

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 20, 2009

TO: Honorable Lois W. Kolkhorst, Chair, House Committee on Public Health

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

IN RE: SB289 by Nelson (Relating to health information technology used in the medical assistance and child health plan programs.), **Committee Report 2nd House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would require the Health and Human Services Commission to ensure that any health information technology (HIT) used in the Medicaid and CHIP programs conform to the standards required under federal law.

HHSC states that these standards are not fully developed at this time; therefore, the agency is unable to estimate a fiscal impact. In addition, it is unclear whether HHSC would be required to ensure compliance by all Medicaid providers' equipment.

Due to these factors, it is assumed that additional HIT used in Medicaid and CHIP would only be implemented if it could be done so using existing (or anticipated) resources. If the final adopted standards require significant changes to multiple systems, it is assumed that costs would be significant. However, it is likely that federal American Recovery and Reinvestment Act (ARRA) HIT funding would be available to offset some of these costs.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 529 Health and Human Services Commission

LBB Staff: JOB, CL, PP, MB