

FIRST REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
SENATE COMMITTEE SUBSTITUTE NO. 2 FOR

SENATE BILL NO. 9

95TH GENERAL ASSEMBLY

0368L.05C

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal sections 208.955 and 376.383, RSMo, and to enact in lieu thereof four new sections relating to health insurance benefit plans for autism, with an emergency clause for a certain section.

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

Section A. Sections 208.955 and 376.383, RSMo, are repealed and four new sections enacted in lieu thereof, to be known as sections 205.202, 208.955, 376.383, and 376.1214, to read as follows:

205.202. 1. The governing body of any hospital district established under sections 205.160 to 205.379 in any county of the third classification without a township form of government and with more than thirteen thousand five hundred but fewer than thirteen thousand six hundred inhabitants may, by resolution, abolish the property tax levied in such district under this chapter and impose a sales tax on all retail sales made within the district which are subject to sales tax under chapter 144, RSMo. The tax authorized in this section shall be not more than one percent, and shall be imposed solely for the purpose of funding the hospital district. The tax authorized in this section shall be in addition to all other sales taxes imposed by law, and shall be stated separately from all other charges and taxes.

2. No such resolution adopted under this section shall become effective unless the governing body of the hospital district submits to the voters residing within the district at a state general, primary, or special election a proposal to authorize the governing body of the district to impose a tax under this section. If a majority of the votes cast on the question by the qualified voters voting thereon are in favor of the question, then the tax

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.

16 shall become effective on the first day of the second calendar quarter after the director of
17 revenue receives notification of adoption of the local sales tax. If a majority of the votes
18 cast on the question by the qualified voters voting thereon are opposed to the question, then
19 the tax shall not become effective unless and until the question is resubmitted under this
20 section to the qualified voters and such question is approved by a majority of the qualified
21 voters voting on the question.

22 **3. All revenue collected under this section by the director of the department of**
23 **revenue on behalf of the hospital district, except for one percent for the cost of collection**
24 **which shall be deposited in the state's general revenue fund, shall be deposited in a special**
25 **trust fund, which is hereby created and shall be known as the "Hospital District Sales Tax**
26 **Fund", and shall be used solely for the designated purposes. Moneys in the fund shall not**
27 **be deemed to be state funds, and shall not be commingled with any funds of the state. The**
28 **director may make refunds from the amounts in the fund and credited to the district for**
29 **erroneous payments and overpayments made, and may redeem dishonored checks and**
30 **drafts deposited to the credit of such district. Any funds in the special fund which are not**
31 **needed for current expenditures shall be invested in the same manner as other funds are**
32 **invested. Any interest and moneys earned on such investments shall be credited to the**
33 **fund.**

34 **4. The governing body of any hospital district that has adopted the sales tax**
35 **authorized in this section may submit the question of repeal of the tax to the voters on any**
36 **date available for elections for the district. If a majority of the votes cast on the question**
37 **by the qualified voters voting thereon are in favor of the repeal, that repeal shall become**
38 **effective on December thirty-first of the calendar year in which such repeal was approved.**
39 **If a majority of the votes cast on the question by the qualified voters voting thereon are**
40 **opposed to the repeal, then the sales tax authorized in this section shall remain effective**
41 **until the question is resubmitted under this section to the qualified voters and the repeal**
42 **is approved by a majority of the qualified voters voting on the question.**

43 **5. Whenever the governing body of any hospital district that has adopted the sales**
44 **tax authorized in this section receives a petition, signed by a number of registered voters**
45 **of the district equal to at least ten percent of the number of registered voters of the district**
46 **voting in the last gubernatorial election, calling for an election to repeal the sales tax**
47 **imposed under this section, the governing body shall submit to the voters of the district a**
48 **proposal to repeal the tax. If a majority of the votes cast on the question by the qualified**
49 **voters voting thereon are in favor of the repeal, the repeal shall become effective on**
50 **December thirty-first of the calendar year in which such repeal was approved. If a**
51 **majority of the votes cast on the question by the qualified voters voting thereon are**

52 **opposed to the repeal, then the sales tax authorized in this section shall remain effective**
53 **until the question is resubmitted under this section to the qualified voters and the repeal**
54 **is approved by a majority of the qualified voters voting on the question.**

55 **6. If the tax is repealed or terminated by any means, all funds remaining in the**
56 **special trust fund shall continue to be used solely for the designated purposes, and the**
57 **hospital district shall notify the director of the department of revenue of the action at least**
58 **ninety days before the effective date of the repeal and the director may order retention in**
59 **the trust fund, for a period of one year, of two percent of the amount collected after receipt**
60 **of such notice to cover possible refunds or overpayment of the tax and to redeem**
61 **dishonored checks and drafts deposited to the credit of such accounts. After one year has**
62 **elapsed after the effective date of abolition of the tax in such district, the director shall**
63 **remit the balance in the account to the district and close the account of that district. The**
64 **director shall notify each district of each instance of any amount refunded or any check**
65 **redeemed from receipts due the district.**

208.955. 1. There is hereby established in the department of social services the "MO
2 HealthNet Oversight Committee", which shall be appointed by January 1, 2008, and shall consist
3 of [eighteen] **nineteen** members as follows:

4 (1) Two members of the house of representatives, one from each party, appointed by the
5 speaker of the house of representatives and the minority floor leader of the house of
6 representatives;

7 (2) Two members of the Senate, one from each party, appointed by the president pro tem
8 of the senate and the minority floor leader of the senate;

9 (3) One consumer representative, **not a health care worker, who does not contract**
10 **with nor owns nor is employed by any entity that is contracted with or represents**
11 **individuals or entities contracted, directly or indirectly, with MO HealthNet;**

12 (4) Two primary care physicians, licensed under chapter 334, RSMo, **who actively care**
13 **for participants, not from the same geographic area,** recommended by any Missouri
14 [organization or] **professional association or society that consists exclusively of individual**
15 **physician or student physician members and** represents a significant number of physicians
16 licensed in this state[, who care for participants, not from the same geographic area];

17 (5) Two physicians **who are not primary care physicians,** licensed under chapter 334,
18 RSMo, who **actively** care for participants [but who are not primary care physicians and are], not
19 from the same geographic area, recommended by any Missouri [organization or] **professional**
20 **association or society that consists exclusively of individual physician or student physician**
21 **members and** represents a significant number of physicians licensed in this state;

22 (6) One representative of the state hospital association;

23 (7) One nonphysician health care professional who **actively** cares for participants,
24 recommended by [the director of the department of insurance, financial institutions and
25 professional registration] **any association or society of individual health care professionals**
26 **of which he or she is a member, which consists exclusively of individual members, and**
27 **which represents a significant number of such health care professionals licensed in this**
28 **state;**

29 (8) One dentist, who cares for participants[. The dentist shall be], recommended by any
30 Missouri **professional** organization or [association that] **society that consists exclusively of**
31 **individual dentist of dental student members, of which he or she is a member, and which**
32 represents a significant number of dentists licensed in this state;

33 (9) [Two] **One** patient [advocates] **advocate who works with participants,**
34 **recommended by a Missouri patient advocacy group that does not contract, directly or**
35 **indirectly, with MO HealthNet;**

36 (10) One public member, **not a health care worker, who does not contract with nor**
37 **owns nor is employed by any entity that is contracted with or represents individuals or**
38 **entities contracted, directly or indirectly, with MO HealthNet; [and]**

39 (11) **One optometrist, who cares for participants, recommended by any Missouri**
40 **professional organization or society that consists exclusively of individual optometrists or**
41 **optometry student members, of which he or she is a member, and which represents a**
42 **significant number of optometrists licensed in this state;**

43 (12) **One mental health professional, who cares for participants, recommended by**
44 **any Missouri professional association or society of individual mental health professionals**
45 **of which he or she is a member; and**

46 [(11)] (13) The directors of the department of social services, the department of mental
47 health, the department of health and senior services, or the respective directors' designees, who
48 shall serve as ex-officio members of the committee.

49 2. The members of the oversight committee, other than the members from the general
50 assembly and ex-officio members, shall be appointed by the governor with the advice and
51 consent of the senate. A chair of the oversight committee shall be selected by the members of
52 the oversight committee. Of the members first appointed to the oversight committee by the
53 governor, eight members shall serve a term of two years, seven members shall serve a term of
54 one year, and thereafter, members shall serve a term of two years. Members shall continue to
55 serve until their successor is duly appointed and qualified. Any vacancy on the oversight
56 committee shall be filled in the same manner as the original appointment. Members shall serve
57 on the oversight committee without compensation but may be reimbursed for their actual and
58 necessary expenses from moneys appropriated to the department of social services for that

59 purpose. The department of social services shall provide technical, actuarial, and administrative
60 support services as required by the oversight committee. The oversight committee shall:

61 (1) Meet on at least four occasions annually, including at least four before the end of
62 December of the first year the committee is established. Meetings can be held by telephone or
63 video conference at the discretion of the committee;

64 (2) Review the participant and provider satisfaction reports and the reports of health
65 outcomes, social and behavioral outcomes, use of evidence-based medicine and best practices
66 as required of the health improvement plans and the department of social services under section
67 208.950;

68 (3) Review the results from other states of the relative success or failure of various
69 models of health delivery attempted;

70 (4) Review the results of studies comparing health plans conducted under section
71 208.950;

72 (5) Review the data from health risk assessments collected and reported under section
73 208.950;

74 (6) Review the results of the public process input collected under section 208.950;

75 (7) Advise and approve proposed design and implementation proposals for new health
76 improvement plans submitted by the department, as well as make recommendations and suggest
77 modifications when necessary;

78 (8) Determine how best to analyze and present the data reviewed under section 208.950
79 so that the health outcomes, participant and provider satisfaction, results from other states, health
80 plan comparisons, financial impact of the various health improvement plans and models of care,
81 study of provider access, and results of public input can be used by consumers, health care
82 providers, and public officials;

83 (9) Present significant findings of the analysis required in subdivision (8) of this
84 subsection in a report to the general assembly and governor, at least annually, beginning January
85 1, 2009;

86 (10) Review the budget forecast issued by the legislative budget office, and the report
87 required under subsection (22) of subsection 1 of section 208.151, and after study:

88 (a) Consider ways to maximize the federal drawdown of funds;

89 (b) Study the demographics of the state and of the MO HealthNet population, and how
90 those demographics are changing;

91 (c) Consider what steps are needed to prepare for the increasing numbers of participants
92 as a result of the baby boom following World War II;

93 (11) Conduct a study to determine whether an office of inspector general shall be
94 established. Such office would be responsible for oversight, auditing, investigation, and

95 performance review to provide increased accountability, integrity, and oversight of state medical
96 assistance programs, to assist in improving agency and program operations, and to deter and
97 identify fraud, abuse, and illegal acts. The committee shall review the experience of all states
98 that have created a similar office to determine the impact of creating a similar office in this state;
99 and

100 (12) Perform other tasks as necessary, including but not limited to making
101 recommendations to the division concerning the promulgation of rules and emergency rules so
102 that quality of care, provider availability, and participant satisfaction can be assured.

103 3. By July 1, 2011, the oversight committee shall issue findings to the general assembly
104 on the success and failure of health improvement plans and shall recommend whether or not any
105 health improvement plans should be discontinued.

106 4. The oversight committee shall designate a subcommittee devoted to advising the
107 department on the development of a comprehensive entry point system for long-term care that
108 shall:

109 (1) Offer Missourians an array of choices including community-based, in-home,
110 residential and institutional services;

111 (2) Provide information and assistance about the array of long-term care services to
112 Missourians;

113 (3) Create a delivery system that is easy to understand and access through multiple
114 points, which shall include but shall not be limited to providers of services;

115 (4) Create a delivery system that is efficient, reduces duplication, and streamlines access
116 to multiple funding sources and programs;

117 (5) Strengthen the long-term care quality assurance and quality improvement system;

118 (6) Establish a long-term care system that seeks to achieve timely access to and payment
119 for care, foster quality and excellence in service delivery, and promote innovative and
120 cost-effective strategies; and

121 (7) Study one-stop shopping for seniors as established in section 208.612.

122 5. The subcommittee shall include the following members:

123 (1) The lieutenant governor or his or her designee, who shall serve as the subcommittee
124 chair;

125 (2) One member from a Missouri area agency on aging, designated by the governor;

126 (3) One member representing the in-home care profession, designated by the governor;

127 (4) One member representing residential care facilities, predominantly serving MO
128 HealthNet participants, designated by the governor;

129 (5) One member representing assisted living facilities or continuing care retirement
130 communities, predominantly serving MO HealthNet participants, designated by the governor;

- 131 (6) One member representing skilled nursing facilities, predominantly serving MO
132 HealthNet participants, designated by the governor;
- 133 (7) One member from the office of the state ombudsman for long-term care facility
134 residents, designated by the governor;
- 135 (8) One member representing Missouri centers for independent living, designated by the
136 governor;
- 137 (9) One consumer representative with expertise in services for seniors or the disabled,
138 designated by the governor;
- 139 (10) One member with expertise in Alzheimer's disease or related dementia;
- 140 (11) One member from a county developmental disability board, designated by the
141 governor;
- 142 (12) One member representing the hospice care profession, designated by the governor;
- 143 (13) One member representing the home health care profession, designated by the
144 governor;
- 145 (14) One member representing the adult day care profession, designated by the governor;
- 146 (15) One member gerontologist, designated by the governor;
- 147 (16) Two members representing the aged, blind, and disabled population, not of the same
148 geographic area or demographic group designated by the governor;
- 149 (17) The directors of the departments of social services, mental health, and health and
150 senior services, or their designees; and
- 151 (18) One member of the house of representatives and one member of the senate serving
152 on the oversight committee, designated by the oversight committee chair.

153

154 Members shall serve on the subcommittee without compensation but may be reimbursed for their
155 actual and necessary expenses from moneys appropriated to the department of health and senior
156 services for that purpose. The department of health and senior services shall provide technical
157 and administrative support services as required by the committee.

158 6. By October 1, 2008, the comprehensive entry point system subcommittee shall submit
159 its report to the governor and general assembly containing recommendations for the
160 implementation of the comprehensive entry point system, offering suggested legislative or
161 administrative proposals deemed necessary by the subcommittee to minimize conflict of interests
162 for successful implementation of the system. Such report shall contain, but not be limited to,
163 recommendations for implementation of the following consistent with the provisions of section
164 208.950:

- 165 (1) A complete statewide universal information and assistance system that is integrated
166 into the web-based electronic patient health record that can be accessible by phone, in-person,

167 via MO HealthNet providers and via the Internet that connects consumers to services or
168 providers and is used to establish consumers' needs for services. Through the system, consumers
169 shall be able to independently choose from a full range of home, community-based, and
170 facility-based health and social services as well as access appropriate services to meet individual
171 needs and preferences from the provider of the consumer's choice;

172 (2) A mechanism for developing a plan of service or care via the web-based electronic
173 patient health record to authorize appropriate services;

174 (3) A preadmission screening mechanism for MO HealthNet participants for nursing
175 home care;

176 (4) A case management or care coordination system to be available as needed; and

177 (5) An electronic system or database to coordinate and monitor the services provided
178 which are integrated into the web-based electronic patient health record.

179 7. Starting July 1, 2009, and for three years thereafter, the subcommittee shall provide
180 to the governor, lieutenant governor and the general assembly a yearly report that provides an
181 update on progress made by the subcommittee toward implementing the comprehensive entry
182 point system.

183 8. The provisions of section 23.253, RSMo, shall not apply to sections 208.950 to
184 208.955.

376.383. 1. For purposes of this section and section 376.384, the following terms shall
2 mean:

3 (1) "Claimant", any individual, corporation, association, partnership or other legal entity
4 asserting a right to payment arising out of a contract or a contingency or loss covered under a
5 health benefit plan as defined in section 376.1350;

6 (2) "Deny" or "denial", when the health carrier refuses to reimburse all or part of the
7 claim;

8 (3) "Health carrier", health carrier as defined in section 376.1350, except that health
9 carrier shall not include a workers' compensation carrier providing benefits to an employee
10 pursuant to chapter 287, RSMo;

11 (4) "Health care provider", health care provider as defined in section 376.1350;

12 (5) "Health care services", health care services as defined in section 376.1350;

13 (6) "Processing days", number of days the health carrier has the claim in its possession.
14 Processing days shall not include days in which the health carrier is waiting for a response to a
15 request for additional information;

16 (7) "Request for additional information", when the health carrier requests information
17 from the claimant to determine if all or part of the claim will be reimbursed;

18 (8) "Suspends the claim", giving notice to the claimant specifying the reason the claim
19 is not yet paid, including but not limited to grounds as listed in the contract between the claimant
20 and the health carrier; and

21 (9) "Third-party contractor", a third party contracted with the health carrier to receive or
22 process claims for reimbursement of health care services.

23 2. Within ten working days after receipt of a claim by a health carrier or a third-party
24 contractor, a health carrier shall:

25 (1) Send an acknowledgment of the date of receipt; or

26 (2) Send notice of the status of the claim that includes a request for additional
27 information. If a health carrier pays the claim, subdivisions (1) and (2) shall not apply.

28 3. Within fifteen days after receipt of additional information by a health carrier or a
29 third-party contractor, a health carrier shall pay the claim or any undisputed part of the claim in
30 accordance with this section or send a notice of receipt and status of the claim:

31 (1) That denies all or part of the claim and specifies each reason for denial; or

32 (2) That makes a final request for additional information.

33 4. Within fifteen days after the day on which the health carrier or a third-party contractor
34 receives the additional requested information in response to a final request for information, it
35 shall pay the claim or any undisputed part of the claim or deny or suspend the claim.

36 5. If the health carrier has not paid the claimant on or before the forty-fifth **processing**
37 day from the date of receipt of the claim, the health carrier shall pay the claimant one percent
38 interest per month. The interest shall be calculated based upon the unpaid balance of the claim.
39 The interest paid pursuant to this subsection shall be included in any late reimbursement without
40 the necessity for the person that filed the original claim to make an additional claim for that
41 interest. A health carrier may combine interest payments and make payment once the aggregate
42 amount reaches five dollars.

43 6. If a health carrier fails to pay, deny or suspend the claim within forty processing days,
44 and has received, on or after the fortieth day, notice from the health care provider that such claim
45 has not been paid, denied or suspended, the health carrier shall, in addition to monthly interest
46 due, pay to the claimant per day an amount of fifty percent of the claim but not to exceed twenty
47 dollars for failure to pay all or part of a claim or interest due thereon or deny or suspend as
48 required by this section. Such penalty shall not accrue for more than thirty days unless the
49 claimant provides a second written or electronic notice on or after the thirty days to the health
50 carrier that the claim remains unpaid and that penalties are claimed to be due pursuant to this
51 section. Penalties shall cease if the health carrier pays, denies or suspends the claim. Said
52 penalty shall also cease to accrue on the day after a petition is filed in a court of competent
53 jurisdiction to recover payment of said claim. Upon a finding by a court of competent

54 jurisdiction that the health carrier failed to pay a claim, interest or penalty without reasonable
55 cause, the court shall enter judgment for reasonable attorney fees for services necessary for
56 recovery. Upon a finding that a provider filed suit without reasonable grounds to recover a
57 claim, the court shall award the health carrier reasonable attorney fees necessary to the defense.

58 7. The department of insurance, financial institutions and professional registration shall
59 monitor suspensions and determine whether the health carrier acted reasonably.

60 8. If a health carrier or third-party contractor has reasonable grounds to believe that a
61 fraudulent claim is being made, the health carrier or third-party contractor shall notify the
62 department of insurance, financial institutions and professional registration of the fraudulent
63 claim pursuant to sections 375.991 to 375.994, RSMo.

64 9. Denial of a claim shall be communicated to the claimant and shall include the specific
65 reason why the claim was denied.

66 10. Requests for additional information shall specify what additional information is
67 necessary to process the claim for payment. Information requested shall be reasonable and
68 pertain to the health carrier's determination of liability. The health carrier shall acknowledge
69 receipt of the requested additional information to the claimant within five working days or pay
70 the claim.

376.1214. 1. As used in this section, the following terms shall mean:

2 (1) "Autism spectrum disorder", a neurobiological disorder, an illness of the
3 nervous system, which includes Autistic Disorder, Asperger's Disorder, Pervasive
4 Developmental Disorder Not Otherwise Specified;

5 (2) "Health benefit plan", the same meaning as such term is defined in section
6 376.1350;

7 (3) "Health carrier", the same meaning as such term is defined in section 376.1350;

8 (4) "Medical services", includes:

9 (a) Clinical evaluation and assessment services;

10 (b) Behavior modification, family therapy, or other forms of psychotherapy;

11 (c) Speech therapy;

12 (d) Occupational therapy;

13 (e) Physical therapy;

14 (f) Prescription drugs, if covered by the plan, used to address the symptoms of
15 autism spectrum disorder; and

16 (g) Medical care and treatment for comorbid conditions.

17 2. Each health carrier or health benefit plan that offers or issues health benefit
18 plans which are delivered, issued for delivery, continued, or renewed in this state on or
19 after August 28, 2010, shall offer group coverage for enrollees diagnosed with autism

20 spectrum disorder for all necessary medical services prescribed in relation to such disorder
21 by the enrollee's physician in the treatment plan recommended by such physician. An
22 individual providing treatment prescribed under this subsection shall be an appropriately
23 licensed health care practitioner.

24 **3. Coverage under this section is subject to all terms and conditions including**
25 **medical necessity, definitions, restrictions, exclusions, and limitations that apply to any**
26 **other coverage under the plan, including the treatment under the plan performed by**
27 **participating and nonparticipating providers.**

28 **4. No benefits shall be available for services, supplies, or equipment:**

29 **(1) For which the enrollee has no legal obligation to pay in the absence of such**
30 **coverage or like coverage;**

31 **(2) Provided to the enrollee or eligible dependent by a publicly funded program;**

32 **(3) Provided by a family member;**

33 **(4) Provided by unlicensed providers;**

34 **(5) Rendered in educational or instructional programs, or that are educational,**
35 **vocational, or training in nature, including those services, supplies, or equipment required**
36 **to be provided by public or private school districts or state or local educational agencies**
37 **to children who have a disability under the federal Individuals with Disabilities in**
38 **Education Act (IDEA), 20 U.S.C. Section 1404, et seq., as amended, and similar state and**
39 **local laws and regulations implementing IDEA; and**

40 **(6) That are supervisory services not directly provided to the enrollee or an eligible**
41 **dependent.**

42 **5. The provisions of this section shall not apply to a supplemental insurance policy,**
43 **including a life care contract, accident-only policy, specified disease policy, hospital policy**
44 **providing a fixed daily benefit only, Medicare supplement policy, long-term care policy,**
45 **short-term major medical policy of six months' or less duration, or any other supplemental**
46 **policy.**

Section B. Because immediate action is necessary to allow certain hospital districts to
2 lower their property tax levies, the enactment of section 205.202 of section A of this act is
3 deemed necessary for the immediate preservation of the public health, welfare, peace, and safety,
4 and is hereby declared to be an emergency act within the meaning of the constitution, and the
5 enactment of section 205.202 of section A of this act shall be in full force and effect upon its
6 passage and approval.

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