
19 except that for purposes of this section, the term includes short-term
20 limited-duration coverage; and

21 (b) "Individual Exchange":

22 1. Means a governmental agency or nonprofit entity that makes qualified
23 health plans, as defined in 42 U.S.C. sec. 18021, as amended,
24 available to qualified individuals;

25 2. Includes an exchange serving the individual market for qualified
26 individuals; and

27 3. Does not include a Small Business Health Options Program serving

1 the small group market for qualified employers.

2 (2) To the extent permitted by federal law:

3 (a) The following shall provide a special enrollment period to pregnant
4 individuals who are eligible for coverage:

5 1. Any insurer offering a health benefit plan in the individual market;
6 and

7 2. Any individual exchange operating in this state;

8 (b) Except as provided in paragraph (c) of this subsection, the insurer or
9 exchange shall allow a pregnant individual, and any individual who is
10 eligible for coverage because of a relationship to a pregnant individual, to
11 enroll for coverage under the plan or on the exchange at any time during
12 the pregnancy;

13 (c) If the insurer or exchange is required by federal law to limit the enrollment
14 period to a period that is less than the period provided in paragraph (b) of
15 this subsection:

16 1. The enrollment period shall not be less than the maximum period of
17 time permitted by federal law; and

18 2. The enrollment period shall begin not earlier than the date that the
19 individual receives confirmation of the pregnancy from a medical
20 professional;

21 (d) The coverage required under this subsection shall begin no later than the
22 first day of the first calendar month in which a medical professional
23 determines that the pregnancy began, except that a pregnant individual may
24 direct coverage to begin on the first day of any month occurring after that
25 date but during the pregnancy; and

26 (e) If a directive under paragraph (d) of this subsection falls outside of the
27 pregnancy period, the coverage required under this subsection shall begin

1 not later than the first day of the last month that occurred during the
2 pregnancy.

3 (3) (a) Nothing in this section shall be construed to imply that the insured is not
4 responsible for the payment of premiums for each month during which
5 coverage is provided.

6 (b) For any coverage provided under this section, the original or first premium
7 shall become due and owing no earlier than thirty (30) days after the date of
8 enrollment.

9 ➔Section 6. KRS 304.17A-145 is amended to read as follows:

10 (1) As used in this section, "health benefit plan" has the same meaning as in KRS
11 304.17A-005, except that for the purpose of this section, the term includes:

12 (a) Short-term limited-duration coverage; and

13 (b) Student health insurance offered by a Kentucky-licensed insurer under
14 written contract with a university or college whose students it proposes to
15 insure.

16 (2) (a) A health benefit plan shall provide ~~issued or renewed on or after July 15,~~
17 ~~1996, that provides~~ maternity coverage.

18 (b) The coverage required by this subsection includes coverage for:~~shall~~
19 ~~provide~~

20 1. All individuals covered under the plan, including dependents,
21 regardless of age;

22 2. Maternity care associated with pregnancy, childbirth, and postpartum
23 care;

24 3. Labor and delivery;

25 4. All breastfeeding services and supplies required under 42 U.S.C. sec.
26 300gg-13(a) and any related federal regulations, as amended; and

27 5. ~~coverage for~~ Except as provided in subsection (3) of this section,

1 inpatient care for a mother and her newly-born child for a minimum of:

2 **a.** Forty-eight (48) hours after vaginal delivery; ~~or~~ ~~and a minimum~~
3 ~~of~~

4 **b.** Ninety-six (96) hours after delivery by Cesarean section.

5 ~~(3)(2)~~ The provisions of subsection ~~(2)(b)5.(1)~~ of this section shall not apply to a
6 health benefit plan if:

7 **(a)** The ~~health benefit~~ plan authorizes an initial postpartum home visit which
8 would include the collection of an adequate sample for the hereditary and
9 metabolic newborn screening; ~~and if~~

10 **(b)** The attending physician, with the consent of the mother of the **newly**
11 **born** ~~newly born~~ child, authorizes a shorter length of stay ~~than that required~~
12 ~~of health benefit plans in subsection (1) of this section~~ upon the physician's
13 determination that the mother and newborn meet the criteria for medical
14 stability in the most current version of "Guidelines for Perinatal Care"
15 prepared by the American Academy of Pediatrics and the American College
16 of Obstetricians and Gynecologists.

17 ➔Section 7. KRS 18A.225 (Effective January 1, 2025) is amended to read as
18 follows:

- 19 (1) (a) The term "employee" for purposes of this section means:
- 20 1. Any person, including an elected public official, who is regularly
21 employed by any department, office, board, agency, or branch of state
22 government; or by a public postsecondary educational institution; or by
23 any city, urban-county, charter county, county, or consolidated local
24 government, whose legislative body has opted to participate in the state-
25 sponsored health insurance program pursuant to KRS 79.080; and who
26 is either a contributing member to any one (1) of the retirement systems
27 administered by the state, including but not limited to the Kentucky

- 1 Retirement Systems, County Employees Retirement System, Kentucky
2 Teachers' Retirement System, the Legislators' Retirement Plan, or the
3 Judicial Retirement Plan; or is receiving a contractual contribution from
4 the state toward a retirement plan; or, in the case of a public
5 postsecondary education institution, is an individual participating in an
6 optional retirement plan authorized by KRS 161.567; or is eligible to
7 participate in a retirement plan established by an employer who ceases
8 participating in the Kentucky Employees Retirement System pursuant to
9 KRS 61.522 whose employees participated in the health insurance plans
10 administered by the Personnel Cabinet prior to the employer's effective
11 cessation date in the Kentucky Employees Retirement System;
- 12 2. Any certified or classified employee of a local board of education or a
13 public charter school as defined in KRS 160.1590;
- 14 3. Any elected member of a local board of education;
- 15 4. Any person who is a present or future recipient of a retirement
16 allowance from the Kentucky Retirement Systems, County Employees
17 Retirement System, Kentucky Teachers' Retirement System, the
18 Legislators' Retirement Plan, the Judicial Retirement Plan, or the
19 Kentucky Community and Technical College System's optional
20 retirement plan authorized by KRS 161.567, except that a person who is
21 receiving a retirement allowance and who is age sixty-five (65) or older
22 shall not be included, with the exception of persons covered under KRS
23 61.702(2)(b)3. and 78.5536(2)(b)3., unless he or she is actively
24 employed pursuant to subparagraph 1. of this paragraph; and
- 25 5. Any eligible dependents and beneficiaries of participating employees
26 and retirees who are entitled to participate in the state-sponsored health
27 insurance program;

- 1 (b) The term "health benefit plan" for the purposes of this section means a health
2 benefit plan as defined in KRS 304.17A-005;
- 3 (c) The term "insurer" for the purposes of this section means an insurer as defined
4 in KRS 304.17A-005; and
- 5 (d) The term "managed care plan" for the purposes of this section means a
6 managed care plan as defined in KRS 304.17A-500.
- 7 (2) (a) The secretary of the Finance and Administration Cabinet, upon the
8 recommendation of the secretary of the Personnel Cabinet, shall procure, in
9 compliance with the provisions of KRS 45A.080, 45A.085, and 45A.090,
10 from one (1) or more insurers authorized to do business in this state, a group
11 health benefit plan that may include but not be limited to health maintenance
12 organization (HMO), preferred provider organization (PPO), point of service
13 (POS), and exclusive provider organization (EPO) benefit plans
14 encompassing all or any class or classes of employees. With the exception of
15 employers governed by the provisions of KRS Chapters 16, 18A, and 151B,
16 all employers of any class of employees or former employees shall enter into
17 a contract with the Personnel Cabinet prior to including that group in the state
18 health insurance group. The contracts shall include but not be limited to
19 designating the entity responsible for filing any federal forms, adoption of
20 policies required for proper plan administration, acceptance of the contractual
21 provisions with health insurance carriers or third-party administrators, and
22 adoption of the payment and reimbursement methods necessary for efficient
23 administration of the health insurance program. Health insurance coverage
24 provided to state employees under this section shall, at a minimum, contain
25 the same benefits as provided under Kentucky Kare Standard as of January 1,
26 1994, and shall include a mail-order drug option as provided in subsection
27 (13) of this section. All employees and other persons for whom the health care

1 coverage is provided or made available shall annually be given an option to
2 elect health care coverage through a self-funded plan offered by the
3 Commonwealth or, if a self-funded plan is not available, from a list of
4 coverage options determined by the competitive bid process under the
5 provisions of KRS 45A.080, 45A.085, and 45A.090 and made available
6 during annual open enrollment.

7 (b) The policy or policies shall be approved by the commissioner of insurance
8 and may contain the provisions the commissioner of insurance approves,
9 whether or not otherwise permitted by the insurance laws.

10 (c) Any carrier bidding to offer health care coverage to employees shall agree to
11 provide coverage to all members of the state group, including active
12 employees and retirees and their eligible covered dependents and
13 beneficiaries, within the county or counties specified in its bid. Except as
14 provided in subsection (20) of this section, any carrier bidding to offer health
15 care coverage to employees shall also agree to rate all employees as a single
16 entity, except for those retirees whose former employers insure their active
17 employees outside the state-sponsored health insurance program and as
18 otherwise provided in KRS 61.702(2)(b)3.b. and 78.5536(2)(b)3.b.

19 (d) Any carrier bidding to offer health care coverage to employees shall agree to
20 provide enrollment, claims, and utilization data to the Commonwealth in a
21 format specified by the Personnel Cabinet with the understanding that the data
22 shall be owned by the Commonwealth; to provide data in an electronic form
23 and within a time frame specified by the Personnel Cabinet; and to be subject
24 to penalties for noncompliance with data reporting requirements as specified
25 by the Personnel Cabinet. The Personnel Cabinet shall take strict precautions
26 to protect the confidentiality of each individual employee; however,
27 confidentiality assertions shall not relieve a carrier from the requirement of

- 1 providing stipulated data to the Commonwealth.
- 2 (e) The Personnel Cabinet shall develop the necessary techniques and capabilities
3 for timely analysis of data received from carriers and, to the extent possible,
4 provide in the request-for-proposal specifics relating to data requirements,
5 electronic reporting, and penalties for noncompliance. The Commonwealth
6 shall own the enrollment, claims, and utilization data provided by each carrier
7 and shall develop methods to protect the confidentiality of the individual. The
8 Personnel Cabinet shall include in the October annual report submitted
9 pursuant to the provisions of KRS 18A.226 to the Governor, the General
10 Assembly, and the Chief Justice of the Supreme Court, an analysis of the
11 financial stability of the program, which shall include but not be limited to
12 loss ratios, methods of risk adjustment, measurements of carrier quality of
13 service, prescription coverage and cost management, and statutorily required
14 mandates. If state self-insurance was available as a carrier option, the report
15 also shall provide a detailed financial analysis of the self-insurance fund
16 including but not limited to loss ratios, reserves, and reinsurance agreements.
- 17 (f) If any agency participating in the state-sponsored employee health insurance
18 program for its active employees terminates participation and there is a state
19 appropriation for the employer's contribution for active employees' health
20 insurance coverage, then neither the agency nor the employees shall receive
21 the state-funded contribution after termination from the state-sponsored
22 employee health insurance program.
- 23 (g) Any funds in flexible spending accounts that remain after all reimbursements
24 have been processed shall be transferred to the credit of the state-sponsored
25 health insurance plan's appropriation account.
- 26 (h) Each entity participating in the state-sponsored health insurance program shall
27 provide an amount at least equal to the state contribution rate for the employer

1 portion of the health insurance premium. For any participating entity that used
2 the state payroll system, the employer contribution amount shall be equal to
3 but not greater than the state contribution rate.

- 4 (3) The premiums may be paid by the policyholder:
- 5 (a) Wholly from funds contributed by the employee, by payroll deduction or
6 otherwise;
- 7 (b) Wholly from funds contributed by any department, board, agency, public
8 postsecondary education institution, or branch of state, city, urban-county,
9 charter county, county, or consolidated local government; or
- 10 (c) Partly from each, except that any premium due for health care coverage or
11 dental coverage, if any, in excess of the premium amount contributed by any
12 department, board, agency, postsecondary education institution, or branch of
13 state, city, urban-county, charter county, county, or consolidated local
14 government for any other health care coverage shall be paid by the employee.
- 15 (4) If an employee moves his or her place of residence or employment out of the
16 service area of an insurer offering a managed health care plan, under which he or
17 she has elected coverage, into either the service area of another managed health care
18 plan or into an area of the Commonwealth not within a managed health care plan
19 service area, the employee shall be given an option, at the time of the move or
20 transfer, to change his or her coverage to another health benefit plan.
- 21 (5) No payment of premium by any department, board, agency, public postsecondary
22 educational institution, or branch of state, city, urban-county, charter county,
23 county, or consolidated local government shall constitute compensation to an
24 insured employee for the purposes of any statute fixing or limiting the
25 compensation of such an employee. Any premium or other expense incurred by any
26 department, board, agency, public postsecondary educational institution, or branch
27 of state, city, urban-county, charter county, county, or consolidated local

1 government shall be considered a proper cost of administration.

2 (6) The policy or policies may contain the provisions with respect to the class or classes
3 of employees covered, amounts of insurance or coverage for designated classes or
4 groups of employees, policy options, terms of eligibility, and continuation of
5 insurance or coverage after retirement.

6 (7) Group rates under this section shall be made available to the disabled child of an
7 employee regardless of the child's age if the entire premium for the disabled child's
8 coverage is paid by the state employee. A child shall be considered disabled if he or
9 she has been determined to be eligible for federal Social Security disability benefits.

10 (8) The health care contract or contracts for employees shall be entered into for a
11 period of not less than one (1) year.

12 (9) The secretary shall appoint thirty-two (32) persons to an Advisory Committee of
13 State Health Insurance Subscribers to advise the secretary or the secretary's
14 designee regarding the state-sponsored health insurance program for employees.
15 The secretary shall appoint, from a list of names submitted by appointing
16 authorities, members representing school districts from each of the seven (7)
17 Supreme Court districts, members representing state government from each of the
18 seven (7) Supreme Court districts, two (2) members representing retirees under age
19 sixty-five (65), one (1) member representing local health departments, two (2)
20 members representing the Kentucky Teachers' Retirement System, and three (3)
21 members at large. The secretary shall also appoint two (2) members from a list of
22 five (5) names submitted by the Kentucky Education Association, two (2) members
23 from a list of five (5) names submitted by the largest state employee organization of
24 nonschool state employees, two (2) members from a list of five (5) names submitted
25 by the Kentucky Association of Counties, two (2) members from a list of five (5)
26 names submitted by the Kentucky League of Cities, and two (2) members from a
27 list of names consisting of five (5) names submitted by each state employee

1 organization that has two thousand (2,000) or more members on state payroll
2 deduction. The advisory committee shall be appointed in January of each year and
3 shall meet quarterly.

4 (10) Notwithstanding any other provision of law to the contrary, the policy or policies
5 provided to employees pursuant to this section shall not provide coverage for
6 obtaining or performing an abortion, nor shall any state funds be used for the
7 purpose of obtaining or performing an abortion on behalf of employees or their
8 dependents.

9 (11) Interruption of an established treatment regime with maintenance drugs shall be
10 grounds for an insured to appeal a formulary change through the established appeal
11 procedures approved by the Department of Insurance, if the physician supervising
12 the treatment certifies that the change is not in the best interests of the patient.

13 (12) Any employee who is eligible for and elects to participate in the state health
14 insurance program as a retiree, or the spouse or beneficiary of a retiree, under any
15 one (1) of the state-sponsored retirement systems shall not be eligible to receive the
16 state health insurance contribution toward health care coverage as a result of any
17 other employment for which there is a public employer contribution. This does not
18 preclude a retiree and an active employee spouse from using both contributions to
19 the extent needed for purchase of one (1) state sponsored health insurance policy
20 for that plan year.

21 (13) (a) The policies of health insurance coverage procured under subsection (2) of
22 this section shall include a mail-order drug option for maintenance drugs for
23 state employees. Maintenance drugs may be dispensed by mail order in
24 accordance with Kentucky law.

25 (b) A health insurer shall not discriminate against any retail pharmacy located
26 within the geographic coverage area of the health benefit plan and that meets
27 the terms and conditions for participation established by the insurer, including

1 price, dispensing fee, and copay requirements of a mail-order option. The
2 retail pharmacy shall not be required to dispense by mail.

3 (c) The mail-order option shall not permit the dispensing of a controlled
4 substance classified in Schedule II.

5 (14) The policy or policies provided to state employees or their dependents pursuant to
6 this section shall provide coverage for obtaining a hearing aid and acquiring hearing
7 aid-related services for insured individuals under eighteen (18) years of age, subject
8 to a cap of one thousand four hundred dollars (\$1,400) every thirty-six (36) months
9 pursuant to KRS 304.17A-132.

10 (15) Any policy provided to state employees or their dependents pursuant to this section
11 shall provide coverage for the diagnosis and treatment of autism spectrum disorders
12 consistent with KRS 304.17A-142.

13 (16) Any policy provided to state employees or their dependents pursuant to this section
14 shall provide coverage for obtaining amino acid-based elemental formula pursuant
15 to KRS 304.17A-258.

16 (17) If a state employee's residence and place of employment are in the same county,
17 and if the hospital located within that county does not offer surgical services,
18 intensive care services, obstetrical services, level II neonatal services, diagnostic
19 cardiac catheterization services, and magnetic resonance imaging services, the
20 employee may select a plan available in a contiguous county that does provide
21 those services, and the state contribution for the plan shall be the amount available
22 in the county where the plan selected is located.

23 (18) If a state employee's residence and place of employment are each located in
24 counties in which the hospitals do not offer surgical services, intensive care
25 services, obstetrical services, level II neonatal services, diagnostic cardiac
26 catheterization services, and magnetic resonance imaging services, the employee
27 may select a plan available in a county contiguous to the county of residence that

1 does provide those services, and the state contribution for the plan shall be the
2 amount available in the county where the plan selected is located.

3 (19) The Personnel Cabinet is encouraged to study whether it is fair and reasonable and
4 in the best interests of the state group to allow any carrier bidding to offer health
5 care coverage under this section to submit bids that may vary county by county or
6 by larger geographic areas.

7 (20) Notwithstanding any other provision of this section, the bid for proposals for health
8 insurance coverage for calendar year 2004 shall include a bid scenario that reflects
9 the statewide rating structure provided in calendar year 2003 and a bid scenario that
10 allows for a regional rating structure that allows carriers to submit bids that may
11 vary by region for a given product offering as described in this subsection:

12 (a) The regional rating bid scenario shall not include a request for bid on a
13 statewide option;

14 (b) The Personnel Cabinet shall divide the state into geographical regions which
15 shall be the same as the partnership regions designated by the Department for
16 Medicaid Services for purposes of the Kentucky Health Care Partnership
17 Program established pursuant to 907 KAR 1:705;

18 (c) The request for proposal shall require a carrier's bid to include every county
19 within the region or regions for which the bid is submitted and include but not
20 be restricted to a preferred provider organization (PPO) option;

21 (d) If the Personnel Cabinet accepts a carrier's bid, the cabinet shall award the
22 carrier all of the counties included in its bid within the region. If the Personnel
23 Cabinet deems the bids submitted in accordance with this subsection to be in
24 the best interests of state employees in a region, the cabinet may award the
25 contract for that region to no more than two (2) carriers; and

26 (e) Nothing in this subsection shall prohibit the Personnel Cabinet from including
27 other requirements or criteria in the request for proposal.

- 1 (21) Any fully insured health benefit plan or self-insured plan issued or renewed on or
2 after July 12, 2006, to public employees pursuant to this section which provides
3 coverage for services rendered by a physician or osteopath duly licensed under KRS
4 Chapter 311 that are within the scope of practice of an optometrist duly licensed
5 under the provisions of KRS Chapter 320 shall provide the same payment of
6 coverage to optometrists as allowed for those services rendered by physicians or
7 osteopaths.
- 8 (22) Any fully insured health benefit plan or self-insured plan issued or renewed to
9 public employees pursuant to this section shall comply with:
- 10 (a) KRS 304.12-237;
11 (b) KRS 304.17A-270 and 304.17A-525;
12 (c) KRS 304.17A-600 to 304.17A-633;
13 (d) KRS 205.593;
14 (e) KRS 304.17A-700 to 304.17A-730;
15 (f) KRS 304.14-135;
16 (g) KRS 304.17A-580 and 304.17A-641;
17 (h) KRS 304.99-123;
18 (i) KRS 304.17A-138;
19 (j) KRS 304.17A-148;
20 (k) KRS 304.17A-163 and 304.17A-1631;
21 (l) KRS 304.17A-265;
22 (m) KRS 304.17A-261;
23 (n) KRS 304.17A-262;
- 24 **(o) Section 5 of this Act;**
25 **(p) Section 6 of this Act;** and
26 **(q)**~~(o)~~ Administrative regulations promulgated pursuant to statutes listed in this
27 subsection.

1 ➔Section 8. KRS 164.2871 (Effective January 1, 2025) is amended to read as
2 follows:

- 3 (1) The governing board of each state postsecondary educational institution is
4 authorized to purchase liability insurance for the protection of the individual
5 members of the governing board, faculty, and staff of such institutions from liability
6 for acts and omissions committed in the course and scope of the individual's
7 employment or service. Each institution may purchase the type and amount of
8 liability coverage deemed to best serve the interest of such institution.
- 9 (2) All retirement annuity allowances accrued or accruing to any employee of a state
10 postsecondary educational institution through a retirement program sponsored by
11 the state postsecondary educational institution are hereby exempt from any state,
12 county, or municipal tax, and shall not be subject to execution, attachment,
13 garnishment, or any other process whatsoever, nor shall any assignment thereof be
14 enforceable in any court. Except retirement benefits accrued or accruing to any
15 employee of a state postsecondary educational institution through a retirement
16 program sponsored by the state postsecondary educational institution on or after
17 January 1, 1998, shall be subject to the tax imposed by KRS 141.020, to the extent
18 provided in KRS 141.010 and 141.0215.
- 19 (3) Except as provided in KRS Chapter 44, the purchase of liability insurance for
20 members of governing boards, faculty and staff of institutions of higher education
21 in this state shall not be construed to be a waiver of sovereign immunity or any
22 other immunity or privilege.
- 23 (4) The governing board of each state postsecondary education institution is authorized
24 to provide a self-insured employer group health plan to its employees, which plan
25 shall:
- 26 (a) Conform to the requirements of Subtitle 32 of KRS Chapter 304; and
27 (b) Except as provided in subsection (5) of this section, be exempt from

1 conformity with Subtitle 17A of KRS Chapter 304.

2 (5) A self-insured employer group health plan provided by the governing board of a
3 state postsecondary education institution to its employees shall comply with:

4 (a) KRS 304.17A-163 and 304.17A-1631;

5 (b) KRS 304.17A-265;

6 (c) KRS 304.17A-261;~~and~~

7 (d) KRS 304.17A-262;

8 **(e) Section 5 of this Act; and**

9 **(f) Section 6 of this Act.**

10 ➔Section 9. KRS 194A.099 is amended to read as follows:

11 (1) The Division of Health Benefit Exchange **within the Office of Data Analytics** shall
12 administer the provisions of the Patient Protection and Affordable Care Act of
13 2010, Pub. L. No. 111-148.

14 (2) The Division of Health Benefit Exchange shall:

15 (a) Facilitate enrollment in health coverage and the purchase and sale of qualified
16 health plans in the individual market;

17 (b) Facilitate the ability of eligible individuals to receive premium tax credits and
18 cost-sharing reductions and enable eligible small businesses to receive tax
19 credits, in compliance with all applicable federal and state laws and
20 regulations;

21 (c) Oversee the consumer assistance programs of navigators, in-person assisters,
22 certified application counselors, and insurance agents as appropriate;

23 (d) At a minimum, carry out the functions and responsibilities required pursuant
24 to 42 U.S.C. sec. 18031 to implement and comply with federal regulations in
25 accordance with 42 U.S.C. sec. 18041;~~and~~

26 (e) Regularly consult with stakeholders in accordance with 45 C.F.R. sec.
27 155.130; **and**

1 (f) Comply with Section 5 of this Act.

2 (3) The Office of Data Analytics:

3 (a) May enter into contracts and other agreements with appropriate entities,
4 including but not limited to federal, state, and local agencies, as permitted
5 under 45 C.F.R. sec. 155.110, to the extent necessary to carry out the duties
6 and responsibilities of the office ~~if, provided that~~ the agreements incorporate
7 adequate protections with respect to the confidentiality of any information to
8 be shared; ~~;~~

9 ~~(b)(4)~~ ~~The office~~ shall pursue all available federal funding for the further
10 development and operation of the Division of Health Benefit Exchange; ~~;~~

11 ~~(c)(5)~~ ~~The Office of Health Data and Analytics~~ shall promulgate
12 administrative regulations in accordance with KRS Chapter 13A to implement
13 this section; ~~and~~ ~~;~~

14 ~~(d)(6)~~ ~~The office~~ shall not establish procedures and rules that conflict with or
15 prevent the application of the Patient Protection and Affordable Care Act of
16 2010, Pub. L. No. 111-148.

17 ➔Section 10. KRS 205.522 is amended to read as follows:

18 (1) With respect to the administration and provision of Medicaid benefits pursuant to
19 this chapter, the Department for Medicaid Services, ~~and~~ any managed care
20 organization contracted to provide Medicaid benefits pursuant to this chapter, and
21 the Kentucky Medical Assistance Program shall be subject to, and comply with,
22 the following, as applicable: ~~provisions of~~

23 (a) KRS 304.17A-163; ~~;~~

24 (b) KRS 304.17A-1631; ~~;~~

25 (c) KRS 304.17A-167; ~~;~~

26 (d) KRS 304.17A-235; ~~;~~

27 (e) KRS 304.17A-257; ~~;~~

- 1 ~~(f) KRS 304.17A-259;~~
- 2 ~~(g) KRS 304.17A-263;~~
- 3 ~~(h) KRS 304.17A-515;~~
- 4 ~~(i) KRS 304.17A-580;~~
- 5 ~~(j) KRS 304.17A-600, 304.17A-603, and 304.17A-607;~~ ~~and~~
- 6 ~~(k) KRS 304.17A-740 to 304.17A-743; and as applicable~~
- 7 ~~(l) Section 6 of this Act.~~

8 (2) A managed care organization contracted to provide Medicaid benefits pursuant to
9 this chapter shall comply with the reporting requirements of KRS 304.17A-732.

10 ➔ Section 11. KRS 205.592 is amended to read as follows:

11 ~~**(1) Except as provided in subsection (2) of this section,**~~ pregnant women, new mothers
12 up to twelve (12) months postpartum, and children up to age one (1) shall be
13 eligible for participation in the Kentucky Medical Assistance Program if:

14 ~~(a)(1)~~ They have family income up to but not exceeding one hundred and
15 eighty-five percent (185%) of the nonfarm income official poverty guidelines
16 as promulgated by the Department of Health and Human Services of the
17 United States as revised annually; and

18 ~~(b)(2)~~ They are otherwise eligible for the program.

19 ~~**(2) The Department for Medicaid Services may increase the income eligibility**~~
20 ~~**standard established in subsection (1)(a) of this section, by administrative**~~
21 ~~**regulation promulgated in accordance with KRS Chapter 13A, to the extent:**~~

22 ~~(a) Permitted under federal law; and~~

23 ~~(b) Funding is available.~~

24 ➔ Section 12. KRS 205.6485 is amended to read as follows:

25 (1) ~~**As used in this section, "KCHIP" means the Kentucky Children's Health**~~
26 ~~**Insurance Program.**~~

27 ~~**(2) The Cabinet for Health and Family Services shall:**~~

1 **(a)** Prepare a state child health plan, to be known as KCHIP, meeting the
 2 requirements of Title XXI of the Federal Social Security Act, for submission
 3 to the Secretary of the United States Department of Health and Human
 4 Services within such time as will permit the state to receive the maximum
 5 amounts of federal matching funds available under Title XXI; ~~and~~. The
 6 cabinet shall,

7 **(b)** By administrative regulation promulgated in accordance with KRS Chapter
 8 13A, establish the following:

9 ~~1. (a)~~ The eligibility criteria for children covered by KCHIP, which
 10 shall including a provision that ~~the Kentucky Children's Health~~
 11 ~~Insurance Program. However,~~ no person eligible for services under
 12 Title XIX of the Social Security Act, 42 U.S.C. secs. 1396 to 1396v, as
 13 amended, shall be eligible for services under KCHIP, ~~the Kentucky~~
 14 ~~Children's Health Insurance Program~~ except to the extent that Title XIX
 15 coverage is expanded by KRS 205.6481 to 205.6495 and KRS 304.17A-
 16 340;

17 ~~2. (b)~~ The schedule of benefits to be covered by KCHIP ~~the Kentucky~~
 18 ~~Children's Health Insurance Program,~~ which shall: ~~include preventive~~
 19 ~~services, vision services including glasses, and dental services including~~
 20 ~~at least sealants, extractions, and fillings, and which shall~~

21 **a.** Be at least equivalent to one (1) of the following:

22 ~~i. [1.]~~ The standard Blue Cross/Blue Shield preferred provider
 23 option under the Federal Employees Health Benefit Plan
 24 established by 5 U.S.C. sec. 8903(1);

25 ~~ii. [2.]~~ A mid-range health benefit coverage plan that is offered and
 26 generally available to state employees; or

27 ~~iii. [3.]~~ Health insurance coverage offered by a health

1 maintenance organization that has the largest insured
2 commercial, non-Medicaid enrollment of covered lives in the
3 state; and

4 **b. Comply with subsection (6) of this section;**

5 ~~3.[(e)]~~ The premium contribution per family ~~for[of]~~ health insurance
6 coverage available under **KCHIP, which**~~[the Kentucky Children's~~
7 ~~Health Insurance Program with provisions for the payment of premium~~
8 ~~contributions by families of children eligible for coverage by the~~
9 ~~program based upon a sliding scale relating to family income. Premium~~
10 ~~contributions]~~ shall be based:

11 **a.** On a six (6) month period; and

12 **b. Upon a sliding scale relating to family income** not to exceed:

13 ~~i.[1.]~~ Ten dollars (\$10), to be paid by a family with income
14 between one hundred percent (100%) to one hundred thirty-
15 three percent (133%) of the federal poverty level;

16 ~~ii.[2.]~~ Twenty dollars (\$20), to be paid by a family with income
17 between one hundred thirty-four percent (134%) to one
18 hundred forty-nine percent (149%) of the federal poverty
19 level; and

20 ~~iii.[3.]~~ One hundred twenty dollars (\$120), to be paid by a
21 family with income between one hundred fifty percent
22 (150%) to two hundred percent (200%) of the federal
23 poverty level, and which may be made on a partial payment
24 plan of twenty dollars (\$20) per month or sixty dollars (\$60)
25 per quarter;

26 ~~4.[(d)]~~ There shall be no copayments for services provided under
27 **KCHIP**~~[the Kentucky Children's Health Insurance Program]; and~~

- 1 ~~5.[(e)]~~ **a.** The criteria for health services providers and insurers
2 wishing to contract with the Commonwealth to provide~~the~~
3 ~~children's health insurance~~ coverage **under KCHIP**.
- 4 **b.** ~~However,~~ The cabinet shall provide, in any contracting process
5 for **coverage of**~~the~~ preventive **services**~~health insurance~~
6 ~~program~~, the opportunity for a public health department to bid on
7 preventive health services to eligible children within the public
8 health department's service area. A public health department shall
9 not be disqualified from bidding because the department does not
10 currently offer all the services required by **this**
11 **subsection**~~paragraph (b) of this subsection~~. The criteria shall be
12 set forth in administrative regulations **pursuant to**~~under~~ KRS
13 Chapter 13A and shall maximize competition among the providers
14 and insurers. The ~~Cabinet for~~ Finance and Administration
15 **Cabinet** shall provide oversight over contracting policies and
16 procedures to assure that the number of applicants for contracts is
17 maximized.
- 18 ~~(3) [(2)]~~ Within twelve (12) months of federal approval of the state's Title XXI child
19 health plan, the Cabinet for Health and Family Services shall assure that a KCHIP
20 program is available to all eligible children in all regions of the state. If necessary,
21 in order to meet this assurance, the cabinet shall institute its own program.
- 22 ~~(4) [(3)]~~ KCHIP recipients shall have direct access without a referral from any
23 gatekeeper primary care provider to dentists for covered primary dental services
24 and to optometrists and ophthalmologists for covered primary eye and vision
25 services.
- 26 ~~(5) [(4)]~~ **KCHIP**~~The Kentucky Children's Health Insurance Plan~~ shall comply with
27 KRS 304.17A-163 and 304.17A-1631.

1 (6) The schedule of benefits required under subsection (2)(b)2. of this section shall
2 include:

3 (a) Preventive services;

4 (b) Vision services, including glasses;

5 (c) Dental services, including sealants, extractions, and fillings; and

6 (d) Coverage required under Section 6 of this Act.

7 ➔SECTION 13. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO
8 READ AS FOLLOWS:

9 (1) As used in this section:

10 (a) "Breast pump kit" means a collection of tubing, valves, flanges, bottles, and
11 other parts required to extract human milk using a breast pump;

12 (b) "Lactation consultation":

13 1. Means the clinical application of scientific principles and a
14 multidisciplinary body of evidence for evaluation, problem
15 identification, treatment, education, and consultation to families
16 regarding the course of lactation and feeding by a qualified clinical
17 lactation care practitioner; and

18 2. Includes but is not limited to:

19 a. Collecting maternal, child, and feeding history;

20 b. Assessing breastfeeding and human lactation through the
21 systematic collection of subjective and objective information;

22 c. Analyzing data;

23 d. Developing a lactation management and child feeding plan with
24 demonstration and instruction to parents;

25 e. Providing lactation and feeding education;

26 f. Recommending the use of assistive devices;

27 g. Communicating with the parent and child's primary care

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27

practitioners;

h. Referring to other healthcare providers, as needed;

i. Providing appropriate follow-up care and evaluation of
outcomes; and

j. Documenting encounters in the patient's record; and

(c) "Qualified clinical lactation care practitioner" means a licensed healthcare
practitioner whose legal scope of practice includes lactation consultation.

(2) The Department for Medicaid Services and any managed care organization
contracted to provide Medicaid services, pursuant to this chapter, shall provide
coverage for lactation consultation and breastfeeding equipment.

(3) The coverage required by this section shall:

(a) Not be subject to:

1. Any cost-sharing requirements, including but not limited to
copayments; or

2. Utilization management requirements, including but not limited to
prior authorization, prescription, or referral, except as permitted in
paragraph (d) of this subsection;

(b) Be provided in conjunction with each birth for the duration of
breastfeeding, as defined by the beneficiary;

(c) For lactation consultation, include:

1. In-person, one-on-one consultation, including home visits, regardless
of location of service provision;

2. The delivery of consultation via telehealth, as defined in KRS 211.232,
if the beneficiary requests telehealth consultation in lieu of in-person,
one-on-one consultation; or

3. Group consultation, if the beneficiary requests group consultation in
lieu of in-person, one-on-one consultation; and

1 (d) For breastfeeding equipment, include:

- 2 1. Purchase of a single-user, double electric breast pump, or a manual
 3 pump in lieu of a double electric breast pump, if requested by the
 4 beneficiary;
 5 2. Rental of a multi-user breast pump on the recommendation of a
 6 licensed health care provider; and
 7 3. Two (2) breast pump kits as well as appropriately sized breast pump
 8 flanges and other lactation accessories recommended by a licensed
 9 health care provider.

10 (4) (a) The breastfeeding equipment described in subsection (3)(d) of this section
 11 shall be furnished:

- 12 1. Within forty-eight (48) hours of notification of need, if requested after
 13 the birth of the child; or
 14 2. By the later of two (2) weeks prior to the beneficiary's expected due
 15 date or seventy-two (72) hours after notification of need, if requested
 16 prior to the birth of the child.

17 (b) If the Department for Medicaid Services cannot ensure delivery of
 18 breastfeeding equipment in accordance with paragraph (a) of this
 19 subsection, an individual may purchase equipment and the department or
 20 applicable managed care organization shall reimburse the individual for all
 21 out-of-pocket expenses incurred by the individual, including any balance
 22 billing amounts.

23 ➔Section 14. KRS 205.5372 is amended to read as follows:

24 (1) Notwithstanding any provision of law to the contrary, the cabinet shall not exercise
 25 the state's option to develop a basic health program as permitted under 42 U.S.C.
 26 sec. 18051 without first obtaining specific authorization from the General Assembly
 27 to do so.

1 **(2) If, after receiving specific authorization from the General Assembly to do so, the**
2 **cabinet establishes a basic health program, any health benefit plan made**
3 **available as part of the basic health program shall comply with Sections 5 and 6**
4 **of this Act.**

5 ➔Section 15. KRS 205.1783 is amended to read as follows:

6 In order to improve access to the Supplemental Nutrition Assistance Program, reduce
7 administrative costs associated with the program,~~and~~ enhance program integrity, **and**
8 **assist beneficiaries in transitioning into gainful employment and self-sufficiency,** the
9 cabinet shall:

10 (1) Within one hundred eighty (180) days after July 14, 2022:

11 (a) Establish a transitional benefit alternative as described in 7 C.F.R. secs.
12 273.26 to 273.32;

13 (b) Request a waiver from the United States Department of Agriculture to
14 implement:

15 1. An Elderly Simplified Application Project for individuals who have no
16 earned income and who are over sixty (60) years of age or who are
17 disabled; and

18 2. A standard medical deduction waiver for individuals who are over sixty
19 (60) years of age or are disabled;

20 (c) Establish procedures to allow Supplemental Nutrition Assistance Program
21 beneficiaries to recertify eligibility online;

22 (d) To the extent permitted under federal law, develop and implement an online
23 employment and training program, as defined in 7 U.S.C. sec. 2015(d)(4), for
24 any individual that is subject to work requirements under 7 U.S.C. sec.
25 2015(d)(1);

26 (e) Request a waiver from the United States Department of Agriculture relating to
27 Supplemental Nutrition Assistance time limit exception established in 7

1 C.F.R. sec. 273.24(c)(4); and
 2 (f) Promulgate administrative regulations in accordance with KRS Chapter 13A
 3 necessary to administer this section;~~and~~

4 (2) Within ninety (90) days after July 14, 2022, require all households receiving
 5 Supplemental Nutrition Assistance benefits, except for those households described
 6 in subsection (1)(b) of this section, to comply with the change reporting
 7 requirements permitted pursuant to 7 C.F.R. sec. 273.12(a); **and**

8 **(3) As funds are available and to the extent permitted under federal law, ensure that**
 9 **participants in Supplemental Nutrition Assistance Program Employment and**
 10 **Training program services have access to the same job support, employment, and**
 11 **training services as are offered to participants in the Kentucky Transitional**
 12 **Assistance Program job support services including but not limited to**
 13 **transportation, child care, internet access, and education.**

14 ➔Section 16. KRS 100.982 is amended to read as follows:

15 As used in KRS 100.982 to 100.984~~, unless the context otherwise requires~~:

16 (1) **"Family child-care home" has the same meaning as in KRS 199.894;**

17 **(2)** "Person with a disability" means a person with a physical, emotional, or mental
 18 disability, including, but not limited to, an intellectual disability, cerebral palsy,
 19 epilepsy, autism, deafness or hard of hearing, sight impairments, and orthopedic
 20 impairments, but not including convicted felons or misdemeanants on probation or
 21 parole or receiving supervision or rehabilitation services as a result of their prior
 22 conviction, or mentally ill persons who have pled guilty but mentally ill to a crime
 23 or not guilty by reason of insanity to a crime. "Person with a disability" does not
 24 include persons with current, illegal use of alcohol or any controlled substance as
 25 regulated under KRS Chapter 218A;~~;~~

26 **(3)**~~(2)~~ "Residential care facility" means a residence operated and maintained by a
 27 sponsoring private or governmental agency to provide services in a homelike

1 setting for persons with disabilities; and[-]

2 ~~(4)~~~~(3)~~ "Services" means, but is not limited to, supervision, shelter, protection,
3 rehabilitation, personal development, and attendant care.

4 ➔Section 17. KRS 100.984 is amended to read as follows:

5 (1) Any sponsoring private or governmental agency shall be permitted to operate a
6 residential care facility in any residential district, zone, or subdivision subject only
7 to compliance with the same limitations upon area, height, yard, screening, parking,
8 number of dwelling units, and number of occupants per dwelling unit as apply to
9 other residences in the district, zone, or subdivision. For purposes of determining
10 the number of occupants in a residential care facility, or in any of the dwelling units
11 which comprise the facility, employees of the sponsoring agency providing services
12 to persons with disabilities shall be counted only if their permanent residence is
13 maintained at the facility. No conditional use permit not otherwise required for
14 other residences within a zone or land use category shall be required for the
15 operation of a residential care facility.

16 (2) Any sponsoring private agency or individual shall be permitted to operate a
17 family child-care home in any residential district, zone, or subdivision subject
18 only to compliance with the same limitations upon area, height, yard, screening,
19 parking, number of dwelling units, and number of full-time residential occupants
20 per dwelling unit as apply to other residences in the district, zone, or subdivision.
21 No conditional use permit not otherwise required for other residences within a
22 zone or land use category shall be required for the operation of a family child-
23 care home.

24 ➔Section 18. KRS 199.894 is amended to read as follows:

25 As used in KRS 199.892 to 199.896[-, unless the context otherwise requires]:

26 (1) "Cabinet" means the Cabinet for Health and Family Services;

27 (2) "Child Care and Development Fund" has the same meaning as in 45 C.F.R. sec.

1 98.2;

2 (3) "Child Care Assistance Program" means the child care subsidy program
 3 established in Section 19 of this Act~~["Secretary" means secretary for health and~~
 4 ~~family services];~~

5 ~~(4)~~~~(3)~~ "Child-care center" means any child-care center that provides full- or part-
 6 time care, day or night, to four (4) or more children in a nonresidential setting who
 7 are not the children, grandchildren, nieces, nephews, or children in legal custody of
 8 the operator. "Child-care center" shall not include any child-care facility operated
 9 by a religious organization while religious services are being conducted, or a youth
 10 development agency. For the purposes of this section, "youth development agency"
 11 means a program with tax-exempt status under 26 U.S.C. sec. 501(c)(3), which
 12 operates continuously throughout the year as an outside-school-hours center for
 13 youth who are six (6) years of age or older, and for which there are no fee or
 14 scheduled-care arrangements with the parent or guardian of the youth served;

15 ~~(5)~~~~(4)~~ "Department" means the Department for Community Based Services; ~~and~~

16 ~~(6)~~~~(5)~~ "Family child-care home" means a private home that is the primary residence
 17 of an individual who provides full or part-time care day or night for six (6) or fewer
 18 children who are not the children, siblings, stepchildren, grandchildren, nieces,
 19 nephews, or children in legal custody of the provider; and

20 (7) "Secretary" means the secretary for health and family services.

21 ➔SECTION 19. A NEW SECTION OF KRS 199.892 TO 199.896 IS CREATED
 22 TO READ AS FOLLOWS:

23 (1) The Child Care Assistance Program is hereby established within the cabinet. The
 24 program shall utilize federal Child Care and Development Fund block grant
 25 funds to provide low-income families with financial support to find and afford
 26 quality child care.

27 (2) In administering the Child Care Assistance Program, the cabinet shall:

- 1 (a) Establish income-based eligibility criteria for the program which shall not
2 be less than eighty-five percent (85%) of the state's median household
3 income;
- 4 (b) Establish a minimum reimbursement rate for participating child care
5 providers which shall not be less than eighty-five percent (85%) of the local
6 market rate for child care providers;
- 7 (c) Establish a six (6) month benefit phase-out period for eligible participants
8 whose income increases to an amount exceeding the program's income
9 eligibility criteria; and
- 10 (d) Prohibit participating child care providers from charging overages to
11 program participants.

- 12 (3) The cabinet may promulgate administrative regulations in accordance with KRS
13 Chapter 13A as necessary to carry out the provisions of this section.

14 ➔SECTION 20. A NEW SECTION OF KRS 383.200 TO 383.285 IS CREATED
15 TO READ AS FOLLOWS:

- 16 (1) On or after the effective date of this Act, in a case for forcible entry or detainer:
- 17 (a) If the case is dismissed, the court shall order the record expunged upon the
18 expiration of one hundred eighty (180) days following the dismissal and the
19 payment of any unpaid rent not waived by the landlord. The order
20 expunging the records shall not require any action by any party; or
- 21 (b) If a judgment is entered, the court shall order the record expunged upon the
22 expiration of three (3) years following the judgment and the payment of any
23 unpaid rent not waived by the landlord.
- 24 (2) Upon entry of an order expunging a record under this section, the proceedings in
25 the matter shall be deemed never to have occurred. The court and other agencies
26 shall cause the records to be deleted or removed from their computer systems so
27 that the matter shall not appear on any official state-performed background

1 check. The court and other agencies shall reply to any inquiry that no record
2 exists on the matter. A person whose record is expunged shall not have to disclose
3 the fact of the record or any matter relating thereto on an application for
4 employment, credit, or other type of application.

5 (3) A person named in an order for forcible entry or detainer as an unemancipated
6 minor, that person's parent or guardian, or any other defendant named in the
7 order may, at any time, petition the court to expunge the name of the minor from
8 the order. If the court finds that the person was an unemancipated minor at the
9 time the order was entered, the court shall expunge the name of the minor. The
10 Administrative Office of the Courts shall establish a form for a petition pursuant
11 to this subsection.

12 ➔SECTION 21. A NEW SECTION OF KRS CHAPTER 164 IS CREATED TO
13 READ AS FOLLOWS:

14 (1) Tuition and mandatory student fees for any undergraduate program at any
15 Kentucky public postsecondary institution, including all four (4) year colleges
16 and universities and institutions of the Kentucky Community and Technical
17 College System, shall be waived for any resident of the Commonwealth who is a
18 full-time or part-time student if the student meets all entrance requirements and
19 maintains academic eligibility while enrolled at the postsecondary institution, and
20 if:

21 (a) The student is pregnant or is the parent of a child under eighteen (18) years
22 of age; and

23 (b) The student's household income is less than or equal to one hundred fifty
24 percent (150%) of the federal poverty level.

25 (2) Upon request from a postsecondary institution included in subsection (1) of this
26 section, the Department of Revenue shall confirm the eligibility status of a
27 student under subsection (1)(b) of this section.

- 1 (3) A student seeking to claim the tuition and fee waiver established under this
2 section shall complete the Free Application for Federal Student Aid to determine
3 the level of need and eligibility for state and federal financial aid programs. If the
4 sum of the tuition and fee waiver amount plus other student financial assistance,
5 excluding loans and the work-study program established under 20 U.S.C. sec.
6 1087-51 et. seq., from all sources exceeds the student's total cost of attendance, as
7 defined in 20 U.S.C. sec. 1087ll, the tuition and fee waiver shall be reduced by the
8 amount exceeding the total cost of attendance.
- 9 (4) (a) Except as provided in paragraph (b) of this subsection, a student who meets
10 the eligibility criteria established in subsection (1) of this section shall be
11 eligible for the tuition and fee waiver established in this section for each
12 academic semester beginning with his or her first academic semester of
13 enrollment through degree completion unless the student's academic
14 progress is interrupted by more than one (1) consecutive semester of non-
15 enrollment.
- 16 (b) A student whose academic progress is interrupted by more than one (1)
17 consecutive semester of non-enrollment shall remain eligible for the tuition
18 and fee waiver if the student's failure to enroll was due to serving:
- 19 1. On active duty status with the Armed Forces of the United States;
20 2. As an officer in the Commissioned Corps of the United States Public
21 Health Service; or
22 3. On active service in the federal Peace Corps or the Americorps.
- 23 (5) The Council on Postsecondary Education shall report nonidentifying data on
24 graduation rates and retention of students participating in the tuition and fee
25 waiver program established by this section to the Legislative Research
26 Commission no later than November 30 of each year.
- 27 (6) Nothing in this section shall be construed to:

- 1 (a) Guarantee acceptance, or entrance, of any individual into any
2 postsecondary institution;
- 3 (b) Limit the participation of an eligible student in any other program of
4 financial assistance for postsecondary education;
- 5 (c) Require any postsecondary institution to waive costs or fees associated with
6 room and board; or
- 7 (d) Restrict any postsecondary institution from accessing other sources of
8 financial assistance, excluding loans, that may be available to an eligible
9 student.

10 ➔Section 22. The Legislative Research Commission shall establish the Basic
11 Health Program Design Task Force to develop recommendations to be used by the
12 Cabinet for Health and Family Services in the design of a basic health program as
13 permitted under 42 U.S.C. sec. 18051. The duties of the Basic Health Program Design
14 Task Force shall include but are not limited to:

- 15 (1) Studying the basic health programs currently operating in Minnesota and New York
16 including cost-sharing requirements, provider participation rates, and provider
17 reimbursement rates;
- 18 (2) Studying eligibility options that the Cabinet for Health and Family Services may
19 consider in their design of a basic health program;
- 20 (3) Studying the potential fiscal impact of implementing a basic health program in the
21 Commonwealth;
- 22 (4) Studying the possible impact of a basic health program on access to care and
23 healthcare outcomes in the Commonwealth;
- 24 (5) Identifying strategies for implementing a basic health program in Commonwealth in
25 a manner that does not significantly increase premiums for existing qualified health
26 plans available for purchase on the Kentucky Health Benefit Exchange; and
- 27 (6) Making recommendations to the Cabinet for Health and Family Services regarding

1 the design of a basic health program.

2 ➔Section 23. The Basic Health Program Design Task Force shall be composed of
3 the following members, with final membership of the task force being subject to the
4 consideration and approval of the Legislative Research Commission:

- 5 (1) Two members of the House of Representatives appointed by the Speaker of the
6 House of Representatives, one of whom shall be designated by the Speaker of the
7 House of Representatives as a co-chair of the task force;
- 8 (2) One member of the House of Representatives appointed by the Minority Floor
9 Leader of the House of Representatives;
- 10 (3) Two members of the Senate appointed by the President of the Senate, one of whom
11 shall be designated by the President of the Senate as a co-chair of the task force;
- 12 (4) One member of the Senate appointed by the Minority Floor Leader of the Senate;
- 13 (5) The secretary of the Cabinet for Health and Family Services or his or her designee;
- 14 (6) The executive director of the Kentucky Association of Health Plans or his or her
15 designee; and
- 16 (7) The executive director of Kentucky Voices for Health or his or her designee.

17 ➔Section 24. The Basic Health Program Design Task Force shall meet at least
18 monthly during the 2024 Interim of the General Assembly and shall submit its findings
19 and recommendations to the Cabinet for Health and Family Services and to the
20 Legislative Research Commission for referral to the appropriate committee or committees
21 by December 1, 2024.

22 ➔Section 25. Provisions of Sections 22 to 24 of this Act to the contrary
23 notwithstanding, the Legislative Research Commission shall have the authority to
24 alternatively assign the issues identified therein to an interim joint committee or a
25 subcommittee thereof, and to designate a study completion date.

26 ➔Section 26. Sections 22 to 25 of this Act shall have the same legal status as a
27 Senate Concurrent Resolution.

1 ➔Section 27. As is required by KRS 205.5372, the Cabinet for Health and Family
2 Services is hereby authorized, effective January 1, 2025, to develop and administer a
3 basic health program as permitted under 42 U.S.C. sec. 18051. In developing a basic
4 health program, the Cabinet for Health and Family Services shall consider the
5 recommendations of the Basic Health Program Design Task Force established in Sections
6 22 to 26 of this Act.

7 ➔Section 28. The Cabinet for Health and Family Services is hereby directed to
8 exercise the state plan amendment option permitted under 42 U.S.C. sec. 1396n(i) to
9 provide supported housing and supported employment services to individuals enrolled in
10 the state's medical assistance program who have been diagnosed with a serious mental
11 illness. The Cabinet for Health and Family Services shall prepare and submit to the
12 federal Centers for Medicare and Medicaid Services any state plan amendment or waiver
13 application that may be required under federal law prior to providing services described
14 in this section. If the Cabinet for Health and Family Services determines that a state plan
15 amendment or waiver application is required in order to provide the services described in
16 the section, the cabinet shall prepare and submit the required application no later than
17 December 31, 2024. The Cabinet for Health and Family Services shall, in accordance
18 with KRS 205.525, provide a copy of any state plan amendment or waiver application
19 submitted to the federal Centers for Medicare and Medicaid Services pursuant to this
20 section to the Interim Joint Committee on Health Services and the Interim Joint
21 Committee on Appropriations and Revenue no later than December 31, 2024 and shall
22 provide updates on the status of the application to the Legislative Research Commission
23 upon request.

24 ➔Section 29. The Cabinet for Health and Family Services is hereby directed to,
25 no later than December 31, 2024, prepare and submit a Section 1332 State Innovation
26 Waiver application, as permitted under 42 U.S.C. sec. 18052, to the federal Centers for
27 Medicare and Medicaid Services to request waiver of the single risk pool requirement

1 established in 45 C.F.R. 156.80 and to establish a state-based reinsurance program. The
2 Cabinet for Health and Family Services shall, in accordance with KRS 205.525, provide a
3 copy of the waiver application submitted to the federal Centers for Medicare and
4 Medicaid Services pursuant to this section to the Interim Joint Committee on Health
5 Services and the Interim Joint Committee on Appropriations and Revenue no later than
6 December 31, 2024 and shall provide updates on the status of the application to the
7 Legislative Research Commission upon request.

8 ➔Section 30. The Cabinet for Health and Family Services is hereby directed to,
9 no later than December 31, 2024, prepare and submit to the United States Department of
10 Agriculture's Food and Nutrition Service a waiver application seeking federal
11 authorization and approval to accept Supplemental Nutrition Assistance Program
12 applications from incarcerated individuals up to six months prior to release from
13 incarceration. Nothing in this section shall be interpreted as requiring the Cabinet for
14 Health and Family Services or any other state agency to provide nutrition assistance
15 benefits to an incarcerated individual prior to his or her release from incarceration. The
16 Cabinet for Health and Family Services shall provide a copy of the waiver application
17 submitted to the United States Department of Agriculture's Food and Nutrition Service
18 pursuant to this section to the Interim Joint Committee on Families and Children no later
19 than December 31, 2024 and shall provide updates on the status of the application to the
20 Legislative Research Commission upon request.

21 ➔Section 31. There is hereby appropriated General Fund moneys in the amount
22 of \$5,000,000 in each fiscal year of the 2024-2026 fiscal biennium to the Kentucky
23 Housing Corporation for a rental assistance program to provide monthly rental assistance
24 to eligible individuals. To be eligible to receive assistance under this section, an
25 individual shall qualify for Section 8 housing assistance from the United State
26 Department of Housing and Urban Development under 24 C.F.R. pt. 982, and be:

27 (1) Pregnant; or

1 (2) A member of a household that includes at least one child under five years of age.
2 In providing assistance, the Kentucky Housing Corporation shall give priority to
3 individuals who expend more than 30 percent of their income on rent for housing.
4 Awards for the rental assistance program shall be, at a minimum, for the full term of the
5 eligible individual's current lease. Notwithstanding KRS 45.229, the General Fund
6 appropriations under this section shall not lapse and shall carry forward.

7 ➔Section 32. There is hereby appropriated General Fund moneys in the amount
8 of \$1,000,000 in each fiscal year of the 2024-2026 fiscal biennium to the Department of
9 Agriculture to establish a cents-per-meal reimbursement program in support of the Farm-
10 to-School program. The department shall provide reimbursement to schools that
11 incorporate Kentucky Proud™ certified agricultural products into school meals at a rate
12 of \$0.20 per meal. Notwithstanding KRS 45.229, the General Fund appropriations under
13 this section shall not lapse and shall carry forward.

14 ➔Section 33. There is hereby appropriated General Fund moneys in the amount
15 of \$100,000 in each fiscal year of the 2024-2026 fiscal biennium to the Department of
16 Agriculture to support the Senior Farmers' Market Nutrition Program. Notwithstanding
17 KRS 45.229, the General Fund appropriations under this section shall not lapse and shall
18 carry forward.

19 ➔Section 34. There is hereby appropriated General Fund moneys in the amount
20 of \$100,000 in each fiscal year of the 2024-2026 fiscal biennium to the Cabinet for
21 Health and Family Services for the expansion of the Women, Infants, and Children
22 Famers Market Nutrition Program into Jefferson County. Notwithstanding KRS 45.229,
23 the General Fund appropriations under this section shall not lapse and shall carry
24 forward.

25 ➔Section 35. There is hereby appropriated General Fund moneys in the amount
26 of \$2,000,000 in each fiscal year of the 2024-2026 fiscal biennium to the Cabinet for
27 Health and Family Services for the expansion of Supplemental Nutrition Assistance

1 Program Employment and Training program job supports, employment, and training
2 services, including but not limited to transportation, child care, internet access, and
3 education. Notwithstanding KRS 45.229, the General Fund appropriations under this
4 section shall not lapse and shall carryforward.

5 ➔Section 36. There is hereby appropriated General Fund moneys in the amount
6 of \$247,750,000 in each fiscal year of the 2024-2026 fiscal biennium to the Cabinet for
7 Health and Family Services for the continuation of federally-approved modifications of
8 the Child Care Assistance Program including but not limited to: income eligibility of
9 85% of the state's median household income; a provider reimbursement rate of at least
10 85% of the local market rate; a six-month benefit phase-out with a 50% reduction in child
11 care payment assistance; and quarterly sustainability payments to providers.
12 Notwithstanding KRS 45.229, the General Fund appropriations under this section shall
13 not lapse and shall carry forward.

14 ➔Section 37. There is hereby appropriated General Fund moneys in the amount
15 of \$1,413,100 and Federal Fund moneys in the amount of \$3,297,300 in fiscal year 2024-
16 2025 to support 140 additional Home and Community Based waiver slots, and General
17 Fund moneys in the amount of \$2,826,200 and Federal Fund moneys in the amount of
18 \$6,594,600 in fiscal year 2025-2026 to support 140 additional Home and Community
19 Based waiver slots for a total of 280 additional waiver slots over the 2024-2026 fiscal
20 biennium. The additional waiver slots shall be phased in on a monthly basis with an equal
21 number of slots to be released each month until the total number of additional slots
22 funded for each fiscal year is met.

23 ➔Section 38. There is hereby appropriated General Fund moneys in the amount
24 of \$16,050,200 and Federal Fund moneys in the amount of \$31,450,500 in fiscal year
25 2024-2025 to support 1,050 additional Michelle P. waiver slots, and General Fund
26 moneys in the amount of \$32,100,400 and Federal Fund moneys in the amount of
27 \$74,900,900 in fiscal year 2025-2026 to support 1,050 additional Michelle P. waiver slots

1 for a total of 2,100 additional waiver slots over the 2024-2026 fiscal biennium. The
2 additional waiver slots shall be phased in on a monthly basis with an equal number of
3 slots to be released each month until the total number of additional slots funded for each
4 fiscal year is met.

5 ➔Section 39. There is hereby appropriated General Fund moneys in the amount
6 of \$12,530,900 and Federal Fund moneys in the amount of \$29,238,700 in fiscal year
7 2024-2025 to support 400 additional Supports for Community Living waiver slots, and
8 General Fund moneys in the amount of \$25,061,800 and Federal Fund moneys in the
9 amount of \$58,477,400 in fiscal year 2025-2026 to support 400 additional Supports for
10 Community Living waiver slots for a total of 800 additional waiver slots over the 2024-
11 2026 fiscal biennium. The additional waiver slots shall be phased in on a monthly basis
12 with an equal number of slots to be released each month until the total number of
13 additional slots funded for each fiscal year is met.

14 ➔Section 40. There is hereby appropriated General Fund moneys in the amount
15 of \$5,000,000 in each fiscal year of the 2024-2026 fiscal biennium to the Cabinet for
16 Health and Family Services to support a supplemental Women, Infants and Children's
17 Program payment for program participants who lose eligibility for the Supplemental
18 Nutrition Assistance Program due to an increase in income on or after July 1, 2024. The
19 supplemental payment shall be equal to one half of the benefit the individual was
20 receiving through the Supplemental Nutrition Assistance Program at the time that he or
21 she was deemed ineligible for continued Supplemental Nutrition Assistance Program
22 benefits. The supplemental Women, Infants, and Children's payments made pursuant to
23 this section shall only be disbursed for a period of six months. Notwithstanding KRS
24 45.229, the General Fund appropriations under this section shall not lapse and shall carry
25 forward.

26 ➔Section 41. If the Cabinet for Health and Family Services determines that a
27 state plan amendment, waiver, or any other form of approval or authorization from a

1 federal agency is necessary prior to the implementation of any provision of this Act, the
2 cabinet shall, within 120 days after the effective date of this section unless otherwise
3 specified in this Act, request the state plan amendment, waiver, approval, or authorization
4 and shall only delay full implementation of those provisions for which a state plan
5 amendment, waiver, approval, or authorization was deemed necessary until the state plan
6 amendment, waiver, approval, or authorization is granted. The cabinet shall, in
7 accordance with KRS 205.525, provide a copy of any state plan amendment, waiver, or
8 other approval or authorization submitted pursuant to this section to the Interim Joint
9 Committee on Health Services and the Interim Joint Committee on Appropriations and
10 Revenue and shall provide an update on the status of any application to the Legislative
11 Research Commission upon request.

12 ➔Section 42. (1) For purposes of 45 C.F.R. sec. 156.115, the benefits required
13 under Section 6 of this Act are intended to be, and shall be considered, substantially equal
14 to the benefits required under the state's EHB-benchmark plan.

15 (2) For purposes of 45 C.F.R. sec. 155.170, the benefits required under Section 6 of this
16 Act are intended to be, and shall be considered by the Commonwealth as, "a benefit
17 required by State action . . . for purposes of compliance with Federal requirements," and
18 therefore, the Commonwealth shall not consider or identify the benefits required under
19 Section 6 of this Act as being in addition to the essential health benefits required under
20 federal law.

21 (3) The "Federal requirements" referred to in subsection (2) of this section include:

22 (a) The requirement to provide coverage for essential health benefits, which shall
23 include items and services covered within the category of maternity and
24 newborn care, as required under 42 U.S.C. sec. 18022(b)(1)(D), as amended,
25 and any related federal regulations; and

26 (b) The requirement to provide coverage, and not impose cost sharing
27 requirements for certain items, services, care, and screenings, as required

1 under 42 U.S.C. sec. 300gg-13(a), as amended, and any related federal
2 regulations, as amended.

3 (4) If the Commonwealth would, or would likely, be required to make payments to
4 defray the cost of any requirement under Section 5 or 6 of this Act, as provided under 42
5 U.S.C. sec. 18031(d)(3) and 45 C.F.R. sec. 155.170, as amended, then the Department of
6 Insurance shall, within 90 days of the effective date of this section, apply for a waiver
7 under 42 U.S.C. sec. 18052, as amended, or any other applicable federal law of all or any
8 of the cost defrayal requirements.

9 (5) The commissioner of the Department of Insurance and any other state official or
10 state agency shall:

11 (a) Comply with the requirements of this section; and

12 (b) Not take any action that is in violation of or in conflict with this section.

13 ➔Section 43. Sections 5 to 10 of this Act apply to health benefit plans issued or
14 renewed on or after January 1, 2025.

15 ➔Section 44. Sections 5, 6, 7, 8, 9, 10, 14, and 27 of this Act take effect on
16 January 1, 2025.

17 ➔Section 45. This Act may be cited as the Advancing Lives for Pregnancy and
18 Healthy Alternatives Act or the ALPHA Act.