

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1908-01
Bill No.: SB 401
Subject: Insurance - Medical; Insurance Department
Type: Original
Date: March 25, 2013

Bill Summary: This proposal prohibits individuals and other entities from performing navigator services for a health insurance exchange unless licensed by the Department of Insurance, Financial Institutions and Professional Registration.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Insurance Dedicated	(\$94,709)	(\$97,420)	(\$98,470)
Total Estimated Net Effect on <u>Other</u> State Funds	(\$94,709)	(\$97,420)	(\$98,470)

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Insurance Dedicated	2	2	2
Total Estimated Net Effect on FTE	2	2	2

- Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).
- Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Insurance, Financial Institutions and Professional Registration** assume the proposal creates new requirements for licensing navigators in Missouri. Due to these new regulatory requirements, the department will need one (1.00) Licensing Technician I FTE to review and process navigator licensure applications and one (1.00) Investigator II FTE to ensure compliance with these new requirements and investigate consumer complaints against navigators. The department will require minimal contract computer programming to add these new requirements to our current licensing system and can do so under existing appropriation.

<u>FISCAL IMPACT - State Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
INSURANCE DEDICATED FUND			
<u>Costs - DIFP</u>			
Personal service	(\$49,840)	(\$60,406)	(\$61,010)
Fringe benefits	(\$26,335)	(\$31,919)	(\$32,238)
Equipment and expense	<u>(\$18,534)</u>	<u>(\$5,095)</u>	<u>(\$5,222)</u>
<u>Total Costs - DIFP</u>	<u>(\$94,709)</u>	<u>(\$97,420)</u>	<u>(\$98,470)</u>
FTE Change - DIFP	2 FTE	2 FTE	2 FTE
ESTIMATED NET EFFECT ON INSURANCE DEDICATED FUND	<u>(\$94,709)</u>	<u>(\$97,420)</u>	<u>(\$98,470)</u>
Estimated Net FTE Change on the Insurance Dedicated Fund	2 FTE	2 FTE	2 FTE
<u>FISCAL IMPACT - Local Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
	<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

This proposal creates an insurance navigator licensing system so that no individual or entity shall perform, offer to perform, or advertise any service as a navigator in Missouri or receive navigator funding from a health insurance exchange unless licensed as a navigator by the Department of Insurance, Financial Institutions and Professional Registration. The proposal sets forth provisions concerning prohibited activities, applications for licensure, license renewal, and revocations and suspensions of navigator licenses.

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 Insurance, Financial Institutions
and Professional Registration



Ross Strobe
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