

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 701 – SB 657

March 28, 2017

SUMMARY OF ORIGINAL BILL: Creates the Tennessee All Payer Claims Database Task Force (Task Force) for the purpose of providing recommendations regarding the database for the future, including: operation of the database; use and access to the database; reporting to the database; and funding of the database. Requires the Commissioner of the Department of Finance and Administration (F&A) to seek recommendations from the Task Force. Requires the Task Force to provide recommendations, on or before January 15, 2018, to the chairs of the Senate Commerce and Labor Committee and the House Health Committee.

The Task Force shall include 15 non-legislative members. Requires all state agencies to cooperate with the Task Force. Establishes that members of the Task Force may not receive compensation for their service to the Task Force, but may be reimbursed for necessary travel expenses.

Exempts employer-sponsored Employment Retirement Income Security Act of 1974 (ERISA) plans from the definition of “group health plan,” thereby exempting information from such plans from being required to be submitted to the all payer claims database.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures - \$4,900

IMPACT TO COMMERCE OF ORIGINAL BILL:

NOT SIGNIFICANT

SUMMARY OF AMENDMENT (006433): Deletes and rewrites the bill such that the only substantive change removes language exempting information from employer-sponsored ERISA plans from being required to be submitted to the all payer claims database.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

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Assumptions for the bill as amended:

- There will be 15 non-legislative members on the Task Force.
- This Task Force will meet in Nashville.
- The legislation does not set the number of annual meetings of the Task Force; however, given the January 1, 2018 deadline to submit recommendations, it is reasonably assumed that the Task Force will meet a total of four times in the six-month period between July 1, 2017, and January 1, 2018 (or within FY17-18), and four times annually thereafter, beginning in FY18-19, as the proposed legislation does not create a sunset date for the Task Force.
- Members of the taskforce shall serve without compensation but will be reimbursed for travel expenses at a rate of \$0.47 per mile for an estimated 262 miles roundtrip (or \$123.14 each roundtrip) for time attending meetings.
- It is assumed that at least 10 of the 15 members will seek reimbursement of travel expenses.
- Travel expenses for ten taskforce members attending four one-day meetings each year will result in a recurring increase in state expenditures estimated to exceed \$4,926 (\$123.14 mileage x 10 members x 4 meetings per year).

IMPACT TO COMMERCE WITH PROPOSED AMENDMENT:

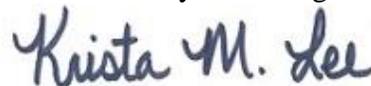
Unchanged from the original fiscal note.

Assumption for the bill as amended:

- This legislation is estimated to have no significant impact on commerce or jobs in Tennessee.

CERTIFICATION:

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



Krista M. Lee, Executive Director

/jdb