

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 851 - HB 1100

March 23, 2015

SUMMARY OF BILL: Requires any accountable care organization (ACO) that provides diagnosis and treatment for patients in this state to establish a clinical laboratory testing advisory board to consider and recommend guidelines or protocols for clinical laboratory testing. Authorizes a clinical laboratory testing advisory board to make recommendations to the ACO governance board for guidelines or protocol adoption for clinical laboratory testing used for diagnostic purposes, disease management, and pathologist consultation on episodes of care. Establishes that the definition of ACO is equal to that subscribed to in Section 3022 of the federal Patient Protection and Affordable Care Act, which defines an ACO as a business that coordinates groups of providers of services and suppliers meeting criteria specified by the Secretary of Health and Human Services.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- An ACO is a group of doctors, hospitals, and other health care providers who come together voluntarily to give coordinated high-quality care to Medicare patients.
- Requiring each ACO to form a clinical laboratory testing advisory board will have no significant impact on the state.

IMPACT TO COMMERCE:

NOT SIGNIFICANT

Assumptions:

- According the website maintained by the American Academy of Physical Medicine and Rehabilitation, there are 8 ACOs in Tennessee who have voluntarily joined health care provider resources to better serve Medicare plan subscribers.
- It is unknown if these ACOs will incur additional expenses related to establishing a clinical laboratory testing advisory board; however, any increase in business expenses is assumed to be not significant.

CERTIFICATION:

SB 851 - HB 1100

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

A handwritten signature in black ink that reads "Jeffrey L. Spalding". The signature is written in a cursive style with a large, prominent 'J' and 'S'.

Jeffrey L. Spalding, Executive Director

/jdb