

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION**

**April 11, 2005**

**TO:** Honorable Jane Nelson, Chair, Senate Committee on Health & Human Services

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

**IN RE: SB330** by Deuell (Relating to the designation of certain hospitals as primary stroke centers.),  
**As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for SB330, As Introduced: a negative impact of (\$5,111,598) 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:**

| <b>Fiscal Year</b> | <b>Probable Net Positive/(Negative)<br/>Impact to General Revenue Related<br/>Funds</b> |
|--------------------|---|
| 2006               | (\$2,551,185)   |
| 2007               | (\$2,560,413)   |
| 2008               | (\$2,560,413)   |
| 2009               | (\$2,560,413)   |
| 2010               | (\$2,560,413)   |

**All Funds, Five-Year Impact:**

| <b>Fiscal Year</b> | <b>Probable (Cost) from<br/>GENERAL REVENUE FUND<br/>1</b> | <b>Change in Number of State Employees<br/>from FY 2005</b> |
|--------------------|--|---|
| 2006               | (\$2,551,185)  | 1.0   |
| 2007               | (\$2,560,413)  | 1.0   |
| 2008               | (\$2,560,413)  | 1.0   |
| 2009               | (\$2,560,413)  | 1.0   |
| 2010               | (\$2,560,413)  | 1.0   |

The bill would amend the Health and Safety Code, chapter 241, by adding subchapter I, Primary Stroke Center Designation. The bill would authorize the Health and Human Services Commission executive commissioner to designate a hospital as a primary stroke center if the hospital is certified by a national medical certification organization such as the Joint Commission on the Accreditation of Healthcare Organizations (JCAHO).

The Department of State Health Services would confer the designation, develop an application process, and maintain the list of primary stroke centers. The bill calls on trauma service area regional advisory councils to develop a stroke plan for local emergency medical service providers. The bill may allow the Office of Rural Community Affairs to use money from the Rural Hospital Grant Program to make a grant to assist a rural hospital to qualify for the primary stroke center designation. The Council of Cardiovascular Disease and Stroke may use money from the Primary Stroke Center Grant Program to assist a primary stroke center hospital in maintaining the primary stroke center

designation.

The bill would take effect September 1, 2005.

### **Fiscal Analysis**

The Department of State Health Services (DSHS) would use existing staff to revise rules and work with the trauma service area regional advisory councils. However, DSHS states that section 5 of the bill would require one new full-time-equivalent to oversee the development and implementation of the Primary Stroke Center Grant Program.

The bill would allow DSHS to impose and collect fees in connection with grants made under the program. DSHS would review the need for and use of fees to determine how charges would be administered.

The Office of Rural Community Affairs (ORCA) requests 5% of the grant amounts to cover administrative expenses. However, they did not provide a cost estimate. Due to the fact that the bill would allow ORCA to impose fees in connection with grants made under this program, this cost estimate does not include funding for ORCA's projected administrative expenses.

### **Methodology**

For the purposes of this cost estimate, any fee revenue that may accrue to DSHS is not assumed to offset the cost of staff. One Program Specialist III is assumed for nine months in FY 2006 and for a full year thereafter. Travel cost is assumed to be \$600 per month for twice per month travel to grantee sites to monitor progress toward contract objectives.

It is assumed that grants for the Rural Hospital Needs grant program and the Primary Stroke Center grant program together would total \$2,500,000 in General Revenue per year.

### **Local Government Impact**

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

**Source Agencies:** 357 Office of Rural Community Affairs, 529 Health and Human Services Commission, 537 Department of State Health Services

**LBB Staff:** JOB, CL, KF, MB