

HOUSE BILL 1895

By Favors

AN ACT to amend Tennessee Code Annotated, Title 3,  
relative to the select oversight committee on  
TennCare.

WHEREAS, it is the intent of the general assembly that plans be made carefully and be reviewed thoroughly to help ensure that the TennCare program will achieve its intended purpose, to help ensure that access and quality of health care are maintained for TennCare enrollees, and to help ensure that the general assembly and the public can have confidence that the state will deliver a TennCare program that is effective and efficient; now, therefore,

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 3, Chapter 15, is amended by adding sections 2 through 11 of this bill as a new part.

SECTION 2. As used in this part:

(1) "Managed care organization" and "MCO" mean any health maintenance organization, behavioral health organization, any entity regulated under title 56, chapter 32, and contractors of such entities; and

(2) "Oversight committee" means the select oversight committee on TennCare, created by Section 3 of this act.

SECTION 3.

(a) In order to improve and promote accessible and affordable health care for all Tennesseans, to create a better environment for management, and to ensure the successful implementation of TennCare, there is hereby created the select oversight committee on TennCare.

(b) The oversight committee shall be composed of fourteen (14) members, with seven (7) members to be appointed by the speaker of the senate and seven (7) members to be appointed by the speaker of the house of representatives.

#### SECTION 4.

(a) The oversight committee shall elect from its membership a chair, a vice chair, and any other officers that the oversight committee considers necessary.

(b) The oversight committee is authorized to:

(1) Create subcommittees related to its purposes;

(2) Create an advisory panel composed of representatives including, but not limited to, business, insurance, hospitals, physicians, and consumers;

(3) Request that standing committees of the general assembly, the fiscal review committee, or other agencies study certain aspects of the TennCare program and report to the oversight committee;

(4) Conduct hearings;

(5) Employ staff, subject to the availability of funds;

(6) Enter into contracts for technical or professional services, subject to the availability of funds; the speaker of the senate and the speaker of the house of representatives shall jointly determine the qualifications and task or job descriptions of any consultant or other person contracted for services, and shall jointly select any consultant or other contractor on the oversight committee's behalf; and

(7) Perform any other duties that are required of the oversight committee.

#### SECTION 5.

(a) The oversight committee shall meet at least quarterly and at the call of the chair. The first meeting of the oversight committee shall be convened by the speaker of the senate.

(b) Each member of the oversight committee shall be entitled to expenses in accord with § 3-1-106, for each day the member attends a meeting of the oversight committee; provided, that no member shall receive additional legislative compensation when the general assembly is in session or if a member is being paid any other payments on the same dates for attendance on other state business.

SECTION 6. The oversight committee shall report on its activities to each member of the general assembly.

#### SECTION 7.

(a) The oversight committee shall review proposed expenditures for TennCare and shall make its comments on proposed expenditures in a timely fashion.

(b) Any proposed expenditure of funds, including TennCare funds to managed care organizations (MCOs) or the distribution of supplemental pool funds to providers, any administrative or management changes requiring additional expenditures, and any proposed expenditure for expanding or otherwise changing the TennCare program, shall be filed in writing by the commissioner of finance and administration, or the commissioner's designee, with the oversight committee and may be reviewed by the oversight committee. After any such review, the oversight committee may comment to the commissioner of finance and administration on the proposed expenditures; provided, that any such comment shall be made within thirty (30) days after receipt by the oversight committee of the proposal for the expenditure. If expenditures are made before the oversight committee makes its comments, if any, or if expenditures are made that are inconsistent with the oversight committee's comments, the commissioner of finance and administration shall explain in writing the reasons for making the expenditures to the oversight committee and each other member of the general assembly.

SECTION 8. The oversight committee shall receive information and assistance from the department of health, the department of mental health, the department of intellectual and developmental disabilities, and other agencies of state government, as necessary.

SECTION 9. The oversight committee shall regularly review the following programs, functions, and activities of the health care financing administration and the TennCare program, and matters related to those programs, functions, and activities:

- (1) Eligibility and enrollment standards, including determinations of how TennCare enrollees are assigned to MCOs;
- (2) Provisions of services, facilities, or programs by TennCare providers, including TennCare's standard benefit package;
- (3) Education programs for TennCare enrollees, MCOs, and providers, including eligibility, access to TennCare providers and MCOs, benefit package offered, and deductibles and co-payments required;
- (4) Review and evaluation of the performance of TennCare MCOs, including their compliance with state contracts and review of contracts between MCOs and TennCare providers;
- (5) Compliance by the department of finance and administration with the TennCare federal waiver, including review of proposed amendments to the waiver for system changes, and evaluations or reports prepared for or by the federal government;
- (6) Staffing within the department of finance and administration, including recruitment, selection, training, compensation, and discipline;
- (7) Management, including planning, budgeting, information systems, organizational structure, rules, and policies and procedures of the department of finance and administration; and
- (8) Any other matters considered material.

## SECTION 10.

(a) When any bill is introduced in the general assembly that will impact or potentially impact any area within the committee's scope of review, the clerk shall concurrently refer the bill to the appropriate standing committee, notify the chair of the oversight committee of the bill, and transmit a copy of the bill to the oversight committee. For purposes of participating in the oversight committee's discussions and comments, the oversight committee chair shall notify the chair or the chair's designee of the standing committee of the date, time, and location where the oversight committee will meet to review legislation that was assigned to the standing committee, and the standing committee chair or the chair's designee shall become an ex officio member of the oversight committee when the oversight committee considers the legislation.

(b) In order to efficiently execute its duties, the oversight committee shall review all bills transmitted to it under subsection (a), and may attach committee comments to the bill prior to its consideration by the appropriate standing committee. The sole purpose of review by the oversight committee is to assist the standing committee in its consideration of TennCare-related legislation by providing appropriate background information concerning the bill or information concerning the bill's impact on the TennCare program. The oversight committee shall make no recommendation concerning the passage of a bill it reviews nor shall it have the authority to prevent the consideration of the bill by the standing committee to which it is referred for any period of time longer than four (4) weeks after the introduction of the bill. The oversight committee's review of all bills transmitted to it under subsection (a) shall be completed and the notification required by subsection (c) returned to the chair of the appropriate standing committee no later than four (4) weeks after a bill covered by this section has first been introduced.

(c) Upon completion of the review process within the time limitation established by subsection (b), the oversight committee's chair shall send written notification to the chair of the appropriate standing committee indicating that the review process occurred and the bill is ready for consideration by the standing committee. If the oversight committee prepared committee comments on a bill, the comments shall be attached to the notification to the standing committee chair. If the oversight committee reviewed a bill and has no committee comments, that shall be indicated on the notification to the standing committee chair. If a bill is referred to the oversight committee for review but has not been reviewed within the time period set out in subsection (b), the chair of the oversight committee shall notify the chair of the standing committee that the bill has not been reviewed but is ready for consideration by the standing committee.

(d) Before the bureau of TennCare may submit a request for an amendment to the waiver or a renewal of the waiver for the TennCare program to the United States department of health and human services, the bureau shall:

(1) Transmit the proposed amendment to the oversight committee for comment at least thirty (30) days prior to submission of the waiver to the department of health and human services; and

(2) Notify each member of the general assembly of the proposed amendment or renewal via electronic mail or other type of electronic communication.

(e) No amendment or renewal request that is subject to subsection (d) may be submitted or take effect unless the oversight committee has been afforded the opportunity to comment. Since amendments and renewal requests are legally enforceable when they take effect, the oversight committee shall review such

amendments and renewal requests in the same manner as proposed legislation, subject to the thirty-day period required by subsection (d).

SECTION 11.

(a)

(1) The TennCare bureau shall file a report at least annually setting forth data and statistics relative to health care provided to women. The report shall include data regarding women's health and prenatal care as follows:

(A) Data provided to the centers for medicare and medicaid services (CMS);

(B) Data collected by the department of health regarding live births and deaths sorted by MCO;

(C) Data provided by MCOs to the TennCare bureau and the department of health; and

(D) External quality review organization (EQRO) reports provided to the TennCare bureau.

(2) The report shall further include the number of women who received health care through the TennCare program, the type of care delivered, including the incidence of each type of care, the number of visits made to physicians' offices as well as hospital admissions, evaluation of outcome data, and other information which would be useful to the general assembly in evaluating the manner in which health care is provided through the TennCare program to women.

(3) The report required by this subsection (a) shall be provided to the members of the oversight committee and the speaker of each house of the general assembly. The first report shall be due by December 1, 2017.

(b) The TennCare bureau shall develop data measures to assess the effectiveness of presumptive eligibility, the distribution of providers for each MCO for TennCare enrollees within each grand division of the state, and the incidences of early prenatal care for TennCare recipients. The MCOs shall be required to report regularly to the TennCare bureau using the data measures developed under this subsection (b).

(c)

(1) The TennCare bureau shall file a quarterly report for each of the first three (3) quarters of each year to include the following updates:

(A) Status of TennCare reforms and improvements, such as improving the technology and information system;

(B) Progress of annual reverification of all TennCare recipients;

(C) Status of filling top leadership positions in the bureau;

(D) Number of recipients in the TennCare program and costs to the state;

(E) Viability of MCOs and providers in the TennCare program;

and

(F) Success of fraud detection and prevention.

(2) A final report shall be submitted during the fourth quarter of each year, which shall include information for the fourth quarter and summarize information relating to each of the topics identified in subdivision (c)(1) for the entire year. A copy of the report for each quarter shall be transmitted to the oversight committee, the office of legislative budget analysis, and the fiscal review committee within fifteen (15) days of the end of each quarter.

SECTION 12. This act shall take effect upon becoming a law, the public welfare requiring it.