

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 26, 2009

TO: Honorable David Dewhurst , Lieutenant Governor, Senate
Honorable Joe Straus, Speaker of the House, House of Representatives

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

IN RE: SB2423 by Deuell (Relating to the transfer or sale of patient information or prescription drug history by discount health care programs; providing penalties.), **Conference Committee Report**

No significant fiscal implication to the State is anticipated.

The bill would amend the Health and Safety Code by expanding the definitions of a discount health care program and a discount care health care program operator. Enactment of certain provisions of the bill would be contingent on other legislation passing, transferring regulation of the discount health care program to the Texas Department of Insurance (TDI) from the Texas Department of Licensing and Regulation (TDLR).

Based on the analysis of the Texas Department of Licensing and Regulation, it is assumed that if the program is not transferred, there would be a small annual revenue gain because the bill would result in additional registrations from certain discount health care card operators. Since the agency is required to cover its cost of operation, this analysis assumes that any increase in revenue will be offset by the agency readjusting fees. It is also assumed that any costs realized by TDLR from implementing the provisions of the bill could be absorbed within existing resources.

If the regulation of the discount health care program is transferred to TDI, there would be a small annual revenue gain to General Revenue - Insurance Maintenance Tax. Since insurance maintenance tax is self-leveling, this analysis assumes all revenue generated would go toward fund balances or the maintenance tax would be set to recover a lower level of revenue the following year. It is also assumed that any costs realized by TDI from implementing the provisions of the bill could be absorbed within existing resources.

Based on analysis provided by the Texas Department of Insurance, the bill will have no fiscal impact on the agency.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 452 Department of Licensing and Regulation, 454 Department of Insurance

LBB Staff: JOB, CH, CL, MW