

FIRST REGULAR SESSION

HOUSE BILL NO. 1028

101ST GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE WALLINGFORD.

2202H.011

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal section 354.415, RSMo, and to enact in lieu thereof one new section relating to health maintenance organizations.

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

Section A. Section 354.415, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 354.415, to read as follows:

354.415. 1. The powers of a health maintenance organization include, but are not limited to, the power to:

(1) Purchase, lease, construct, renovate, operate, and maintain hospitals, medical facilities, or both, and their ancillary equipment, and such property as may reasonably be required for the organization's principal office or for such other purposes as may be necessary in the transaction of the business of the organization;

(2) Make loans to a medical group under contract with it in furtherance of its program, or to make loans to any corporation under its control for the purpose of acquiring or constructing medical facilities and hospitals or in the furtherance of a program providing health care services to enrollees;

(3) Furnish health care services through providers which are under contract with, or employed by, the health maintenance organization;

(4) Contract with any person for the performance, on the organization's behalf, of certain functions such as marketing, enrollment, and administration;

(5) Contract with an insurance company licensed in this state, or with a health services corporation authorized to do business in this state, for the provision of insurance, indemnity, or

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.

17 reimbursement against the cost of health care services provided by the health maintenance organization;

18 (6) Offer, in addition to basic health care services:

19 (a) Additional health care services;

20 (b) Indemnity benefits covering out-of-area or emergency services; and

21 (c) Indemnity benefits, in addition to those relating to out-of-area and emergency
22 services, provided through insurers or health services corporations; **and**

23 (7) Offer as an option one or more health benefit plans which contain deductibles,
24 coinsurance, coinsurance differentials, or variable co-payments. ~~[Health benefit plans offered
25 under this section that contain deductibles shall be permitted only when combined with any
26 health savings account or health reimbursement account as described in the Medicare Reform
27 Act, P.L. No. 108-173, Title XII, Section 1201, provided that:~~

28 ~~—— (a) The total out-of-pocket expenses paid for the receipt of basic health services under
29 the plan shall not exceed the annual contribution limits for health savings accounts as determined
30 by the Internal Revenue Service;~~

31 ~~—— (b) The health savings account or health reimbursement account must be funded at a
32 level equal to or greater than the out-of-pocket maximum limits defined for the high deductible
33 health plan; and~~

34 ~~—— (c) A distribution from the health savings account or health reimbursement account to
35 pay a health care provider for a qualified medical expense is made within thirty days of the
36 submission of a claim.]~~

37 2. Prior to the exercise of any power granted in subdivision (1) or (2) of subsection 1 of
38 this section, involving an amount in excess of five hundred thousand dollars, a health
39 maintenance organization shall file notice, with adequate supporting information, with the
40 director. The director shall disapprove such exercise of power if, in his **or her** opinion, it would
41 substantially and adversely affect the financial soundness of the health maintenance organization
42 and endanger its ability to meet its obligations. If the director does not disapprove such exercise
43 of power within sixty days of the filing, it shall be deemed approved.

44 3. The director may exempt from the filing requirement of subsection 2 of this section
45 those activities having minimal effect.

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