

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

**FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION**

**April 29, 2009**

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

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

**IN RE: SB8** by Nelson (Relating to the administration, powers, and duties of the Texas Health Services Authority.), **As Introduced**

**No significant fiscal implication to the State is anticipated.**

The bill would amend the Health and Safety Code relating to the Texas Health Services Authority (THSA) (referred to as the "corporation" in statute). It would expand the governing board to include the executive commissioner of the Health and Human Services Commission, the commissioner of insurance, the executive director of the Employees Retirement System, the executive director of the Teacher Retirement System, and the state Medicaid director. It would require the corporation to research and promote numerous strategies and standards, including best practice standards, care integration, and revisions to payment methodologies. The corporation would conduct studies on 1) payment incentives to increase access to primary care and 2) development of payment methodologies based on risk-adjusted episodes of care. The results of the studies would be submitted to the legislature not later than January 1, 2011. The bill would repeal Section 182.102 (a) related to prohibited acts of the corporation.

It is assumed that any costs could be absorbed within existing resources at affected agencies and that the costs of the studies would be borne by the THSA.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 529 Health and Human Services Commission, 537 State Health Services, Department of  
**LBB Staff:** JOB, CL, MB