

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1130-10  
Bill No.: CCS for SS for SCS for HCS for HB 399  
Subject: Children and Minors; Disabilities; Drugs and Controlled Substances; Health Care; Health Care Professionals; Health and Senior Services Department; Insurance - Health; Insurance, Financial Institutions, and Professional Registration Department; Medicaid/MO HealthNet; Medical Procedures and Personnel; Mental Health; Physicians; Prisons and Jails; Psychologists  
Type: Original  
Date: May 16, 2019

---

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

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
General Revenue	(\$795,266 to Could exceed \$1,004,709)	(\$597,906 to Could exceed \$622,906)	(\$598,923 to Could exceed \$623,923)
<b>Total Estimated Net Effect on General Revenue</b>	<b>(\$795,266 to Could exceed \$1,004,709)</b>	<b>(\$597,906 to Could exceed \$622,906)</b>	<b>(\$598,923 to Could exceed \$623,923)</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
State Road (0320)	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
Insurance Dedicated (0566)	Up to \$22,500	\$0	\$0
<b>Total Estimated Net Effect on Other State Funds</b>	<b>Up to \$22,500 to (Unknown)</b>	<b>\$0 to (Unknown)</b>	<b>\$0 to (Unknown)</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 22 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
Federal *	\$0	\$0	\$0
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

\* Income and expenses exceed \$150,000 or \$175,000 annually and net to \$0.

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
General Revenue	0.5 or 0.6 FTE	0.5 FTE	0.5 FTE
Federal	0.5 FTE	0.5 FTE	0.5 FTE
<b>Total Estimated Net Effect on FTE</b>	<b>1</b>	<b>1</b>	<b>1</b>

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

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
<b>Local Government</b>	<b>\$0 to (Unknown)</b>	<b>\$0 to (Unknown)</b>	<b>\$0 to (Unknown)</b>

## FISCAL ANALYSIS

### ASSUMPTION

Due to time constraints of less than 2 hours, **Oversight** was unable to receive some of the agency responses in a timely manner and performed limited analysis. Oversight has presented this fiscal note on the best current information that we have or on prior year information regarding a similar bill. Upon the receipt of agency responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval of the chairperson of the Joint Committee on Legislative Research to publish a new fiscal note.

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

In response to a similar proposal (HCS for HB 904), 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.

Officials from the **Missouri Department of Transportation (MoDOT)** state 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.

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.

ASSUMPTION (continued)

Officials from the **Office of State Courts Administrator (OSCA)** state 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.

In response to similar legislation (HCS SS SCS SB Nos. 70 & 128), officials from the **City of Kansas City (Kansas City)** stated this legislation would have a negative fiscal impact on Kansas City because subsection 7 of 191.1165 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 courts 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 on MAT.

In response to similar legislation (HCS SS SCS SB Nos. 70 & 128), officials from the **City of Columbia** assume this proposal will have little, if any, fiscal impact on the City of Columbia.

**Oversight** does not have any information to the contrary. Oversight will reflect costs to Local Governments as \$0 to (Unknown) for fiscal note purposes.

**Oversight** notes the **Department of Insurance, Financial Institutions and Professional Registration** state 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 the **Department of Mental Health, the Department of Social Services** and the **Missouri Consolidated Health Care Plan** 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, in response to similar legislation (HCS SS SCS SB Nos. 70 & 128), the **Department of Health and Senior Services** has 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)

**Oversight** notes, in response to a similar proposal (HCS for HB 904), the **Missouri Department of Conservation** 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.

§192.007 - Education and experience qualifications for DHSS director

In response to a similar proposal (HCS for HB 904), officials from the **Department of Health and Senior Services (DHSS)** assumed the proposal would have no fiscal impact on their organization.

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

§§208.909, 208.918, and 208.924 - Consumer directed services

In response to a similar proposal (HCS for HB 904), officials from the **Department of Health and Senior Services (DHSS)** stated §208.918.2(3)(a) is interpreted to mean the DHSS would promulgate a rule to define the elements and frequency of the consumer-directed division provider certification manager course, and the Missouri Medicaid Audit and Compliance (MMAC) within the Department of Social Services would maintain responsibility for provisions of the course and administering the exam. This would be similar to the current certified manager course required of agency model in-home services providers and would follow the delineation of authorities granted through executive order to MMAC, specifically related to the responsibilities of provider education and oversight. Therefore, any fiscal costs outside of rule-making would impact MMAC rather than DHSS.

Director's Office

§208.918.2(3)(a) provides that the department of health and senior services shall promulgate by rule a consumer-directed division provider certification manager course for the implementation of this section.

The proposed legislation requires the promulgation of rules and regulations, which include the following duties (but not all inclusive): establish guidelines, implement strategies, make evidence-based system changes, and create policy recommendations. The DHSS, Office of General Counsel will need an additional .10 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. Due to current workload being at maximum limits, these costs cannot be absorbed.

ASSUMPTION (continued)

**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.

Officials from the **Department of Social Services (DSS)** state §208.918.2(3)(a) will create a fiscal impact. The section requires the creation of a consumer-directed services provider certification manager course. Currently, Missouri Medicaid Audit and Compliance (MMAC) enrolls in-home care providers. Because of this role with providers, MMAC will need to create the consumer-directed services provider certification manager course. To accomplish this task, MMAC will need one (1) FTE Medicaid Specialist.

The Department of Health and Senior Services (DHSS) interprets the statute to mean that DHSS will promulgate the rule and MMAC will provide the course.

**Oversight** notes DSS assumes it will need a total of 1 new FTE as a result of the provisions of this proposal. Based on discussions with DSS officials, it is assumed the additional FTE can be housed within current DSS locations. However, if multiple proposals pass during the legislative session requiring additional FTE, cumulatively the effect of all proposals passed may result in the DSS needing additional rental space.

**Oversight** does not have any information to the contrary. Therefore, Oversight will reflect the costs provided by DSS less rental space related costs for fiscal note purposes.

§208.930 - Consumer-directed personal care assistance services

In response to similar legislation (HB 569), officials from the **Department of Health and Senior Services (DHSS)** assumed the proposal would not have a direct fiscal impact on their organization.

**Oversight** obtained addition information from the DHSS regarding the cost to continue personal care assistance services under this proposal. For FY 2018 and 2019, the DHSS stated funding for consumer-directed personal care assistance services totaled \$505,140 annually. For FY 2017,

ASSUMPTION (continued)

funding was \$740,140. Based on this information, Oversight will present on-going costs to fund consumer-directed personal care assistance services of \$505,140 annually to the General Revenue Fund through FY25 as a result of extending the expiration date from these provisions.

§208.935 - Interactive assessment tool/mobile assessments

In response to a similar proposal (HCS SS SCS SB Nos. 70 & 128), officials from the **Department of Health and Senior Services (DHSS)** stated HCBS assessor staff conduct initial assessments to determine nursing home level of care (LOC) eligibility for services. In addition, assessors conduct annual reassessments on current participants to ensure continued eligibility for HCBS and aid in care plan changes. Currently, the assessments and reassessments are completed in the participant's home using a 13-page paper copy form which is manually filled out by DSDS staff and then manually entered into the Cyber Access Web Tool, resulting in a duplication of efforts. It is estimated DSDS assessor staff spend one hour of time for the manual data entry of initial assessments, as well as one hour of time for the manual data entry of annual reassessments in the Web Tool. Based on FY 2018 data, the manual data entry results in 38,002 hours of staff time per year (18,170 initial assessments + 19,832 annual reassessment = 38,002 x 1 hour of time = 38,002 hours).

This section would allow for the development of a mobile application to conduct both initial HCBS assessments as well as annual reassessments. This would equip assessor staff with tablets that could be preloaded each morning with assessments to be completed using a touch screen application rather than a hard paper copy. Staff could then upload or sync those assessments to the Cyber Access Web Tool using a secure Wi-Fi connection or "docked" at the office at the end of the day, thereby eliminating the need to manually enter the information at a desktop. Staff time will be reinvested in a variety of ways to improve integrity of the program, including: implementation of a certified assessor process which requires more stringent training guidelines and quality assurance for assessors to ensure quality and accuracy in HCBS assessments; and completion of additional annual reassessments in person. (Currently, reassessments may be completed via telephone when workload exceeds staff capacity.)

Eliminating the hard paper copy would also lead to cost savings in the amount of paper and toner used annually. The current hard paper copy assessment tool is 13 pages - seven pages front and back, resulting in 266,014 pieces of paper annually, or 532 reams (7 pages x 38,002 assessments = 266,014; 266,014 pieces of paper / 500 pieces of paper per ream = 532 reams). At a cost of \$2.77 per ream, the total savings for paper per year would be \$1,474 (532 x \$2.77 = \$1,474). It is estimated one toner cartridge can print 35,000 pieces of paper. The reduction in hard paper copies would also lead to \$1,314 in toner savings per year (266,014 pieces of paper / 35,000 pieces of paper per toner cartridge = 7.6 less cartridges used; 7.6 x \$172.90 cost per cartridge = \$1,314 savings - GR 50% / Fed 50%). Total cost savings per year are estimated to be \$2,788 (\$1,474 + \$1,314; GR 50% / Fed 50%).

ASSUMPTION (continued)

One-time development costs by the current Cyber Access contractor, Conduent, for the mobile assessment application are estimated to be \$500,000 (GR 50%/Fed 50% or could potentially be GR 10%/Fed 90% if approved by application to the Center for Medicare and Medicaid Services (CMS)), which would occur in State Fiscal Year (SFY) 2020, and annual maintenance fees of \$100,000 per year thereafter (GR 50% / Fed 50% or could potentially be GR 25%/Fed 75%). Due to the unknown of GR/Fed split at this time, the costs have been represented as a range. In addition, an initial investment of approximately \$50,750 will be required for the purchase of 125 tablets/iPads with related accessories (as quoted to by Office of Administration, Information Technology Services Department (ITSD) vendor as of 1/18/19) with an anticipated replacement cycle of every three years (GR 50% / Fed 50%).

**Oversight** notes, based on discussions with DHSS officials, it is possible the development of the mobile technology/interactive assessment tool (estimated at \$500,000) may qualify for a 90%/10% Federal/state match (\$450,000 Federal; \$50,000 GR) in FY 2020. However, the Center for Medicare and Medicaid Services (CMS) indicated DHSS would have to apply for the enhanced match. For fiscal note purposes, Oversight will range costs from the current 50/50 split to the 90/10 split.

In addition, DHSS officials are in the process of verifying a potential enhanced split for maintenance costs (\$100,000 annually beginning in FY 2021). It is possible these costs could be reimbursed at a 75%/25% Federal/state rate rather than the estimated 50%/50% split previously used. Therefore, for fiscal note purposes, Oversight will range the FY 2021 and FY 2022 maintenance costs between the 50/50 split and the 75/25 split.

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

Officials from the **Department of Social Services (DSS), MO HealthNet Division (MHD)** state 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 forms. FSD notifies the inmate in writing the outcome when eligibility determination is complete.



ASSUMPTION (continued)

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.

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 \$500,000 to MHD. MMIS system work would be paid 25% GR/75% Federal (\$125,000 GR/\$375,000 Federal).

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.

ASSUMPTION (continued)

**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.

In response to a similar proposal (HCS SS SCS SB Nos. 70 & 128), 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) that 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.

ASSUMPTION (continued)

**Oversight** only reflects the responses that we have received from state agencies and political subdivisions; however, other Sheriffs' Offices, Police Departments 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](http://www.legislativeoversight.mo.gov).

**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.

§376.690 - Unanticipated out-of-network health care services

Officials from the **Department of Social Services (DSS)** assume 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.

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

ASSUMPTION (continued)

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. DSS estimates the actuarial cost to evaluate this program change to the Managed Care capitation rates to be no more than \$50,000. The below splits are based on the FMAP rate with a 2.10% medical inflation rate for FY 2021 and FY 2022.

FY 2020: (\$150,000) - (GR \$59,412; FF \$90,588)  
FY 2021: (\$102,100) - (GR \$35,135; FF \$66,9655)  
FY 2022: (\$104,244.10) - (GR \$35,872; FF \$68,372)

Until the FY 2020 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.

**Oversight** notes the **Department of Insurance, Financial Institutions and Professional Registration**, the **Department of Mental Health**, the **Missouri Consolidated Health Care Plan**, the **Missouri Department of Transportation**, the **Department of Public Safety**, **Missouri Highway Patrol** and the **Office of Administration, Administrative Hearing Commission** 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.

In response to a similar proposal (HB 756), officials from the **Department of Health and Senior Services** 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 for these agencies.

ASSUMPTION (continued)

§§ 376.1040 -376.1042 - Solicitation and marketing practices of a multiple employer welfare association

**Oversight** notes that the **Department of Insurance, Financial Institutions and Professional Registration**, the **Missouri Department of Transportation**, the **Missouri Consolidated Health Care Plan** and the **Office of Administration** 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.

In response to a similar proposal from this year (HB 942), officials from the **Missouri Department of Conservation (MDC)** assumed the proposal will have no 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 the MDC for this section.

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

§376.1224 - Health care for persons with disabilities

Officials from the **Department of Insurance, Financial Institutions and Professional Registration (DIFP)** state this legislation impacts group major medical policies only. Companies may choose to file a rider under the "other" code to impact multiple lines in one filing. Therefore, it is unknown how many filings the DIFP will receive.

The DIFP estimates up to 150 companies will file one policy amendment each for a total of 150 filings submitted to the department for review along with a \$150 filing fee. Additional revenues to the Insurance Dedicated Fund are estimated to be up to \$22,500 (150 X \$150 = \$22,500).

Additional staff and expenses are not being requested with this single proposal, but if multiple proposals pass during the legislative session which require policy form reviews the department may need to request additional staff to handle increase in workload.

**Oversight** does not have any information contrary to the information provided by DIFP and will reflect one-time revenues up to \$22,500 to the Insurance Dedicated Fund for FY 2020.

ASSUMPTION (continued)

In response to a similar proposal from this year (HCS/SCS/SB 45), officials from the **City of Keytesville** stated the proposal will have a “low” fiscal impact on their organization.

Officials from the **Department of Public Safety(DPS), Missouri State Highway Patrol (MHP)** state the MHP anticipates no fiscal impact from this proposal. The DPS, MHP defers to the MoDOT/ MSHP Medical Plan for its response.

**Oversight** notes that the **Department of Mental Health, the Department of Social Services, the Missouri Consolidated Health Care Plan** and the **Missouri Department of Transportation** 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.

In response to a similar proposal from this year (HCS/SCS/SB 45), officials from the **Department of Health and Senior Services, the Missouri Department of Conservation** and the **City of Kansas City** each assumed the proposal would not fiscally impact their respective agencies.

As **Oversight** has no information contrary to that provided by the agencies above, Oversight will present no fiscal impact in the fiscal note for these organizations.

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

**Oversight** notes the **Department of Insurance, Financial Institutions and Professional Registration, the Missouri Consolidated Health Care Plan, the Department of Public Safety, Missouri State Highway Patrol, and the Missouri Department of Transportation** 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.

In response to a similar proposal from this year (SB 302), officials from the **Missouri Department of Conservation** assumed the proposal will have no fiscal impact on their respective organization.

**Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note for the MDC for this section.

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

<u>FISCAL IMPACT - State Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
<b>GENERAL REVENUE FUND</b>			
<u>Savings - DHSS (§208.935) p.7</u>			
Reduction in paper and toner	\$1,161	\$1,394	\$1,429
<u>Costs - OSCA (§191.1165) p. 4</u>			
Increase in court costs	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
<u>Costs - DHSS (§208.918) p. 5</u>			
Personal service	\$0 or (\$5,375)	\$0	\$0
Fringe benefits	\$0 or (\$411)	\$0	\$0
Equipment and expense	<u>\$0 or (\$3,657)</u>	<u>\$0</u>	<u>\$0</u>
Total <u>Costs - DHSS</u>	<u>\$0 to (\$9,443)</u>	<u>\$0</u>	<u>\$0</u>
FTE Change - DHSS	0 or 0.1 FTE	0 FTE	0 FTE
<u>Costs - DSS (§208.918) p. 6</u>			
Personal service	(\$15,960)	(\$19,344)	(\$19,537)
Fringe benefits	(\$10,118)	(\$12,200)	(\$12,259)
Equipment and expense	<u>(\$5,422)</u>	<u>(\$2,481)</u>	<u>(\$2,543)</u>
Total <u>Costs - DSS</u>	<u>(\$31,500)</u>	<u>(\$34,025)</u>	<u>(\$34,339)</u>
FTE Change - DSS	0.5 FTE	0.5 FTE	0.5 FTE
<u>Costs - DHSS (§208.930) p. 6 &amp; 7</u>			
Personal care assistance service costs	(\$505,140)	(\$505,140)	(\$505,140)
<u>Costs - DHSS (§208.935) p. 7</u>			
Mobile access system changes	(\$50,000 or \$250,000)	(\$25,000 or \$50,000)	(\$25,000 or \$50,000)
Mobile assess tablets & accessories	<u>(\$25,375)</u>	<u>\$0</u>	<u>\$0</u>
Total <u>Costs - DHSS</u>	<u>(\$75,375 or \$275,375 )</u>	<u>(\$25,000 or \$50,000)</u>	<u>(\$25,000 or \$50,000)</u>
<u>Costs - DSS (§§217.930 and 221.125)</u>			
MMIS system modifications p. 9	(\$125,000)	\$0	\$0

<u>FISCAL IMPACT - State Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
<b>GENERAL REVENUE FUND</b>			
(continued)			
<u>Cost - DSS (§376.690) p. 12</u>			
Increase in Managed Care capitation rates	(\$34,412)	(\$35,135)	(\$35,873)
Actuarial Study	<u>(\$25,000)</u>	<u>\$0</u>	<u>\$0</u>
<b>ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND</b>	<b><u>(\$795,266 to Could exceed \$1,004,709)</u></b>	<b><u>(\$597,906 to Could exceed \$622,906)</u></b>	<b><u>(\$598,923 to Could exceed \$623,923)</u></b>
Estimated Net FTE Change on the General Revenue Fund	0.5 or 0.6 FTE	0.5 FTE	0.5 FTE
 <b>STATE ROAD FUND (0320)</b>			
<u>Cost - MoDOT (§191.1165) p. 3</u>			
Increase in medical plan prescription drug costs	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</u>
<b>ESTIMATED NET EFFECT ON THE STATE ROAD FUND</b>	<b><u>\$0 to (Unknown)</u></b>	<b><u>\$0 to (Unknown)</u></b>	<b><u>\$0 to (Unknown)</u></b>
 <b>INSURANCE DEDICATED FUND (0566)</b>			
<u>Income - DIFP (§376.1224) p. 14</u>			
Form filing fees	<u>Up to \$22,500</u>	<u>\$0</u>	<u>\$0</u>
<b>ESTIMATED NET EFFECT ON THE INSURANCE DEDICATED FUND</b>	<b><u>Up to \$22,500</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>



<u>FISCAL IMPACT - State Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
<b>FEDERAL FUNDS</b>			
<u>Income - DSS (§208.918) p. 6</u>			
Program reimbursements	\$31,500	\$34,025	\$34,339
<u>Income - DHSS (§208.935) p. 7</u>			
Mobile access system changes	\$250,000 or \$450,000	\$50,000 or \$75,000	\$50,000 or \$75,000
Mobile assess tablets & accessories	\$25,375	\$0	\$0
<u>Income - DSS (§§217.930 and 221.125)</u>			
Program reimbursements for MMIS modifications p. 9	\$375,000	\$0	\$0
<u>Income - DSS (§376.690) p. 12</u>			
Increase in Managed Care capitation rates	\$65,588	\$66,965	\$68,371
Actuarial Study	<u>\$25,000</u>	<u>\$0</u>	<u>\$0</u>
<u>Total All Income</u>	<u>\$772,463 or</u> <u>\$972,463</u>	<u>\$150,990 or</u> <u>\$175,990</u>	<u>\$152,710 or</u> <u>\$177,710</u>
<u>Costs - DSS (§208.918) p. 6</u>			
Personal service	(\$15,960)	(\$19,344)	(\$19,537)
Fringe benefits	(\$10,118)	(\$12,200)	(\$12,259)
Equipment and expense	<u>(\$5,422)</u>	<u>(\$2,481)</u>	<u>(\$2,543)</u>
<u>Total Costs - DSS</u>	<u>(\$31,500)</u>	<u>(\$34,025)</u>	<u>(\$34,339)</u>
FTE Change - DSS	0.5 FTE	0.5 FTE	0.5 FTE
<u>Costs - DHSS (§208.935) p. 7</u>			
Mobile access system changes	(\$250,000 or \$450,000)	(\$50,000 or \$75,000)	(\$50,000 or \$75,000)
Mobile assess tablets & accessories	(\$25,375)	\$0	\$0
<u>Costs - DSS (§§217.930 and 221.125)</u>			
MMIS system modifications p. 9	(\$375,000)	\$0	\$0

<u>FISCAL IMPACT - State Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
<b>FEDERAL FUNDS</b>			
(continued)			
<u>Costs - DSS (§376.690) p. 12</u>			
Increase in Managed Care capitation rates	(\$65,588)	(\$66,965)	(\$68,371)
Actuarial Study	<u>(\$25,000)</u>	<u>\$0</u>	<u>\$0</u>
Total <u>All Costs</u>	<u>(\$772,463 or \$972,463)</u>	<u>(\$150,990 or \$175,990)</u>	<u>(\$152,710 or \$177,710)</u>
<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
Estimated Net FTE Effect on Federal Funds	0.5 FTE	0.5 FTE	0.5 FTE
<u>FISCAL IMPACT - Local Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
<b>LOCAL GOVERNMENTS - ALL</b>			
<u>Costs - All local governments</u> (§191.1165) p. 4			
Increase in drug court costs	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
<u>Costs - Local county governments</u> (§376.1224) p. 14			
Increase in health care plan expenditures to cover treatment of symptoms and behaviors for individuals with physical or developmental disabilities	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</u>
<b>ESTIMATED NET EFFECT ON LOCAL GOVERNMENTS - ALL</b>			
	<b><u>\$0 to (Unknown)</u></b>	<b><u>\$0 to (Unknown)</u></b>	<b><u>\$0 to (Unknown)</u></b>

### 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)

Not extending the expiration date for the provision of personal care assistance services could directly impact small businesses that provide these services. (§208.930)

This proposal could impact small businesses that provide insurance coverage to their employees if the cost of the insurance increases upon passage of this proposal. (§376.1224)

### FISCAL DESCRIPTION

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 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.

FISCAL DESCRIPTION (continued)

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 bill requires a consumer of consumer-directed services to allow a vendor to comply with its quality assurance and supervision process, including bi-annual face-to-face home visits and monthly case management activities. During the home visits, the vendor must monitor the performance of the personal care assistance services plan and document whether the attendant was present and providing services required under the plan of care.

The bill repeals language requiring the Department of Health and Senior Services to establish regional telephone tracking system pilot programs.

The bill requires vendors to notify consumers during orientation that falsification of attendant verification records is fraud and will be reported to the department.

The bill removes a requirement that vendors must submit an annual audit report to the department.

The bill requires that the department create rules for a consumer directed services division provider certification manager course.

Additionally, a vendor must perform face-to-face home visits with a consumer at least bi-annually. The vendor still has a responsibility to provide ongoing diligence of case management activity oversight. A vendor must maintain a business location.

The bill prohibits state or federal funds from being given if the owner, primary operator, certified manager, or any direct employer of the vendor is also the personal care attendant. Currently, a consumer's personal care attendant services can be discontinued if the consumer has falsified records; this bill allows the services to be discontinued if the consumer provides false information about his or her condition, functional capacity, or level of care needs. (§§208.909, 208.918, and 208.924)

FISCAL DESCRIPTION (continued)

This bill extends the expiration date for financial assistance for consumer-directed personal care assistance services. (§208.930)

The Department shall develop an interactive assessment tool for utilization by the Division when implementing the assessment and authorization process. (§208.935)

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 221.1251)

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)

This act adds therapeutic care for developmental and physical disabilities, as such terms are defined in the act, to the insurance coverage mandate for autism spectrum disorders, and makes the mandate applicable to policies issued or renewed on or after January 1, 2020, rather than to group policies only. Medical necessity of coverage provided under the act shall be determined by the health benefit plan.

The act specifies that autism spectrum disorder shall not be subject to any limits on the number of visits an individual may make to an autism service provider. Coverage for therapeutic care provided under the act for developmental and physical disabilities may be limited to a number of visits per calendar year, provided that additional coverage shall be provided if approved and deemed medically necessary by the health benefit plan. Provisions requiring coverage for autism spectrum disorders and developmental or physical disabilities shall not apply to certain grandfathered plans as described in the act. This act applies to policies issued, delivered, or renewed on or after January 1, 2020. (§376.1224)

FISCAL DESCRIPTION (continued)

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 Health and Senior Services  
Department of Insurance, Financial Institutions and Professional Registration  
Department of Corrections  
Department of Public Safety - Missouri State Highway Patrol  
Department of Social Services  
Missouri Consolidated Health Care Plan  
Missouri Department of Conservation  
Missouri Department of Transportation  
Office of Administration - Administrative Hearing Commission  
Office of State Courts Administrator  
City of Columbia  
City of Kansas City  
City of Keytesville  
Joplin Police Department  
Springfield Police Department  
St. Louis County Police Department  
St. Louis County Department of Justice Services



Kyle Rieman  
Director  
May 16, 2019

Ross Strobe  
Assistant Director  
May 16, 2019