

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

April 13, 2005

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

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

IN RE: HB954 by Chavez (Relating to the collection and reporting of employment information regarding beneficiaries of certain health care services.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB954, As Introduced: a negative impact of (\$511,071) 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	(\$451,468)
2007	(\$59,603)
2008	(\$59,633)
2009	(\$59,633)
2010	(\$59,633)

All Funds, Five-Year Impact:

Fiscal Year	Probable (Cost) from <i>GR MATCH FOR MEDICAID 758</i>	Probable (Cost) from <i>FEDERAL FUNDS 555</i>	Change in Number of State Employees from FY 2005
2006	(\$451,468)	(\$696,721)	2.0
2007	(\$59,603)	(\$91,176)	2.0
2008	(\$59,633)	(\$91,146)	2.0
2009	(\$59,633)	(\$91,146)	2.0
2010	(\$59,633)	(\$91,146)	2.0

The bill would amend the Government Code, chapter 531 to require an applicant for public health care assistance to identify his employer or if a dependent, the employer of the person legally liable for his support. Public health care assistance includes Medicaid, CHIP, the Indigent Health Care Program, and any other public health care program administered by HHSC or one of the Texas health and human services agencies. The bill would also require hospitals to collect the same employer information for any person requesting charitable care or services, and to report this information at least annually to HHSC.

The bill would take effect September 1, 2005.

Fiscal Analysis

The Health and Human Services Commission estimates the need for two full-time-equivalents to maintain data and coordinate responses from local entities. This cost estimate includes funds for two FTEs, professional services related to development of the database, and capital equipment.

Methodology

This cost estimate includes salaries, benefits, travel, other operating and start up costs for a Database Administrator IV and a Research Specialist II. The cost is assumed to be \$125,529 in fiscal year 2006. Professional services, hardware, software and capital equipment related to interface development with Texas Workforce Commission, hospitals, and public health care programs are included at a cost of \$1,022,660 in fiscal year 2006. All costs are assumed to be matched with federal Medicaid funds at a matching rate of 60.68% in fiscal year 2006. Fiscal year 2007 through 2010 cost per year is \$150,779 for two FTEs and ongoing capital maintenance. The matching rate is assumed to be 60.47% in fiscal year 2007 and 60.45% in fiscal years 2008-2010.

Technology

HHSC would need to develop the information technology to meet the requirements of the bill. These costs are included above.

Local Government Impact

A hospital owned by a local governmental entity that provides public health care assistance would incur some costs to modify their intake forms. These costs are not expected to be significant

Source Agencies: 529 Health and Human Services Commission

LBB Staff: JOB, CL, KF, KJG, MB