

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

May 25, 2005

TO: Honorable Tom Craddick, Speaker of the House, House of Representatives

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

IN RE: HB1252 by Guillen (Relating to providing services for persons with chronic kidney disease under the medical assistance program.), **As Passed 2nd House**

No significant fiscal implication to the State is anticipated.

The bill would amend section 533.009(a), Government Code to include chronic kidney disease and its medical complications as one of the health conditions for which Medicaid managed care organizations may provide disease management. It also specifies that if a managed care organization implements such a program, it must use generally recognized clinical practice guidelines and lab assessments that identify kidney disease on the basis of impaired kidney function or the presence of kidney damage.

The bill would amend section 32.059 (a), Human Resources Code by adding chronic kidney disease to the list of conditions for which HHSC may pursue disease management contracts. To do so, HHSC states it may modify an existing Medicaid disease management contract or enter into an additional contract for chronic kidney disease services.

The bill would add section 32.069, Chronic Kidney Disease Management Initiative, to the Human Resources Code. The new section would require providers of disease management to develop a program of kidney disease screening and treatment services. These services would be developed and provided under the requirements of section 32.059 of the Human Resources Code.

The bill also authorizes HHSC to seek necessary federal authorization or waivers, and to delay implementation until necessary federal approvals are received.

The bill would take effect on September 1, 2005.

The Health and Human Services Commission states the bill would have no significant fiscal impact, since disease management services would only be provided if there is a guarantee of state savings on expenditures for the affected group of Medicaid recipients. The agency did not quantify the potential savings, which are not expected to occur until fiscal year 2008.

Local Government Impact

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

Source Agencies: 529 Health and Human Services Commission

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