

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

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

**Revision 1**

**April 21, 2003**

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

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

**IN RE: SB245** by Zaffirini (Relating to the provision of therapy services under the medical assistance program. ), **Committee Report 1st House, Substituted**

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

The bill would direct the Health and Human Services Commission (HHSC) to require by rule the provision of respiratory therapy services by a respiratory therapist for a Medicaid recipient when: respiratory therapy is determined by the recipient's treating physician to be the most effective method of treatment, and the use of a respiratory therapist is practicable and cost-neutral or cost-effective. The bill would direct HHSC or the appropriate Medicaid-operating agency to adopt rules no later than December 1, 2003.

HHSC interprets the bill as not increasing the number of Medicaid clients who would be eligible for the provision of respiratory therapy services, and therefore estimates that the bill would have no significant fiscal impact.

However, if the effect of the bill were to expand the provision of respiratory therapy services to Medicaid clients who are not ventilator dependent persons, HHSC estimates (as revised) that implementation of the bill would cost approximately \$541,000,000 in All Funds (including \$216,000,000 in General Revenue) in fiscal year 2004, with similar costs in subsequent fiscal years.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

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

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