

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

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

**May 5, 2003**

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

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

**IN RE: HB3310** by Capelo ( Relating to subrogation for certain costs of services provided by a public hospital or hospital district; providing penalties. ), **Committee Report 1st House, Substituted**

<b>No fiscal implication to the State is anticipated.</b>
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The bill would add a section to the Health and Safety Code, requiring that an application for or receipt of services from a public hospital or hospital district would constitute an assignment of the applicant's or recipient's right of recovery from various sources. The person that applies for or receives services would be required to inform the hospital or hospital district of any unsettled claims that may affect health care needs, coverage that may become available, or of any injury caused by the act or failure to act of another person. Not informing the hospital or health district would be a Class C misdemeanor offense.

A public hospital or hospital district's right of recovery would be limited to the amount of the cost of services paid by the public hospital or hospital district. Other subrogation rights would also be limited to the cost of services provided, including those services provided by a physician.

The bill would take effect September 1, 2003.

According to analysis by the Texas Department of Health, the agency would be able to absorb any rulemaking requirements under the provisions of the bill within existing resources.

**Local Government Impact**

Provisions of the bill would provide an opportunity for public hospitals and hospital districts to recover outstanding indigent care revenue from personal injury cases, although it is anticipated that the level of recovery would be minimal. For example, the Nueces County Hospital District estimates it would recover approximately \$50,000 annually.

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

**Source Agencies:** 501 Department of Health

**LBB Staff:**

JK, EB, DLBa