

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2310-01
Bill No.: SB 513
Subject: Insurance - Medical
Type: Original
Date: March 31, 2015

Bill Summary: This proposal allows health maintenance organizations to require cost sharing of its enrollees.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Insurance Dedicated	Up to \$20,000	\$0	\$0
Total Estimated Net Effect on <u>Other</u> State Funds	Up to \$20,000	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on FTE	0	0	0

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

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

Officials from the **Department of Public Safety - Missouri Highway Patrol** defers to Department of Transportation for fiscal impact.

Officials from the **Department of Insurance, Financial Institutions and Professional Registration (DIFP)** estimate there would be up to 400 amendments to health maintenance organization policies filed due to this proposal. Policy amendments must be submitted to the department for review along with a \$50 filing fee. One time additional revenues to the Insurance Dedicated Fund are estimated to be up to \$20,000.

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 increase in workload.

Officials from the **Department of Transportation** did not respond to **Oversight's** request for fiscal impact.

This proposal will increase total state revenue.

<u>FISCAL IMPACT - State Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
INSURANCE DEDICATED FUND			
<u>Revenues</u> - DIFP - Policy Amendment Fees	<u>Up to \$20,000</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON INSURANCE DEDICATED FUND	<u>Up to \$20,000</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
	<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 bill specifies that a health maintenance organization may require cost sharing of its enrollees as a condition of the receipt of health care services. Cost sharing may include co-payments, coinsurance, and deductibles, and must not be subject to any limits under state law.

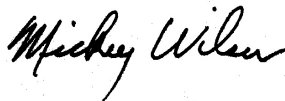
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Insurance, Financial Institutions and Professional Registration
Missouri Consolidated Health Care Plan
Department of Mental Health
Department of Social Services
Department of Health and Senior Services
Missouri Department of Conservation
Department of Public Safety - Missouri Highway Patrol

Not Responding

Department of Transportation



Mickey Wilson, CPA
Director

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