

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1178H.011  
 Bill No.: HB 401  
 Subject: Insurance - Health; Health Care; Health Care Professionals  
 Type: Original  
 Date: March 1, 2021

Bill Summary: This proposal creates provisions relating to epinephrine auto-injectors.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
General Revenue Fund	(Less than \$12,240)	(Less than \$12,240)	(Less than \$12,240)
<b>Total Estimated Net Effect on General Revenue</b>	<b>(Less than \$12,240)</b>	<b>(Less than \$12,240)</b>	<b>(Less than \$12,240)</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Other State Funds	(Less than \$2,920)	(Less than \$2,920)	(Less than \$2,920)
State Road Fund (0320)	(\$10,000 to \$20,000)	(\$10,000 to \$20,000)	(\$10,000 to \$20,000)
Conservation Commission Fund (0609)	(Unknown)	(Unknown)	(Unknown)
<b>Total Estimated Net Effect on <u>Other State Funds</u></b>	<b>(Could Exceed \$12,920 to \$22,920)</b>	<b>(Could Exceed \$12,920 to \$22,920)</b>	<b>(Could Exceed \$12,920 to \$22,920)</b>

Numbers within parentheses: () indicate costs or losses.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
Federal Funds	(Less than \$4,840)	(Less than \$4,840)	(Less than \$4,840)
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>(Less than \$4,840)</b>	<b>(Less than \$4,840)</b>	<b>(Less than \$4,840)</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</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 \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

**FORMCHECKBOX**

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
<b>Local Government</b>	<b>(Unknown)</b>	<b>(Unknown)</b>	<b>(Unknown)</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Missouri Consolidated Health Care Plan (MCHCP)** state that plans offered by MCHCP currently cover epinephrine auto-injectors with appropriate deductible, coinsurance and copayment requirements paid by the member. This legislation would require this medication to be covered without member cost-sharing, meaning MCHCP would be responsible for paying the portion that would typically be paid by the member. Since January 1, 2018, members have paid approximately \$17,500 in deductibles and copayments for epinephrine auto-injector medications. The estimated fiscal impact of this proposed legislation is unknown but less than \$20,000.

**Oversight** notes that the MCHCP has stated the proposal would have a fiscal impact of less than \$20,000. Oversight does not have any information to the contrary. Therefore, Oversight will use Missouri Consolidated Health Care Plan's estimated cost split among the General Revenue Fund (61.2%) (Less than \$12,240), Federal Funds (24.2%) (Less than \$4,840) and Other State Funds (14.6%) (Less than \$2,920).

Officials from the **Missouri Department of Transportation (MODOT)** state this bill requires the coverage of epipens for dependents under the age of 19. While the plan already covers such prescriptions, the bill language requires coverage shall not be limited to any deductible or copayment limits. This would cancel the current cost share set up with plan members, causing a negative fiscal impact to the plan.

Total utilizer cost in 2019 was around \$50,000. This cost would be required to be picked up by the plan, and cost would be likely to increase based on increased utilization caused by lack of copay. Based on current utilization, a conservative impact to the plan would be between \$10,000 and \$20,000 per calendar year.

This cost would be required to be picked up by the plan, and cost would be assumed to increase based on increased utilization caused by lack of copay.

**Oversight** notes that the MODOT has stated the proposal would have a fiscal impact \$10,000 - \$20,000 per fiscal year. Oversight does not have any information to the contrary. Therefore, Oversight will use MoDOT's estimated cost range of (\$10,000 to \$20,000) to the State Road Fund (320).

**Oversight** assumes this legislation could affect other insurance plans such as the Missouri Department of Conservation and local political subdivisions. Oversight will reflect an Unknown cost to the Conservation Commission Fund (0609) and Local Political Subdivisions.



<b>OTHER STATE FUNDS</b>			
Cost - MCHCP Epinephrine auto- injector coverage	<u>(Less than \$2,920)</u>	<u>(Less than \$2,920)</u>	<u>(Less than \$2,920)</u>
<b>ESTIMATED NET EFFECT TO OTHER STATE FUNDS</b>	<b><u>(Less than \$2,920)</u></b>	<b><u>(Less than \$2,920)</u></b>	<b><u>(Less than \$2,920)</u></b>
<b>FEDERAL FUNDS</b>			
Cost - MCHCP Epinephrine auto- injector coverage	<u>(Less than \$4,840)</u>	<u>(Less than \$4,840)</u>	<u>(Less than \$4,840)</u>
<b>ESTIMATED NET EFFECT TO FEDERAL FUNDS</b>	<b><u>(Less than \$4,840)</u></b>	<b><u>(Less than \$4,840)</u></b>	<b><u>(Less than \$4,840)</u></b>
<b>STATE ROAD FUND (0320)</b>			
Cost - MoDOT Epinephrine auto- injector coverage	<u>(\$10,000 to \$20,000)</u>	<u>(\$10,000 to \$20,000)</u>	<u>(\$10,000 to \$20,000)</u>
<b>ESTIMATED NET EFFECT TO THE STATE ROAD FUND (0320)</b>	<b><u>(\$10,000 to \$20,000)</u></b>	<b><u>(\$10,000 to \$20,000)</u></b>	<b><u>(\$10,000 to \$20,000)</u></b>

<b>CONSERVATION COMMISSION FUND (0609)</b>			
<u>Cost - MDC Epinephrine auto-injector coverage</u>	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
<b>ESTIMATED NET EFFECT TO THE CONSERVATION COMMISSION FUND (0609)</b>	<b><u>(Unknown)</u></b>	<b><u>(Unknown)</u></b>	<b><u>(Unknown)</u></b>

<u>FISCAL IMPACT – Local Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024
<b>LOCAL POLITICAL SUBDIVISIONS</b>			
<u>Cost - Local Political Subdivisions Epinephrine auto-injector coverage</u>	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
<b>ESTIMATED NET EFFECT TO LOCAL POLITICAL SUBDIVISIONS</b>	<b><u>(Unknown)</u></b>	<b><u>(Unknown)</u></b>	<b><u>(Unknown)</u></b>

#### FISCAL IMPACT – Small Business

A direct fiscal impact to small business medical services and equipment providers could be expected as a result of this proposal.

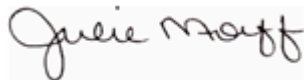
#### FISCAL DESCRIPTION

This bill requires health insurance carriers to cover epinephrine auto-injectors (Epi-Pens) for children under 19 years old. Such coverage shall not be subject to any deductible or co-payment limits.

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 Commerce and Insurance  
Department of Health and Senior Services  
Department of Social Services  
Missouri Consolidated Health Care Plan  
Department of Transportation  
Office of Administration  
Missouri Department of Conservation  
Department of Public Safety  
Missouri Highway Patrol



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March 1, 2021



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