

HB 1053 -- REIMBURSEMENT ALLOWANCE TAXES

SPONSOR: Smith

COMMITTEE ACTION: Voted "Do Pass" by the Standing Committee on Budget by a vote of 22 to 0. Voted "Do Pass" by the Standing Committee on Rules- Legislative Oversight by a vote of 9 to 0.

This bill extends the sunsets from September 30, 2019 to September 30, 2021, for the Ground Ambulance, Nursing Facility, Medicaid Managed Care Organization, Hospital, Pharmacy, and Intermediate Care Facility for the Intellectually Disabled Reimbursement Allowance taxes.

This bill is similar to HB 1410 (2018).

PROPONENTS: Supporters say that the Health Care Provider Tax, known as the Federal Reimbursement Allowance (FRA) is really just a short-term loan. Beginning in 1992, the state has levied a tax on these providers to take advantage of federal Medicaid matching funds and then reimbursed the providers through appropriations from the federal funds. This bill extends the sunset on these taxes two years to 2021.

Testifying for the bill were Representative Smith; Missouri Hospital Association; Missouri Health Care Association; Missouri Ambulance Association, Mosaic Life Care, BJC Healthcare; BJC Healthcare & Cox Health; Saint Luke's Health System; SSM Health; Missouri Chamber of Commerce & Industry; Associated Industries of Missouri; Oxford Health Care; and the Department of Social Services.

OPPONENTS: There was no opposition voiced to the committee.