

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1601-05  
Bill No.: Perfected HCS for HB 552  
Subject: Health Care; Health Care Professionals; Insurance-Medical; Nurses  
Type: Original  
Date: April 27, 2011

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Bill Summary: This legislation establishes the standard of care for persons with bleeding disorders.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 5 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

#### ***Sections 208.152 & 338.400:***

Officials from the **Department of Insurance, Financial Institutions and Professional Registration (DIFP)** assume current appropriations should cover the expected fiscal impact however; should expenses exceed DIFP expectations the Department may find it necessary to request additional funding through the budget process.

Officials from the **Office of the Secretary of State (SOS)** state many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$2,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with the core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

**Oversight** assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

Officials from the **Department of Health and Senior Services (DHSS)** assumes the Department of Social Services will calculate the fiscal impact associated with determining eligibility under the new requirements, the cost of services for the new group of eligible recipients, and the cost of any administrative hearings regarding denial of eligibility. DHSS does not expect the proposed legislation to fiscally impact the Department.

Officials from the **Department of Social Services-MO HealthNet Division (MHD)** states section 208.152 requires MO HealthNet coverage for:

- blood-clotting products;
- home delivery including emergency deliveries of such products and the equipment necessary to administer the products; and

ASSUMPTION (continued)

- in-home assessments conducted by pharmacists, nurses or local home health are agencies.

Currently, MO HealthNet covers these products and equipment for participants with bleeding disorders. However, there is no separate payment for home delivery. These types of products are mail-ordered and the delivery costs are part of the cost of doing business for this type of product. It is assumed that in cases where a participant needs home delivery the pharmacy will absorb that cost.

There are approximately 370 MO HealthNet participants with Hemophilia or von Willebrand disease. It is assumed there will be no significant increase in participants using these services.

Nurse visits are currently a covered service through the Home Health program and are provided by nurses employed by home health care agencies. It is assumed that these services will fulfill the requirement for in-home assessments. The Medicaid capped rate for a nurse visit through the Home Health program is \$64.15.

Since these services are already covered under this program, it is assumed that it is not the intent of the legislation to require the MHD to reimburse pharmacists or individual nurses for in-home assessments. If that is the intent then there may be an additional unknown cost.

No additional ancillary costs will be incurred since any medically necessary ancillary service is currently covered through the Durable Medical Equipment program, Home Health program or the Exceptions process.

Since these products and services are already provided through existing programs there will be no fiscal impact to the MHD for this section.

Since section 338.400 affects the Board of Pharmacy there is no fiscal impact to the MHD.

<u>FISCAL IMPACT - State Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

**Sections 208.152 & 338.400:**

Small businesses that provide home health services which include those related to treatment of blood clotting disorders may see an increase in the number of requests for services and the amount of MO Medicaid reimbursement.

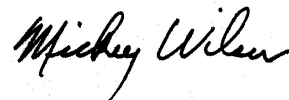
FISCAL DESCRIPTION

The proposed legislation appears to have no fiscal impact.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Insurance, Financial Institutions and Professional Registration  
Department of Health and Senior Services  
Department of Social Services  
Office of the Secretary of State



Mickey Wilson, CPA  
Director  
April 27, 2011