

FIRST REGULAR SESSION

# SENATE BILL NO. 474

101ST GENERAL ASSEMBLY

INTRODUCED BY SENATOR BEAN.

2241S.01H

ADRIANE D. CROUSE, Secretary

## AN ACT

To repeal section 354.415, RSMo, and to enact in lieu thereof one new section relating to health benefit plans offered by 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Section A. Section 354.415, RSMo, is repealed and one new  
2 section enacted in lieu thereof, to be known as section 354.415,  
3 to read as follows:

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

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

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

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

**EXPLANATION-Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.**

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

21           (5) Contract with an insurance company licensed in  
22 this state, or with a health services corporation authorized  
23 to do business in this state, for the provision of  
24 insurance, indemnity, or reimbursement against the cost of  
25 health care services provided by the health maintenance  
26 organization;

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

28           (a) Additional health care services;

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

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

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

42           (a) The total out-of-pocket expenses paid for the  
43 receipt of basic health services under the plan shall not  
44 exceed the annual contribution limits for health savings  
45 accounts as determined by the Internal Revenue Service;

46           (b) The health savings account or health reimbursement  
47 account must be funded at a level equal to or greater than  
48 the out-of-pocket maximum limits defined for the high  
49 deductible health plan; and

50 (c) A distribution from the health savings account or  
51 health reimbursement account to pay a health care provider  
52 for a qualified medical expense is made within thirty days  
53 of the submission of a claim.]

54 2. Prior to the exercise of any power granted in  
55 subdivision (1) or (2) of subsection 1 of this section,  
56 involving an amount in excess of five hundred thousand  
57 dollars, a health maintenance organization shall file  
58 notice, with adequate supporting information, with the  
59 director. The director shall disapprove such exercise of  
60 power if, in his opinion, it would substantially and  
61 adversely affect the financial soundness of the health  
62 maintenance organization and endanger its ability to meet  
63 its obligations. If the director does not disapprove such  
64 exercise of power within sixty days of the filing, it shall  
65 be deemed approved.

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

✓