

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 2124 - HB 2505

February 28, 2020

SUMMARY OF BILL: Creates the *Tennessee Rare Disease Advisory Council* (Council) to advise the Division of TennCare (Division) prescription drug utilization review committee, the TennCare pharmacy advisory committee, and other public and private agencies in this state in providing services for persons diagnosed with rare diseases. Establishes that the Council is comprised of 11 non-legislative members and administratively attached to the Division. Requires the Governor to call the initial meeting by October 1, 2020.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$60,500/FY20-21 and Subsequent Years

Increase Federal Expenditures - \$116,800/FY20-21 and Subsequent Years

Assumptions:

- The Council will meet quarterly. A member may participate in Council meetings by teleconference up to two times each calendar year.
- Council members receive no compensation for their services.
- The Division of TennCare manages a similar advisory committee that meets four times a year with annual expenditures of \$177,300 each year.
- It is assumed the *Tennessee Rare Disease Advisory Council* will have similar expenses.
- Medicaid expenditures receive matching funds at a rate of 65.878 percent federal funds to 34.122 percent state funds. Of this amount \$60,498 ($\$177,300 \times 34.122\%$) will be in state funds and \$116,802 ($\$177,300 \times 65.878\%$) will be in federal funds.

CERTIFICATION:

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

A handwritten signature in black ink that reads "Krista Lee Carsner".

Krista Lee Carsner, Executive Director

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