

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

May 13, 2005

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

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

IN RE: HB916 by Woolley (Relating to creating the Texas Health Care Policy Council.),
Committee Report 2nd House, Substituted

Estimated Two-year Net Impact to General Revenue Related Funds for HB916, Committee Report 2nd House, Substituted: a negative impact of (\$500,588) 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.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2006	(\$252,544)
2007	(\$248,044)
2008	(\$248,044)
2009	(\$248,044)
2010	(\$248,044)

All Funds, Five-Year Impact:

Fiscal Year	Probable (Cost) from GENERAL REVENUE FUND 1	Change in Number of State Employees from FY 2005
2006	(\$252,544)	3.0
2007	(\$248,044)	3.0
2008	(\$248,044)	3.0
2009	(\$248,044)	3.0
2010	(\$248,044)	3.0

Fiscal Analysis

The bill establishes the Governor's Health Care Coordinating Council (council) in the Office of the Governor. The bill requires the council to identify and study problems in the health care system and identify possible solutions for the state or other participants in the system. The bill authorizes the council to form advisory committees to accomplish the council's purpose. The bill establishes the Texas Health Workforce Planning Partnership (partnership) as a standing committee of the council.

The bill requires the council to submit a report of its findings and recommendations to the governor, lieutenant governor, and speaker of the house of representatives not later than December 31 of each even-numbered year.

The bill also requires the council to facilitate and promote the use of technology in the health care

system, research and promote initiatives relating to patient safety, and establish a clearinghouse of information to assist communities in assessing the needs of local health care systems. The bill requires the partnership to monitor the health care workforce needs of the state, implement appropriate health care workforce planning activities, and research ways to increase funding for health care.

The bill requires the council to hire an executive director and authorizes the director to hire staff. The bill requires the director to prepare a personnel policy statement. The bill requires each state agency on the council to provide funds to support the council, and that the council develop a funding formula to determine each state agency's level of support.

The bill authorizes the council to contract with public or private entities to perform its research and reporting activities.

Methodology

The bill requires the council to hire an executive director and authorizes the director to hire staff. This would result in an increase of three FTEs (Program Director I, Program Specialist II, and an Administrative Assistant III) to identify, research and conduct studies on problems related to the health care system. Combined salaries for these three FTEs would be \$160,000 per fiscal year. Travel expenditures associated with the council meetings and staff travel are estimated at \$32,000 per fiscal year and other operating expenses are estimated at \$8,460 per fiscal year. For fiscal year 2006 and fiscal year 2009, a \$4,500 cost is anticipated for three personal computers.

The bill authorizes the council to contract with public or private entities to perform its research and reporting activities. This could result in additional costs of \$50,000 to \$200,000 per fiscal year for professional fees and services. It assumed that agencies would provide funds for these professional fees and services.

The bill requires each state agency on the council to provide funds to support the council, and that the council develop a funding formula to determine each state agency's level of support. Agencies may be required to shift appropriations from other programs and reduce services in those areas in order to meet the requirements of the bill's provisions.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 301 Office of the Governor, 320 Texas Workforce Commission, 323 Teacher Retirement System, 454 Department of Insurance, 529 Health and Human Services Commission, 537 Department of State Health Services, 539 Department of Aging and Disability Services, 781 Higher Education Coordinating Board

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