



Legislative & Health Policy Updates

By the St. Louis Area Business Health Coalition

At the **Missouri General Assembly**, time is running out for legislation making its way through both houses as the legislative session nears its end at 6:00 PM on Friday, May 17, 2019.

X OPPOSED HMO Tax Imposed on Workers to Fund Medicaid Rates

Senate Substitute for House Bill (HB) 255 *Carried by Senator Mike Cierpot*

What this legislation would do: The proposed substitute bill places a \$1.80 per member, per month tax on enrollees of Health Maintenance Organizations (HMOs), both in the public and commercial sectors. HMO enrollees, including BHC members enrolled in commercial HMO products, would be taxed at a rate that translates to \$43,200 annually for an employer with 2,000 lives enrolled in an HMO. Kansas has enacted a similar “privilege fee” on HMO business in that state, and that tax has recently increased from 3.31% to 5.77%. We would expect a similar rise in the rate in Missouri.

What is happening: The commercial HMO tax remains on the Senate floor for consideration as part of the Senate Substitute for House Bill 255. It may not prevail, but it still has potential. Even one call from an employer or constituent is helpful. *Upon request, the BHC is happy to provide language for a sample letter for members who wish to contact their senators to ask them to oppose an unfair HMO tax on Missouri workers.*

This tax was originally included as Senate Bill (SB) 29: Senator Bob Onder and other Senate opponents of the tax were able to get this provision removed before the bill passed out of the Senate. Proponents then amended it to the HB 255 for Senate consideration. The BHC will remain alert to the possibility of the HMO tax being amended to another piece of legislation.

The BHC thanks the Associated Industries of Missouri and NFIB, our partners in opposing the HMO tax.

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OPPOSED

Any Willing Provider

House Committee Substitute for House Bill (HCS/HB) 405

What this legislation would do: HCS/HB 405 would require health plans to contract with any health care provider willing to accept reimbursement at a prescribed rate.

What is happening: The BHC testified against that bill as an ill-advised restriction on health plans' ability to manage health care quality and safety through management of its health care provider networks. On May 6, the Health and Mental Health Policy Committee amended HCS/HB 405 so as not to apply to Medicaid plans and passed it out of committee. It seems unfair for our General Assembly to saddle commercial health plans with such restrictions while exempting government plans.



IN FAVOR

Protections Against Astronomical Air Ambulance Bills

House Bill 493 (Henderson), House Bill 941 (Hansen), and Senate Bill 267 (Wieland)

Background: In 2017, private insurers paid an average of \$23,087 per air ambulance transport, while the average total charge was \$41,321. Some health plans are footing ever-higher bills for air ambulance transport. BHC members' employees are billed the balance of what their plans pay and the total charge for air ambulance transport. Air ambulance providers aggressively attach these workers' property and income to pay these balance bills. Federal preemption prevents states from regulation of air ambulance industry practices, but there is potentially a means to provide consumers a way to negotiate directly with air ambulance companies.

What this legislation would do: These bills seek to provide consumers with greater negotiating power with respect to air ambulance industry billing. HB 493 and SB 267 do this by exempting air ambulance providers from those providers that a health plan must reimburse directly. Ostensibly, when the consumer receives a direct payment from their insurer, the consumer can then negotiate a lower balance bill. HB 941 bars air ambulance providers from selling consumers subscription agreements and requires them to negotiate "in good faith" with insurance carriers. It is intended to encourage air ambulance providers to join insurance carrier networks and prevent the continued balance billing of consumers.

What is happening: HB 493 and HB 941 are awaiting debate on the House floor. SB 267 is scheduled to be heard in the House General Laws Committee the week of May 6.

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IN FAVOR

Correcting Scrivener's Errors on Surprise Billing Legislation

Senate Bill 103 (Schupp), House Bill 756 (Pfautsch), and House Bill 83 (Hill), Senate Substitute for Senate Committee Substitute Senate Bill (SS/SCS/SB) 70 & 128 (Hough/Sater)

What this legislation would do: These bills correct an inadvertent error in legislation relating to surprise billing, changing “may” to “shall” in a sentence directing a health care provider seeking reimbursement for unanticipated charges to an insurance carrier within 180 days of providing the service.

What is happening: SB 103 passed the House Rules-Administrative Oversight Committee on May 2. SS/SCS/SB 70 and 128 merges the surprise billing provisions of SB 128 with other health care provider matters in SB 70. On May 6, the House Insurance Policy Committee is scheduled to vote on SS/SCS/SB 70 and 128. On May 1, HB 756 was passed out of the Senate Insurance Committee. It awaits further action. On May 1, the Senate Insurance and Banking Committee passed HB 83, and the bill awaits scheduling for debate on the House floor.

The BHC thanks Senator Jill Schupp for her leadership with surprise billing legislation during the 2018 and 2019 legislative sessions. We hope that she might reconsider her support of legislation to tax HMO enrollees to increase payments to providers under the Medicaid program.



OPPOSED

Restrictions on Health Plan Protocols

***House Committee Substitute for House Bill 751 (Grier)
Senate Committee Substitute for Senate Bill 298 (White)***

What this legislation would do: HCS/HB 751 would place restrictions on health plans' cost containment measures. Increased costs would be passed along to employers and plan enrollees.

What is happening: It is awaiting hearing in the House Rules-Legislative Oversight Committee. It has not been scheduled for hearing, and with the clock ticking towards the end of the legislative session, it is not likely to progress. SB 298 awaits debate on the Senate floor.

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IN FAVOR

Prescription Drug Monitoring Program

House Bill 188 (Rehder) and Senate Bill 155 (Leutkemeyer)

What this legislation would do: Missouri remains the only state in the Union that does not have a prescription drug monitoring program (PDMP) to control for “doctor shopping” and other abuses arising from the opioid use disorder epidemic. These bills will create a PDMP and establish a process by which the Department of Health and Senior Services uses the PDMP to monitor dispensing of Schedule II, III, and IV controlled substances and investigates for possible disciplinary action on any practices it deems inappropriate.

What is happening: HB 188 is out of the House, has passed out of the Senate Committee on Fiscal Oversight, and is awaiting a hearing on the Senate Floor. SB 155 is awaiting a hearing on the House Floor after passing out of the Seniors, Families, and Children Committee. It appears that Senate opposition will keep a state-supported PDMP from passing.



OPPOSED

Changes to Certificate of Need Legislation

Senate Committee Substitute for Senate Bill 165 (Eigel) and Senate Bill 82 (Cunningham)

What this legislation would do: SB 82 removes the requirement to obtain a certificate of need for major medical equipment. SB 165 removes certificate of need provisions from Missouri law altogether.

What is happening: SB 82 was heard in the Senate Health and Pensions Committee on April 4, 2019. It now awaits a hearing on the Senate Floor. SB 165 was heard on February 13 in the Senate Health and Pensions Committee. No action has occurred since then.

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IN FAVOR

Health Care Price Transparency

House Bill 232 (Helms)

What this legislation would do: HB 232 enacts health care price transparency measures, requiring that health care providers publish a price list for services and products. It requires that providers and insurers respond within a certain period of time to inquiries regarding the estimated cost of a service or product.

What is happening: The bill was heard in the House Health and Mental Health Policy Committee and has been awaiting further action since February 27.

Questions on these legislative updates? Please contact Michael Hely, JD, Senior Director, Legal & Policy Services, at mhely@stlbhc.org or 314-721-7800.