

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 860 - HB 1942

March 27, 2009

SUMMARY OF BILL: Defines “patient safety organization” as a private organization that collects, aggregates, analyzes, or processes medical or health care related information submitted by a health care facility to improve patient safety and the quality of health care delivery. Authorizes any private organization or the component of a private or public organization to apply with the Department of Health for designation as a patient safety organization.

ESTIMATED FISCAL IMPACT:

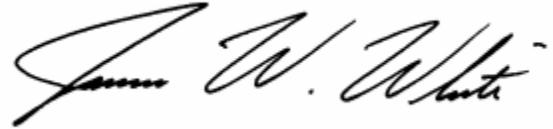
Increase State Expenditures – Not Significant

Assumptions:

- The federal Patient Safety and Quality Improvement Act of 2005, which took effect on January 1, 2009, authorized the creation of Patient Safety Organizations (PSO). The federal Agency for Healthcare Research and Quality (AHRQ) is administering the provisions of the Act regarding the designation and operations of PSOs.
- The Department of Health will issue a policy to accept the designation of only those PSOs which have received designation by AHRQ in order to maintain compliance with the provisions of the federal Patient Safety Act. This will not result in a significant increase in expenditures.
- The Department may have to develop an application form and make the form available on its Web site. The Department may also designate an employee to review submitted applications and make recommendations concerning the applications designation as a PSO. This will not result in a significant increase in expenditures.
- Any cost 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