

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5479-03
Bill No.: HCS for HB 1490
Subject: Health Care; Health Care Professionals; Medical Procedures and Personnel;
Insurance - Medical
Type: Original
Date: March 22, 2012

Bill Summary: Requires a health carrier to credential a health care professional within 60 days of receiving a completed application and to pay the practitioner for treatment services pending approval, establishes the Abortion-inducing Drug Safety Act which places restrictions on abortion-inducing drugs, changes the requirements for investigation of tuberculosis cases and adds Severe Combined Immune Deficiency Disease (SCID), also know as Bubble Boy Disease, to the newborn screening requirements.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
General Revenue	(Unknown more than \$571,572)	(Unknown Greater than \$57,945)	(Unknown Greater than \$57,945)
Total Estimated Net Effect on General Revenue Fund	(Unknown more than \$571,572)	(Unknown Greater than \$57,945)	(Unknown Greater than \$57,945)

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 19 pages.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Other State Funds	(Unknown more than \$7,220)	(Unknown more than \$7,220)	(Unknown more than \$7,220)
Missouri Public Health Services Fund (MoPHS)	\$0	(\$7,603)	(\$21,917)
Total Estimated Net Effect on <u>Other</u> State Funds	(Unknown more than \$7,220)	(Unknown more than \$7,603)	(Unknown more than \$21,917)

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Federal Funds	(Unknown more than \$12,200)	(Unknown more than \$104,275)	(Unknown more than \$104,275)
Total Estimated Net Effect on <u>All</u> Federal Funds	(Unknown more than \$12,200)	(Unknown more than \$104,275)	(Unknown more than \$104,275)

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
General Revenue	2	0	0
MoPHS	0	2	2
Total Estimated Net Effect on FTE	2	2	2

Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Missouri Consolidated Health Care Plan (MCHCP)** assume the National Committee on Quality Assurance (NCQA) standard on credentialing is currently 180 days. MCHCP’s vendors currently comply with these national standards. Reducing the standard may result in increased administrative costs to MCHCP. The costs are unknown, expected to exceed \$50,000 annually.

Officials from the **Department of Conservation, Department of Transportation and Department of Health & Senior Services** assume there will be no fiscal impact to their agency.

Officials from the **Department of Insurance, Financial Institutions and Professional Registration** assume this proposal will have no fiscal impact on their agency. If the adoption of this proposal results in an increase in consumer inquiries, the agency believes it could absorb the workload within existing appropriations. However, should the extent of the work be more than anticipated, the agency would request additional appropriation and/or FTE through the budget process.

Officials from the **Department of Social Services - MO HealthNet (DOS)** assume this proposal does not revise Chapter 208, RSMo therefore it does not affect MO HealthNet eligibility or benefits.

This proposal does not revise Chapter 376, RSMo. The MO HealthNet Division (MHD) assumes that since there is no specific exemption for contracts with the state, the proposal will pertain to HMOs that contract with the state to provide health benefits to MO HealthNet Managed Care participants.

This proposal would impact the MHD Managed Care program by changing current credentialing requirements - 60-day requirement (versus current contract requirement of 180 days) and the

ASSUMPTION (continued)

need for health plans to compensate health care professionals within ten days of the date of application.

The health plans will only be able to pay for services during a member's period of Medicaid eligibility. Health plans will only be able to reimburse providers for services back to the date of application if these services were provided to a Medicaid eligible at the time services were rendered.

The estimated actuarial cost to further evaluate this possible program change to the capitation rates would be no more than \$25,000. There could be an increase to the administrative assumption portion of the capitation rates due to the additional responsibility for the health plans to more quickly process these credentialing applications. It is estimated that each health plan will need one half and FTE to address the more prompt credentialing requirement. For year 2 and forward, an increase in the capitation rates of greater than \$150,000 (6 health plans with greater than \$25,000 FTE cost) is expected.

The health plans would not need to make any changes in order to comply with the uniform credentialing form requirement and therefore there would be no additional cost.

The first year cost is to evaluate the actuarially sound impact of this requirement on rate rages to ensure actuarial soundness as required by the Centers for Medicare and Medicaid Services. The cost to evaluate could be up to \$25,000. It is assumed that capitation rates would increase in year 2 and forward and could exceed \$150,000 each year. This fiscal impact was prepared after consulting with the state's contracted actuary.

FY13 match rate for the actuarial study is calculated at 50% federal match.
FY14 and FY15 match rate for capitated rates are calculated at 61.37% federal match.

FY13: Total Cost <\$25,000 (\$12,500 GR)
FY14: Total Cost Unknown > \$150,000 (\$57,945 GR)
FY15: Total Cost Unknown > \$150,000 (\$57,945 GR)

Section 188.033

In response to HB 1274, 5063-01 (2012), Section 188.033 officials from the **Office of State Courts Administrator, Department of Insurance, Financial Institutions, and Professional Registration, Department of Mental Health, Department of Health and Senior Services, Department of Public Safety - Missouri State Highway Patrol and Office of State Public Defender** assume the proposal will have no fiscal impact on their organizations.

ASSUMPTION (continued)

Officials from the **Department of Elementary and Secondary Education (DESE)** state there is no anticipated state cost to the foundation formula associated with this proposal. To the extent fine revenues exceed 2004-2005 collections, any increase in this money distributed to school districts increases the deduction in the foundation formula the following year. Therefore, the affected districts will see an equal decrease in the amount of funding received through the formula the following year unless the affected districts are hold-harmless, in which case the districts will not see a decrease in the amount of funding received through the formula (any increase in fine money distributed to the hold-harmless districts will simply be additional money). An increase in the deduction (all other factors remaining constant) reduces the cost to the state of funding the formula.

Oversight assumes any increase or decrease in fine or penalty revenues generated cannot be determined. Therefore, the fiscal note does not reflect any fine or penalty revenues for the local school districts.

Officials from the **Office of Prosecution Services (OPS)** state the proposal would have no measurable fiscal impact on the OPS. The creation of a new crime creates additional responsibilities for county prosecutors which may in turn result in additional costs, but these costs are difficult to determine.

Oversight assumes there will not be a significant number of people who are not physicians knowingly violating section 188.033.2. Violations of this section may result in either a Class B or C felony, depending on the circumstance. **Oversight** assumes county prosecutors can absorb any increase in responsibilities resulting from passage of this proposal.

Officials from the **Department of Social Services - MO HealthNet Division (MHD)** state MHD does not cover RU-486, nor are there any plans to cover it in the future. Therefore, there is no fiscal impact.

Officials from the **Office of Attorney General** assume any potential costs arising from this proposal can be absorbed with existing resources. The AGO may seek additional appropriations if there is a significant increase in litigation.

Sections 199.170, 199.180, 199.190, 199.200, 199.210, 199.240, 199.250, 199.270, 199.275, 199.280, 199.290, 199.300 & 199.340

In response to HB 1471, 5218-01, (2012), officials from the **Office of Administration, Office of State Courts Administrator, Department of Health and Senior Services, Department of Social Services - Division of Youth Services, Boone County Sheriff's Department, Linn**

ASSUMPTION (continued)

State Technical College, Missouri Southern State University, Metropolitan Community College, Northwest Missouri State University and University of Central Missouri assume the proposal will have no fiscal impact on their organizations.

Officials from the **Department of Mental Health (DMH)** assume that its state operated psychiatric facilities would be inappropriate placements for TB commitments and, therefore, would neither contract with the Department of Health and Senior Services for such commitments nor be compelled by a court to accept such commitments.

If this assumption is inaccurate, then the costs to the DMH could be significant.

Officials from the **Department of Social Services (DSS) - MO HealthNet Division (MHD)** state the requirements of this proposal fall to the Department of Health and Senior Services. The treatments described in this legislation, such as Directly Observed Therapy “DOT” and antituberculosis chemotherapy is currently covered under the MHD. Therefore, there would be no fiscal impact to MHD.

Officials from the **DSS - Human Resource Center (HRC)** state unless the employee or a local health authority informed the agency that the employee had an active tuberculosis case, the HRC would not have access to that information. There is no fiscal impact from a human resource perspective.

Officials from the **Department of Higher Education (DHE)** state while the proposal may have some financial impact on the state’s colleges and universities, it would have no direct, foreseeable fiscal impact on the DHE.

Officials from the **Office of Prosecution Services (OPS)** assume the proposal will have no measurable fiscal impact on the OPS. The creation of a new crime creates additional responsibilities for county prosecutors which may, in turn, result in additional costs, which are difficult to determine.

Oversight assumes the potential responsibilities imposed on county prosecutors as a result of this proposal, will be absorbable within current funding and staffing levels.

For the purpose of this proposed legislation, officials at the **Office of State Public Defender (SPD)** cannot assume that existing staff will provide effective representation for any new cases arising where indigent persons are charged with the proposed new crime of exposing another to TB - a new Class D felony or if a victim contracts TB from the violator, then the offense would be a new Class C felony.

ASSUMPTION (continued)

While the number of new cases (or cases with increased penalties) may be too few or uncertain to request additional funding for this specific bill, the SPD will continue to request sufficient appropriations to provide effective representation in all cases.

Oversight assumes the SPD can absorb the additional caseload that may result from this proposal.

Officials from the **Department of Corrections (DOC)** state the penalty provision component of this bill results in a potential fiscal impact for the DOC (up to a class C felony). Currently, the DOC cannot predict the number of new commitments which may result from the creation of the offense(s) outlined in this proposal. An increase in commitments depends on utilization by prosecutors and the actual sentences imposed by the court.

If additional persons are sentenced to the custody of the DOC due to the provisions of this legislation, the DOC will incur a corresponding increase in direct offender costs either through incarceration (FY 11 average of \$16.878 per offender, per day, or an annual cost of \$6,160 per inmate) or through supervision provided by the Board of Probation and Parole (FY 11 average of \$5.12 per offender, per day, or an annual cost of \$1,869 per offender). Therefore, supervision by the DOC through probation or incarceration would result in additional unknown costs to the department. Seventeen (17) persons would have to be incarcerated per fiscal year to exceed \$100,000 annually. Due to the narrow scope of this new crime, it is assumed the impact would be less than \$100,000 per year for the DOC.

Officials from the **Missouri State University (MSU)** state MSU would have to develop a T.B. Control Program above what is now in place to include employees. Also, a process would have to be developed that would be completed by all students. It is estimated the program to cover all members of MSU and students would cost approximately \$13,000 and this would be an annual, on-going cost.

Oversight assumes the cost for a T.B. Control Program to be developed and maintained by MSU to be a minimal cost and absorbable within current funding levels.

Officials from **St. Louis County, Communicable Disease Services** state the proposal is expected to cost the County \$400 to \$800 per year.

It will cost approximately \$400 to suitable transportation to take a patient with tuberculosis disease to a local "designated pickup area". From this pickup area, patients who have been court ordered to a state designated facility will be transported at state expense to that facility. \$800 should cover transport for two patients to a local pickup area.

ASSUMPTION (continued)

It should be noted that it has been about three years since the St. Louis County Department of Health obtained a court order to remand a recalcitrant tuberculosis disease patient to a state designated facility.

Oversight assumes St. Louis County could absorb \$400 to \$800 per year for transporting up to two (2) tuberculosis patients per year.

Officials from **Missouri Western State University** state the proposal could cost the University a bit more money, but it is hard to tell exactly how much at this time.

Oversight assumes “a bit more money” to be a minimal amount and absorbable within current funding levels of the University.

Officials from the **Harrison County Health Department** state the proposal will have an unknown fiscal impact. The time factor is unknown, but generally TB takes up little time in rural health departments. However, an increase in time would create an increase in costs. Also, “make the necessary contractual arrangements with hospitals or other health care providers for the care and treatment of patients with active tuberculosis patients as necessary and as resources permit” as stated under 199.290(3), would or could be a cost that local health departments could not bear.

No other local public health agencies responded to **Oversight’s** request for a statement of fiscal impact.

Oversight assumes the proposal would have a minimal fiscal impact on local public health agencies.

Section 191.332

In response to HB 1531, 5346-01 (2012), Officials from the **Missouri Department of Conservation** assume the proposal will have no fiscal impact on their organization.

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

Officials from the **Joint Committee on Administrative Rules (JCAR)** state the legislation is not anticipated to cause a fiscal impact to JCAR beyond its current appropriation.

ASSUMPTION (continued)

Officials from the **Office of Secretary of State (SOS)** state many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The Secretary of State's office is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$2,500. The SOS recognizes this is a small amount and does not expect that additional funding would be required to meet these costs. However, it is also recognized that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain within its core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

Officials from the **Missouri Consolidated Health Care Plan (MCHCP)** state they assume health carriers will be required to cover this screening on all newborns. Newborn screening are bundled together on the newborn's hospital claim. The MCHCP assumes the fee for the bundled screening will increase. The MCHCP currently adds approximately 1,006 newborns annually and estimates the cost to be approximately \$6 per SCID screening. The fiscal impact of this legislation is unknown, less than \$10,000 annually.

Oversight assumes the MCHCP and the health care plan for state employees can absorb an increase in costs of less than \$10,000 annually.

Officials from the **Missouri Department of Transportation (DOT)** state the plan would have increased costs by adding the screening to their newborn screening charges. The associated charges are unknown; therefore, the estimated impact is unknown, but would be less than \$100,000 annually.

Oversight assumes the DOT's costs for this additional newborn screening test will be minimal and, therefore, assumes the DOT can absorb this cost.

Officials from the **Department of Social Services - MO HealthNet Division (MHD)** state currently, newborn screening are reimbursed by the MHD for the federal portion only. The general revenue portion is included in the Department of Health and Senior Services (DHSS) budget.

In SFY 11, the MHD was billed for 14,673 newborn screening by the State Health Lab. For this calculation it is assumed the same number of screening would be billed for in SFY 13 as was billed for in SFY 11.

ASSUMPTION (continued)

At this time, the rate for the additional newborn screening is unknown. If the rate is increased by \$6.00 (estimate provided by DHSS), the result would be \$88,038 (\$6 increase x 14,673 newborn screening).

Fiscal Impact: Unknown but at least:

FY13 (calculated for 10 months) Total \$73,365; Federal Funds \$45,024
FY14 (3.5% Trend) Total \$91,119; Federal Funds \$55,920
FY15 (3.5% Trend) Total \$94,308; Federal Funds \$57,877

Note: The MHD pays the federal portion only; the general revenue portion is included in the DHSS' budget.

Officials from the **Department of Health and Senior Services (DHSS)** state Section 191.331, RSMo, broadly allows the DHSS to implement newborn screening for metabolic and genetic diseases. As such, the DHSS has begun planning for the process to implement screening for Severe Combined Immune Deficiency (SCID) Disease, as required by this proposal.

Genetics Program Costs

Adding SCID to the newborn screening panel would result in approximately 20 or more cases per year that would require referral to the tertiary centers for follow-up and confirmation. These cases could be absorbed by the tertiary centers as it would add approximately five new cases per year per center to their current case load.

The newborn screening pamphlet would need to be revised to include information on SCID. This would be a onetime cost of \$6,000 to revise and reprint the pamphlet: 100,000 pamphlets X \$.06 each = \$6,000.

Missouri State Public Health Laboratory (MSPHL) Costs

The Missouri State Public Health Laboratory (MSPHL) would need to hire two additional FTE's, one Senior Public Health Laboratory Scientist (\$40,212 annually) and one Public Health Laboratory Scientist (\$35,952 annually), to oversee and maintain newborn screening for SCID.

The duties of the two specified FTE's are designated to be:

ASSUMPTION (continued)

Senior Public Health Laboratory Scientist

Responsible for the oversight, analytical testing, interpreting of results, and reporting of approximately 375 newborn screening samples per working day for the SCID testing section.

This involves:

- Opening daily samples received and assessing for quality and suitability;
- Processing samples into split samples for the SCID testing platforms;
- Comprising work lists, making necessary solutions, and performing instrument preparations;
- Performing the molecular amplification and detection procedures for the presence of T-Cell Receptor Excision Circles (TRECs) to detect SCID;
- Reviewing and interpreting test results, and conducting necessary re-testing of abnormal results; and,
- Assessing the risk of abnormal results and contacting appropriate genetic referral center for confirmation and follow-up testing.

Responsible for continual quality assurance and quality improvement of the SCID testing section.

This involves:

- Reviewing and approval of daily instrument controls for accuracy;
- Monitoring QC results for shifts and trends, and performing corrective and preventive actions;
- Oversight of instrument performance, maintenance, and troubleshooting;
- Conducting and oversight of regular proficiency testing to assure accuracy and proficiency certifications;
- Training and cross-training new scientists to be proficient in the SCID section;
- Ordering testing reagents and maintaining good inventory of items necessary for continuation of operations; and,
- Compiling monthly, annual, and as-needed reports for the newborn screening manager.

Public Health Laboratory Scientist

Responsible for accurate and timely routine testing of newborn screening samples for the SCID testing section. This involves:

- Opening daily samples received and assessing for quality and suitability;
- Processing samples into split samples for the SCID testing platforms;
- Comprising work lists, making necessary solutions, and performing instrument preparations;
- Performing the molecular amplification and detection procedures for the presence of

•

ASSUMPTION (continued)

- T-Cell Receptor Excision Circles (TRECs) to detect SCID;
- Assisting the Senior Scientist in instrument maintenance and troubleshooting; and,
- Assisting the Senior Scientist in interpreting and reporting of screening results.

It may be necessary to raise the newborn screening fee to add SCID testing. These funds would be deposited into the Missouri Public Health Services (MoPHS) Fund. Because the implementation date of the legislation is January 1, 2013, the rule change to increase the fee cannot be accomplished for first year funds. Thus, first year costs will be in General Revenue.

Nationally accepted cost estimates for public health laboratories to conduct SCID testing were used and are based upon information published in:

Newborn Screening for Severe Combined Immunodeficiencies (SCID) - A 2008 Wisconsin Perspective. University of Wisconsin and State Laboratory of Hygiene, Madison, WI and Medical college of WI and Children's Hospital of WI, Milwaukee, WI

Journal of American Medical Association. 2010;304(16):1771-1773. doi:
10.1001/jama.2010.1485

These references suggest that the current cost to conduct SCID testing is \$6.00 per test. These references indicate that this cost includes both total Personal Service (PS) and Expense and Equipment (EE) costs. The MSPHL conducts approximately 90,000 newborn screening tests annually: 90,000 tests x \$6.00/test = \$540,000 PS and EE costs annually.

The MSPHL will be required to conduct a six month pilot study on samples prior to reporting SCID results. With these estimates, the pilot study will cost approximately \$270,000 and will be required six months prior to January 1, 2013. PS and EE costs were divided by subtracting Missouri specific PS costs from the base total of \$540,000, and the balance being EE. Subsequent fiscal years were adjusted with a 2.5 percent inflationary increase to the base total of \$540,000.

All costs associated with SCID testing are based upon technology currently available. As the demand for this testing increases, new technology will drive the costs up or down.

The DHSS assumes the proposal will have a cost to the General Revenue Fund of \$571,572 for FY 13; costs to the MoPHS Fund are estimated to be \$7,603 for FY 14 and \$21,917 for FY 15.

<u>FISCAL IMPACT - State Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
GENERAL REVENUE			
<u>Cost - MO HealthNet - Actuarial Cost & Capitation Rate Increase</u>	(Unknown Less than \$12,500)	(Unknown Greater than \$57,945)	(Unknown Greater than \$57,945)
<u>Cost - Missouri Consolidated Health Care Plan - Administrative Costs</u>	(Unknown - Could be more than \$30,560)	(Unknown - Could be more than \$88,505)	(Unknown - Could be more than 88,505)
<u>Cost - Section 191.332 - Department of Health & Senior Services</u>			
Personal service	(\$76,164)	\$0	\$0
Fringe benefits	(\$40,321)	\$0	\$0
Equipment and supplies	(\$39,097)	\$0	\$0
Pre-pilot costs	(\$207,995)	\$0	\$0
Testing costs	<u>(\$207,995)</u>	<u>\$0</u>	<u>\$0</u>
Total <u>Costs - DHSS</u>	<u>(\$571,572)</u>	<u>\$0</u>	<u>\$0</u>
FTE Change - DHSS	2 FTE	0 FTE	0 FTE
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>(Unknown - Could be more than \$571,572)</u>	<u>(Unknown - Could be more than \$88,505)</u>	<u>(Unknown - Could be more than \$88,505)</u>
Estimated Net FTE Change on General Revenue Fund	2 FTE	0 FTE	0 FTE
OTHER STATE FUNDS			
<u>Cost - Missouri Consolidated Health Care Plan - Administrative Costs</u>	<u>(Unknown - Could be more than \$7,220)</u>	<u>(Unknown - Could be more than \$7,220)</u>	<u>(Unknown - Could be more than \$7,220)</u>

**ESTIMATED NET EFFECT ON
 OTHER STATE FUNDS**

**(Unknown -
 Could be more
 than \$7,220)** **(Unknown -
 Could be more
 than \$7,220)** **(Unknown -
 Could be more
 than \$7,220)**

FISCAL IMPACT - State Government

FY 2013
 (10 Mo.)

FY 2014

FY 2015

**MISSOURI PUBLIC HEALTH
 SERVICES FUND (MoPHS)**

Income - Section 191.332 - Department
 of Health and Senior Services

Newborn screening income	\$0	\$565,000	\$565,000
--------------------------	-----	-----------	-----------

Costs - Section 191.332 - Department of
 Health and Senior Services

Personal service	\$0	(\$76,926)	(\$77,695)
Fringe benefits	\$0	(\$40,725)	(\$41,132)
Equipment and supplies	\$0	(\$28,359)	(\$29,068)
Testing costs	<u>\$0</u>	<u>(\$426,593)</u>	<u>(\$439,022)</u>
Total <u>Costs</u> - DHSS	<u>\$0</u>	<u>(\$572,603)</u>	<u>(\$586,917)</u>
FTE Change - DHSS	0 FTE	2 FTE	2 FTE

**ESTIMATED NET EFFECT ON
 MISSOURI PUBLIC HEALTH
 SERVICES FUND**

\$0 **(\$7,603)** **(\$21,917)**

Estimated Net FTE Change on Missouri
 Public Health Services Fund

0 FTE

2 FTE

2 FTE

<u>FISCAL IMPACT - Federal Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
FEDERAL FUNDS			
<u>Cost</u> - MO HealthNet - Actuarial Cost & Capitation Rate Increase	(Unknown Less than \$12,500)	(Unknown Greater than \$92,055)	(Unknown Greater than \$92,055)
<u>Cost</u> - Missouri Consolidated Health Care Plan - Administrative Costs	(Unknown - Could be more than \$12,220)	(Unknown - Could be more than \$12,220)	(Unknown - Could be more than \$12,220)
<u>Income</u> - Section 191.332 - Department of Social Services Newborn screening reimbursement	Unknown greater than \$45,024	Unknown greater than \$55,920	Unknown greater than \$57,877
<u>Costs</u> - Section 191.332 - Department of Social Services Newborn screening costs	<u>(Unknown greater than \$45,024)</u>	<u>(Unknown greater than \$55,920)</u>	<u>(Unknown greater than \$57,877)</u>
ESTIMATED NET EFFECT ON FEDERAL FUNDS	<u>(Unknown could be more than \$12,220)</u>	<u>(Unknown Greater than \$104,275)</u>	<u>(Unknown Greater than \$104,275)</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

This bill establishes a process for a health insurance carrier to credential a health practitioner

within 60 days of receiving a completed application from the practitioner. A health insurance carrier must:

(1) Send an electronic notice to a health practitioner of receipt of an electronically filed

DESCRIPTION (continued)

credentialing application within 48 hours of receipt and send a notice of receipt of a paper application within five days of receipt;

(2) Assess a health practitioner's credentialing information and make a decision to approve or deny his or her application within 60 days unless the verifying application information indicates that the practitioner has a history of behavioral disorders or impairments; had licensure disciplinary actions imposed; had hospital admitting or surgical privileges revoked, restricted, or suspended based on clinical performance; or has incurred a medical malpractice judgement; and

(3) Permit, within 10 business days of receiving a completed application, a health practitioner to bill and be paid directly for treatment services provided to the carrier's health plan enrollees while the application is under review unless the health practitioner is not affiliated with an entity that has a current contractual relationship with the health insurance carrier. Reimbursement rates for the health practitioner can be limited to the same fee schedule paid to out-of-network providers. The health insurance carrier may refuse to list the health practitioner in its provider directory or to allow the practitioner to be designated as a primary care provider for its enrollees while the application is pending. If a practitioner's credentialing application is denied, the carrier's obligation to be billed by and reimburse the health practitioner ceases upon the carrier's notice to the practitioner of the denied application.

The Department of Insurance, Financial Institutions and Professional Registration must establish a mechanism for reporting a health insurance carrier's violation of untimely credentialing of a health practitioner. Repeated violations will constitute an unfair trade practice by limiting an insured's full freedom of choice to choose a health care provider.

Section 188.033

This proposal establishes the Abortion-inducing Drugs Safety Act which places restrictions on abortion-inducing drugs. Any person who is not a physician is prohibited from knowingly prescribing or administering RU-486 or any other abortion-inducing drug.

Any person who is not a physician who prescribes or administers RU-486 or any other abortion-inducing drug will be guilty of a class C felony; except that, if prescribed or administered without the knowledge or consent of the patient, he or she will be guilty of a class B

L.R. No. 5479-03
Bill No. HCS for HB 1490
Page 17 of 19
March 22, 2012

felony. A physician who violates any other provision of the act will be guilty of a class
A misdemeanor.

ASSUMPTION (continued)

Sections 199.170, 199.180, 199.190, 199.200, 199.210, 199.240, 199.250, 199.260, 199.270, 199.275, 199.280, 199.290, 199.300, 199.340

Under this proposal, it will be unlawful for any person knowingly infected with active pulmonary or laryngeal tuberculosis to, in a reckless manner, expose another person to tuberculosis without the knowledge and consent of such person, report to work with active tuberculosis unless adhering to the prescribed treatment regimen and deemed noninfectious by the department of health or the local public health authority, or violate the requirements of a commitment order. Violation of these provisions is a class D felony or, if the victim contracts tuberculosis from such contact, it is a class C felony.

Section 191.332

This proposal requires, by January 1, 2013, the Department of Health and Senior Services to expand, subject to appropriations, the newborn screening requirements to include severe combined immune deficiency disease (SCID), also known as bubble boy disease, prior to the newborn being discharged from a health care facility.

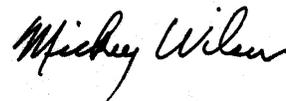
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Missouri Consolidated Health Care Plan
Department of Conservation
Department of Social Services
Department of Health & Senior Services
Department of Social Services -
 MO HealthNet
Department of Insurance, Financial Institutions &
 Professional Registration
Office of State Courts Administrator
Department of Mental Health
Missouri Highway Patrol
Office of State Public Defender
Department of Elementary & Secondary Education
Office of Prosecution Services
Attorney General's Office
Office of Administration

SOURCES OF INFORMATION (continued)

Boone County Sheriff's Department
Linn State Technical College
Missouri Southern State University
Metropolitan Community College
Northwest Missouri State University
University of Central Missouri
Department of Higher Education
Department of Corrections
Missouri State University
St. Louis County
Harrison County Health Department
Department of Conservation
Joint Committee on Administrative Rules
Secretary of State's Office
Department of Transportation



Mickey Wilson, CPA
Director
March 22, 2012