Kentucky

In recent legislative terms, Kentucky introduced a number of bills aimed at addressing surprise billing (balance billing). However, none of the efforts passed at the end of the session for the past 4 years. A more narrow effort to promote price transparency in the area of air ambulance also failed in both 2015 (HB 171) and 2019 (SB 86).

The legislature had more success in regulating the prior authorization process. In 2019, the state passed SB 54, which requires insurers to develop processes for electronic prior authorizations and prohibits a requirement of a utilization review for emergency health care services, establishing a presumption of medical necessity.

In the 2018 legislative term, the legislature focused on healthcare price transparency legislation aimed at prescription drugs and regulation of pharmacy benefit managers (PBM). The state passed HB 463, which prohibits overpayment for prescription drugs ("clawbacks") as well as "gag clauses" that forbid pharmacists from telling consumers about cheaper options. The legislature also passed SB 5, which requires PBMs to disclose their contracts with Kentucky managed care organizations and provides the state authority to review and approve the contracts. The legislation hopes to improve transparency to help make prescription medications more affordable.