TENNESSEE PHARMACISTS ASSOCIATION

TPA Calendar Report Week of 4/13/26

Apr 09, 2026

STATE AFFAIRS

Tue 4/14/2026 9:30 AM CDT - Senate Hearing Room I, Senate Finance, Ways, and Means Committee

1. **- Tennessee Medicaid Modernization and Access Act of 2025.** State Website

SB 334 (HB 372)
R. Crowe

Sponsors: Rusty Crowe, Bud Hulsey
Cosponsors: David Hawk, Larry Miller, Aftyn Behn
Description: Enacts the "Tennessee Medicaid Modernization and Access Act of 2025," which aligns TennCare's current Medicaid reimbursement rates for key services, meaning obstetrics/gynecology, primary care, outpatient mental health, and substance use disorder treatment with the Medicare fee schedule or average commercial rates, whichever is higher. Requires the department of health to consult with the bureau of TennCare to conduct an annual review to ensure TennCare reimbursement rates align with changes in the Medicare fee schedule and average commercial rates and with the CMS 2024 final rule. Defines CMS annual rule to mean the May 2024 guidelines set by CMS updating Medicaid reimbursement rates. Provides healthcare provider of key services that is entitled to receive TennCare reimbursement to submit a written request for an administrative hearing following an allegation of a delay in payment or receipt of erroneous reimbursement. Provides that the general assembly must appropriate funds under the general appropriations act.
AI Summary: TennCare reimbursements for key services including OB/GYN, primary care, outpatient mental health, and substance use disorder are updated to match the higher of the Medicare fee schedule or average commercial rates starting in 2025, with annual reviews and potential phased implementation. Incentive payments are established for providers based on quality of care and improved access, particularly in rural and underserved areas, supported by state and federal funding efforts. Annual reporting on fiscal impacts, provider participation, access improvements, and outcomes is mandated, and rulemaking authority is granted to implement these provisions under HB 372/SB 334 (Tennessee).
Fiscal Impact: (Dated February 15, 2025) STATE GOVERNMENT EXPENDITURES General Fund FY25-26 & Subsequent Years $604,126,000 FEDERAL GOVERNMENT EXPENDITURES FY25-26 & Subsequent Years $1,089,194,500 HB 372 - SB 334
Latest Action: **SB 334** Senate Finance, Ways & Means deferred to final calendar. on Mar. 31, 2026; **HB 372** House Finance, Ways & Means Subcommittee deferred to final calendar 2. on Mar. 18, 2026

8. **- Exempts non-diagnostic MRI and PET services from health facility licensing requirements.** State Website

SB 2431 (HB 2110)
E. Jackson

Sponsors: Ed Jackson, Clark Boyd
Amendment Summary: Senate Health & Welfare Committee amendment 1, House Health Committee amendment 1 (015684) makes various changes within the HFC statute, with the aim of expediting data transfer to CON facilities, changing oversigh of CAHs from Department of Health to HFC, exempting PET machines used for diagnostic purposes from licensure requirements, and certain other changes.
Description: As introduced, designates as not requiring a license from the health facilities commission as a regulated healthcare facility or service any magnetic resonance imaging or positron emission tomography that is not used for diagnostic purposes. Broadly captioned.
AI Summary: Licensing exemptions are established for magnetic resonance imaging (MRI) and positron emission tomography (PET) services not used for diagnostic purposes under Tennessee Code Annotated Title 68. Definitions for burn units, neonatal intensive care units, MRI, and PET are added, and the health facilities commission's authority is expanded to license and regulate these services. Provisions are introduced for cost recovery related to site visits and disciplinary proceedings, and accreditation requirements are imposed on outpatient diagnostic centers and PET providers within two years of licensure. A proposed amendment would further regulate data release policies, critical access hospital designation procedures, conflict of interest rules for commission members, certificate of need exemptions for facility relocations, and require emergency rule promulgation to implement these changes. The amendment remains proposed and has not been adopted.
Fiscal Impact: (Dated February 24, 2026) NOT SIGNIFICANT
Latest Action: **SB 2431** Senate Finance, Ways & Means deferred to 04/15/26.; **HB 2110** House Finance, Ways & Means Subcommittee recommended. Sent to full committee. on Apr. 08, 2026

Tue 4/14/2026 12:00 PM CDT - House Hearing Room I, House Finance, Ways, and Means Subcommittee

13. **- Military Families Licensing Recognition Act.** State Website

HB 1677
(SB 1692)
R. Eldridge

Sponsors: Rick Eldridge, Becky Massey

Cosponsors: Antonio Parkinson, Yusuf Hakeem, Lowell Russell, Brock Martin, Michele Reneau, Fred Atchley, Rush Bricken, Clark Boyd, Michael Lankford, Kelly Keisling, Jessie Seal, Kerry Roberts, Richard Briggs, Adam Lowe, Shane Reeves, Paul Bailey, Janice Bowling, Rusty Crowe, Tom Hatcher, Paul Rose, John Stevens

Amendment Summary: Senate amendment 1 (014656) enacts the Military Families Licensing Recognition Act (Act), which requires licensing boards who regulate and license professional or occupational professions to recognize a covered license held by a service member or spouse of a service member who relocates to this state pursuant to military orders received by the servicemember or who relocates to a state contiguous to this state. Specifies that a covered license is a current license issued by another state, in good standing. Authorizes a licensing authority that receives an application for recognition of a covered license to require an applicant to submit to a background check. Specifies that licenses issued under the Act are valid only in this state and are subject to the laws of this state regulating the applicable licensed occupation. Specifies that this Act does not supersede, or invalidate a process, procedure, rule, or policy that a licensing authority has previously adopted to recognize, endorse, expedite, or otherwise grant licensure or license recognition to service members or their spouses. Directs the licensing boards to utilize the process that will allow a service member or the spouse of a service member to obtain a license in the shortest amount of time. Requires certain licensing authorities to display a specific notice on their websites, applications, and related communications, advertising that military families may qualify for in-state recognition of an occupational license issued in another state.

Description: As introduced, enacts the "Military Families Licensing Recognition Act ." Authorizes issuance of occupational licenses to persons from another state or in the military who currently hold such occupational license. Specifies requirements for issuance of license.

AI Summary: Military Families Licensing Recognition Act establishes that Tennessee occupational licensing boards must issue licenses to active or retired military members, their spouses, or dependents based on valid licenses held in other states or military occupational specialties, provided certain criteria are met, including good standing and no disqualifying criminal record. Licenses must be issued within ten business days, and licensees remain subject to Tennessee laws and board jurisdiction. A proposed amendment would align the act with federal definitions and requirements under 50 U.S.C. § 4025a, mandating licensing authorities to recognize covered licenses held by servicemembers or spouses relocating to Tennessee under military orders, with exceptions for interstate compacts and professions regulated by the state supreme court. The amendment has not been adopted.

Fiscal Impact: (Dated February 21, 2026) STATE GOVERNMENT EXPENDITURES General Fund FY26-27 $32,100 OTHER FISCAL IMPACT The proposed legislation is estimated to increase licensure fee revenue for occupation al licensing board s; however , due to multiple unknown factors , such as the number of applicants and the specific board under which the applicant will seek licensure , the increase in revenue to any particular board cannot be determined with reasonable certainty.

Latest Action: **HB 1677** House Finance Subcommittee placed behind the budget. on Apr. 01, 2026; **SB 1692** Senate passed with amendment 1 (014656), which enacts the Military Families Licensing Recognition Act (Act), which requires licensing boards who regulate and license professional or occupational professions to recognize a covered license held by a service member or spouse of a service member who relocates to this state pursuant to military orders received by the servicemember or who relocates to a state contiguous to this state. Specifies that a covered license is a current license issued by another state, in good standing. Authorizes a licensing authority that receives an application for recognition of a covered license to require an applicant to submit to a background check. Specifies that licenses issued under the Act are valid only in this state and are subject to the laws of this state regulating the applicable licensed occupation. Specifies that this Act does not supersede, or invalidate a process, procedure, rule, or policy that a licensing authority has previously adopted to recognize, endorse, expedite, or otherwise grant licensure or license recognition to service members or their spouses. Directs the licensing boards to utilize the process that will allow a service member or the spouse of a service member to obtain a license in the shortest amount of time. Requires certain licensing authorities to display a specific notice on their websites, applications, and related communications, advertising that military families may qualify for in-state recognition of an occupational license issued in another state. on Mar. 19, 2026

27. **- Prohibits health insurers from using downcoding to reduce provider payments and establishes the Tennessee commission of insurance review.** State Website

HB 2619
(SB 2155)
D. Howell

Sponsors: Dan Howell, Bo Watson

Cosponsors: Cameron Sexton, Tim Hicks, John Crawford, Lowell Russell, Fred Atchley, David Hawk, Scott Cepicky, Mary Littleton, Clay Doggett, Jason Zachary, Greg Vital, Kevin Vaughan, Elaine Davis, Pat Marsh, Brock Martin, Greg Martin, Debra Moody, Kip Capley, Robert Stevens, Aron Maberry, Clark Boyd, Esther Helton-Haynes, Gary Hicks, Johnny Garrett, Andrew Farmer, Mark Cochran, Renea Jones, Jeremy Faison, Bryan Terry, Aftyn Behn, Bob Freeman, Yusuf Hakeem, Torrey Harris, Sabi Kumar, Sam McKenzie, Larry Miller, Kevin Raper, Rick Scarbrough, Paul Sherrell,

Jake McCalmon, Richard Briggs, Bobby Harshbarger, Adam Lowe, Randy McNally, Shane Reeves, Joey Hensley, Janice Bowling, Heidi Campbell, Rusty Crowe

Amendment Summary: House Insurance Committee amendment 1 (015618) creates the Tennessee Commission of Insurance Review (Commission) for the purpose of reviewing complaints and conducting informal hearings of complaints relating to insurance, scheduled to sunset June 30, 2028. Requires the Department of Commerce and Insurance (DCI) to fully cooperate with the Commission by providing requested information and sharing relevant documents and data. Prohibits a health insurance entity from offering or maintaining a health benefit plan (HBP) that is based on the participating provider's contracted fee for covered services or uses downcoding in a manner that prevents the provider from collecting the fee for actual services performed either from the HBP or the patient. Requires a health insurance entity that uses coding or claims reviews conducted using artificial intelligence (AI) to have those reviewed and approved by a human healthcare provider with relevant experience in the healthcare field. Prohibits a health insurance entity from sending an enrollee's medical information or history to anyone located outside of the United States, including review of claims submitted, and from entering into or renewing a contract that authorizes such. Prohibits a health insurance entity from removing an enrollee from a group or group plan if the enrollee was covered in the prior year with the same group or group plan, with some exceptions. Prohibits a health insurance entity from using lasering when underwriting a stop-loss plan for an HBP. Requires a health insurance entity that owns, operates, or otherwise controls, including through investment interests, a healthcare provider in this state to disclose such ownership, operation, or control to a covered individual under an HBP offered by the insurance entity before the individual receives covered services from the provider or when the individual is referred to such provider. Requires a healthcare provider that owns, operates, or otherwise controls, including through investment interests, a health insurance entity that provides a covered individual's health benefit plan to disclose such ownership, operation, or control to the individual before they receive covered services from the provider. Requires a person that owns, operates, or otherwise controls, including through investment interests, both a healthcare provider in this state and a health insurance entity to disclose as much to the Commission, a policyholder of the health insurance entity, and DCI. Authorizes the Attorney General and Reporter (AG) to bring action in a court against an individual or entity in violation with this act. Senate Commerce Committee amendment 2 (017311), which prohibits discriminatory downcoding against providers treating complex or chronic patients. Prior authorizations for chronic conditions remain for 12 months.

Description: As introduced, prohibits a health insurance entity from offering or maintaining a health benefit plan that adjusts claims to a less complex or costly procedure code, a practice known as downcoding, in a manner that prevents the provider from collecting the fee for actual services performed either from the health benefit plan or the patient. Establishes the Tennessee Commission of Insurance Review (TCIR) for review and enforcement of the anti-downcoding provisions. Prohibits insurers from offering policies which allow to alter fee schedules, reimbursement rates, or certain other policies without an opportunity for providers to review and renegotiate their contract with the insurer. Requires insurers to review AI-generated materials. Prohibits certain year-over-year adjustments to group insurance plans and targeted pricing known as "lasering" based on medical condition. Restricts insurers from transmitting enrollee medical information abroad and other changes related to health care insurance. (16pp.) Broadly captioned.

AI Summary: A new Tennessee commission of insurance review is established to oversee and enforce regulations on health insurance entities, including prohibitions on downcoding, lasering, and the use of AI in claim reviews without human oversight. Health insurance entities must provide advance notice and negotiation opportunities before making material changes to provider contracts and disclose ownership interests in healthcare providers to covered individuals and regulatory bodies. Restrictions are imposed on ownership overlap between health insurance entities and healthcare providers starting July 1, 2026. A proposed amendment would require more detailed disclosure of ownership and control between insurers and providers to covered individuals and regulatory authorities and would remove certain sections related to provider reimbursement and commission rule transfers.

Fiscal Impact: (Dated February 16, 2026) STATE GOVERNMENT EXPENDITURES General Fund FY26 -27 $1,773,100 FY27-28 & Subsequent Years $1,743,100 Total Positions Required: 10 OTHER FISCAL IMPACT Passage of this legislation will result in an increase in state, local, and federal government expenditures relating to TennCare and CoverKids and the State Group Insurance Plans. However, due to multiple variables and insufficient data, the exact increase cannot be reasonably determined.

Latest Action: **HB 2619** House Finance Subcommittee placed behind the budget. on Apr. 01, 2026; **SB 2155** Failed in Senate Commerce & Labor Committee. on Apr. 07, 2026

43. **- Respiratory Care Interstate Compact Act.** State Website

HB 2145 (SB 2544)
B. Terry

Sponsors: Bryan Terry, Shane Reeves

Cosponsors: Torrey Harris

Description: As introduced, enacts the "Respiratory Care Interstate Compact Act." - Amends TCA Title 4 and Title 63.

AI Summary: An interstate compact is established to facilitate the practice of respiratory therapy across member states by allowing licensed respiratory therapists to obtain compact privileges to practice in multiple states while maintaining state regulatory authority. The compact creates a commission to oversee implementation, data sharing, adverse action reporting, rulemaking, and dispute resolution among member states. Provisions address active military members, license portability, enforcement mechanisms, and the conditions for state participation, withdrawal, and amendment of the compact.
Fiscal Impact: (Dated February 14, 2026) OTHER FISCAL IMPACT A precise fiscal impact cannot be determined, but expenditures to the Board of Respiratory Care are reasonably estimated to exceed $10,000 for participation once the Compact goes into effect. Pursuant to Tenn. Code Ann. § 4 -29-121, all health -related boards are required to be self -supporting over a two -year period. The Board of Respiratory Care had an annual deficit of $2,992 in FY23 -24, an annual deficit of $129,591 in FY24 -25, and a cumulativ e reserve balance of $936,442 on June 30, 2025.
Latest Action: **HB 2145** House Finance Subcommittee placed behind the budget. on Apr. 01, 2026; **SB 2544** Senate passed. on Mar. 09, 2026

45.
HB 1930
(SB 2067)
K. Vaughan

- Report on coverage for mental health, alcoholism, and drug dependency. State Website
Sponsors: Kevin Vaughan, Bo Watson
Cosponsors: Esther Helton-Haynes, Timothy Hill, Brock Martin, Ken Yager, Shane Reeves
Amendment Summary: Senate Commerce and Labor Committee amendment 1 (014294) requires DCI to review and approve adequacy and compliance of a new health care insurance plan at least 30 days before the plan is offered to the public, and requires the insurer to alert DCI to any changes to the plan. Establishes that the focus of the DCI review is to assess whether a plan has a adequate number of contracted health care providers in-network pursuant to 2023 law. House Insurance Committee amendment 1 (014294) requires DCI to review and approve adequacy and compliance of a new health care insurance plan at least 30 days before the plan is offered to the public, and requires the insurer to alert DCI to any changes to the plan. Establishes that the focus of the DCI review is to assess whether a plan has a adequate number of contracted health care providers in-network pursuant to 2023 law.
Description: As introduced, revises requirement for the department of commerce and insurance to report on coverage for mental health, alcoholism, and drug dependency. Broadly captioned.
AI Summary: Tennessee Code Annotated Section 56-7-2360(e) is amended to specify that certain health care reporting must occur by January 31 annually. A proposed amendment to HB 1930 would comprehensively regulate health benefit plan network adequacy by requiring health insurers to obtain department approval of provider networks, maintain updated provider directories, and report material changes within 15 days. The amendment establishes detailed network adequacy standards, mandates corrective actions and penalties for noncompliance, and requires annual reporting to the department and legislature. It also provides for examinations of network adequacy upon complaints and material changes, with transparency measures including public posting of penalties and corrective plans. This amendment remains proposed and has not been adopted.
Fiscal Impact: (Dated January 22, 2026) NOT SIGNIFICANT
Latest Action: **HB 1930** House Finance Subcommittee placed behind the budget. on Mar. 25, 2026; **SB 2067** Senate Commerce & Labor Committee recommended with amendment 1 (014294), which requires DCI to review and approve adequacy and compliance of a new health care insurance plan at least 30 days before the plan is offered to the public, and requires the insurer to alert DCI to any changes to the plan. Establishes that the focus of the DCI review is to assess whether a plan has a adequate number of contracted health care providers in-network pursuant to 2023 law. Requires findings on network adequacy to be published by DCI. Sent to Senate Finance Committee. on Apr. 07, 2026

78.
HB 1711
(SB 2108)
E. Davis

- Requires reporting on undocumented individuals and the state's annual costs for public services provided to them. State Website
Sponsors: Elaine Davis, Dawn White
Cosponsors: Cameron Sexton, Jeremy Faison, Jason Zachary, William Lamberth, Pat Marsh, Johnny Garrett, Mark Cochran, Gino Bulso, Justin Lafferty, Rusty Grills, Mark White, Dan Howell, Gary Hicks, Chris Todd, Kevin Vaughan, Andrew Farmer, Debra Moody, Dennis Powers, Michael Hale, Lee Reeves, Sabi Kumar, Rick Scarbrough, Kip Capley, Tim Rudd, Lowell Russell, Mary Littleton, David Hawk, Scott Cepicky, Michele Carringer, Clay Doggett, Tom Leatherwood, Monty Fritts, Dave Wright, Todd Warner, Tom Stinnett, Tandy Darby, Jake McCalmon, Greg Martin, Jerome Moon, Rebecca Alexander, Clark Boyd, Aron Maberry, Paul Sherrell, Renea Jones, William Slater, Tim Hicks, Michael Lankford, John Crawford, Rick Eldridge, Ron Gant, Timothy Hill, Brock Martin, Iris Rudder, Rush Bricken, Ed Butler, Esther Helton-Haynes, Fred Atchley, Kelly Keisling, Kevin Raper, Robert Stevens
Amendment Summary: House State & Local Government Committee Amendment 1 (016355) established the Unlawful-Immigration Cost Reporting Act. Creates a central reporting system where local governments, state departments such as the department of health, corrections, and education, agencies, and other entities such as LEA, public charter schools, and the governing boards for each

private institution of higher education, serving populations that may include persons not lawfully present in the United States are required to report data concerning the total number of persons in this state who may not be lawfully present in the United States and the associated costs to the state associated with serving such persons. House State & Local Government Committee Amendment 2 (016470) requires the department of education to determine the cost for each student who produced or failed to produce documentation to establish the student's lawful presence in the United States in each LEA and public charter school. Requires the department of education to submit an aggregated report consisting of the data collected in subdivision (a)(1) and the cost per student determined pursuant to subdivision (a)(2) to the collecting entities.

Description: As introduced, requires reporting by law enforcement agencies and local governmental entities and officials regarding persons not lawfully present in the United States. Requires the department of finance and administration to report the annual cost incurred by this state for public schools, including public higher education institutions, prisons, hospitals, and social services agencies to provide benefits and services to persons not lawfully present in the United States.

AI Summary: Requirements are imposed on Tennessee law enforcement agencies and local governments to report quarterly on activities and violations involving persons not lawfully present in the United States to a centralized immigration enforcement division and federal officials. Annual reporting to the governor and legislative leaders on state costs related to public education, higher education, prisons, hospitals, and social services for such persons is mandated. Failure to report by officials is classified as a Class A misdemeanor. A proposed amendment would establish the "Unlawful-Immigration Cost Reporting Act," creating a centralized system for collecting detailed data and cost reports from educational institutions, healthcare providers, law enforcement, and social service agencies regarding persons unlawfully present, with specific reporting deadlines and documentation requirements; this amendment has not yet been adopted.

Fiscal Impact: (Dated February 12, 2026) STATE GOVERNMENT EXPENDITURES General Fund FY26 -27 $131,100 FY27 -28 & Subsequent Years $127,900 Total Positions Required: 1

Latest Action: **HB 1711** House Finance Subcommittee placed behind the budget after adopting amendment 1 (017432). on Apr. 08, 2026; **SB 2108** Set for Senate State and Local Government Committee on Mar 31, 2026.

97.
HB 2046
(SB 2080)
R. Williams

- Allocates the first $150 million of HMO tax revenue from July 1, 2026, to enhance TennCare reimbursements for certain medical providers. State Website

Sponsors: Ryan Williams, Bo Watson

Cosponsors: Aftyn Behn, Rusty Crowe, Joey Hensley

Description: As introduced, directs the first $150 million of tax revenue generated by the health maintenance organization tax on or after July 1, 2026, to be utilized to draw down federal funds to reimburse a physician, advanced practice registered nurse, or physician assistant who is entitled to receive TennCare reimbursement for a CPT code for evaluation and management, obstetrics and gynecology, or anesthesia. Broadly captioned.

AI Summary: TennCare reimbursement rates for evaluation and management, obstetrics and gynecology, and anesthesia services are increased to up to 110% of the current Medicare rate, funded by the first $150 million of health maintenance organization tax revenue starting July 1, 2026. The tax revenue is designated to draw down federal funds to reimburse physicians, advanced practice registered nurses, and physician assistants for specified CPT codes. The Bureau of TennCare and Department of Commerce and Insurance are authorized to promulgate rules to implement these provisions.

Fiscal Impact: (Dated February 26, 2026) STATE GOVERNMENT REVENUE General Fund Division of TennCare FY26 -27 & Subsequent Years ($150,000,000) $150,000,000 EXPENDITURES Division of TennCare FY26 -27 & Subsequent Years $150,000,000 FEDERAL GOVERNMENT EXPENDITURES FY26 -27 & Subsequent Years $261,466,200

Latest Action: **HB 2046** House Finance Subcommittee placed behind the budget. on Apr. 01, 2026; **SB 2080** Senate Commerce & Labor Committee recommended. Sent to Senate Finance Committee. on Apr. 07, 2026

111.
HB 2075
(SB 2149)
B. Terry

- Helping Open Pathways to Effective (HOPE) Treatment Act. State Website

Sponsors: Bryan Terry, Page Walley

Cosponsors: Iris Rudder, Bob Freeman, Esther Helton-Haynes, Elaine Davis, Chris Hurt, Sabi Kumar, Paul Sherrell, Torrey Harris, Jeremy Faison, Jason Powell, Jake McCalmon, Ferrell Haile, Rusty Crowe

Amendment Summary: House Health Committee amendment 1 (015487) enters Tennessee into an interstate compact to fund, with matching contributions from partner drug developers, and authorize clinical trials involving ibogaine for the treatment of post-traumatic stress disorder (PTSD) by creating a council on emerging behavioral health treatments, which may approve one coordinating institution, and other participant institutions, located in Tennessee. House Health Committee amendment 2 (016878) removes appropriations language, and states that the fund may accept public grants and gifts from both public and private sources. Senate Finance, Ways & Means Committee amendment 1 (017063) rewrites the bill to establish the "Helping Open Pathways to Effective (HOPE) Treatment Act." Creates the council on emerging behavioral health treatments to administer and oversee the

state's participation in emerging behavioral health treatment research. Specifies that the council may authorize one or more qualified institutions in this state to participate as members in a multistate ibogaine drug development clinical trial consortium for the purpose of conducting coordinated ibogaine drug development clinical trials. Specifies requirements for an application to participate for an institution. Allows the council and participating institutions to solicit and accept gifts, grants, and donations of any kind received from sources other than the state for purposes of funding drug development clinical trials. Specifies reporting requirements for participating institutions. Clarifies that this chapter does not authorize the administration of ibogaine to human subjects in this state except in the context of a clinical trial conducted pursuant to a valid United States federal food and drug administration (FDA) investigational new drug authorization.

Description: As introduced, enacts the "Helping Open Pathways to Effective (HOPE) Treatment Act.." This bill authorizes a cohort established and selected by the department of mental health and substance abuse services ("department") to conduct drug development clinical trials with ibogaine for the purpose of obtaining approval from the United States food and drug administration ("FDA") for ibogaine as a medication to treat opioid use disorder, co-occurring substance use disorder, and other neurological or mental health conditions for which ibogaine demonstrates efficacy. A cohort must include one or more drug developers, one or more research institutions, which may be an institution of higher education, and one or more hospitals. This bill requires a cohort to select a project lead from among the cohort's members to represent the cohort and perform administrative functions, including contracting with and reporting to the department. A project lead selected by the department is authorized to employ clinical, administrative, and data management personnel necessary to support cohort activities, which may include participation in the Texas consortium for clinical trial collaboration. The cohort project lead must submit a proposal and request for funding to the department. This bill grants the department sole discretion to select a cohort for the purpose of conducting clinical trials. After making a selection, the department must enter into an interagency agreement with the project lead to provide funding. The contract must specify goals, objectives, proposed budgets, timelines, collaborating entities, the percentage of revenue arising from the trials to be paid to the state, and any other information requested by the department. After entering into the interagency contract, the department must report the existence of the contract to the chief clerks of the senate and the house of representatives. The department is prohibited from disbursing funds until it verifies the cohort's receipt of matching funds from non-state sources. This bill requires the selected cohort to submit an investigational new drug application to the FDA and seek breakthrough therapy designation as soon as practicable. However, only research institutions or hospitals are permitted to serve as a trial site. This bill authorizes the department and cohort members to solicit and accept gifts, grants, and donations from non-state sources. Disbursements by the department may be made incrementally based on the completion of defined objectives as negotiated in the interagency contract. This bill requires selected cohorts to submit quarterly reports to the department regarding trial progress and financial status, including verification of expenditures for state and matching funds. The department must submit an annual progress report to the general assembly no later than December 1 of each year. This bill requires that revenue attributable to intellectual property and commercial rights arising from the trials, including (i) intellectual property, technology, and inventions; (ii) patents, trademarks, and licenses; (iii) proprietary and confidential information; (iv) trade secrets, data, and databases; (v) tools, methods, and processes; (vi) treatment models or techniques; (vii) administration protocols; and (viii) works of authorship, to be allocated as follows: No less than 5% to the state; The remainder to cohort members in amounts specified by written agreement. This bill requires the commissioner to administer the fund to support proposals from behavioral health providers to train and support staff in best practices for patients undergoing ibogaine therapy. This bill requires a licensed physician who has prescribed ibogaine to supervise its administration at a hospital or other licensed healthcare facility to ensure patient safety. However, this bill does not preclude a physician from administering ibogaine in accordance with federal law. Further, this bill applies only if ibogaine is approved by the FDA to treat a medical condition. If the department determines a federal waiver is necessary for implementation, then the department must request the waiver and may delay implementation of this bill until the waiver is granted. However, the department must begin accepting cohort proposals no later than September 1, 2026.

AI Summary: Tennessee establishes the "Helping Open Pathways to Effective (HOPE) Treatment Act" to facilitate clinical trials and FDA approval of ibogaine for treating opioid use disorder, co-occurring substance use disorders, and other neurological or mental health conditions. A cohort comprising drug developers, research institutions, and hospitals will be selected to conduct trials, with state funding matched by non-state sources. Intellectual property revenue generated will partially fund a Tennessee mental health innovation fund to support training for ibogaine therapy providers. Medical supervision and federal compliance requirements are specified, and implementation depends on FDA approval. A proposed amendment would clarify the acceptance of public or private funds by the council managing the innovation fund but has not yet been adopted.

Fiscal Impact: (Dated February 21, 2026) OTHER FISCAL IMPACT To the extent that the federal Food and Drug Administration approves ibogaine for treatment of medical conditions there could be future increases in state expenditures and revenue associated with cohorts researching the use of ibogaine to treat opioid use disorder and other mental health condition s. Such increases are

dependent on a number of unknown factors and cannot be reasonably estimated.
Latest Action: **HB 2075** House Finance Subcommittee placed behind the budget. on Apr. 08, 2026; **SB 2149** Senate Finance, Ways & Means recommended with amendment 1 (017063). Sent to Senate Calendar Committee. on Mar. 31, 2026

123.
HB 1959
(SB 2040)
R. Scarbrough

- "Freedom, Access, and Integrity in Registered Pharmacy (FAIR Rx) Act." State Website
Sponsors: Rick Scarbrough, Bobby Harshbarger
Cosponsors: Fred Atchley, Rush Bricken, Ed Butler, Kip Capley, Mark Cochran, John Crawford, Tandy Darby, Jeremy Faison, Rusty Grills, Gary Hicks, Tim Hicks, Sabi Kumar, Justin Lafferty, Pat Marsh, Kevin Raper, Jay Reedy, Lowell Russell, Cameron Sexton, Paul Sherrell, Mike Sparks, Tom Stinnett, Ryan Williams, Rebecca Alexander, Debra Moody, Michele Carringer, Esther Helton-Haynes, Ferrell Haile, Shane Reeves, Randy McNally, Tom Hatcher, Adam Lowe, Bo Watson, Ken Yager, Joey Hensley
Amendment Summary: Senate Health & Welfare Committee amendment 1 (013168) prohibits the simultaneous owning or controlling of a licensed pharmacy and a pharmacy benefit management (PBM) entity. Senate Finance Committee Amendment 1, House Insurance Committee Amendment 2 (014996) specifies health insurance issuers as being the entity that an individual or business cannot have a controlling stake in concurrent with a controlling stake in a pharmacy; 5% pharmacy ownership threshold for health insurance issuers; exempts medicines subject to an FDA Risk Evaluation and Mitigation Strategy (REMS) or medicines designated by the FDA as orphan drugs with limited distribution; exempts entities that own a pharmacy and operate a pharmacy benefits program for its own employees; and exempts pharmacy contracts with the Department of Defense (DOD), Department of Veterans' Affairs (VA), Indian Health Service (HIS), or the Office of Personnel Management (OPM) Senate Finance Committee Amendment 2, House Insurance Committee Amendment 3 (015297) expands the scope of the employee benefit exemption to include dependents and retirees.
Description: As introduced, enacts the "Freedom, Access, and Integrity in Registered Pharmacy (FAIR Rx) Act," which requires that a pharmacy benefits manager shall not, directly or indirectly, acquire, hold, control, or otherwise possess any ownership or beneficial interest in, or exercise control over, a pharmacy license or a pharmacy license holder, whether through ownership, contract, or any other arrangement, including through management, staffing, leasing, supply, franchise, service, formulary, or revenue-sharing agreements, or any other arrangement that transfers operational control or economic benefit to the pharmacy benefits manager. Allows the board of pharmacy to issue a limited-use pharmacy license for certain rare, orphan, or FDA-designated limited-distribution drugs. Broadly captioned.
AI Summary: Ownership or control of pharmacies by pharmacy benefits managers (PBMs) is prohibited in Tennessee beginning January 1, 2027, to prevent conflicts of interest and protect patient access, especially in rural areas. PBMs cannot hold any ownership or beneficial interest in pharmacies or exercise control through contracts or other arrangements, with strict disclosure and enforcement provisions by the Tennessee Board of Pharmacy. Limited-use pharmacy licenses for rare or orphan drugs are allowed temporarily, and violators face civil penalties and possible license revocation. A proposed amendment would clarify that employers may own or operate pharmacies solely for their own employees and dependents under employee benefit plans.
Fiscal Impact: (Dated February 23, 2026) OTHER FISCAL IMPACT The proposed legislation may result in increased expenditures to the Division of TennCare and the State Group Insurance Program as a result of increased drug acquisition costs , professional dispensing fees , and administrative costs associated with modifying or renegotiating pharmacy networks and reimbursement arrangements. Cost-saving s from reducing certain non -competitive busin ess practices may occur . Because the fiscal impact depends on business decisions, procurement responses, and evolving market conditions, the net impact on state expenditures cannot be reasonably determined. Impacts are anticipated to be most pronounced in the short - to mid -term periods following enactment, with stabilization expected as reimbursement benchmarks and pharmacy networks adjust over time .
Latest Action: **HB 1959** House Finance Subcommittee placed behind the budget. on Apr. 08, 2026; **SB 2040** Senate Finance, Ways & Means recommended with amendment 1 (014996) and amendment 2 (015297). Sent to Senate Calendar Committee. on Mar. 24, 2026

142.
HB 2415
(SB 2406)
R. Stevens

- Allows healthcare quality improvement committees to assess security measures for patient and staff safety. State Website
Sponsors: Robert Stevens, Dawn White
Amendment Summary: Senate Health & Welfare Committee Amendment 1 (014653) requires the commissioner of health to develop a hospital security grant program to award grants to hospitals for the purpose of hiring off-duty law enforcement officers to serve as hospital security. House Health Subcommittee amendment 1, House Health Committee amendment 1 (014653) requires the commissioner of health to develop a hospital security grant program to award grants to hospitals for the purpose of hiring off-duty law enforcement officers to serve as hospital security.
Description: As introduced, permits a healthcare organization's quality improvement committee to evaluate the security measures in place at a healthcare organization to ensure the safety of patients

and staff. Broadly captioned.
AI Summary: Evaluation of security measures to ensure patient and staff safety is added as a required component in healthcare facility assessments under Tennessee Code Annotated Section 68-11-272(b)(4). A proposed amendment to HB 2415 would establish a hospital security grant program administered by the commissioner of health to fund hospitals hiring off-duty law enforcement officers as security personnel. The program would require grant distribution across all three grand divisions of Tennessee, including urban and rural hospitals, with funding subject to legislative appropriation. The commissioner would be authorized to promulgate rules to implement the program. This amendment has been proposed but not yet adopted.
Fiscal Impact: (Dated February 08, 2026) NOT SIGNIFICANT
Latest Action: **HB 2415** House Finance Subcommittee placed behind the budget. on Apr. 08, 2026; **SB 2406** Senate Health & Welfare recommended with amendment 1 (014653), which requires the commissioner of health to develop a hospital security grant program to award grants to hospitals for the purpose of hiring off-duty law enforcement officers to serve as hospital security. Sent to Senate Finance. on Mar. 18, 2026

153.
HB 406
(SB 422)
B. Martin

- Promulgation of rules regarding oversight of facilities that manufacture, warehouse, and distribute medical devices. State Website
Sponsors: Brock Martin, Shane Reeves
Cosponsors: Tom Leatherwood, Esther Helton-Haynes, Greg Martin, Debra Moody, Sabi Kumar, Kevin Raper, Renea Jones, Mike Sparks, Michele Reneau, Jake McCalmon, Raumesh Akbari, Ken Yager
Amendment Summary: House Insurance Subcommittee amendment 1 (004430) requires a health insurer, beginning July 1, 2025, to provide coverage for prosthetic and custom orthotic devices in a manner that: (1) equals or exceeds the levels of coverage for such devices under the federal Medicare program; and (2) is no more restrictive than coverage of other medical devices provided under the health benefit plan. Requires coverage for prosthetic or custom orthotic devices to include: (1) a prosthetic or custom orthotic device determined by the covered person's healthcare provider to be the most appropriate model that adequately meets the medical needs of the covered person for purposes of completing activities of daily living or essential job-related activities; (2) a prosthetic or custom orthotic device determined by the covered person's healthcare provider to be the most appropriate model that meets the medical needs of the covered person for purposes of performing physical activities, including, but not limited to, running, cycling, swimming, and strength training, or to maximize the covered person's whole-body health and lower or upper limb function; (3) all materials and components necessary to use the prosthetic or custom orthotic device; (4) instruction to the enrollee on using the prosthetic or custom orthotic device; and (5) repair or replacement of the prosthetic or custom orthotic device. Requires a health insurer that issues a health benefit plan to consider coverage benefits for prosthetic and custom orthotic devices as habilitative or rehabilitative benefits for purposes of any state or federal requirement for coverage of essential health benefits. Prohibits a health insurer from imposing cost-sharing requirements on prosthetic or custom orthotic devices unless the cost-sharing requirements do not exceed the cost-sharing requirements applicable to the health benefit plan's coverage for inpatient physician and surgical services. Requires a health insurer to ensure access to medically necessary clinical care and to prosthetic and custom orthotic devices and technology from not less than two distinct prosthetic and custom orthotic device providers in the health benefit plan's provider network, or, if medically necessary covered prosthetic and custom orthotic devices are not available from an in-network provider, then provide a process by which the covered person is referred to an out-of-network provider and fully reimburse the out-of-network provider at a mutually agreed upon rate less any cost-sharing requirement as determined on an in-network basis. Requires a health insurer to provide reimbursement for the replacement of a covered prosthetic or custom orthotic device or for any part of such devices, without regard to continuous use or useful lifetime restrictions, if an ordering healthcare provider determines that the provision of a replacement device, or a replacement part of such device, is necessary. Establishes that a violation of the legislation is subject to sanctions by the Commissioner of the Department of Commerce and Insurance (DCI). Requires, by January 15, 2026 and each January 15 thereafter, health insurers that provide coverage of prosthetic or custom orthotic devices to report to DCI data regarding coverage of prosthetic and custom orthotic devices under the legislation for the previous calendar year. Requires DCI to submit a report of aggregated and de-identified data to the Chairs of certain legislative committees and the Legislative Librarian by January 31, 2026, and by each January 31 thereafter.
Description: Lowers from every three years to every two years, the time within which the advisory committee composed of medical device industry representatives and a representative of the department of economic and community development must review rules regarding the board of pharmacy's oversight of facilities that manufacture, warehouse, and distribute medical devices in order to review the advancements of new medical device technologies. Broadly captioned.
AI Summary: The renewal period for medical device licenses is reduced from three years to two years under Tennessee Code Annotated Section 63-10-314(b). This change applies to medical device regulation within the state of Tennessee. The amendment takes effect immediately upon

becoming law.
Fiscal Impact: (Dated February 1, 2025) NOT SIGNIFICANT
Latest Action: **HB 406** House Finance Subcommittee placed behind the budget. on Mar. 11, 2026; **SB 422** Senate Commerce and Labor recommended with Amendment 1 (014240). Recommended to Senate Finance Ways and Means Committee. on Feb. 24, 2026

156. **- Increases the maximum number of nonrelated residents allowed in tier 1 and tier 2 homes for the aged.** State Website
HB 1899 (SB 2083)
W. Slater
Sponsors: William Slater, Bo Watson
Description: As introduced, increases from three to five the maximum number of nonrelated persons in a home for the aged to be considered a tier 1 home for the aged. Increases from four to six the maximum number of nonrelated persons in a home for the aged to be considered a tier 2 home for the aged.
AI Summary: Definitions for "home for the aged" are revised in Tennessee Code Annotated, categorizing such homes into tier 1 for those housing five or fewer nonrelated persons and tier 2 for those housing six or more nonrelated persons. The classification impacts regulatory treatment of domiciliary care facilities providing room, board, and personal services to aged individuals. The changes take effect immediately upon enactment.
Fiscal Impact: (Dated February 13, 2026) STATE GOVERNMENT REVENUE Health Facilities Commission Department of Disability and Aging FY26 -27 & Subsequent Years ($1,200) $800
Latest Action: **HB 1899** House Finance Subcommittee placed behind the budget. on Mar. 11, 2026; **SB 2083** Senate passed. on Apr. 06, 2026

Tue 4/14/2026 12:00 PM CDT - House Hearing Room I, House Finance, Ways, and Means Subcommittee 2

7. **- Requires local governments to verify citizenship or lawful presence for public benefits and authorizes investigations of violations.** State Website
HB 1710 (SB 1915)
D. Powers
Sponsors: Dennis Powers, Ed Jackson
Cosponsors: Cameron Sexton, Jeremy Faison, Jason Zachary, William Lamberth, Pat Marsh, Johnny Garrett, Mark Cochran, Gino Bulso, Justin Lafferty, Mark White, Dan Howell, Chris Todd, Gary Hicks, Kevin Vaughan, Andrew Farmer, Debra Moody, Sabi Kumar, Rusty Grills, Tim Rudd, Rick Scarbrough, Elaine Davis, Lowell Russell, Mary Littleton, David Hawk, Scott Cepicky, Michael Hale, Michele Carringer, Lee Reeves, Clay Doggett, Tom Leatherwood, Monty Fritts, Rebecca Alexander, Dave Wright, Todd Warner, Tandy Darby, Jake McCalmon, Brock Martin, Greg Martin, Jerome Moon, Clark Boyd, Aron Maberry, Paul Sherrell, Renea Jones, Timothy Hill, Tim Hicks, John Crawford, William Slater, Michael Lankford, Rick Eldridge, Ron Gant, Rush Bricken, Esther Helton-Haynes, Iris Rudder, Ed Butler, Fred Atchley, Tom Stinnett, Kelly Keisling, Kevin Raper, Robert Stevens, Paul Rose, Paul Bailey, Janice Bowling, Joey Hensley, John Stevens, Brent Taylor, Bo Watson, Dawn White
Amendment Summary: Senate amendment 1 (015237) requires local governmental entities to verify that an individual who is 18 years of age or older and applies for a federal, state, or local public benefit is a United States (U.S.) citizen or otherwise lawfully present in the U.S. Requires local government entities, upon the first reprinting of forms or updating of the phone systems after July 1, 2026, to include on all forms and all automated phone systems a statement: (1) that an applicant for public benefits must attest to the applicant's status as either a U.S. citizen or is lawfully present in the U.S.; and (2) describing the penalties associated with violating applicable laws. Clarifies that both state and local governmental entities are subject to the laws, and the liability associated with the violation of such laws, governing the verification of the citizenship of persons applying for federal, state, or local public benefits. Requires each state governmental entity, local governmental entity, and local health department to report individuals who are not U.S. citizens or are not lawfully present in the U.S. and who receive federal, state, or local public benefits from the entity or health department to the Centralized Immigration Enforcement Division (CIED) of the Department of Safety (DOS), unless the entity or health department is required to report Supplemental Nutrition Assistance Program recipients discovered to be in the U.S. unlawfully to the U.S. Citizenship and Immigration Services pursuant to federal code and regulations. Establishes that an employee's or official's intentional failure to report such information is a Class A misdemeanor. Establishes that the Department of Children's Services (DCS) is exempt from providing any of the aforementioned information that would identify a child or family receiving services from the department. Authorizes the Attorney General and Reporter (AG) to investigate credible allegations or complaints that a local governmental entity or local health department is not verifying the citizenship of persons applying for public benefits in accordance with the law. Authorizes the AG, if the AG concludes the local governmental entity or health department is not in compliance, to withhold all funds of the state allocated to the local governmental entity or local health department via grant, contract, or statute including, but not limited to, state-shared taxes. House State & Local Government Committee Amendment (016345) requires local governmental entities to verify that an individual who is 18 years of age or older and applies for a federal, state, or local public benefit is a United States (U.S.) citizen or otherwise lawfully present in the U.S. Requires local government entities to maintain a copy of all

documentation submitted by an applicant for verification in a manner consistent with the state governmental entity's, local governmental entity's, or local health department's rules, regulations, or policies governing storage or preservation of such documentation.
Description: As introduced, adds local governments to the entities that must verify that each applicant for public benefits is a United States citizen or lawfully present in the United States. Authorizes the attorney general and reporter to investigate violations of requirements for verification of citizenship or presence for public benefits; requires certain reporting related to such verification for benefits.
AI Summary: Verification requirements are expanded to include local governmental entities alongside state entities and local health departments, mandating verification of U.S. citizenship or lawful presence for applicants aged 18 or older seeking federal, state, or local public benefits. Reporting obligations are imposed on these entities to notify a centralized immigration enforcement division of individuals not lawfully present who receive benefits, with failure to report classified as a Class A misdemeanor. Enforcement provisions authorize the attorney general to investigate violations and withhold state funds from noncompliant local entities. A proposed amendment would clarify exclusions for certain benefits, specify reporting details, exempt the Department of Children's Services from reporting identifying information, and adjust effective dates and administrative provisions; this amendment has not yet been adopted. Effective date for the act is July 1, 2026.
Fiscal Impact: (Dated February 14, 2026) STATE GOVERNMENT EXPENDITURES General Fund FY26 -27 $131,100 FY27 -28 & Subsequent Years $127,900 Total Positions Required: 1
Latest Action: **HB 1710** House Finance, Ways & Means Subcommittee deferred to next calendar. on Apr. 08, 2026; **SB 1915** Senate passed with amendment 1 (015237). on Mar. 30, 2026

Tue 4/14/2026 12:00 PM CDT - House Hearing Room I, House Finance, Ways, and Means Subcommittee 6

1.
HJR 28
G. Bulso

- Constitutional amendment - right to forgo medical treatment. State Website
Sponsors: Gino Bulso
Cosponsors: Dennis Powers
Amendment Summary: House Health Committee amendment 1 (004774) prohibits the state, absent of due process of law, from compelling any person to undergo a medical treatment, even in the case of a declared state of emergency.
Description: Proposes an amendment to Article I of the Constitution of Tennessee to grant a person the right to forgo medical treatment.
AI Summary: A constitutional amendment is proposed in Tennessee (HJR 28) to prohibit the state from compelling any person to undergo medical treatment without due process of law, including during declared states of emergency. Medical treatment is defined broadly to include procedures, drug administration, vaccinations, or other interventions related to physical or mental health. The General Assembly is authorized to enact legislation to enforce this provision.
Latest Action: House Finance, Ways & Means Subcommittee deferred to Special Calendar to be Published with the Final Calendar.

Tue 4/14/2026 12:00 PM CDT - House Hearing Room I, House Finance, Ways, and Means Subcommittee 7

4.
HB 372
(SB 334)
B. Hulsey

- Tennessee Medicaid Modernization and Access Act of 2025. State Website
Sponsors: Bud Hulsey, Rusty Crowe
Cosponsors: David Hawk, Larry Miller, Aftyn Behn
Description: Enacts the "Tennessee Medicaid Modernization and Access Act of 2025," which aligns TennCare's current Medicaid reimbursement rates for key services, meaning obstetrics/gynecology, primary care, outpatient mental health, and substance use disorder treatment with the Medicare fee schedule or average commercial rates, whichever is higher. Requires the department of health to consult with the bureau of TennCare to conduct an annual review to ensure TennCare reimbursement rates align with changes in the Medicare fee schedule and average commercial rates and with the CMS 2024 final rule. Defines CMS annual rule to mean the May 2024 guidelines set by CMS updating Medicaid reimbursement rates. Provides healthcare provider of key services that is entitled to receive TennCare reimbursement to submit a written request for an administrative hearing following an allegation of a delay in payment or receipt of erroneous reimbursement. Provides that the general assembly must appropriate funds under the general appropriations act.
AI Summary: TennCare reimbursements for key services including OB/GYN, primary care, outpatient mental health, and substance use disorder are updated to match the higher of the Medicare fee schedule or average commercial rates starting in 2025, with annual reviews and potential phased implementation. Incentive payments are established for providers based on quality of care and improved access, particularly in rural and underserved areas, and the Department of Health and Bureau of TennCare are tasked with seeking funds and reporting annually on fiscal impacts, provider participation, and outcomes. Rules are authorized to implement these provisions, and funding for administrative costs must be appropriated separately.
Fiscal Impact: (Dated February 15, 2025) STATE GOVERNMENT EXPENDITURES General Fund

FY25-26 & Subsequent Years $604,126,000 FEDERAL GOVERNMENT EXPENDITURES FY25-26 & Subsequent Years $1,089,194,500 HB 372 - SB 334

Latest Action: **HB 372** House Finance, Ways & Means Subcommittee deferred to final calendar 2. on Mar. 18, 2026; **SB 334** Senate Finance, Ways & Means deferred to final calendar. on Mar. 31, 2026

8.
HB 1887
(SB 1936)
R. Stevens

- Creates a licensure process for prescribed pediatric extended care programs. State Website

Sponsors: Robert Stevens, Shane Reeves

Amendment Summary: House Health Committee amendment 1 (016111) creates a three-year pilot program to allow the establishment of one prescribed pediatric extended care center (PPECC) in Rutherford County, subject to selection by the Department of Disability and Aging (DDA). Authorizes DDA to license the provision of services by a PPECC in accordance with the legislation. Establishes that DDA may require that the chosen applicant obtain a license for the PPECC, and if necessary, require the chosen applicant to submit a license fee. Requires DDA to inspect a proposed PPECC location prior to choosing an applicant to ensure compliance with the legislation. Establishes that a minor who is medically dependent or technologically dependent may be admitted to the PPECC if the minor's prescribing physician issues a prescription ordering care at the PPECC and the minor's parent or legal guardian consents to the minor's admission. Prohibits the PPECC from providing services to a minor for more than 12 hours within a 24-hour period and prohibits the PPECC from providing services other than those provided to medically dependent or technologically dependent minors. Establishes that admission to the PPECC is not intended to supplant the right to a Medicaid private duty nursing benefit, when medically necessary. Authorizes DDA to limit the maximum number of authorized services provided to a minor who receives services at the PPECC. Requires the Division of TennCare (Division) to provide coverage and benefits for an enrollee for services rendered at the PPECC, subject to federal approval. Requires the Director of TennCare to submit a request for any federal waiver necessary to effectuate the legislation to the federal Centers for Medicare and Medicaid Services no later than December 31, 2026. Requires DDA to promulgate rules to establish minimum standards for operating the PPECC for purposes of the pilot program and minimum standards for transportation services for minors. Authorizes DDA to inspect the PPECC, including its records, at any reasonable time as necessary to ensure compliance with the legislation. Authorizes DDA to revoke or suspend the PPECC's license, if a license is issued, and to impose an administrative fine to the PPECC or an employee of up to $500 per violation of the legislation or applicable rules. For the purposes of promulgating rules and requiring the Division to seek federal approval, the legislation takes effect upon becoming a law. For all other purposes, takes effect January 1, 2027. Terminates the pilot program on January 1, 2030.

Description: As introduced, creates a licensure process for prescribed pediatric extended care programs. Requires TennCare to submit a waiver to the federal centers for Medicare and Medicaid services seeking approval to provide coverage and benefits for those who receive services from a prescribed pediatric extended care program.

AI Summary: Licensure and regulatory standards are established for prescribed pediatric extended care centers in Tennessee, defining these centers as facilities providing nonresidential basic services to medically or technologically dependent minors. Requirements include licensing, background checks, inspections, administrative fines, and limitations on service hours and patient capacity. TennCare coverage for services at these centers is authorized, subject to federal approval. A proposed amendment would replace the original provisions with a three-year pilot program to establish one such center in a specified county, including similar licensing and operational standards, and would repeal the pilot program by 2030. The amendment remains proposed and has not been adopted.

Fiscal Impact: (Dated February 26, 2026) STATE GOVERNMENT REVENUE General Fund FY27 -28 & Subsequent Years $4,500 EXPENDITURES General Fund FY26 -27 $34,200 FY27 -28 $7,013,500 FY28 -29 $13,9 58,600 FY29 -30 & Subsequent Years $20,9 03,700 Total Positions Required: 1 FEDERAL GOVERNMENT EXPENDITURES FY27 -28 $12,494,90 0 FY28 -29 $24,989,80 0 FY29 -30 & Subsequent Years $37,484,7 00

Latest Action: **HB 1887** House Finance, Ways & Means Subcommittee deferred to final calendar #2. on Apr. 08, 2026; **SB 1936** Taken off notice in Senate Commerce & Labor Committee. on Apr. 07, 2026

15.
HB 767
(SB 907)
G. Hicks

- Exemption - receipts from the sale of certain prescription drugs or medicines. State Website

Sponsors: Gary Hicks, Ferrell Haile

Amendment Summary: House Finance Subcommittee amendment 1 (004079) makes bill applicable to tax years ending on or after December 31, 2025.

Description: Exempts from business tax, receipts from the sale of a prescription drug or medicine with a cost for a 30-day equivalent supply that exceeds the Medicare cost threshold for 2025 plan years and services necessary for proper preparation, storage, handling, administration, patient education, or post-sale monitoring of such exempted drugs or medicines.

AI Summary: Exemptions from state sales tax are expanded to include prescription drugs and

medicines with a thirty-day supply cost exceeding the Medicare Part D specialty tier threshold for 2025, as defined by CMS. Tax exemption is also extended to services related to the preparation, storage, handling, administration, patient education, or post-sale monitoring of these high-cost drugs. These changes are enacted in Tennessee under HB 767, effective July 1, 2025.

Fiscal Impact: (Dated February 26, 2025) STATE GOVERNMENT REVENUE General Fund FY25-26 & Subsequent Years ($2,872,400) LOCAL GOVERNMENT REVENUE Mandatory FY25-26 & Subsequent Years ($3,371,900)

Latest Action: **HB 767** House Finance, Ways & Means Subcommittee deferred to final calendar 2. on Apr. 01, 2026; **SB 907** Placed on Senate Finance, Ways, and Means Committee calendar for 4/21/2025