

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 17, 2009

TO: Honorable Garnet Coleman, Chair, House Committee on County Affairs

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

IN RE: SB957 by Watson (Relating to the ability of certain hospitals to purchase or arrange for the purchase of certain health coverage or benefits for eligible residents.), **Committee Report 2nd House, Substituted**

No fiscal implication to the State is anticipated.

The bill would amend the Health and Safety Code to authorize a county, a public hospital, or a hospital district to provide or arrange to provide health care services for eligible residents through the purchase of health coverage or other health benefits.

The bill would require, as a condition of participation in the disproportionate share program, that 15 percent of the increased federal funding allotment under the disproportionate share hospital supplemental payment program be used on programs for the provision of health coverage and benefits for eligible residents, and provides that this conditional requirement would expire August 31, 2011.

Local Government Impact

It is assumed that a county, a public hospital, or a hospital district would implement provisions of the bill if sufficient resources exist to absorb any associated costs.

To implement the bill, it is assumed that hospitals or hospital districts without programs for the provision of health coverage and benefits for eligible residents would either create and implement such a program or be required to reallocate funds to those hospitals and districts with operational programs. This would result in a revenue loss to those hospitals that do not have these programs and a gain to those hospitals and districts that do have operational programs.

Source Agencies: 529 Health and Human Services Commission

LBB Staff: JOB, DB, MH, JJ, KJG