

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 6665-01  
Bill No.: SB 1108  
Subject: Insurance - Health; State Departments; Higher Education Department; Health Care  
Type: Original  
Date: April 20, 2016

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Bill Summary: This proposal creates procedures for higher education entity participation in Missouri Consolidated Health Care Plan.

**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
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</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>			
<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

**Oversight** was unable to receive some of the agency responses in a timely manner due to the short fiscal note request time. Oversight has presented this fiscal note on the best current information that we have or on prior year information regarding a similar bill. Upon the receipt of agency responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval of the chairperson of the Joint Committee on Legislative Research to publish a new fiscal note.

**Oversight** notes this proposal would allow a public higher education institution to join the Missouri Consolidated Health Care Plan (MCHCP) for their employee health care. Oversight notes that currently none of the public higher education institutions have joined MCHCP as a public entity member.

**Oversight** is unable to determine if any institution would chose to participate in MCHCP. Oversight pulled information on Missouri Consolidated Health Care Plan state employee premiums, University of Missouri employee premiums, and University of Central Missouri employee premiums.

#### Missouri Consolidated Health Care Plan, UM & UCM

Employee with PPO Plan	State Employee Pays	State Payment	UM Employee Pays	UM Payment	UCM Employee Pays	UCM Payment
Single employee	\$41	\$521	\$123	\$517	\$13	\$615
Employee with children	\$89	\$892	\$244	\$844	\$358	\$676

**Oversight** notes this proposal would not become effective until August 28, 2016. Oversight assumes that due to the short time before open enrollment starting October 1, 2016, that the public higher education institutions would not be able to join MCHCP until October 2017 (FY 2018) and that the plan year would begin January 1, 2018.

ASSUMPTION (continued)

Officials from the **Department of Higher Education**, the **Missouri Consolidated Health Care Plan**, **Missouri Western State University** and the **St. Louis Community College** each assume the proposal would not fiscally impact their respective agencies.

**Oversight** notes the language of the proposal is permissive and assumes that should an institution chose to join Missouri Consolidated Health Care Plan, it would do so to reduce the institution's premium cost, reduce employee's out-of-pocket premiums, or provide additional health benefits. Oversight is unable to determine how many institutions may join and, therefore, assumes the proposal would have no fiscal impact to the state or local governments (colleges and universities).

<u>FISCAL IMPACT - State Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
	<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

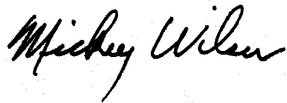
The proposed legislation appears to have no direct fiscal impact.

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

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SOURCES OF INFORMATION

Department of Higher Education  
Missouri Consolidated Health Care Plan  
Missouri Western State University  
St. Louis Community College



Mickey Wilson, CPA  
Director  
April 20, 2016

Ross Strobe  
Assistant Director  
April 20, 2016