

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

May 22, 2003

TO: Honorable Talmadge Heflin, Chair, House Committee on Appropriations

FROM: John Keel, Director, Legislative Budget Board

IN RE: SB1862 by Bivins (Relating to health and human services.), **As Engrossed**

Estimated Two-year Net Impact to General Revenue Related Funds for SB1862, As Engrossed: an impact of \$0 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	\$0
2005	\$0
2006	\$0
2007	\$0
2008	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain from <i>QUALITY ASSURANCE</i> 5080	Probable (Cost) from <i>QUALITY ASSURANCE</i> 5080	Probable (Cost) from <i>FEDERAL FUNDS</i> 555
2004	\$27,313,652	(\$10,870,833)	(\$16,442,819)
2005	\$27,314,084	(\$10,865,543)	(\$16,448,541)
2006	\$27,314,084	(\$10,865,543)	(\$16,448,541)
2007	\$27,314,084	(\$10,865,543)	(\$16,448,541)
2008	\$27,314,084	(\$10,865,543)	(\$16,448,541)

Fiscal Analysis

The bill would impose a quality assurance fee on each facility (state school) owned by the Texas Department of Mental Health and Mental Retardation beginning with patient days occurring in FY 2003. If the section does not take effect before September 1, 2003, the fee would be imposed beginning with patient days occurring in FY 2004. The bill would alter the manner in which patient days are calculated and the date by which they must be reported. It also expands the uses of money in the quality assurance fund.

The bill would authorize each health and human services agency to reduce expenditures by consolidating reports, extending the effective period of licenses, permits, and registrations, contracting with another governmental entity or a private vendor to carry out any duties, expanding the use of electronic means of communication, and collecting fees to cover any costs incurred by the agency.

Methodology

Section 1 is estimated to result in a positive net impact to the quality assurance fund of \$16.4 million, including a gain to the fund of \$27.3 million and a cost to the fund of \$10.9 million, for each year beginning in FY 2004.

Local Government Impact

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

Source Agencies: 529 Health and Human Services Commission, 655 Department of Mental Health and Mental Retardation

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