

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 17, 2007

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

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

IN RE: HB3886 by Gattis (Relating to the adoption of electronic health records by health care providers and facilities.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would require a qualifying hospital to allow community-based health care providers to remotely access and use its electronic health record system and would authorize qualifying hospitals to establish a fee for this use. The University of Texas Southwestern Medical Center and the University of Texas Medical Branch indicate there would be some costs to implement the provisions of the bill, but it is anticipated that any fees charged to access the information would cover the costs. The Texas A&M Health Science Center, the Texas Tech University Health Science Center, and the UT System estimate they can absorb the costs of implementing the provisions of the bill.

The bill would require qualifying hospitals to submit certain information to the Department of State Health Services (DSHS). The bill would require DSHS and the Texas Medical Board to jointly develop a web-portal for providers to obtain information on available electronic health record systems. It is assumed any costs to develop the web-portal could be absorbed by the agencies.

The bill would prohibit the Executive Commissioner of the Health and Human Services Commission from reimbursing hospitals under Medicaid for electronic health record system costs unless the hospital allows community-based providers to remotely access and use its system. It is assumed this would not result in a significant impact to the Medicaid program.

Local Government Impact

Qualifying hospitals owned by local government entities would incur costs to open up their electronic health record systems to participating providers, but some of the costs would be offset by the fees charged to providers and by reimbursements from medical assistance payments.

Source Agencies: 503 Texas Medical Board, 529 Health and Human Services Commission, 537 State Health Services, Department of, 709 Texas A&M University System Health Science Center, 720 The University of Texas System Administration, 739 Texas Tech University Health Sciences Center

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