

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

March 22, 2011

TO: Honorable Lois W. Kolkhorst, Chair, House Committee on Public Health

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

IN RE: HB842 by Davis, John (Relating to telemedicine medical services, telehealth services, and home telemonitoring services provided to certain Medicaid recipients.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would require the Health and Human Services Commission (HHSC) to create a system for reimbursing Medicaid providers for telehealth and home telemonitoring services, report on Medicaid telehealth and home telemonitoring services biannually, and pilot telehealth services.

Section 2 would require HHSC to develop and implement a system to reimburse providers for performing telehealth services in addition to the telemedicine services which are already reimbursed. The development of the system would include establishing pilot studies for telehealth service delivery and reimbursement, establishing provider identifiers for telehealth and home telemonitoring service providers, and establishing modifiers for telehealth and home telemonitoring services eligible for reimbursement. HHSC would be required to add information on telehealth and home telemonitoring to an existing telemedicine report due December 1st of even-numbered years.

Section 5 would require HHSC to permit reimbursement statewide for home telemonitoring services provided by home health agencies in the Medicaid program, given certain eligibility conditions.

Section 7 would expand the scope of services and diseases that are considered in developing a telemedicine and telehealth pilot program to include: monitoring of chronic diseases, chronic obstructive pulmonary disease, hypertension, and congestive heart failure.

HHSC indicates that costs associated with the bill could be absorbed by existing resources or offset by reductions in the number of home health visits and reduced hospitalization costs.

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, JI, JQ