COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0912-10
Bill No.: SS #2 for HB 219 with SA 1, SA 2, SA 3, SA4 and SA5
Subject: Disabilities; Education, Higher; Health Care; Health Care Professionals; Health and Senior Services Department; Health, Public; Insurance - Health; Medicaid/MO HealthNet; Mental Health; Nurses; Nursing Homes and Long-term Care Facilities; Pharmacy; Physicians; Public Assistance; Social Services Department
Type: #Updated
Date: May 13, 2019
Updated with agency responses and assumptions.

Bill Summary: This proposal modifies provisions relating to health care.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND				
FUND AFFECTED	FY 2020	FY 2021	FY 2022	Fully Implemented (FY 2023)
General Revenue	Greater than ($15,067,891 to $20,597,224)	Greater than ($16,961,477 to $30,454,242)	Greater than ($19,912,113 to $40,561,342)	Greater than ($22,889,636 to $50,924,913)
Total Estimated Net Effect on General Revenue	**Greater than ($15,067,891 to $20,597,224)**	**Greater than ($16,961,477 to $30,454,242)**	**Greater than ($19,912,113 to $40,561,342)**	**Greater than ($22,889,636 to $50,924,913)**

Numbers within parentheses: ( ) indicate costs or losses.
This fiscal note contains 57 pages.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS				
FUND AFFECTED	FY 2020	FY 2021	FY 2022	Fully Implemented (FY 2023)
State Road (0320)	(Unknown)	(Unknown)	(Unknown)	(Unknown)
Missouri Veterans' Health and Care*	$0	$0	$0	$0
Premium (0885)	$1,007,960	$1,209,552	$1,209,552	$1,209,552
Other State	Greater than ($12,192)	Greater than ($14,630)	Greater than ($14,630)	Greater than ($14,630)
Total Estimated Net Effect on Other State Funds	**Less than $995,768**	**Less than $1,194,923**	**Less than $1,194,923**	**Less than $1,194,923**

* Income and expenses Unknown, but net to $0.

ESTIMATED NET EFFECT ON FEDERAL FUNDS				
FUND AFFECTED	FY 2020	FY 2021	FY 2022	Fully Implemented (FY 2023)
Federal	Greater than ($19,525)	Greater than ($23,430)	Greater than ($23,430)	Greater than ($23,430)
Total Estimated Net Effect on All Federal Funds	**Greater than ($19,525)**	**Greater than ($23,430)**	**Greater than ($23,430)**	**Greater than ($23,430)**

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)				
FUND AFFECTED	FY 2020	FY 2021	FY 2022	Fully Implemented (FY 2023)
General Revenue	1 to 5.36 FTE	1 to 5.5 FTE	1 to 5.5 FTE	1 to 5.5 FTE
Federal	0.34 FTE	0 FTE	0 FTE	0 FTE
Total Estimated Net Effect on FTE	**1.34 to 5.7 FTE**	**1 to 5.5 FTE**	**1 to 5.5 FTE**	**1 to 5.5 FTE**

☒ 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 2020	FY 2021	FY 2022	Fully Implemented (FY 2023)
Local Government	**$0 to (Unknown)**	**$0 to (Unknown)**	**$0 to (Unknown)**	**$0 to (Unknown)**

FISCAL ANALYSIS

ASSUMPTION

Due to time constraints of less than 2 hours, **Oversight** produced the original fiscal note without input from the impacted state agencies and without time to pull together agency responses to other bills. Oversight has since received some (but not all) agency responses and has also been able to incorporate agency responses from similar bills that are within this Senate Substitute #2. Oversight has presented this fiscal note on the best current information that we have. Upon the receipt of additional agency responses, Oversight will review to determine if another 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.

§21.790 - Substance abuse prevention and treatment task force - Senate Amendment (SA) 5

In response to similar legislation (SCS HB 240), officials from the **Missouri Senate (SEN)** assumed no fiscal impact when task force meetings are held in Jefferson City during the legislative session. The draft legislation does not allow for reimbursement of travel to attend meetings. However, if meetings are held during the legislative interim there would be a negative fiscal impact to reimburse 6 senators for round trip mileage to attend meetings.

It will cost the Senate just under $600 per meeting, assuming the meetings are held in Jefferson City. This estimate is based the average of the total round trip miles for current sitting senators, 34 and current rate as set by the Office of Administration. (265 average miles * 0.37 per mile * 6 senators = $588.30, rounded up)

In response to similar legislation, officials from the **Missouri House of Representatives** assumed joint committee expenses are typically covered by the Senate using their Joint Contingent Expenses appropriation.

Oversight notes that the SEN does not include the representatives or public members in their estimated costs. Therefore, Oversight will assume the average of the total round trip miles for current sitting Representatives and unknown mileage for public appointees. The current rate as set by the Office of Administration as reflected in table below:

EXPENSE	TOTAL AVERAGE MILES*	RATE PER MILE**	NUMBER OF APPOINTEES	EST TOTAL PER MEETING
Mileage - Representatives	268	0.37	6	594.96
Mileage - Public	Unknown	0.37	4	Unknown
TOTAL FISCAL IMPACT:				**594.96**

ASSUMPTION (continued)

Including the 4 public members (16 total), **Oversight** will assume a cost of approximately $1,500 per meeting held during the interim. Oversight will further assume three meetings per year for this task force, one during session and two during the interim. Therefore, Oversight will assume a cost of $3,000 per year for mileage reimbursement for committee members.

Oversight notes the proposal states the task force shall be assisted by legislative personnel as is deemed necessary to assist the task force in the performance of its duties. Oversight assumes staffing will be filled by existing legislative personnel; therefore, Oversight assumes no costs other than reimbursable expenses by the committee.

In response to similar legislation (SCS HB 240), officials from the **Department of Health and Senior Services, Division of Community and Public Health (DCPH)** stated the proposed legislation would create a Task Force on Substance Abuse Prevention and Treatment. §21.790.4 would allow the task force to request assistance or information from state departments, agencies, board, commissions, and offices. DHSS assumes that it would receive requests to provide information to the task force, which would place a requirement on staff time to gather and disseminate such information. Such information gathering would exist within the normal ebb and flow of the department's responsibilities and, therefore, would have no fiscal impact. The department anticipates being able to absorb these costs. However, until the FY20 budget is final, the department cannot identify specific funding sources.

§§191.603, 191.605 and 191.607 - Adds psychiatrists to list of eligible persons for loan repayment

Oversight notes, in response to similar legislation (SB 358), the **Department of Higher Education**, the **Department of Health and Senior Services (DHSS)** and the **Department of Mental Health** each stated the proposal would not have a direct fiscal impact on their respective organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these organizations.

Oversight obtained information from the DHSS website and FY 2020 budget request regarding the Health Professional Student Loan Repayment Program (Program). The Program provides up to $50,000 in financial assistance to help professionals reduce educational debt and practice in a Health Professional Shortage Area for two years. In FY 2018, DHSS awarded loans to 16 individuals through the Program and anticipates providing 20 awards in each FY 2019 and FY 2020. This proposal expands eligibility for the Health Professional Student Loan Repayment Program to include psychiatrists. The proposal does not require the DHSS to fund any additional candidates; it only increases the number of applicants that may receive funds and, therefore, would have no fiscal impact for purposes of the fiscal note.

ASSUMPTION (continued)

DHSS indicated that funding for the program is composed entirely of Federal grant monies and donations (no General Revenue) and assumes the program will continue to receive the same amount of funding each year. Therefore, DHSS assumes the proposal will have no fiscal impact.

Oversight determined that in FY 2018, 16 applicants received funding through the Health Professional Student Loan Repayment Program. DHSS officials provided information stating candidates are chosen based on the area of the state they intend to work. Candidates planning on working in areas with the highest Health Professional Shortage Area (HPSA) scores receive funding first and funds are distributed from highest to lowest HPSA scores until funds run out.

§§191.1164 - 191.1168 - "Ensuring Access to High Quality Care for the Treatment of Substance Use Disorder Act"

Officials from **Jefferson County** state medication assisted treatment (MAT) will cost Jefferson County hundreds of thousands of dollars as they do not currently have a MAT program in place. Adjustments and bids would be required to update medical contracts.

Officials from the **City of Kansas City (Kansas City)** state this legislation would have a negative fiscal impact on Kansas City because §191.1165.7 requires "Drug courts or other diversion programs that provide for alternatives to jail or prison for persons with a substance use disorder shall be required to ensure all persons under their care are assessed for substance use disorders using standard diagnostic criteria by a licensed physician who actively treats patients with substance use disorders."

The above persons in Kansas City's drug court are treated by licensed clinicians or substance use counselors, but generally not physicians. If someone is on MAT (Medication Assisted Treatment), then they are treated by physicians. However, many in drug court are not MAT.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect the costs provided by Jefferson County and the City of Kansas City as $0 to (Unknown) for Local Governments - Counties and Cities fiscal note purposes.

In response to similar legislation (SCS HB 758), officials from the **Department of Corrections (DOC)** stated the proposed legislation removes any reference to the DOC and adds drug courts and diversion programs. It is assumed that the language is intended to remove the DOC from the impact of this legislation. However, §191.1165.5 might still be interpreted to include the DOC.

For purposes of this fiscal note the DOC assumes no fiscal impact.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect the no fiscal impact DOC provided for fiscal note purposes.

ASSUMPTION (continued)

In response to similar legislation (SCS HB 758), officials from the **Missouri Department of Transportation (MoDOT)** stated at current utilization, MoDOT is projected to see a zero to minimal negative fiscal impact. This is based on consultant-supplied analysis examining utilization levels. If utilization increases, however, the negative fiscal impact could increase.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect the costs provided by MoDOT as $0 to (Unknown) for fiscal note purposes.

In response to similar legislation (SCS HB 758), officials from the **Department of Public Safety (DPS), Missouri State Highway Patrol (MHP)** anticipate the proposal will have no fiscal impact on their organization. However, the MHP will defer to the Missouri Department of Transportation (MoDOT), Employee Benefits Section for response on behalf of the Highway Patrol. Please see MoDOT's fiscal note response for the potential fiscal impact of this proposal.

In response to similar legislation (SCS HB 758), officials from the **Office of State Courts Administrator (OSCA)** stated the proposed legislation may result in some fiscal impact but there is no way to quantify the amount at the current time. Any significant changes will be reflected in future budget requests.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect the costs for the OSCA as $0 to (Unknown) for fiscal note purposes.

Oversight notes the **Department of Insurance, Financial Institutions and Professional Registration** has stated the proposal is not anticipated to have a direct fiscal impact on their organization. However, should the extent of the work be more than anticipated, the DHSS would request additional appropriation and/or FTE through the budget process. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for this organization.

Oversight notes, in response to similar legislation (SCS HB 758), the **Department of Mental Health**, the **Department of Social Services**, the **Missouri Consolidated Health Care Plan** and the **Missouri Department of Conservation** each stated the proposal would not have a direct fiscal impact on their organizations. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these organizations.

Oversight notes, in response to similar legislation (HCS HB 904), the **Department of Health and Senior Services (DHSS)** stated the proposal would not have a direct 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 these sections of the proposal for the DHSS.

ASSUMPTION (continued)

§§192.067 and 192.990 - Pregnancy-associated mortality review board

In response to similar legislation (SCS SB 480), officials from the **Department of Health and Senior Services (DHSS)** state §192.990.7 (1) states, "Before June 30, 2020, and annually thereafter, the board shall submit to the director of the department, the governor, and the general assembly a report on maternal mortality in the state based on data collected through ongoing comprehensive, multidisciplinary reviews of all maternal deaths, and any other projects or efforts funded by the board under the provisions of subsection 6 of this section. The data shall be collected using best practices to reliably determine and include all maternal deaths regardless of the outcome of the pregnancy and include, at a minimum:….."

Since the DHSS, Office of General Counsel has not received any past record requests for this newly established board, an estimate must be used in trying to determine impact from this proposed legislation. Once the public is aware of this new board, requests are possible.

The DHSS, Office of General Counsel will need an additional 0.1 FTE for an attorney (salary of $64,500 per year) to perform the research necessary to ensure the new guidelines and information for this proposed legislation has been properly vetted and implementation is completed quickly and with fiscal responsibility. Also, privacy issues will need to be reviewed. The duties would include promulgating rules and regulations, establishing guidelines, implementing strategies; ensuring evidence-based system changes; and providing policy recommendations.

Due to current workload being at maximum limits, these costs cannot be absorbed.

Oversight assumes 0.1 FTE would not be provided fringe benefits and the state would only pay Social Security and Medicare benefits of 7.65 percent. In addition, Oversight assumes the DHSS would not need additional rental space for 0.1 FTE. However, if multiple proposals pass during the legislative session requiring additional FTE, cumulatively the effect of all proposals passed may result in the DHSS needing additional rental space.

Oversight assumes since DHSS states their responsibility to perform the research necessary to ensure the new guidelines and information for this proposed legislation has been properly vetted and implementation is completed quickly and with fiscal responsibility, Oversight will range the cost of the partial FTE from $0 to DHSS' estimate less fringe benefits over 7.65% and rental space costs.

Oversight notes, to accomplish the duties of the board, §192.900.9 allows DHSS to request and receive data from health care providers, health care facilities, laboratories, medical examiners, coroners, law enforcement agencies and driver's license bureaus, and facilities licensed by the department. Oversight does not know if, or when, DHSS will request information (or what information would be requested) and assumes no fiscal impact for this provision.

ASSUMPTION (continued)

In response to similar legislation (SCS HB 758), officials from the **Department of Mental Health (DMH)** stated although this statute grants authority for the DHSS to request consumer records, as a Health Insurance Portability and Accountability Act (HIPAA) covered entity, DMH would likely be unable to disclose confidential consumer records such as medical records containing protected health information or other identifying information to DHSS (a hybrid HIPAA covered entity) for DHSS to share with non-HIPAA covered entities absent a more formal agreement like a business associate agreement (BAA), and authorization from the consumer, or a court order.

Further, DMH must comply with SAMHSA (Substance Abuse and Mental Health Services Administration) 42 CFR Part 2 regarding disclosure of records should a DMH consumer receive substance use disorder treatment.

While this section does include language requiring DHSS and the board to keep information confidential, it does not appear to contemplate that DMH likely does not have the authorization to disclose confidential consumer records.

This section also includes:

"No entity shall be held liable for civil damages or be subject to any criminal or disciplinary action when complying in good faith with a request from the department for information under the provisions of this subsection."

However, state law cannot supercede federal privacy laws, and should DMH disclose confidential consumer records in violation of HIPAA, DMH could be subject to at least civil penalties from the Office of Civil Rights under the U.S. Department of Health and Human Services.

Oversight assumes the DMH will follow HIPAA laws and will not incur civil penalties.

Oversight notes, in response to similar legislation (SCS HB 758), the **Department of Insurance, Financial Institutions and Professional Registration** and the **Department of Social Services** stated the proposal would not have a direct 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 organization.

In response to similar legislation (SB 480), officials from the **City of Kansas City** stated this legislation would have a very small negative fiscal impact on the City of Kansas City because of the staff time in providing medical records pursuant to the legislation.

ASSUMPTION (continued)

Oversight does not have any information to the contrary. Oversight assumes the City of Kansas City has sufficient staff and resources available within current funding levels to provide the medical records required pursuant to this legislation and will reflect no fiscal impact to the City of Kansas City for fiscal note purposes.

Oversight notes, in response to similar legislation (SB 480), that the **City of Springfield** has stated the proposal would not have a direct 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 organization.

§192.667 - Infection control data reporting

Oversight notes, in response to similar legislation (SB 435), that the **Department of Health and Senior Services** stated the proposal would not have a direct 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 organization.

Oversight contacted DHSS officials and asked whether the Centers for Medicare and Medicaid Services (CMS) already requires hospitals to submit health care-associated infection data. Officials indicated that although not required by CMS, most hospitals already provide the data to CMS. DHSS assumes there would be no savings for the department because they still have to collect health care-associated infection data from abortion facilities, ambulatory surgical centers (ASCs) and other facilities.

Oversight notes, in response to similar legislation (SCS HB 758), the **Department of Social Services** stated the proposal would not have a direct 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 organization.

§§193.015, 195.100, 334.037 - 334.749, 338.010, 630.175 and 630.875 - Physician assistants and collaborating physicians

Officials from the **Department of Insurance, Financial Institutions and Professional Registration (DIFP)** state the bill is anticipated to have no fiscal impact to the DIFP. However, should the extent of the work be more than anticipated, the DIFP would request additional appropriation and/or FTE through the budget process.

Oversight does not have any information to the contrary. Therefore, Oversight will assume DIFP has sufficient existing staff and resources available to perform the additional duties required by this proposal and will reflect no fiscal impact to the DIFP for fiscal note purposes.

ASSUMPTION (continued)

Oversight notes, in response to similar legislation (SCS HB 758), the **Department of Mental Health** and the **Department of Social Services** stated the proposal would not have a direct fiscal impact on their organizations. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these organizations.

Oversight notes, in response to similar legislation (HCS HB 840), the **Department of Health and Senior Services (DHSS)** stated the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact for these sections in the fiscal note for DHSS.

§§195.060, 195.550, 196.100, 221.111, 338.015, 338.055 and 338.056 - Prescriptions to be issued electronically

In response to similar legislation (SB 262), officials from the **Department of Health and Senior Services (DHSS), Division of Regulation and Licensure (DRL)** stated §195.550 of the proposed legislation requires that all prescriptions, beginning January 1, 2021, be made electronically, unless certain exceptions are met. It is assumed that the DRL's Section for Health Standards and Licensure's (HSL) Bureau of Narcotics and Dangerous Drugs (BNDD) will assume the duties set forth in the proposed section. BNDD will require additional staff to implement the legislation (hired September 1, 2019).

One Health Program Representative II with an annual salary of $35,990 (salary is based on the average starting salary in the division with pay plan) will be needed to perform the following duties: provide education and communication regarding compliance with electronic prescriptions for controlled substances; assist in the receiving of applications for waivers, reviewing and making determinations, and issuing waivers.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect the costs provided by DHSS for fiscal note purposes.

In response to similar legislation (SB 262), officials from the **Office of Administration (OA), Information Technology Services Division (ITSD)/DHSS** stated modification of the existing MOHWORX application enabling a prescribing practitioner to request a DHSS waiver or renewal of a waiver for the requirement of electronic prescribing will be required. Assuming receipt from DHSS of documented business process for requesting a waiver or renewal of a waiver, ITSD/DHSS would utilize a project team consisting of a Project Manager, Business Analyst, Architect, and Application Developer to analyze, design, develop, and implement modifications to the MOHWORX application. Assuming a fill-time project team for four (4) months, no additional maintenance costs anticipated as it is modification to an existing system.

ASSUMPTION (continued)

ITSD assumes that every new IT project/system will be bid out because all their resources are at full capacity. It is estimated IT consultants will be needed at a rate of $75 per hour for 820.8 hours for a total cost of $61,560 ($75 * 820.8) to the General Revenue (GR) Fund.

Oversight notes ITSD assumes that every new IT project/system will be bid out because all their resources are at full capacity. For this proposal, ITSD assumes modifications to the existing MOHWORX application will be required. ITSD estimates the project would take 820.8 hours at a contract rate of $75 per hour for a total cost to the state of $61,560 in GR funds. Oversight notes that an average salary for a current IT Specialist within ITSD is $51,618, which totals roughly $80,000 per year when fringe benefits are added. Assuming all ITSD resources are at full capacity, Oversight assumes ITSD may (instead of contracting out the programming) hire additional IT Specialists to perform the work required by this proposal. Therefore, Oversight will range the fiscal impact from the cost of contracting out the work ($61,560 in FY 2020) to hiring 1 ($61,560 / $75 / 2,080 hours = 0.39 rounded up) additional FTE IT Specialists (at roughly $80,000 each, per year) to complete the system update. Oversight assumes the additional FTE would be permanent staff will range costs for FY 2021 and 2022 from $0 to the cost of an additional IT Specialist.

Oversight notes the **Department of Insurance, Financial Institutions and Professional Registration** has stated the proposal would not have a direct 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 organization.

§195.080 - Exceptions to prescription limitations for Sickle Cell

In response to similar legislation (HB 986), officials from the **Department of Public Safety, Missouri State Highway Patrol (DPS, MHP)** assumed the proposal will have no fiscal impact on their organization. The DPS, MHP defers to the Missouri Department of Transportation (MoDOT), Employee Benefits Section for its response. Please see MoDOT's fiscal note response for the potential fiscal impact of this proposal.

ASSUMPTION (continued)

Oversight notes, in response to similar legislation (HB 986), the **Department of Health and Senior Services**, the **Department of Insurance, Financial Institutions and Professional Registration**, the **Department of Social Services**, the **Missouri Consolidated Health Care Plan**, the **Missouri Department of Conservation** and the **Missouri Department of Transportation** stated the proposal would not have a direct fiscal impact on their organizations. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these organizations.

§197.108 - Hospital inspectors/surveyors

In response to the previous version of this proposal, officials from the **Department of Health and Senior Services (DHSS)** stated §197.108 of this legislation prevents an individual from being an inspector or surveyor of a hospital if they were an employee of such hospital or another hospital within its organization in the preceding two years. It also requires newly hired inspectors or surveyors to disclose the name of every hospital they, or any immediate family member, had been employed by in the last ten years. Review and updates of conflict of interest policies and procedures are within the normal ebb and flow for the Division of Regulation and Licensure. The department anticipates being able to absorb these costs. However, until the FY20 budget is final, the department cannot identify specific funding sources.

Oversight does not have any information to the contrary. Therefore, Oversight assumes the DHSS will be able to implement the provisions of this proposal with existing staff and resources and will indicate no fiscal impact to the DHSS for fiscal note purposes.

§195.820 - Administration/processing fee for Missouri Veterans' Health and Care Fund - Senate Amendment (SA) 3

Officials from the **Department of Health and Senior Services (DHSS)** state the proposed legislation requires the DHSS to establish an administration and processing fee, exclusive of any application or licence fee established under article XIV of the Missouri Constitution, if the funds in the Missouri Veterans' Health and Care Fund are insufficient to provide for the administration of the program. It is unknown whether the DHSS will need to establish an administration and processing fee to sustain the Medical Marijuana Program. DHSS will only assess fees if they are needed to cover costs incurred by the program. The amount of uncovered costs and resulting fees are both unknown and assumed to be equal, so the impact on the Missouri Veterans' Health and Care Fund is zero.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect the potential fees and costs to the Missouri Veterans' Health and Care Fund as $0 or Unknown netting to $0 as provided by the DHSS for fiscal note purposes.

ASSUMPTION (continued)

Oversight notes the Missouri Veterans' Health and Care Fund was established upon passage of Constitutional Amendment 2 (Medical Marijuana) during the November, 2018 election. A state fund number has not been issued for the Missouri Veterans' Health and Care Fund as, to date, no funds have been credited to the fund.

Officials from the **Columbia/Boone County Department of Public Health and Human Services Oversight** notes state the proposal would not have a direct 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 organization.

§198.082 - Training requirements for certified nursing assistants

Officials from the **Department of Health and Senior Services (DHSS)** state the required curriculum of the nurse aide training program is provided by CFR 483.152. DHSS is required to maintain the nurse aid registry and assessments of nurse aide training and competency evaluation programs.

This bill adds locations where a nurse aide training program can be placed (veteran's home or hospital). If these facilities establish training programs, the newly certified nurse aides will be added to the registry. These programs will increase the number of newly certified nurse aides who will be added to the registry. Since the Division of Regulation and Licensure (DRL) already maintains the certified nurse aide registry, passage of this proposal will not increase the workload of the staff in DRL, Therefore, DHSS assumes the proposal will have no fiscal impact.

Oversight notes provisions of §198.082.8 provide that the DHSS may offer additional training programs and certifications to students who are already certified as nursing assistants according to regulations promulgated by the department and curriculum approved by the board.

DHSS officials stated if they were to offer additional training programs and certifications as detailed in subsection 8, it is assumed 0.5 FTE of a Register Nurse Manager, 1.0 FTE Facility Advisory Nurse III, 0.1 FTE Attorney, and 1.0 FTE Senior Office Support Assistant would be needed. In addition, it is assumed there would be unknown Information Technology Services Division (ITSD) costs to develop and maintain an online test bank and automated test taking process. Therefore, the cost would be unknown greater than $206,094 to the General Revenue Fund (GR) for FY 2020; unknown greater than $210,845 to GR for FY 2021; and unknown greater than $213,070 to GR for FY 2022.

For purposes of this fiscal note, **Oversight** will range potential costs as $0 or the amount provided by the DHSS if they were to offer additional training programs and certifications to certified nurse aides.

ASSUMPTION (continued)

Oversight notes, in response to similar legislation (SB 490), the **Department of Insurance, Financial Institutions and Professional Registration** stated the proposal would not have a direct 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 section this organization.

§208.146 - Ticket to work

In response to similar legislation (SB 232), officials from the **Department of Social Services (DSS)** stated they do not anticipate a fiscal impact as a result of this legislation. However, if the sunset is not extended, there would be a loss of revenue to the state. Individuals would no longer pay a premium for Ticket to Work which would result in a loss of revenue to the state of approximately $1.2 million per year (based on SFY 2018 premiums collected of $1,209,552; premiums go to the Premium Fund (0885)). Individuals no longer paying premiums would continue to be covered for Medicaid benefits through a different eligibility group or spenddown.

Oversight obtained additional information from DSS regarding costs associated with the Ticket to Work program. The Ticket to Work program costs the DSS approximately $35 million annually for the premium program and about $9 million annually for the non-premium program. Multiple programs have expenditures related to the Ticket to Work program including nursing facilities, hospitals, dental, pharmacy, physician services, in-home services, mental health services, state institutions and Early Periodic Screening Diagnosis and Treatment (EPSDT) services. Pharmacy and Managed Care programs receive the funds from the Ticket to Work premiums collected. During FY 2018, approximately 1,380 individuals participated in the premium program and 234 in the non-premium program.

Oversight assumes this bill will extend the sunset of the Ticket to Work program and will, therefore, will present premiums collected by the Ticket to Work program of $1,209,552 annually to the Premium Fund. Oversight assumes there may be costs associated with this program up to $44 million; however, Oversight is unable to determine whether the individuals would be covered through a different eligibility group or spenddown as stated by DSS above. Therefore, Oversight will reflect DSS' assumption of no fiscal impact from this proposal other than the continuation of collecting premiums.

In response to similar legislation (SB 232), officials from the **Office of Administration, Division of Budget & Planning (B&P)** stated this proposal has no direct fiscal impact on B&P. In addition, the proposal has no direct impact on general or total state revenues and will not impact the calculation pursuant to Article X, Sec. 18(e).

ASSUMPTION (continued)

Officials from the **Department of Health and Senior Services** defer to the Department of Social Services for response regarding the potential fiscal impact of this section.

§208.151 - MO HealthNet benefits for persons in foster care

In response to similar legislation (SB 514), officials from the **Department of Social Services (DSS), MO HealthNet Division (MHD)** stated §208.151.1(26) is amended to allow persons who were in foster care under the responsibility of another state for at least six months, are currently residing in Missouri, are at least eighteen years of age, are not eligible for coverage under another mandatory coverage group, and were covered by Medicaid while they were in foster care to also be eligible to receive MO HealthNet benefits.

Section 1902 (a)(10)(i)(IX) of the Social Security Act requires states to make medical assistance available to individuals who were in foster care under the responsibility of the State on the date of attaining eighteen years of age until the individual turns twenty-six years of age. However, the federal law does not require states to make medical assistance available to individuals who were in foster care under the responsibility of another state.

States have the option to apply for an 1115 demonstration waiver under 42 CFR 435.150 to provide medical assistance to former foster care youth who aged out in another state and were enrolled in Medicaid in another state at any time during the period of foster care.

In State Fiscal Year (SFY) 2018, there were 25 children, that were age 18 or older and placed in foster care in Missouri who were under the responsibility of another state for at least six months. For the purpose of this bill, the Family Support Division (FSD) is estimating that this is the number of children that would be eligible for this coverage per year. It is assumed that these individuals are eligible for a federally matched Medicaid program, under an 1115 demonstration waiver.

Because an 1115 waiver is required to implement the provisions of this bill, the DSS would have to apply for and be approved in order to receive a federal match on these individuals. Due to the amount of time estimated to apply and be approved for the waiver, the earliest this legislation could be implemented is expected to be January 1, 2020.

The FSD assumes existing staff will be able to complete necessary additional work as a result of this proposal.

The FSD assumes Office of Administration, Information Technology Services Division (OA, ITSD) will include the system programming costs for the system changes necessary to implement provisions of this bill.

ASSUMPTION (continued)

The Children's Division (CD) and FSD defer to MO HealthNet Division for costs to the program; therefore, there is no fiscal impact to the CD or to the FSD.

Oversight does not have any information to the contrary. Oversight assumes the CD and FSD have sufficient staff and resources to handle any increase in workload required under the provisions of this proposal and will reflect no fiscal impact for these divisions for fiscal note purposes.

MHD officials state per the new parameters of this legislation, the CD reports that a total of 25 children in FY 2018 were 18 or older and are currently residing in Missouri that had been under the responsibility of another state for at least 6 months. MO HealthNet Division found that a per member per month (PMPM) rate for foster care services is $604.11. Therefore, an annual cost for this new legislation is estimated to be $181,233 (25 newly eligible*$604.11 PMPM*12 months). A 2.4% inflation rate was used for FY21 and FY22.

FY20 (6 mos): Total: $90,617 (GR $31,183; FF $59,434);
FY21: Total: $185,583 (GR $63,863; FF $121,720; and,
FY22: Total: $190,037 (GR $65,396; FF $124,641).

Oversight does not have any information to the contrary. Therefore, Oversight will reflect the costs provided by DSS, MHD for fiscal note purposes.

In response to similar legislation (Perfected SB 514), officials from the **Office of Administration, Information Technology Services Division (OA, ITSD)/DSS** stated system modifications will be required for the Missouri Eligibility Determination and Enrollment System (MEDES). System modifications will be executed via a Project Assessment Quotation under the existing Redmane contract (CT 170849002) for MEDES Maintenance and Operations as an enhancement. It is assumed the system modifications will require 4,043.52 IT consultant contract hours at $160 per hour for a total cost of $646,963 ($161,741 GR; $485,222 Federal funds) in FY 2020.

In addition, it is assumed the Family and Children Electronic Services (FACES) system will require modifications. IT consultants are estimated to require 864.00 hours at $75/hours to do the necessary modifications for a total of $64,800 ($42,768 General Revenue (GR); $22,032 Federal Funds) in FY 2020.

It is assumed that every new IT project/system will be bid out because all ITSD resources are at full capacity. Contracted IT consultant hours are estimated at a rate of $75 per hour.

ASSUMPTION (continued)

Oversight notes, based on information from OA, ITSD officials that changes to FACES are made using a mix of ITSD staff and a contractor. Generally changes are contracted out, especially if there are significant changes.

Oversight also notes ITSD assumes that every new IT project/system will be bid out because all their resources are at full capacity. For this proposal, ITSD assumes system changes will need to be made to the MEDES and FACES systems. The state has a contract with Redmane to perform system changes/enhancements to MEDES. However, since changes to FACES are made using a mix of ITSD staff and a contractor, Oversight assumes ITSD staff could make the required changes to FACES.

ITSD estimates the FACES project would take 864.00 hours at a contract rate of $75 per hour for a total cost to the state of $64,800 ($42,768 GR; $22,032 Federal funds). Oversight notes that an average salary for a current IT Specialist within ITSD is $51,618, which totals roughly $80,000 per year when fringe benefits are added. Assuming all ITSD resources are at full capacity, Oversight assumes ITSD may (instead of contracting out the programming) hire additional IT Specialists to perform the work required by this proposal. Therefore, Oversight will range the fiscal impact from the cost of contracting out the work for FACES updates ($64,800 in FY 2020) to hiring 1 ($64,800 / $75 / 2,080 hours = 0.42 FTE, rounded up) additional FTE IT Specialists (roughly $80,000 per year) to complete the FACES system changes in approximately the same time as contract IT consultants. For FY 2021 and 2022, Oversight cannot assume FTE costs would be split between GR and Federal funds and will present costs as 100% GR.

Officials from the **Department of Mental Health (DMH)** state §208.151.1(26) provides Medicaid coverage to Missouri residents who are age 18 or over, but under age 26, and received foster care for at least 6 months in another state. The anticipated impact to DMH for Comprehensive Psychiatric Rehabilitation (CPR), Comprehensive Substance Treatment and Rehabilitation (CSTAR), and Developmental Disabilities (DD) waiver services for the additional individuals are included in the DSS estimate.

Officials from the **Department of Health and Senior Services** defer to the Department of Social Services for response regarding the potential fiscal impact of this section.

§208.225 - Capital expenditures by long-term care facilities - rebase

In response to similar legislation (SB 11), officials from the **Department of Health and Senior Services (DHSS)** stated the proposed changes to section 208.225 would modify the way the Nursing Facility per diem rate is calculated for MO HealthNet. DHSS assumes there will be a corresponding fiscal impact to Home- and Community-Based Services expenditures because reimbursement for these services is based on the Nursing Facility rates.

ASSUMPTION (continued)

DHSS defers to the Department of Social Services (MoHealthNet) (DSS) to calculate the fiscal impact of altering long-term care facility (nursing home) provider rates.

In estimating the impact on DHSS home- and community-based programs, DHSS used the DSS (MoHealthNet) nursing home provider rate estimates. Any increase or decrease in the average monthly cost will equate to a corresponding increase or decrease to the monthly maximum allowable cost of home- and community-based services (HCBS) that eligible participants could potentially use. Currently, recipients of State Plan Basic Personal Care and Consumer-Directed Services HCBS are limited to a maximum monthly cost not to exceed 60 percent of the average monthly cost of nursing facilities for a participant, as calculated by DSS. Additionally, recipients of State Plan Advanced Personal Care, as well as Adult Day Care services, within both the Adult Day Care Waiver and the Aged and Disabled Waiver are limited to a maximum monthly cost not to exceed 100 percent of the average monthly cost of nursing facilities for a participant, as calculated by DSS.

DHSS used HCBS participant data for the last three fiscal years where the nursing facility rate increased, but the provider rate did not simultaneously increase (FY 14, FY 16, and FY 18). For the purposes of this fiscal note, only those participants that were authorized for services within the range of the previous fiscal years' 60 percent cap and the new fiscal years' 60 percent cap were considered to be those affected by the HCBS 60 percent cost cap increase in those specific years. By taking an average of the participants with increased authorization within this range from those years, DHSS estimates that the number of participants that will benefit from a new 60 percent cost cap increase would be 1,572 participants per year. DHSS used this participant count and the DSS (MHD) estimated rate calculations and ranges to estimate the HCBS cost cap ranging from $1,932 to $1,947 for FY 2020, $1,940 to $1,972 for FY 2021, and $1,948 to $1,998 for FY 2022. Subtracting the FY 2019 cost cap of $1,924 from these projections results in the increased cost cap range of $7.67 to $23.18, $15.69 to $47.63, and $23.91 to $73.55 per participant for FY 2020, FY 2021, and FY 2022, respectively. DHSS estimates additional total costs ranging from:

FY 2020 - $144,656 ($7.67*1,572*12) to $437,175 ($23.18*1,572*12);
FY 2021 - $295,913 ($15.69*1,572*12) to $898,302 ($47.63*1,572*12); and
FY 2022 - $450,943 ($23.91*1,572*12) to $1,387,153 ($73.55*1,572*12).

Additionally, those participants that were authorized for services within the range of the previous fiscal years' 100 percent cap and the new fiscal years' 100 percent cap were considered to be those affected by the 100 percent nursing facility cost cap increase in those specific years. By taking an average of the participants with increased authorization within this range from those years, DHSS assumed that the number of participants that will benefit from a new 100 percent cost cap increase would be 603 participants per year. DHSS used this participant count and the

ASSUMPTION (continued)

DSS (MHD) estimated rate calculations and ranges to estimate the average monthly nursing facility cost cap ranging from $3,220 to $3,246 for fiscal year 2020, $3,233 to $3,287 for fiscal year 2021, and $3,247 to $3,330 for fiscal year. Subtracting the FY 2019 cost cap of $3,207 from these projections results in the increased cost cap range of $12.78 to $38.63, $26.16 to $79.39, and $39.85 to $122.58 per participant for FY 2020, FY 2021, and FY 2022, respectively. DHSS estimates additional total costs ranging from:

FY 2020 - $92,527 ($12.78*603*12) to $279,681 ($38.63*603*12);
FY 2021 - $189,398 ($26.16*603*12) to $574,784 ($79.39*603*12); and
FY 2022 - $288,514 ($39.85*603*12) to $887,479 ($122.58*603*12).

Accordingly, DHSS estimates total costs ranging from:
FY 2020 - $237,183 ($144,656 + $92,527) to $716,856 ($437,175 + $279,681);
FY 2021 - $485,312 ($295,913 + $189,398) to $1,473,086 ($898,302 + $574,784); and
FY 2022 - $739,457 ($450,943 + $288,514) to $2,274,632 ($1,387,153 + $887,479).

The current FMAP split for FY 2020 is 34.412 % GR and 65.588% Fed.

FY 2020: $81,620 - $246,684 (GR) and $155,564 - $470,172 (Fed)
FY 2021: $167,006 - $506,918 (GR) and $318,306 - $966,167 (Fed)
FY 2022: $254,462 - $782,746 (GR) and $484,995 - $1,491,886 (Fed).

Oversight determined from DHSS officials that the FY 2020 costs in the fiscal note are for a full year. Oversight will present FY 2020 costs for 10 months. Therefore, after applying the FMAP split, FY 2020 costs will be ranged from $68,017 - $205,570 (GR) and $129,637 - $391,810 (Fed).

It should be noted, based on Oversight's Addendum (p. 22 - 25), it is likely DHSS' estimated increases in HCBS service costs would be higher than projected. Therefore, for fiscal note purposes, Oversight will assume costs will "likely exceed" the costs provided by DHSS.

In response to similar legislation (SB 11), officials from the **Department of Social Services (DSS), MO HealthNet Division (MHD)** stated §208.225.3 states any enrolled MHD intermediate care facility or skilled nursing facility that incurs total capital expenditures in excess of two thousand dollars per bed shall be entitled to obtain a recalculation of its Medicaid per diem reimbursement by MHD. The rate is based on its additional capital costs or all costs incurred during the facility fiscal year when the capital expenditures were made. Recalculations shall become effective and payable by MHD as the date of application for rate adjustment.

ASSUMPTION (continued)

MHD estimates a vendor would be needed to audit/adjust rates for nursing homes. MHD estimates this will cost:

FY 2020 total: $136,383 (GR $68,191, FF $68,191);
FY 2021 total: $141,565 (GR $70,782, FF $70,782); and,
FY 2022 total: $146,945 (GR $73,472, FF $73,472).

Oversight does not have any information to the contrary. However, Oversight notes FY 2020 costs are for a full year. Oversight will reflect the vendor costs for FY 2020 for 10 months rather than 12 months for fiscal note purposes.

MHD used the average rate increase for rate adjustments granted in 2002 for the impact of the "Adjust Capital Rate Only" scenario (adjusted for increase in nursing facility rates between 2002-2019 + 2.1% inflation for SFYs 20-22). MHD only used allowable nursing facility related capital expenditures to determine qualifying facilities (excludes capital expenditures for non-allowable items (construction in progress, vehicles, land, etc) or non-nursing facility related items (RCFs, apartments, etc). MHD assumes a range due to different rates recalculated for the capital costs vs all costs.

Costs associated with adjustment to Capital Rate only:

FY 2020 total: $3,666,401 (GR $1,261,682; FF $2,404,719) to $11,094,434 (GR $3,817,817; FF $7,276,617);
FY 2021 total: $7,465,126 (GR $2,568,899; FF $4,896,227) to $22,780,587 (GR $7,839,256; FF $14,941,331); and,
FY 2022 total: $11,399,319 (GR $3,922,734; FF $7,476,585) to $35,093,336 (GR $12,076,319; FF $23,017,018).

Oversight notes the DSS has provided "cumulative" costs for Capital Rate-only and costs incurred during the facility fiscal year for FY 2021 and FY 2022. For fiscal note purposes, Oversight will present estimated costs for each year. In addition, Oversight will present FY 2020 costs for 10 months rather than 12 months.

Grand estimated total with Vendor Costs:

FY 2020 total: $3,802,784 (GR $1,329,873; FF $2,472,910) to $11,230,817 (GR $3,886,008; FF $7,344,809)
FY 2021 total: $7,606,691 (GR $2,639,682; FF $4,967,009) to $22,922,152 (GR $7,910,038; FF $15,012,114)
FY 2022 total: $11,546,264 (GR $3,996,206; FF $7,550,058) to $35,240,281 (GR $12,149,791; FF $23,090,490)

ASSUMPTION (continued)

Oversight Addendum

Oversight obtained additional information from the DSS relating to potential Medicaid costs for capital expenditures by long-term care facilities (rebase). For fiscal note purposes, costs will be taken out to FY 2023.

DSS indicated there are approximately 510 Medicaid-certified long-term care facilities in Missouri. Reimbursement rates (effective July 1, 2018) ranged from $142.84 to $184.98 per bed per day. The average occupancy rate per facility is approximately 75%. FY 2019 projected bed days to be paid for by DSS are assumed to be approximately 8.7 million. DSS assumes bed days will increase by approximately 1.5% annually. Therefore, for fiscal note purposes, bed days are assumed to be as follows:

Projected Medicaid Bed Days (1.5% growth factor)

FY 2019	8,700,000
FY 2020	8,830,500
FY 2021	8,962,978
FY 2022	9,097,402
FY 2023	9,233,863

Provisions of this proposal allow intermediate care or skilled nursing facilities that incur more than $2,000 per bed in capital improvements to obtain a recalculation of its Medicaid per diem reimbursement rate based on its additional capital costs or all costs incurred during the facility fiscal year during which such capital expenditures were made (§208.225.3). Such recalculated reimbursement rate shall become effective and payable when granted by MO HealthNet as of the date of application for a rate adjustment. Once a facility's reimbursement rate is adjusted, the new rate continues indefinitely (or until a new rebasing occurs).

The last time facility rates were rebased by DSS was in 2002. DSS rebased facility rates based on capital improvements only, increased between $0.05 to $4.92 per bed, per day (with an average rate increase of $2.27).

At the 2002 average rate increase of $2.27 per bed, per day, it would take a 100-bed facility that invests $200,001 in capital improvements 3.22 years to "recoup" their investment with a 75% occupancy rate (100 beds * 75% = 75 beds *365 days = 27,375 bed days/year * $2.27 = $62,141.25 increase in reimbursement per year; $200,001 investment/$62,141.25 = 3.22 years).

ASSUMPTION (continued)

As an example, Oversight assumes a facility with 100 beds would need to expend $200,001 in capital improvements to qualify for a rebasing of its per diem rate. Below is a table that provides possible rate increase scenarios depending on the return on investment (ROI) a facility might consider when determining whether or not to invest in additional capital improvements.

ROI Years	Rate Increase Needed (per bed, per day)
2	$3.65
5	$1.46
10	$0.73
15	$0.49
20	$0.37

In supporting documentation received from DSS, using FY 2009 data, DSS assumed 56 facilities would qualify for and seek rate increases per year. Since rate increases would continue every year after a facility rebases, costs would "stack" on top of each other; therefore, if 56 facilities are rebased in FY 2020, those costs would continue each future fiscal year. DSS assumes a 2.40% increase for annual inflation in the 2002 rate adjustment of $2.27 to $3.48/bed/day for qualifying facilities for FY 2020.

Oversight notes it is difficult to predict the number of facilities that will be impacted by the rate increase created in the proposal as it depends on each facility's ROI, which include factors such as the age of the facility and current per diem rate. Additionally, Oversight assumes the proposal could allow a facility to receive a rate increase each year. This may result in some facilities being incentivized to invest in capital expenditures every year while other may not benefit from the proposal. For the purposes of the fiscal note, Oversight assumes up to 25% of the facilities would choose to upgrade each year until, or until all facilities are upgraded. Oversight will use the total bed days and the adjusted rate of $3.48/bed/day for fiscal note purposes.

ASSUMPTION (continued)

Projected Rebased Days

FY	Annual Projected Bed Days	Days for Facilities Rebasing (25%)
2020	8,830,500	2,207,625
2021	8,962,978	2,240,745
2022	9,097,402	2,274,350
2023	9,233,863	2,308,466

Capital Costs Rebasing

FY	Total Bed Days	Rate Increase per Bed Day	Increase in Costs	Total Costs	General Revenue (34.412%)	Federal Funds (65.588%)
2020	2,207,625	$3.48	$6,402,112	$6,402,112	$2,203,095	$4,199,017
2021	2,240,745	$3.56	$7,977,050	$15,659,585	$5,388,777	$10,270,809
2022	2,274,350	$3.65	$8,301,379	$23,960,965	$8,245,447	$15,715,518
2023	2,308,466	$3.74	$8,633,662	$32,594,627	$11,216,463	$21,378,164

However, provisions of the proposal also allow for facilities to rebase on all costs incurred during the facility fiscal year during which such capital expenditures were made rather than just capital costs, as long as the more than $2,000 investment per bed is made.

Under this assumption, DSS assumed that recalculated per diem rates could increase an average of $11.65/bed day with a 3.8% annual growth rate for future years. Using a 100-bed facility with 75% occupancy, that invests $200,001 in capital improvements, they could "recoup" their investment in less than 1 year (100 beds * 75% = 75 beds *365 days = 27,375 bed days/year * $11.65 = $318,919 increase in reimbursements per year; $200,001 investment/$318,919 = 0.63 years or 7.6 months).

Oversight notes that each facility's ROI will be different depending on the age of the facility and current per diem rate. This may result in some facilities being incentivized to invest in capital expenditures every year while other may not benefit from the proposal. Oversight assumes,

ASSUMPTION (continued)

under the "all cost" method, it is likely that most facilities would choose to invest over $2,000 capital improvements per bed to obtain a higher per diem rate. Oversight assumes one-fourth of all 510 facilities will choose to rebase each year and is presenting the estimated costs in the table below:

All Costs Rebasing

FY	Total Bed Days	Rate Increase per Bed Day	Increase in Costs	Total Costs	General Revenue (34.412%)	Federal Funds (65.588%)
2020	2,207,625	$11.65	$25,710,795	$21,425,662	$7,372,999	$14,052,663
2021	2,240,745	$12.09	$27,088,185	$52,798,980	$18,169,185	$34,629,795
2022	2,274,350	$12.55	$28,539,234	$81,338,214	$27,990,106	$53,348,108
2023	2,308,466	$13.03	$30,079,309	$111,417,523	$38,340,998	$73,076,525

Oversight notes the DSS has assumed there will be additional vendor costs associated with this provision of the proposal. Vendor costs are contracted auditors that go in and audit facility costs to determine the adjusted rates for facilities. Vendor costs for FY 2020 are estimated to be $136,383; FY 2021 costs are estimated to be $141,565; and FY 2022 vendor costs are estimated to be $146,945. Oversight will extrapolate vendor costs to FY 2023 and assumes costs of $152,323. These costs are reimbursed 50% GR/50% Federal.

§208.790 - Mo Rx Plan

In response to similar legislation (SB 78), officials from the **Department of Social Services (DSS), MO HealthNet Division (MHD)** stated this legislation allows individuals whose income is less than one hundred eighty-five percent (185%) of the federal poverty level for the applicable family size to be eligible for the MO Rx plan. Currently the MO Rx program is available for dual-eligible (Medicare and Medicaid) participants only. Subject to appropriation, if this legislation is enacted, the program will be available for dual (Medicare and Medicaid eligible participants) and non-dual (Medicare-only) participants.

The federal budget recently passed by the United States Congress closes the coverage gap in Medicare Part D (known as the "Donut Hole"). In FY 2017, once an individual with Medicare Part D reached the coverage gap, they were responsible for 40% of the cost for brand drugs and 49% of the cost for generic drugs. For FY 2020, individuals will be responsible for 25% of all drug cost once they reach the coverage gap. When the MO Rx plan included coverage for non-dual members, the plan paid for 50% of the member cost once the member was in the coverage gap. As a result of the reduction in participant responsibility once in the coverage gap, the cost to add non-duals back into the MO Rx program would be reduced by $72,082 annually.

ASSUMPTION (continued)

This amount was calculated assuming 31% of the FY 2020 projected number of qualifying recipients of 63,596 (Forbes: The Medicare Drug 'Donut Hole' is a Much Smaller Problem Than You Think) or 19,715 of non-duals, could be affected by the donut hole. Of the 19,715 recipients, it is assumed 6% or 1,183 (19,715 x .06) would reach the coverage gap. The coverage gap is $1,250 but only a small percentage of Medicare Part D participants spend the full gap amount. For the purposes of this fiscal note, the coverage gap is estimated to be $625 ($1,250/2). Assuming a member responsibility of 44.5% (average of 40% brand and 49% generic), the member responsibility in the gap would be $278 (625 x 0.445). MO Rx would pay 50% or $139 ($278 / 2) for a total gap coverage cost of $164,494 (1,183 x $139). In FY 2020 the Medicare Part D member responsibility drops to 25% for an estimated member coverage gap cost of $156 ($625 x 0.25). MO Rx would pay 50% or $78 for a total FY 2020 estimated coverage gap cost of $92,412 (1,183 x $78). The annual savings applied to the cost of this fiscal note for donut hole closing is $72,082 ($164,494 - $92,412).

The projected average number of non-duals in FY 2020 is 63,596. Using a per member per year cost of $281, the projected FY 2020 10-month cost would be $14,909,543 ((63,596 x $281= $17,891,452) /12 x10 = 14,909,543). The estimated FY 2020 start-up and administrative cost include contractor, mailings, and enrollment fees would be $492,253 for a total cost of $15,401,797. Estimated FY 2020 rebate revenue of $3,260,312 would offset the cost and it is assumed MO Rx rebates are paid 6 months in arrears. FY 2020 savings related to the donut hole would be $72,082. FY 2020 net cost would be $12,069,403. Full year FY 2021 and FY 2022 net cost are $11,062,189. Until the FY 2020 budget is final, the department cannot identify specific funding sources.

Oversight notes, based on information from DSS officials, the donut hole savings for FY 2020 should be $60,068 (10 months) rather than $72,082. Annual donut hole savings for FY 2021 and 2022 is $72,082.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect the costs, savings, and rebate income as provided by DSS for fiscal note purposes.

In response to similar legislation (SB 78), officials from the **Office of Administration, Division of Budget & Planning (B&P)** stated the proposal will have no direct impact on B&P. In addition, there is no impact to Total State Revenue (TSR) or the calculation pursuant to Article X, Section 18(e).

Oversight does not have any information to the contrary. Therefore, Oversight will reflect no fiscal impact for B&P for fiscal note purposes.

Officials from the **Department of Health and Senior Services** defer to the Department of Social Services for response regarding the potential fiscal impact of this section.

ASSUMPTION (continued)

§§217.930 and 221.125 - Suspension of MO HealthNet benefits when incarcerated

In response to similar legislation (SB 393), officials from the **Department of Social Services (DSS), MO HealthNet Division (MHD)** stated SB 393 amends chapters 217 and 221, RSMo. This legislation requires MHD benefits of offenders in correctional facilities and jails to be suspended rather than terminated. These benefits shall be restored upon release until such time as the person is determined to no longer be eligible for the program.

Currently, when the Family Support Division (FSD) is notified that an individual has become incarcerated, MHD eligibility is closed and a new application is required upon release. The FSD has a Memorandum of Understanding (MOU) in place with the Missouri Department of Corrections (DOC) to accept applications facilitated by the DOC when an individual is temporarily released to receive inpatient treatment for twenty-four hours or longer and when an inmate is expected to be permanently released. The DOC facilitates the application process on behalf of FSD for certain inmates within its custody who would appear to meet all factors for eligibility and coverage for MHD and assists in completing the necessary forms for application. FSD notifies the inmate in writing when the eligibility determination is complete of its decision regarding eligibility for MHD benefits.

In State Fiscal Year (SFY) 2018, the FSD closed MHD eligibility for 1,124 individuals due to incarceration and determined 461 individuals eligible for MHD benefits upon release. Of the 461 individuals determined eligible upon release, 155 were due to a temporary release of at least twenty-four hours for inpatient treatment and 306 were due to permanent release.

The proposed changes do not change MHD eligibility criteria established by Centers for Medicare & Medicaid Services (CMS) and participants will still need to meet all program eligibility requirements in order to keep active and/or suspended MHD benefits. To ensure the proper eligibility is determined, the FSD completes a review when there is a change in circumstances. An individual becoming incarcerated is a change in circumstance and when a participant with active or suspended coverage no longer meets the criteria for his or her current program benefits, FSD will explore an ex parte review to determine if the participant qualifies for coverage under another MHD program. If the individual does not qualify for coverage under another MHD program, their coverage will be closed. If the individual qualifies for coverage under another MHD program, they will be moved to the proper program. Therefore, "restored" coverage refers to the activation of coverage. However, this may not be at the same level as when the individual became incarcerated due to a change in circumstances. The FSD will continue to work with the DOC and will also work with county, city, and private jails to facilitate applications and eligibility reviews of incarcerated individuals to determine eligibility.

ASSUMPTION (continued)

The provisions of this bill do not affect any provisions relating to eligibility for any benefits from any program FSD administers. Therefore, there is no fiscal impact to FSD. Because FSD only determines eligibility for covered services, FSD defers to MHD regarding any services or medical expenses the participant may incur during periods of suspended coverage.

Currently, MHD has a process for persons that are incarcerated, but it involves starting and stopping their eligibility. In order to add a process to suspend eligibility, new system work would need to be created. This system work would include creating lock in segments for all incarcerated members. MHD does not pay for services while individuals are incarcerated. When they are admitted into the hospital or when they are released from prison, the lock in would have to be ended and a new lock in created for the date when/if they return to prison. Also, MHD would have to update the eligibility verification responses sent to providers to reflect the lock in to prison. This would require Medicaid Management Information System (MMIS) system modifications costing up to $500K to MHD. This would be calculated at a 75/25 split. Plus, additional staff time would be needed to manually add and close the lock-ins described above. This is estimated to be approximately 4 extra hours a month. These duties could be handled by a Management Analysis Specialist II (MAS II). At approximately $22/hr for a MAS II, the total administrative costs associated with this legislation would be $1,056 ($22/hr*4 hrs*12 months) per year. It is assumed that MHD could absorb these costs with a MAS II already on staff.

Oversight contacted DSS staff regarding the $500,000 in system modifications that would be needed. DSS assumes it would have to issue a request for proposal and get bids for the modifications that would be needed. Oversight contacted officials with the Office of Administration, Division of Purchasing and Materials Management (DPMM). DPMM officials indicated that a request for proposal would have to be submitted and bids received for these system modifications.

In addition, Oversight contacted DSS officials regarding any potential savings as a result of not having to process Medicaid applications for offenders being released from prison because benefits were suspended rather than terminated. Officials indicated the DSS would still need to go through a re-verification process to determine whether an individual would be eligible for benefits upon release. Any savings would be very small and there is no way to track the potential savings. Re-verification would still have to be performed manually for each offender being released from prison/jail to determine eligibility.

Oversight does not have any information to the contrary. Oversight assumes the MHD has sufficient staff and resources to absorb the additional duties required by this proposal to manually add and close the lock-ins described in their response. However, Oversight will reflect the costs for MMIS modifications provided by DSS for fiscal note purposes.

ASSUMPTION (continued)

In response to similar legislation (SB 393), officials from the **Department of Corrections (DOC)** deferred to the DSS for any impact related to this proposal.

Oversight notes this legislation appears to require the DOC to notify DSS within 20 days of an offender on Medicaid coming to prison and to notify them within 45 days of the offender leaving prison. This will be less burdensome than the current process. This bill should provide qualifying offenders access to the medical and mental health care they need immediately upon release which may increase their probability of success in the community. This bill could immensely aid re-entry purposes and continuation of care.

The bill does not specify how the DOC determines if a person is receiving benefits under MO HealthNet. Therefore, it is unclear how this practice will be implemented.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect no fiscal impact as provided by the DOC for fiscal note purposes.

Oversight notes, in response to similar legislation (SB 393), the **City of Kansas City,** the **Joplin Police Department**, the **Springfield Police Department**, the **St. Louis County Police Department**, and the **St. Louis County Department of Justice Services** stated the proposal would not have a direct fiscal impact on their organizations. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these organizations.

Oversight notes this proposal could have positive benefits to the state (including savings related to not having to process MoHealthnet applications once prisoners are released from prison and the potential reduced recidivism rates if newly-released inmates have access to health insurance immediately upon release) and to certain persons recently released from confinement in a prison or jail. Oversight assumes these benefits are indirect impacts and will not reflect them in the fiscal note.

§332.361 - Prescription of opioids by dentists

In response to similar legislation (SB 275), officials from the **Department of Insurance, Financial Institutions and Professional Registration**, the **Department of Mental Health**, the **Department of Social Services** and the **Department of Health and Senior Services** each assumed the proposal will have no fiscal impact on their respective organizations.

Oversight notes that the above mentioned agencies have each stated the proposal would not have a direct fiscal impact on their respective organizations. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note.

ASSUMPTION (continued)

§335.175 - Telehealth by nurses program

In response to similar legislation (HB 226), officials from the **Department of Health and Senior Services**, the **Department of Insurance, Financial Institutions and Professional Registration** and the **Department of Social Services** stated the proposal would not have a direct fiscal impact on their organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these organizations.

Oversight notes the "Utilization of Telehealth by Nurses" allows an advanced practice registered nurse (APRN) providing nursing services under a collaborative practice arrangement to provide agreed-upon services outside the geographic proximity requirements of section 334.104 if the collaborating physician and APRN utilize telehealth in the care of the patient and if the services are provided in a rural area of need.

The State Board of Healing Arts and the Board of Nursing implemented an emergency rule on April 26, 2018 increasing the mileage restrictions in section 334.104 to 75 miles between collaborating professionals (physicians and APRNs) because the current regulations required APRNs to be no more than 30 or 50 miles from their collaborating physician. If the "Utilization of Telehealth by Nurses" program is allowed to expire, APRNs providing services via telehealth to patients in rural areas of need would have to meet the 75 mile proximity requirement. The provisions of section 335.175 do not require collaborating professionals to be within a certain proximity to each other if the services are provided by an APRN in a rural area of need via telehealth.

§337.712 - Suicide assessment training -Senate Amendment (SA) 4

Officials from the **Department of Insurance, Financial Institutions and Professional Registration (DIFP)** assume the proposal will have no fiscal impact on their organization.

Oversight notes that DIFP has stated the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note.

§338.140 - Pharmacist compliance agreements

Officials from the **Department of Insurance, Financial Institutions and Professional Registration** assume the proposal will have no fiscal impact on their organization.

Oversight notes that the Department of Insurance, Financial Institutions and Professional Registration has stated the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note.

ASSUMPTION (continued)

§338.143 - Pharmacy pilot projects

In response to similar legislation (SB 274), officials from the **Department of Insurance, Financial Institutions and Professional Registration**, the **Department of Social Services**, the **Department of Health and Senior Services** and the **Department of Mental Health** each assumed the proposal will have no fiscal impact on their respective organizations.

Oversight notes that the above mentioned agencies have stated the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note.

§§338.010 and 338.665 - Pharmacists prescribing and dispensing tobacco cessation products

In response to similar legislation (HCS HB 725), officials from the **Department of Social Services (DSS), MO HealthNet Division (MHD)** stated §338.800 allows pharmacists to prescribe and dispense any tobacco cessation products. Tobacco cessation products are defined as any drug approved by the federal Food and Drug Administration for use as an aid to tobacco cessation. The board of pharmacy shall adopt regulations. (**Oversight** notes, in this current proposal, §338.800 has been changed to §338.665).

Based on FY 2018 data, MO HealthNet had 111,948 participants with a diagnosis of nicotine dependence. 19,491 of those participants utilized tobacco cessation products in the last year, leaving 92,457 participants who could potentially seek prescriptions directly from a pharmacist in lieu of a physician. On average participants utilizing tobacco cessation products get 2.5 prescriptions per year. The average cost of a tobacco cessation product prescription is $124.16.

MO HealthNet also assumes some savings as a result of increased tobacco cessation product use. An article published on Medicaid.Gov (https://www.medicaid.gov/medicaid/quality-of-care/improvement-initiatives/tobacco/index.html) indicates a savings of $2-$3 for every dollar invested in tobacco cessation.

The number of individuals that will utilize a pharmacist to receive tobacco cessation products instead of a physician is unknown and the total amount of associated savings related to tobacco cessation in unknown; therefore, the fiscal impact is presented as a range from $0 - Unknown.

MHD notes that there could be an increase in pharmacy fees paid due to nicotine dependent MHD participants getting prescriptions directly from pharmacists.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect the fiscal impact of this proposal as Unknown savings to Unknown costs.

ASSUMPTION (continued)

Oversight notes, in response to similar legislation (HCS HB 725), the **Department of Health and Senior Services**, the **Department of Insurance, Financial Institutions and Professional Registration**, the **Department of Public Safety, Missouri State Highway Patrol**, the **Missouri Consolidated Health Care Plan**, the **Missouri Department of Conservation** and the **Missouri Department of Transportation** stated the proposal would not have a direct fiscal impact on their organizations. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these organizations.

§374.500 - Utilization reviews

Officials from the **Department of Insurance, Financial Institutions and Professional Registration (DIFP** state this section is not anticipated to have a fiscal impact on the department. However, should the extent of the work be more than anticipated, the DIFP would request additional appropriation and/or FTE through the budget process.

§376.690 - Unanticipated out-of-network care

In response to similar legislation (SB 103), officials from the **Department of Social Services (DSS)** assumed this legislation revises Chapter 376, which pertains to Health Maintenance Organizations (HMO). The health plans that contract with the state to provide health services in the MO HealthNet Managed Care Program are licensed as HMOs, therefore without a specific exemption, this legislation could pertain to these health plans.

This legislation revises legislation passed in FY 2018 that outlines reimbursement requirements and an arbitration system for reimbursement disputes for out-of-network providers providing "unanticipated out-of-network care" defined as services received in an in-network facility from an out-of-network provider when the patient presents with an emergency medical condition.

The legislation passed in FY 2018 was permissive and allowed for this reimbursement and arbitration system, and required an effective date of January 1, 2019. The current bill requires this reimbursement, the arbitration process and removes the January 1, 2019 effective date.

Currently, the MO HealthNet Managed Care contract requires that non-participating providers be reimbursed at 90% of the Fee-for-Service fee schedule. There are exceptions to this requirement including emergency services and "other non-participating reimbursement rates required by law or in the contract". Currently, emergency services provided by an out-of-network provider must be paid at no lower than the current MO HealthNet program rates in effect at the time of service.

ASSUMPTION (continued)

If the proposed legislation passes and the MO HealthNet Managed Care contract would need to be amended to align non-participating reimbursement with the legislation, it would be assumed that unanticipated out-of-network care would be reimbursed at a rate higher than the current FFS fee schedule reimbursement. Given the negotiation process outlined and the connection of "reasonable" reimbursement to commercial levels, the "reasonable" level of reimbursement in Medicaid is not aligned with the negotiation benchmarks. This is true whether the MCO Medicaid contract required reimbursement at 90% of Medicaid FFS for non-participating providers or if the Medicaid FFS was required. It is assumed that the Managed Care capitation rates would increase at least $100,000 for this change. We estimate the actuarial cost to evaluate this program change to the Managed Care capitation rates to be no more than $50,000. Below splits are based on FMAP rate with a 2.10% medical inflation rate for FY21 and FY22.

FY20: ($150,000) -- GR: ($59,412); FF: ($90,588)
FY21: ($102,100) - GR: ($35,135); FF: ($66,965)
FY22: ($104,244.10) - GR: ($35,872); FF: ($68,372)

Until the FY20 budget is finalized, the Department cannot identify specific appropriations.

Oversight notes that costs for capitation rate increases would be split 35.412% state funds and 65.588% federal funds. Costs for actuarial studies are split equally between state and federal funds.

In response to similar legislation (SB 103), officials from the **Department of Insurance, Financial Institutions and Professional Registration**, the **Department of Health and Senior Services**, the **Department of Mental Health**, the **Missouri Consolidated Health Care Plan** and the **Office of Administration**, **Administrative Hearing Commission** each assumed the proposal will have no fiscal impact on their respective organizations.

Oversight notes that the above mentioned agencies have stated the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note.

§376.1345 - Prohibits health carriers from requiring health care providers to use methods of reimbursement that require providers pay a fee

Oversight notes, in response to similar legislation (HCS SB 103), the **Department of Insurance, Financial Institutions and Professional Registration**, the **Missouri Consolidated Health Care Plan**, the **Department of Public Safety, Missouri State Highway Patrol**, the **Missouri Department of Conservation** and the **Missouri Department of Transportation** stated the proposal would not have a direct fiscal impact on their organizations. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these organizations.

ASSUMPTION (continued)

Officials from the **Office of Administration** defer to the Missouri Consolidated Health Care Plan to estimate the fiscal impact of the proposed legislation on their organization.

§§376.1350 - Utilization reviews

Officials form the **Missouri Consolidated Health Care Plan (MCHCP)** assume this proposal enacts provisions relating to payments for health care services.

MCHCP consulted with its contracted third party administrators (TPA) and pharmacy benefit manager (PBM) to provide input on the financial impact of this proposed legislation.

The language in this proposed legislation adds a definition of prior authorization to be an affirmative determination of coverage made pursuant to a prior authorization review. MCHCP's definition of preauthorization is "A decision by the plan that a health care service, treatment plan, prescription drug, or durable medical equipment is medically necessary. . . . . Preauthorization is not a promise the plan will cover the cost. . . . " The proposed language significantly expands the prior authorization definition from a review of medical necessity to a determination of coverage which expands the scope of the review to include not only a review of medical necessity to include a claim processing review. The provider will have to provide a proposed claim in addition to any clinical data to clear the potential claim for payment. Claims processing include, in summary, an automated review of edits that check for issues such as member status, provider status, benefit accumulators, correct coding edits to detect potential fraud and abuse, and other issues. This significant additional scope of review will add time to the review for medical necessity. In addition the definition of certification includes a requirement that a determination by a health carrier or a utilization review entity will include a determination that payment will be made for that health care service. Similar to the prior authorization, that expands the scope of the certification process to include a claims processing component to determine claims payment. The provider will have to provide additional billing information for that determination to be complete. Any deviation the provider makes to the final bill after services are complete, could result in a change to the payment determination.

The fiscal impact of this proposed legislation is unknown, but greater than $100,000 annually, based on increased administrative cost associated with revised authorization protocols.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect an annual cost of "Greater than" $61,940 to the General Revenue Fund, $14,630 to Other State Funds and $23,430 to Federal funds based on the following MCHCP fund splits provided by the Office of Administration:

General Revenue	61.94%;
Federal	23.43%; and
Other	14.63%

ASSUMPTION (continued)

§§376.1356, 376.1363, 376.1364, 376.1372, and 376.1385 -Utilization Reviews

Officials from the **Department of Insurance, Financial Institutions and Professional Registration (DIFP)** state these sections are anticipated to have no fiscal impact on the DIFP. However, should the extent of work be more than anticipated, the DIFP would request additional appropriation and/or FTE through the budget process.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect no impact to the DIFP for these sections for fiscal note purposes.

In response to similar legislation (SCS SB 298), officials from the **Department of Social Services (DSS)** stated that in order to comply with this §376.1364 of the legislation, the Managed Care Organizations may need to make changes to their current system or, if the current systems utilized do not meet the requirements of this legislation, obtain a system that does. It is assumed this legislation would have a fiscal impact as the capitation rates would increase at least $100,000 due to electronic requirements for prior authorization for medical and behavioral health services. A 2.4% inflation rate was used for FY21 and FY22.

FY 2020 GR $34,412; Fed $65,588 Total: $100,000
FY 2021 GR $35,238; Fed $67,162 Total: $102,400
FY 2022 GR $36,084; Fed $68,774 Total: $104,858

§376.1260 - Off-label usage for drugs -Senate Amendment (SA) 1

In response to similar legislation (Perfected SS SCS SBS 70 & 128), officials from the **Department of Transportation (MoDOT)** stated this version of the legislation could have a small unknown negative fiscal impact to MoDOT, as it adds language requiring health carriers to cover "off-label usage" of prescription drugs if that off-label usage is done to treat cancer. This is not projected to be a drastic increase to the plan, but it could increase costs if there aren't processes in place to ensure that FDA-approved drugs are tried before off-label drugs are.

Oversight notes that the MoDOT stated this version of the legislation could have a small unknown fiscal impact. Oversight does not have any information to the contrary. Therefore, Oversight will reflect an Unknown cost to the State Road Fund.

In response to similar legislation (Perfected SS SCS SBS 70 & 128), officials from the **Department of Health and Senior Services**, the **Department of Insurance, Financial Institutions and Professional Registration** and the **Department of Social Services** each assumed the proposal will have no fiscal impact on their organization.

ASSUMPTION (continued)

Oversight notes that the above mentioned agencies have stated the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note for these agencies.

In response to similar legislation (Perfected SS SCS SBS 70 & 128), officials from the **Mississippi County Health Department (MCHD)** stated this proposal will impact the health department because, at present, MCHD pays 100% of insurance premiums for employees. **Oversight** notes MCHD officials did not provide a statement of fiscal impact.

In response to similar legislation (Perfected SS SCS SBS 70 & 128), officials from the **Livingston County Health Center (LCHC)** stated the health center pays 100% of employee health care premiums. **Oversight** notes LCHC officials did not provide a statement of fiscal impact.

For fiscal note purposes, **Oversight** will present a $0 to (Unknown) cost for All Local Governments for potential increases in insurance premiums.

Oversight notes, in response to similar legislation (Perfected SS SCS SBS 70 & 128), the **Columbia/Boone County Department of Public Health and Human Services**, the **Clay County Public Health Center** and **St. Louis County** have stated the proposal would not have a direct fiscal impact on their organizations. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these organizations.

Oversight notes the provisions of SA 1 contain an emergency clause.

In response to similar legislation (SS SCS SBS 70 & 128), **Oversight** contacted officials from the **Department of Social Services (DSS)**, the **Missouri Consolidated Health Care Plan (MCHCP)** and the **Department of Insurance, Financial Institutions and Professional Registration (DIFP)** regarding the possibility the provisions of §376.1260 being considered an additional insurance mandate under the Affordable Care Act. 45 CFR §155.170 provides that a benefit required by State action taking place on or before December 31, 2011 is considered an Essential Health Benefit (EHB). A benefit required by State action taking place on or after January 1, 2012, other than for purposes of compliance with Federal requirements, is considered in addition to the essential health benefits. The State will identify which State-required benefits are in addition to the EHB. The State must make payments to defray the cost of additional required benefits.

ASSUMPTION (continued)

DSS does not believe the cost of off-label drug use will have a significant impact on their expenditures. DSS officials indicated it is currently common practice for them to pay for the use of off-label drugs. If the Food and Drug Administration (FDA) has approved a drug, MHD already covers the cost of the drug. DSS does not try to dictate to doctors how to use drugs in the treatment of their patients.

MCHCP officials indicated the use of off-label drugs may be considered medical necessity. MCHCP currently pays for cancer treatment, which is already expensive, and the cost differential between paying for cancer treatment and the off-label use of drugs as another method to treat cancer will not significantly impact the cost of the treatments paid for by MCHCP.

DIFP officials indicated the EHB benchmark needs clarification for the requirement of coverage of drugs to treat cancer. There may be some argument that the use of off-label drugs can be considered experimental or investigational. Experimental or investigational treatments are often not covered by insurance policies although DIFP does not believe the use of off-label drugs would constitute an additional required benefit.

DIFP officials indicated Massachusetts may have added an additional health benefit after the January 1, 2012 date provided in 45 CFR §155.170. Oversight contacted the Massachusetts Health Care Access Bureau to obtain information regarding this additional benefit.

The Commissioner of the Massachusetts Health Care Access Bureau stated three mandates have passed in Massachusetts since 12-31-2011 in which the state defrays the cost. These benefits include pediatric hearing aids, treatment for cleft palate and lipodystrophy for AIDS patients. The two latter benefits deal with cosmetic procedures related to cleft palate and lipodystrophy.

The Commissioner indicated Massachusetts has covered the use of off-label drugs for cancer treatment since 1998 or 1999 so this mandate was in place prior to the Affordable Care Act. A legal analysis would be needed to determine whether implementing the use of off-label drugs to treat cancer would constitute mandated coverage in Missouri. The Commissioner provided a bulletin from 2003 that directs the reader to a pharmacopoeia of usage of off-label drugs for cancer treatment, particularly the Association of Community Cancer Center's *Compendia-Based Drug Bulletin* that provides guidelines for combinations of drugs. It could be possible that these combinations would not be classified as experimental or investigational since the drugs are already paid for by insurance companies.

ASSUMPTION (continued)

§§376.1040 and 376.1042 - Solicitation and marketing of multiple-employer self-insured health plans - Senate Amendment (SA) 2

Oversight notes the **Department of Insurance, Financial Institutions and Professional Registration** states the proposal would not have a direct 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 organization.

In response to similar legislation (HB 942), officials from the **Missouri Consolidated Health Care Plan**, the **Office of Administration**, the **Department of Transportation** and the **Missouri Department of Conservation** each assumed the proposal will have no fiscal impact on their respective organizations.

Oversight notes that the above mentioned agencies have stated the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note.

Officials from the **Department of Public Safety**, **Missouri Highway Patrol** deferred to the Department of Transportation to estimate the fiscal impact of the proposed legislation on their organization.

Bill as a whole

Officials from the **Office of the Secretary of State (SOS)** state many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than $5,000. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with the core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could require additional resources.

ASSUMPTION (continued)

Officials from the **Joint Committee on Administrative Rules (JCAR)** state the legislation is not anticipated to cause a fiscal impact to JCAR beyond its current appropriation.

Oversight assumes JCAR will be able to administer any rules resulting from this proposal with existing resources.

Oversight only reflects the responses that we have received from state agencies and political subdivisions; however, other Cities, Counties, Sheriffs and Police Departments, Nursing Homes, Hospitals, Local Public Health Departments, and Colleges and Universities were requested to respond to this proposed legislation but did not. For a general listing of political subdivisions included in our database, please refer to www.legislativeoversight.mo.gov.

FISCAL IMPACT - State Government	FY 2020	FY 2021	FY 2022	Fully Implemented (FY 2023)
GENERAL REVENUE FUND				
Income - DSS (§208.790) p. 25-26				
Increase in rebate revenue	$3,260,312	$6,962,649	$6,962,649	$6,962,649
Savings - DSS (§208.790) p. 25-26				
Reduction in costs due to “donut hole”	$60,068	$72,082	$72,082	$72,082
Savings - DSS (§§338.010 and 338.665)				
Reduction in Medicaid expenditures as a result of decreased tobacco use p. 31	Unknown	Unknown	Unknown	Unknown
Total Income and Savings	Greater than $3,320,380	Greater than $7,034,731	Greater than $7,034,731	Greater than $7,034,731

FISCAL IMPACT - State Government	FY 2020	FY 2021	FY 2022	Fully Implemented (FY 2023)
GENERAL REVENUE FUND (continued)				
Costs - p. 5 Joint Contingency Expenses (§21.790)				
Mileage reimbursement for task force members	($3,000)	($3,000)	($3,000)	($3,000)
Costs - OSCA p. 7 (§191.1165)	$0 to (Unknown)	$0 to (Unknown)	$0 to (Unknown)	$0 to (Unknown)
Costs - DHSS (§192.990) p. 8	$0 to...			
Personal service	($5,375)	$0	$0	$0
Fringe benefits	($411)	$0	$0	$0
Equipment and expense	($3,657)	$0	$0	$0
Total Costs - DHSS	$0 to ($9,443)	$0	$0	$0
FTE Change - DHSS	0 to 0.1 FTE	0 FTE	0 FTE	0 FTE
Costs - DHSS (§§195.060, 195.550, 196.100, 221.111, 338.015, 338.055 and 338.056) p. 11				
Personal service	($29,992)	($36,350)	($36,713)	($37,080)
Fringe benefits	($19,649)	($23,688)	($23,798)	($23,910)
Equipment and expense	($19,033)	($13,611)	($13,950)	($14,299)
Total Costs - DHSS	($68,674)	($73,649)	($74,461)	($75,289)
FTE Change - DHSS	1 FTE	1 FTE	1 FTE	1 FTE

FISCAL IMPACT - State Government	FY 2020	FY 2021	FY 2022	Fully Implemented (FY 2023)
GENERAL REVENUE FUND (continued)				
Costs - OA, ITSD (§§195.060, 195.550, 196.100, 221.111, 338.015, 338.055 and 338.056) p. 12				
System updates (ranged from contracting out the programming ($61,560) to hiring an additional 1 FTE IT Specialist)	($61,560 to $66,667)	$0 or ($80,800)	$0 or ($81,608)	$0 or ($82,424)
FTE Change - OA, ITSD	0 or 1 FTE	0 or 1 FTE	0 or 1 FTE	0 or 1 FTE
Costs - DHSS (§198.082) p. 14	$0 to...	$0 to...	$0 to...	$0 to...
Personal service	($100,576)	($115,383)	($116,537)	($118,880)
Fringe benefits	($57,972)	($66,687)	($67,039)	($67,753)
Equipment and expense	(Greater than $47,546)	(Greater than $28,775)	(Greater than $29,494)	(Greater than $30,987)
Total Costs - DHSS	$0 or (Greater than $206,094)	$0 or (Greater than $210,845)	$0 or (Greater than $213,070)	$0 or (Greater than $217,620)
FTE Change - DHSS	0 or 2.6 FTE	0 or 2.5 FTE	0 or 2.5 FTE	0 or 2.5 FTE
Costs - DSS (§208.151) p. 17				
Increase in state share of MO HealthNet benefits for foster children	($31,183)	($63,863)	($65,396)	($66,900)

FISCAL IMPACT - State Government	FY 2020	FY 2021	FY 2022	Fully Implemented (FY 2023)
GENERAL REVENUE FUND (continued)				
Costs - OA, ITSD (§208.151) p. 17-18				
FACES system modifications (ranged from contracting out the programming ($42,768) to hiring additional 1 FTE IT Specialist)	($42,768 to $44,000)	$0 or ($80,800)	$0 or ($81,608)	$0 or ($82,424)
MEDES modifications	($161,741)	$0	$0	$0
Total Costs - OA, ITSD	($235,692 or $236,924)	$0 or ($80,800)	$0 or ($81,608)	$0 or ($82,424)
FTE Change - OA, ITSD	0 or 0.66 FTE	0 or 1 FTE	0 or 1 FTE	0 or 1 FTE
Costs - DHSS (§208.225)				
Increase in HCBS cap rates p. 20	Could exceed ($68,017 to $205,570)	Could exceed ($167,006 to $506,918)	Could exceed ($254,462 to $782,746)	Expected to exceed ($254,462 to $782,746)
Costs - DSS (§208.225) p. 25	Could exceed...	Could exceed...	Could exceed...	Could exceed...
Contractor costs	($56,826)	($70,783)	($73,472)	($76,161)
Increase in capital expenditures	($2,203,095 to $7,372,999)	($5,388,777 to $18,169,185)	($8,245,447 to $27,990,106)	($11,216,463 to $38,340,998)
Total Costs - DSS	Could exceed ($2,259,921 to $7,429,825)	Could exceed ($5,459,560 to $18,239,968)	Could exceed ($8,318,919 to $28,063,578)	Could exceed $11,292,624 to $38,417,159)

FISCAL IMPACT - State Government	FY 2020	FY 2021	FY 2022	Fully Implemented (FY 2023)
GENERAL REVENUE FUND (continued)				
Costs - DSS (§208.790) p. 26				
Contractor, mailings and enrollment	($492,253)	($205,468)	($205,468)	($205,468)
Program expenditures to expand coverage to non-dual (Medicare - only) recipients	($14,897,530)	($17,891,452)	($17,891,452)	($17,891,452)
Total Costs - DSS	($15,389,783)	($18,096,920)	($18,096,920)	($18,096,920)
Costs - DSS (§§217.930 and 221.125) p. 28				
MMIS system modifications	($125,000)	$0	$0	$0
Costs - DSS (§§338.010 and 338.665) p. 31				
Pharmacy costs	(Unknown)	(Unknown)	(Unknown)	(Unknown)
Costs - DSS (§376.690) p. 33				
Actuarial & Increase in managed care capitation rates	($59,412)	($35,135)	($35,873)	($36,611)
Costs - MCHCP (§376.1350) p. 34				
Prior authorization protocols	Greater than ($51,617)	Greater than ($61,940)	Greater than ($61,940)	Greater than ($61,940)

FISCAL IMPACT - State Government	FY 2020	FY 2021	FY 2022	Fully Implemented (FY 2023)
GENERAL REVENUE FUND (continued)				
Costs - DSS (§376.1364) p. 35				
Increase in managed care capitation rates	($34,412)	($35,135)	($35,873)	($36,611)
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	**Greater than ($15,067,891 to $20,597,224)**	**Greater than ($16,961,477 to $30,454,242)**	**Greater than ($19,912,113 to $40,561,342)**	**Greater than ($22,889,636 to $50,924,913)**
Estimated Net FTE Change on the General Revenue Fund	1 to 5.36 FTE	1 to 5.5 FTE	1 to 5.5 FTE	1 to 5.5 FTE
STATE ROAD FUND (0320)				
Costs - MoDOT (§191.1165) p. 7				
Increase in medical plan prescription drug costs	$0 to (Unknown)	$0 to (Unknown)	$0 to (Unknown)	$0 to (Unknown)
Cost - MoDOT p. 35 (§367.1260) (SA 1)				
Off-label usage of prescription drugs	(Unknown)	(Unknown)	(Unknown)	(Unknown)
ESTIMATED NET EFFECT ON THE STATE ROAD FUND	**(Unknown)**	**(Unknown)**	**(Unknown)**	**(Unknown)**

FISCAL IMPACT - State Government	FY 2020	FY 2021	FY 2022	Fully Implemented (FY 2023)
MISSOURI VETERANS' HEALTH AND CARE FUND				
Income - DHSS (§195.820) (SA 3) Administration/ processing fees	$0 or Unknown	$0 or Unknown	$0 or Unknown	$0 or Unknown
Costs - DHSS (§195.820) (SA 3) Administration costs p. 13-14	$0 or (Unknown)	$0 or (Unknown)	$0 or (Unknown)	$0 or (Unknown)
ESTIMATED NET EFFECT ON THE MISSOURI VETERANS' HEALTH AND CARE FUND*	**$0**	**$0**	**$0**	**$0**
* Additional administration/processing fees assessed equal additional administration expenses.				
PREMIUM FUND (0885)				
Income - DSS (§208.146) p. 15 Ticket to work premiums	$1,007,960	$1,209,552	$1,209,552	$1,209,552
ESTIMATED NET EFFECT ON THE PREMIUM FUND	**$1,007,960**	**$1,209,552**	**$1,209,552**	**$1,209,552**

FISCAL IMPACT - State Government	FY 2020	FY 2021	FY 2022	Fully Implemented (FY 2023)
OTHER STATE FUNDS				
Costs - MCHCP (§376.1350) p. 35				
Prior authorization protocols	Greater than ($12,192)	Greater than ($14,630)	Greater than ($14,630)	Greater than ($14,630)
ESTIMATED NET EFFECT ON OTHER STATE FUNDS	**Greater than ($12,192)**	**Greater than ($14,630)**	**Greater than ($14,630)**	**Greater than ($14,630)**
FEDERAL FUNDS				
Savings - DSS (§§338.010 and 338.665) p. 31				
Reduction in Medicaid expenditures as a result of decreased smoking	Unknown	Unknown	Unknown	Unknown
Income - DSS (§208.151)				
Increase in program reimbursements	$59,434	$121,720	$124,641	$127,508
Income - OA, ITSD (§208.151)				
Reimbursement for MEDES and FACES system updates	$501,746 or $507,889	$0	$0	$0

FISCAL IMPACT - State Government	FY 2020	FY 2021	FY 2022	Fully Implemented (FY 2023)
FEDERAL FUNDS (continued)				
Income - DHSS (§208.225)				
Increase in HCBS program reimbursements	Could exceed $129,637 to $391,810	Could exceed $318,306 to $966,167	Could exceed $484,995 to $1,491,886	Likely to exceed $484,995 to $1,491,886
Income - DSS (§208.225)	Could exceed...	Could exceed...	Could exceed...	Could exceed...
Reimbursement for contractor costs	$56,826	$70,783	$73,472	$76,162
Reimbursement for increase in capital expenditures	$4,199,018 to $14,052,664	$10,270,809 to $34,629,795	$15,715,518 to $53,348,108	$21,378,164 to $73,076,525
Total Income - DSS	Could exceed $4,255,844 to $14,109,490	Could exceed $10,341,592 to $34,700,578	Could exceed $15,788,990 to $53,421,580	Could exceed $21,454,326 to $73,152,687
Income - DSS (§§217.930 and 221.125)				
Program reimbursements for MMIS modifications	$375,000	$0	$0	$0
Income - DSS (§§338.010 and 338.665)				
Increase in program reimbursements	Unknown	Unknown	Unknown	Unknown

FISCAL IMPACT - State Government	FY 2020	FY 2021	FY 2022	Fully Implemented (FY 2023)
FEDERAL FUNDS (continued)				
Income - DSS (§376.690)				
Increase in managed care capitation rates	$65,588	$66,965	$68,371	$69,777
Actuarial study	$25,000	$0	$0	$0
Total Income - DSS	$90,588	$66,965	$68,371	$69,777
Income - DSS (§376.1364)				
Increase in managed care capitation rates	$65,588	$66,965	$68,371	$69,777
Total All Savings and Income	Greater than $5,477,837 to $15,599,799	Greater than $10,915,548 to $35,922,395	Greater than $16,535,368 to $55,174,849	Greater than $22,206,383 to $74,911,635
Costs -DSS (§208.151)				
Increase in program costs for children in foster care	($59,434)	($121,720)	($124,641)	($127,508)
Costs - OA, ITSD (§208.151)				
FACES system modifications (ranged from contracting out the programming to hiring additional 1 FTE IT Specialist)	($16,524 or $22,667)	$0	$0	$0
MEDES modifications	($485,222)	$0	$0	$0
Total Costs - DSS	($501,746 or $507,889)	$0	$0	$0
FTE Change - OA, ITSD	0.34 FTE	0 FTE	0 FTE	0 FTE

FISCAL IMPACT - State Government	FY 2020	FY 2021	FY 2022	Fully Implemented (FY 2023)
FEDERAL FUNDS (continued)				
Costs - DHSS (§208.225)				
Increase in HCBS cap rates	Could exceed ($129,637 to $391,810)	Could exceed ($318,306 to $966,167)	Could exceed ($484,995 to $1,491,886)	Likely to exceed ($484,995 to $1,491,886)
Costs - DSS (§208.225)	Could exceed...	Could exceed...	Could exceed...	Could exceed...
Contractor costs	($56,826)	($70,783)	($73,472)	($76,162)
Increase in capital expenditures	($4,199,018 to $14,052,664)	($10,270,809 to $34,629,795)	($15,715,518 to $53,348,108)	($21,378,164 to $73,076,525)
Total Costs - DSS	Could exceed $4,255,844 to $14,109,490	Could exceed $10,341,592 to $34,700,578	Could exceed $15,788,990 to $53,421,580	Could exceed $21,454,326 to $73,152,687
Costs - DSS (§§217.930 and 221.125)				
MMIS system modifications	($375,000)	$0	$0	$0
Costs - DSS (§§338.010 and 338.665)				
Pharmacy expenditures	(Unknown)	(Unknown)	(Unknown)	(Unknown)
Costs - DSS (§376.690)				
Increase in managed care capitation rates	($65,588)	($66,965)	($68,371)	($69,777)
Actuarial study	($25,000)	$0	$0	$0
Total Costs	($90,588)	($66,965)	($68,371)	($69,777)

FISCAL IMPACT - State Government	FY 2020	FY 2021	FY 2022	Fully Implemented (FY 2023)
FEDERAL FUNDS (continued)				
Costs - MCHCP (§376.1350)				
Prior authorization protocols	Greater than ($19,525)	Greater than ($23,430)	Greater than ($23,430)	Greater than ($23,430)
Costs - DSS (§376.1364)				
Increase in managed care capitation rates	($65,588)	($66,965)	($68,371)	($69,777)
Loss - DSS (§§338.010 and 338.665)				
Reduction in program reimbursements as a result of decreased smoking	(Unknown)	(Unknown)	(Unknown)	(Unknown)
Total All Costs and Losses	(Greater than $5,497,362 to $15,619,324)	(Greater than $10,938,978 to $35,945,825)	(Greater than $16,558,798 to $55,198,276)	(Greater than $22,229,813 to $74,935,065)
ESTIMATED NET EFFECT ON FEDERAL FUNDS	**Greater than ($19,525)**	**Greater than ($23,430)**	**Greater than ($23,430)**	**Greater than ($23,430)**
Estimated Net FTE Change on Federal Funds	0.34 FTE	0 FTE	0 FTE	0 FTE

FISCAL IMPACT - Local Government	FY 2020 (10 Mo.)	FY 2021	FY 2022	Fully Implemented (FY 2023)
LOCAL GOVERNMENTS - COUNTIES AND CITIES				
Costs - Counties and Cities §§191.1164 - 191.1168 p. 6				
Substance use treatment	$0 to (Unknown)	$0 to (Unknown)	$0 to (Unknown)	$0 to (Unknown)
ESTIMATED NET EFFECT ON LOCAL GOVERNMENTS - COUNTIES AND CITIES	**$0 to (Unknown)**	**$0 to (Unknown)**	**$0 to (Unknown)**	**$0 to (Unknown)**
LOCAL GOVERNMENTS - ALL				
Costs - All local governments (§376.1260)				
Increase in share of insurance premiums	$0 to (Unknown)	$0 to (Unknown)	$0 to (Unknown)	$0 to (Unknown)
ESTIMATED NET EFFECT ON LOCAL GOVERNMENTS - ALL	**$0 to (Unknown)**	**$0 to (Unknown)**	**$0 to (Unknown)**	**$0 to (Unknown)**

FISCAL IMPACT - Small Business

This will directly impact small businesses that provide insurance to their employees if the cost of the insurance increases. (§191.1165)

This proposal could have a negative fiscal impact on small business pharmacies and individual practitioners dispensing prescriptions if they incur costs to obtain computer hardware and software. In addition, there may be additional costs related to entering and transmitting prescriptions electronically. (§§195.060, 195.550, 196.100, 221.111, 338.015, 338.055 and 338.056)

If this proposal does not pass, there could be a negative impact to small business physicians that collaborate with APRNs located further than 75 miles from them. The physicians would no longer be able to collaborate with the APRNs and the APRNs would not be able provide services via telehealth in rural areas of need. (§335.175)

The proposal may have a minor impact to some small business marital and family therapists. (§337.712 - SA 4)

This proposal could have a positive fiscal impact on small business pharmacies. (§§338.010 and 338.665)

FISCAL DESCRIPTION

This bill creates the Task Force on Substance Abuse Prevention and Treatment. The committee is made up of six members of the House of Representatives appointed by the Speaker, six members of the Senate appointed by the President Pro Tem, and four members appointed by the Governor.

The task force must meet at least once during each legislative session. The committee will conduct hearings on current and future drug and substance abuse, explore solutions to substance abuse issues, and draft or modify legislation as necessary to reach the goals of finding and funding education and treatment solutions to combat drug and substance use and abuse. The committee will send a report of recommendations for legislation to the Governor and the General Assembly each year. (§21.790)

This bill establishes the "Ensuring Access to High Quality Care for the Treatment of Substance Use Disorders Act."

This bill requires that medication-assisted treatment (MAT) services shall include pharmacologic therapies. A formulary used by a health insurer or pharmacy benefits manager, or a benefit coverage in the case of medications dispensed through an opioid treatment program shall include

FISCAL DESCRIPTION (continued)

medications specified in the proposal.

All MAT medications required for compliance must be placed on the lowest cost-sharing tier of the formulary managed by the health insurer or the pharmacy benefits manager.

MAT services shall not be subject to: (1) Annual or lifetime dollar limitations; (2) Financial requirements and quantitative treatment limitations that do not comply with the Mental Health Parity and Addition Equity Act of 2008; (3) Step therapy that conflicts with a prescribed course of treatment; and (4) Prior authorization for MAT services.

The health care benefits and MAT services required by the bill applies to all health insurance plans in the state.

Drug courts and other diversion programs that provide for alternatives to jail or prison for persons with a substance use disorder shall be required to ensure all persons under their care assessed for substance use disorders using standard diagnostic criteria by a licensed physician who actively treats patients with substance use disorders.

All health insurance companies and other payers must disclose which providers in its network provide MAT services and the level of care provided.

The Department of Insurance, within the Department of Insurance, Financial Institutions and Professional Registration (DIFP), must require that provider networks meet time and distance standards and minimum wait time standards for providers of MAT services. When a health insurance plan is deemed inadequate under the requirements of the bill, the health insurer must treat the health care services an enrollee receives from an out-of-network provider as if the services were provided by an in-network provider. A health insurer must provide a determination to an enrollee for covered benefits for MAT services and for urgent care services for MAT from an out-of-network provider within 24 hours. All health coverage payers must submit an annual report to the DIFP.

This proposal contains a severability clause. (§§191.1164 - 191.1168)

This act establishes the "Pregnancy-Associated Mortality Review Board" within the Department of Health and Senior Services to improve data collection and reporting regarding maternal mortality and to develop initiatives that support at-risk populations. The Board shall consist of at least 18 members appointed by the Director of the Department, as specified in the act, with diverse racial, ethnic, and geographic membership. Before June 30, 2020, and each year thereafter,

FISCAL DESCRIPTION (continued)

the Board shall submit a report on maternal mortality in the state and proposed recommendations to the Director of the Department, the Governor, and the General Assembly, as specified in the act. The Board may also conduct or otherwise fund certain entities to conduct prevention activities and research.

The Department shall have the authority to request and receive data for specific maternal deaths from specified entities. The Department may retain identifiable data regarding facilities where maternal deaths occurred, or from which a patient was transferred, and geographic information on each case solely for analysis and trending over time. All other identifiable information shall be removed before the Board's review. Records and proceedings shall be kept confidential as described in the act. (§§192.067 & 192.990)

Under this act and beginning January 1, 2021, no person shall issue any prescription unless the prescription is electronic and made to a pharmacy, excluding prescriptions issued in circumstances specified in the act. Pharmacists receiving a written, oral, or faxed prescription shall not be required to verify that the prescription falls into one of the exceptions and may continue to dispense medication from an otherwise valid non-electronic prescription. An individual who violates this provision may be subject to a fine of $250 per violation, not to exceed $5,000 per calendar year. The Department of Health and Senior Services shall enforce the provisions of this act. (§§195.060, 195.550, 196.100, 221.111, 338.015, 338.055 and 338.056)

This act requires certified nursing assistant training programs to be offered at skilled nursing or intermediate care facility units in Missouri veterans homes and hospitals. Certified nursing assistants shall include certain employees at such units and hospitals who have completed the training and passed the certification examination. Training shall include on-the-job training at certain locations and the act repeals language pertaining to continuing in-service training.

Persons who have completed the required hours of classroom instruction and clinical practicum for unlicensed assistive personnel under state regulations shall be allowed to take the certified nursing assistant examination and shall be deemed to have fulfilled the classroom and clinical standards requirements for designation as a certified nursing assistant. Finally, the Department of Health and Senior Services may offer additional training programs and certifications to students already certified as nursing assistants as specified in the act. (§198.082)

This act changes the Ticket to Work Health Assurance Program's expiration date from August 28, 2019, to August 28, 2025.

FISCAL DESCRIPTION (continued)

Under this act, persons who reside in Missouri, are at least 18 years of age and under 26, and who have received foster care for at least six months in another state shall be eligible for MO HealthNet benefits. (§208.151)

Under this act, any intermediate care facility or skilled nursing facility participating in MO HealthNet that incurs total capital expenditures in excess of $2,000 per bed shall be entitled to obtain a recalculation of its Medicaid per diem reimbursement rate based on its additional capital costs or all costs incurred during the facility fiscal year during which such capital expenditures were made. (§208.225)

Under current law, only Medicaid dual-eligible individuals meeting certain income limitations are eligible to participate in the Missouri RX Plan. This act removes the Medicaid dual eligible requirement, while retaining the income limitations. (§208.790)

Under this act, MO HealthNet benefits shall be suspended, rather than cancelled or terminated, for offenders entering into a correctional facility or jail if the Department of Social Services is notified of the person's entry into the correctional center or jail, the person was currently enrolled in MO HealthNet, and the person is otherwise eligible for MO HealthNet benefits but for his or her incarcerated status. Upon release from incarceration, the suspension shall end and the person shall continue to be eligible for MO HealthNet benefits until such time as he or she is otherwise ineligible.

The Department of Corrections shall notify the Department of Social Services within 20 days of receiving information that a person receiving MO HealthNet benefits is or will become an offender in a correctional center or jail and within 45 days prior to the release of such person whose benefits have been suspended under this act. City, county, and private jails shall notify the Department of Social Services within 10 days of receiving information that person receiving MO HealthNet benefits is or will become an offender in the jail. (§§217.930 and 221.125)

This bill allows a pharmacist to prescribe and dispense nicotine replacement therapy products. The Board of Pharmacy and the Board of Healing Arts shall jointly promulgate regulations governing a pharmacist's authority to prescribe and dispense nicotine replacement therapy products. (§§338.010 and 338.665)

This act specifies that health care professionals shall, rather than may, utilize the process outlined in statute for claims for unanticipated out-of-network care. (§376.690)

FISCAL DESCRIPTION (continued)

This act specifies that each health benefit plan delivered, issued for delivery, or renewed in the state shall provide coverage for off-label usage, as defined in the act, of drugs for purposes of cancer treatment. Coverage shall be provided when at least two licensed physicians prescribe or recommend the drug and attest it may extend the enrollee's life.

This section contains an emergency clause. (§376.1260 - SA 1)

This act adds health care services that are denied under a utilization review to the definition of "adverse determination", including with regard to the reconsideration process. The definition of "certification" is modified to refer to only those health care services approved for coverage which the health carrier or utilization review entity, as defined in the act, has also determined it will pay for. The definitions of "adverse determination" and "certification" are modified to refer to decisions made by "a utilization review entity" rather than a health carrier's "designee utilization review entity". "Clinical review criteria" is modified to include several specific policies and rules, as well as any other criteria or rationale used by a health carrier or utilization review entity to determine appropriateness or necessity of health care services. "Health care service" is modified to specifically include the provision of drugs or durable medical equipment. (§376.1350)

No later than January 1, 2020, utilization review entities shall accept and respond to requests for prior authorization of drug benefits through a secure electronic transmission using the National Council for Prescription Drugs SCRIPT Standard Version 201310 or a backwards-compatible successor adopted by the United States Department of Health and Human Services.

No later than January 1, 2020, the Department of Insurance, Financial Institutions, and Professional Registration shall develop a standard prior authorization form, which all health carriers shall use beginning January 1, 2021. (§376.1364)

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 Higher Education
Department of Health and Senior Services
Department of Insurance, Financial Institutions and Professional Registration
Department of Mental Health
Department of Public Safety - Missouri State Highway Patrol
Department of Corrections

SOURCES OF INFORMATION (continued)

Department of Social Services
Joint Committee on Administrative Rules
Missouri Consolidated Health Care Plan
Missouri Department of Conservation
Missouri House of Representatives
Missouri Department of Transportation
Office of Administration -
    Administrative Hearing Commission
    Division of Budget & Planning
    Information Technology Services Division
Office of State Courts Administrator
Missouri Senate
Office of Secretary of State
Jefferson County
St. Louis County
City of Kansas City
City of Springfield
Clay County Public Health Center
Columbia/Boone County Department of Public Health and Human Services
Livingston County Health Center
Mississippi County Health Department
Joplin Police Department
Springfield Police Department
St. Louis County Police Department
St. Louis County Department of Justice Services

Kyle Rieman
Director
May 13, 2019

Ross Strope
Assistant Director
May 13, 2019

HWC:LR:OD