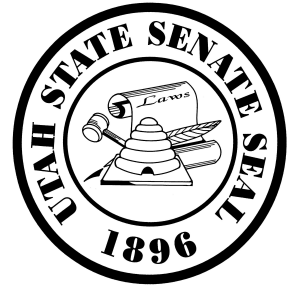




Fiscal Note
H.B. 395 1st Sub. (Buff)
2017 General Session
Health Insurance Amendments
by Dunnigan, J. (Dunnigan, James.)



General, Education, and Uniform School Funds

JR4-5-101

| | Ongoing | One-time | Total |
|----------------------------------|----------------|-----------------|--------------|
| Net GF/EF/USF (rev.-exp.) | \$ (16,800) | \$ (8,300) | \$ (25,100) |

Enactment of this legislation could reduce the year-end transfer to the General Fund from the Insurance Department Restricted Fund by \$8,300 one-time in FY 2018. Enactment of this legislation could increase Commerce Service Fund citation revenue by \$5,000 annually beginning in FY 2018. The revenue increase combined with the Department of Commerce costs identified below could decrease the year-end transfer to the General Fund from the Commerce Service Fund by \$5,800 annually beginning in FY 2018. As the program ramps up the one-time savings to the Commerce Service Fund costs in year one could be \$5,400.

| Revenues | FY 2017 | FY 2018 | FY 2019 |
|------------------------------------|------------|----------------|----------------|
| General Fund | \$0 | \$(5,800) | \$(5,800) |
| Commerce Service Fund | \$0 | \$10,800 | \$10,800 |
| GFR - Insurance Department Account | \$0 | \$8,300 | \$0 |
| General Fund, One-Time | \$0 | \$(8,300) | \$0 |
| Commerce Service Fund, One-Time | \$0 | \$(5,400) | \$0 |
| Total Revenues | \$0 | \$(400) | \$5,000 |

Enactment of this legislation could cost the Department of Insurance \$8,300 one-time from the Insurance Department Restricted Fund in FY 2018 for staff support to coordinate the provisions of the bill. The Department has indicated they can absorb the costs within existing budgets. Spending from the Insurance Department Restricted Fund impacts year-end transfers to the General Fund. Enactment of this legislation could cost the Department of Commerce \$10,800 annually from the Commerce Service Fund for investigations related to the balanced billing requirements. There could be a one-time savings of \$5,400 from the Commerce Service Fund from delays in program implementation. Spending from the Commerce Service Fund impacts year-end transfers to the General Fund. A new fine is authorized in the bill. Health Facility Licensing estimates that per violation, agency costs, would approximate \$200 for processing and follow-up. It is unknown at this time how many violations would be assessed under the new fine. PEHP costs could increase by \$22,000 annually beginning in FY 2018 due to the out-of-network provisions of the bill.

| Expenditures | FY 2017 | FY 2018 | FY 2019 |
|------------------------------------|------------|-----------------|-----------------|
| General Fund | \$0 | \$10,300 | \$10,300 |
| Commerce Service Fund | \$0 | \$10,800 | \$10,800 |
| GFR - Insurance Department Account | \$0 | \$8,300 | \$0 |
| Education Fund | \$0 | \$700 | \$700 |
| Transportation Fund | \$0 | \$2,200 | \$2,200 |
| Commerce Service Fund, One-Time | \$0 | \$(5,400) | \$0 |
| Federal Funds | \$0 | \$3,800 | \$3,800 |
| Dedicated Credits | \$0 | \$1,600 | \$1,600 |
| Restricted Accounts and Funds | \$0 | \$3,400 | \$3,400 |
| Total Expenditures | \$0 | \$35,700 | \$32,800 |

| | | | |
|----------------------|------------|-------------------|-------------------|
| Net All Funds | \$0 | \$(36,100) | \$(27,800) |
|----------------------|------------|-------------------|-------------------|

Local Government

UCA 36-12-13(2)(c)

Enactment of this legislation likely will not result in direct, measurable costs for local governments.

Individuals & Businesses

UCA 36-12-13(2)(d)

Enactment of this legislation provides a new fine for health facility violations. In cases where this fine is imposed a facility may be sanctioned up to \$200. It is unknown at this time how many violations there could potentially be.

Performance Note

JR4-2-404

No performance note required for this bill

Notes on Notes

Fiscal notes estimate the direct costs or revenues of enacting a bill. The Legislature uses them to balance the budget. They do not measure a bill's benefits or non-fiscal impacts like opportunity costs, wait times, or inconvenience. A fiscal note is not an appropriation. The Legislature decides appropriations separately.