

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3075H.01I
Bill No.: HB 1446
Subject: Insurance - Health; Health Care Professionals
Type: Original
Date: February 11, 2024

Bill Summary: This proposal creates provisions relating to health insurance reimbursement of doula services.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
General Revenue*	(\$92,457)	(\$95,317)	(\$96,923)
Total Estimated Net Effect on General Revenue	(\$92,457)	(\$95,317)	(\$96,923)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
General Revenue	1 FTE	1 FTE	1 FTE
Total Estimated Net Effect on FTE	1 FTE	1 FTE	1 FTE

- Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§ 376.1758 – Health insurance coverage for services provided by midwives and doulas

Officials from the **Department of Health and Senior Services (DHSS)** state §376.1758.2 of the proposed legislation requires DHSS to review and approve doula registration to allow for health insurance reimbursement of doula services.

Section 376.1758.3 (1-5) of the proposed legislation requires DHSS to create the criteria for the doula registration application, review and approve or deny applications; notify applicants of approval or denial of doula registration status; and maintain a statewide registry of doulas approved for health insurance reimbursement in this state.

Section 376.1758.5 of the proposed legislation requires DHSS to promulgate all necessary rules and regulations for the administration of the proposed legislation.

To implement this program, the Office of Women’s Health (OWH) would need to hire one (1) FTE Public Health Program Specialist (with an average salary within DCPH of \$52,016 as of December 2023). The OWH would require this level of expertise to implement each of the components of the program fully.

Oversight does not have any information to the contrary. However, Oversight assumes the DHSS would not need additional rental space for 1 FTE. Oversight notes, depending on the number of proposals passed during the legislative session that, cumulatively, DHSS may need additional rental space or capital improvements as determined by the Office of Administration, Facilities Management, Design and Construction.

Officials from the **Missouri Department of Transportation (MoDOT)** expect an unknown negative impact because the medical plan currently excludes coverage for midwives and doulas.

Oversight does not have any information to the contrary. Oversight notes this proposal requires DHSS to review and approve doula registrations to allow for health insurance reimbursement. It does not mandate reimbursement for doula services. Because this coverage is currently excluded from MoDOT’s medical plan, Oversight assumes no fiscal impact to MoDOT.

Officials from the **Oversight Division** state in 2011, the Missouri General Assembly enacted section 376.1190, which states, “any health care benefit mandate proposed after August 28, 2011, shall be subject to review by the oversight division of the joint committee on legislative research. The Oversight Division shall perform an actuarial analysis of the cost impact to private and public payers of any new or revised mandated health care benefit proposed by the general

assembly after August 28, 2011, and a recommendation shall be delivered to the speaker and the president pro tem prior to mandate being enacted.”

The customary process for an actuarial analysis involves Oversight contracting with an outside firm who will request experience data from the largest insurance carriers in the State of Missouri. Since current law (§ 376.1190) requires any “proposed” mandate receive an actuarial analysis, the timing may not allow for such in-depth reviews. In 2013 Oversight contracted with a company to perform an actuarial analysis for Senate Bill 262, Senate Bill 159, and Senate Bill 161. Due to the timing of the analysis, the company noted requesting outside data was not possible. This limited analysis in 2013 cost almost \$25,000. Given the cost increases over the last ten years, the varying degree of available information to the outside firm and the potential for more in-depth analysis if the information and timing allow, Oversight assumes that a current analysis “could exceed \$50,000”.

The Oversight Division does not currently have the appropriation to cover the costs of an actuarial analysis and would need to request such additional funding through the budget process.

Oversight notes that this proposal, as currently written, would not likely require an actuarial analysis. Therefore, Oversight assumes no fiscal impact for fiscal note purposes.

Officials from the **Department of Commerce and Insurance**, the **Department of Social Services**, the **Missouri Department of Conservation**, the **Newton County Health Department** and the **Missouri Consolidated Health Care Plan** each assume the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

Officials from the **Department of Public Safety, Missouri Highway Patrol** defer to the Missouri Department of Transportation for response relating to the fiscal impact of this proposal on their organization.

Rule Promulgation

Officials from the **Joint Committee on Administrative Rules** assume this proposal is not anticipated to cause a fiscal impact beyond its current appropriation.

Officials from the **Office of the Secretary of State (SOS)** note 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 its 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 only reflects the responses received from state agencies and political subdivisions; however, other local public health agencies were requested to respond to this proposed legislation but did not. A listing of political subdivisions included in the Missouri Legislative Information System (MOLIS) database is available upon request.

<u>FISCAL IMPACT – State Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
GENERAL REVENUE FUND			
<u>Costs – DHSS (§§376.1755 and 376.1758) p. 3</u>			
Personal service	(\$43,347)	(\$53,056)	(\$54,117)
Fringe benefits	(\$29,317)	(\$35,584)	(\$35,995)
Equipment and expense	(\$19,793)	(\$6,677)	(\$6,811)
Total Cost - DHSS	(\$92,457)	(\$95,317)	(\$96,923)
FTE Change - DHSS	1 FTE	1 FTE	1 FTE
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	(\$92,457)	(\$95,317)	(\$96,923)
Estimated Net FTE Change on the General Revenue Fund	1 FTE	1 FTE	1 FTE

<u>FISCAL IMPACT – Local Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
	\$0	\$0	\$0

FISCAL IMPACT – Small Business

This proposal will increase the number of small businesses and create more sustainability for existing small businesses in the State of Missouri. Doulas mainly practice as independent small business owners. Increasing funding streams for doulas would increase the number of people in the state able to earn a living as a doula and increase the success of current businesses in the state. (§§376.1758 & 376.1755)

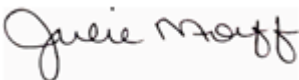
FISCAL DESCRIPTION

This bill creates a registration process to allow health insurance reimbursement of doula services. The bill defines the term "doula" as an individual who has been trained to provide physical, emotional, and educational support, but not medical or midwifery care, to pregnant and birthing women and their families before, during, and after childbirth. The Department of Health and Senior Services is required to create the criteria for doula registration applications. In creating the criteria the Department shall consult with relevant organizations that support access to community-based doula services, as specified in the bill. The Department must review and approve doula registrations to allow for health insurance reimbursement of these services and maintain a statewide registry of approved doulas. This bill does not require a person to register as a doula under these provisions if he or she does not want to be eligible for health insurance reimbursement. (§ 376.1758)

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 Commerce and Insurance
Department of Health and Senior Services
Department of Public Safety - Missouri Highway Patrol
Department of Social Services
Joint Committee on Administrative Rules
Joint Committee on Legislative Research, Oversight Division
Missouri Consolidated Health Care Plan
Missouri Department of Conservation
Missouri Department of Transportation
Office of the Secretary of State
Newton County Health Department



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