

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0769S.09T  
Bill No.: Truly Agreed To and Finally Passed SS No. 2 for SB 79  
Subject: Agriculture; Department of Commerce and Insurance Consumer Protection;  
Contracts and Contractors; Cooperatives; Employees - Employers; Health Care;  
Insurance - Health; Medicaid/Mo Healthnet  
Type: Original  
Date: June 23, 2025

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

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
General Revenue Fund	(\$31,025)	Up to (\$2,514,438)	Up to (\$687,763)
<b>Total Estimated Net Effect on General Revenue</b>	<b>(\$31,025)</b>	<b>Up to (\$2,514,438)</b>	<b>Up to (\$687,763)</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Insurance Dedicated Fund (1566)	\$0 to (\$86,020)	\$0 to (\$102,762)	\$0 to (\$104,502)
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0 to (\$86,020)</b>	<b>\$0 to (\$102,762)</b>	<b>\$0 to (\$104,502)</b>

Numbers within parentheses: () indicate costs or losses.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>
Federal Funds*			
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

\* Income and expenses are estimated at \$7.9 million in FY26 and \$2.1 in FY27 and ongoing and net to \$0.

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>
Insurance Dedicate Fund (1566)	0 to 1 FTE	0 to 1 FTE	0 to 1 FTE
<b>Total Estimated Net Effect on FTE</b>	<b>0 to 1 FTE</b>	<b>0 to 1 FTE</b>	<b>0 to 1 FTE</b>

☒ 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.

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

## **FISCAL ANALYSIS**

### **ASSUMPTION**

#### **§ 191.2521 - Specialty Hospital Forensic Examinations of Victims of Sexual Offenses**

Officials from the **Department of Health and Senior Services (DHSS)** state the proposed legislation exempts a specialty hospital from the provisions of sections 192.2520 and 197.135 if such hospital has a policy for transfer of a victim of a sexual assault to an appropriate hospital with an emergency department. As used in this section, "specialty hospital" means a hospital that has been designated by the Department of Health and Senior Services as something other than a general acute care hospital.

As a result of the proposed legislation, the Division of Regulation and Licensure, Section for Health Standards and Licensure may experience minor additional work in terms of receiving and processing complaints related to the statute.

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 will reflect a zero impact in the fiscal note for DHSS for this section.

#### **§ 208.152 - MO HealthNet Coverage of Hearing Aids and Cochlear Implants**

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 - Provisions Relating to Blood Tests of Pregnant Women

Officials from the **Department of Health and Senior Services (DHSS)** state § 210.030.1 of the proposed legislation would increase the number of patient samples that the Missouri State Public Health Laboratory would receive for HIV, syphilis, Hepatitis C, and Hepatitis B testing.

Approximately 4.5% 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 500-800 samples a year would be tested for all conditions if this legislation passed. The estimated number of pregnant women 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.

**FY 2026**

HIV (765 samples \* \$6.20 per test + \$327.60 confirmation testing = \$5,071)  
Syphilis (675 samples \* \$3.25 per test + \$1,420.25 confirmation testing = \$3,614)  
Hepatitis B (500 samples \* \$14.93 per test = \$7,465)  
Hepatitis C (500 samples \* \$7.63 per test + \$3,815 confirmation testing = \$6,080)  
**Total: \$22,230**

**FY 2027 (5% Increase):**

HIV (765 samples \* \$7.25 per test + \$226 confirmation testing = \$5,325)  
Syphilis (585 samples \* \$3.31 per test + \$1,089 confirmation testing = \$3,795)  
Hepatitis B (500 samples \* \$7.90 per test = \$7,838)  
Hepatitis C (500 samples \* \$10.53 per test + \$2,378 confirmation testing = \$6,384)  
**Total: \$23,342**

**FY 2028 (5% Increase):**

HIV (765 samples \* \$7.61 per test + \$237 confirmation testing = \$5,591)  
Syphilis (585 samples \* \$3.48 per test + \$1,143 confirmation testing = \$3,985)  
Hepatitis B (500 samples \* \$8.30 per test = \$8,230)  
Hepatitis C (500 samples \* \$11.06 per test + \$2,497 confirmation testing = \$6,703)  
**Total: \$24,509**

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% per year. The Missouri State Public

Health Laboratory 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 estimate as provided by the DHSS as \$18,525  $(\$22,230/12)*10$  in FY 2026.

#### § 376.1240 - Self-administered hormonal contraceptives

Officials from **Kansas City** assume this section of the proposal could have a negative fiscal impact in an indeterminate amount.

**Oversight** assumes this section requires health benefit plans issued or renewed on or after January 1, 2026, that provide coverage for self-administered hormonal contraceptives, as defined in the act, to cover a supply of the contraceptives which is intended to last up to ninety days, or up to 180 days for a generic self-administered hormonal contraceptive. **Oversight** will reflect a \$0 to Unknown cost to Local Political Subdivisions.

#### § 376.1850 – Health Care Provisions

Officials from the **Department of Commerce and Insurance (DCI)** assume 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.

Bill as a whole:

Officials from 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 Natural Resources**, 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 **Missouri Department of Transportation**, the **Missouri National Guard**, the **Office of the State Treasurer**, the **Missouri Highway Patrol**, the **Office of the State Courts Administrator**, the **State Tax Commission**, the Oversight Division, the Platte County Board of Elections, the St. Louis County Board of Elections, the Phelps County Sheriff, the Branson Police Department, the Kansas City Police Department, the St. Louis County Police Department, Northwest Missouri State University and 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
<b>GENERAL REVENUE FUND</b>			
<u>Costs – DSS/MHD (§ 208.152) p. 3-4</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 (§ 208.152) p. 3-4</u>	(\$12,500)	Up to (\$2,491,096)	Up to (\$663,254)
<u>Costs – DHSS/MSPHL (§210.030)</u>			
Additional testing supplies p.4-5	(\$18,525)	(\$23,342)	(\$24,509)
<b>ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND</b>	<b><u>(\$31,025)</u></b>	<b><u>Up to (\$2,514,438)</u></b>	<b><u>Up to (\$687,763)</u></b>
<b>FEDERAL FUNDS</b>			
<u>Income – DSS/MHD (§ 208.152)</u>			
Program reimbursements for coverage of hearing devices p. 3-4	\$12,500	Up to \$7,822,697	Up to \$2,082,793
<u>Costs – DSS/MHD (§ 208.152) p. 3-4</u>		Up to...	Up to...
Actuarial study	(\$12,500)	\$0	\$0
Coverage of hearing devices	\$0	(\$7,822,697)	(\$2,082,793)
<u>Total Costs - DSS/MHD</u>	(\$12,500)	Up to (\$7,822,697)	Up to (\$2,082,793)
<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
<b>INSURANCE DEDICATED FUND (1566)</b>			

<u>Cost – DCI (\$376.1850) p. 5-6</u>	\$0 to ...	\$0 to ...	\$0 to ...
Personal Service	(\$47,977)	(\$58,723)	(\$59,898)
Fringe Benefits	(\$32,389)	(\$39,328)	(\$39,799)
Equipment and Expense	(\$5,904)	(\$4,710)	(\$4,805)
<u>Total Cost - DCI</u>	<u>(\$86,020)</u>	<u>(\$102,762)</u>	<u>(\$104,502)</u>
FTE Change - DCI	0 to 1 FTE	0 to 1 FTE	0 to 1 FTE
<b>ESTIMATED NET EFFECT TO THE INSURANCE DEDICATED FUND (1566)</b>	<b><u>\$0 to (\$86,020)</u></b>	<b><u>\$0 to (\$102,762)</u></b>	<b><u>\$0 to (\$104,502)</u></b>
Estimated Net Effect to the Insurance Dedicated Fund (1566)	0 to 1 FTE	0 to 1 FTE	0 to 1 FTE

<u>FISCAL IMPACT – Local Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
<b>LOCAL POLITICAL SUBDIVISIONS</b>			
<u>Cost – Local Political Subdivisions</u> Hormonal Contraceptive Coverage (\$376.1240) p. 5	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
<b>ESTIMATED NET EFFECT TO LOCAL POLITICAL SUBDIVISIONS</b>	<b><u>\$0 to (Unknown)</u></b>	<b><u>\$0 to (Unknown)</u></b>	<b><u>\$0 to (Unknown)</u></b>

#### 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 act modifies provisions relating to health care.

Currently, a physician may utilize expedited partner therapy, meaning the practice of treating the sex partners of persons with chlamydia or gonorrhea without an intervening medical evaluation or professional prevention counseling, to prescribe and dispense medications for the treatment of chlamydia or gonorrhea even without an established physician/patient relationship.



Under this act, physicians and certain health care professionals may use expedited partner therapy and such therapy may be used for designated sexually transmitted infections beyond chlamydia and gonorrhea. This act repeals the requirement that antibiotic medications prescribed and dispensed through expedited partner therapy for the treatment of chlamydia or gonorrhea be in pill form.

Under this act, "telehealth" or "telemedicine" shall include the delivery of health care services through audiovisual and audio-only technologies and shall not be limited only to services delivered via select third-party corporate platforms.

Under this act, a specialty hospital, meaning a hospital other than a general acute care hospital, shall not be required to comply with certain statutory provisions relating to forensic examinations of victims of sexual assault if such hospital has in place a policy for the transfer of such victims to an appropriate hospital with an emergency department.

Currently, reimbursable MO HealthNet services include hearing aids for eligible needy children, pregnant women, and blind persons. This act mandates MO HealthNet coverage of medically necessary cochlear implants and hearing instruments for all eligible participants.

Currently, a physician or other health care provider shall draw and test a pregnant woman's blood at or soon after her first prenatal examination, with her consent, for syphilis, hepatitis B, or other similar diseases. Under this act, the testing of the pregnant woman's blood shall also occur at the twenty-eighth week of her pregnancy and immediately after birth. Additionally, the test shall include hepatitis C and HIV. If a mother tests positive for syphilis, hepatitis B, hepatitis C, or HIV, the physician or other health care provider shall treat the mother in accordance with the most recent accepted medical practice.

Current law requires the Department of Health and Senior Services to work in consultation with the Missouri Genetic Disease Advisory Committee to make rules pertaining to these blood tests. This act repeals the requirement to work with the Committee and requires that the tests be approved or accepted by the U.S. Food and Drug Administration.

All persons providing care under this provision shall do so in accordance with state laws regarding consent to medical treatment.

This act repeals the requirement that the Department of Commerce and Insurance examine health maintenance organizations at least once every 5 years.

This act requires health benefit plans issued or renewed on or after January 1, 2026, that provide coverage for self-administered hormonal contraceptives, as defined in the act, to cover a supply of the contraceptives which is intended to last up to ninety days, or up to 180 days for a generic self-administered hormonal contraceptive.

This act provides that statutes governing health insurance shall not apply to contracts for health care benefits provided by a qualified membership organization, as such terms are defined in the act, to its members who have been members for at least 30 days, and that the qualified membership organization shall not be considered to be engaging in the business of insurance. Qualified membership organizations providing the contracts shall register with the Department as specified in the act.

Contracts for health services under the act shall be sold, solicited, or negotiated only by insurance producers licensed to produce accident and health or sickness coverage. A qualified membership organization providing contracts as specified in the act shall use the services of a licensed third-party administrator, and shall agree in the contract with the administrator to be subject to certain processes for benefit determinations and claims payment procedures applicable to health carriers and health benefit plans as specified in the act. Contracts for health care benefits shall not be subject to the insurance laws of the state except as provided in the act.

Financial risk under the contracts may be reinsured as provided by law. The contracts and related applications and renewal forms shall bear a disclaimer, as specified in the act, which shall be signed by the organization member.

Contracts under the act shall not be subject to individual post-claim medical underwriting while coverage remains in effect, and members covered by the contracts shall not be subject to cancellation, nonrenewal, modification, or increase in premium for reason of a medical event.

The Division of Consumer Affairs within the Department of Commerce and insurance shall receive and review complaints and inquiries from members of qualified membership organizations, and qualified membership organizations providing contracts under the act shall annually pay a fee to the Department as described in the act.

Lastly, the act requires the qualified membership organizations to pay to the Department of Commerce and insurance a fee equal to 1% of the Missouri claims paid under the contracts during the preceding year, prohibits the organizations from referring to or marketing the contracts as insurance, and requires the contracts to include certain coverage.

This act repeals a provision of current law requiring the provision of a specific notice to patients upon the completion of a mammogram.

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 Commerce and Insurance  
Department of Economic Development  
Department of Elementary and Secondary Education

Department of Higher Education and Workforce Development

Department of Health and Senior Services

Department of Mental Health

Department of Natural Resources

Department of Corrections

Department of Revenue

Department of Public Safety

Capitol Police

Fire Safety

Director's Office

Missouri Highway Patrol

Missouri Veterans Commission

State Emergency Management Agency

Department of Social Services

Office of the Governor

Missouri Department of Conservation

Missouri Department of Transportation

Missouri National Guard

Office of the Secretary of State

Office of the State Treasurer

Kansas City

Platte County Board of Elections

St. Louis County Board of Elections

Newton County Health Department

Phelps County Sheriff's Department

Branson Police Department

Kansas City Police Department

St. Louis County Police Department

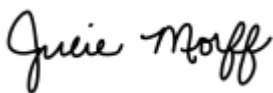
Joint Committee on Administrative Rules

Oversight Division

Missouri Consolidated Health Care Plan

Office of the State Courts Administrator

State Tax Commission



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