

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0202-04  
Bill No.: Truly Agreed To and Finally Passed SS for SCS for SB 159  
Subject: Insurance - Medical; Health Care Professionals  
Type: Original  
Date: May 31, 2013

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Bill Summary: This proposal requires parity between the out-of-pocket expenses charged for prescribed physical therapist services and the out-of-pocket expenses charged for similar services provided by primary care physicians.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>
General Revenue	\$0 or (Unknown less than \$5,000)	\$0	\$0
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0 or (Unknown less than \$5,000)</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>
Insurance Dedicated Fund	Up to \$5,000	\$0	\$0
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>Up to \$5,000</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>			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
<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>			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
<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>			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Missouri Consolidated Health Care Plan** and **Department of Health and Senior Services** each assume the proposal would not fiscally impact their respective agencies.

Officials from the **Department of Insurance, Financial Institutions & Professional Registration (DIFP)** assume insurers would be required to submit amendments to their policies to comply with legislation. Policy amendments must be submitted to the department for review along with a \$50 filing fee. The number of insurance companies writing these policies in Missouri fluctuates each year. One-time additional revenues to the Insurance Dedicated Fund are estimated to be up to \$5,000.

Additional staff and expenses are not being requested with this single proposal, but if multiple proposals pass during the legislative session which require policy form reviews the department will need to request additional staff to handle an increase in workload.

In response to a previous version of this proposal, officials from the **Department of Transportation** assumed the proposal would not fiscally impact their agency.

**Oversight** consulted an actuarial analysis firm for a cost estimate and assumes a cost of less than \$5,000.

**Oversight** is unsure if the need for the actuarial analysis would be waived under subsection 3; therefore, Oversight will range the fiscal impact of this committee substitute from \$0 (actuarial analysis is waived) to the estimate provided.

<u>FISCAL IMPACT - State Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
<b>GENERAL REVENUE FUND</b>			
<u>Cost</u> - Oversight Division - Actuarial Analysis	\$0 or (Unknown less than \$5,000)	<u>\$0</u>	<u>\$0</u>
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUNDS</b>	<b><u>\$0 or (Unknown less than \$5,000)</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
<b>INSURANCE DEDICATED FUND</b>			
<u>Revenue</u> - Department of Insurance, Financial Institutions & Professional Registration - Filing Fees	<u>Up to \$5,000</u>	<u>\$0</u>	<u>\$0</u>
<b>ESTIMATED NET EFFECT ON INSURANCE DEDICATED FUND</b>	<b><u>Up to \$5,000</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
<u>FISCAL IMPACT - Local Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
	<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

This proposal prohibits health carriers from imposing greater copayments, coinsurance, or office visit deductibles to insureds for prescribed covered services provided by a licensed physical therapist than those charged for the same covered services provided by licensed primary care physicians. Under the proposal, health carriers must clearly state the availability of physical therapy coverage under its plan and all related limitations, conditions, and exclusions.

This proposal requires the Oversight Division of the Joint Committee on Legislative Research to perform an actuarial analysis of the cost impact of the new mandate. By December 31, 2013, the director of the Oversight Division shall submit a report of the actuarial findings prescribed by the act to the Speaker, the President Pro Tem, and the chairpersons of both the House and Senate standing committees having jurisdiction over health insurance matters. If the fiscal note cost estimation is less than the cost of an actuarial analysis, the actuarial analysis requirement shall be waived.

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  
Missouri Consolidated Health Care Plan  
Department of Health and Senior Services  
Department of Transportation



Ross Strope  
Acting Director  
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