

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 2328 - HB 2829

February 26, 2020

SUMMARY OF BILL: Creates the *Mental Healthcare and Substance Abuse Services Network Adequacy Act*.

Requires a health carrier providing a network plan to maintain a network that is sufficient in numbers and appropriate types of providers, including essential community providers, to ensure that all covered mental healthcare services and substance abuse services to covered persons, including children and adults, will be accessible without unreasonable travel or delay and ensure that covered persons have access to emergency services 24 hours per day, seven days per week and without unreasonable travel or delay.

Tasks the Commissioner of the Department of Commerce and Insurance (DCI) with determining sufficiency in accordance with the requirements of this section, and may establish sufficiency by reference to any reasonable criteria.

Requires a health carrier to have a process to assure that a covered person obtains a covered benefit at an in-network level of benefits, including an in-network level of cost-sharing, from a non-participating provider. The health carrier shall treat the mental healthcare services or substance abuse services the covered person receives from a nonparticipating provider as if the services were provided by a participating provider, including applying the covered person's cost-sharing for the services toward any maximum out-of-pocket limit applicable to services obtained from participating providers under the health benefit plan.

Beginning January 1, 2021, requires a health carrier to file with the Commissioner of DCI, for review and approval, prior to or at the time it files a newly offered network, in a manner and form defined by the Commissioner by rule, an access plan that meets the requirements of this part.

Directs the Governor, acting through the Commissioner of Finance and Administration (F&A), to seek any waiver amendment to the TennCare II Medicaid waiver that is necessary to effectuate the purposes of this act. If a waiver amendment is necessary, then the Governor shall, acting through the Commissioner of F&A, submit the waiver to the federal Centers for Medicare and Medicaid Services on or before October 1, 2020. The proposed legislation has an effective date of January 1, 2021.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

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Assumptions:

- The Division of TennCare and the Division of Benefits Administration assume DCI will set standards consistent with its current standards, which follow federal law and the CMS managed care regulations.
- The Department of Commerce and Insurance can accommodate the proposed legislation utilizing existing resources; therefore, any fiscal impact is estimated to be not significant.

IMPACT TO COMMERCE:

Other Commerce Impact – Due to multiple unknown factors, the exact impact to commerce cannot be determined.

Assumptions:

- Due to multiple unknown factors, such as what standards DCI will set, current coverage levels, and what new coverage would be required, the exact impact to commerce cannot be determined.
- The network adequacy requirements in the legislation could increase health care plan costs, especially if the behavioral health vendor is required to raise provider rates or start paying providers that are not currently in-network.

CERTIFICATION:

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



Krista Lee Carsner, Executive Director

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