

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

April 27, 2005

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

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

IN RE: HB3176 by Truitt (Relating to audits of providers in the Medicaid vendor drug program.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend subchapter B, Chapter 32, Human Resources Code (Medical Assistance Program) by adding Section 32.0464, Vendor Drug Program; Audits of Providers. It would do the following: (1) require the Executive Commissioner of the Health and Human Services Commission to adopt rules governing the audit of providers in the vendor drug program, (2) specify that the rules must contain certain provisions, (3) limits the period covered by the audit to one year, and (4) establishes an ad hoc peer-review panel through which a provider may obtain an early review of the audit report or may appeal an unfavorable audit finding without the need to obtain legal counsel.

The bill states that this section would not apply to an audit conducted by the Medicaid fraud control unit of the Office of the Attorney General.

The bill would take effect September 1, 2005.

The Health and Human Services Commission states that the bill would not have a significant fiscal impact; however, it is likely that the proposed audits would result in recoupments (revenue) to the state.

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, MB