

FIRST REGULAR SESSION

HOUSE BILL NO. 976

94TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES SILVEY, PORTWOOD, LEMBKE, NIEVES, JONES (89),
TALBOY, SCHOELLER, NANCE, WILDBERGER, HOLSMAN, LOWE (44),
WALSH AND FRAME (Co-sponsors).

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D. ADAM CRUMBLISS, Chief Clerk

0298L.02I

AN ACT

To repeal sections 103.003, 103.005, and 103.036, RSMo, and to enact in lieu thereof four new sections relating to the Missouri consolidated health care plan.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Sections 103.003, 103.005, and 103.036, RSMo, are repealed and four new
2 sections enacted in lieu thereof, to be known as sections 103.003, 103.005, 103.036, and
3 103.078, to read as follows:

103.003. As used in sections 103.003 to 103.175, the following terms mean:

- 2 (1) "Actuarial reserves", the necessary funding required to pay all the medical expenses
3 for services provided to members of the plan but for which the claims have not yet been received
4 by the claims administrator;
- 5 (2) "Actuary", a member of the American Academy of Actuaries or who is an enrolled
6 actuary under the Employee Retirement Income Security Act of 1974;
- 7 (3) "Agency", a state-sponsored institution of higher learning, political subdivision or
8 governmental entity or instrumentality;
- 9 (4) "Alternative delivery health care program", a plan of covered benefits that pays
10 medical expenses through an alternate mechanism rather than on a fee-for-service basis. This
11 includes, but is not limited to, health maintenance organizations and preferred provider

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

12 organizations, all of which shall include chiropractic physicians licensed under chapter 331,
13 RSMo, in the provider networks or organizations;

14 (5) "Board", the board of trustees of the Missouri consolidated health care plan;

15 (6) "Claims administrator", an agency contracted to process medical claims submitted
16 from providers or members of the plan and their dependents;

17 (7) "Coordination of benefits", to work with another group-sponsored health care plan
18 which also covers a member of the plan to ensure that both plans pay their appropriate amount
19 of the health care expenses incurred by the member;

20 (8) "Covered benefits", a schedule of covered services, including chiropractic services,
21 which are payable under the plan;

22 (9) "Employee", any person employed full time by the state or a participating member
23 agency, or a person eligible for coverage by a state-sponsored retirement system or a retirement
24 system sponsored by a participating member agency of the plan;

25 (10) "Evidence of good health", medical information supplied by a potential member of
26 the plan that is reviewed to determine the financial risk the person represents to the plan and the
27 corresponding determination of whether or not he or she should be accepted into the plan;

28 (11) "Health care plan", any group medical benefit plan providing coverage on an
29 expense-incurred basis, any HMO, any group service or indemnity contract issued by a health
30 plan of any type or description;

31 (12) "Medical benefits coverages" shall include services provided by chiropractic
32 physicians as well as physicians licensed under chapter 334, RSMo;

33 (13) "Medical expenses", costs for services performed by a provider and covered under
34 the plan;

35 (14) "Missouri consolidated health care plan benefit fund account", the benefit trust fund
36 account containing all payroll deductions, payments, and income from all sources for the plan;

37 (15) "Officer", an elected official of the state of Missouri;

38 (16) "Participating member agency", a state-sponsored institution of higher learning,
39 political subdivision or governmental entity that has elected to join the plan and has been
40 accepted by the board;

41 (17) "Plan year", a twelve-month period designated by the board which is used to
42 calculate the annual rate categories and the appropriate coverage;

43 (18) "Provider", a physician, hospital, pharmacist, psychologist, chiropractic physician
44 or other licensed practitioner who or which provides health care services within the respective
45 scope of practice of such practitioner pursuant to state law and regulation;

46 (19) **"Resident", an individual who is domiciled in the state of Missouri;**

47 **(20)** "Retiree", a person who is not an employee and is receiving or is entitled to receive
48 an annuity benefit from a state-sponsored retirement system or a retirement system of a
49 participating member agency of the plan or becomes eligible for retirement benefits because of
50 service with a participating member agency.

 103.005. For the purpose of covering medical expenses of the officers, employees and
2 retirees, the eligible dependents of officers, employees and retirees and to the surviving spouses
3 and children of deceased officers, employees and retirees of the state and participating member
4 agencies of the state, **and for the purpose of covering medical expenses of residents of**
5 **Missouri**, there is hereby created and established a health care plan which shall be a body
6 corporate, which shall be under the management of the board of trustees herein described, and
7 shall be known as the "Missouri Consolidated Health Care Plan". Notwithstanding any provision
8 of law to the contrary, such plan may sue and be sued, transact business, contract, invest funds
9 and hold cash, securities and other property and shall be vested with such other powers as may
10 be necessary or proper to enable it, its officers, employees, and agents to carry out fully and
11 effectively all the purposes of sections 103.003 to 103.175.

 103.036. The board shall set up and maintain a benefit trust fund account in which shall
2 be placed all payroll deductions, payments, and income from all sources **other than payments,**
3 **premiums, or other income from coverage provided to residents of Missouri which shall**
4 **be maintained in a separate resident benefit trust fund account.** All property, money, funds,
5 investments, and rights which shall belong to or be available for expenditure or use by the plan
6 shall be dedicated to and held in trust for the members and for the purposes herein set out and
7 no other. The board shall have power, in the name and on behalf of the plan, to purchase,
8 acquire, hold, invest, lend, lease, sell, assign, transfer, and dispose of all property, rights, and
9 securities, and enter into written contracts as may be necessary and proper to carry out its duties.

103.078. 1. The board shall establish a mechanism whereby residents of Missouri
2 **may purchase coverage under the plan for an annual premium equal to the annual**
3 **premium rate established under the plan plus an additional premium of up to five percent**
4 **for administrative costs. Such coverage may be provided as part of the coverage as a whole**
5 **provided by the board or as coverage which is contracted for or provided separate and**
6 **apart from all other coverage provided by the board, whichever results in the cost-effective**
7 **means of providing health benefit coverage to both employees and residents.**

2. The board shall have the same authority regarding the administration of
9 **coverage provided to residents as it has with regard to the plan as a whole, including but**
10 **not limited to establishing enrollment periods, contract requirements, and provider**
11 **network requirements.**

12 **3. Any insurance agent or broker licensed to sell accident and health insurance in**
13 **this state may be authorized to sell coverage under the plan to residents. The board may**
14 **establish a schedule of commissions to pay for the services of the agent or broker.**

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