

Department of Planning and Budget 2021 Fiscal Impact Statement

1. Bill Number: HB 2271

House of Origin ☐ Introduced ☐ Substitute ☒ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Ibraheem S. Samirah

3. Committee: Rules

4. Title: Universal health care; Joint Commission on Health Care to study options for financing.

5. Summary: The proposed legislation directs the Joint Commission on Health Care to enter into a contract with a qualified entity to study options for financing universal health care in the Commonwealth. The Commission shall report the findings, conclusions, and recommendations of the qualified entity to the General Assembly by October 1, 2022.

6. Budget Amendment Necessary: Yes, Item 29

7. Fiscal Impact Estimates:

7a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2021	-	-	-
2022	\$850,000	-	General Fund
2023	-	-	-

8. Fiscal Implications: The proposal specifically requires a study of universal health care financing in the Commonwealth that must include the following options: 1) a publicly funded single-payer model administered by the Commonwealth for the delivery of health care that is decoupled from employment; and 2) a publicly funded single-payer model administered by private entities pursuant to a contract with the Commonwealth that is decoupled from employment. In addition, the study must include an analysis of financing mechanisms and costs associated with each model and analysis of legal and logistical barriers to implementation of each model, including identification of any waivers that may be necessary to allow use of federal funds available pursuant to 42 U.S.C. § 1315 and 42 U.S.C. § 18052 to finance a model administered by the Commonwealth.

The Joint Commission on Health Care estimates the cost of hiring a qualified entity to conduct the required study to be approximately \$850,000. This estimate is based on discussions with contractors currently working with Health and Human Resources agencies that have experience with projects of similar scope. This estimate includes \$575,000 for consultant time to develop benefit design, implementation models, engage stakeholders, assess the impact on providers, etc. The estimate also includes about \$275,000 for actuarial

modeling. It should be noted that the resources provided would ultimately dictate the scope and detail of the study.

9. Specific Agency or Political Subdivisions Affected: Joint Commission on Health Care

10. Technical Amendment Necessary: No

11. Other Comments: None