

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 6080-01  
Bill No.: HB 2337  
Subject: Education, Higher; Health Care  
Type: Original  
Date: February 9, 2016

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Bill Summary: This proposal specifies that public colleges and universities must not bind students to third-party contracts for health insurance without written approval.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>
<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>			
<b>FUND AFFECTED</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 5 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</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 2017</b>	<b>FY 2018</b>	<b>FY 2019</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 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## 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.

**Oversight** notes this proposal would prohibit higher education institutions from binding students to a third-party contract for the provision of health insurance without written approval of the student or the student's guardian.

**Oversight** notes that the Affordable Care Act required all Americans beginning in 2014 to have health insurance. Oversight found that the University of Missouri, University of Central Missouri and Missouri State University all 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 as they are not covered by the Affordable Care Act. These institutions have no requirements for domestic students.

Officials at the **Northwest Missouri State University** assume the University does not require or offer health insurance to domestic students. The University does require international students to purchase insurance through a university-sourced International Student Plan. Releasing international students from this requirement has significant cost concerns, but the costs are difficult to quantify.

Officials at the **University of Central Missouri (UCM)** assume there is no fiscal impact on UCM as long as international students could still be required to sign for and purchase health insurance of UCM's choosing. Ensuring international students have accessible health coverage is essential for the students, and for UCM. However, if UCM were barred from signing international students for a third-party health insurance provider, the increased costs would be significant, not to mention the loss of international student revenues if the problem could not be solved, which would exceed \$500,000 per year.

Officials at the **State Technical College of Missouri** assume there is no fiscal impact from this proposal.

ASSUMPTION (continued)

**Oversight** notes this proposal does not require institutions to stop providing services, it just requires written approval from the student. Oversight assumes the Colleges and Universities can implement this proposal with existing resources.

<u>FISCAL IMPACT - State Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
	<u>\$0</u>	<u>\$0</u>	<u>\$0</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.

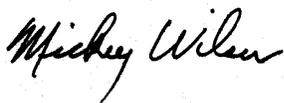
FISCAL DESCRIPTION

The proposed legislation appears to have no direct fiscal impact.

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

Northwest Missouri State University  
State Technical College of Missouri  
University of Central Missouri



L.R. No. 6080-01  
Bill No. HB 2337  
Page 5 of 5  
February 9, 2016

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