

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. NO.: 3001-01
BILL NO.: SB 665
SUBJECT: Health Care; Insurance - Medical
TYPE: Original
DATE: January 12, 2000

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
None			
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
None			
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
 This fiscal note contains 3 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Insurance**, the **Department of Conservation**, the **Department of Transportation**, and the **Department of Public Safety - Missouri State Highway Patrol** assume this proposal would not fiscally impact their agencies.

Missouri Consolidated Health Care Plan (HCP) officials state that since the plans are currently required to pay a claim within 45 days or request additional necessity information, HCP does not expect a fiscal impact.

Officials from the **Department of Social Services (DOS)** state that Missouri's Medicaid contracts with managed care plans currently require the plans to pay at least 90% of clean claims to their providers within thirty days of receipt of claims and at least 99% of all clean claims within 90 days of receipt. DOS states this is mandated by the federal Balanced Budget Act. DOS assumes that any costs incurred by managed care contractors because of mandated federal or state laws would have an affect on the administrative costs included in future bids. However, because of current contract requirements for payment of claims to providers, DOS does not assume a fiscal impact due to the proposal.

Department of Corrections (DOC) officials did not respond to our fiscal note request. However, in responding to similar proposal last session, DOC responded they assumed there would be no fiscal impact to their agency.

<u>FISCAL IMPACT - State Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

MPW:LR:OD:005 (9-94)

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This proposal would mandate interest payments to health insurance claimants after 45 days if the claim amount is still unpaid. The interest would be calculated from the date the claim is filed if any of the claim is still unpaid after 45 days. Current law would calculate the interest beginning after the 45 day period.

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 Insurance
Department of Transportation
Department of Public Safety
Missouri State Highway Patrol
Department of Conservation
Missouri Consolidated Health Care Plan
Department of Social Services

NOT RESPONDING: Department of Corrections



Jeanne Jarrett, CPA
Director
January 12, 2000