

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

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

**April 10, 2009**

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

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

**IN RE: SB1842** by Van de Putte (Relating to a Medicaid managed care pilot program to prevent high-risk pregnancies that result in the birth of premature or low birth weight infants.), **As Introduced**

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

The bill directs the Health and Human Services Commission (HHSC) to submit a concept paper for a Medicaid managed care pilot program in the Bexar County Service Delivery Area, that if approved by the federal government would provide women who deliver low-birth weight or premature babies while receiving Medicaid an additional 18 months of Medicaid coverage following delivery of these births. The bill would also direct HHSC to seek a waiver or other federal authorization, if feasible, for the pilot program and to establish an advisory workgroup to provide input related to these efforts. Additionally the bill requires HHSC to submit a legislative report by December 1, 2010 on the progress of establishing and operating the pilot program. It is assumed that any costs associated with these functions could be absorbed within existing agency resources.

In addition to HHSC's involvement in implementing the bill, representatives from the Department of Aging and Disability Services, the Department of Assistive and Rehabilitative Services, the Department of Family and Protective Services, and the Department of State Health Services may need to participate in the workgroup to assist with the development of the concept paper and waiver. It is assumed that any costs associated with participation in the workgroup could be absorbed within existing agency resources.

If the pilot project is approved and implemented, it is likely that there would be significant client service costs for providing additional months of Medicaid coverage. These services would likely not begin until fiscal year 2011.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 529 Health and Human Services Commission

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