

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

April 15, 2003

TO: Honorable Jaime Capelo, Chair, House Committee on Public Health

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB1094 by Capelo (Relating to grants for federally qualified health centers.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1094, As Introduced: a negative impact of (\$10,028,897) through the biennium ending August 31, 2005.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2004	(\$4,970,555)
2005	(\$5,058,342)
2006	(\$206,705)
2007	(\$206,705)
2008	(\$206,705)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>GENERAL REVENUE FUND</i> 1	Probable (Cost) from <i>FEDERAL FUNDS</i> 555
2004	(\$4,970,555)	(\$303,168)
2005	(\$5,058,342)	(\$303,168)
2006	(\$206,705)	\$0
2007	(\$206,705)	\$0
2008	(\$206,705)	\$0

Fiscal Year	Change in Number of State Employees from FY 2003
2004	8.0
2005	8.0
2006	4.0
2007	4.0
2008	4.0

Fiscal Analysis

The bill would allow the Department of Health (TDH) to provide various grants, as specified in the bill, to establish new facilities and to expand existing facilities that can qualify as federally qualified

health centers (FQHCs). Under the provisions of the bill, TDH may provide support to help eligible organizations receive FQHC designation and then become eligible for federal FQHC grants.

It is assumed that TDH would implement a new program to provide support to help organizations receive FQHC designation and then become eligible for federal FQHC funds.

Methodology

The expenditures for fiscal year 2004 are estimated at .75 of the fiscal year because of the start-up period. It is assumed that 8 FTEs would be needed to implement the provisions of the bill. Total expenditures are estimated at \$10,635,233 for the 2004-05 biennium. Some of the expenditures included in the total amount are: \$9.7M for grants; approximately \$639,000 for salary and benefits, and \$218,000 for travel.

It is assumed that grant support would not be provided in fiscal years 2006-08. It is assumed that 4 FTEs may be needed in fiscal years 2006-08 to continue to provide technical support to communities and to work with communities to improve access to primary care. Total expenditures are estimated at \$206,705 each year for fiscal years 2006-08.

A one time expenditure for 2 computers and a printer is estimated at \$3,500 in fiscal year 2004.

Technology

2 Computers (\$1,500 ea.) and 1 Printer (\$500)

Local Government Impact

According to the Texas Department of Health (TDH) local health departments may have an interest in applying for federal funding as a federally qualified health centers (FQHCs) because these entities are considered eligible to receive FQHC designation. Under the provisions of the bill, TDH may assist eligible organizations in receiving FQHC designation and then become eligible for federal FQHC grants.

Source Agencies: 501 Department of Health

LBB Staff: JK, JO, EB, KF, RM