

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 18, 2009

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

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

IN RE: HB1218 by Howard, Donna (Relating to a pilot project to exchange secure electronic health information between the Health and Human Services Commission and local or regional health information exchanges.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

The bill would amend Subchapter B, Chapter 531, Government Code, to establish an electronic health information exchange pilot project in at least one urban area of the state with the participation of at least two local or regional health information exchanges.

The bill would require, at a minimum, the exchange of a patient's medication history between the Health and Human Services Commission (HHSC) and the selected health information exchanges under the pilot project. The pilot may include additional health care information either at inception or in a subsequent expansion. The bill would require HHSC to begin implementation of the pilot not later than the 60th day after the effective date of the bill. The agency could accept gifts, grants and donations for the pilot project.

The bill would require HHSC to assess the pilot project benefits to the state, the patients, and the health care providers of exchanging secure health information with local or regional health information exchanges. HHSC would be required to complete the pilot assessment, including analysis of return on investment, and report the findings to the standing committees of the Senate and the House having primary jurisdiction over health and human services, by December 1, 2010.

The bill would take effect immediately if it receives a vote of two-thirds of the members elected to each house; if not, it would take effect September 1, 2009.

HHSC indicates that the two pilot areas of the state would likely be central Texas and south central Texas. Information would likely be used primarily by the local or regional entity to assist in providing health care to their patients. HHSC assumes that costs related to amending the THMP (Medicaid claims) contract and the vendor drug contract, as well as contracted costs for pilot assessment, can be absorbed within existing resources.

Local Government Impact

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

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

LBB Staff: JOB, CL, MB, LR