

The **Association** report

from the **Capitol**

April 30, 2003

The latest attempt to combine the state's health care systems, including MoDOT, apparently has been put on the shelf for another legislative session. SB 450, which would create a "Division of Community Health" within the Office of Administration, has been placed on the "informal calendar" after debate recently in the Missouri Senate

The bill states that the purpose of the new division is to maximize purchasing power and administrative efficiency in the state's health care systems. It would "be the lead agency in coordinating and purchasing health care benefits for all state employees, dependents, and retirees." Along with MoDOT, agencies included in the bill range from the Missouri Consolidated Health Care Plan and the Conservation Department to the Senior Rx Plan and the University of Missouri.

Recent state budget problems and the rising cost of health insurance for state employees has led legislators to examine (and in this case, re-examine) any potential for savings. The bill's sponsor, Sen. Jim Mathewson, said he had tried in the past to get state agencies to meet and discuss the possibility of saving money on health-care costs by consolidating their efforts. The senator said he had been frustrated in his efforts when the interested parties had refused to cooperate by even attending meetings to discuss the savings potential. Sen. Mathewson said he introduced SB 450 to require the different agencies to participate. Resistance to his first version of SB450, the senator said, led him to offer a substitute that would only require the agencies meet to examine the potential for savings through group purchasing without a consolidation of the different health-care systems. This plan too, at least for now, has been shelved.

In other legislative news of interest to our Association members, a proposal to examine the feasibility of "outsourcing" work now performed by state employees is moving through the legislature. Senate Concurrent Resolution No.13 would create a subcommittee on "competition and privatization" to "identify ways to reduce cost to state government and increase quality of state services." The House Budget Committee approved the resolution Tuesday (Apr.29) on a 13 to 12 vote.

**From Harry Hill, Lobbyist
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