

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

April 22, 2005

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

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

IN RE: HB3099 by McReynolds (Relating to a risk assessment program for Type 2 diabetes and the creation of the Type 2 Diabetes Risk Assessment Program Advisory Council.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3099, As Introduced: a negative impact of (\$2,074,411) 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	(\$759,607)
2007	(\$1,314,804)
2008	(\$1,314,804)
2009	(\$1,314,804)
2010	(\$1,314,804)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from GENERAL REVENUE FUND 1
2006	(\$759,607)
2007	(\$1,314,804)
2008	(\$1,314,804)
2009	(\$1,314,804)
2010	(\$1,314,804)

Fiscal Year	Change in Number of State Employees from FY 2005
2006	10.0
2007	10.0
2008	10.0
2009	10.0
2010	10.0

Fiscal Analysis

The bill relates to a risk assessment program for Type 2 diabetes and the creation of the Type 2 Diabetes Risk Assessment Program Advisory Council. The bill would amend certain sections of and add new sections to Chapter 95 of the Health and Safety Code. Section 95.002 would require the Department of State Health Services (DSHS) 1) to administer a risk assessment program for Type 2 diabetes, 2) to provide educational and other materials to assist local risk assessment activities and 3) monitor the quality of the risk assessment activities. Under the bill provisions, DSHS may 1) contract with one or more institutions of higher education and assign any duty required by the bill's provisions to the institution(s) under contract and 2) coordinate the risk assessment with various entities, such as universities, as prescribed in the bill, and 3) provide technical assistance in developing risk assessment programs.

The bill would create an advisory council to advise DSHS on the Type 2 diabetes risk assessment program. The bill would repeal a portion of Chapter 95 of the Health and Safety Code. Upon enactment, the bill would take effect September 1, 2005.

Methodology

DSHS assumes that six additional FTEs would be needed to implement the bill's provisions, including 2 central office staff and 4 regional office staff. The estimated costs in FY 2006 assumes 9 months only due to phase in. In FY 2006, the estimated costs would include \$209,174 for salaries and benefits, \$10,664 for rent and utilities, \$7,875 for travel expenses, and \$5,418 leased desktop personal computers. In FY 2006, other operating expenses would total \$35,497 for office furnishings, telephone service, and supplies. In FY 2007-2010, the estimated costs (each year) would include \$278,899 for salaries and benefits, \$14,218 for rent and utilities, \$10,500 for travel expenses, and \$3,900 for leased computers. Other operating expenses would total \$6,582 for telephone service, and supplies each year. The total estimated costs for the expenses mentioned above would be \$268,628 in FY 2006 and \$314,099 in each year of FY 2007-2010.

DSHS assumes that the agency would contract with one or more institutions of higher education. The contract(s) would begin in the second year of the biennium. In FY 2007-2010, the estimated cost for the contract(s) total \$350,000 each year for costs associated with the operation and customization of a data tracking system, the development and operation of web-based training, and the development and distribution of educational materials.

DSHS assumes that the agency would amend current contracts with the 20 Educational Services Centers (ESCs) to provide training support and technical assistance at the local level. The cost of the amended contracts would total \$125,800 each year (FY 2006-2010) for personnel time, training for licensed vocational nurses and unlicensed screening personnel, facility space for training, and print materials.

DSHS assumes the agency would develop, reproduce and distribute brochures, manuals and videos to inform schools about the Type 2 diabetes screening program. The estimated cost for educational materials would total \$60,000 each year (FY 2007-2010).

The University of Texas System Administration indicates that to implement the bill's provisions, four additional FTEs are assumed. It is assumed that the cost estimate would cover 9 months in FY 2006 due to phase-in. The estimated costs would include \$130,429 for salaries and benefits, \$18,750 for travel expenses, and \$60,000 for equipment expenses. The estimated cost for other operating expenses would total \$150,000. In FY 2007-2010, the estimated costs each year would include \$173,905 for salaries and benefits, \$25,000 for travel expenses, and \$60,000 for equipment expenses including the purchase of overweight assessment and blood pressure measurement equipment. The estimated cost of other operating expenses would total \$200,000 each year and would include \$50,000 for maintenance of the Risk Factor Electronic System (database), as well as the costs associated with printing and distribution of educational materials, and training for nurses. The total estimated costs for the expenses mentioned above for the UT System Administration would be \$359,179 in FY 2006 and \$458,905 in each year of FY 2007-2010.

The bill would create the Type 2 Diabetes Risk Assessment Program Advisory Council. It is assumed that the council members would be reimbursed for travel expenses related to their attendance at two meetings per year at a cost of \$250/meeting/member or a total of \$5,000 per year. The estimated cost for the preparation of advisory council materials would total \$1,000 per year.

Technology

IT equipment cost would include \$903/unit in FY 2006 and \$650/unit in each year of FY 2007-2010 for six leased desktop personal computers.

Local Government Impact

According to DSHS, public and private schools statewide (9 new education service center regions) would be responsible for providing the "risk assessment" with additional required measurements (blood pressure, weight, and height and body mass index) at designated times, document information, handle exemption forms, report findings to parents in writing, report information about students identified as at risk, and submit an annual report electronically or on a prescribed form.

Source Agencies: 507 Board of Nurse Examiners, 701 Central Education Agency, 720 The University of Texas System Administration, 739 Texas Tech University Health Sciences Center, 537 Department of State Health Services

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