

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

February 15, 2005

TO: Honorable Suzanna Gratia Hupp, Chair, House Committee on Human Services

FROM: John S. O'Brien, Deputy Director, Legislative Budget Board

IN RE: HB545 by Naishtat (Relating to services provided by podiatrists under the Medicaid program.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB545, As Introduced: a negative impact of (\$4,255,082) through the biennium ending August 31, 2007.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

The bill would amend the Human Resource Code, Section 32.027, to add subsection (m), and would require the Commission to assure that a recipient of medical assistance may select a licensed podiatrist to perform any foot health care service or procedure covered under the medical assistance program if the podiatrist is authorized by law to perform the service or procedure. The bill states that this shall be liberally construed. The bill also repeals Human Resources Code, Section 32.027 (b), as amended by Ch. 1251 of the 78th Legislature. This subsection is identical to the new subsection (m) being proposed, except it starts with the phrase, "Subject to appropriated state funds..."

The bill would take effect September 1, 2005.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2006	(\$2,017,573)
2007	(\$2,237,509)
2008	(\$2,473,743)
2009	(\$2,725,249)
2010	(\$3,005,392)

All Funds, Five-Year Impact:

Fiscal Year	Probable (Cost) from <i>GR MATCH FOR MEDICAID</i> 758	Probable (Cost) from <i>FEDERAL FUNDS</i> 555
2006	(\$2,017,573)	(\$3,113,590)
2007	(\$2,237,509)	(\$3,422,771)
2008	(\$2,473,743)	(\$3,780,979)
2009	(\$2,725,249)	(\$4,165,393)
2010	(\$3,005,392)	(\$4,593,484)

Fiscal Analysis

Podiatry services are optional Medicaid services under federal law. Client services are assumed to be

matched at Federal Medical Assistance Percentage (FMAP) rates. See below.

One time cost for the claims administrator system adjustments are \$13,650 in FY 2006.

Methodology

The Health and Human Services Commission (HHSC) cost estimate uses the following caseload trends for FY 2006 to FY 2010: 5.3%, 5.0%, 5.0%, 4.9%, 5.0%. Cost trends assumed are 5.0% each year. The Federal Medical Assistance Percentage assumed is: 60.68%, 60.47%, and 60.45% for the remaining years.

Technology

Health and Human Services Commission states there would be no impact to the agency's information technology.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 529 Health and Human Services Commission

LBB Staff: JOB, CL, PP, MB