Governmental Services Group

This week in Jefferson City, the Missouri Legislature focused on a wide range of regulatory and structural reforms. Lawmakers in the House turned their attention to the foundational rules of state government. A House Committee began considering a bipartisan proposal to adjust Missouri's term limits, a move that could significantly alter the long-term landscape of the General Assembly. Specifically, the legislation would shift towards a 16-year total cap for service in the General Assembly. Currently, lawmakers are restricted to eight years in each chamber. The proposed change would allow for more flexibility, allowing legislators to serve longer in one chamber versus the other. Supporters stated that they believe this would help preserve "institutional knowledge" and prevent "brain drain" that occurs when experienced legislators are forced out. The opposition expressed concern of deviating from the original intent of voter-imposed term limits.

In addition to this, property tax reform hit a roadblock this week as Representative Taylor's HB 2780 was sent back to committee for refinement. While the bill's intent was to ensure that property tax increases are only decided during high-turnout August or November elections, a technical flaw surfaced during floor debate. Lawmakers and local officials realized that the bill's current language could inadvertently force all municipal elections to the fall. Because many city and school board races are tightly linked to tax levies, shifting the tax votes would effectively gut the traditional April election cycle. To avoid this, House leadership opted to send it back to committee to allow for technical amendments to fix this issue.

Beyond the legislative halls, a federal judge ruled that "gray market" slot machines, frequently found in gas stations and convenience stores across the state, are illegal gambling devices. This ruling provides clarity on an issue that has seen conflicting enforcement actions over the last several years. We will continue to monitor the impact of this ruling on the legislative push to establish a licensed, taxed alternative. The Missouri House recently passed legislation to create a state-regulated video lottery system, which, if passed and signed into law, would replace unlicensed machines with terminals that are connected to a central state monitoring system.

With the 2026 legislative spring break set for the week of March 16th, the Legislature has only three weeks left before the mid-session pause. As we approach the halfway mark, expect a shift from preliminary committee work to floor action and debate. Legislators will aim to advance priority bills to the opposite chamber for a chance at making it to the finish line before the end of session. As always, we will keep you updated on any key information.

Prior Authorization
HB 3010, sponsored by Representative Stinnett, creates provisions relating to prior authorization of health care services.

the bill introduces a "Gold Carding" system. Starting in 2027, health insurers would be prohibited from requiring prior authorization for providers who have a proven track record. If an insurance company approved 90% or more of a provider's requests during the previous year, that doctor or specialist becomes exempt from the authorization process for those services. Insurers can only reinstate the requirement if they perform an audit and find the approval rate has dropped below the 90% threshold.

The legislation shifts the timeline for medical approvals to favor long-term care. Current laws allow insurers to revoke or limit an approval after 45 days. This bill would extend that window to at least six months or the full length of the treatment as determined by the physician. For chronic conditions or maintenance medications, approvals would remain valid for at least 12 months. If an insurance company fails to follow these timelines, the services are automatically deemed authorized.

insurers must move away from manual systems and implement a digital interface (API) by 2027. This allows doctors to submit requests and receive decisions electronically. Additionally, insurance companies are required to publicly disclose their statistics for approvals and denials. They must also provide a list of every service that requires prior authorization to the Department of Commerce and Insurance, which will then publish this information in a central location for the public to see.

The bill ensures that patients do not lose access to care when they change insurance plans. A new insurer must honor a previous carrier's authorizations for at least 180 days. Furthermore, the bill prevents "retrospective denials," meaning an insurance company cannot refuse to pay for a service they already authorized unless there was intentional fraud or the service was never actually performed. To ensure medical expertise in the process, any denial of care must be reviewed by a clinical peer in a similar field of medicine.

This bill had a hearing in the House Health Policy Committee hearing this week.

In support of HB 3010 was MU Healthcare, MHA, Missouri Association of Social Workers, BJC, Cox, Missouri state Orthopedic Association, Missouri State Anesthesiologist Association, and Mercy Healthcare Systems.

America’s Health Insurance Plans were in opposition to the bill.

Childcare Tax Credit

HB 2409, sponsored by Representative Shields, authorizes the "Child Care Contribution Tax Credit Act", the "Employer-Provided Child Care Assistance Tax Credit Act", and the "Child Care Providers Tax Credit", relating to tax credits for childcare.

This bill establishes the "Child Care Contribution Tax Credit Act". Beginning January 1, 2027, a taxpayer may claim a tax credit for verified contributions to a childcare provider in an amount up to 75% of the contribution. The tax credit issued must not be less than $100 and must not exceed $200,000 per tax year.

This bill also establishes the "Employer Provided Child Care Assistance Tax Credit Act". Beginning January 1, 2027, a taxpayer with two or more employees may claim a tax credit in an amount equal to 30% of the qualified childcare expenditures paid or incurred with respect to a childcare facility. The maximum amount of any tax credit issued must not exceed $200,000 per taxpayer per tax year.

This bill also establishes the "Child Care Providers Tax Credit Act". Beginning January 1, 2027, a childcare provider with three or more employees may claim a tax credit in an amount equal to the childcare provider's eligible employer withholding tax and may also claim a tax credit in an amount up to 30% of the childcare provider's capital expenditures.

This bill was voted out of the House Economic Development Committee this week DO PASS.

Healthcare Providers
SB 1423, sponsored by Senator Crawford, modifies the definition of "hospital" for purposes of regulating the dispensation and distribution of controlled substances to include outpatient facilities owned and operated by a hospital. A hospital may obtain a separate registration for the distribution or dispensation of controlled substances from the Department of Health and Senior Services for each outpatient facility owned or operated by the hospital in which behavioral health or substance abuse services are delivered.

Currently, a health care practitioner shall not accept any portion of a controlled substance unused by a patient when the practitioner did not originally dispense the drug unless the controlled substance was delivered to the practitioner to administer to the patient for whom the medication was prescribed as authorized by federal law. This act removes the "as authorized by federal law" limitation.

This act requires a candidate applying for licensure as a physician to submit to a criminal background check and furnish certain educational and experience documents. This act also allows the Board of Registration for the Healing Arts (the "Board") to require applicants to list all licenses to practice as a physician currently or previously held in another state, territory, or country and to disclose any past or pending investigations, discipline, or sanctions for such licenses. The Board may also obtain a report on the applicant from the National Practitioner Data Bank or the Federation of State Medical Boards.

Additionally, this act specifies that an applicant who has completed an unaccredited postgraduate training in a medical subspecialty for which there is no program accredited by the Accreditation Council for Graduate Medical Education ("ACGME") shall satisfy the training requirements for permanent licensure as required by state rules if such training occurred in a teaching hospital accredited by ACGME. The training period shall be equal to or exceed an accredited postgraduate training program. The Board shall waive such training requirements for any applicant who has been a licensed physician in good standing in another state for more than three years.

Finally, this act modifies rulemaking authority regarding pharmacy services in hospitals. Under this act, the Department of Health and Senior Services shall have the sole authority to promulgate rules governing pharmacy services in hospitals. The Department and the Board of

Pharmacy may jointly promulgate rules governing medication distribution and medication therapy services by a pharmacist at or within a hospital. The Board shall have the sole authority to promulgate rules governing inspection and licensure of Class B pharmacies.

This bill had a public hearing this week in the Senate Emerging Issues and Professional Registration Committee this week.

In support of the bill was the Missouri Hospital Association.

In opposition to the bill was Amorvine.

MO Division of Professional Registration testified for informational testimony.

Physician Assistant Licensure Compact
HB 3129, sponsored by Representative Keathley, creates the "Physician Assistant Licensure Compact". Physician assistants licensed in states that are participating in the interstate compact can practice in other participating states without additional requirements.

The bill defines the qualifications and obligations of a licensee who seeks to obtain and exercise a compact privilege in a remote state, such as having a qualifying license, meeting any jurisprudence requirement, reporting any adverse action, and complying with the scope of practice of the remote state.

Participating states have the authority to impose adverse actions against qualifying licenses. Remote states can take adverse actions against compact privileges within that state's jurisdiction. States can take necessary legal actions to protect citizens' health and safety. States can issue subpoenas for hearings and investigations, which must be enforced by courts in other participating states.

States must treat reported conduct from other states as if it occurred within their own jurisdiction. States can take adverse actions based on findings from other states, following their own procedures. States can participate in joint investigations and share materials. Adverse actions against a qualifying license result in the deactivation of the compact privilege in all remote states for two years after restrictions are removed. States must notify the compact data system administrator promptly of any adverse actions.

The bill establishes the "Physician Assistant Compact Commission", composed of one commissioner from each participating state, to administer and enforce the compact. This bill specifies how commission meetings can be held and legal actions the commission can take. This bill was voted out of the House Professional Registration Committee this week DO PASS.

Healthcare Provisions
SB 841, sponsored by Senator Bernskoetter modifies several provisions relating to health care.

The following provisions are contained in the bill: (1) awareness days; (2) hospital investments and service areas; (3) epinephrine products; (4) community paramedic services; (5) doula services; (6) telehealth; (7) Department of Health and Senior Services contracts for public health;

(8) limits on the sale of over-the-counter drugs; (9) administration of medications; (10) hospital workplace violence; (11) inspections of long-term care facilities; (12) MO HealthNet coverage of certain clinical pathology services; (13) food-borne allergies; (14) the practice of dentistry in correctional centers; (15) the administration of certain vaccines; (16) licensure of wholesale drug distributors; (18) the "RX Cares for Missouri Program"; (19) 340B drugs; (20) insurance coverage of anesthesia services; (21) insurance coverage of alternatives to opioid drugs; and (22) prior authorization of health care services.

Hospital Operations and Investments
Hospital boards in third-class cities and hospital districts receiving less than 3% tax support may invest up to 50% of surplus funds. These hospital types are permitted to operate within each other's service areas.

Community Paramedic Services
The act defines community paramedic services as non-emergent care provided by DHSS-certified paramedics. Agencies must enter into Memorandums of Understanding (MOUs) when providing services in overlapping areas. DHSS will issue five-year endorsements for these entities.

Maternal Health and Doula Services
The "Missouri Doula Reimbursement Act" allows medical standing orders for doula services and prenatal vitamins. Doula care and childbirth education are added to MO HealthNet coverage. A report on the impact of these services is due to the General Assembly by 2028.

Telehealth Regulations
A physical examination is required only when necessary to meet the standard of care. Online or telephone questionnaires are permitted if they provide information sufficient for an in-person evaluation. Providers must have a proper relationship with the patient before prescribing medication.

DHSS Public Health Contracts
DHSS is authorized to contract with Missouri-based public health affiliates to assist in service delivery and grant administration. A report on these activities must be submitted to the General Assembly.

Hospital Workplace Violence
Hospitals are required to display signs stating that assaulting a health care professional is a crime punishable as a Class A misdemeanor.

MO HealthNet Clinical Pathology
MO HealthNet is required to reimburse hospital-based pathologists for professional inpatient services at 30% of the Medicare outpatient laboratory fee schedule.

Program Expirations and 340B Drugs
The expiration date for the "RX Cares for Missouri Program" is removed. Additionally, the act prohibits health carriers and pharmacy benefits managers from discriminating against 340B-covered entities regarding reimbursement and coverage.

Insurance Billing and Prior Authorization
Health carriers cannot set time limits on payments for anesthesia services. Plans must cover non-opioid alternatives for high-risk patients without "fail-first" requirements. Carriers are restricted from requiring prior authorizations except in defined circumstances and must provide an appeals process.

This bill had a hearing in the Senate Families Seniors and Health Committee this week.

In support of SB 841 were MO Healthcare Association, SSM Health, Jordan Valley, Missouri Association of Nurses, MO Occupational Therapy Association, MHA, Freeman Health System, BJC, Cox Health, Ranken Jordan Pediatric Hopsital, MO Assisted Living Association, Missouri Public Health Institute, Mercy Health Systems, and MO Pharmacy Association.

Missouri Insurance Coalition, America's Health Insurance Plans, Missouri Health Plan Association, and Amorvine were in opposition to the bill.

Alpha-Gal Disease
HB 1855, sponsored by Representative Overcast, requires the Department of Health and Senior Services to designate noncommunicable diseases that are of public health concern, including Lyme disease and alpha-gal syndrome, and enforce orders, findings, rules, and regulations to prevent the spread of these diseases and to determine their prevalence in the state.

Any required case report for noncommunicable disease must be submitted to the Department within seven days of receiving a positive laboratory confirmation. For any case other than alpha-gal, the entity responsible for submitting the report shall be the health care provider treating the patient. For any case of alpha-gal syndrome, the laboratory finalizing the positive test result is the responsible entity.

The Department is required to follow up on reported cases of alpha-gal syndrome by applying a random sampling method for confirmation that the cases meet the current CDC surveillance case definition of the disease.

The Department is also required to submit an annual report to the CDC summarizing its findings related to the reporting and incidences of the diseases specified under the provisions of this bill.

This bill had a hearing in the House Health Policy Committee hearing this week.

In support of HB 1855 was the Alpha Gal Alliance Association, Missouri Cattleman Association, and several citizens.

In opposition was Armorvine.