

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4800H.02I
 Bill No.: HB 2190
 Subject: Insurance - Health; Health Care
 Type: Original
 Date: January 15, 2024

Bill Summary: This proposal enacts provisions relating to continuous insurance coverage of self-administered hormonal contraceptives.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
General Revenue Fund	\$0 or (Could exceed \$50,000)	\$0	\$0
Total Estimated Net Effect on General Revenue	\$0 or (Could exceed \$50,000)	\$0	\$0

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
Total Estimated Net Effect on FTE	0	0	0

- 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

Oversight notes, 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 can easily assume that a current analysis “could exceed \$50,000”.

Oversight is unsure if this proposal would constitute a health care benefit mandate, and if we would be required to produce an actuarial analysis for this change. Also, the Oversight Division does not currently have the appropriation to cover the costs of an actuarial analysis (if needed) and would need to request such additional funding through the budget process. Therefore, Oversight will reflect a onetime cost of “\$0 or Could Exceed \$50,000” to the General Revenue Fund in FY 2025.

Officials from the **Department of Social Services**, the **Missouri Department of Transportation**, the **Missouri Consolidated Health Care Plan** and **Kansas City** each assume the proposal will have no fiscal impact on their respective organizations.

In response to a similar proposal from this year (HB 1874), officials from the **Department of Commerce and Insurance** and the **Missouri Department of Conservation** 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 the potential fiscal impact of this proposal.

Oversight only reflects the responses received from state agencies and political subdivisions; however, other cities were requested to respond to this proposed legislation but did not. A listing of political subdivisions included in the MOLIS database is available upon request.

<u>FISCAL IMPACT – State Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
GENERAL REVENUE FUND			
Cost – Oversight Division §376.687 & 376.689 p. 3-4 Actuarial Analysis	<u>\$0 or (Could exceed \$50,000)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT TO THE GENERAL REVENUE FUND	<u>\$0 or (Could exceed \$50,000)</u>	<u>\$0</u>	<u>\$0</u>

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

FISCAL IMPACT – Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

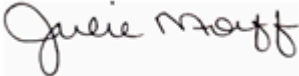
FISCAL DESCRIPTION

The bill would require any health benefit plan in Missouri to reimburse a health care provider or dispensing entity for the dispensing of a supply of self-administered hormonal contraceptives intended to last up to one year, starting from January 1, 2025. The bill would prohibit the coverage from being subject to any greater deductible or co-payment than other similar health care services provided by the health benefit plan.

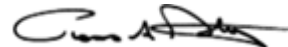
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Commerce and Insurance
Department of Public Safety - Missouri Highway Patrol
Department of Social Services
Missouri Department of Conservation
Missouri Department of Transportation
Missouri Consolidated Health Care Plan
Oversight Division
Kansas City



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January 15, 2024



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