

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 6474-03
Bill No.: HB 2637
Subject: Health Care
Type: Original
Date: March 15, 2016

Bill Summary: This proposal exempts certain health benefit plans from requirements of any health insurance mandate.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
General Revenue	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
Total Estimated Net Effect on General Revenue	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Insurance Dedicated	Up to \$5,700	\$0	\$0
Total Estimated Net Effect on <u>Other</u> State Funds	Up to \$5,700	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Oversight was unable to receive some of the agency responses in a timely manner due to the short fiscal note request time. Oversight has presented this fiscal note on the best current information that we have or on prior year information regarding a similar bill. Upon the receipt of agency responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval of the chairperson of the Joint Committee on Legislative Research to publish a new fiscal note.

Officials from the **Missouri Consolidated Health Care Plan (MCHCP)** assume this proposal does not fiscally impact their agency. The proposal legislation uses the provider definition from RSMo 376.1350 which does not include MCHCP.

Oversight assumes this proposal is relatively similar to SB 2209 from the 2014 session. Each of the proposals exempt certain health benefits plans from requirements of health insurance mandates. In response to HB 2209, DIFP assumed income from filing fees. In addition, in response to HB 2209, the Department of Health and Senior Services assumed this would create a negative fiscal impact on their Division of Community and Public Health (DCPH). Excluding certain benefits from mandated coverage may cause need for some insured individuals to seek out assistance from programs within DCPH if their insurance coverage is not adequate. For fiscal note purposes, Oversight will show a fiscal impact of \$0 to negative unknown to the General Revenue Fund.

<u>FISCAL IMPACT - State Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
GENERAL REVENUE FUND			
<u>Costs - DCPH</u>			
Increased medical services costs	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</u>
INSURANCE DEDICATED FUND			
<u>Revenues - DIFP - Policy Amendment Fees</u>	<u>Up to \$5,700</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON INSURANCE DEDICATED FUND	<u>Up to \$5,700</u>	<u>\$0</u>	<u>\$0</u>
 <u>FISCAL IMPACT - Local Government</u>	 FY 2017 (10 Mo.)	 FY 2018	 FY 2019
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

This proposal may reduce health care coverage costs to some small businesses, while increasing costs for others.

FISCAL DESCRIPTION

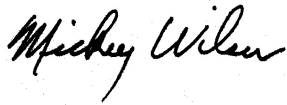
This proposal will exclude certain benefits from any health insurance mandated coverage.

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

L.R. No. 6474-03
Bill No. HB 2637
Page 5 of 5
March 15, 2016

SOURCES OF INFORMATION

Missouri Consolidated Health Care Plan

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
March 15, 2016

Ross Strobe
Assistant Director
March 15, 2016