

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 6703-01
Bill No.: SB 1074
Subject: Children and Minors; Disabilities; Health Care; Insurance - Health; Mental Health; Physicians; Psychologists
Type: Original
Date: March 19, 2018

Bill Summary: This proposal enacts provisions relating to health care for persons with disabilities.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
General Revenue			
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Insurance Dedicated	Up to \$10,000	\$0	\$0
Total Estimated Net Effect on Other State Funds	Up to \$10,000	\$0	\$0

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

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
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 2019	FY 2020	FY 2021
Local Government	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Insurance, Financial Institutions and Professional Registration (DIFP)** state they estimate 40 companies will file 5 policy amendments each for a total of 200 filings 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 \$10,000.

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 DIFP will need to request additional staff to handle the increase in workload.

Officials from the **Department of Health and Senior Services, the Department of Mental Health, the Department of Public Safety, Missouri State Highway Patrol, the Department of Social Services, the Missouri Consolidated Health Care Plan, the Missouri Department of Conservation, the Missouri Department of Transportation and the City of Springfield** each assume the proposal would not fiscally impact their respective agencies.

Officials from the **City of Kansas City (City)** state this proposal may have a negative fiscal impact on the City of an indeterminate amount if the legislation causes the City to eliminate its expenditure limits.

Oversight notes, based on contact with MCHCP, that it is possible this proposal could impact local government health insurance plans. Therefore, Oversight will present local government costs as \$0 to Unknown.

Officials from the following **cities**: Ashland, Belton, Bernie, Bonne Terre, Boonville, California, Cape Girardeau, Clayton, Columbia, Dardenne Prairie, Excelsior Springs, Florissant, Frontenac, Fulton, Grandview, Harrisonville, Independence, Jefferson City, Joplin, Kearney, Knob Noster, Ladue, Lake Ozark City, Lee Summit, Liberty, Louisiana, Maryland Heights, Maryville, Mexico, Monett, Neosho, O'Fallon, Pineville, Popular Bluff, Raytown, Republic, Richmond, Rolla, Sedalia, St. Charles City Administrator, St. Louis City Budget Division, St. Robert, Sugar Creek, Sullivan, Warrensburg, Warrenton, Webb City, Weldon Spring and West Plains did not respond to **Oversight's** request for fiscal impact.

Officials from the following **counties**: Andrew, Atchison, Audrain, Barry, Bollinger, Boone, Buchanan, Callaway, Camden, Cape Girardeau, Carroll, Cass, Christian, Clay, Clinton, Cole, Cooper, Davies, Dekalb, Dent, Franklin, Greene, Holt, Jackson, Jefferson, Johnson, Knox, Laclede, Lawrence, Lincoln, Maries, Marion, McDonald, Miller, Moniteau, Monroe, Montgomery, New Madrid, Nodaway, Perry, Pettis, Platte, Pulaski, Scott, St. Charles, St. Francois, St. Louis, Taney, Wayne, Webster, and Worth did not respond to **Oversight's** request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
INSURANCE DEDICATED FUND			
<u>Income - DIFP (\$376.1223)</u>			
Form filing fees	<u>Up to \$10,00</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON THE INSURANCE DEDICATED FUND	<u>Up to \$10,000</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
LOCAL GOVERNMENTS			
<u>Costs - Local Governments</u>			
Potential increase in health insurance expenditures	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</u>
ESTIMATED NET EFFECT ON LOCAL GOVERNMENTS	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</u>

FISCAL IMPACT - Small Business

This proposal could impact small businesses that provide insurance coverage to their employees if the cost of the insurance increases upon passage of this proposal.

FISCAL DESCRIPTION

This act specifies that third-party payers for health care services shall not limit or deny coverage for treatment of symptoms and behaviors for physically or developmentally disabled individuals if a licensed physician or psychologist determines the symptoms or behaviors caused by the disability require the individual to receive care or assistance from another person and directly affect participation in everyday activities.

FISCAL DESCRIPTION (continued)

The act adds coverage for developmental and physical disabilities to the autism spectrum disorder health insurance coverage mandate. The act specifies that medical necessity of treatment shall be determined by the health benefit plan, and that providers may submit a treatment plan.

Coverage for therapeutic care required to be provided under the act shall be subject to a maximum benefit of \$40,000 per calendar year for individuals through the age of 18. This limit may be exceeded upon prior approval by the health benefit plan if medically necessary.

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

SOURCES OF INFORMATION

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

Ross Strobe



Acting Director
March 19, 2018