**TENNESSEE GENERAL ASSEMBLY**
**FISCAL REVIEW COMMITTEE**

# FISCAL NOTE

## SB 294 - HB 542

March 29, 2017

**SUMMARY OF BILL:** Adds misappropriations to the list of defects that are absent from a clean Council for Affordable Quality Healthcare (CAQH) application.

## ESTIMATED FISCAL IMPACT:

**NOT SIGNIFICANT**

Assumptions:

- Healthcare contracts between providers and insurance entities require that the provider be adequately trained, certified and/or licensed, to ensure safe and effective healthcare.
- Healthcare providers may submit credentialing information to the CAQH, to be included in a database that may be utilized by the nation's leading healthcare plans.
- This centralized database results in reduced administrative costs that would be incurred if providers had to submit applications to each insurance entity, hospital, etc.
- Health insurance entities utilize clean CAQH filings to determine whether or not to enter into a contract with a provider.
- Pursuant to Tenn. Code Ann. § 56-7-1001(a)(1), a clean CAQH application may not include a defect, a misstatement of facts, improprieties, including a lack of any required substantiating documentation, or particular circumstance requiring special treatment that impedes prompt credentialing.
- Adding misappropriations to the list of enumerated defects that are absent from a clean CAQH application is estimated to have no significant impact on the number of healthcare contracts entered into between providers and health insurance entities.

## IMPACT TO COMMERCE:

**NOT SIGNIFICANT**

Assumption:

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

**CERTIFICATION:**

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

Krista M. Lee

Krista M. Lee, Executive Director

/jdb