

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**SB 1853 - HB 2171**

February 4, 2014

**SUMMARY OF BILL:** Requires nurse practitioners and physician assistants to keep the name of the current supervising physician updated within the information maintained by the Department of Health (DOH). A nurse practitioner or physician assistant must, within 30 days of a change of supervising physician, notify the DOH of the change. If, within the 30 day period, the nurse practitioner or physician assistant fails to provide the DOH with updated information, the supervising physician currently on either the practitioner or assistant's profile may report the change to the DOH. If such supervising physician contacts the DOH to report such change to the DOH, the DOH must then determine if the practitioner or assistant under question is currently issuing prescriptions and if so, who is the supervising physician and why such practitioner or assistant has not updated the profile. The appropriate board or committee is authorized to take any actions deemed as necessary. Authorizes a nurse practitioner or physician assistant to contend any supervising physician's claim that he or she no longer is, in fact, the supervising physician for such practitioner or assistant. In the case that such a contention is made, representatives from the Board of Nursing or Committee on Physicians Assistants, as appropriate, and representatives from either the Board of Medical Examiners or Board of Osteopathic Examination, as appropriate, shall make a recommendation to the DOH on resolving the conflict. If the representatives of the appropriate boards cannot solve the conflict, the Commissioner shall make the final decision.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures - \$8,600/One-Time/Health Related Boards  
\$129,300/Recurring/Health Related Boards**

Assumptions:

- According to the DOH, there are approximately 10,624 active advanced practice nurses and 1,554 active physician assistants within the state.
- DOH currently has a system in place for receiving and updating such information, however the provisions of the bill would require a substantial amount of additional time in administrative and investigative duties.
- DOH will require two additional positions: one administrative services assistant 2 and one investigator.
- One new administrative services assistant 2 position will result in a recurring increase in state expenditures of \$59,416 (salary \$32,910 + benefits \$12,506 + supplies \$600 + communications \$1,400 + lease expense \$4,100 + administrative cost allocation \$7,900).

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- One-time expenditures associated with this new position total \$4,300 (computer \$1,600 + office landscaping \$2,700).
- One new investigator position will result in a recurring increase in state expenditures of \$69,840 (salary \$40,464 + benefits \$15,376 + supplies \$600 + communications \$1,400 + lease expense \$4,100 + administrative cost allocation \$7,900).
- One-time expenditures associated with this new position total \$4,300 (computer \$1,600 + office landscaping \$2,700).
- The total amount of recurring expenditures is \$129,256 (\$59,416 + \$69,840)
- The total amount of one-time expenditures is \$8,600 (\$4,300 + \$4,300).
- These expenditures will be shared between the Board of Nursing (BON) and the Board of Medical Examiners (BME), which houses the Committee on Physician Assistants. The process of how such expenses will be allocated between Boards is unknown.
- Pursuant to Tenn. Code Ann. § 9-4-5117, all health-related boards are required to self-supporting over a two-year period. The Board of Medical Examiners had closing balances of \$687,808 in FY11-12, \$288,380 in FY12-13, and a closing reserve balance of \$2,441,396 on June 30, 2013. The Board of Nursing had closing balances of \$1,277,018 in FY11-12, \$1,823,653 in FY12-13, and a closing reserve balance of \$5,102,244 on June 30, 2013. The Board of Osteopathic Examination had closing balances of \$117,644 in FY11-12, \$101,696 in FY12-13, and a closing reserve balance of \$446,900 on June 30, 2013.

**CERTIFICATION:**

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



Lucian D. Geise, Executive Director

/jdb