

HOUSE BILL 966

By Hill M

AN ACT to amend Tennessee Code Annotated, Title 3;  
Title 4 and Title 71, relative to establishing an  
advisory council on payment reform in health care.

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

SECTION 1. Tennessee Code Annotated, Title 3, is amended by adding the following  
as a new chapter:

**3-\_-101.**

(a) There is established an advisory council on payment reform in health care.

The advisory council is administratively attached to the general assembly and reports to  
the health and welfare committee of the senate and the health committee of the house of  
representatives.

(b) The advisory council is composed of the following eleven (11) members:

(1) The chair of the health and welfare committee of the senate, or the  
designee of the chair;

(2) The chair of the health committee of the house of representatives, or  
the designee of the chair;

(3) The chair of the commerce and labor committee of the senate, or the  
designee of the chair;

(4) The chair of the insurance and banking committee of the house of  
representatives, or the designee of the chair;

(5) One (1) representative of managed care organizations appointed by  
the speaker of the senate;

(6) One (1) representative of managed care organizations appointed by the speaker of the house of representatives;

(7) One (1) representative of physicians appointed by the speaker of the senate;

(8) One (1) representative of physicians appointed by the speaker of the house of representatives;

(9) One (1) representative of hospitals appointed by the speaker of the senate;

(10) One (1) representative of hospitals appointed by the speaker of the house of representatives; and

(11) One (1) non-voting ex officio representative appointed by the bureau of TennCare.

(c) Members of the advisory council appointed by the speakers pursuant to subdivisions (b)(5)-(10) shall serve an initial term that ends on June 30, 2021, with subsequent terms of four (4) years ending on June 30 of the appropriate year. Members are eligible for reappointment. Members shall serve until their successors are appointed and qualified. Members appointed to fill a vacancy shall serve the duration of the unexpired term.

(d) The advisory council is responsible for reviewing episodes of care and the general structure and operation of payment reform in health care. The council shall review any payment reform initiative utilizing episodes of care, including any initiative receiving a state innovation model initiative grant from the federal centers for medicare and medicaid services.

(e) The council shall report its recommendations annually on or before February 1 to the governor, health and welfare committee of the senate, the health committee of the house of representatives, the commerce and labor committee of the senate, and the insurance and banking committee of the house of representatives.

(f) The advisory council shall elect its own officers.

(g) The advisory council shall meet at least quarterly. The first meeting of the advisory council shall be called by the speaker of the senate.

(h) The advisory council shall be afforded the opportunity to comment on each new episode of care that takes effect after the effective date of this act at least ninety (90) days before the episode of care is implemented and rewards and penalties can be imposed on healthcare providers.

(i) Staff assistance shall be provided by appropriate committee research analysts for each house of the general assembly.

(j) Legislative members of the advisory council shall be reimbursed as members of the general assembly are paid for attending legislative meetings as provided in § 3-1-106. Other members of the council appointed pursuant to subdivisions (b)(5)-(10) shall not receive compensation of their service, except that those members may be reimbursed for travel expenses in accordance with the provisions of the comprehensive travel regulations as promulgated by the department of finance and administration and approved by the attorney general and reporter.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.