

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

February 22, 2005

TO: Honorable Dianne White Delisi, Chair, House Committee on Public Health

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

IN RE: HB952 by Delisi (Relating to a pilot program to provide health services to state employees in state office complexes.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB952, As Introduced: a negative impact of (\$169,219) 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	(\$98,691)
2007	(\$70,528)
2008	(\$70,528)
2009	(\$70,528)
2010	(\$70,528)

All Funds, Five-Year Impact:

Fiscal Year	Probable (Cost) from <i>GENERAL REVENUE FUND</i> 1	Change in Number of State Employees from FY 2005
2006	(\$98,691)	1.0
2007	(\$70,528)	1.0
2008	(\$70,528)	1.0
2009	(\$70,528)	1.0
2010	(\$70,528)	1.0

Fiscal Analysis

The bill would require the Department of State Health Services to develop and implement a pilot program to hire a licensed advanced practice nurse to provide on-site health services to state employees beginning January 1, 2006, at the Texas Commission on Environmental Quality. A licensed physician would review the nurse practitioner. The bill would require appropriate office space and professional liability insurance. The bill would require reports to the Employees Retirement System every six months on the status of the pilot. The executive commissioner of Health and Human Services may continue or expand the pilot program if the program is beneficial to the state and economically feasible.

Methodology

1. It is assumed that existing staff at the Department of State Health Services will develop rules to implement the bill and that existing staff at the Employee Retirement System would review the required reports.
2. It is assumed that one new FTE, an advanced nurse practitioner, would be hired at a cost of \$35,865 in 2006, allowing for a phase-in of the program, and with a cost of \$47,820 in subsequent years. Employee benefit costs are assumed to be 29.74 percent of the annual salary.
3. It is assumed that physician oversight of the nurse practitioner will be performed by existing DSHS staff.
4. Start-up costs are assumed to include the following: \$3,105 in the first year for furniture; \$12,000 in the first year for medical equipment such as a defibrillator, sphygmomanometer, otoscope, cardiac arrest cart, etc.; \$3,500 in each year for consumable medical supplies and on-site medications such as antibiotics, non-prescription pain medication, albuterol, etc.; \$4,403 in the first year for computer hardware with annual costs of \$650 for each subsequent year; and \$229 in the first year for phone services with annual costs of \$305 in each subsequent year.
5. It is assumed that liability insurance premiums will be \$1,000 in each year.
6. It is assumed that it will cost \$25,650 in the first year to build-out and construct the clinic area within the state office complex. This includes a patient waiting area, office space, exam room, hand washing sink, restroom, and secure storage area for medications and medical records. It is estimated that the build-out will cost \$45 per square foot for 570 square feet of existing office space.
7. It is assumed that the Commissioner will continue the project at the TCEQ site after the first year, and not include more sites.

Technology

The estimated costs for technology include \$4,403 in the first year for computer hardware, with annual costs of \$650 in subsequent years.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 327 Employees Retirement System, 529 Health and Human Services Commission, 537 Department of State Health Services

LBB Staff: JOB, CL, LW, PP