

FIRST REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
SENATE SUBSTITUTE NO. 2 FOR
SENATE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 62
96TH GENERAL ASSEMBLY

0521L.07C

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal sections 190.839, 191.227, 198.439, 208.437, 208.480, 338.550, and 633.401, RSMo, and to enact in lieu thereof seven new sections relating to health care providers.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Sections 190.839, 191.227, 198.439, 208.437, 208.480, 338.550, and
2 633.401, RSMo, are repealed and seven new sections enacted in lieu thereof, to be known as
3 sections 190.839, 191.227, 198.439, 208.437, 208.480, 338.550, and 633.401, to read as follows:

190.839. Sections 190.800 to 190.839 shall expire on September 30, [2011] **2016**.

191.227. 1. All physicians, chiropractors, hospitals, dentists, and other duly licensed
2 practitioners in this state, herein called "providers", shall, upon written request of a patient, or
3 guardian or legally authorized representative of a patient, furnish a copy of his or her record of
4 that patient's health history and treatment rendered to the person submitting a written request,
5 except that such right shall be limited to access consistent with the patient's condition and sound
6 therapeutic treatment as determined by the provider. Beginning August 28, 1994, such record
7 shall be furnished within a reasonable time of the receipt of the request therefor and upon
8 payment of a fee as provided in this section.

9 2. Health care providers may condition the furnishing of the patient's health care records
10 to the patient, the patient's authorized representative or any other person or entity authorized by
11 law to obtain or reproduce such records upon payment of a fee for:

12 (1) **(a)** Copying, in an amount not more than [seventeen] **twenty-one** dollars and [five]
13 **thirty-six** cents plus [forty] **fifty** cents per page for the cost of supplies and labor **plus, if the**

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

14 **health care provider has contracted for off-site records storage and management, any**
15 **additional labor costs of outside storage retrieval, not to exceed twenty dollars, as adjusted**
16 **annually pursuant to subsection 5 of this section; or**

17 **(b) If the health care provider stores records in an electronic or digital format, and**
18 **provides the requested records and affidavit, if requested, in an electronic or digital**
19 **format, not more than five dollars plus fifty cents per page or twenty-five dollars total,**
20 **whichever is less;**

21 (2) Postage, to include packaging and delivery cost; and

22 (3) Notary fee, not to exceed two dollars, if requested.

23 3. Notwithstanding provisions of this section to the contrary, providers may charge for
24 the reasonable cost of all duplications of health care record material or information which cannot
25 routinely be copied or duplicated on a standard commercial photocopy machine.

26 4. The transfer of the patient's record done in good faith shall not render the provider
27 liable to the patient or any other person for any consequences which resulted or may result from
28 disclosure of the patient's record as required by this section.

29 5. Effective February first of each year, the fees listed in subsection 2 of this section shall
30 be increased or decreased annually based on the annual percentage change in the unadjusted,
31 U.S. city average, annual average inflation rate of the medical care component of the Consumer
32 Price Index for All Urban Consumers (CPI-U). The current reference base of the index, as
33 published by the Bureau of Labor Statistics of the United States Department of Labor, shall be
34 used as the reference base. For purposes of this subsection, the annual average inflation rate
35 shall be based on a twelve-month calendar year beginning in January and ending in December
36 of each preceding calendar year. The department of health and senior services shall report the
37 annual adjustment and the adjusted fees authorized in this section on the department's Internet
38 website by February first of each year.

198.439. Sections 198.401 to 198.436 shall expire on September 30, [2011] **2016**.

208.437. 1. A Medicaid managed care organization reimbursement allowance period
2 as provided in sections 208.431 to 208.437 shall be from the first day of July to the thirtieth day
3 of June. The department shall notify each Medicaid managed care organization with a balance
4 due on the thirtieth day of June of each year the amount of such balance due. If any managed
5 care organization fails to pay its managed care organization reimbursement allowance within
6 thirty days of such notice, the reimbursement allowance shall be delinquent. The reimbursement
7 allowance may remain unpaid during an appeal.

8 2. Except as otherwise provided in this section, if any reimbursement allowance imposed
9 under the provisions of sections 208.431 to 208.437 is unpaid and delinquent, the department of
10 social services may compel the payment of such reimbursement allowance in the circuit court

11 having jurisdiction in the county where the main offices of the Medicaid managed care
12 organization are located. In addition, the director of the department of social services or the
13 director's designee may cancel or refuse to issue, extend or reinstate a Medicaid contract
14 agreement to any Medicaid managed care organization which fails to pay such delinquent
15 reimbursement allowance required by sections 208.431 to 208.437 unless under appeal.

16 3. Except as otherwise provided in this section, failure to pay a delinquent
17 reimbursement allowance imposed under sections 208.431 to 208.437 shall be grounds for
18 denial, suspension or revocation of a license granted by the department of insurance, financial
19 institutions and professional registration. The director of the department of insurance, financial
20 institutions and professional registration may deny, suspend or revoke the license of a Medicaid
21 managed care organization with a contract under 42 U.S.C. Section 1396b(m) which fails to pay
22 a managed care organization's delinquent reimbursement allowance unless under appeal.

23 4. Nothing in sections 208.431 to 208.437 shall be deemed to effect or in any way limit
24 the tax-exempt or nonprofit status of any Medicaid managed care organization with a contract
25 under 42 U.S.C. Section 1396b(m) granted by state law.

26 5. Sections 208.431 to 208.437 shall expire on September 30, [2011] **2016**.

208.480. Notwithstanding the provisions of section 208.471 to the contrary, sections
2 208.453 to 208.480 shall expire on September 30, [2011] **2016**.

338.550. 1. The pharmacy tax required by sections 338.500 to 338.550 shall expire
2 ninety days after any one or more of the following conditions are met:

3 (1) The aggregate dispensing fee as appropriated by the general assembly paid to
4 pharmacists per prescription is less than the fiscal year 2003 dispensing fees reimbursement
5 amount; or

6 (2) The formula used to calculate the reimbursement as appropriated by the general
7 assembly for products dispensed by pharmacies is changed resulting in lower reimbursement to
8 the pharmacist in the aggregate than provided in fiscal year 2003; or

9 (3) September 30, [2011] **2016**.

10

11 The director of the department of social services shall notify the revisor of statutes of the
12 expiration date as provided in this subsection. The provisions of sections 338.500 to 338.550
13 shall not apply to pharmacies domiciled or headquartered outside this state which are engaged
14 in prescription drug sales that are delivered directly to patients within this state via common
15 carrier, mail or a carrier service.

16 2. Sections 338.500 to 338.550 shall expire on September 30, [2011] **2016**.

633.401. 1. For purposes of this section, the following terms mean:

2 (1) "Engaging in the business of providing health benefit services", accepting payment
3 for health benefit services;

4 (2) "Intermediate care facility for the mentally retarded", a private or department of
5 mental health facility which admits persons who are mentally retarded or developmentally
6 disabled for residential habilitation and other services pursuant to chapter 630. Such term shall
7 include habilitation centers and private or public intermediate care facilities for the mentally
8 retarded that have been certified to meet the conditions of participation under 42 CFR, Section
9 483, Subpart 1;

10 (3) "Net operating revenues from providing services of intermediate care facilities for
11 the mentally retarded" shall include, without limitation, all moneys received on account of such
12 services pursuant to rates of reimbursement established and paid by the department of social
13 services, but shall not include charitable contributions, grants, donations, bequests and income
14 from nonservice related fund-raising activities and government deficit financing, contractual
15 allowance, discounts or bad debt;

16 (4) "Services of intermediate care facilities for the mentally retarded" has the same
17 meaning as the term used in Title 42 United States Code, Section 1396b(w)(7)(A)(iv), as
18 amended, and as such qualifies as a class of health care services recognized in federal Public Law
19 102-234, the Medicaid Voluntary Contribution and Provider Specific Tax Amendment of 1991.

20 2. Beginning July 1, 2008, each provider of services of intermediate care facilities for
21 the mentally retarded shall, in addition to all other fees and taxes now required or paid, pay
22 assessments on their net operating revenues for the privilege of engaging in the business of
23 providing services of the intermediate care facilities for the mentally retarded or developmentally
24 disabled in this state.

25 3. Each facility's assessment shall be based on a formula set forth in rules and regulations
26 promulgated by the department of mental health.

27 4. For purposes of determining rates of payment under the medical assistance program
28 for providers of services of intermediate care facilities for the mentally retarded, the assessment
29 imposed pursuant to this section on net operating revenues shall be a reimbursable cost to be
30 reflected as timely as practicable in rates of payment applicable within the assessment period,
31 contingent, for payments by governmental agencies, on all federal approvals necessary by federal
32 law and regulation for federal financial participation in payments made for beneficiaries eligible
33 for medical assistance under Title XIX of the federal Social Security Act.

34 5. Assessments shall be submitted by or on behalf of each provider of services of
35 intermediate care facilities for the mentally retarded on a monthly basis to the director of the
36 department of mental health or his or her designee and shall be made payable to the director of
37 the department of revenue.

38 6. In the alternative, a provider may direct that the director of the department of social
39 services offset, from the amount of any payment to be made by the state to the provider, the
40 amount of the assessment payment owed for any month.

41 7. Assessment payments shall be deposited in the state treasury to the credit of the
42 "Intermediate Care Facility Mentally Retarded Reimbursement Allowance Fund", which is
43 hereby created in the state treasury. All investment earnings of this fund shall be credited to the
44 fund. Notwithstanding the provisions of section 33.080 to the contrary, any unexpended balance
45 in the intermediate care facility mentally retarded reimbursement allowance fund at the end of
46 the biennium shall not revert to the general revenue fund but shall accumulate from year to year.
47 The state treasurer shall maintain records that show the amount of money in the fund at any time
48 and the amount of any investment earnings on that amount.

49 8. Each provider of services of intermediate care facilities for the mentally retarded shall
50 keep such records as may be necessary to determine the amount of the assessment for which it
51 is liable under this section. On or before the forty-fifth day after the end of each month
52 commencing July 1, 2008, each provider of services of intermediate care facilities for the
53 mentally retarded shall submit to the department of social services a report on a cash basis that
54 reflects such information as is necessary to determine the amount of the assessment payable for
55 that month.

56 9. Every provider of services of intermediate care facilities for the mentally retarded shall
57 submit a certified annual report of net operating revenues from the furnishing of services of
58 intermediate care facilities for the mentally retarded. The reports shall be in such form as may
59 be prescribed by rule by the director of the department of mental health. Final payments of the
60 assessment for each year shall be due for all providers of services of intermediate care facilities
61 for the mentally retarded upon the due date for submission of the certified annual report.

62 10. The director of the department of mental health shall prescribe by rule the form and
63 content of any document required to be filed pursuant to the provisions of this section.

64 11. Upon receipt of notification from the director of the department of mental health of
65 a provider's delinquency in paying assessments required under this section, the director of the
66 department of social services shall withhold, and shall remit to the director of the department of
67 revenue, an assessment amount estimated by the director of the department of mental health from
68 any payment to be made by the state to the provider.

69 12. In the event a provider objects to the estimate described in subsection 11 of this
70 section, or any other decision of the department of mental health related to this section, the
71 provider of services may request a hearing. If a hearing is requested, the director of the
72 department of mental health shall provide the provider of services an opportunity to be heard and
73 to present evidence bearing on the amount due for an assessment or other issue related to this

74 section within thirty days after collection of an amount due or receipt of a request for a hearing,
75 whichever is later. The director shall issue a final decision within forty-five days of the
76 completion of the hearing. After reconsideration of the assessment determination and a final
77 decision by the director of the department of mental health, an intermediate care facility for the
78 mentally retarded provider's appeal of the director's final decision shall be to the administrative
79 hearing commission in accordance with sections 208.156 and 621.055.

80 13. Notwithstanding any other provision of law to the contrary, appeals regarding this
81 assessment shall be to the circuit court of Cole County or the circuit court in the county in which
82 the facility is located. The circuit court shall hear the matter as the court of original jurisdiction.

83 14. Nothing in this section shall be deemed to affect or in any way limit the tax-exempt
84 or nonprofit status of any intermediate care facility for the mentally retarded granted by state law.

85 15. The director of the department of mental health shall promulgate rules and
86 regulations to implement this section. Any rule or portion of a rule, as that term is defined in
87 section 536.010, that is created under the authority delegated in this section shall become
88 effective only if it complies with and is subject to all of the provisions of chapter 536 and, if
89 applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the
90 powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective
91 date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of
92 rulemaking authority and any rule proposed or adopted after August 28, 2008, shall be invalid
93 and void.

94 16. The provisions of this section shall expire on September 30, [2011] **2016**.