

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 5629-01  
Bill No.: SB 843  
Subject: Insurance - Health; Pharmacy  
Type: Original  
Date: February 19, 2016

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Bill Summary: This proposal modifies provisions relating to covered prescription benefits.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Insurance Dedicated	Unknown, Up to \$21,500	\$0	\$0
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>Unknown, Up to \$21,500</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 4 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</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 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

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

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**FISCAL ANALYSIS**

**ASSUMPTION**

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

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

Officials from the **Department of Insurance, Financial Institutions and Professional Registration (DIFP)** expects any plan with a pharmacy benefit to file amendments. DIFP expects that major medical plans will be impacted the most by this proposal. DIFP assumes there will be approximately 430 policy amendments. Policy amendments must be submitted to the department for review along with a \$50 filing fee or \$21,500.

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.

<u>FISCAL IMPACT - State Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
<b>INSURANCE DEDICATED FUND</b>			
<u>Income - DIFP</u>			
Policy Amendment Fees	Unknown, Up to <u>\$21,500</u>	<u>\$0</u>	<u>\$0</u>
<b>ESTIMATED NET EFFECT ON INSURANCE DEDICATED FUND</b>	<b><u>Unknown, Up to \$21,500</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
 <u>FISCAL IMPACT - Local Government</u>			
	FY 2017 (10 Mo.)	FY 2018	FY 2019
	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

FISCAL IMPACT - Small Business

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

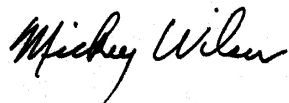
FISCAL DESCRIPTION

This proposal requires an enrollee in an HMO or health insurance plan to pay only the usual and customary retail price of a prescription drug if the co-payment applied by an HMO or health insurer exceeds the usual and customary retail price and there shall be no further charge to the enrollee or plan sponsor for the prescription.

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 Social Services  
Department of Health and Senior Services  
Department of Mental Health  
Missouri Department of Conservation  
Department of Transportation  
Department of Public Safety



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