

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 2001 – SB 2155

March 15, 2018

SUMMARY OF ORIGINAL BILL: Removes charges related to pain relief that decreases the use of opioids from the calculation of costs for any episode of care in any initiative receiving state innovative grant from the federal Centers for Medicare and Medicaid Services.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures - \$621,000

Increase Federal Expenditures - \$1,197,800

SUMMARY OF AMENDMENT (015026): Deletes all language after the enacting clause. Establishes that, in developing or implementing any payment reform initiative involving the use of episodes of care with respect to medical assistance, a healthcare provider shall not be required to pay the portion of the risk sharing payment that is attributable to the increased cost of pain relief services, if the following conditions are met:

- the healthcare provider is required to make an episodes of care risk-sharing payment to a managed care organization;
- some portion of the episode costs were due to pain relief services;
- the pain relief services provided to the patient were more expensive than an alternative pain relief service; and
- the provider can demonstrate that the pain relief services provided to the patient had the effect of reducing opioid use by the patient relative to an alternative pain relief service routinely used by other providers in the episode.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

NOT SIGNIFICANT

Assumption for the bill as amended:

- Based on information provided by the Division of TennCare, the proposed legislation can be accommodated within existing resources without an increased appropriation or reduced reversion.

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CERTIFICATION:

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



Krista M. Lee, Executive Director

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