

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 2691-02  
Bill No.: Perfected HCS for HB 1331  
Subject: Education, Higher; Health Care  
Type: Original  
Date: May 4, 2015

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

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
<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>			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
<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 4 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</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 2016</b>	<b>FY 2017</b>	<b>FY 2018</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 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials at the **Department of Higher Education, Metropolitan Community College, Missouri State University, State Technical College of Missouri** and the **University of Missouri** each assume there is no fiscal impact to their respective organizations from this proposal.

Officials at the **Missouri Western State University** would have no fiscal impact for domestic students as they do not require them to have health insurance. There may be an administrative burden if international students are not required to have health insurance.

Officials at the **University of Central Missouri (UCM)** anticipates this proposal would have no fiscal impact as long as international students could still be required to buy health insurance of UCM's choosing, as long as they give their signature. 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. Ensuring international students have good health coverage is essential for the students, and for UCM.

In response to the previous version of this proposal, officials at the **State Fair Community College** assumed there was no fiscal impact from this proposal.

**Oversight** notes this proposal prohibits the public universities from binding students to third-party health insurance contracts. Oversight assumes the Colleges and Universities can implement this proposal with existing resources.

<u>FISCAL IMPACT - State Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
	<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.

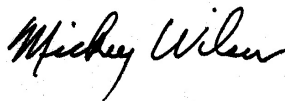
FISCAL DESCRIPTION

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

Department of Higher Education  
Metropolitan Community College  
Missouri State University  
Missouri Western State University  
State Fair Community College  
State Technical College of Missouri  
University of Central Missouri  
University of Missouri



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May 4, 2015

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