

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

**FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION**

**March 24, 2007**

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

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

**IN RE: HB1209** by Jackson, Jim (Relating to county liability for indigent health care services provided to a county resident in another county.), **As Introduced**

**No fiscal implication to the State is anticipated.**

The bill would amend the Health and Safety Code to change from a net income eligibility level that is less than 50 percent to a level that does not exceed 100 percent of the federal poverty level when crediting toward a resident's eligibility for assistance under Subchapter B, Chapter 61 (County Responsibility for Persons Not Residing in an Area Served by a Public Hospital or Hospital District).

Section 61.0335 would be added to Subchapter B, Chapter 61, Health and Safety Code, to stipulate that a county would be liable for health care services and assistance provided to a county resident when those services are provided in another county if the person meets the basic income and resources requirements established for an eligible county resident of the county in which the person received the services.

The proposed changes to statute would apply only to an application for health care services filed on or after the effect date of the bill, which would be September 1, 2007.

**Local Government Impact**

Counties would be able to recoup more of the revenue currently lost when providing services to persons from another county who are eligible for assistance. The fiscal impact would vary, but as an example, Harris County reports that in fiscal year 2006, the Harris County Hospital District (HCHD) discharged 97 individuals who resided outside of Harris County and whose income was at or below 100 percent of the federal poverty level. The total cost for those discharges was \$1.1 million, of which the county was reimbursed only \$91,000. While theoretically under the provisions of the bill the county could recoup the full \$1.1 million, the Harris County Hospital District assumes not all counties would be able to repay Harris County and that the county would instead be able to recoup about 70 percent of its costs, which had the provisions of the bill been in place would have been \$770,000. The HCHD reports, too, that there were almost 6,000 outpatient visits for eligible persons from outside the county, for a total cost of \$662,273, of which \$27,000 was recouped.

**Source Agencies:**

**LBB Staff:** JOB, CL, DB