

SECOND REGULAR SESSION

HOUSE BILL NO. 2389

95TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES JONES (63) (Sponsor) AND WILSON (130) (Co-sponsor).

4564L.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal section 376.986, RSMo, and to enact in lieu thereof one new section relating to the state health insurance pool.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Section 376.986, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 376.986, to read as follows:

376.986. 1. The pool shall offer major medical expense coverage to every person eligible for coverage under section 376.966. The coverage to be issued by the pool and its schedule of benefits, exclusions and other limitations, shall be established by the board with the advice and recommendations of the pool members, and such plan of pool coverage shall be submitted to the director for approval. The pool shall also offer coverage for drugs and supplies requiring a medical prescription and coverage for patient education services, to be provided at the direction of a physician, encompassing the provision of information, therapy, programs, or other services on an inpatient or outpatient basis, designed to restrict, control, or otherwise cause remission of the covered condition, illness or defect.

2. In establishing the pool coverage the board shall take into consideration the levels of health insurance provided in this state and medical economic factors as may be deemed appropriate, and shall promulgate benefit levels, deductibles, coinsurance factors, exclusions and limitations determined to be generally reflective of and commensurate with health insurance provided through a representative number of insurers in this state.

3. The pool shall establish premium rates for pool coverage as provided in subsection 4 of this section. Separate schedules of premium rates based on age, sex and geographical

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

17 location may apply for individual risks. Premium rates and schedules shall be submitted to the
18 director for approval prior to use.

19 4. The pool, with the assistance of the director, shall determine the standard risk rate by
20 considering the premium rates charged by other insurers offering health insurance coverage to
21 individuals. The standard risk rate shall be established using reasonable actuarial techniques and
22 shall reflect anticipated experience and expenses for such coverage. Initial rates for pool
23 coverage shall not be less than one hundred twenty-five percent of rates established as applicable
24 for individual standard risks. Subject to the limits provided in this subsection, subsequent rates
25 shall be established to provide fully for the expected costs of claims including recovery of prior
26 losses, expenses of operation, investment income of claim reserves, and any other cost factors
27 subject to the limitations described herein. In no event shall pool rates exceed the following:

28 (1) For federally defined eligible individuals and trade act eligible individuals, rates shall
29 be equal to the percent of rates applicable to individual standard risks actuarially determined to
30 be sufficient to recover the sum of the cost of benefits paid under the pool for federally defined
31 and trade act eligible individuals plus the proportion of the pool's administrative expense
32 applicable to federally defined and trade act eligible individuals enrolled for pool coverage,
33 provided that such rates shall not exceed one hundred fifty percent of rates applicable to
34 individual standard risks; and

35 (2) For all other individuals covered under the pool, one hundred fifty percent of rates
36 applicable to individual standard risks.

37 5. Pool coverage established pursuant to this section shall provide an appropriate high
38 and low deductible to be selected by the pool applicant. The deductibles and coinsurance factors
39 may be adjusted annually in accordance with the medical component of the consumer price
40 index.

41 6. Pool coverage shall exclude charges or expenses incurred during the first twelve
42 months following the effective date of coverage as to any condition for which medical advice,
43 care or treatment was recommended or received as to such condition during the six-month period
44 immediately preceding the effective date of coverage. Such preexisting condition exclusions
45 shall be waived to the extent to which similar exclusions, if any, have been satisfied under any
46 prior health insurance coverage which was involuntarily terminated, if application for pool
47 coverage is made not later than sixty-three days following such involuntary termination and, in
48 such case, coverage in the pool shall be effective from the date on which such prior coverage was
49 terminated.

50 7. No preexisting condition exclusion shall be applied to the following:

51 (1) A federally defined eligible individual who has not experienced a significant gap in
52 coverage; or

53 (2) A trade act eligible individual who maintained creditable health insurance coverage
54 for an aggregate period of three months prior to loss of employment and who has not experienced
55 a significant gap in coverage since that time; or

56 **(3) An individual with autism spectrum disorder seeking coverage under subsection**
57 **10 of this section.**

58 8. Benefits otherwise payable under pool coverage shall be reduced by all amounts paid
59 or payable through any other health insurance, or insurance arrangement, and by all hospital and
60 medical expense benefits paid or payable under any workers' compensation coverage, automobile
61 medical payment or liability insurance whether provided on the basis of fault or nonfault, and
62 by any hospital or medical benefits paid or payable under or provided pursuant to any state or
63 federal law or program except Medicaid. The insurer or the pool shall have a cause of action
64 against an eligible person for the recovery of the amount of benefits paid which are not for
65 covered expenses. Benefits due from the pool may be reduced or refused as a setoff against any
66 amount recoverable under this subsection.

67 9. Medical expenses shall include expenses for comparable benefits for those who rely
68 solely on spiritual means through prayer for healing.

69 **10. (1) The pool shall establish a program to permit individuals to purchase**
70 **supplemental health insurance coverage for the diagnosis and treatment of autism**
71 **spectrum disorder under the pool. Such coverage shall also be offered as a rider to any**
72 **existing health insurance policy offered under the pool.**

73 (2) For purposes of this subsection, "autism spectrum disorder" includes autism
74 spectrum disorder, autistic disorder, Asperger's disorder, pervasive developmental
75 disorder not otherwise specified, Rett's disorder, and childhood disintegrative disorder, as
76 defined in the most recent edition of the Diagnostic and Statistical Manual of Mental
77 Disorders of the American Psychiatric Association.

78 (3) Coverage under this subsection shall include all care prescribed or ordered for
79 an individual diagnosed with autism spectrum disorder by a licensed physician or licensed
80 psychologist, including equipment necessary for such care in accordance with the authority
81 granted under such physician's or psychologist's license, including but not limited to:

- 82 (a) Psychiatric care;
83 (b) Psychological care;
84 (c) Habilitative or rehabilitative care, including applied behavior analysis therapy;
85 (d) Therapeutic care; and
86 (e) Pharmacy care.

87 (4) The pool shall determine the specific coverage for applied behavior analysis
88 therapy and may impose an age limitation on such coverage.

89 **(5) The coverage under this subsection shall comply with all state and federal**
90 **mandates for health insurance coverage for autism spectrum disorder.**

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