

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 7075S.01I
Bill No.: SB 1635
Subject: Department of Commerce and Insurance; Insurance - Health
Type: Original
Date: February 23, 2026

Bill Summary: This proposal modifies provisions relating to state health plans.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS

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

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
Total Estimated Net Effect on FTE	0	0	0

- 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

§§103.180 and 376.1190 – State Health Plan Provisions

Officials from the **Missouri Consolidated Health Care Plan** 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 this agency.

Officials from the **Department of Commerce and Insurance (DCI)** assume his proposal would enact two provisions related to state-required health care benefit mandates. First, it would require the Board of the Missouri Consolidated Health Care Plan (MCHCP) to implement new benefit mandates enacted by the Missouri General Assembly, including requirements for the provision of specific health care services, specific diseases, or for certain health care providers. The coverage required by MCHCP under the new benefit mandate would be effective for a period of 36 consecutive months.

The proposal requires MCHCP to submit de-identified data about the impact of the new health care benefit mandate. This requirement will begin July 1 of the year following the second full calendar year of coverage, and must include information about utilization, costs, and a recommendation as to whether the benefit should continue. The proposal also requires the Department to submit a report to the General Assembly beginning March 1 of the year following the second full calendar year of coverage outlining the impact of the new mandate on MCHCP.

The proposal also amends an existing Insurance law related to benefit mandates. Specifically, it reiterates the requirement that new benefit mandates apply to MCHCP for a period of 36 months. Prior to continuing the mandate or expanding its applicability to health benefit plans offered by health carriers, the General Assembly is required to conduct a thorough review of the report of MCHCP's experience with the new benefit mandate and take additional legislative action. After its review, the General Assembly may extend the new mandate to health benefit plans offered by health carriers, continue its applicability to MCHCP, or both. If the General Assembly does not extend the new benefit mandate's applicability, the mandate will automatically expire.

The evaluation of new benefit mandates contemplated by this proposal is an effort to quantify the costs that the state may incur if the new benefit mandate is extended to health benefit plans offered by health carriers in the individual market. Federal law requires states to defray costs associated with new health care benefit mandates enacted in the state after December 31, 2011.

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

Officials from the DCI assume the cost of the proposal can be absorbed. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for this agency.

Oversight notes this proposal repeals the language requiring Oversight to conduct an actuarial analysis on any health care benefit mandate. Since an actuary review had not been conducted since 2013, Oversight assumes the savings of this proposal would be minimal and therefore, Oversight will not reflect savings to the General Revenue Fund in the fiscal note.

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

No direct fiscal impact on 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.

SOURCES OF INFORMATION

Missouri Consolidated Health Care Plan
Department of Commerce and Insurance



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February 23, 2026



Jessica Harris
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February 23, 2026