



# Milestones In The FRA Law

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# FRA TIMELINE

■ REPUBLICAN  
■ DEMOCRAT



SENATE  
HOUSE

1991 1992 1993 1994 1995 1996 1997 1998 1999 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023 2024 2025

■ FRA Tax Reauthorization

**1991**  
The voluntary contribution program was implemented in Missouri. Hospitals donated funds to the state, and the Medicaid program could use the funds to earn federal matching dollars.

**1992**  
The voluntary program was phased out with federal Public Law 102-234, which established alternate criteria for provider assessments. Missouri passed House Bill 1744 to enact the Federal Reimbursement Allowance law.

**1994**  
The traditional general revenue contribution dropped to 14.05% of the total Medicaid cost from the 39.46% rate in state fiscal year 1990.

**1996**  
The Missouri Department of Social Services converted from an assessment based on patient days to an assessment based on net patient revenues.

**2001**  
Tom Scully, director of the federal Centers for Medicare & Medicaid Services, challenged Missouri's provider assessment system and threatened to recoup \$2 billion from the state.

CMS entered into a five-year Medicaid Partnership Plan with Missouri. The state agreed to prospectively share its Medicaid budget information with the federal agency and demonstrate compliance with federal redistribution requirements. CMS dropped its challenge of the Missouri provider tax and withdrew its threatened \$2 billion claim.

**2003**  
The FRA grew to become a major source of state revenue, first eclipsing in SFY 2003 all but the two largest sources of general revenue.

**2007**  
Missouri successfully renegotiated its agreement with CMS.

**2008**  
The Medicaid Partnership Plan was renewed in April.

**2018**  
Senate Bill 775 upgraded a 17-year old safeguard for hospital payments funded by the FRA.

**2019**  
First report produced as a result of Safeguard language (SB 775).

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