

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATURE 2nd CALLED SESSION - 2003

August 18, 2003

TO: Honorable David Swinford, Chair, House Committee on Government Reform

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB6 by Swinford (Relating to certain governmental benefit plans.), **Committee Report 1st House, Substituted**

The bill would require the Comptroller of Public Accounts, should it be determined that it would generate a cost savings, to implement an online electronic benefits system. The bill also would repeal Section 1575.163 of the Insurance Code that prohibits the Teacher Retirement System (TRS) from excluding certain hospitals from its health insurance plan network.

The Comptroller's office indicates that to implement an online electronic benefits system would cost \$9.43 million in the first two years and \$2.3 million each year thereafter. An additional four FTEs would be required to implement the program. Therefore, for the program to be undertaken, savings would have to be identified that would exceed the above costs.

According to TRS, allowing TRS to exclude certain hospitals from its networks would have no significant fiscal implications.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 323 Teacher Retirement System

LBB Staff: JK, GO, WP