

**Missouri Budget Project E-News  
Federal and State Policy Update  
May 14, 2010**

**Today is the final day of the Missouri legislative session. As usual, both the House and Senate are considering many bills and working out compromises on what amount to omnibus bills that contain a wide array of provisions. The Missouri Budget Project will provide a full overview of the session next week. Today's E-News will highlight bills that we know have passed at this point in time.**

**State issues**

- 1. Bills related to revenue**
- 2. Bills related to health care**

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**1. Bills related to revenue**

As this is written, it appears that some very bad policy ideas will die, including the mega sales tax and a TABOR (Taxpayers Bill of Rights) constitutional amendment that would have imposed a limit on the amount that state spending could grow.

It also appears that the legislature will turn their backs on a number of opportunities to enact some common sense, balanced solutions to ease the Missouri budget in the next fiscal year (FY2011) and in FY2012. These include taxing internet sales the same way that purchases made in bricks and mortar Missouri stores is taxed (called the streamlined sales tax), closing tax loopholes, updating outdated administrative practices, curbing the growth of tax credits, raising the tax on tobacco products and revising the personal income tax structure.

The status of a number of bills that must pass in order to make the budget sent to the Governor balance is uncertain at this writing.

**2. Bills related to health care**

The **Senate Substitute for HB1764 (Diehl)** was Truly Agreed to and Finally Passed on May 11, now goes back to the House. This bill attempts to allow Missourians to "opt out" of the mandate for individuals to purchase insurance that is required by federal health care reform. It is a statutory change rather than a constitutional amendment (which is a good thing), but it will require a vote of the people in August. Since it includes a referendum, the Governor cannot veto the bill. The Missouri Budget Project believes the state cannot constitutionally opt out of a federal law. It is likely that lawsuit(s) will be filed regarding this referendum. Click here for more information about this issue.

A **Conference Committee substitute for HBS 1311 & 1341 (Scharnhorst)** was Truly Agreed to and Finally Passed (TAFP) on 5/12. This requires health insurance to coverage for the diagnosis and treatment of autism as far as it is medically necessary. It limits coverage for Applied Behavioral Analysis to \$40,000 per year for children up to age 19, and prohibits insurance companies from charging higher cost sharing for treatment of autism than is allowed for other physical health care services.

These provisions do not apply to the more than 271,000 Missouri children who are insured by Medicaid/SCHIP (MO HealthNet).

Small businesses may get a waiver if this coverage results in an increase of 2.5 percent or greater in any 12 month continuous period.

The **Senate Committee substitute for HB1375 (Cooper)** was TAFP on 5/14. This bill allows physicians to utilize expedited partner therapy for those diagnosed with some sexually transmitted diseases. It also requires the Department of Health & Senior Services to develop a brochure that describes the connection between human papilloma virus (HPV) and cervical cancer, and the availability of an immunization for HPV.

The **House Committee substitute for SB583 (Champion)** was TAFP on 5/13. This is an omnibus insurance bill. It includes a requirement for insurance companies to cover adopted children on the same basis as other dependents. It also requires the Department of Social Services to provide information on eligibility for the State Children's Health

Insurance Program to licensed child care providers that receive state or federal money, and all public schools. It requires public schools to distribute this information when children are enrolled and make application for free and reduced lunches, including a check-off where parents indicate whether their child is insured. If a child appears to be eligible for public health insurance, the school district must supply application information to the parent.

*Additional information and a final wrap up will be sent next week!*