

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

April 28, 2005

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

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

IN RE: HB1502 by Davis, John (Relating to payment for medical assistance provided to an individual who is dually eligible for Medicaid and Medicare.), **As Introduced**

No significant fiscal implication to the State is anticipated.

According to the Health and Human Services Commission, this bill would repeal Section 32.050(f) of the Texas Human Resources Code which reads as follows: "If the Medicare reimbursement rate for a service provided to an individual identified under Subsection (a) exceeds the medical assistance reimbursement rate for a comparable service, the medical assistance program may not pay a Medicare coinsurance or deductible amount for that service." According to HHSC, there would be no significant fiscal implications associated with the implementation of the provisions of the bill, assuming the following: 1) the bill would require changes to the Medicaid claims payment contract, but the estimated cost of the changes is considered not significant for purposes of this cost estimate, 2) it is assumed that passage of the bill would not prevent the Medicaid Vendor Drug Program (VDP) from continuing to enforce Medicare as the primary payer for select Immunosuppressant drug products, and 3) it is assumed that there will be no change to the VDP Electronic Claim Management System.

Local Government Impact

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

Source Agencies: 529 Health and Human Services Commission

LBB Staff: JOB, CL, KF