

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4324-01  
Bill No.: HB 2076  
Subject: Higher Education; Health Care; Insurance - Health  
Type: Original  
Date: January 23, 2018

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Bill Summary: This proposal specifies that public institutions of higher education shall not require their students to pay fees related to health care if they show proof of health insurance coverage.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
College & University Funds	(Could exceed \$10,000,000)	(Could exceed \$10,000,000)	(Could exceed \$10,000,000)
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>(Could exceed \$10,000,000)</b>	<b>(Could exceed \$10,000,000)</b>	<b>(Could exceed \$10,000,000)</b>

Numbers within parentheses: ( ) indicate costs or losses.  
 This fiscal note contains 6 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

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

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **University of Missouri System (UM)** assume this proposal will impact university revenue and student services with an impact of over \$7 million. Only international students are required to have insurance. The campuses have health centers that provide a variety of services and are funded by student fees such as:

- Monitoring vaccine preventable diseases such as meningococcal meningitis, measles, mumps and rubella and tuberculosis (TB) screening and that are not reimbursable through insurance. In addition, insurance does not reimburse for activities related to campus infectious disease outbreaks - coordinating with state and county public health officials and other campus health officials, quarantining as necessary/appropriate, mass immunization clinics, work with news and other departments to prepare communications to students, parents and the community, etc.
- Providing behavioral health services, including visits with licensed professionals (i.e.: psychologist, psychiatrist, licensed clinical social worker).
- Open year round and supports access to trained nurses, 24/7, and scheduling in primary care for same or next day appointments.
- Stress reduction strategies including health coaching, skill-building classes and mindfulness practices.

**Oversight** notes that according to their web site, UM charges a prepaid health fee (\$95 per student) as well as International Student Insurance (\$943 per semester).

Officials from **Missouri State University** assume this proposal could have a negative impact in excess of \$3 million for the university.

**Oversight** notes that according to their web site, MSU charges \$1,284 for International Student Health Insurance fee for the Fall 2017 - Summer 2018 semesters.

Officials from the **University of Central Missouri** assume this proposal may directly affect the university.

Officials from the **Department of Higher Education, State Technical College of Missouri and Missouri Western State University** assume the proposal will have no fiscal impact on their organizations.

ASSUMPTION (continued)

**Oversight** notes this proposal would allow a student with existing health insurance coverage to be excused from joining a public college or universities' health care and health insurance plan. Additionally, this proposal would excuse the student from the payment of fees, costs, or related expenses imposed by the institutions for health care. Oversight notes this proposal allows the institutions to offer a health insurance plan to students who are not covered under another plan.

**Oversight** found that the University of Missouri and University of Central Missouri require international students to provide proof of insurance or take the institution's health insurance plan. The institutions only require international students to take the health insurance plan. These institutions have no requirements for domestic students. Oversight assumes that if a student can show existing health insurance they would be excused from the purchase of the institution's health insurance plan. Oversight assumes this portion of the proposal would not have a fiscal impact.

**Oversight** notes that some of the institutions run health care clinics funded through student fees. Oversight assumes this proposal would excuse a student from paying any fees, costs, or related expenses imposed by the institutions for the provision of health care if the student shows proof of existing insurance. Oversight will show an impact to colleges and universities as could exceed \$10 million in lost revenue which is the amount reported by University of Missouri System and Missouri State University.

Officials at the following colleges: Crowder, East Central Community College, Harris-Stowe, Jefferson College, Lincoln University, Metropolitan Community College, Moberly Area Community College, Missouri Southern State University, Northwest Missouri State University, Southeast Missouri State University, State Fair Community College, St. Charles Community College, St. Louis Community College, Three Rivers Community College and Truman State University did not respond to **Oversight's** request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
<b>COLLEGE &amp; UNIVERSITY FUNDS</b>			
<u>Loss - fees and costs for health care</u>	(Could exceed <u>\$10,000,000</u> )	(Could exceed <u>\$10,000,000</u> )	(Could exceed <u>\$10,000,000</u> )
<b>ESTIMATED NET EFFECT ON COLLEGE &amp; UNIVERSITY FUNDS</b>	<b>(Could exceed <u>\$10,000,000</u>)</b>	<b>(Could exceed <u>\$10,000,000</u>)</b>	<b>(Could exceed <u>\$10,000,000</u>)</b>

<u>FISCAL IMPACT - Local Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
	<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 bill specifies that any student who shows proof of existing health insurance coverage to a public institution of higher education is excused from paying any fees, costs, or related expenses imposed by the institution for the provision of health care or health insurance.

These provisions do not preclude public institutions of higher education from offering students health insurance coverage and student health services and charging fees for such coverage and services.

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

University of Missouri System  
Missouri State University  
University of Central Missouri  
State Technical College of Missouri  
Missouri Western State University  
Department of Higher Education

Ross Strobe



Acting Director

L.R. No. 4324-01  
Bill No. HB 2076  
Page 6 of 6  
January 23, 2018

January 23, 2018