

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

May 18, 2007

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

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

IN RE: HB1433 by Laubenberg (Relating to audits, investigations, and reviews conducted in health and human services programs and reimbursements under certain of those programs.),
Committee Report 2nd House, Substituted

No significant fiscal implication to the State is anticipated.

The bill would amend Section 531.102, Government Code to allow the office of the inspector general (OIG) of the Health and Human Services Commission (HHSC) to employ commissioned peace officers as investigators for the purpose of carrying out the duties of the inspector general. These staff would not be entitled to supplemental benefits from the law enforcement and custodial officer supplemental retirement fund under Title 8. There are also changes to the scope of required reporting.

The bill would amend Section 531.1021(a), Government Code, by allowing the inspector general to directly issue a subpoena in connection with an investigation by the office. The bill would remove commissioner approval of such subpoenas.

The bill also addresses interagency coordination with the Office of the Attorney General (OAG) and reporting by the OIG and describes OIG cooperation with the State Auditor (SAO).

The bill amends Article 2.12, Code of Criminal Procedure, by correcting titles of certain boards and agencies. Article 2.12 (35) would add a new category of peace officers employed or commissioned by the office of inspector general under Subchapter C, Chapter 531, Government Code.

The bill amends Chapter 531, Government Code, by adding Sections 531.099 and 531.0991 regarding Texas Index for Level of Effort (TILE) reimbursement payments. HHSC is required to ensure that rules governing reimbursement payments to nursing facilities based on TILE classifications prescribe alternate methods a nursing facility may use to submit required documentation and signatures; prescribe the method and manner by which, and the period during which, a nursing facility must submit necessary documentation; and permit a nursing facility to identify documentation errors related to reimbursement payments based on TILE classifications and provide a process by which the nursing facility may refund any money paid inappropriately resulting from such an error. The bill requires HHSC to review and make a determination within 60 days for requests from nursing facilities or hospice providers for reconsideration of TILE classification; if HHSC does not make a determination within 60 days the classification requested is considered granted and the associated daily reimbursement rate is assigned retroactively to the effective date of the incorrect classification.

The bill would take effect September 1, 2007.

HHSC, OAG, SAO, and DADS that any costs associated with implementation of the provisions of the bill can be absorbed using existing resources.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 302 Office of the Attorney General, 308 State Auditor's Office, 529 Health and Human Services Commission, 539 Aging and Disability Services, Department of

LBB Staff: JOB, LR, CL, MN, PP, MB