

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 5697-02  
Bill No.: Perfected SS for SB 749  
Subject: Health Care; Health, Public; Federal-State Relations; Insurance, Medical;  
Religion; Abortion  
Type: Original  
Date: March 28, 2012

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Bill Summary: Provides protections for religious beliefs as to the imposition of certain health care services such as abortion, contraception, or sterilization.

**FISCAL SUMMARY**

| <b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>                   |            |            |            |
|---|------------|------------|------------|
| FUND AFFECTED   | FY 2013    | FY 2014    | FY 2015    |
|   |            |            |            |
|   |            |            |            |
| <b>Total Estimated<br/>Net Effect on<br/>General Revenue<br/>Fund</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

| <b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>                      |            |            |            |
|---|------------|------------|------------|
| FUND AFFECTED   | FY 2013    | FY 2014    | FY 2015    |
|   |            |            |            |
|   |            |            |            |
| <b>Total Estimated<br/>Net Effect on <u>Other</u><br/>State Funds</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 6 pages.

| ESTIMATED NET EFFECT ON FEDERAL FUNDS                         |            |            |            |
|---|------------|------------|------------|
| FUND AFFECTED   | FY 2013    | FY 2014    | FY 2015    |
|   |            |            |            |
|   |            |            |            |
| <b>Total Estimated Net Effect on <u>All</u> Federal Funds</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

| ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE) |          |          |          |
|--|----------|----------|----------|
| FUND AFFECTED                                      | FY 2013  | FY 2014  | FY 2015  |
|  |          |          |          |
|  |          |          |          |
| <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).

| ESTIMATED NET EFFECT ON LOCAL FUNDS |            |            |            |
|-------------------------------------|------------|------------|------------|
| FUND AFFECTED                       | FY 2013    | FY 2014    | FY 2015    |
| <b>Local Government</b>             | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Office of State Courts Administrator, Department of Insurance, Financial Institutions, and Professional Registration, Missouri Department of Transportation, Missouri Department of Conservation and Missouri Consolidated Health Care Plan** assume the proposal will have no fiscal impact on their organizations.

In response to an earlier version of this proposal, officials from the **Johnson County, St. Louis County, City of Columbia, Linn State Technical College, Metropolitan Community College, Missouri Western State University, Northwest Missouri State University, and University of Central Missouri** assumed the proposal would have no fiscal impact on their organizations.

Officials from the **Office of Administration (OA)** assume the proposal will have no fiscal impact on their organization. OA defers to the Missouri Consolidated Health Care Plan.

Officials from the **Department of Public Safety - Missouri State Highway Patrol** defer to the Missouri Department of Transportation for response regarding the potential fiscal impact of this proposal on their organization.

Officials from the **Department of Public Safety - Director's Office** defer to the Missouri Consolidated Health Care Plan for response regarding an potential fiscal impact.

Officials from the **Department of Higher Education (DHE)** state the proposal would have no direct, foreseeable fiscal impact on the DHE.

In response to an earlier version of this proposal, officials from the **Special School District** stated the proposed legislation was not expected to have a material fiscal impact on their organization.

Officials from the **City of Kansas City** state that although no direct costs are incurred, there are indirect costs that may be incurred if the City chooses to include family planning services as well as abortion services in its employee benefits.

The proposed legislation provides:

*No governmental entity, public official, or entity acting in a governmental capacity shall discriminate against or penalize a health plan, plan sponsor, health care provider, employer, employee, or other entity or person because of such plan's, sponsor's,*

ASSUMPTION (continued)

*provider's, employer's, employee's, entity's, or person's unwillingness, based on religious beliefs or moral convictions, to provide or obtain coverage for, participate in, or refer for, abortion, contraception, or sterilization in a health plan."*

A separate, second health policy for family planning and abortion services may be required if those benefits are to be continued. Limitations on benefits for that plan will, in all likelihood, result in higher premiums than a program that offered those services as part of its overall benefits package.

In response to an earlier version of this proposal, officials from **Missouri State University (MSU)** stated costs might be anticipated from this legislation due to legal actions that might ensue and have to be defended from persons claiming that the money they pay for University Health Insurance and for the University's Taylor Health and Wellness Center should not be used to distribute contraception advice and/or devices since they have religious beliefs against the use of such advice and/or devices although it does not appear that it is the intention of this legislation to permit this.

**Oversight** assumes potential legal actions to be speculative and, therefore, assumes the proposal will have no fiscal impact on MSU.

Officials from the **Office of Attorney General (AGO)** state the proposal requires the AGO to bring suit when there exists "reasonable cause to believe that any person...is being, has been, or is threatened to be, denied any of the rights granted by this section or any other law that protects the religious beliefs or moral convictions of such persons..." The costs of the proposal are unknown, as the AGO cannot predict the number of cases that could result and staffing requirements to meet such a caseload.

**Oversight** assumes the potential for lawsuits to be speculative and further assumes if there are lawsuits, that at least initially, the AGO can absorb the duties and costs with existing staff and resources. However, should the number of cases become significant enough that the AGO needs additional resources and personnel, the AGO can make these requests through the appropriations process.

Officials from the **Department of Social Services - MO HealthNet Division** state this proposal provides that no employee or any other person, employer, health plan provider or sponsor, health care provider or any other entity shall be compelled to obtain coverage for or provide coverage for abortion, contraception, or sterilization in a health plan if such items or procedures are contrary to the religious beliefs or moral convictions of such employee, health care plan, provider or sponsor, or any other entity or person.

ASSUMPTION (continued)

In the provider participation section of the fee-for-service provider manuals, a MO HealthNet provider must comply with all laws, policies, and regulations of Missouri and the federal government. It further states that a provider must also comply with the standards and ethics of his or her business or profession to qualify as a participant in the program.

The managed care contracts include language which prohibits the health plan from requiring a provider to perform a service contrary to the provider's conscience and allows the provider to make a referral to another health care provider licensed to provide the appropriate care. Therefore, there is no fiscal impact to MO HealthNet.

Officials from the **Office of Prosecution Services** did not respond to **Oversight's** request for a statement of fiscal impact.

| <u>FISCAL IMPACT - State Government</u> | FY 2013    | FY 2014    | FY 2015    |
|---|------------|------------|------------|
|   | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |

| <u>FISCAL IMPACT - Local Government</u> | FY 2013    | FY 2014    | FY 2015    |
|---|------------|------------|------------|
|   | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

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.

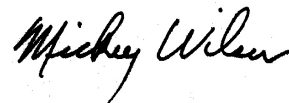
SOURCES OF INFORMATION

Office of Attorney General  
Office of Administration  
Office of State Courts Administrator

SOURCES OF INFORMATION (continued)

Department of Higher Education  
Department of Insurance, Financial Institutions, and Professional Registration  
Department of Social Services -  
    MO HealthNet Division  
Missouri Department of Transportation  
Department of Public Safety -  
    Director's Office  
    Missouri State Highway Patrol  
Missouri Consolidated Health Care Plan  
Missouri Department of Conservation  
Johnson County  
St. Louis County  
City of Columbia  
City of Kansas City  
Linn State Technical College  
Metropolitan Community College  
Missouri State University  
Missouri Western State University  
Northwest Missouri State University  
University of Central Missouri  
Special School District

**NOT RESPONDING: Office of Prosecution Services**

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA  
Director  
March 28, 2012