



151st GENERAL ASSEMBLY
REVISED FISCAL NOTE

BILL:	SENATE BILL NO. 209
SPONSOR:	Senator Paradee
DESCRIPTION:	AN ACT TO AMEND TITLE 2 OF THE DELAWARE CODE RELATING TO TRANSPORTATION AND INSURANCE COVERAGE FOR THE DELAWARE TRANSPORTATION AUTHORITY, PUBLIC CARRIERS, AND TRANSPORTATION NETWORK COMPANIES.

Assumptions:

1. Upon signature by the Governor, this Act takes effect July 1, 2022.
2. This Act requires the Delaware Transportation Authority (DTA) and public carriers, as defined by Chapter 18, Title 2, to increase the death, bodily injury, and property damage insurance coverage from \$300,000 to \$1,000,000 per single occurrence.
3. This Act also requires public carriers, Transportation Network Companies (TNC), and the DTA to possess coverage for uninsured and underinsured claims in the minimum amount of \$1,000,000 per incident.
4. The impact of the increased coverages to the DTA is uncertain. According to the Delaware Transit Corporation (DART) Claims Administrator, the organization estimates that the addition of uninsured/underinsured motorist coverage would likely increase claim occurrences approximately 35% - 50%, or 96 claims per year.
5. There are currently an average of 240 claims per year with an average amount of \$14,500 per claim and a \$1,200 claim administration fee. Increased costs to the Transportation Trust Fund consider an increase in claims at current per claim amounts.
6. The Department of Health and Social Services (DHSS) anticipates an impact of the increased coverages to the State's Medicaid transportation program, currently contracted through a third-party vendor. The Division of Medicaid and Medical Assistance (DMMA) estimates a change in the per member per month (PMPM) proposed cost of \$1.31 bringing the overall total to \$11.01 PMPM. Cost projections of the PMPM rate were calculated using the blended Federal Medical Assistance Percentage (FMAP) of 36.075% presuming a COVID FMAP increase through June 30, 2022.
7. Currently, DMMA reports 258,417 clients who require the need for transportation. With the proposed PMPM rate, anticipated costs would total \$34,142,054. Of that cost, the proposed State Share would be \$12,316,746; a difference of \$1,465,480 over the current cost for FY23.

<u>Cost:</u>	Transportation Trust Fund	General Fund
Fiscal Year 2023:	\$1,507,200	\$1,465,480
Fiscal Year 2024:	\$1,507,200	\$1,465,480
Fiscal Year 2025:	\$1,507,200	\$1,465,480

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Office of the Controller General