

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 6, 2009

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

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

IN RE: SB1331 by Nelson (Relating to the creation of the Texas Physician Health Program.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB1331, As Introduced: an impact of \$0 through the biennium ending August 31, 2011.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2010	\$0
2011	\$0
2012	\$0
2013	\$0
2014	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>General Revenue Fund</i> 1	Probable Revenue Gain from <i>General Revenue Fund</i> 1	Change in Number of State Employees from FY 2009
2010	(\$183,720)	\$183,720	2.5
2011	(\$357,426)	\$357,426	5.0
2012	(\$478,791)	\$478,791	7.0
2013	(\$670,974)	\$670,974	10.0
2014	(\$720,644)	\$720,644	11.0

Fiscal Analysis

The bill would amend the Occupations Code relating to the creation of the Texas Physician Health Program. The program would be defined as "a confidential, non disciplinary therapeutic program for physicians and physician assistants." The Texas Medical Board (TMB) would administer this program, appoint a medical director to provide clinical and policy oversight, and create a governing board to administer the program and advise the Board. The bill would require the president of the Medical Board to appoint the governing board and the governing board to appoint members to a Physician Health and Rehabilitation Advisory Committee.

The Board would set a fee, not to exceed \$1,200, for program participants. The fee could be waived. The bill would create a General Revenue Account - Texas Physician Health Program, into which fee

revenue from the program would be deposited. The bill would establish that funds in the account could be appropriated only to the TMB for administration of the program.

The bill would take effect September 1, 2009.

Methodology

According to the analysis of the TMB, additional staff would be needed to implement the provisions of the bill. In FY 2010 the program would need 2.5 FTEs. This is to include a 0.5 FTE Medical Director in which the Medical Director must be a physician licensed by the Texas Medical Board, 1.0 FTE Case manager, and 1.0 FTE Administrative Assistant IV. In FY 2011, TMB estimates needing an additional 2.5 FTE's. The increase will include the 0.5 for a Medical Director to 1.0 Medical Director, 1 FT Case managers, and 1 Administrative Assistant III. In FY 2012 bill will require an additional 2 FTE's, 1 FTE Case manager and 1 Program Specialist IV. In FY 2013 will require an additional 3 FTE's, 1 Case manager, 1 Administrative Assistant III and 1 FTE Director II. In FY 2014 the agency will need 1 additional Administrator who is a physician licensed by TMB.

For the purposes of this analysis, the TMB estimates the number of program participants will increase annually over the next 5 years and the number of FTEs and the administrative costs will increase as the program grows. The staff will include a Medical Director with a salary of \$107,591, Director II with a salary of \$64,435, Cases managers with a salary of \$36,764, Program Special IV with a salary \$44,524, Administrative Assistant, IV with salary of \$32,611 and Administrative Assistant III with a salary of \$29,146.

Initial equipment and setup costs are estimated to be \$2,399 for each FTE for the first year. Case manager setup cost will be 3,361 per FTE for the first years, for a total of \$8,179 for FY2010, \$5,760 for FY 2011 and 2012, \$8,179 for FY 2013 and \$3,361 for FY 2014.

Travel costs for enforcement staff are estimated at \$600 per person, totaling \$ 7,200 FY 2010 for one case manager,\$14,4000 for FY 2011 for 2 cases managers,\$ 21,600 for FY 2012 for 3 cases managers, \$28,800 for 4 cases manager in FY 2013 and \$36,000 for 5 cases manager in FY 2014- 2015.

In accordance with provisions of the bill, TMB will assess a fee not to exceed \$1,200 per license to be paid annually. It is estimated that there will be approximately 150 program participants paying the for the first year. The number of participants is estimated to grow by apprx 100 licensee per year, resulting in revenue of approximately \$180,000 for the first year and growing to \$840,000 by FY 2015.

Implementation cost will total \$183,720 for the FY 2010, and \$357,426 in FY 2011, \$478,791 in FY 2012, \$670,974 in FY 2013, \$720,644 in FY 2014 and \$717,283 for FY 2015.

Based on the analysis of the agency, it is assumed that the Board would adjust license fees to cover any additional costs associated with the implementation of the bill.

The bill would do one or more of the following: create or recreate a dedicated account in the General Revenue Fund, create or recreate a special or trust fund either with or outside of the Treasury, or create a dedicated revenue source. The fund, account, or revenue dedication included in this bill would be subject to funds consolidation review by the current Legislature.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 503 Texas Medical Board

LBB Staff: JOB, CL, MW, NV