

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4237S.02I  
Bill No.: SB 667  
Subject: Abortion; Health Care; Health Care Professionals; Medicaid/Mo Healthnet;  
Department of Social Services; Social Workers  
Type: Original  
Date: January 12, 2022

---

Bill Summary: This proposal modifies provisions relating to public funding of abortion facilities and affiliates and provisions relating to MO HealthNet providers.

**FISCAL SUMMARY**

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

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2023</b>	<b>FY 2024</b>	<b>FY 2025</b>
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: () indicate costs or losses.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2023</b>	<b>FY 2024</b>	<b>FY 2025</b>
<b>Federal*</b>	<b>\$0 to (\$166,000,000)</b>	<b>\$0 to (\$166,000,000)</b>	<b>\$0 to (\$166,000,000)</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0 to (\$166,000,000)</b>	<b>\$0 to (\$166,000,000)</b>	<b>\$0 to (\$166,000,000)</b>

\* The range reflects a potential loss of funding due to potential federal sanctions against the Title XIX federal claim.

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2023</b>	<b>FY 2024</b>	<b>FY 2025</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.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2023</b>	<b>FY 2024</b>	<b>FY 2025</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## **FISCAL ANALYSIS**

### **ASSUMPTION**

§§188.202; 188.207; 208.152 and 208.659 - No public funds shall be expended to any abortion facility or affiliate

Officials from the **Department of Social Services (DSS)** state proposed §§188.202, 188.207, 208.152.1(6), 208.152.1(12), and 208.659 could result in federal sanctions in that these amendments prohibit abortion providers and their affiliates from providing healthcare assistance to MO HealthNet participants. Section 1902(a)(23)(A) of the Social Security Act requires a state Medicaid agency to allow Medicaid participants to obtain medical assistance from any institution, agency, community pharmacy or person qualified to perform such assistance who undertakes to perform such assistance (“freedom of choice of provider” provision). This requirement is further set forth in Missouri’s State Medicaid Plan, as required by federal law. While DSS is unaware of another state prohibiting a group of providers in the manner in which is proposed by this legislation, DSS does believe that this would likely violate the “freedom of choice of provider” provision of federal law and could subject the Department of Social Services to federal sanctions.

However, the Department is not certain how CMS would respond to the language. Therefore, the cost is presented as a range, from \$0 to approximately 2% (\$166 million) of the total Title XIX federal claim for the last four quarters.

**Oversight** does not have any information contrary to that provided by DSS. Therefore, Oversight will reflect DSS’s impact of “\$0 to (\$166,000,000)” for fiscal note purposes, dependent upon action (if any) taken by the CMS.

### **Responses regarding the proposed legislation as a whole**

Officials from the **Office of Attorney General (AGO)** assume any additional litigation costs arising from this proposal can be absorbed with existing personnel and resources. However, the AGO may seek additional appropriations if there is a significant increase in litigation.

**Oversight** does not have any information to the contrary. Therefore, Oversight assumes the AGO will be able to perform any additional duties required by this proposal with current staff and resources and will reflect no fiscal impact to the AGO for fiscal note purposes.

Officials from the **Office of Administration - Budget & Planning (B&P)** state this bill has no direct impact on B&P or on general and total state revenues. The B&P states it will not impact the calculation pursuant to Article X, Section 18(e).

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

Officials from the **Department of Commerce and Insurance**, the **Department of Health and Senior Services**, the **Department of Mental Health**, the **Missouri Office of Prosecution Services**, the **Office of the State Courts Administrator**, the **Office of the State Public Defender** and the **Newton County Health Department** 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.

**Oversight** only reflects the responses that we have received from state agencies and political subdivisions; however, other local public health agencies; nursing homes, ambulance districts and hospitals were requested to respond to this proposed legislation but did not. A general listing of political subdivisions included in Oversight's database is available upon request.

#### Rule Promulgation

Officials from the **Joint Committee on Administrative Rules** assume this proposal is not anticipated to cause a fiscal impact beyond its current appropriation.

Officials from the **Office of the Secretary of State** notes many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The Secretary of State's office is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to Secretary of State's office for Administrative Rules is less than \$5,000. The Secretary of State's office recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with the core budget. Therefore, SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

<u>FISCAL IMPACT – State Government</u>	FY 2023 (10 Mo.)	FY 2024	FY 2025
<b>FEDERAL FUNDS</b>			
<u>Losses – DSS/MHD (§§188.202; 188.207; 208.152 and 208.659)</u> Potential loss of total Title XIX federal claim	<u>\$0 to</u> <u>(\$166,000,000)</u>	<u>\$0 to</u> <u>(\$166,000,000)</u>	<u>\$0 to</u> <u>(\$166,000,000)</u>
<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>	<b><u>\$0 to</u></b> <b><u>(\$166,000,000)</u></b>	<b><u>\$0 to</u></b> <b><u>(\$166,000,000)</u></b>	<b><u>\$0 to</u></b> <b><u>(\$166,000,000)</u></b>

<u>FISCAL IMPACT – Local Government</u>	FY 2023 (10 Mo.)	FY 2024	FY 2025
	<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.

FISCAL DESCRIPTION

Under this act, no federal act, law, executive order, administrative order, rule, or regulation shall infringe on the right of Missouri to restrict public funds, facilities, and employees from being used to perform, induce, or assist in an abortion; to encourage childbirth over abortion; to defend the religious beliefs or moral convictions of any person who or entity that does not want to be forced to directly or indirectly fund abortions; to prevent the state or its political subdivisions from being coerced, compelled, or commandeered by the federal government to enact, administer, or enforce a federal regulatory program that directly or indirectly funds abortion; or to prohibit the federal government from commanding or conscripting public officials to enforce a federal regulatory program that directly or indirectly funds abortion (§188.202).

Under this act, no public funds shall be expended to any abortion facility, or affiliate or associate thereof, including for MO HealthNet reimbursement (§188.207 and §208.152).

This act repeals existing statutory language permitting any MO HealthNet participant to obtain MO HealthNet services from any provider of such services in a MO HealthNet provider agreement with the state (§208.153).

Finally, this act prohibits reimbursement to abortion facilities, or associates or affiliates thereof, under the "Uninsured Women's Health Program" (§208.659).

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

Attorney General's Office  
Department of Commerce and Insurance  
Department of Health and Senior Services  
Department of Mental Health  
Department of Social Services  
Joint Committee on Administrative Rules  
Missouri Office of Prosecution Services

L.R. No. 4237S.02I

Bill No. SB 667

Page 6 of 6

January 12, 2022

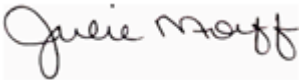
Office of Administration - Budget and Planning

Office of the Secretary of State

Office of the State Courts Administrator

Office of the State Public Defender

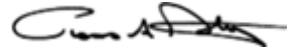
Newton County Health Department



Julie Morff

Director

January 12, 2022



Ross Strobe

Assistant Director

January 12, 2022