

# FISCAL NOTE

## HB 399 - SB 427

March 5, 2005

**SUMMARY OF BILL:** Requires the Bureau of TennCare to waive any claim or lien that the Bureau has not asserted or filed within one year of the date of death of any such individual 55 years of age or older.

### ESTIMATED FISCAL IMPACT:

**Other Fiscal Impact – Prohibits the Bureau of TennCare from recovering expenditures exceeding \$5,000,000 which includes \$1,800,000 in state funds and \$3,200,000 in federal matching funds. Federal law requires Medicaid agencies to attempt recovery for services provided; therefore, this bill could lead to a significant decrease in federal matching funds.**

#### Assumptions:

- Currently, executors are required to file a waiver from TennCare before any probate case can be completed for a deceased TennCare enrollee, regardless of when the case is filed. Executors would be able to avoid recovery efforts by waiting 366 days to file probate.
- In calendar year 2004, TennCare recovered over \$11,000,000 and filed 926 new claims. Before the law was changed in 2002, TennCare only recovered approximately \$1,000,000 annually.

### CERTIFICATION:

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



James W. White, Executive Director