

Matt Blunt
Governor
State of Missouri



Department of Insurance
Financial Institutions
and Professional Registration
Douglas M. Ommen, Director

Memo

To: All HMOs in Missouri
From: Molly White
Date: January 14, 2008
Re: HMO service area expansions: guidance for expanding to counties with poor hospital coverage

The data available to DIFP at this time indicates 14 counties where no HMO could meet our standards for basic hospitals to get a service area expansion. The counties and the best score possible as far as we know are:

1. Carter (71%)
2. Clark (64%)
3. Douglas (24%)
4. Holt (81%)
5. Iron (85%) (This will actually be a normal county as soon as the new hospital confirms a general surgeon is available.)
6. Knox (69%)
7. Lewis (9%)
8. Marion (72%) (This doesn't count the hospital in Quincy, IL, which would actually raise Marion to passing score.)
9. Mercer (80%)
10. Oregon (80%)
11. Ozark (32%)
12. Shelby (65%)
13. Wayne (80%)
14. Wright (58%)

Therefore, DIFP has decided to adopt the following approach to any requests to add these counties to an HMO's service area:

1. For counties close to the border of another state, require the HMO to provide information about the hospitals available in the bordering state(s) and their efforts to contract with those hospitals.
2. Approve any request where, instead of 90%, the HMO demonstrates that they are getting the best score possible for that county, with the possibility that hospitals in other states make the scores even better than we're able to really evaluate.

Any thoughts or comments you have are welcome at this point.

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