

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0769H.11C
 Bill No.: HCS for SS No. 2 for SB 79
 Subject: Health Care; Health, Public; Health Care Professionals; Insurance - Health;
 Medicaid/Mo Healthnet; Emergencies
 Type: Original
 Date: April 30, 2025

Bill Summary: This proposal modifies provisions relating to health care.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
General Revenue Fund*	Could be less than (\$954,174 to \$1,458,174)	Could be less than (\$3,440,545 to \$3,944,545)	Could be less than (\$1,615,697 to \$2,119,697)
Total Estimated Net Effect on General Revenue	Could be less than (\$954,174 to \$1,458,174)	Could be less than (\$3,440,545 to \$3,944,545)	Could be less than (\$1,615,697 to \$2,119,697)

*Oversight notes the estimated cost for the removal of the expiration date for the Rx Cares for Missouri program, the purchase of epinephrine nasal spray devices, coverage of hearing devices, and DHSS FTE. Additionally, Oversight notes an unknown amount of savings to General Revenue from the provider tax being paid by UMHC, rather than GR. The unknown savings are not expected to exceed \$250,000.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
University Of Missouri Healthcare*	Up to \$60,000	Up to \$60,000	Up to \$60,000
Other State Funds	(\$195,000 - \$315,000)	(\$195,000 - \$315,000)	(\$195,000 - \$315,000)
Conservation Commission Fund	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
State Road Fund	(Unknown)	(Unknown)	(Unknown)
Total Estimated Net Effect on <u>Other</u> State Funds	Up to \$888,508	Up to \$1,055,410	Up to \$1,055,410

*Estimated net impact based on University of Missouri Healthcare's response.
 Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Federal Funds	(\$298,500 - \$474,500)	(\$286,000 - \$462,000)	(\$286,000 - \$462,000)
Total Estimated Net Effect on <u>All</u> Federal Funds	(\$298,500 - \$474,500)	(\$286,000 - \$462,000)	(\$286,000 - \$462,000)

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
General Revenue	1 FTE	1 FTE	1 FTE
Total Estimated Net Effect on FTE	1 FTE	1 FTE	1 FTE

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Local Government*	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)

*Potential cost to schools to purchase single-use epinephrine nasal sprays.

FISCAL ANALYSIS

ASSUMPTION

§§ 96.192, 96.196, 206.110 and 206.158 – Hospital boards and districts

In response to similar legislation from the current session (HB 271), officials from the **University of Missouri System** and the **St. Louis City Board of Elections**, and each assumed the proposal would have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for this agency.

§§ 190.053 to 190.166 – Provisions related to emergency medical services

In response to a similar proposal from this year (HCS for SS for SB 7), officials from the **Department of Health and Senior Services (DHSS)** stated as follows:

Section 190.053.2 of the proposed legislation requires ambulance district board members to complete three hours of continuing education training for each term of office. Training shall be offered by a statewide association or program approved by the State Advisory Council on Emergency Medical Services. This will require the Department of Health and Senior Services (DHSS), Division of Regulation and Licensure's (DRL) Bureau of Emergency Medical Services (BEMS) to verify ambulance district board member training records through the licensure application review process and during inspections.

Section 190.053.3 immediately disqualifies from office any ambulance district board member who does not complete the required training under Section 190.053.2. Should a board member be found non-compliant with this provision, BEMS will be required to provide notice to the district board and other agencies in authority regarding the removal of the ineligible member.

Section 190.076 requires each ambulance district to be audited by an outside Certified Public Accountant (CPA) firm at least once every three years. BEMS will verify audit compliance through the licensure application review process and during inspections.

Section 190.098 of the proposed legislation defines community paramedic services as those services provided by any entity that employs licensed paramedics certified by the Department of Health and Senior Services as community paramedics for services that are provided in a nonemergent setting, consistent with the education and training of a community paramedic and the supervisory standard approved by the medical director and documented in the entity's patient care plans or protocols.

Section 190.098 also requires any ambulance service that seeks to provide community paramedic services outside of its service area to have a memorandum of understanding (MOU) with the ambulance service of that area if that ambulance service is already providing those services or

shall notify the ambulance services of that area if that ambulance service is not providing community paramedic services. Emergency medical response agencies (EMRA) may provide community paramedic services in a ground ambulance service's service area. If the ground ambulance service is already providing those services or provides them after the EMRA offers them, then the EMRA and ground ambulance service shall enter into an MOU for the coordination of services.

Currently, BEMS licenses community paramedics that have completed the required program and can provide training certificates. The proposed legislation would require the BEMS to create a new type of license to issue a five-year certification to businesses and entities that employ and use community paramedics. Any newly established business or entity using community paramedics would be required to obtain this certification and existing ground ambulances that use community paramedics would have to apply and get a new, separate certification to be renewed every five (5) years. It is assumed there will be less than 10 community paramedic services licenses issued.

Section 190.098.3(5) requires the Department to promulgate rules and regulations for the purpose of certifying community paramedic services entities and the standards necessary to provide such services. Certified entities shall be eligible to provide community paramedic services for five (5) years.

Section 190.101 increases the number of members on the State Advisory Council on Emergency Medical Services from 16 to no more than 23, outlines membership requirements and changes member appointment responsibility from the Governor to the Director of the Department of Health and Senior Services (DHSS).

Sections 190.109.6(12) and 190.109.6(13) require BEMS to promulgate rules related to the requirements for a ground ambulance service license including "participation with regional EMS advisory committees" and "ambulance service administrator qualifications."

Section 190.112 requires licensed ambulance services to identify an individual to DHSS who will serve as the ambulance service administrator responsible for ambulance service operations and staffing. Additionally, the identified administrator is required to complete 40 initial training hours and two hours of continuing education annually related to the operations of an ambulance service. Training shall be offered by a statewide association or program approved by the State Advisory Council on Emergency Medical Services. Individuals serving as an ambulance service administrator as of August 28, 2025, will have until January 1, 2027, to demonstrate compliance with these provisions. This will require BEMS to verify training records through the licensure application review process for the individual administrator and the ambulance service, as well as during inspections of the ambulance service.

Section 190.166.1 allows the Department to refuse to issue, deny renewal of, or suspend an ambulance service license required pursuant to Section 190.109, or take other corrective actions based on the following:

- (1) Determined to be financially insolvent.
- (2) Inadequate personnel to provide basic emergency operations at a level in which one ambulance unit is available twenty-four hours per day, seven days per week, with at least two licensed emergency medical technicians and a reasonable plan and schedule for the services of a second ambulance.
- (3) Requires an inordinate amount of mutual aid from neighboring services (more than ten percent of calls in any given month or more than would be considered prudent to provide an appropriate level of response for the service area).
- (4) Principal manager, board members, or other executives determined to be criminally liable for actions related to the license or service provided.
- (5) License holder or principal manager, board members, or other executives determined by Centers for Medicare and Medicaid Services (CMS) to be ineligible for participation in Medicare.
- (6) License holder or principal manager, board members, or other executives determined by MO HealthNet Division to be ineligible for participation in MO HealthNet.
- (7) Ambulance service administrator failed to meet the required qualifications or failed to complete training required under Section 190.112.
- (8) Three or more board members failed to complete training required under Section 190.053 if the ambulance service is an ambulance district.

As a result, BEMS will be required to investigate ambulance service agency financial records, operations data, number of runs and responses, ambulance vehicle inventory, training records, and determine percentage of calls covered by other agencies giving mutual aid and/or appropriate level of response for a service area. A report will be prepared to determine what action should be taken by the Department.

Section 190.166.2 requires any ambulance service determined to be financially insolvent or its operations insufficient to submit a corrective plan within fifteen days. Said plan must be implemented within thirty days. Corrective plan collection and tracking will be completed by BEMS as part of the investigation required under Section 190.166.1.

Section 190.166.3 of the proposed legislation requires the Department to provide notice of any determination of insolvency or insufficiency of operations of a license holder to other license holders operating in the license holder's vicinity; members of the general assembly who represent the license holder's service area; the governing officials of any county or municipal entity in the license holder's service area; the appropriate regional emergency medical services advisory committee; and the state advisory council on emergency medical services." The BEMS will mail or email a notice to all entities required by this Section.

Section 190.166.4 of the proposed legislation requires the Department to, upon taking disciplinary action, immediately engage with other license holders in the affected area and allows the license holder to enter into an agreement with other license holders to provide services to the affected area. Agreements between the license holders may include an agreement to provide

services, a joint powers agreement, formal consideration, or some payment for services rendered. BEMS will work with license holders as needed to ensure services are provided to any area affected by disciplinary action and will track all agreements received.

Section 190.166.5 states that any license holder who provides assistance to a service area affected by disciplinary action has a right to seek reasonable compensation from the license holder whose license has been suspended. Reasonable compensation may include expenses incurred in actual responses and reasonable expenses to maintain ambulance service. The license holder providing assistance is entitled to an award of costs and reasonable attorney fees in any action to enforce these provisions.

Should the proposed legislation become law, BEMS will offer an educational presentation to ambulance districts that will review the law, the new requirements, and what BEMS will be reviewing during inspections and complaints as a result.

The Bureau of Emergency Medical Services will need one full-time Regulatory Auditor (\$59,112) to carry out the provisions outlined in the proposed legislation. This is assumed to be a telecommuter position.

Oversight does not have information to the contrary and therefore, Oversight will reflect the estimates provided by DHSS.

§ 190.800 - Ground ambulance service reimbursement allowance tax

In response to similar legislation from the current session (HB 1133), officials from the **University of Missouri Health Care (UMHC)** provided an updated response stating they have reviewed the proposed legislation and have determined that, as written, using the State MMIS (Medicaid Management Information System) data for CY2023 the positive benefit would be \$35,000 and using the State MMIS data for CY2024 the positive benefit would be \$60,000.

Oversight notes the UMHC would have a positive benefit of up to \$60,000 annually from the enhanced fee reimbursement.

In response to a similar proposal from this year (HCS for SS for SB 7), officials from the **Department of Social Services** stated the passage of the proposed legislation would allow a new ground ambulance provider to pay an ambulance service reimbursement allowance tax. By adding this provider, the MO HealthNet Division (MHD) estimates that there would be a net increase in revenue in the Ambulance Federal Reimbursement Allowance (AFRA) fund of about \$60,000. However, this would be offset by a decrease in the GR amount by that same amount annually. A 6.5% inflation rate was applied to FY27 and FY28.

FY26 Total: \$0 (GR: (\$60,000); AFRA: \$60,000)
FY27 Total: \$0 (GR: (\$63,900); AFRA: \$63,900)
FY28 Total: \$0 (GR: (\$68,054); AFRA: \$68,054)

Upon further inquiry, **Oversight** notes this would be an unknown savings to GR.

§ 191.648 – Sexually transmitted infections

In response to similar legislation from the current session (HCS for HB 943), officials from the **Department of Public Safety (DPS), Missouri Highway Patrol (MHP)** deferred to the Missouri Department of Transportation (MODOT)/MSHP Healthcare Board for an impact statement for the potential fiscal impact of this section.

§ 191.1145 – Telehealth services

In response to a previous version, officials from the **Department of Commerce and Insurance, the Department of Mental Health, the Department of Public Safety – Missouri Highway Patrol, the Department of Social Services, the Missouri Consolidated Health Care Plan** and the **Missouri Department of Transportation** assumed the proposal will have no fiscal impact on their organization.

Oversight notes that the above-mentioned agencies have stated the proposal would not have a direct fiscal impact on their organizations. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note.

In response to similar legislation from the current session (HB 825), officials from the **City of O’Fallon** assumed the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for this agency.

§§ 191.1146 & 334.108 - Telehealth services

In response to a similar proposal from this year (SB 108), officials from the **Department of Commerce and Insurance, the Department of Social Services, the Missouri Department of Conservation, the Missouri Department of Transportation, the Missouri Consolidated Health Care Plan** and **Kansas City** each assumed the proposal will have no fiscal impact on their respective organizations.

Oversight notes that the above-mentioned agencies have stated the proposal would not have a direct fiscal impact on their organizations. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note.

§ 192.2521 - Specialty Hospitals

In response to a previous version, officials from the **Department of Health and Senior Services (DHSS)** stated § 192.2521 of the proposed legislation exempts specialty hospitals from Sections 192.2520 and 197.135, RSMo, which set forth the mandatory forensic exams and evidence

collection for sexual assaults and being part of the Sexual Assault Network tele-reporting. Specialty hospitals would be exempt only if they have a policy to transfer those patients to an acute care hospital with an Emergency Department.

The Division of Regulation and Licensure's (DRL) Section for Health Standards and Licensure (HSL) is responsible for conducting inspections of hospitals. Should the proposed legislation become law, HSL would make review of this policy part of the inspection protocol. Adding this component to inspection protocol would be within the normal ebb and flow of work scope. It is assumed that the Department can absorb the costs of this bill with current resources. However, if the workload significantly increased or other legislation was enacted, additional resources would be requested through the appropriation process.

Oversight does not have any information to the contrary. Therefore, Oversight assumes the DHSS will be able to perform any additional duties required by this proposal with current staff and resources and will reflect no fiscal impact to the DHSS for fiscal note purposes.

In response to similar legislation from the current session (HB 845), officials from the **University of Missouri System** assumed the proposal would have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note.

§ 208.152 - MO HealthNet hearing aids

In response to a previous version, officials from the **Department of Social Services (DSS), MO HealthNet Division (MHD)** identified 193,308 adults who are currently enrolled in MHD Fee-for-Service could be eligible for hearing aid services. Using data from the CDC, MHD estimates that 7.1% (13,725) of those adults may utilize these services. The average cost of hearing aid services is \$210.73.

This legislation would also result in an impact to the Managed Care capitation rates of up to \$10 million. The cost of the actuarial study to evaluate this program change would be no more than \$25,000 in the first year.

Due to the timing of obtaining a State Plan Amendment (SPA) and waiver for this legislation, MHD assumes additional costs for hearing aid services will begin in FY27. MHD estimates 80% of the participants identified will obtain hearing aid services in the first year due to pent-up demand, and 20% in subsequent years. A 6.5% medical inflation rate was used for FY28.

FY26 Total: \$25,000 (GR: \$12,500; Federal: \$12,500)
FY27 Total: Up to \$10,313,793 (GR: \$2,491,096; Federal: \$7,822,697)
FY28 Total: Up to \$2,746,047 (GR: \$663,254; Federal: \$2,082,793)

Oversight does not have information to the contrary and therefore, Oversight will reflect the estimates as provided by the DSS.

§ 210.030 - Prenatal tests for certain diseases

In response to a previous version, officials from the **Department of Health and Senior Services (DHSS)** stated § 210.030.1 of the proposed legislation would increase the number of patient samples that the Missouri State Public Health Laboratory (MSPHL) would receive for HIV, syphilis, Hepatitis C, and Hepatitis B testing.

Approximately 4.5 percent of women are pregnant at any one time, so this percentage was used on the total number of female samples received for HIV and syphilis testing in 2024. An additional 500 to 800 samples a year would be tested for all conditions if this legislation passed.

The estimated number of pregnant females was used in the calculations for HIV, syphilis, Hepatitis C, and Hepatitis B expenses for both screening and confirmatory costs. Confirmatory numbers were based on current trends that are seen for each test.

The cost estimates are based upon the expected number of samples and cost per test with an applied algorithm for testing and confirmation.

- HIV (765 samples times \$6.20 per test plus \$327.60 confirmation testing = \$5,071)
- Syphilis (675 samples times \$3.25 per test plus \$1,420.25 confirmation testing = \$3,614)
- Hepatitis B (500 samples times \$14.93 per test = \$7,465)
- Hepatitis C (500 samples times \$7.63 per test plus \$3,815 confirmation testing = \$6,080)

The projected total per year would be \$22,230 in additional reagents and kit costs. The cost of reagents will go up each year with an inflation cost of 5 percent per year. MSPHL cannot absorb this cost. The workload for performing the additional testing can be absorbed by current staff.

Oversight does not have information to the contrary. Oversight notes this proposal does not have an emergency clause. Therefore, Oversight will reflect the FY 2026 estimates as provided by the DHSS as \$18,525 ($\$22,230/12 \times 10$).

In response to a previous version, officials from the **Department of Corrections (DOC)** assume the proposal will have no fiscal impact on their organization.

However, in response to similar legislation from the current session (HCS for HB 943), officials from the **DOC** stated there is no apparent fiscal impact on the **Division of Offender Rehabilitative Services (DORS)**, however additional obstetric labs and treatment may impact contracted healthcare provider.

Oversight assumes because the potential increased costs due to additional obstetric labs and treatment is speculative, that the DOC, DORS will not incur significant costs related to this proposal. If a fiscal impact were to result, the DOC, DORS may request additional funding through the appropriations process.

§ 354.465 – Health Maintenance Organization Examination

Oversight assumes any cost related to this section of the proposal (examination of the affairs of any health maintenance organization) and will be paid for by the organization being examined. Therefore, Oversight assumes this section of the proposal will have no fiscal impact on state or local government.

§ 376.1240 - Self-administered hormonal contraceptives

In response to similar legislation from the current session (HB 398), officials from the **Department of Public Safety (DPS), Missouri Highway Patrol (MHP)** deferred to the Missouri Department of Transportation (MODOT)/MSHP Healthcare Board for an impact statement for the potential fiscal impact of this proposal.

§ 376.1850 – Health Care Benefits

In response to a previous version, officials from the **Department of Commerce and Insurance (DCI)** assumed this proposal defines terms and specifies that such contracts for health care benefits provided by a qualified membership organization are not considered insurance under state law. Contracts provided by qualified membership organizations must be registered with the Department of Commerce and Insurance and may be offered and sold only by producers with a health line of authority.

The proposal requires qualified membership organizations providing a contract for health care benefits to utilize the services of a third-party administrator and allows the risk under the contract to be reinsured. The proposal requires the qualified membership organization's contract with the third-party administrator to include processes for benefit determinations and claims payment procedures comparable to those required for health benefit plans issued by health carriers. The proposal requires that contracts for health care benefits pursuant to the proposal include a notice on the first page of the contract and all application and renewal forms. This notice must include language stating the contract is not health insurance, is not subject to the laws and regulations relating to health insurance, that the coverage may offer fewer benefits than an ACA-compliant plan, may exclude coverage for preexisting conditions, and is not covered by the Missouri Insurance Guaranty Association. The notice must be signed by the member entering into or renewing the contract, and the qualified membership organization must retain a copy of the acknowledgement for the entire time for which claims can be submitted under the contract.

The proposal prohibits post-claim medical underwriting, and prohibits members from being subject to cancellation, nonrenewal, modification, or increase in premium due to a medical event. The proposal allows the Department to review complaints and inquiries from members of a qualified membership organization and requires the qualified membership organization to pay a fee equal to one percent of the Missouri claims paid during the preceding year. The fee amount and the number of qualified membership organizations operate or intend to operate in Missouri are unknown at this time. They estimate that one entity would register. There is a \$250

registration fee and a renewal fee of \$250 every five years. The fiscal impact will vary depending upon the number of entities operating in Missouri and the fee assessment. The department estimates needing one (1) Regulatory Auditor FTE to process/review complaints and inquiries from members regarding these contracts and claims.

Oversight assumes based on DCI’s estimate, the registration fees and renewal fees would result in an immaterial amount of revenue, and therefore, will not show a revenue fiscal impact as a result of this section of the proposal.

Oversight assumes DCI is provided with core funding to handle a certain amount of activity each year. Oversight assumes DCI could absorb some of the costs related to this section of the proposal. For fiscal note purposes, Oversight will reflect the FTE cost as \$0 (no FTE is needed) to the estimate provided by DCI.

§§ 376.2100 - 376.2108 - Prior Authorization Exemption

Officials from the **Missouri Consolidated Health Care Plan (MCHCP)** assume this legislation creates a prior authorization exemption, which would allow providers to skip prior authorization requirements if they qualify by meeting a 90% approval threshold in the 6 months prior. Once this exemption is applied, payment can only be withheld for limited reasons that does not include the service being later found not medically necessary in whole or in part.

It is unknown how many providers serving MCHCP members would qualify for this exemption. For this calculation, it is assumed that 15% of providers would qualify. It is also unknown how many cases would be authorized under the exemption that would otherwise be deemed not medically necessary in whole or in part. It is assumed a 5% utilization increase once Prior Authorization controls are off. HB 618 would have an estimated impact of \$1,300,000 to \$2,100,000 for MCHCP.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect the cost estimated provided by MCHCP, broken out as follows:

General Revenue Fund -	\$819,000 - \$1,323,000 (63%)
Federal Fund -	\$286,000 - \$ 462,000 (22%)
Other Fund -	\$195,000 - \$ 315,000 (15%)
Total -	\$1,300,000 - \$2,100,000 (100%)

In response to a similar proposal from this year (HB 618), officials from the **Missouri Department of Transportation (MODOT)** stated this bill may increase costs for plan administrators, which will likely pass on costs to the MoDOT-MSHP medical plan. This would have an unknown negative impact to the State Road Fund.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect the cost estimate as “Unknown” to the State Road Fund. Oversight assumes this cost could be greater than \$250,000.

In response to a similar proposal from this year (HB 618), officials from the **Department of Social Services (DSS)** assumed this legislation applies to Chapter 376 and states that a Medicaid managed care organization, as defined in section 208.431, shall be considered a health carrier for purposes of sections 376.2100 to 376.2108. Subsequently, this legislation would apply to MO HealthNet Managed Care and there could be a fiscal impact.

The Managed Care Health Plans (HP) have prior authorization processes in place, and this legislation would result in providers not needing to obtain prior authorization for services unless the HP determines that it has approved or would have approved less than 90% of prior authorization requests submitted by that provider for health care services in the most recent evaluation period. MHD estimates that there could be an impact on the administrative component of the rate for the additional reporting, reviewing, and monitoring of the prior authorizations. However, MHD does not have enough information at this time to ascertain whether there would be an impact on the service portion of the capitated rate. This will require an actuarial analysis estimated to cost \$25,000 for this program change.

FY26 Total: \$25,000 (GR: \$12,500; Federal: \$12,500)

Oversight does not have any information to the contrary. Therefore, Oversight will reflect the fiscal impact as estimated by DSS.

Officials from the **Missouri Department of Conservation (MDC)** assume the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

Officials from **Kansas City** assumed this legislation will have a negative fiscal impact of an indeterminate amount

Oversight notes that although the MDC state this legislation would have no fiscal impact on their organization, Oversight assumes this legislation could affect other insurance plans such as the Missouri Department of Conservation and local political subdivisions. Oversight will reflect a \$0 to Unknown cost to the Conservation Commission Fund (0609) and local political subdivisions.

In response to a similar proposal from this year (HB 618), officials from the **Department of Commerce and Insurance** assumed the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for this agency.

Bill as a whole:

Officials from the **Department of Natural Resources**, the **Department of Economic Development**, the **Department of Elementary and Secondary Education**, the **Department of Higher Education and Workforce Development**, the **Department of Mental Health**, the **Department of Corrections**, the **Department of Revenue**, the **Department of Public Safety (Capitol Police, Fire Safety, Director’s Office, Missouri Highway Patrol, Missouri Veterans Commission, State Emergency Management Agency)**, the **Office of the Governor**, the **Missouri Department of Conservation**, the **Office of the State Treasurer**, the **Oversight Division**, the **State Tax Commission**, the **City of O’Fallon**, the **Platte County Board of Elections**, the **St. Louis County Board of Elections**, the **Newton County Health Department**, the **Phelps County Sheriff’s Department**, the **Kansas City Police Department**, the **St. Louis County Police Department**, **Northwest Missouri State University** and the **University of Central Missouri** each assume the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

Rule Promulgation

Officials from the **Joint Committee on Administrative Rules** assume this proposal is not anticipated to cause a fiscal impact beyond its current appropriation.

Officials from the **Office of the Secretary of State (SOS)** note many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year’s legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$5,000. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with its core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

<u>FISCAL IMPACT – State Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
GENERAL REVENUE			
<u>Savings</u> - DSS (§ 190.800) Offset – provider tax being paid by UMHC, rather than GR p. 6-7	Unknown	Unknown	Unknown
<u>Costs – DHSS (§ 190.166) p. 3-6</u>			
Personal Service	(\$49,260)	(\$60,294)	(\$61,500)
Fringe Benefits	(\$32,903)	(\$39,958)	(\$40,441)
Expense & Equipment	(\$9,486)	(\$6,855)	(\$6,993)
<u>Total Costs - DHSS</u>	<u>(\$91,649)</u>	<u>(\$107,107)</u>	<u>(\$108,934)</u>
FTE Change	1 FTE	1 FTE	1 FTE
<u>Costs – DSS/MHD (§ 208.152) p.8</u>		Up to...	Up to...
Actuarial study	(\$12,500)	\$0	\$0
Coverage of hearing devices	\$0	(\$2,491,096)	(\$663,254)
<u>Total Costs - DSS/MHD</u>	<u>(\$12,500)</u>	<u>(\$2,491,096)</u>	<u>(\$663,254)</u>
<u>Costs – DHSS/MSPHL (§ 210.030) Additional testing supplies p. 9</u>	(\$18,525)	(\$23,342)	(\$24,509)
<u>Cost – MCHCP §§376.2100 - 376.2108 Prior Authorization Exemptions p.11-12</u>	(\$819,000 - \$1,323,000)	(\$819,000 - \$1,323,000)	(\$819,000 - \$1,323,000)
<u>Cost – DSS - §§376.2100 - 376.2108 Actuarial Analysis p.11-12</u>	(\$12,500)	\$0	\$0
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	<u>Could be less than (\$954,174 to \$1,458,174)</u>	<u>Could be less than (\$3,440,545 to \$3,944,545)</u>	<u>Could be less than (\$1,615,697 to \$2,119,697)</u>
Estimated Net FTE Change on the General Revenue Fund	1 FTE	1 FTE	1 FTE

<u>FISCAL IMPACT – State Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
UNIVERSITY OF MISSOURI HEALTHCARE			
<u>Income</u> – UMHC (§ 190.800) enhanced fee drawdown p. 6-7	Unknown	Unknown	Unknown
<u>Costs</u> - UMHC (§ 190.800) Payment of ambulance provider tax p. 6-7	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT ON THE UNIVERSITY OF MISSOURI HEALTHCARE	<u>Up to \$60,000</u>	<u>Up to \$60,000</u>	<u>Up to \$60,000</u>
FEDERAL FUNDS			
<u>Income</u> – DSS/MHD (§ 208.152) Program reimbursements for coverage of hearing devices p. 8	\$12,500	Up to \$7,822,697	Up to \$2,082,793
<u>Costs</u> – DSS/MHD (§ 208.152) p.8		Up to...	Up to...
Actuarial study	(\$12,500)	\$0	\$0
Coverage of hearing devices	\$0	(\$7,822,697)	(\$2,082,793)
<u>Total Costs</u> - DSS/MHD	<u>(\$12,500)</u>	<u>(\$7,822,697)</u>	<u>(\$2,082,793)</u>
<u>Cost</u> – MCHCP §§376.2100 - 376.2108 Prior Authorization Exemptions p.11-12	(\$286,000 - \$462,000)	(\$286,000 - \$462,000)	(\$286,000 - \$462,000)
<u>Cost</u> – DSS - §§376.2100 - 376.2108 Actuarial Analysis p.11-12	(\$12,500)	\$0	\$0
ESTIMATED NET EFFECT ON FEDERAL FUNDS	<u>(\$298,500 - \$474,500)</u>	<u>(\$286,000 - \$462,000)</u>	<u>(\$286,000 - \$462,000)</u>

<u>FISCAL IMPACT – State Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
OTHER STATE FUNDS			
<u>Cost – MCHCP §§376.2100 - 376.2108</u> Prior Authorization Exemptions p.11-12	<u>(\$195,000 - \$315,000)</u>	<u>(\$195,000 - \$315,000)</u>	<u>(\$195,000 - \$315,000)</u>
ESTIMATED NET EFFECT TO OTHER STATE FUNDS	<u>(\$195,000 - \$315,000)</u>	<u>(\$195,000 - \$315,000)</u>	<u>(\$195,000 - \$315,000)</u>
CONSERVATION COMMISSION FUND (0609)			
<u>Cost – MDC §§376.2100 - 376.2108</u> Prior Authorization Exemptions p.11-12	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
ESTIMATED NET EFFECT TO THE CONSERVATION COMMISSION FUND	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</u>
STATE ROAD FUND			
<u>Cost – MoDOT §§376.2100 - 376.2108</u> Prior Authorization Exemptions p.11-12	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT TO OTHER STATE FUNDS	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>

***Oversight** assumes increase costs for plan administrators will likely pass on costs to the MoDOT-MSHP, the Missouri Department of Conservation and locals' medical plans.

<u>FISCAL IMPACT – Local Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
LOCAL POLITICAL SUBDIVISIONS			
<u>Cost – Local Political Subdivisions</u> §§376.2100 - 376.2108 Prior Authorization Exemptions p.11-12	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)

***Oversight** assumes increase costs for plan administrators will likely pass on costs to the MoDOT-MSHP, the Missouri Department of Conservation and locals’ medical plans.

FISCAL IMPACT – Small Business

Certain small medical and laboratory businesses would be impacted by this proposal. (§ 210.030)

Small hearing aid businesses could see an increase in customers as a result of this proposal.

FISCAL DESCRIPTION

This proposal modifies provisions relating to health care.

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

- Attorney General’s Office
- Department of Commerce and Insurance
- Department of Corrections
- Department of Economic Development
- Department of Elementary and Secondary Education
- Department of Health and Senior Services
- Department of Higher Education and Workforce Development
- Department of Mental Health
- Department of Natural Resources
- Department of Public Safety
- Capitol Police

Director's Office
Division of Fire Safety
Missouri Highway Patrol
Missouri Veterans Commission
State Emergency Management Agency
Department of Revenue
Department of Social Services
Joint Committee on Administrative Rules
Missouri Consolidated Health Care Plan
Missouri Department of Conservation
Missouri Department of Transportation
Missouri National Guard
Missouri Office of Prosecution Services
Office of the Governor
Office of the Secretary of State
Office of the State Courts Administrator
Office of the State Public Defender
Office of the State Treasurer
Oversight Division
State Tax Commission
City of Kansas City
City of O'Fallon
City of Osceola
Jackson County Election Board
Platte County Board of Elections
St. Louis City Board of Elections
St. Louis County Board of Elections
Audrain County Health Department
Newton County Health Department
Phelps County Sheriff
Branson Police Department
Kansas City Police Department

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St. Louis County Police Department
Northwest Missouri State University
University of Central Missouri
University of Missouri System



Julie Morff
Director
April 30, 2025



Jessica Harris
Assistant Director
April 30, 2025