

SECOND REGULAR SESSION

# HOUSE BILL NO. 1592

98TH GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE GOSEN.

4082H.011

D. ADAM CRUMBLISS, Chief Clerk

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## AN ACT

To repeal section 354.415, RSMo, and to enact in lieu thereof one new section relating to health maintenance organizations.

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

Section A. Section 354.415, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 354.415, to read as follows:

354.415. 1. The powers of a health maintenance organization include, but are not limited to, the power to:

(1) Purchase, lease, construct, renovate, operate, and maintain hospitals, medical facilities, or both, and their ancillary equipment, and such property as may reasonably be required for the organization's principal office or for such other purposes as may be necessary in the transaction of the business of the organization;

(2) Make loans to a medical group under contract with it in furtherance of its program, or to make loans to any corporation under its control for the purpose of acquiring or constructing medical facilities and hospitals or in the furtherance of a program providing health care services to enrollees;

(3) Furnish health care services through providers which are under contract with, or employed by, the health maintenance organization;

(4) Contract with any person for the performance, on the organization's behalf, of certain functions such as marketing, enrollment, and administration;

(5) Contract with an insurance company licensed in this state, or with a health services corporation authorized to do business in this state, for the provision of insurance, indemnity, or

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.

17 reimbursement against the cost of health care services provided by the health maintenance  
18 organization;

19 (6) Offer, in addition to basic health care services:

20 (a) Additional health care services;

21 (b) Indemnity benefits covering out-of-area or emergency services; and

22 (c) Indemnity benefits, in addition to those relating to out-of-area and emergency  
23 services, provided through insurers or health services corporations;

24 (7) Offer as an option one or more health benefit plans which contain deductibles,  
25 coinsurance, coinsurance differentials, or variable co-payments. **Co-payments may exceed fifty**  
26 **percent of the total cost of the service except as specifically prohibited under this chapter**  
27 **or chapter 376.** Health benefit plans offered under this section that contain deductibles shall  
28 be permitted only [when combined with any health savings account or health reimbursement  
29 account as described in the Medicare Reform Act, P.L. No. 108-173, Title XII, Section 1201,  
30 provided that:

31 (a) The total out-of-pocket expenses paid for the receipt of basic health services under  
32 the plan shall not exceed the annual contribution limits for health savings accounts as determined  
33 by the Internal Revenue Service;

34 (b) The health savings account or health reimbursement account must be funded at a  
35 level equal to or greater than the out-of-pocket maximum limits defined for the high deductible  
36 health plan; and

37 (c) A distribution from the health savings account or health reimbursement account to  
38 pay a health care provider for a qualified medical expense is made within thirty days of the  
39 submission of a claim] **if such deductible does not exceed the cost-sharing annual limits**  
40 **established under 42 U.S.C. Section 18022(c).**

41 2. Prior to the exercise of any power granted in subdivision (1) or (2) of subsection 1 of  
42 this section, involving an amount in excess of five hundred thousand dollars, a health  
43 maintenance organization shall file notice, with adequate supporting information, with the  
44 director. The director shall disapprove such exercise of power if, in his opinion, it would  
45 substantially and adversely affect the financial soundness of the health maintenance organization  
46 and endanger its ability to meet its obligations. If the director does not disapprove such exercise  
47 of power within sixty days of the filing, it shall be deemed approved.

48 3. The director may exempt from the filing requirement of subsection 2 of this section  
49 those activities having minimal effect.

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