

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

April 26, 2005

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

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

IN RE: HB2472 by Delisi (Relating to disease management services under Medicaid managed care),
As Introduced

No significant fiscal implication to the State is anticipated.

The bill amends provisions related to disease management programs. The bill authorizes the Health and Human Services Commission (HHSC) to utilize, where cost effective, the services of a provider of disease management programs in the Medicaid program. The bill requires that HHSC give clients in Medicaid managed care service areas who currently participate in a disease management program the option to remain enrolled in the disease management program.

HHSC projects a cost associated with allowing clients to remain in disease management programs of \$247,500 in 2006 and \$495,000 in subsequent years, fifty percent of which would be state and fifty percent federal. HHSC states that savings associated with disease management are ongoing but cannot be determined. It is assumed that the savings associated with disease management would be at least equal to and offset the costs to implement the provisions of the bill.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 529 Health and Human Services Commission

LBB Staff: JOB, CL, KF