

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION**

**March 31, 2003**

**TO:** Honorable Dianne White Delisi, Chair, House Committee on State Health Care Expenditures,  
Select

**FROM:** John Keel, Director, Legislative Budget Board

**IN RE: HB1585** by Edwards (Relating to reimbursements to certain urban hospitals under the  
disproportionate share program.), **As Introduced**

**No significant fiscal implication to the State is anticipated.**

The bill would require the Health and Human Services Commission to revise the rules concerning reimbursements under the Disproportionate Share Hospital (DSH) program. The commission indicates that the bill would have no fiscal impact to state owned or operated hospitals, and therefore would have no significant fiscal impact to the state. However, the bill would impact the DSH distribution formula for non-state owned or operated hospitals, potentially resulting in a DSH revenue gain to some hospitals and a DSH revenue loss to other hospitals.

**Local Government Impact**

Non-state owned or operated hospitals could lose or gain DHS revenue based on the provisions of the bill.

**Source Agencies:** 529 Health and Human Services Commission

**LBB Staff:** JK, EB, PP