



# CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

September 13, 2016

## **H.R. 921** **Sports Medicine Licensure Clarity Act of 2016**

*As passed by the House of Representatives on September 12, 2016*

H.R. 921 would allow licensed athletic trainers and other sports medicine professionals to provide medical services when traveling with athletic teams without obtaining licenses to practice in other states. The bill also would require insurers to cover the liability of those professionals when they provide medical services for their athletes outside of their home state.

CBO estimates that enacting H.R. 921 would have no direct effect on the federal budget and would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply. CBO estimates that enacting the bill would not increase net direct spending or on-budget deficits in any of the four 10-year periods beginning in 2027.

H.R. 921 would preempt states from requiring sports medicine professionals who are traveling with an athletic team to become licensed in the state, if they are already licensed in another state. Because preemptions limit the authority of state and local governments, they are considered intergovernmental mandates under the Unfunded Mandates Reform Act (UMRA); however, CBO estimates that the loss of any licensing fees resulting from the mandate would be small and would not exceed the threshold for intergovernmental mandates established in UMRA (\$77 million in 2016, adjusted annually for inflation).

The bill also would impose a private-sector mandate, as defined in UMRA, by requiring providers of medical professional liability insurance to cover the medical services of sports medicine professionals when they work outside the state in which they are licensed. The cost of the mandate would be the additional cost to insurers of providing the expanded coverage. The bill would allow insurance providers to adjust premiums to compensate for the additional risk. Based on an analysis of information from industry sources, CBO expects that the number of affected policyholders would be small relative to all holders of medical professional liability insurance and estimates that the incremental cost to provide the expanded coverage would be small. Therefore, CBO estimates that the aggregate cost to comply the mandate would fall below the annual threshold established in UMRA for private-sector mandates (\$154 million in 2016, adjusted annually for inflation).

The CBO staff contacts for this estimate are Kim Cawley (for federal costs), Zachary Byrum (for intergovernmental mandates), and Amy Petz (for private-sector mandates). The estimate was approved by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.