

FIRST REGULAR SESSION

[PERFECTED]

HOUSE BILL NO. 423

96TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES BURLISON (Sponsor), JONES (89), SCHOELLER, TILLEY, DIEHL, MOLENDORP, HOUGHTON, SILVEY, ASBURY, KOENIG, SMITH (150), ALLEN, LEACH, WYATT, FREDERICK, RUZICKA, HAMPTON, LICHTENEGGER, DAVIS, CURTMAN, WHITE, RIDDLE, KELLEY (126), REIBOLDT, LANT, ZERR, LONG, WELLS, CRAWFORD, DUGGER, ENTLICHER, LAIR, STREAM, THOMSON, FISHER, SCHAD, FITZWATER, MCGHEE, GATSCHENBERGER, HAEFNER, CAUTHORN, WIELAND, RICHARDSON, KLIPPENSTEIN, BERRY, BRATTIN, NETH, WALLINGFORD, BARNES, McNARY, ELMER AND FLANIGAN (Co-sponsors).

1030L.01P

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To amend chapter 191, RSMo, by adding thereto one new section relating to the health care compact.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Chapter 191, RSMo, is amended by adding thereto one new section, to be
2 known as section 191.025, to read as follows:

**191.025. The Health Care Compact is enacted into law and entered into by the state
2 as a party, and is of full force and effect between the state and any other states joining
3 therein in accordance with the terms of the Compact, which such Compact is as follows:**

**4 Section 1. Definitions. As used in this Compact, unless the context clearly indicates
5 otherwise:**

**6 "Member State" shall refer to a state that is signatory to this Compact and has
7 adopted it under the laws of that state.**

**8 "Effective date" shall refer to the date upon which this Compact shall become
9 effective for purposes of the operation of state and federal law in a Member State, which
10 shall be the later of:**

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

11 (a) the date upon which this Compact shall be adopted under the laws of the
12 Member State, and;

13 (b) the date upon which this Compact receives the consent of Congress pursuant
14 to Article I, Section 10, of the United States Constitution, after at least two Member States
15 adopt this Compact.

16 "Health Care" means care, services, supplies, or plans related to the health of an
17 individual and includes but is not limited to:

18 (a) preventive, diagnostic, therapeutic, rehabilitative, maintenance, or palliative
19 care and counseling, service, assessment, or procedure with respect to the physical or
20 mental condition or functional status of an individual or that affects the structure or
21 function of the body; and

22 (b) sale or dispensing of a drug, device, equipment, or other item in accordance with
23 a prescription; and

24 (c) an individual or group plan that provides, or pays the cost of, care, services, or
25 supplies related to the health of an individual; except any care, services, supplies, or plans
26 provided by the United States Department of Defense, the United States Department of
27 Veteran Affairs, or provided to Native Americans.

28 "Commission" shall refer to the Interstate Advisory Health Care Commission.

29 "Member State" means a state that is signatory to this Compact and has adopted
30 it under the laws of that state.

31 "Member State Base Funding Level" means a number equal to the total federal
32 spending on Health Care in the Member State during federal fiscal year 2010 as
33 determined. On or before the effective date, each Member State shall determine the
34 Member State Base Funding Level for its state, and that number shall be binding upon that
35 Member State. (The preliminary estimate of Member State Base Funding Level for the
36 State of Missouri is \$18,669,000,000.)

37 "Member State Current Year Funding Level" means the Member State Base
38 Funding Level multiplied by the Member State Current Year Population Adjustment
39 Factor multiplied by the Current Year Inflation Adjustment Factor.

40 "Member State Current Year Population Adjustment Factor" means the average
41 population of the Member State in the current year less the average population of the
42 Member State in federal fiscal year 2010, divided by the average population of the Member
43 State in federal fiscal year 2010, plus 1. Average population in a Member State shall be
44 determined by the United States Census Bureau.

45 "Current Year Inflation Adjustment Factor" means the Total Gross Domestic
46 Product Deflator in the current year divided by the Total Gross Domestic Product Deflator

47 in federal fiscal year 2010. Total Gross Domestic Product Deflator shall be determined by
48 the Bureau of Economic Analysis of the United States Department of Commerce.

49 Section 2. Pledge. The Member States shall take joint and separate action to secure
50 the consent of the United States Congress to this Compact in order to return the authority
51 to regulate health care to the Member States, consistent with the goals and principles
52 articulated in this Compact. The Member States shall improve health care policy within
53 their respective jurisdictions and according to the judgment and discretion of each
54 Member States.

55 Section 3. Legislative Power. The legislatures of the Member States have the
56 primary responsibility to regulate health care in their respective states.

57 Section 4. State Control. Each Member State, within its state, may suspend by
58 legislation the operation of all federal laws, rules, regulations, and orders regarding Health
59 Care that are inconsistent with the laws and regulations adopted by the Member State
60 pursuant to this Compact. Federal laws, rules, regulations, and orders regarding health
61 care will remain in effect unless a Member State expressly suspends them pursuant to its
62 authority under this Compact. For any federal law, rule, regulation, or order that remains
63 in effect in a Member State after the effective date, that Member State shall be responsible
64 for the associated funding obligations in its state.

65 Section 5. Funding.

66 (a) Each federal fiscal year, each Member State shall have the right to federal
67 monies up to an amount equal to its Member State Current Year Funding Level for that
68 federal fiscal year, funded by Congress as mandatory spending and not subject to annual
69 appropriation, to support the exercise of Member State authority under this Compact. This
70 funding shall not be conditional on any action of or regulation, policy, law, or rule being
71 adopted by the Member State.

72 (b) By the start of each federal fiscal year, Congress shall establish an initial
73 Member State Current Year Funding Level for each Member State, based upon reasonable
74 estimates. The final Member State Current Year Funding Level shall be calculated, and
75 funding shall be reconciled by the United States Congress, based upon information
76 provided by each Member State and audited by the United States Government
77 Accountability Office.

78 Section 6. Interstate Advisory Health Care Commission.

79 (a) The Commission may study the issues of health care regulation of particular
80 concern to the Member States. The Commission may make nonbinding recommendations
81 to the Member States. The legislatures of the Member States may consider these

82 recommendations in determining the appropriate health care policy in their respective
83 states.

84 (b) The Commission shall collect information and data to assist the Member States
85 in their regulation of health care, including assessing the performance of various state
86 health care programs and compiling information on the prices health care. The
87 Commission shall then make this information and data available to the legislatures of the
88 Member States. Notwithstanding any other provision in this Compact, no Member State
89 shall disclose to the Commission the health information of any individual, nor shall the
90 Commission disclose the health information of any individual.

91 (c) The Commission consists of members appointed by each Member State through
92 a process to be determined by the laws of each Member State. A Member State may not
93 appoint more than two members to the Commission, and at any time a Member State may
94 withdraw membership from the Commission at any time. Each Commission member is
95 entitled to one vote. The Commission shall not act unless a majority of the members are
96 present, and no action shall be binding unless approved by a majority of the commission's
97 total membership.

98 (d) The Commission may elect from among its membership a chairperson. The
99 Commission may adopt and publish bylaws and policies that are not inconsistent with this
100 Compact. The Commission shall meet at least once a year, and may meet more frequently,
101 as its bylaws direct.

102 (e) The Commission shall be funded by the Member States as agreed to by the
103 Member States. The Commission shall have the responsibilities and duties as may be
104 conferred upon it by subsequent action of the respective legislatures of the Member States
105 in accordance with the terms of this Compact.

106 (f) The Commission shall not take any action within a Member State that
107 contravenes any state law of that Member State.

108 **Section 7. Congressional Consent.** This Compact shall be effective on its adoption
109 by at least two Member States and consent of the United States Congress. This Compact
110 shall be effective unless the United States Congress, in consenting to this Compact, alters
111 the fundamental purposes of this Compact, which are:

112 (a) To secure the right of the Member States to regulate Health Care in their
113 respective states pursuant to this Compact and to suspend the operation of any conflicting
114 federal laws, rules, regulations, and orders within their states; and

115 (b) To secure federal funding for Member States that choose to invoke their
116 authority under this Compact, as prescribed by Section 5 above.

117 **Section 8. Amendments.** The Member States, by unanimous agreement, may amend
118 this Compact from time to time without the prior consent or approval of Congress and any
119 amendment shall be effective unless, within one year, the Congress disapproves that
120 amendment. Any state may join this Compact after the date on which Congress consents
121 to the Compact by adoption into law under its state Constitution.

122 **Section 9. Withdrawal; Dissolution.** Any Member State may withdraw from this
123 Compact by adopting a law to that effect, but no such withdrawal shall take effect until six
124 months after the Governor of the withdrawing Member State has given notice of the
125 withdrawal to the other Member States. This Compact shall be dissolved upon the
126 withdrawal of all but one of the Member States.