

Insurance Legislation Adopted by the 2007 Kentucky General Assembly (Regular session)

**COMMONWEALTH OF KENTUCKY
OFFICE OF INSURANCE
Frankfort, Kentucky**

BULLETIN 2007 - 02

**INSURANCE LEGISLATION ADOPTED BY THE
2007 KENTUCKY GENERAL ASSEMBLY (REGULAR SESSION)**

MAY 15, 2007

THIS BULLETIN IS FOR INFORMATION PURPOSES ONLY. IT DOES NOT AMEND OR INTERPRET PROVISIONS OF THE KENTUCKY REVISED STATUTES OR THE KENTUCKY ADMINISTRATIVE REGULATIONS. THE COMPLETE AND ACCURATE TEXT OF THE LAW CAN BE SECURED WHEN THE 2007 ACTS OF THE KENTUCKY GENERAL ASSEMBLY ARE PUBLISHED IN THE SUMMER OF 2007. UNLESS OTHERWISE NOTED, THE EFFECTIVE DATE OF THE LEGISLATION IS JUNE 26, 2007.

(Bills as enacted are available on the LRC Web site at www.lrc.ky.gov/record/07rs/record.htm)

Senate Bill 22 – TRICARE Supplement

This bill amends KRS 18A to require the Personnel Cabinet to offer and pay for a TRICARE supplement to eligible employees. The bill further permits an eligible employee to choose coverage through either the TRICARE supplement policy or the public employee health insurance program.

Contact: Personnel Cabinet
(502) 564-0358

Senate Bill 68 – Motor Vehicle Insurance

The bill amends KRS 304.39-080 to prohibit an individual from operating a motor vehicle without insurance. This prohibition currently exists in the penalty statute, KRS 304.99-060.

Contact: Property and Casualty Division
(502) 564-6046

Senate Bill 175 – Large Group Health Benefit Plans

This bill creates a new section of KRS 304.17A-846 to require insurers to provide specific premium, enrollment and utilization data to a large group with 51 or more enrolled employees. The report must be provided within thirty (30) calendar days after receipt of a written request. However, an insurer is not required to produce reports more than twice annually.

Contact: Health Insurance Policy and Managed Care Division
(502) 564-6088

Senate Resolution 131 – Captive Insurance Industry

This resolution supports the growth and development of the captive insurance industry in Kentucky and

encourages government and economic development leaders to promote Kentucky as an ideal location to establish a captive insurer.

Contact: Financial Standards and Examination Division
(502) 564-6082

House Bill 185 – Cardiovascular Disease Initiative; e-Health Network

This bill creates a new program, the Kentucky Cardiovascular Disease Initiative (KCDI), which is aimed at preventing and reducing the prevalence of cardiovascular disease in Kentucky through early detection and education. The KCDI is governed by a 28-person board, attached to the Cabinet for Health and Family Services. The Board includes the executive director of the Office of Insurance.

The bill also gives the e-Health Network Board the authority to establish an e-Health corporation to facilitate public-private collaboration in the implementation of the network, and appropriates federal grant funds for the Kentucky Health Information Partnership program.

Contact: Executive Director's Office
(502) 564-6026

House Bill 191– Medical Care for Prisoners Confined in Jails

Section 3 of this bill creates a new statute in KRS Chapter 441 that requires insurance companies to pay for the medical care of their insured while the insured is in the local or regional jail, but prior to conviction of a felony. Payment is contingent on the following: the medical services are covered benefits under the insurance policy, reimbursement is made in accordance with the terms and conditions of the policy and the premium for the health insurance is paid.

Contact: Health Insurance Policy and Managed Care Division
(502) 564-6088

House Bill 296 – Workers' Compensation Premium Reduction

Section 3 of this bill amends KRS 304.13-167 to require the executive director to approve rating plans for workers' compensation insurance that provide a premium credit to employers who implement a drug-free workplace program in accordance with administrative regulations adopted by the Office of Workers' Claims. The premium credit shall be at least five percent (5%) unless the executive director determines that five percent (5%) is actuarially unsound. The bill also authorizes the executive director to develop a schedule of premium credits for workers' compensation insurance for employers who have safety programs that contain certain criteria for safety program. Any premium credit for a drug-free workplace is not available to employers who receive a credit under KRS 304.13-412 or Chapter 351 regarding drug-safety programs in coal mines.

Contact: Property and Casualty Division
(502) 564-6046

House Bill 443 – Electronic Data Matches and Levies

This bill amends KRS 131.672 to require the development of a financial institution match system implemented by the Department of Revenue for the seizing of financial assets of delinquent taxpayers. The bill imposes fines for failure to comply within 90 days of notification by the Department of Revenue

and further requires the financial institution, including insurers, to forfeit its license to do business in the Commonwealth for failure or refusal to comply within 120 days of notification by the Department of Revenue.

Contact: Department of Revenue
(502) 564-4581

_____/s/ Julie Mix McPeak_____

_____/05/15/2007_____

Julie Mix McPeak
Executive Director
Kentucky Office of Insurance

Date