

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

March 11, 2009

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

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

IN RE: SB705 by Nelson (Relating to the Medicaid consolidated waiver program and other Medicaid long-term care waiver programs.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB 705, As Introduced: a positive impact of \$430,771 through the biennium ending August 31, 2011.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2010	\$206,021
2011	\$224,750
2012	\$224,750
2013	\$224,750
2014	\$224,750

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>General Revenue Fund</i> 1	Probable Savings/(Cost) from <i>Federal Funds</i> 555	Change in Number of State Employees from FY 2009
2010	\$206,021	\$206,021	(7.0)
2011	\$224,750	\$224,750	(7.0)
2012	\$224,750	\$224,750	(7.0)
2013	\$224,750	\$224,750	(7.0)
2014	\$224,750	\$224,750	(7.0)

Fiscal Analysis

The bill would implement recommendations in the report, "Eliminate the Medicaid Consolidated Waiver Program and Transfer Clients to Other Existing Programs," in the *LBB Government Effectiveness and Efficiency Report* submitted to the Eighty-First Texas Legislature, 2009.

The bill would amend Subchapter D of the Human Resources Code to require the Department of Aging and Disability Services (DADS), in consultation with the Health and Human Services Commission (HHSC), to streamline the administration and delivery of services provided through Medicaid long-term care waiver programs.

The bill would abolish the Consolidated Waiver Program under Section 531.0219 of the Government Code effective September 15, 2009. No later than September 14, 2009, DADS, with assistance from HHSC, is required to determine the Medicaid long-term care waiver program that Consolidated Waiver Program clients are eligible for and transfer these clients without any break in service from the

Consolidated Waiver Program to an appropriate Medicaid long-term care waiver program.

The bill would be effective immediately if it receives a two-thirds vote of each house; otherwise, the bill would be effective September 1, 2009.

Methodology

The bill would result in a savings of \$412,042 in All Funds in fiscal year 2010 and a savings of \$449,500 in All Funds per year in fiscal years 2011 through 2014. These savings include \$334,355 in salary and benefits for 7 Full-Time Equivalents, \$3,667 for travel expenses, and \$74,020 in other operating expenses in fiscal year 2010, and \$364,751 in salary and benefits for 7 Full-Time Equivalents, \$4,000 for travel expenses, and \$80,749 for other operating expenses for fiscal years 2011 through 2014.

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

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