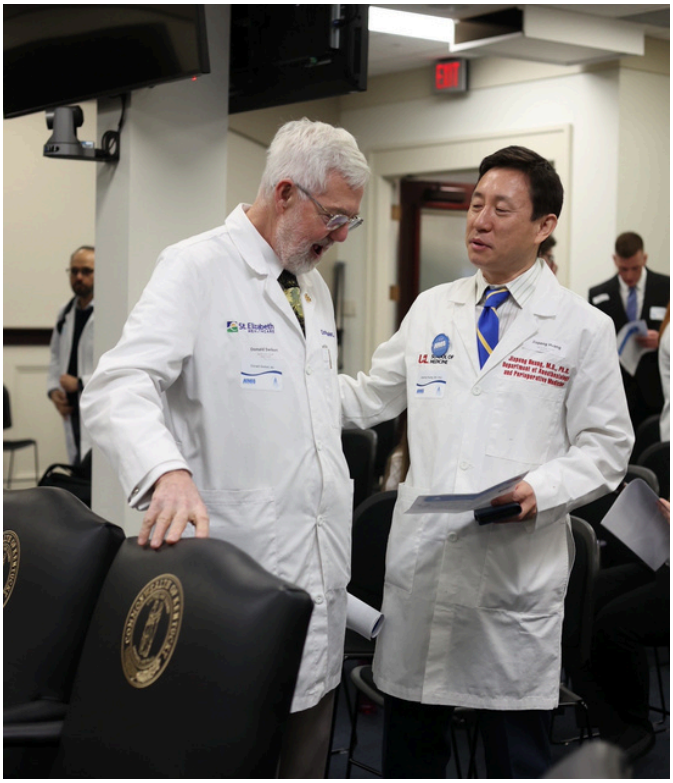
KMA

KENTUCKY MEDICAL ASSOCIATION

Physicians Caring for Kentucky

ADVOCACY IN ACTION ACHIEVEMENT REPORT 2026



2026
LEGISLATIVE SESSION

The 2026 Regular Session of the Kentucky General Assembly officially concluded with adjournment sine die on April 15, marking the end of the 60-day budget session. Lawmakers passed a total of 193 bills, including 120 House bills and 73 Senate bills, along with 11 joint and concurrent resolutions. The General Assembly reconvened for the final two days of the session and moved quickly to override vetoes issued by Governor Andy Beshear during the recess. In total, lawmakers overrode all 36 vetoes, including most line-item vetoes on six appropriation bills.

The primary focus of the session was the passage of the biennial state budget through **HB 500**, along with **HB 900**, which directed one-time investments from the Budget Reserve Trust Fund toward infrastructure, education, and economic development priorities. Medicaid policy also remained a central issue throughout the session. HB 500 included the largest state investment in Medicaid to date, while HB 2 advanced significant reforms aimed at balancing access, cost, and accountability. In addition to the various Medicaid proposals, lawmakers considered and passed a wide range of healthcare-related measures impacting coverage, workforce, and public health.

KMA remained actively engaged throughout the session, advocating for policies that support physicians and protect patient care.

KMA PRIORITIES

Prior Authorization: After five years of sustained advocacy, KMA's priority legislation on prior authorization reform, **HB 176**, passed the General Assembly and was signed into law. This achievement reflects years of collaboration focused on reducing administrative burden and removing barriers that delay patient care.

The law establishes a prior authorization exemption program, often referred to as "gold carding," for physicians who have been approved for a specific service at least 93 percent of the time and meet additional insurer criteria. These physicians will no longer be required to complete repeated prior authorization requests for routinely approved services, allowing them to deliver care more efficiently and without unnecessary delays. The legislation also includes enhanced reporting requirements for insurers and the state Medicaid program, providing lawmakers with greater insight into prior authorization trends and helping inform future policy decisions.

HB 176 applies to state-regulated health plans, including those offered through Kynect and the Kentucky Employees' Health Plan; however, it does not extend to federally governed plans such as Medicare, Medicaid, VA/Tricare, or self-funded ERISA plans. Prescription drugs are not automatically included, although insurers may choose to incorporate them into exemption programs. This milestone marks meaningful progress and builds momentum for a more efficient and transparent prior authorization system in Kentucky. Effective implementation will be critical, and continued physician engagement will help ensure the law achieves its intended impact. A more in-depth summary of the provisions and applicability of HB 176 is available on the **KMA website**.

Physician Workforce: Addressing the physician shortage in Kentucky remains a top priority for KMA. **SJR 116** directs the University of Kentucky, University of Louisville, and Eastern Kentucky University to collaborate to identify solutions to strengthen the state's physician workforce, particularly in underserved areas. The study will evaluate strategies such as expanding residency programs, leveraging the J-1 visa waiver program, enhancing loan repayment incentives, and emerging technologies such as artificial intelligence.

While recent efforts have focused heavily on non-physician providers, this resolution signals a needed shift toward strengthening the physician workforce. KMA is encouraged by this approach and looks forward to contributing as a key stakeholder as recommendations are developed.

Scope of Practice: Protecting physician-led care continued to be a major focus for KMA this session. Following extensive advocacy, a compromise was reached to amend **SB 116** to preserve the physician supervision model for physician assistants. As originally drafted, the bill would have replaced supervision with a collaborative model that could have opened the door to independent practice. The revised legislation maintains physician oversight while modernizing the process through supervision agreements that allow for greater efficiency and site-based decision-making. The bill also permits physician assistants to prescribe Schedule II medications under physician supervision and authorizes them to perform vision testing for the Transportation Cabinet.

At the same time, KMA strongly opposed several proposals that would have moved away from the physician-led model. **SB 12** would have authorized Level IV trauma centers to staff emergency departments with non-physician providers under off-site physician supervision. While workforce and access challenges in rural areas are significant, KMA and the Kentucky Chapter of the American College of Emergency Physicians (KACEP) raised serious concerns that this approach does not reflect the realities of emergency medicine, where immediate on-site physician-led decision-making is critical. Together, the groups successfully emphasized that off-site supervision is effectively no supervision at all. Although the bill passed the Senate, it did not advance in the House.

Similarly, **HB 444** would have significantly expanded the scope of practice for audiologists by authorizing independent diagnosis, treatment, prescribing, and certain procedural interventions beyond their traditional training. KMA joined the American Academy of Otolaryngology–Head and Neck Surgery and the Kentucky Society of Otolaryngology in opposing the bill due to patient safety concerns and the risk of delayed or missed diagnoses. Although the bill did not advance this session, similar proposals are expected to return in future sessions.

Physician Wellness: KMA also advanced efforts to support physician wellness and reduce barriers to seeking care. **SB 78**, a broader physician credentialing proposal, included KMA-supported provisions to reform credentialing practices that can discourage physicians from seeking mental health or substance use treatment. Specifically, the bill would have required standardized credentialing applications and prohibited questions about past or current health conditions that do not impair a physician's ability to practice safely.

According to a recent Physicians' Foundation survey, 4 in 10 physicians report being afraid, or knowing a colleague who is afraid, to seek mental health care due to intrusive questions on licensure and credentialing applications. More than half of physicians report knowing a colleague who has considered, attempted, or died by suicide. These findings highlight the urgent need to reduce stigma and remove unnecessary barriers to care.

Although SB 78 did not pass this session, this marks the first year these provisions were introduced. KMA remains committed to advancing these reforms and continuing discussions with legislators to better support physician well-being while maintaining patient safety.

OTHER HEALTHCARE BILLS THAT PASSED

Medicaid: As in recent sessions, multiple bills were introduced addressing various aspects of the state Medicaid program. **HB 2** advances a comprehensive set of reforms that align the state's Medicaid program with new federal requirements. A central provision establishes a community engagement requirement of up to 80 hours per month for certain enrollees.

Beginning October 1, 2028, the bill also reinstates cost-sharing, including copays of up to $5 for some healthcare services and $1 for prescription medications. However, important exemptions apply, including for primary care, mental health services, substance use disorder treatment, and federally protected populations, among others. HB 2 also requires the Department for Medicaid Services to conduct redeterminations every six months starting in 2027 and limits the Cabinet for Health and Family Services' ability to make program changes without legislative approval.

While HB 2 represents a significant policy shift, the final version reflects a more phased and flexible approach intended to mitigate disruption to patients and providers. A detailed summary of HB 2 is available on the **KMA website**.

SCR 9 directs a feasibility study of Kentucky's Medicaid delivery system to evaluate whether the state should pilot an Accountable Communities for Health model as an alternative to the current Medicaid managed care structure. This model emphasizes integrated, community-based care that addresses both medical and social drivers of health.

Provisional Licensure: Building on last year's efforts to pass a similar proposal, **SB 137** establishes a pathway to provisional licensure for certain internationally trained physicians. Eligible physicians will practice in underserved areas under supervision for up to three years before transitioning to a full license. The Board of Medical Licensure retains authority to revoke a provisional license for professional misconduct or failure to maintain qualifying employment. The bill also directs the Board to promulgate administrative regulations governing eligibility and transition to full licensure. KMA will closely monitor the implementation of this proposal to ensure any new licensure pathways continue to protect patients and uphold established standards of care.

Psychiatric Collaborative Care Model: After being introduced in prior sessions, **HB 178** was successfully enacted this year and requires health plans to cover services delivered through the psychiatric collaborative care model. This model integrates mental health treatment into primary care by covering services billed under CPT codes 99492, 99493, and 99494. This team-based approach allows primary care physicians to work alongside a behavioral healthcare manager and a consulting psychiatrist to better meet behavioral health needs within primary care settings. The bill applies to health plans beginning in 2027 and allows coverage determinations based on medical necessity consistent with federal parity laws.

Coverage for Feeding or Eating Disorders: HB 169 removes BMI as the sole determining factor for insurance coverage of eating disorder treatment and instead requires insurers to base medical necessity on clinical need, including eating behaviors and the level of support required for treatment. The change addresses longstanding concerns that patients may lose coverage if they meet certain weight thresholds despite ongoing medical instability. Implementation is expected to begin in 2027, pending required federal approvals. KMA policy supports evidence-based treatment for eating disorders and the removal of insurance-related barriers designed to deny or restrict such treatment.

Organ Donation: To help ensure patient safety and maintain public trust in the organ donation system, **HB 510** establishes additional safeguards in the organ donation process. The bill requires procedures to pause if there are signs of life or uncertainty about a patient's condition and mandates a full reassessment before proceeding. It also protects individuals who raise concerns about the process and strengthens reporting and oversight requirements to promote transparency and accountability.

Ibogaine Research: SB 77 creates a framework for future research into ibogaine as a potential treatment for substance use and mental health disorders. The legislation creates a structure for clinical research through public-private partnerships tied to future FDA-approved clinical trials but stops short of appropriating any state funding. Although initially vetoed, the veto was overridden by the General Assembly in the final days of the session.

OTHER HEALTHCARE BILLS THAT DID NOT PASS

Billing Reform: SB 201 would have required Medicaid and managed care organizations to cover at least two evaluation and management service units per provider, per patient, per day, modifying the current rule, which limits coverage to one per day. This change would better reflect the complexity of patient care while reducing administrative and financial burdens on physicians. This issue has been a longstanding priority of the Kentucky Medicaid Physicians' Technical Advisory Committee, and while this SB 201 did not pass, the Department for Medicaid Services has initiated this change through administrative regulations.

Medical Conscience: SB 72 would have provided legal protections for healthcare professionals who decline to participate in certain services based on conscientious objections. Versions of this legislation have been introduced in several recent sessions but have yet to pass, including again this year. KMA took no position on the bill, noting that existing guidance in the American Medical Association's Code of Ethics already addresses issues relating to physician conscience.

Emergency Department Staffing: In contrast to SB 12, **HB 107** would have required hospitals providing emergency services to have a board-certified physician on-site at all times. The bill aligns with KMA policy supporting physician-led emergency care and reflects ongoing concerns about maintaining quality and safety in high-acuity settings. KMA, along with the Kentucky Chapter of the American College of Emergency Physicians, supported its passage.

Sunscreen in Schools: Supported by KMA and the Kentucky Dermatological Association, HB 586 would have allowed students to carry and self-apply sunscreen by defining it as an FDA-approved over-the-counter product rather than a medication. A parent or guardian note would be sufficient to authorize the use of sunscreen for students in kindergarten through grade 5, while no such note would be required for students in grades 6 through 12. This aligns with KMA policy, which supports access to UV protection in school settings.

Water Fluoridation: HB 103 and **SB 55**, companion bills introduced in both chambers, would have allowed local water systems to opt out of fluoridation and provided liability protections for those decisions. Similar legislation has been introduced in previous sessions but has not advanced. KMA continues to support water fluoridation at levels demonstrated to promote optimal dental health based on current evidence and best practices.

Breast Cancer Coverage: HB 135 would have expanded and modernized coverage for breast cancer screenings. The bill proposed requiring annual mammography coverage for individuals ages 40 to 49, expanding supplemental imaging based on individual risk, and eliminating cost-sharing for covered examinations. These changes were intended to improve early detection and align coverage requirements with current clinical guidelines.

Cigar Bar Exemptions: HB 194, another bill returning from last session, would have allowed cigar bars to operate in otherwise smoke-free communities, provided they meet certain conditions. KMA continues to advocate for strong smoke-free laws and other public health efforts to reduce tobacco use and limit exposure to secondhand smoke across the Commonwealth.

Youth Vaping: Aimed at addressing youth nicotine use and strengthening targeted intervention efforts, SB 74 would have directed settlement funds from the JUUL e-cigarette litigation to youth prevention and cessation programs. KMA joined a coalition of public health and youth advocacy organizations in signing a letter in support of the legislation.

THC Beverages: Reflecting a continued focus of the General Assembly on regulating THC and cannabis-infused beverages, SB 223 would have established a new regulatory framework by placing these products under the jurisdiction of the Department of Alcoholic Beverage Control. The bill would have also allowed sales in licensed establishments such as bars and restaurants in wet territories, while restricting sales to individuals age 21 and older and creating open-container violations.

Buprenorphine Administrative Regulations: Companion bills **HB 153** and **SB 82** sought to revise the regulatory authority related to medications used in the treatment of substance use disorder. The legislation would have deemed certain existing regulations on buprenorphine products as deficient and unenforceable. It would have also limited the ability of licensing boards to adopt new rules that restrict access to FDA-approved Schedule III, IV, or V medications for substance use disorder treatment, while preserving their general regulatory authority over other controlled substances.

Non-Opioid Pain Parity: SB 56 would have ensured non-opioid pain treatments are not disadvantaged under the state's Medicaid program. The bill prohibited denying coverage of non-opioid medications in favor of opioids and restricted the use of stricter utilization controls, such as prior authorization or step therapy, for non-opioid treatments.

Violence in Healthcare Settings: Preventing violence in healthcare settings has been another emerging issue in recent years. HB 248 would have allowed hospitals to create their own police departments, granting officers the authority to make arrests, enforce hospital rules, protect staff and patients on hospital property, and cooperate with other law enforcement.

A related measure, **HB 713**, would have created a more comprehensive system to prevent and respond to workplace violence, including required staff training, incident reporting protocols, and ongoing support for affected healthcare workers. The bill also included a safe harbor provision for accredited facilities that meet specified safety standards. KMA supports continued efforts to strengthen protections for physicians and healthcare teams.

Pharmaceutical Drug Safety: HB 729, also known as Jimmie's Law, would have established a new regulatory framework for facilities that procure, handle, or distribute prescription drugs. The bill would have required such facilities, including physician practices, to obtain a permit, designate a responsible practitioner, and comply with new inspection and reporting requirements. The bill also granted the Board of Pharmacy broad enforcement authority to inspect facilities, issue emergency license suspensions, and share disciplinary information with professional licensing boards.

THANK YOU

KMA's success this session is a direct result of the strong commitment and engagement of members across the state. Your advocacy was instrumental in advancing prior authorization reforms and protecting physician-led care. These collective efforts continue to make a meaningful difference for physicians and patients in the Commonwealth.

Looking ahead, this election year presents an important opportunity to support a pro-medicine legislature. The Kentucky Physicians Political Action Committee (KPPAC) plays a key role in the future direction of healthcare policy in Kentucky by ensuring physicians continue to have a strong voice in Frankfort. To learn more about how you can contribute to KPPAC, please visit www.kppac.org.