

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 2730-01  
Bill No.: SB 1036  
Subject: Health Care; Physicians; Insurance - Medical  
Type: Original  
Date: January 30, 2004

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**FISCAL SUMMARY**

| <b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>                   |            |            |            |
|-----------------------------------------------------------------------|------------|------------|------------|
| FUND AFFECTED                                                         | FY 2005    | FY 2006    | FY 2007    |
|                                                                       |            |            |            |
| <b>Total Estimated<br/>Net Effect on<br/>General Revenue<br/>Fund</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

| <b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>                    |            |            |            |
|---------------------------------------------------------------------|------------|------------|------------|
| FUND AFFECTED                                                       | FY 2005    | FY 2006    | FY 2007    |
|                                                                     |            |            |            |
| <b>Total Estimated<br/>Net Effect on <u>All</u><br/>State Funds</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 4 pages.

| ESTIMATED NET EFFECT ON FEDERAL FUNDS                                 |            |            |            |
|-----------------------------------------------------------------------|------------|------------|------------|
| FUND AFFECTED                                                         | FY 2005    | FY 2006    | FY 2007    |
|                                                                       |            |            |            |
| <b>Total Estimated<br/>Net Effect on <u>All</u><br/>Federal Funds</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

| ESTIMATED NET EFFECT ON LOCAL FUNDS |            |            |            |
|-------------------------------------|------------|------------|------------|
| FUND AFFECTED                       | FY 2005    | FY 2006    | FY 2007    |
| <b>Local Government</b>             | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

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#### **FISCAL ANALYSIS**

##### **ASSUMPTION**

Officials from the **Department of Social Services, Missouri Department of Conservation and Department of Insurance** assume the proposal will have no fiscal impact on their organizations.

Officials from the **Missouri Consolidated Health Care Plan (HCP)** state health plans would need to have the express written permission of the physician and review the patient records to determine the services rendered before changing a health service code. Therefore, the proposal does not fiscally impact HCP.

Officials from the **Department of Public Safety - Missouri State Highway Patrol** defer to the Missouri Department of Transportation for response regarding the fiscal impact of this proposal on their organization.

Officials from the **Missouri Department of Transportation (DOT)** state since the Highway and Patrol Medical Plan is not within the statutory definition of a health carrier, this proposal would have no fiscal impact on the MHTC/DOT or the Highway and Patrol Medical Plan.

| <u>FISCAL IMPACT - State Government</u> | FY 2005<br>(10 Mo.) | FY 2006    | FY 2007    |
|-----------------------------------------|---------------------|------------|------------|
|                                         | <u>\$0</u>          | <u>\$0</u> | <u>\$0</u> |
| <u>FISCAL IMPACT - Local Government</u> | FY 2005<br>(10 Mo.) | FY 2006    | FY 2007    |
|                                         | <u>\$0</u>          | <u>\$0</u> | <u>\$0</u> |

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

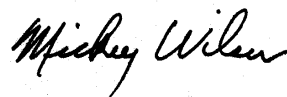
DESCRIPTION

This proposal prohibits health carriers and other organizations from changing health services codes without the permission of the physician. If a dispute arises, the health carrier must establish a procedure to resolve the dispute. Every contract between the health carrier and the physician must set forth the health services code the physician must use to receive reimbursement for such services. The codes must refer to the most recent American Medical Association code book and other recognized codes used in Medicare and Medicaid programs.

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 Social Services  
Missouri Department of Transportation  
Department of Public Safety -  
    Missouri State Highway Patrol  
Missouri Consolidated Health Care Plan  
Department of Insurance  
Missouri Department of Conservation



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January 30, 2004