

HB 1534 -- FEDERAL REIMBURSEMENT ALLOWANCES

SPONSOR: Flanigan

COMMITTEE ACTION: Voted "Do Pass" by the Select Committee on Budget by a vote of 23 to 0.

This bill extends the sunsets from September 30, 2016 to September 30, 2018, for the Ground Ambulance, Nursing Facility, Medicaid Managed Care Organization, Hospital, Pharmacy, and Intermediate Care Facility for the Intellectually Disabled Reimbursement Allowance Taxes.

This bill is similar to HB 760 (2015).

PROPOSERS: Supporters say that the health care provider tax, known as the federal reimbursement allowance (FRA) is really just a short-term loan. Beginning in 1992, the state has levied a tax on these providers to take advantage of federal Medicaid matching funds and then reimbursed the providers through appropriations from the federal funds. This bill just extends the sunset on these taxes to 2018.

Testifying for the bill were Representative Flanigan; Missouri Hospital Association; Missouri Pharmacy Association; Missouri Health Care Association; Missouri Ambulance Association; Mosaic Life Care; Associated Industries of Missouri; MO Retailers Association; BJC Health Care Systems; SSM Health Systems; MO Chamber of Commerce and Industry; MO Budget Project; and LeadingAge Missouri.

OPPOSERS: There was no opposition voiced to the committee.