

# **FISCAL NOTE**

## **SB 3610 - HB 3856**

March 6, 2008

**SUMMARY OF BILL:** Mandates that health insurance companies offer weight loss surgeries and medications for individuals.

### **ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures – Not Significant**

**Increase Local Expenditures\* – Exceeds \$100,000**

**Potential Impact on Health Insurance Premiums (required by Tenn. Code Ann. § 3-2-111): Such legislation will have a significant impact on the cost of health insurance premiums for plans that do not currently cover weight loss surgery or medication. Such is estimated to exceed \$100,000.**

Assumptions:

- The Department of Commerce and Insurance will regulate the proposed mandate through the review of forms for compliance. Any cost can be accommodated within existing resources without an increased appropriation or reduced reversion.
- According to the Department of Finance and Administration, the mandate does not apply to the State, Local Education, Local Employee Health Plans or the Cover Tennessee programs.
- The bill excludes the TennCare program from the mandate.
- Local governments which do not opt into the state sponsored health plan could incur an increase in expenditures estimated to exceed \$100,000.

*\*Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

**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, appearing to read "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