

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0311-05
Bill No.: HCS for HB 121
Subject: Health Care; Health Care Professionals; Insurance - Medical; Physicians
Type: Original
Date: April 2, 2003

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Insurance Dedicated	\$8,000	\$0	\$0
Highway Fund	(Unknown)	(Unknown)	(Unknown)
Total Estimated Net Effect on Other State Funds	(Unknown)	(Unknown)	(Unknown)

Numbers within parentheses: () indicate costs or losses.
 This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS
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FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Missouri Consolidated Health Care Plan** state the proposal will have no fiscal impact on their organization.

Officials from the **Missouri Department of Conservation (MDC)** state the proposed legislation would not appear to have a fiscal impact on MDC funds.

Officials from the **Department of Social Services (DOS)** state the provisions of this proposal do not apply to the Medicaid program. Therefore, the proposal will have no impact on DOS.

Officials from the **Department of Insurance** state the department estimates 160 insurers and HMOs would be required to submit amendments to their policies to comply with the proposal. Policy amendments must be submitted to the department for review along with a \$50 filing fee. One time additional revenues to the Insurance Dedicated Fund are estimated to be \$8,000.

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 the increase in the workload.

ASSUMPTION (continued)

Officials from the **Department of Public Safety - Missouri Highway Patrol (MHP)** defer to

the Department of Transportation for response regarding the fiscal impact of the proposal on the MHP.

Officials from the **Department of Transportation (DOT)** state that currently the medical plan covers only the manual manipulation of the spine by a licensed chiropractor to correct the subluxation that has been demonstrated by X-ray from a physician or chiropractor (the plan allows coverage for one X-ray by a chiropractor per calendar year). Covered services for manual manipulations are limited to 30 treatments per calendar year. Assuming that the Medial Plan would have to cover office visits as well as many of the other services that a chiropractor offers and not limit the number of treatments per calendar year, there would be a substantial fiscal impact to the medical plan. Without knowing the exact procedures or how many individuals would start utilizing a chiropractor, there is no way to estimate a fiscal impact. DOT feels the impact would be very substantial due to the increase in coverage as well as an increase in utilization.

<u>FISCAL IMPACT - State Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
INSURANCE DEDICATED FUND			
<u>Income - Department of Insurance</u>			
Form filing fees	<u>\$8,000</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON INSURANCE DEDICATED FUND	<u>\$8,000</u>	<u>\$0</u>	<u>\$0</u>
HIGHWAY FUND			
<u>Costs - Department of Transportation</u>			
Increase in contributions	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET IMPACT TO HIGHWAY FUND	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Small Business</u>			

Small businesses could be affected by this proposal which could result in higher health insurance premiums.

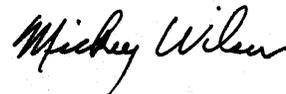
DESCRIPTION

This proposal requires health insurers to provide chiropractic care as part of basic health care services for covered conditions. Health plan enrollees must be able to select their own chiropractic physician from the provider network without a referral or prior authorization. If applicable, the proposal requires that a referral or prior authorization clause apply equally to providers in the network. Health carriers that utilize gatekeepers may not misinform enrollees of the availability of chiropractic care. The proposal also requires health carriers to apply the same deductibles, co-payments, co-insurance amounts, fees, benefit limits, practice parameters, and utilization review to all in-network health care providers. It also prohibits health carriers from discriminating against any health care provider or group of providers based on licensure.

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 Transportation
Department of Social Services
Department of Public Safety -
 Missouri Highway Patrol
Missouri Consolidated Health Care Plan
Department of Insurance
Missouri Department of Conservation



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APRIL 2, 2003