

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 387 – HB 517

February 8, 2019

SUMMARY OF BILL: Requires the Speakers of the House of Representatives and the Senate to appoint a committee to study managed care organizations (MCOs) and report all findings and recommendations to the Governor and the members of the General Assembly by January 1, 2020.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – Exceeds \$6,300/One-Time

Assumptions:

- The joint chairs of the committee will be the Chair of the TennCare Subcommittee and the Chair of the Health and Welfare Committee of the Senate.
- It is assumed the committee will consist of at least six legislative members and at least one of the meetings will occur on legislative days during session and at least three meetings will occur outside of the legislative session. It is further assumed that the three meetings occurring outside of the legislative session will take place in FY19-20.
- Legislative members are entitled to per diem of \$240 per day and travel of \$110 (\$0.47 per mile at an average of 234 miles) on non-legislative days.
- The increase in state expenditures for per diem is estimated to exceed \$4,320 (\$240 per diem x 6 members x 3 meetings).
- The increase in state expenditures for mileage is estimated to exceed \$1,980 (\$110 travel reimbursement x 6 members x 3 meetings).
- The total one-time increase in state expenditures for the study committee is estimated to exceed \$6,300 (\$4,320 + \$1,980).
- It is further assumed the MCOs can provide any requested information without requiring any additional resources; therefore, any fiscal impact to the Division of TennCare is estimated to be not significant.

IMPACT TO COMMERCE:

NOT SIGNIFICANT

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Assumption:

- Studying MCOs will have no impact on commerce or jobs in Tennessee.

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

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