

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 400 - SB 805

February 13, 2013

SUMMARY OF BILL: Increases, from less than 25 full-time employees to not more than 100 full-time employees, the number of employees an employer can employ and be authorized to reject in writing the point of service option that would otherwise have to be offered or made available by a managed health insurance issuer to the employer's employees.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- Tenn. Code Ann. § 56-32-128(e) currently authorizes employers who employ less than 25 full-time employees to reject in writing the point of service option. The option allows an employee or other principal enrollee to choose a point of service option that provides benefits for covered services through health professionals and providers who are not members of the network.
- Tenn. Code Ann. § 56-32-128(g) states that this provision does not apply to TennCare programs, to entities that qualify to participate in the Medicare+Choice program, or to individual health insurance contracts.
- According to the Department of Commerce and Insurance, any cost arising from an increase in inquiries relative to enactment of the proposed bill will be not significant and can be accommodated within the existing resources of the Department without an increased appropriation or reduced reversion.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise".

Lucian D. Geise, Executive Director

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