

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

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

**March 16, 2005**

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

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

**IN RE: SB627** by Zaffirini (Relating to a pilot program for the transfer of money appropriated for certain institutional care for children to provide community-based services to those children.),  
**Committee Report 1st House, Substituted**

<b>No significant fiscal implication to the State is anticipated.</b>
---

The bill would amend Chapter 161, Human Resources Code, by adding Section 161.075 requiring the Department of Aging and Disability Services (DADS) to implement a pilot program to transfer money to community-based services for at least 50 children leaving an ICF-MR facility. The effective date of the Act is September 1, 2005 with DADS being required to establish the pilot program no later than December 1, 2005. The program would expire on September 1, 2007.

DADS would be required to quantify the amount of money appropriated by the Legislature that would have been spent during the remainder of a state fiscal biennium to care for a child who is leaving an ICF-MR facility before the end of the biennium to live in the community.

The Health and Human Services Commission (HHSC) would be required to ensure the amount transferred was redirected to one or more community-based programs to provide community-based services to the child after the child left the facility. HHSC would decertify the applicable Medicaid bed for the child who left the facility.

DADS indicated that decertification of beds at small providers could result in closure of the homes and relocation of the remaining clients.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 304 Comptroller of Public Accounts, 529 Health and Human Services Commission, 539 Department of Aging and Disability Services

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