

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1047H.011  
 Bill No.: HB 79  
 Subject: Insurance - Health; Health Care; Drugs and Controlled Substances  
 Type: Original  
 Date: January 26, 2025

Bill Summary: This proposal creates provisions relating to cost-sharing under health benefit plans.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
State Road Fund	\$0 to (Unknown, could exceed \$250,000)	\$0 to (Unknown, could exceed \$250,000)	\$0 to (Unknown, could exceed \$250,000)
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0 to (Unknown, could exceed \$250,000)</b>	<b>\$0 to (Unknown, could exceed \$250,000)</b>	<b>\$0 to (Unknown, could exceed \$250,000)</b>

\***Oversight** assumes this proposal could result in a cost to the MoDOT-MSHP and local medical plans that could potentially be passed on to members.

Numbers within parentheses: () indicate costs or losses.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

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.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>
<b>Local Government</b>	<b>\$0 to (Unknown)</b>	<b>\$0 to (Unknown)</b>	<b>\$0 to (Unknown)</b>

\***Oversight** assumes this proposal could result in a cost to the MoDOT-MSHP and local medical plans that could potentially be passed on to members.

## FISCAL ANALYSIS

### ASSUMPTION

#### 376.448- Enrollee's Cost Sharing

Officials from the **Missouri Department of Transportation** state this bill may increase costs for PBMs, which will likely pass on costs to the MoDOT-MSHP medical plan. This would have an unknown negative impact to the State Road Fund.

In response to a similar proposal from last year (SB 844), MoDOT assumed the direct impact to the Plan is equal to the total of \$2,287,835. However, the members will also be impacted due to the current plan design. Member's will be required to pay 30% of the total cost of the drug and this amount will apply to the member's annual out of pocket, therefore members will move through the benefit phases quicker. MoDOT is unable to identify the full impact based on how many members would meet their annual out of pocket. MoDOT worked with a total of 296 members throughout 2023 and there's a potential that all these members could meet their annual max out of pocket mid-year and the plan cost may increase above the \$2,287,835.

Since it is unknown if this proposal will result in a cost to the medical plan that could pass on to members, **Oversight** will range the fiscal impact as \$0 to Unknown, greater than \$250,000 to the State Road Fund. Oversight assumes this proposal could have a fiscal impact on local political subdivisions.

Officials from the **Missouri Consolidated Health Care Plan**, the **Department of Commerce and Insurance**, the **Department of Social Services**, the **Missouri Department of Conservation**, the **Oversight Division**, the **City of O'Fallon** and **Kansas City** each assume 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 this 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.

<u>FISCAL IMPACT – State Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
<b>STATE ROAD FUND</b>			
Cost – MoDOT §376.448 Enrollee’s Cost Sharing	<u>\$0 to (Unknown, could exceed \$250,000)</u>	<u>\$0 to (Unknown, could exceed \$250,000)</u>	<u>\$0 to (Unknown, could exceed \$250,000)</u>
<b>ESTIMATED NET EFFECT TO THE STATE ROAD FUND</b>	<b><u>\$0 to (Unknown, could exceed \$250,000)</u></b>	<b><u>\$0 to (Unknown, could exceed \$250,000)</u></b>	<b><u>\$0 to (Unknown, could exceed \$250,000)</u></b>

\***Oversight** assumes this proposal could result in a cost to the MoDOT-MSHP and local medical plans that could potentially be passed on to members.

<u>FISCAL IMPACT – Local Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
<b>LOCAL POLITICAL SUBDIVISIONS</b>			
Cost – §376.448 Enrollee’s Cost Sharing	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</u>
<b>ESTIMATED NET EFFECT TO LOCAL POLITICAL SUBDIVISIONS</b>	<b><u>\$0 to (Unknown)</u></b>	<b><u>\$0 to (Unknown)</u></b>	<b><u>\$0 to (Unknown)</u></b>

\***Oversight** assumes this proposal could result in a cost to the MoDOT-MSHP and local medical plans that could potentially be passed on to members.

FISCAL IMPACT – Small Business

A direct fiscal impact to health carrier or pharmacy benefits manager could be expected as a result of this proposal.

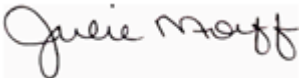
FISCAL DESCRIPTION

This act provides that when calculating an enrollee's overall contribution to an out-of-pocket max or any cost-sharing requirement under a health benefit plan, a health carrier or pharmacy benefits manager shall include any amounts paid by the enrollee or paid on behalf of the enrollee for any medication for which a generic substitute is not available.

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  
City of O'Fallon



Julie Morff  
Director  
January 26, 2025



Jessica Harris  
Assistant Director  
January 26, 2025