HCS SB 1019 -- HEALTH CARE

SPONSOR: Crawford

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Standing Committee on Health and Mental Health by a vote of 12 to 1. Voted "Do Pass" by the Standing Committee on Rules-Administrative by a vote of 8 to 0.

The following is a summary of the House Committee Substitute for SB 1019.

HOSPITAL INVESTMENTS AND SERVICE AREAS (Sections 96.192, 96.196, 206.110, and 206.158)

This bill modifies the investment authority of boards of trustees of municipal hospitals in third class cities and hospital district hospitals. Current law permits investment of up to 25% of funds not required for operations of the hospital or other obligations. This bill permits investment of up to 50% of funds not required for operations or other obligations in the manner described in the bill, with the remaining portion to be invested into any investment in which the state Treasurer is allowed to invest. These provisions will only apply if the hospital receives less than 3% of its annual revenues from municipal, county, hospital district, or state taxes, or appropriated funds from the municipality in which such hospital is located.

Under this bill, municipal hospitals in third class cities can operate in areas where hospital district hospitals and county hospitals operate. Hospital district hospitals can operate in areas where municipal hospitals in third and fourth class cities and county hospitals operate.

TELEHEALTH (Sections 191.1146 and 334.108)

Currently, the establishment of a physician-patient relationship for purposes of telehealth must include an interview and a physical examination. Under this bill, an evaluation is required, but a physical examination will be required only if needed to meet the standard of care.

Current law prohibits the use of an internet or telephone questionnaire completed by a patient from constituting an acceptable medical interview for the provision of treatment by telehealth. This bill permits such questionnaires if the

information provided is sufficient as though the medical evaluation was performed in person, with a report to be provided to the patient's primary health care provider within 14 days of evaluation, as described in the bill.

Additionally, current law requires a physician-patient relationship for purposes of telehealth to include a sufficient dialogue with the patient regarding treatment. This bill changes "dialogue" to "exchange" with the patient regarding treatment options.

Finally, current law prohibits a health care provider from prescribing any drug, controlled substance, or other treatment to a patient based solely on an internet request or questionnaire. Under this bill, a health care provider must not prescribe any drug, controlled substance, or other treatment to a patient in the absence of a proper provider-patient relationship and medical records of such prescriptions must be collected, stored, and maintained in accordance with the Health Insurance Portability and Accountability Act of 1996.

DEPARTMENT OF HEALTH AND SENIOR SERVICES CONTRACTS FOR PUBLIC HEALTH (Section 192.021)

This bill authorizes DHSS to contract with an affiliate of a national public health association or public health institute in order to assist in carrying out its duties to promote the health and wellbeing of Missouri residents. Such contracts can include efforts to assist in the delivery of health services throughout the State and the administration of grant funds and related programs. The DHSS and the designated affiliate must provide a report to the General Assembly, as specified in the bill.

HOSPITAL WORKPLACE VIOLENCE (Section 197.708)

This bill requires hospitals to display a printed sign in the waiting rooms of the emergency department and the labor and delivery department with the following text in all capital letters:

"WARNING: ASSAULTING A HEALTH CARE PROFESSIONAL WHO IS ENGAGED IN THE PERFORMANCE OF HIS OR HER OFFICIAL DUTIES, INCLUDING STRIKING A HEALTH CARE PROFESSIONAL WITH ANY BODILY FLUID, IS A SERIOUS CRIME AND WILL BE PROSECUTED TO THE FULLEST EXTENT OF THE LAW."

MO HEALTHNET COVERAGE OF CERTAIN CLINICAL PATHOLOGY SERVICES (Section 208.149)

This bill requires the professional component of clinical pathology services provided by a hospital-based pathologist to be recognized as distinct physician services by the MO HealthNet program, which will reimburse the professional component of clinical pathology services provided to MO HealthNet participants. The reimbursement amount will be set at no less than 30% of the approved MO HealthNet Independent Lab - Technical Component fee schedule. Payment will be made directly to the licensed physician providing the services or the entity that has been assigned by the right to receive payment for services provided.

If a state plan amendment is determined by DSS to be required, DSS must submit the amendment in a timely manner and make all reasonable efforts to obtain Federal approval.

LICENSURE RECIPROCITY (Section 324.009)

This bill specifies that a health care provided who has received his or her license to practice in Missouri via the State's licensure reciprocity law may provide telehealth services.

SPEECH-LANGUAGE PATHOLOGISTS (Section 345.050)

Currently, a requirement for licensure for speech-language pathologists and audiologists is submitting evidence of completion of a clinical fellowship from supervisors. The period of employment must be under the direct supervision of a person who is licensed by the State of Missouri in the profession in which the applicant seeks to be licensed. This bill changes the period of employment to be under the direct supervision of a licensed speech-language pathologist in good standing in any state.

340B DRUGS (Section 376.417)

Under this bill, a health carrier, a pharmacy benefits manager, or an agent or affiliate of such, will not discriminate against a "covered entity", as defined in the bill, including by reimbursing the covered entity for a quantity of a 340B drug in

an amount less than it would pay similarly situated non-covered entities for such drugs, imposing different terms and conditions as compared to similarly situated entities, refusing to cover 340B drugs or discriminating in reimbursement for 340B drugs, and other situations described under this bill. The Director of the Department of Commerce and Insurance must impose a civil penalty on any health carrier, pharmacy benefits manager, or agent or affiliate of such, that violates this provision, not to exceed $5,000 per violation, per day.

MULTIPLE EMPLOYER SELF-INSURED HEALTH PLANS (Sections 376.1000, 376.1012, and 376.1017)

This bill changes the definition of "multiple employer self-insured health plans" to include plans established for the purpose of offering benefits to two or more self-employed individuals, each with at least one common-law employee, and their dependents.

Current law requires funds collected from participating employers under multiple employer self-insured health plans to be held in trust subject to certain requirements, including filing an annual report with the director of the Department of Commerce and Insurance showing the condition and affairs of the plan. This bill modifies that requirement by adding the report must be in compliance with Section 375.041, RSMo, and also requires that the plan file an RBC report with the director.

Additionally, current law requires health plans to establish loss reserves for incurred losses and unearned premiums, as well as surplus accounts equal to certain amounts. This bill requires the surplus accounts to be equal to the greater of the following:

(1) $600,000; or

(2) An amount equal to two times the authorized control level risk-based capital.

INSURANCE COVERAGE OF ALTERNATIVES TO OPIOID DRUGS (Section 376.1280)

This bill requires that when a licensed health care professional acting within the scope of his or her license prescribes a nonopioid medication for the treatment of acute or chronic pain to an enrollee, it will be unlawful for a health benefit plan to:

(1) Deny coverage of the nonopioid prescription drug in favor of an opioid prescription drug;

(2) Require the enrollee to try an opioid prescription drug before providing coverage of the nonopioid prescription drug; or

(3) Require a higher level of cost-sharing for the nonopioid prescription drug than for an opioid prescription drug.

This will apply to health benefit plans delivered, issued for delivery, continued, or renewed on or after January 1, 2027.

ARTIFICIAL INTELLIGENCE IN MENTAL HEALTH (Section 407.3007)

This bill prohibits any person or entity that develops or deploys artificial intelligence (AI) in this State from advertising or representing to the public that the AI is, or is able to act as, a mental health professional or is capable of providing therapy services, psychotherapy services, or a mental health diagnosis.

A violation of this provision constitutes an unlawful practice under the Missouri merchandising practices act.

The Attorney General is required to enforce the provisions of this bill, though any individual can report violations to the Attorney General. If a violation is found to have occurred, the Attorney General must commence a civil action.

The bill provides for civil penalties as follows:

(1) $10,000 for the first violation; or

(2) $20,000 for any subsequent violation.

DETENTION FOR EVALUATION AND TREATMENT FOR MENTAL HEALTH (Section 632.305)

Currently, an application for detention and evaluation for treatment at a mental health facility may be executed by any adult person, who is not required to be an attorney or represented by an attorney, without a notarization requirement.

This bill repeals the provision that notarization is not required and specifies that no notarization will be required for any

application, or for any affidavits, declarations, or other supporting documents, that were completed or executed by certain peace officers, licensed physicians, mental health professionals, registered professional nurses, or employees acting on behalf of a hospital, as specified in the bill.

SEXUALLY VIOLENT PREDATORS (Sections 632.489, 632.492, 632.495, 632.504, and 632.520)

Currently, if a person determined by a court to be a sexually violent predator is ordered to the DMH, the Director of DMH determines the appropriate secure facility. This bill adds the Department of Corrections (DOC) as an option for an appropriate secure facility.

The bill allows DMH to enter into an interagency agreement with DOC to confine persons determined to be sexually violent predators who have been ordered to DMH or for persons ordered to DMH after a finding of probable cause that the person is a sexually violent predator, as long as DOC has enough space and services available and the Director of Corrections has agreed to provide the confinement through an interagency agreement with DMH.

The interagency agreement will also be for the control and care, including health care services, of the persons committed to DMH as sexually violent predators. Persons who are under the control and care of DOC under an agreement with DMH must be housed and managed separately from offenders in the custody of DOC and must be segregated from such offenders except for occasional instances of supervised incidental contact.

If DMH and DOC have entered into an interagency agreement, DOC is authorized to enter into one or more contract agreements as may be necessary to perform the agreed-upon responsibilities of DOC under the interagency agreement, as provided in the bill. DOC is also authorized to enter into one or more contract agreements with one or more licensed professionals or providers of health care services to provide health care services for the sexually violent predators housed in DOC.

DMH is authorized to enter into one or more contract agreements with one or more licensed professionals or providers of health care or mental health care services to provide health care or mental health care services to the persons ordered to DMH as sexually violent predators.

INVOLUNTARY OUTPATIENT TREATMENT (Sections 632.580, 632.585, 632.590, 632.593, 632.595, 632.600, 632.605, and 632.610)

This bill establishes procedures for authorizing or continuing an individual's assisted outpatient treatment. A petition in court for such treatment may be filed by individuals specified in the bill. A court may issue an order requiring the individual to participate in assisted outpatient treatment if the individual is at least 18 years of age, is suffering from a mental disorder, will not obtain treatment in the community voluntarily, and is unable to make an informed decision to see or comply with voluntary treatment. Additional grounds for ordering treatment will consider the necessity of treatment to prevent a deterioration in the individual's mental illness likely to result in harm to the individual or others or the individual's history of lack of compliance with treatment for the illness, as described in the bill.

The bill sets forth the procedures for the hearing process, including the option for a jury trial. If the court or jury finds, by clear and convincing evidence, that the individual meets the criteria for assisted outpatient treatment and that an appropriate mental health program has agreed to accept the individual, the court will issue an order requiring the individual to participate in treatment for a period not to exceed two years, unless extended by the court as described in the bill.

Current provisions of law exempting certain professionals from civil liability for investigating, detaining, transporting, conditionally releasing, or discharging a person will apply to assisted outpatient treatment under this bill.

The court will assign a case manager from a certified community behavioral health clinic to each individual ordered to participate in assisted outpatient treatment. The case manager and individual must report to the court at least once every 90 days.

If a court determines that the individual is not complying with an order of assisted outpatient treatment, the court may order, without a hearing, that the individual be evaluated at a community mental health center, be hospitalized in a psychiatric hospital for a period of not more than 10 days, and potentially be hospitalized for longer upon the recommendation of the community mental health center, provided such extended

hospitalization does not exceed the duration of the order for assisted outpatient treatment or 90 days, whichever is less. If the individual objects to such hospitalization, the court will schedule a hearing as described in the bill.

Beginning December 1, 2028, the Office of State Courts Administrator will submit an annual report to the General Assembly regarding certain statistics of individuals receiving treatment under this bill and the impact of such treatment on hospitalization and incarceration rates.

The following is a summary of the public testimony from the committee hearing. The testimony was based on the Senate perfected version of the bill.

PROPONENTS: Supporters say that this bill only impacts district and municipal hospitals, following the success of similar policies enacted regarding county hospitals a few years ago. This bill is important for rural health care and the provision of services in underserved areas.

Testifying in person for the bill were Senator Crawford; and Golden Valley Memorial Healthcare.

OPPONENTS: There was no opposition voiced to the committee.

Written testimony has been submitted for this bill. The full written testimony and witnesses testifying online can be found under Testimony on the bill page on the House website.