

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 1940 - HB 2405

February 20, 2020

SUMMARY OF BILL: Creates the *Veterans Traumatic Brain Injury (TBI) and Post-traumatic Stress Disorder Treatment (PTSD) and Recover Act*. Allows an authorized medical professional to prescribe hyperbaric oxygen therapy treatment (HBOT) to a veteran for the treatment of TBI or PTSD. Adds HBOT for veterans for the treatment of TBI or PTSD as an authorized medical service that TennCare may provide for eligible veterans.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$90,300/FY20-21 and Subsequent Years

Assumptions:

- Based on information provided by the Department of Veterans Services, there are approximately 70,000 veterans in Tennessee with PTSD or TBI.
- Nine percent of veterans nationwide are on Medicaid. Assuming the same percentage for Tennessee veterans, the number of veterans with PTSD or TBI on TennCare is estimated to be 6,300 veterans.
- Some veterans are service connected and can receive these services through Tennessee Veterans Affairs (VA) programs; however the VA does not cover HBOT for all veterans with these conditions.
- The current managed care organization reimbursement for a single session of HBOT is \$95.53. It is assumed TennCare will reimburse for at least three sessions per veteran annually.
- Assuming 5 percent, or 315 (6,300 x 5.0%), of veterans with PTSD or TBI will seek this treatment and reimbursement through TennCare, the recurring increase in state expenditures is estimated to be \$90,276 (315 veterans x \$95.53 x 3).
- The \$90,276 increase in expenditures will be all state dollars because HBOT treatment for TBI and PTSD is not considered medically necessary under the definition of medical necessity pursuant to Tenn. Code Ann. § 71-5-144.

CERTIFICATION:

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

Handwritten signature of Krista Lee Carsner in black ink.

Krista Lee Carsner, Executive Director

/jem