

FISCAL NOTE

HB 2067 - SB 2236

February 18, 2002

SUMMARY OF BILL: Requires the TennCare Bureau to contract with a private entity to conduct eligibility determination for uninsured and uninsurable enrollees after January 1, 2003.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact - Shifts revenues and expenditures of approximately \$7,400,000 from state government to a private contractor. Fiscal impact will depend on whether or not cost to the state is more or less than current program expenditures. This cannot be determined but considering the amount of funding involved, the amount of savings or increased expenditures is estimated to be significant.

Currently the TennCare Bureau contracts with the Department of Health for eligibility verification for the expansion population (uninsured and uninsurable). Currently the Department receives \$7.4 million from the TennCare Bureau for the operation (50% federal and 50% state). Any change in expenditures would depend upon the cost of contracting with a private entity. The eligibility process is scheduled to transfer to the Department of Human Services by July 1, 2002.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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