

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 2502 - SB 2775

February 20, 2020

SUMMARY OF BILL: Requires an administrative judge or hearing officer to grant a nursing facility's motion to intervene in the appeal of a resident or former resident's eligibility, absent a showing by one or more parties to the appeal that the facility's participation would cause that party to incur an undue burden or unnecessary expense.

Requires the Division of TennCare (Division) to provide a copy of all notices, pleadings, and orders filed in the action to any facility that is providing, or has provided, care to the individual regardless of whether a facility seeks to intervene in any proceeding appealing an individual's eligibility.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$35,000/FY20-21

Increase Federal Expenditures - \$315,000/FY20-21

Assumptions:

- The Division cannot accommodate the proposed legislation utilizing existing resources. The one-time increase in state expenditures in FY20-21 to upgrade the eligibility system to make all required notifications is estimated to be \$350,000.
- The system upgrades will receive matching funds at a rate of 90 percent federal funds to 10 percent state funds. Of this amount \$35,000 ($\$350,000 \times 10\%$) will be in state funds and \$315,000 ($\$350,000 \times 90\%$) will be in federal funds.

IMPACT TO COMMERCE:

Increase Business Revenue - \$350,000/FY20-21

Increase Business Expenditures – Less than \$350,000/FY20-21

Assumptions:

- The company updating the system will experience an increase in business revenue for the provided service estimated to be \$350,000.

- For companies to retain solvency, any increased expenditures will be less than the amount of increased revenues collected. Therefore, the increase in business expenditures is estimated to be less than \$350,000.

CERTIFICATION:

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

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

/jem