

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 6107-06
Bill No.: HCS for HB 2225
Subject: Insurance - Health; Emergencies
Type: Original
Date: March 2, 2018

Bill Summary: This proposal modifies provisions relating to emergency services health benefit determinations.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
General Revenue Fund	(Unknown)	(Unknown)	(Unknown)
Total Estimated Net Effect on General Revenue	(Unknown)	(Unknown)	(Unknown)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Insurance Dedicated Fund	Up to \$20,000	\$0	\$0
Other State Fund	(Unknown)	(Unknown)	(Unknown)
Total Estimated Net Effect on <u>Other</u> State Funds	(Unknown) to less than \$20,000	(Unknown)	(Unknown)

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

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Federal Funds	(Unknown)	(Unknown)	(Unknown)
Total Estimated Net Effect on <u>All</u> Federal Funds	(Unknown)	(Unknown)	(Unknown)

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
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 2019	FY 2020	FY 2021
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Missouri Consolidated Health Care Plan (MCHCP)** assume there are several situations where MCHCP (through its contracted vendors) does not pay the provider directly. These situations involve payments for non-network pharmacy, non-network dental, non-network vision and medical services received outside of the United States. In these circumstances, arrangements and mechanisms would have to be created in order to pay the provider directly with particular concern to payments made to providers outside the United States. MCHCP would need to amend contracts with its vendors to facilitate direct payments to providers in these situations with the fiscal impact unknown.

Officials from the **Department of Insurance, Financial Institutions and Professional Registration (DIFP)** assume policy amendments may be submitted to the department for review along with a \$50 filing fee. The department expects to see a filing influx of 400. One time additional revenues to the Insurance Dedicated Fund are estimated to be up to \$20,000 (400 x \$50).

Additional staff and expenses are not being requested with this single proposal, but if multiple proposals pass during the legislative session which require policy form reviews the department will need to request additional staff to handle increase in workload.

Officials from the **Department of Social Services, the Department of Health and Senior Services, the Department of Mental Health** and the **Missouri Consolidated Health Care Plan** each assume the proposal will have no fiscal impact on their respective organizations.

<u>FISCAL IMPACT - State Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
GENERAL REVENUE FUND			
<u>Cost - MCHCP</u> Administrative Impact	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>

<u>FISCAL IMPACT - State Government</u> (continued)	FY 2019 (10 Mo.)	FY 2020	FY 2021
INSURANCE DEDICATED FUND			
<u>Revenue - DIFP</u> \$50 filing fee	<u>Up to \$20,000</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT TO THE INSURANCE DEDICATED FUND	<u>Up to \$20,000</u>	<u>\$0</u>	<u>\$0</u>
OTHER STATE FUNDS			
<u>Cost - MCHCP</u> Administrative Impact	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT ON OTHER STATE FUNDS	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
FEDERAL FUNDS			
<u>Cost - MCHCP</u> Administrative Impact	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT ON FEDERAL FUNDS	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
 <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 act specifies that necessity of emergency services to screen and stabilize a patient shall be determined by the treating physician.

Before a health carrier retrospectively denies payment for an emergency service, a qualified physician shall review the enrollee's medical records regarding the emergency condition at issue. Carriers shall not deny payment based predominantly on current procedural terminology or International Classification of Diseases (ICD) codes.

This act allows health carriers to recapture from enrollees payments made to health care providers for emergency services if it is determined the enrollee did not have an emergency condition.

Payments shall be paid directly to the health care provider by the health carrier regardless of whether the provider participates in the carrier's network.

The act prohibits carriers from reducing payments for evaluation and management services that are otherwise eligible for reimbursement when reported by the same provider on the same day as a procedure, and specifies that contract provisions to the contrary shall be void.

The act specifies that payment for all services shall be made directly to providers when the carrier has authorized the patient to seek such services from a provider outside the carrier's network.

The provisions for direct payment to providers shall apply to health care plans issued under the Missouri Consolidated Health Care Plan.

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
Department of Social Services
Department of Health and Senior Services
Department of Mental Health
Missouri Consolidated Health Care Plan

Ross Strobe

A handwritten signature in black ink, appearing to read "Ross Strobe", with a stylized flourish at the end.

Acting Director
March 2, 2018