

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 8, 2009

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

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

IN RE: HB497 by Zerwas (Relating to a study to determine the effect on the health care infrastructure in this state if the state Medicaid program is abolished or a severe reduction in federal matching money under the program occurs.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

The bill would require the Health and Human Services Commission (HHSC) and the Texas Department of Insurance (TDI) to conduct a joint study to determine the effect on the health care infrastructure in this state, including health care delivery mechanisms, if the state Medicaid program is abolished or federal matching funds are severely reduced.

It is assumed the cost of the study can be absorbed within existing resources at both agencies. The costs that may result from possible adoption of the transition plan cannot be estimated at this time.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 454 Department of Insurance, 529 Health and Human Services Commission

LBB Staff: JOB, CL, PP, MB