

State Corporation Commission

2019 Fiscal Impact Statement

1. Bill Number: SB1611

House of Origin ☐ Introduced ☐ Substitute ☐ Engrossed

Second House ☐ In Committee ☐ Substitute ☒ Enrolled

2. Patron: Dunnavant

3. Committee: Passed Both Houses

4. Title: Health care shared savings; incentive programs.

5. Summary: Requires health carriers to establish a comparable health care service incentive program under which savings are shared with a covered person who elects to receive a covered comparable health care service from a lower-cost provider. Incentive payments are not required for savings of \$25 or less. The measure requires health carriers to comply with transparency requirements beginning with health benefit plans offered or renewed on or after July 1, 2020. Programs are required to be approved by the Commissioner of Insurance.

6. Budget amendment necessary: No

7. Fiscal Impact Estimates: Fiscal Impact Estimates on the State Corporation Commission to carry out the provisions of Senate Bill 1611 are not available. See Item 8 below.

8. Fiscal Implications: The State Corporation Commission recognizes that additional resources will be necessary to perform the functions of the new Comparable Health Care Service Incentive Program. A preliminary review indicates that the Commission could absorb the cost of these additional resources.

9. Specific agency or political subdivisions affected: State Corporation Commission Bureau of Insurance

10. Technical amendment necessary: No

11. Other comments: House Bill 2639 is identical to Senate Bill 1611.

Date: 02/21/19/V. Tompkins