

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 16, 2007

TO: Honorable Warren Chisum, Chair, House Committee on Appropriations

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

IN RE: HB2356 by Turner (Relating to a performance audit by the comptroller of the Correctional Managed Health Care Committee and its health care provider contracts.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend the Government Code by requiring the Comptroller of Public Accounts to conduct a performance audit of the Correctional Managed Health Care Committee (CMHCC) and its providers that contract with the committee to provide health care services to inmates.

The bill provides that the assessment shall include a review of the following:

- (1) financial controls;
- (2) the committee and contractors economy, efficiency, and the effectiveness;
- (3) feasible alternatives practices that if implemented would improve committee and contractor performance; and,
- (4) the extent the contractors comply with applicable laws. The bill specifies that the Comptroller shall report the results of the audit and recommendations to the Governor and presiding officer of each House not later than December 1, 2008.

The Comptroller of Public Accounts has estimated costs associated with conducting the audit to be \$305,000 for fiscal year 2008. The bill requires only a study and no implementation of cost-saving or revenue-inducing strategies, therefore it would have no fiscal impact on the state or units of local government.

The Texas Department of Criminal Justice, the Correctional Managed Health Care Committee, and the Texas Tech University Health Sciences Center have determined that the costs associated with implementing the bill are not anticipated to be significant.

Local Government Impact

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

Source Agencies: 304 Comptroller of Public Accounts, 696 Department of Criminal Justice, 739 Texas Tech University Health Sciences Center

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