

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

March 26, 2007

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

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

IN RE: HB2811 by Farabee (Relating to the implementation of pilot programs to provide for regional systems of indigent health care.), **As Introduced**

Because it is unknown which areas of the state would be covered by the pilot and which incentives would apply to the specific pilot programs selected, there would be a negative fiscal impact that cannot be determined at this time.

The bill would require the Department of State Health Services (DSHS) to implement at least three pilot programs that provide for regional systems of indigent health care. DSHS would select the pilot programs through a competitive bid process. DSHS indicates there would be costs for one full-time-equivalent position to implement the competitive bid process and for program oversight.

The bill specifies requirements for the pilot programs, including that all participating counties establish a standard of eligibility for county indigent health care programs that is less restrictive than the standards in effect on January 1, 2007. The bill could result in additional state expenditures through the County Indigent Health Care program due to counties qualifying for reimbursement earlier in a fiscal year or due to new counties qualifying for reimbursement.

The bill would authorize DSHS to provide grant funding and financial incentives for the pilot programs. Financial incentives could include allowing counties to count certain expenditures towards County Indigent Health Care program requirements, matching funds for additional services or to expand indigent health care eligibility, funding for health information technology infrastructure, or grant funding for additional capacity for service provision.

It is assumed that any costs to the Health and Human Services Commission related to rule-making could be absorbed within the existing budget of the agency.

Local Government Impact

It is assumed that a county, hospital district, or public hospital would participate in the pilot program only if funding was available.

Source Agencies: 529 Health and Human Services Commission, 537 State Health Services, Department of

LBB Staff: JOB, CL, PP, SSt, KJG