

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

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

**March 25, 2003**

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

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

**IN RE: SB493** by Shapleigh (Relating to mental health and substance abuse services provided through certain state health benefit programs.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB1346, : a negative impact of (\$167,571) 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	(\$87,648)
2005	(\$79,923)
2006	(\$79,923)
2007	(\$79,923)
2008	(\$79,923)

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

Fiscal Year	Probable Savings/(Cost) from <i>GR MATCH FOR MEDICAID</i> 758	Probable Savings/(Cost) from <i>FEDERAL FUNDS</i> 555
2004	(\$87,648)	(\$87,648)
2005	(\$79,923)	(\$79,923)
2006	(\$79,923)	(\$79,923)
2007	(\$79,923)	(\$79,923)
2008	(\$79,923)	(\$79,923)

**Fiscal Analysis**

The bill would require the Health and Human Service Commission (HHSC) to monitor and regularly evaluate contractors and subcontractors that provide or arrange for mental health and substance abuse services for clients enrolled in the Medicaid program, the state child health plan (CHIP), and the Texas Health Steps program. The bill would also require HHSC to provide a report no later than December 1, 2005 to certain legislative committees concerning alternatives that may be used to fund expansion of the range of mental health and substance abuse services.

## **Methodology**

Regarding the requirement for routine monitoring and evaluation, the following is assumed:

1. HHSC would hire three additional Full-time-equivalents (FTEs).
2. Salaries and related benefits would total \$149,743 per year.
3. Ongoing costs related to travel, supplies, and other expenses would total \$10,103 per year.
4. A one-time equipment cost would total \$15,450 in fiscal year 2004.
5. Expenses would be funded equally through General Revenue and Federal Funds.

No costs are assumed for the provision of new data from contractors and subcontractors. No additional costs are assumed for preparation of the report.

## **Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 324 Department of Human Services, 501 Department of Health, 517 Commission on Alcohol and Drug Abuse, 529 Health and Human Services Commission, 655 Department of Mental Health and Mental Retardation

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