

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HB 2257 - SB 2538**

March 6, 2014

**SUMMARY OF BILL:** Requires hospitals to report claims data monthly to the Commissioner of the Department of Health. This act shall take effect upon becoming law.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures - \$4,300/One-Time  
\$85,800/Recurring**

Assumptions:

- Currently, hospitals must submit such data quarterly.
- The Department of Health receives claims directly from 34 hospitals and must review the claims reported by 120 hospitals to the Tennessee Hospital Association.
- In total, the department must review claims data submitted by 154 hospitals
- According to the department, this will result in a significant increase in workload to the department.
- The department currently reviews 616 claims data submissions per year (154 hospitals x 4 claims data submissions per year).
- Under the provisions of the bill, the department will review 1,848 claims data reports per year (154 hospitals x 12 claims data submissions per year), resulting in an increase in 1,232 claims data submissions annually (1,848 - 616).
- According to the department, the Office of Health Statistics does not have sufficient staff to process monthly data submissions and will need to hire one statistical programmer specialist 2 to assist in receiving, processing, analyzing and turnaround discharge data monthly instead of quarterly.
- This position will result in recurring expenditures of \$85,800 (salary \$72,904 + benefits \$12,896).
- There will be one time-costs associated with this position of \$4,300.

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**IMPACT TO COMMERCE:**

**NOT SIGNIFICANT**

Assumptions:

- Hospitals can provide claims data at this increased frequency within existing resources.
- This will have no significant impact on commerce or jobs in this state.

**CERTIFICATION:**

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



Lucian D. Geise, Executive Director

/jdb