

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

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

**May 19, 2003**

**TO:** Honorable Jane Nelson, Chair, Senate Committee on Health & Human Services

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

**IN RE: HB2985** by Capelo (Relating to the establishment of an office of patient protection within the Health Professions Council.), **As Engrossed**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB2985, As Engrossed: a positive impact of \$590,083 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:**

<b>Fiscal Year</b>	<b>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</b>
2004	\$242,676
2005	\$347,407
2006	\$344,507
2007	\$344,507
2008	\$344,507

**All Funds, Five-Year Impact:**

<b>Fiscal Year</b>	<b>Probable Revenue Gain/ (Loss) from GENERAL REVENUE FUND 1</b>	<b>Probable Savings/(Cost) from GENERAL REVENUE FUND 1</b>	<b>Change in Number of State Employees from FY 2003</b>
2004	\$655,879	(\$413,203)	5.0
2005	\$661,680	(\$314,273)	5.0
2006	\$658,780	(\$314,273)	5.0
2007	\$658,780	(\$314,273)	5.0
2008	\$658,780	(\$314,273)	5.0

**Fiscal Analysis**

The bill would require the Health Professions Council (HPC) to establish an Office of Patient Protection (OPP). The OPP would be required to provide public information about the complaint process at each member licensing agency, conduct a public awareness campaign to increase awareness of the telephone complaint system, provide information to the public regarding the complaint procedures and sanctions processes used by HPC member agencies through the internet and other media. The agency would be required to review the internet sites of HPC member agencies and make recommendations to the agencies on making information understandable to and readily accessible to the public.

The OPP would be required to serve as an ombudsman for consumer complaints to member agencies, provide assistance to the public in appealing a decision by member agencies, and appeal decisions made by member agencies on behalf of consumers as a class.

The OPP would also be required to review and evaluate rules adopted by the licensing agencies and changes made to the statutes that govern the operation of the agencies and the professions regulated by the agencies, and recommend changes to the statutes of HPC member agencies during Sunset Advisory Commission review of those agencies.

Funding for the OPP would come from a \$5 fee to new licenses and \$1 per year fee to renewal licenses issued by HPC member agencies.

## **Methodology**

The Health Professions Council (HPC) indicates that it would require four FTEs to establish the Office of Patient Protection (OPP). The agency would require one Program Administrator IV FTE (\$52,985 in annual salary and benefits) to administer the program, supervise staff, and direct the public awareness campaign. The agency would require one Administrative Technician III FTE (\$35,918 in annual salary and benefits) to assist the Program Administrator and the telephone complaint system. The agency would require one Attorney III FTE (\$54,155 in annual salary and benefits) to evaluate rules adopted and statute changes related to the HPC member agencies and appeal decisions by member agencies on behalf of consumers as a class. The agency would require one Accountant II FTE (\$34,809 in annual salary and benefits) for preparation of the OPP budget and payroll, and for purchasing. The agency would require one Systems Analyst II (\$45,026 in annual salary and benefits) to maintain the OPP website and to review the internet sites of HPC member agencies.

The agency assumes it would require \$100,000 in fiscal year 2004 and \$50,000 each year thereafter to implement a public awareness campaign and \$30,000 per year would be needed to maintain an upgraded system to handle the increased demands on the telephone complaint system.

The agency assumes it would require \$39,710 in fiscal year 2004 and \$6,780 each year thereafter for telephones, computers, equipment, and other operating expenses for the additional employees. The agency would also require \$20,600 in fiscal year 2004 and \$4,600 each year thereafter for equipment, software, and other expenses related to maintaining a website for the dissemination of information to the public.

The fee increase to new and renewal licenses issued by HPC member agencies would raise \$655,879 in fiscal year 2004, \$661,680 in fiscal year 2005, and \$658,780 each year thereafter in General Revenue.

## **Technology**

The Health Professions Council would require \$10,000 in fiscal year 2004 for computers and related equipment for additional staff, and would require \$20,600 in fiscal year 2004 and \$4,600 each year thereafter for a server, software, support, hosting and internet access for the informational website.

## **Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 364 Health Professions Council

**LBB Staff:** JK, RT, RB, JO, EB