

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4463S.01I
Bill No.: SB 1229
Subject: Department of Commerce and Insurance; Contracts and Contractors; Department of Health and Senior Services; Health Care; Health Care Professionals; Public Health; Insurance - Health; Medical Procedures and Personnel
Type: Original
Date: February 23, 2026

Bill Summary: This proposal enacts provisions relating to health insurance coverage of maternity services.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND

FUND AFFECTED	FY 2027	FY 2028	FY 2029
General Revenue	(Could exceed \$194,176)	(\$151,618)	(\$153,785)
Total Estimated Net Effect on General Revenue	(Could exceed \$194,176)	(\$151,618)	(\$153,785)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS

FUND AFFECTED	FY 2027	FY 2028	FY 2029
State Road Fund (1320)	(\$300,000)	(\$300,000)	(\$300,000)
Total Estimated Net Effect on <u>Other</u> State Funds	(\$300,000)	(\$300,000)	(\$300,000)

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)

FUND AFFECTED	FY 2027	FY 2028	FY 2029
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 2027	FY 2028	FY 2029
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§§376.1755 and 376.1758 - Health Insurance Coverage of Maternity Services

Officials from the **Department of Health and Senior Services (DHSS)** state section 376.1758.2 of the proposed legislation requires the DHSS to review and approve doula registration to allow for health insurance reimbursement of doula services.

Section 376.1758.3 (1-5) of the proposed legislation requires DHSS to create the criteria for the doula registration application, review and approve or deny applications; notify applicants of approval or denial of doula registration status; and maintain a statewide registry of doulas approved for health insurance reimbursement in this state.

Section 376.1758.5 of the proposed legislation requires DHSS to promulgate all necessary rules and regulations for the administration of the proposed legislation.

To implement this program, the Office on Women's Health (OWH) would need to hire a Public Health Program Specialist (with an average salary within the Division of Community Public Health (DCPH) \$67,294 as of January 2026). OWH would require this level of expertise to implement each of the components of the program fully.

The OWH will also need a contract with an external vendor to develop and maintain the online registry. This would take an average of approximately 10 hours a week for 12 months a year at a rate of approximately \$45/hour for a total of \$26,910.

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

Officials from the **Missouri Department of Transportation (MoDOT)** state section 376.1765 mandates coverage of specific health benefits for doula services. Currently the MoDOT-MSHP medical plan does not cover this benefit with maternity services and estimates a negative yearly impact of \$300,000 to the State Road Fund if implemented.

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

Officials from the **Department of Commerce and Insurance (DCI)** state section 376.1755 of this proposal would require health carriers offering health benefit plans in this state that provide coverage for maternity services to also provide coverage for health care services provided by a midwife. It specifies that the health carrier cannot differentiate between services performed by a midwife and services performed by a physician with regard to co-payments, deductible amounts, or co-insurance percentages, and that when a health carrier's health benefit plan provides for

reimbursement for services that can be provided by a certified nurse midwife or professional midwife under their scope of practice, the enrollee is entitled to reimbursement for the services, whether a physician or a midwife performs them. The proposal also specifies that terminology in a health benefit plan that is deemed discriminatory against midwives or inhibits reimbursement for midwifery services is void and unenforceable.

The department believes the costs of this bill can be absorbed within its current appropriations. However, should the cost exceed the anticipated amount, the department would request an increase to their FTE and/or appropriations as appropriate through the budget process.

Oversight assumes DCI is provided with core funding to handle a certain amount of activity each year. Oversight assumes DCI could absorb the costs related to this proposal. If multiple bills pass which require additional staffing and duties at substantial costs, DCI could request funding through the appropriation process.

Officials from the **Oversight Division** state, in 2011, the Missouri General Assembly enacted section 376.1190, which states, “any health care benefit mandate proposed after August 28, 2011, shall be subject to review by the oversight division of the joint committee on legislative research. The oversight division shall perform an actuarial analysis of the cost impact to private and public payers of any new or revised mandated health care benefit proposed by the general assembly after August 28, 2011, and a recommendation shall be delivered to the speaker and the president pro tem prior to mandate being enacted.”

The customary process for an actuarial analysis involves Oversight contracting with an outside firm who will request experience data from the largest insurance carriers in the State of Missouri. Since current law (§376.1190) requires any “proposed” mandate receive an actuarial analysis, the timing may not allow for such in-depth reviews. In 2013 Oversight contracted with a company to perform an actuarial analysis for Senate Bill 262, Senate Bill 159, and Senate Bill 161. Due to the timing of the analysis, the company noted requesting outside data was not possible. This limited analysis in 2013 cost almost \$25,000. Given the cost increases over the last ten years, the varying degree of available information to the outside firm and the potential for more in-depth analysis if the information and timing allow, Oversight can easily assume that a current analysis “could exceed \$50,000”.

The Oversight Division does not currently have the appropriation to cover the costs of an actuarial analysis and would need to request such additional funding through the budget process.

Officials from the **Department of Public Safety, Missouri Highway Patrol** defer to the MoDOT/MHP Health Care Board for response relating to the fiscal impact of this proposal on their organization.

Officials from the **Department of Social Services, Missouri Consolidated Health Care Plan, Missouri Department of Conservation** and **Newton County Health Department** 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.

Oversight only reflects the responses that we have received from state agencies and political subdivisions; however, other local public health agencies and hospitals were requested to respond to this proposed legislation but did not. Upon the receipt of additional responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval to publish a new fiscal note. A general listing of political subdivisions included in our database is available upon request.

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 2027 (10 Mo.)	FY 2028	FY 2029
GENERAL REVENUE			
<u>Cost – DHSS (§§376.1755 and 376.1758) p. 3</u>			
Personal service	(\$56,078)	(\$68,640)	(\$70,013)
Fringe benefits	(\$36,168)	(\$43,943)	(\$44,495)
Equipment and expense	(\$25,020)	(\$12,125)	(\$12,367)
<u>Total Costs - DHSS</u>	<u>(\$117,266)</u>	<u>(\$124,708)</u>	<u>(\$126,875)</u>
FTE Change - DHSS	1 FTE	1 FTE	1 FTE
<u>Cost – DHSS (§§376.1755 and 376.1758) Contract to develop and maintain online registry system p.</u>			
	(\$26,910)	(\$26,910)	(\$26,910)

<u>FISCAL IMPACT – State Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
<u>Cost – Oversight Division (§§376.1755 and 376.1758) Actuarial analysis/impact study p. 4</u>	(Could exceed <u>\$50,000</u>)	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE	(Could exceed <u>\$194,176</u>)	<u>(\$151,618)</u>	<u>(\$153,785)</u>
Estimated Net FTE Change on General Revenue	1 FTE	1 FTE	1 FTE
STATE ROAD FUND (1320)			
<u>Cost – MoDOT (§§376.1755 and 376.1758) Increase in share of health care costs p. 4</u>	<u>(\$300,000)</u>	<u>(\$300,000)</u>	<u>(\$300,000)</u>
ESTIMATED NET EFFECT ON THE STATE ROAD FUND	<u>(\$300,000)</u>	<u>(\$300,000)</u>	<u>(\$300,000)</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT – Small Business

Douglas often operate as small businesses. The proposed legislation would require small businesses to complete additional administrative requirements. (§§ 376.1755 and 376.1758)

FISCAL DESCRIPTION

This act enacts provisions relating to health insurance coverage of maternity services.

HEALTH INSURANCE COVERAGE OF MIDWIVES (Section 376.1755)

This act requires that certain health benefit plans providing coverage for maternity services shall provide coverage for health care services provided by a midwife, as defined in the act. The act further enacts provisions relating to cost-sharing requirements, requires reimbursement for services lawfully provided by midwives as well as physicians, and specifies that terminology in a

health benefit plan subject to the act which is deemed to discriminate against midwifery or to inhibit reimbursement for midwifery services at the in-network rate shall be void and unenforceable. (Section 376.1755).

HEALTH INSURANCE COVERAGE OF DOULA SERVICES (Section 376.1758)

The act directs the Department of Health and Senior Services to promulgate rules for registration allowing a "doula", as defined in the act, to receive reimbursement for doula services. The act shall not be construed to prohibit any person from practicing as a doula, regardless of registration with the Department. (Section 376.1758).

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

SOURCES OF INFORMATION

Department of Commerce and Insurance
Department of Health and Senior Services
Department of Public Safety - Missouri Highway Patrol
Department of Social Services
Joint Committee on Administrative Rules
Missouri Consolidated Health Care Plan
Missouri Department of Conservation
Missouri Department of Transportation
Office of the Secretary of State
Oversight Division
Newton County Health Department



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