

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

April 20, 2005

TO: Honorable Jeff Wentworth, Chair, Senate Committee on Jurisprudence

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

IN RE: SB952 by Seliger (Relating to medical support for a child.), **As Introduced**

This estimate makes no presumption as to the amount of wages required to pay for State Paid Medicaid and CHIP services.

The bill would require an obligor to pay an additional amount equal to 10 percent of the obligor's net income in a month to the state for reimbursement of any cost incurred by the state in providing medical coverage. The bill does not specify which agency would regulate and enforce this bill. The Office of the Attorney General (OAG) reports that the Child Support Division is not authorized to spend IV-D funding to collect or process the reimbursement of Children's Health Insurance Program (CHIP) costs.

The OAG reports that 78% of their child support cases are Title IV-D cases. As of March, 2005 this number represents 357,815 Medicaid Cases and 69,414 Children's Health Insurance Plan (CHIP) cases. The estimated monthly General Revenue cost for a Medicaid recipient is \$76.42, which equals \$917.04 annually.

The estimated monthly General Revenue cost for a CHIP recipient is \$30.89 which equals \$370.68 annually.

This estimate only reflects those cases which are handled through the OAG, it is not reflective of total state cases involving child support obligations where the children are recipients of Medicaid or CHIP services.

Local Government Impact

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

Source Agencies: 302 Office of the Attorney General, 529 Health and Human Services Commission

LBB Staff: JOB, PP, SSt, LB