

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1383-04
Bill No.: Perfected SS for SB 262
Subject: Insurance - Medical
Type: Original
Date: March 27, 2013

Bill Summary: This proposal prohibits health carriers from denying coverage for a health care service on the basis that the service was provided through telemedicine if the same service would be covered when delivered in person.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Insurance Dedicated Fund	Up to \$5,700	\$0	\$0
Total Estimated Net Effect on <u>Other</u> State Funds	Up to \$5,700	\$0	\$0

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

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on FTE	0	0	0

- 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 2014	FY 2015	FY 2016
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Health and Senior Services, Department of Mental Health, Missouri Department of Conservation and Department of Social Services** each assume the current proposal would not fiscally impact their respective agencies.

Officials from the **Missouri Highway Patrol** state that the Department of Transportation Employee Benefits Section will be responding on behalf of the Highway Patrol.

Officials from the **Department of Insurance, Financial Institutions and Professional Registration** state that insurers would be required to submit amendments to their policies to comply with the 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 \$5,700.

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 the increase in workload.

Officials from the **Department of Transportation and Missouri Consolidated Health Care Plan** did not respond to Oversight's request for fiscal impact.

Senate Substitute #1

Oversight assumes the substitute will not change the fiscal impact of the original proposal.

<u>FISCAL IMPACT - State Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
INSURANCE DEDICATED FUND			
<u>Revenue - DIFP</u>			
Policy Amendment Fee	<u>Up to \$5,700</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECTED ON INSURANCE DEDICATED FUND	<u>Up to \$5,700</u>	<u>\$0</u>	<u>\$0</u>

<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

Small businesses engaged in the practice of medical insurance may be fiscally impacted by the new policy amendment requirements.

FISCAL DESCRIPTION

Under this proposal, health carriers issuing or renewing health benefit plans on or after January 1, 2014, shall not deny coverage for a health care service on the basis that the service was provided through telemedicine if the same service would be covered when delivered in person.

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
Department of Mental Health
Missouri Department of Conservation
Missouri Highway Patrol

Not Responding:

Department of Transportation
Missouri Consolidated Health Care Plan



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Ross Strobe
Acting Director
March 27, 2013

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