

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4627H.01I
Bill No.: HB 2159
Subject: Health Care; Insurance - Health
Type: Original
Date: February 4, 2022

Bill Summary: This proposal establishes provisions relating to insurance coverage for insulin drugs and epinephrine auto-injectors.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
State Road Fund	(\$200,000)	Could exceed (\$200,000)	Could exceed (\$200,000)
Conservation Commission Fund	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
Total Estimated Net Effect on <u>Other</u> State Funds	(Could be greater than \$200,000)	(Could be greater than \$200,000)	(Could be greater than \$200,000)

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
Total Estimated Net Effect on FTE	0	0	0

- ☐ 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.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
Local Government	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)

FISCAL ANALYSIS

ASSUMPTION

Section 376.687 - Insurance Coverage for Insulin Drugs and Epinephrine Auto-Injectors
Officials from the **Missouri Department of Transportation (MODOT)** state this legislation would put a cap on the amount an insured is required to pay for insulin. The remainder of the cost would be required to be paid for by the insurer. As a self-funded medical plan, MoDOT/MSHP would be required to cover these costs. The cost would increase annually with the increase in prescription drug costs, and this would contribute to an increase in health insurance premiums. Based on current utilization of insulin in the health plan, MoDOT expects a first-year negative fiscal impact of \$200,000 in FY 2023 and could exceed \$200,000 in subsequent years, from the State Road Fund.

Oversight notes that the MODOT has stated the proposal would have a first-year fiscal impact \$200,000. Oversight does not have any information to the contrary. Therefore, Oversight will use MoDOT's estimated cost \$200,000 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 a \$0 or Unknown cost to the Conservation Commission Fund (0609) and Local Political Subdivisions.

Officials from the **Missouri Consolidated Health Care Plan (MCHCP)** state that beginning in 2022, MCHCP will be waiving the deductible for diabetic medications for members in the HSA plan. Consequently, MCHCP anticipated cost to the plan is expected to be minimal.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for MCHCP.

Officials from the **Department of Commerce and Insurance**, the **Department of Health and Senior Services**, the **Department of Social Services** and the **Missouri Department of Conservation** each assume the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

Officials from the **Department of Public Safety - Missouri Highway Patrol** defer to the Missouri Department of Transportation for the potential fiscal impact of this proposal.

<u>FISCAL IMPACT – State Government</u>	FY 2023 (10 Mo.)	FY 2024	FY 2025
STATE ROAD FUND (0320)			
<u>Cost – MoDOT §376.687 p.3</u> Epinephrine auto-injector coverage	<u>(\$200,000)</u>	<u>Could exceed</u> <u>(\$200,000)</u>	<u>Could exceed</u> <u>(\$200,000)</u>
ESTIMATED NET EFFECT TO THE STATE ROAD FUND (0320)	<u>(\$200,000)</u>	<u>Could exceed</u> <u>(\$200,000)</u>	<u>Could exceed</u> <u>(\$200,000)</u>
CONSERVATION COMMISSION FUND (0609)			
<u>Cost - MDC§376.687 p.3</u> Epinephrine auto-injector coverage	<u>\$0 or</u> <u>(Unknown)</u>	<u>\$0 or</u> <u>(Unknown)</u>	<u>\$0 or</u> <u>(Unknown)</u>
ESTIMATED NET EFFECT TO THE CONSERVATION COMMISSION FUND (0609)	<u>\$0 or</u> <u>(Unknown)</u>	<u>\$0 or</u> <u>(Unknown)</u>	<u>\$0 or</u> <u>(Unknown)</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2023 (10 Mo.)	FY 2024	FY 2025
LOCAL POLITICAL SUBDIVISIONS			
<u>Cost - Local Political Subdivisions</u> Epinephrine auto-injector coverage §376.687 p.3	<u>\$0 or</u> <u>(Unknown)</u>	<u>\$0 or</u> <u>(Unknown)</u>	<u>\$0 or</u> <u>(Unknown)</u>
ESTIMATED NET EFFECT TO LOCAL POLITICAL SUBDIVISIONS	<u>\$0 or</u> <u>(Unknown)</u>	<u>\$0 or</u> <u>(Unknown)</u>	<u>\$0 or</u> <u>(Unknown)</u>

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.

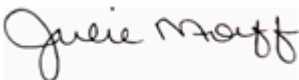
FISCAL DESCRIPTION

This bill requires insurers that provide coverage for epinephrine auto-injectors or prescription insulin drugs to limit the total amount that an insured is required to pay for a 30 day supply of covered epinephrine auto-injectors or prescription insulin drugs to an amount not to exceed \$100 regardless of the quantity or type of covered prescription insulin drug used to fill the insured's prescription. The \$100 limit can increase yearly based on a percentage equal to the percentage change from the preceding year in the medical care component of the Consumer Price Index of the Bureau of Labor Statistics of the United States Department of Labor. The Director of the Department of Commerce and Insurance may establish all necessary rules and regulations for the administration of this section. The Department of Commerce and Insurance in conjunction with the Department of Health and Senior Services and the Department of Social Services shall make a report available to the public of findings from each department as specified in the bill by November 1, 2022.

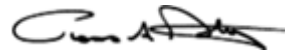
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

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 Public Safety - Missouri Highway Patrol
Department of Transportation
Missouri Department of Conservation



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February 4, 2022



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February 4, 2022