

HCS SB 563 -- MOHEALTHNET

SPONSOR: Sater (Fitzpatrick)

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Standing Committee on Budget by a vote of 19 to 0.

This bill extends the sunsets from September 30, 2018, to September 30, 2020, for the federal reimbursement allowance taxes for the Ground Ambulance, Nursing Facility, Medicaid Managed Care Organization, Hospital, Pharmacy, and Intermediate Care Facility for the Intellectually Disabled.

Beginning July 1, 2019, this bill imposes the federal reimbursement allowance on managed care organizations including health maintenance organizations (HMO's) based on revenue or enrollment and may impose differential rates on Medicaid and commercial business.

Additionally, this bill repeals existing provisions of law regarding hospital reimbursement allowance calculations and alternative reimbursements for outpatient services. Instead, each state fiscal year, the amount of federal reimbursement allowance levied under the Hospital Reimbursement Allowance Tax shall not exceed 41% of the total payments to hospitals from the Federal Reimbursement Allowance Fund and associated federal match, including payments made to hospitals from state-contracted managed care organizations that are attributable to the reimbursement fund and associated federal match. By October 1 of each subsequent state fiscal year, the Department of Social Services shall report this calculation and the underlying data to the House Budget Committee and the Senate Appropriations Committee.

Currently, only Medicaid dual eligible individuals meeting certain income limitations are eligible to participate in the Missouri RX Plan. Beginning July 1, 2019, this bill removes the Medicaid dual eligible requirement, while retaining the income limitations.

This bill is similar to HCS SS SCS SB 775 (2018).

PROPOSERS: Supporters say that this bill brings the MO Rx program back to the 2017 program. Subject to appropriations, this bill is for people in the donut hole. Low-income seniors can't just get a job to pay for this. This is for people making about \$1,000 per month and will help with preventative medications that allow seniors to not make choices between food and needed medicines.

Testifying for the bill were Senator Sater; Missouri Pharmacy

Association; Jay Hardenbrook, American Association of Retired Persons (AARP); Missouri Association of Area Agencies on Aging; and Paraquad.

OPPONENTS: There was no opposition voiced to the committee.