



# SHOW-ME newsletter

2020 | ISSUE 2



ADVANCING LIBERTY WITH RESPONSIBILITY  
BY PROMOTING MARKET SOLUTIONS  
FOR MISSOURI PUBLIC POLICY

# A MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

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The COVID-19 pandemic has turned 2020 upside down for just about everyone. We've had to make our own adjustments at the Show-Me Institute. But from the beginning of the emergency, we've been advocating for a host of ideas that will enable Missouri to weather the storm and get back on track.

None of those ideas are new; we've been fighting a long time for them, and our persistence paid off in the crucible of the pandemic response.

Education in Missouri was radically altered when schools shut down for the year and parents suddenly became homeschoolers overnight. Our analysts have been asking hard questions about whether the Department of Secondary and Elementary Education (DESE) is doing what is needed to equip districts, schools, and parents with the resources to keep kids engaged and learning. We continue to argue for school choice, which is even more important in a pandemic, when things like enhanced virtual learning and scholarships that will allow parents access to resources like tutors or online programs are critical.

We also warned last year that a bill mandating a fixed start date for schools (in a misguided effort to boost summer tourism) was a bad idea—and lo and behold, we are now in a situation where a fixed start date is untenable for many schools. Thankfully, DESE has relented and issued waivers for this year to allow schools some flexibility, but schools and districts should always be able to set their own start dates.

Licensing and regulations have also been a hot topic during the pandemic. Our analysts have long advocated for universal license reciprocity, which would mean Missouri accepting qualified professionals licensed in other states. We scored a major victory on that front with the passage into law of HB 2046, which allows for reciprocity in Missouri across a broad range of professions. We've also

argued that policymakers should consider permanently retiring a number of regulations waived by the state of Missouri as a result of the pandemic.

You can be certain we will continue this fight going forward. If lifting those regulations helps people in a time of crisis, how much did we need them to begin with?

Health care is obviously one of the most critical policy areas for Missouri right now, and Institute analysts were ready with ideas to combat the pandemic right out of the gate. The licensing reform mentioned above is a key part of this—medical professionals from other states who want to help Missourians should be able to do so without becoming entangled in red tape.

Our analysts have also called for the state to enact two key reforms that would make it easier for Missourians to access care: increasing the scope of practice for registered nurses and expanding access to telemedicine. Scope of practice reform would relax the strain on doctors and our health care system overall, while increased use of telemedicine has obvious benefits—and not just in a time of social distancing.

This is far from a comprehensive catalogue of the ideas and reforms that our analysts have covered in response to COVID-19; we've also called for stimulus spending transparency, warned of the coming budget crunch due to falling revenue, and highlighted the absurdity of wasting taxpayer dollars on things like a stadium incentive package during a pandemic, just to name a few.

The next few months aren't going to be easy. But we're going to keep promoting policies and proposals that will help Missouri climb out of the hole. We're optimistic that if policymakers make the right decisions, Missouri can emerge from this crisis stronger than it was before.

—Brenda Talent

# LICENSE RECIPROCITY IS A BIG WIN FOR MISSOURI

*Patrick Ishmael*



The wait is over. After a series of incremental license reforms over the last decade, the Missouri Legislature has finally passed a broad interstate license reciprocity law that establishes the state as the national leader on license reform legislation.

What does “reciprocity” mean when it comes to licensure? In short, if you are licensed and in good standing to practice a profession in another state, Missouri will now accept your credentials in most cases without requiring a needlessly duplicative and burdensome re-licensing process. Doctors and other licensed professionals don’t lose their skills when they cross a state line, and other states should follow Missouri’s lead and stop acting as if they do.

Our interest in health care licensure in particular goes back almost ten years. In 2011, the national charitable health organization Remote Area Medical arrived in Joplin after the horrific tornado there to provide free eyeglasses, but because of Missouri’s licensing laws, the group’s professionals were unable to make and distribute them. By 2013, Missouri had passed the Volunteer Health Services Act, which allowed charitable groups to bring licensed health care professionals from other states to Missouri without having to put them through the arduous and unnecessary process of relicensing.

But Missouri could do more. In 2016, I wrote a full study on health care supply issues, concluding:

[S]tates do not have to wait for [an interstate compact] to emerge and should be willing to accept, unilaterally, the licenses of qualified medical professionals from other states. Indeed, just as several states have passed Volunteer Health Care Services Acts for the needy, states can pass similar legislation that would allow licensed physicians in good standing to provide care to their own residents—no additional licensing required.

Finally, Jefferson City listened. Amidst the 2020 coronavirus epidemic, Governor Mike Parson temporarily waived the relicensing requirement for out-of-state doctors, and in the shortened legislative session, the legislature passed both narrow reciprocity for military spouses and, later, the big one—broad licensing reciprocity for almost all professions. Led by bill sponsor Rep. Derek Grier, the movement to enact this important law attracted support from many quarters, and to my pleasant surprise, attracted no opposition at its hearings.

It took a while, but what Missouri finally passed this year is a landmark law that makes the state a national trailblazer. Congratulations to the law’s supporters in and out of the capitol, but most of all, congratulations to all Missourians. This important law will have a positive impact for years to come.

# CLEARING THE WAY FOR TELEMEDICINE

*Elias Tsapelas*

The COVID-19 crisis has spurred Missouri to adopt several substantial health care policy reforms. This past legislative session, state policymakers passed a license reciprocity bill for medical professionals, which is something that Show-Me Institute researchers have been advocating for years. In addition, Governor Parson temporarily waived a variety of unnecessary laws and regulations to help Missouri's medical professionals respond to the virus. One of the most impactful changes was expanded access for telemedicine.

Telemedicine refers to receiving health care remotely using telecommunication technologies. This service allows patients to access a doctor or other provider through their phone or computer in instances where physical interaction is not required. Though it is not a new technology, increased availability of smartphones and broadband internet connections have made it easier and safer to access medical care remotely than ever before. The problem was that prior to COVID-19, government restrictions prevented the service from becoming widely used.

Most forms of health coverage, including Medicare and Medicaid, have traditionally covered telemedicine services in at least some circumstances. But coverage providers also typically restricted where those services could be accessed and who could provide them, which drastically limited the potential benefits. In Missouri, telemedicine service was limited to doctors already licensed in the state. Further, before telemedicine services could be provided, the doctor needed to physically see the patient in a traditional office setting.

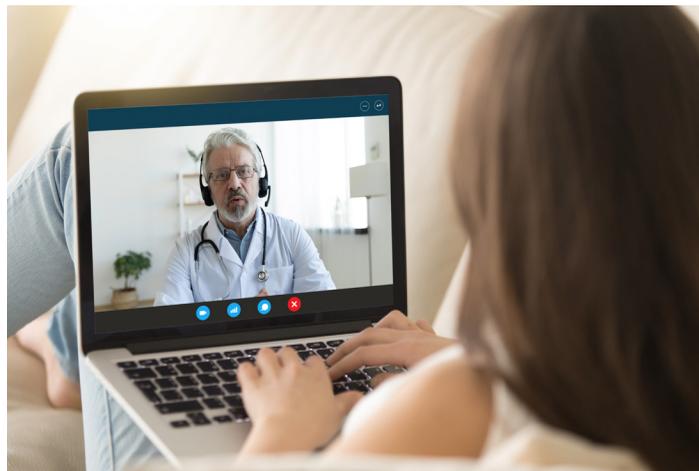
Once the pandemic began, elected officials and coverage providers started rethinking telemedicine policies. Insurance providers began offering their own platforms for virtual medical appointments and made virtual visits available at a much lower cost than traditional office visits. A major concern with the virus was that it had the potential to overwhelm Missouri's health care infrastructure. In response, Governor Parson quickly waived the initial in-person meeting requirement. And because telemedicine is not limited by geography, the governor also waived the need for in-state licensure to

ensure that Missourians had access to any medical provider willing to help in our state.

Unsurprisingly, the responses from consumers across the country and the telemedicine industry have been overwhelmingly positive. Blue Cross Blue Shield of Massachusetts reported that the demand for telemedicine has skyrocketed since the

beginning of the pandemic, with a 190-fold increase in daily claims and most consumers indicating a willingness to use the service again. One expert estimated the trajectory of growth for the telemedicine industry has been accelerated by more than a decade in just the past few months.

Now that the benefits of telemedicine have been realized, the government should allow the service to prosper. Without further legislative action in Missouri, the currently waived barriers to telemedicine will return once the governor's state of emergency declaration expires. Missourians should be allowed to safely access medical care from the comfort of their own homes, with or without the presence of the coronavirus. The best way to do that is to remove Missouri's barriers to telemedicine permanently.



# WE WAIVED REGULATIONS FOR COVID-19. WHY NOT RETIRE SOME OF THEM PERMANENTLY?

*Corianna Baier*

**W**ith all the uncertainty created by COVID-19, many of us are closely following the actions of state government right now.

One of the most important things to monitor is the state of business rules and regulations. Many of these are needless obstacles for workers and businesses. What purpose is served, for example, by a regulation requiring that doctors and advanced practice registered nurses practice within 75 miles of each other to collaborate? Lawmakers have waived hundreds of statutes and regulations, like this one, in response to the COVID-19 crisis. Relaxing regulations is great, but it raises an important question: If these regulations aren't necessary now, were they ever necessary?

Hundreds of regulations and statutes have been waived by the governor and various government agencies in Missouri. These waivers have eased the burden on businesses and workers across the state, specifically hundreds of workers within at least 22 licensed professions. These professionals, who normally face copious amounts of red tape, are finding it easier to do their jobs.

Several licensed occupations, including optometrists and nursing home administrators, are now able to meet their license renewal requirements online, which was limited or not allowed before. Missouri pharmacies are now allowed to use pharmacists and pharmacy technicians that have out-of-state licenses and can seek assistance

from out-of-state pharmacies. Another waiver allows hospitals to establish alternative sites of care away from licensed premises.

There are also waivers that are not as directly related to the COVID-19 crisis. Some of these waivers include allowing cosmetology and barber schools (along with many other professional schools) to use distance education instead of in-class education, permitting physical therapists with inactive licenses to begin practicing again without applying for reinstatement, and granting restaurants the ability to sell un-prepared food to the public.

Red tape was hurting our economy before anyone had ever heard of COVID-19, and it will hurt us long after the crisis is over if we let it. These regulations make it harder for workers to get and keep jobs and force businesses to navigate unnecessary obstacles. If lifting some of these regulations is helping consumers and businesses during this crisis, we should wonder if they're necessary when things go back to normal.

Most of these waivers, originally set to expire on June 15, have been extended to the end of the year. But what happens in 2021? One can only hope that lawmakers will work to permanently lessen regulations for businesses and workers. When the fight against COVID-19 is finally won, the last thing we need will be a return to the same exhausting battles against red tape.



# HOW CAN WE KEEP MISSOURI STUDENTS SAFE THIS FALL?

*Abigail Burrola*

**C**OVID-19 has the education world upside down, and many students in Missouri are now learning at home. As of now, students will be going back to classrooms in the fall for the 2020–2021 school year. However, COVID-19 will still be around and there is the possibility of a second wave in the fall. Some families may be wary about sending their kids back to a regular classroom in a few months, even if schools do take precautions. There should be a way for families to find a safer educational option. A Safe Students Scholarship could provide that for families with health concerns.

A recent survey from Public School Options found that more than two-thirds of parents are concerned about whether their child can safely return to their school building in the fall, and 60 percent of parents believe their child is at risk of contracting COVID-19. There is a demand among parents for educational options this fall to help ensure their children's safety.



A Safe Student Scholarship could work much like an education savings account. A student would apply to a scholarship granting organization (SGO) for a scholarship. Students could qualify if they have a health

concern—one example would be if a student or someone in a student's household has a preexisting medical condition. The organization would make the scholarship accessible to the student through an account. The scholarship money could be used for specific expenses like curriculum, textbooks, or tutoring.

The SGO could receive money directly from the state for the scholarships. In Missouri, about 43-percent of the per-student funding is made up of state allocated money. The state portion of the per-student funding could go into the account for the family to pay for education expenses.

Missouri would also see other benefits should Safe Student Scholarships be made available. Since a student using the scholarship would no longer be enrolled at their assigned public school, the student's previous school would no longer be responsible for the local portion of funding for that student (about 47 percent of the total funding) and the district could save that money. Cost savings will be particularly important this year as school district budgets are expected to shrink because of the pandemic. These scholarships could also lead to smaller class sizes, which could make it easier for schools to create a safe environment for students.

A Safe Student Scholarship could also be a safety net for families struggling financially right now. Many families have been hit hard by the economic fallout from the pandemic, and those who send their kids to private schools may not be able to afford tuition right now. This could leave many private schools struggling with enrollment and finances. A scholarship could help private schools weather enrollment declines.

A Safe Students Scholarship could bring important financial and safety benefits to Missouri schools and students. With it, families that need options for the upcoming school year would not have to choose between education and health.

# NEW REPORTS HIGHLIGHT GREEN ENERGY'S CHALLENGES

*Jakob Puckett*

Some politicians and media outlets hail green energy as the clear and obvious solution to all our energy problems. But green energy is not the panacea some make it out to be. Several articles and a documentary have been released recently that highlight green energy's financial and operational shortcomings, and Missourians should take note.

The most surprising criticism came from filmmaker Michael Moore's documentary "Planet of the Humans." The film points out the major weakness of many forms of green energy—weather dependence. When the weather doesn't cooperate, wind and solar plants must be backed up by fossil fuel plants or rely on extra electricity stored in batteries. Batteries, however, are prohibitively expensive, and can currently store less than one-tenth of one percent of global energy use.

Further, the mining and manufacturing process for wind turbines and solar panels is long, dependent on fossil fuels, and must be repeated every 10 to 20 years as technology wears out, making green energy not as green as it sounds.

The massive number of subsidies green energy producers receive is another issue. A report from the Texas Public Policy Foundation catalogued federal subsidies received by the energy industry over the past decade. While all energy sources received subsidies, wind and solar took the top spots, receiving \$37 and \$34 billion in federal money. And when comparing the amount of subsidies received to the total amount of electricity generated, wind and solar received 18 and 82 times, respectively, what any fossil fuel source received per megawatt hour. Ultimately, the report concluded that wind and solar producers received nearly as much money from subsidies as they did by selling their electricity on wholesale markets.

Another study from the Lawrence Berkley National Laboratory focused on wind power plants and subsidies. Subsidies for wind plants primarily come through the Production Tax Credit (PTC), which reimburses wind power plants between \$15 and \$24 per megawatt hour of electricity generated over a period of ten years once the plant is operational.

The study found that wind power plants significantly reduce their output once they are no longer eligible for sizeable subsidies, as operators run the plant less often due to lower profitability. In other words, wind plant operators are basing their behavior on how much of a handout they can get.

The operational and financial shortcomings of green energy should provide Missourians some perspective on statewide events. The challenges call into question the wisdom of relying too heavily on green energy—yet an initiative petition circulating would do just this by requiring that up to half of Missouri's electricity come from green sources by 2040.

Currently, less than 4 percent of Missouri's electricity comes from wind and solar power, and a \$1.2 billion ratepayer-backed wind power expansion—built just in time to claim the PTC before eligibility expires this year—will bring that to just 6 percent. Forecasts from the federal Energy Information Administration project new wind plants will face a steep drop in construction once the PTC expires, underscoring how heavily this industry relies on subsidies.

Given the perverse effects that subsidies have on markets, Missourians should not replace the PTC with a state-level subsidy. While there is a place for green energy, Missourians must be cognizant of its limits. After all, if the green energy industry will not invest in its product without significant subsidies, why should taxpayers?



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