

CORRECTED FISCAL NOTE

HB 163 - SB 216

March 3, 2008

SUMMARY OF BILL: Directs the Commissioner of Finance and Administration to implement a qualified state long-term care insurance partnership as authorized by the *Deficit Reduction Omnibus Reconciliation Act of 2005*.

ESTIMATED FISCAL IMPACT:

On March 25, 2007, we issued a fiscal note indicating *a one-time increase in state expenditures of \$25,000 and a one-time increase in federal expenditures of \$25,000*. Based on additional information provided by the Bureau of TennCare, the fiscal impact of this bill is as follows:

(CORRECTED)

State Revenue – Net Impact – Not Significant

State Expenditures – Net Impact – Not Significant

Other Fiscal Impact – Federal Revenue – Net Impact – Not Significant

Federal Expenditures – Net Impact – Not Significant

Assumptions:

- According to the Bureau of TennCare, there will be few people who will use the asset protection to qualify for Medicaid. Any additional costs incurred by allowing people to qualify for Medicaid eligibility will be offset by the cost of long-term care paid for by the insurance companies.
- Any savings realized based on the implementation of the program will be offset by the reduction of estate recoveries.
- Any cost to the Department of Commerce and Insurance will be not significant and can be accommodated within existing resources without an increased appropriation or reduced reversion.

CERTIFICATION:

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

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large initial "J" and a distinct "W".

James W. White, Executive Director

/kml