

HCS SB 189 -- HEALTH CARE PROVIDER TAX

SPONSOR: Gross (Icet)

COMMITTEE ACTION: Voted "do pass" by the Committee on Ways and Means by a vote of 16 to 0.

Currently, the pharmacy providers tax, the hospital federal reimbursement allowance, and the nursing home federal reimbursement allowance will expire in 2005. This substitute extends the expiration date by one year and adds another federal reimbursement allowance for Medicaid managed care organizations.

The substitute contains an emergency clause.

FISCAL NOTE: No impact on General Revenue Fund in FY 2006, FY 2007, and FY 2008. Estimated Income on Other State Funds of \$29,800,000 in FY 2006, \$0 in FY 2007, and \$0 in FY 2008.

PROPOSERS: Supporters say that the bill re-authorizes the federal reimbursement allowance tax for hospitals, pharmacies, and nursing homes. Failure to re-authorize will cost Missouri about \$2 million.

Testifying for the bill were Senator Gross; Missouri Hospital Association; and Missouri Homes for the Aging.

OPPOSERS: There was no opposition voiced to the committee.

Karla Strobel, Legislative Analyst