

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5351-01
Bill No.: HB 2211
Subject: Health Care; Insurance - Medical; Department of Insurance
Type: Original
Date: March 15, 2016

Bill Summary: This proposal requires every health carrier to file its premium rates and classification of risks with the Department of Insurance, Financial Institutions and Professional Registration for approval.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Insurance Dedicated	(Unknown, greater than \$100,000)	(Unknown, greater than \$100,000)	(Unknown, greater than \$100,000)
Total Estimated Net Effect on <u>Other</u> State Funds	(Unknown, greater than \$100,000)	(Unknown, greater than \$100,000)	(Unknown, greater than \$100,000)

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

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on FTE	0	0	0

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Oversight was unable to receive some of the agency responses in a timely manner due to the short fiscal note request time. Oversight has presented this fiscal note on the best current information that we have or on prior year information regarding a similar bill. Upon the receipt of agency responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval of the chairperson of the Joint Committee on Legislative Research to publish a new fiscal note.

Officials from the **Missouri Consolidated Health Care Plan (MCHCP)** assume this proposal does not fiscally impact their agency. The proposal legislation uses the provider definition from RSMo 376.1350 which does not include MCHCP.

Oversight assumes this proposal is relatively similar to SB 89 from the 2015 session. Each of the proposals require health carriers to file premium rates and classifications of risks with the Department of Insurance, Financial Institutions and Professional Registration (DIFP). In response to SB 89, DIFP assumed costs for FTE, as well as income from filing fees. For fiscal note purposes, Oversight will show a net fiscal impact of negative unknown, greater than \$100,000.

<u>FISCAL IMPACT - State Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
<u>Revenues - DIFP</u>	Unknown	Unknown	Unknown
<u>Costs - DIFP</u>	(Unknown, Greater than <u>\$100,000</u>)	(Unknown, Greater than <u>\$100,000</u>)	(Unknown, Greater than <u>\$100,000</u>)
ESTIMATED NET EFFECT ON INSURANCE DEDICATED FUND	<u>(Unknown, Greater than \$100,000)</u>	<u>(Unknown, Greater than \$100,000)</u>	<u>(Unknown, Greater than \$100,000)</u>
 <u>FISCAL IMPACT - Local Government</u>	 FY 2017 (10 Mo.)	 FY 2018	 FY 2019
	 <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.

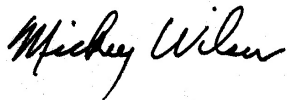
FISCAL DESCRIPTION

This proposal requires every health carrier to file its premium rates and classification of risk with the Department of Insurance, Financial Institutions and Professional Registration for approval.

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

Missouri Consolidated Health Care Plan



Mickey Wilson, CPA
Director
March 15, 2016

Ross Strobe
Assistant Director
March 15, 2016