

SENATE AMENDMENTS

2nd Printing

By: Herrero, Marquez, Guillen, et al.

H.B. No. 3859

A BILL TO BE ENTITLED

1 AN ACT
2 relating to a staffing analysis of the Texas Integrated Eligibility
3 Redesign System (TIERS) and benefits eligibility determination
4 processes and to a pilot project regarding long-term services and
5 supports provided to aged and physically disabled individuals.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

7 SECTION 1. (a) Subchapter B, Chapter 531, Government Code,
8 is amended by adding Section 531.0525 to read as follows:

9 Sec. 531.0525. PILOT PROJECT TO ESTABLISH COMPREHENSIVE
10 SINGLE POINT OF ENTRY FOR LONG-TERM SERVICES AND SUPPORTS. (a) In
11 this section:

12 (1) "Aging and disability resource center" means a
13 center established under the Aging and Disability Resource Center
14 grant program jointly sponsored by the federal Administration on
15 Aging and the Centers for Medicare and Medicaid Services.

16 (2) "Colocated long-term services and supports staff
17 members" means:

18 (A) long-term services and supports staff
19 members who are located in the same physical office; or

20 (B) long-term services and supports staff
21 members who are not located in the same physical office but who work
22 collaboratively through the use of the telephone or other
23 technologies.

24 (3) "Department of Aging and Disability Services staff

1 members" includes the department's access and intake staff members
2 and the department's community care for the aged and disabled staff
3 members.

4 (4) "Expedited service authorization" means
5 authorization of services within seven calendar days based on a
6 screening of applicants and tentative eligibility for receipt of
7 services and initiation of those services as soon as possible.

8 (5) "Long-term services and supports" means long-term
9 assistance or care provided to older persons and persons with
10 physical disabilities through the Medicaid program or other
11 programs. The term includes assistance or care provided through
12 the following programs:

13 (A) the primary home care program;

14 (B) the community attendant services program;

15 (C) the community-based alternatives program;

16 (D) the day activity and health services program;

17 (E) the promoting independence program;

18 (F) a program funded through the Older Americans
19 Act of 1965 (42 U.S.C. Section 3001 et seq.);

20 (G) a community care program funded through Title
21 XX of the federal Social Security Act (42 U.S.C. Section 301 et
22 seq.);

23 (H) the program of all-inclusive care for the
24 elderly (PACE), if the program is available in the area served by
25 the pilot project;

26 (I) the in-home and family support program; and

27 (J) a nursing facility program.

1 (6) "Long-term services and supports staff" means:

2 (A) one or more of the commission's Medicaid
3 eligibility determination staff members;

4 (B) one or more Department of Aging and
5 Disability Services staff members; and

6 (C) one or more local area agency on aging staff
7 members.

8 (7) "Pilot project site" means a location in an area
9 served by the pilot project established under this section where
10 colocated long-term services and supports staff members work
11 collaboratively to provide information and authorize and initiate
12 long-term services and supports.

13 (8) "Tentative eligibility," with respect to receipt
14 of services, means a process by which eligibility for services is
15 provisionally determined based on a standard screening tool that
16 assesses both functional and financial program eligibility for
17 receipt of services.

18 (b) Subject to availability of funds, the commission shall
19 develop and implement in not more than three geographic areas of
20 this state a pilot project to establish a comprehensive single
21 point of entry system for long-term services and supports in which
22 colocated long-term services and supports staff members work in
23 collaboration to provide all necessary services in connection with
24 long-term services and supports from the intake process to the
25 start of service delivery. The pilot project must require that, at
26 a minimum, the staff members work collaboratively to:

27 (1) inform and educate older persons, persons with

1 physical disabilities, and their family members and other
2 caregivers about long-term services and supports for which they may
3 qualify;

4 (2) screen older persons and persons with physical
5 disabilities requesting long-term services and supports;

6 (3) establish tentative eligibility for long-term
7 services and supports;

8 (4) support and provide expedited service
9 authorization for older persons and persons with physical
10 disabilities requesting long-term services and supports for which
11 there are no interest lists; and

12 (5) make final determinations of financial
13 eligibility for long-term services and supports after a period of
14 tentative eligibility for receipt of those services and supports.

15 (c) In developing and implementing the pilot project, the
16 commission shall ensure that:

17 (1) at least one pilot project site has only colocated
18 long-term services and supports staff members who are located in
19 the same physical office;

20 (2) each pilot project site serves as a comprehensive
21 single point of entry for older persons and persons with physical
22 disabilities to obtain information about long-term services and
23 supports for which they may qualify and access long-term services
24 and supports in the site's service area;

25 (3) each pilot project site is designed and operated
26 in accordance with best practices adopted by the executive
27 commissioner after the commission reviews best practices for

1 similar initiatives in other states and professional policy-based
2 research describing best practices for successful initiatives;

3 (4) the colocated long-term services and supports
4 staff members supporting each pilot project site include:

5 (A) one or more full-time commission staff
6 members who determine eligibility for the Medicaid program and who:

7 (i) have full access to the Texas
8 Integrated Eligibility Redesign System (TIERS);

9 (ii) have previously made Medicaid
10 long-term care eligibility determinations; and

11 (iii) are dedicated primarily to making
12 eligibility determinations for incoming clients at the site;

13 (B) sufficient Department of Aging and
14 Disability Services staff members to carry out the screening and
15 expedited service authorization functions at the site;

16 (C) sufficient area agency on aging staff members
17 to:

18 (i) assist with the performance of
19 screening functions and service coordination for services funded
20 under the Older Americans Act of 1965 (42 U.S.C. Section 3001 et
21 seq.), such as meals programs; and

22 (ii) identify other locally funded and
23 supported services that will enable older persons and persons with
24 physical disabilities to continue to reside in the community to the
25 extent reasonable; and

26 (D) any available staff members from local
27 service agencies; and

1 (5) the colocated long-term services and supports
2 staff members of a pilot project site:

3 (A) use a standardized screening tool that:

4 (i) assesses both functional and financial
5 program eligibility; and

6 (ii) provides sufficient information to
7 make a tentative eligibility determination for receipt of services;

8 (B) process requests for long-term services and
9 supports in person or by telephone or through the Internet;

10 (C) perform all screening and assessment,
11 eligibility determination, and service authorization functions
12 necessary to promptly initiate appropriate service delivery;

13 (D) closely coordinate with local hospital
14 discharge planners and staff members of extended rehabilitation
15 units of local hospitals and nursing homes;

16 (E) give first priority to persons who urgently
17 need services; and

18 (F) inform persons about community-based
19 services available in the area served by the pilot project.

20 (d) An area in which the pilot project will be implemented
21 may consist of a single county or a multicounty region, as
22 determined by the commission. At least one of the areas must have a
23 pilot project site located within an aging and disability resource
24 center. If the commission finds that there is no aging and
25 disability resource center that is willing or able to accommodate a
26 pilot project site on the date the pilot project is to be
27 implemented, the pilot project site may be located at a local

1 Department of Aging and Disability Services office, an area agency
2 on aging office, or another appropriate location.

3 (e) Not later than January 31, 2011, the commission shall
4 submit a report concerning the pilot project to the presiding
5 officers of the standing committees of the senate and house of
6 representatives having primary jurisdiction over health and human
7 services. The report must:

8 (1) be prepared by a person not associated with the
9 pilot project or the commission;

10 (2) contain, for each area of this state in which the
11 pilot project is being implemented, an evaluation of the operation
12 of the pilot project in that area;

13 (3) contain an evaluation of the pilot project's
14 benefits for persons who received services;

15 (4) contain a calculation of the costs and cost
16 savings that can be attributed to implementation of the pilot
17 project;

18 (5) include a recommendation regarding adopting
19 improved policies and procedures concerning long-term services and
20 supports with statewide applicability, as determined from
21 information obtained in operating the pilot project;

22 (6) include a recommendation regarding the
23 feasibility of expanding the pilot project to other areas of this
24 state or statewide; and

25 (7) contain the perspectives of service providers of
26 programs listed in Subsection (a)(5) who are operating in the area
27 served by a pilot project site.

1 (f) This section expires September 1, 2013.

2 (b) Not later than December 31, 2009, the Health and Human
3 Services Commission shall ensure that at least one pilot project
4 site is in operation under the pilot project required by Section
5 531.0525, Government Code, as added by this section, subject to
6 availability of funds for that purpose.

7 SECTION 2. Subchapter M, Chapter 531, Government Code, as
8 added by Chapter 1110 (H.B. 3575), Acts of the 80th Legislature,
9 Regular Session, 2007, is amended by adding Section 531.4551 to
10 read as follows:

11 Sec. 531.4551. STAFFING ANALYSIS FOR ENHANCED ELIGIBILITY
12 SYSTEM. (a) The commission shall conduct a thorough analysis of
13 staffing needs, including the need for additional state employees
14 and contractor staff, with respect to the enhanced eligibility
15 system and the expansion of the use of the Texas Integrated
16 Eligibility Redesign System (TIERS). The commission shall identify
17 in the analysis:

18 (1) the number of full-time equivalent positions the
19 commission needs to implement the system in a manner that, if met,
20 will ensure that the system remains fully functional and that no
21 lapses in the provision of health and human services program
22 benefits will occur under the system; and

23 (2) the number of full-time equivalent positions any
24 contractor would need to perform contracted functions to implement
25 the system in that manner.

26 (b) In determining the total number of commission and
27 contractor full-time equivalent positions needed as required by

1 Subsection (a), the commission shall consider the number of
2 full-time equivalent positions necessary to comply with:

3 (1) state and federal requirements related to health
4 and human services program access, including requirements related
5 to timeliness and accuracy of application processing, delivery of
6 expedited services and benefits, and seamless transfers of eligible
7 children between the Medicaid and child health plan programs; and

8 (2) the commission's performance standards and
9 benchmarks for health and human services programs, including
10 maximum caseload specifications.

11 SECTION 3. If before implementing any provision of this Act
12 a state agency determines that a waiver or authorization from a
13 federal agency is necessary for implementation of that provision,
14 the agency affected by the provision shall request the waiver or
15 authorization and may delay implementing that provision until the
16 waiver or authorization is granted.

17 SECTION 4. This Act takes effect immediately if it receives
18 a vote of two-thirds of all the members elected to each house, as
19 provided by Section 39, Article III, Texas Constitution. If this
20 Act does not receive the vote necessary for immediate effect, this
21 Act takes effect September 1, 2009.

ADOPTED

MAY 27 2009

Atty Gen
Secretary of the Senate

By: Denell

H.B. No. 3859

Substitute the following for H.B. No. 3859:

By: Denell

C.S. H.B. No. 3859

A BILL TO BE ENTITLED

1 AN ACT

2 relating to a staffing analysis of the Texas Integrated Eligibility
3 Redesign System (TIERS) and benefits eligibility determination
4 processes.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

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19 will ensure that the system remains fully functional and that no
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21 benefits will occur under the system; and

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18 waiver or authorization is granted.

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20 a vote of two-thirds of all the members elected to each house, as
21 provided by Section 39, Article III, Texas Constitution. If this
22 Act does not receive the vote necessary for immediate effect, this
23 Act takes effect September 1, 2009.

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 27, 2009

TO: Honorable Joe Straus, Speaker of the House, House of Representatives

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

IN RE: HB3859 by Herrero (Relating to a staffing analysis of the Texas Integrated Eligibility Redesign System (TIERS) and benefits eligibility determination processes.), **As Passed 2nd House**

No significant fiscal implication to the State is anticipated.

The bill would amend Chapter 531, Government Code by adding Section 531.4551. The new section would require the Health and Human Services Commission to conduct an analysis of staffing needs, including the need for additional state employees and contractor staff, with respect to the enhanced eligibility system and the expanded use of the Texas Integrated Eligibility Redesign System (TIERS). The analysis must specify the number of state employees and contractor staff needed to ensure the system remains fully functional without lapses in benefits to recipients; in compliance with state and federal requirements related to timeliness, accuracy and seamless transition between Medicaid and the children's health plan program; and in compliance with performance standards, benchmarks, and maximum caseload specifications.

The bill would become effective on September 1, 2009, or immediately with a two-thirds vote of each house.

It is assumed that the cost of conducting the staffing analysis can be absorbed within existing resources. If the agency was required to implement the results of the staffing analysis, there would be significant costs. The following figures assume staffing ratios of no more than 500 cases per worker (HHSC assumptions on what the analysis would determine is required). The General Revenue cost estimated by HHSC would be \$19.4 million in fiscal year 2010 (617 FTEs), \$21.8 million in fiscal year 2011 (761 FTEs), \$26 million in fiscal year 2012 (906 FTEs), \$30.1 million in fiscal year 2013 (1,054 FTEs), and \$34.2 million in fiscal year 2014 (1,199 FTEs). These General Revenue expenditures would be matched with equivalent amounts of Federal Funds (50/50 matching rate). The figures include caseload growth in each year.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 529 Health and Human Services Commission

LBB Staff: JOB, SZ, CL, PP, MB

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LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 22, 2009

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

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

IN RE: HB3859 by Herrero (Relating to a staffing analysis of the Texas Integrated Eligibility Redesign System (TIERS) and benefits eligibility determination processes.), **Committee Report 2nd House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend Chapter 531, Government Code by adding Section 531.4551. The new section would require the Health and Human Services Commission to conduct an analysis of staffing needs, including the need for additional state employees and contractor staff, with respect to the enhanced eligibility system and the expanded use of the Texas Integrated Eligibility Redesign System (TIERS). The analysis must specify the number of state employees and contractor staff needed to ensure the system remains fully functional without lapses in benefits to recipients; in compliance with state and federal requirements related to timeliness, accuracy and seamless transition between Medicaid and the children's health plan program; and in compliance with performance standards, benchmarks, and maximum caseload specifications.

The bill would become effective on September 1, 2009, or immediately with a two-thirds vote of each house.

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Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 529 Health and Human Services Commission

LBB Staff: JOB, CL, PP, MB

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 21, 2009

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

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

IN RE: HB3859 by Herrero (Relating to a staffing analysis of the Texas Integrated Eligibility Redesign System (TIERS) and benefits eligibility determination processes and to a pilot project regarding long-term services and supports provided to aged and physically disabled individuals.), **As Engrossed**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3859, As Engrossed: a negative impact of (\$2,677,113) 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	(\$1,447,450)
2011	(\$1,229,663)
2012	(\$1,183,817)
2013	(\$1,183,817)
2014	(\$1,183,817)

All Funds, Five-Year Impact:

Fiscal Year	Probable (Cost) from <i>General Revenue Fund</i> 1	Probable (Cost) from <i>GR Match For</i> <i>Medicaid</i> 758	Probable (Cost) from <i>Federal Funds</i> 555	Change in Number of State Employees from FY 2009
2010	(\$112,962)	(\$1,334,488)	(\$1,731,673)	2.0
2011	(\$112,962)	(\$1,116,701)	(\$1,520,664)	2.0
2012	(\$112,962)	(\$1,070,855)	(\$1,475,722)	2.0
2013	(\$112,962)	(\$1,070,855)	(\$1,475,722)	2.0
2014	(\$112,962)	(\$1,070,855)	(\$1,475,722)	2.0

Fiscal Analysis

SECTION 1. The bill would amend Subchapter B, Chapter 531, Government Code to require the Health and Human Services Commission (HHSC) to establish a comprehensive pilot project in not more than three geographic areas of the state to establish a single point of entry system for certain long-term services. HHSC would be required to establish a tentative eligibility determination for these services. The bill would direct the co-location of Department of Aging and Disability Services (DADS), HHSC, and area agency on aging staff. The bill would also require that HHSC submit a report no later than January 31, 2011 concerning the project to the presiding officers of the standing committee of the senate and house of representatives having primary jurisdiction over health and

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human services. The bill would require that at least one site of the pilot be in operation no later than December 31, 2009, subject to availability of funds. The pilot project would expire on September 1, 2013.

SECTION 2: The bill would amend Chapter 531, Government Code by adding Section 531.4551. The new section would require HHSC to conduct an analysis of staffing needs, including the need for additional state employees and contractor staff, with respect to the enhanced eligibility system and the expanded use of the Texas Integrated Eligibility Redesign System (TIERS). The analysis must specify the number of state employees and contractor staff needed to ensure the system remains fully functional without lapses in benefits to recipients; in compliance with state and federal requirements related to timeliness, accuracy and seamless transition between Medicaid and the children's health plan program; and in compliance with performance standards, benchmarks, and maximum caseload specifications.

The bill would take effect immediately if it receives a two-thirds vote in each house; if not, it would take effect September 1, 2009.

Methodology

DADS assumes the pilot projects would be established in Belton, Amarillo and El Paso. Approximately 269 total new program recipients would be anticipated in the Community Attendant Services, Day Activity and Health Services, and Primary Home Care programs. The agency has assumed that the intent is to serve clients in programs that do not have a waiting list. If all programs in the bill were included, the costs would be higher. The cost to serve Medicaid eligible clients is assumed to be \$2.2 million per fiscal year. DADS assumes that when a final eligibility determination is made, 5% of the cases would turn out ineligible for Medicaid and would therefore require state funding of \$0.1 million per fiscal year. It is assumed that the Centers for Medicare and Medicaid Services will approve this pilot demonstration project and provide Federal matching funds at the standard client services FMAP (approximately 59%). If it does not, then General Revenue would be needed to cover the total cost. The cost of providing the Area Agency on Aging staff members would be passed through by DADS as a General Revenue expense. This is estimated to be \$0.2 million in each fiscal year. DADS would require 2 FTEs at a cost of \$0.1 million in each fiscal year for salaries, benefits and employee set-up costs. Information technology costs are estimated to be \$0.5 million in fiscal year 2010 and \$0.1 million in fiscal year 2011, to make changes to the long term care intake system, the consolidated interest list system and for data center service charges.

HHSC assumes that current eligibility determination staff can absorb the pilots' caseload impact, due to the bill's provisions on co-located staff working collaboratively using technology. Automation costs for one-time eligibility system changes would not be significant and ongoing contractor costs for document processing and customer care are assumed to be less than \$0.1 million per fiscal year.

It is assumed that the cost of conducting the staffing analysis can be absorbed within existing resources. If the agency was required to implement the results of the staffing analysis, there would be significant costs. The following figures assume staffing ratios of no more than 500 cases per worker (HHSC assumptions on what the analysis would determine is required). The General Revenue cost estimated by HHSC would be \$19.4 million in fiscal year 2010 (617 FTEs), \$21.8 million in fiscal year 2011 (761 FTEs), \$26 million in fiscal year 2012 (906 FTEs), \$30.1 million in fiscal year 2013 (1,054 FTEs), and \$34.2 million in fiscal year 2014 (1,199 FTEs). These General Revenue expenditures would be matched with equivalent amounts of Federal Funds (50/50 matching rate). The figures include caseload growth in each year.

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

LBB Staff: JOB, CL, PP, MB

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 28, 2009

TO: Honorable Patrick M. Rose, Chair, House Committee on Human Services

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

IN RE: HB3859 by Herrero (Relating to a staffing analysis to ensure the functionality of the Texas Integrated Eligibility Redesign System (TIERS) and benefits eligibility determination processes.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend Chapter 531, Government Code by adding Section 531.4551. The new section would require the Health and Human Services Commission to conduct an analysis of staffing needs, including the need for additional state employees and contractor staff, with respect to the enhanced eligibility system and the expanded use of the Texas Integrated Eligibility Redesign System (TIERS). The analysis must specify the number of state employees and contractor staff needed to ensure the system remains fully functional without lapses in benefits to recipients; in compliance with state and federal requirements related to timeliness, accuracy and seamless transition between Medicaid and the children's health plan program; and in compliance with performance standards, benchmarks, and maximum caseload specifications.

The bill would become effective on September 1, 2009, or immediately with a two-thirds vote of each house.

It is assumed that the cost of conducting the staffing analysis can be absorbed within existing resources. If the agency was required to implement the results of the staffing analysis, there would be significant costs. The following figures assume staffing ratios of no more than 500 cases per worker (HHSC assumptions on what the analysis would determine is required). The General Revenue cost estimated by HHSC would be \$19.4 million in fiscal year 2010 (617 FTEs), \$21.8 million in fiscal year 2011 (761 FTEs), \$26 million in fiscal year 2012 (906 FTEs), \$30.1 million in fiscal year 2013 (1,054 FTEs), and \$34.2 million in fiscal year 2014 (1,199 FTEs). These General Revenue expenditures would be matched with equivalent amounts of Federal Funds (50/50 matching rate). The figures include caseload growth in each year.

Local Government Impact

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Source Agencies: 529 Health and Human Services Commission

LBB Staff: JOB, CL, PP, MB

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LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 8, 2009

TO: Honorable Patrick M. Rose, Chair, House Committee on Human Services

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

IN RE: HB3859 by Herrero (Relating to ensuring the functionality of the Texas Integrated Eligibility Redesign System (TIERS) and benefits eligibility determination processes.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend Chapter 531, Government Code by adding Sections 531.4551 and 531.4552. The new section 531.4551 would require the Health and Human Services Commission to conduct an analysis of staffing needs, including the need for additional state employees and contractor staff, with respect to the enhanced eligibility system and the expanded use of the Texas Integrated Eligibility Redesign System (TIERS). The analysis must specify the number of state employees and contractor staff needed to ensure the system remains fully functional without lapses in benefits to recipients; in compliance with state and federal requirements related to timeliness, accuracy and seamless transition between Medicaid and the children's health plan program; and in compliance with performance standards, benchmarks, and maximum caseload specifications.

The new section 531.4552 would limit TIERS expansion into additional counties or the conversion of additional cases into TIERS until the system is fully functional, the system meets eligibility and benefits application processing timeliness and accuracy requirements, and the hardware capacity is sufficient to process existing cases in each region proposed for conversion to TIERS.

The bill would become effective on September 1, 2009, or immediately with a two-thirds vote of each house.

It is assumed that the cost of conducting the staffing analysis can be absorbed within existing resources. If the agency was required to implement the results of the staffing analysis, there would be significant costs. The following figures assume staffing ratios of no more than 500 cases per worker (HHSC assumptions on what the analysis would determine is required). The General Revenue cost estimated by HHSC would be \$19.4 million in fiscal year 2010 (617 FTEs), \$21.8 million in fiscal year 2011 (761 FTEs), \$26 million in fiscal year 2012 (906 FTEs), \$30.1 million in fiscal year 2013 (1,054 FTEs), and \$34.2 million in fiscal year 2014 (1,199 FTEs). These General Revenue expenditures would be matched with equivalent amounts of Federal Funds (50/50 matching rate). The figures include caseload growth in each year.

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Source Agencies: 529 Health and Human Services Commission

LBB Staff: JOB, CL, PP, MB

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Loft

