

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

May 26, 2005

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

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

IN RE: HB2772 by Farabee (Relating to health savings accounts and high-deductible health plans implemented as a part of the group benefits program of the Employees Retirement System of Texas.), **As Passed 2nd House**

No significant fiscal implication to the State is anticipated.

The bill would require the Employees Retirement System (ERS) to evaluate the long-term impact of implementation of a health reimbursement account program or a health savings account and high-deductible health plan program within the group benefits program. ERS would be required to send a report in connection with the evaluation, including findings and recommendations, to the Governor, Lieutenant Governor, and Speaker of the House of Representatives not later than December 31, 2006. The provisions of the bill would expire on January 1, 2007. ERS estimates the costs of the evaluation and report would not be significant.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 327 Employees Retirement System

LBB Staff: JOB, SD, SR, WM