

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

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

**March 5, 2007**

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

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

**IN RE: SB318** by Deuell (Relating to Medicaid incentive payments for direct nursing care provided by nursing homes.), **As Introduced**

<b>No fiscal implication to the State is anticipated.</b>
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The bill would amend Section 32.028 of the Human Resources Code by adding Subsection (g-1) requiring the Health Human Service Commission (HHSC), in administering the nursing facility enhanced direct care staff rate, maintain the provision of incentive-based rates at a level at least equal to the level provided during the state fiscal year ending August 31, 2007, unless otherwise directed by the legislature in the General Appropriations Act. The HHSC indicated that should this legislation be enacted it would limit HHSC's discretion in the design and administration of the nursing facility enhanced direct staff rate.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 529 Health and Human Services Commission, 539 Aging and Disability Services, Department of

**LBB Staff:** JOB, CL, PP, ML