

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1008-01
Bill No.: HB 225
Subject: Health Care; Health Care Professionals; Insurance - Medical; Insurance Dept.
Type: Original
Date: February 7, 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
Total Estimated Net Effect on Other State Funds	\$0	\$0	\$0

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 Department of Conservation, Missouri Consolidated Health Care Plan** and **Department of Insurance** assume the proposal will have no fiscal impact on their organizations.

Officials from the **Department of Public Safety - Missouri Highway Patrol** defer to the Department of Transportation for response regarding the fiscal impact of this proposal.

Officials from the **Department of Transportation** state that since this proposal pertains to health services corporations, HMOs, and managed care entities only and does not pertain to the Highway & Patrol Medical Plan, there would be no fiscal impact to the Missouri Highway Transportation Commission or the Highway & Patrol Medical Plan.

Officials from the **Department of Social Services - Division of Medical Services (DMS)** state the proposed legislation establishes specific criteria, which if met, would allow the director of insurance to deem a managed care plan's network adequate. The specific criteria is for a Medicare + Choice coordinated health plan, or managed care plans accredited by the National Committee for Quality Assurance (NCQA) or the Joint Commission on the Accreditation of Health Organizations (JCAHO). The listed criterion does not apply to the managed care plans contracted with the DMS for the Medicaid program. Therefore, there is no fiscal impact to the DMS.

<u>FISCAL IMPACT - State Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
	<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.

DESCRIPTION

This proposal makes changes in the law governing community-based health maintenance organizations. Under current law, these health carriers must maintain a network of providers that is sufficient in number and type of provider so that all enrollees to the plan have access to health care without unreasonable delay. Health carriers must submit to the Department of Insurance a detailed access plan that demonstrates its ability to provide the proper access to health care. The proposal declares that an access plan will be deemed adequate if it: (1) Is a Medicare + Choice coordinated care plan; (2) Is being offered by a health carrier accredited by the National Committee for Quality Assurance; or (3) Has been accredited by the Joint Commission on the Accreditation of Health Organizations.

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

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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

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, slightly slanted style.

Mickey Wilson, CPA
Director
February 7, 2003