

## **FISCAL NOTE**

### **SB 722 - HB 1790**

April 11, 2001

**SUMMARY OF BILL:** Requires annual eligibility verification for all TennCare enrollees. Requires enrollees to notify the TennCare Bureau of any changes in enrollment eligibility. Medicaid eligible enrollees that fail to complete the reverification process for four consecutive months are to be terminated. TennCare is to verify eligibility of uninsured and uninsurable enrollees by mailing to the home address and the employer.

#### **ESTIMATED FISCAL IMPACT:**

**State Expenditures - Net Impact - Not Significant - Recurring**  
**Increase State Expenditures - \$65,000 One-Time**

#### **Other Fiscal Impact:**

**Federal Expenditures - Net Impact - Not Significant - Recurring**  
**Increase Federal Expenditures - \$195,000 One-Time**

Estimate assumes:

- cost for annual verification of approximately 320,000 uninsured and uninsurable enrollees by the TennCare Bureau. The Department of Human Services will accomplish annual verification of Medicaid enrollees, which is the current procedure.
- one-time cost to change existing database to compile information required by the bill.
- some reduction in TennCare enrollment would be accomplished that would not have been accomplished in the absence of the bill with an associated reduction in TennCare expenditures. The amount of reduction cannot be determined but is estimated to offset most of the recurring expenses associated with the annual verification process. Estimate assumes some effort is currently being made in regards to verifying the eligibility of current TennCare enrollees.

#### **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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