

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

April 11, 2011

TO: Honorable Richard Pena Raymond, Chair, House Committee on Human Services

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

IN RE: HB985 by Menendez (Relating to the abuse, neglect, and exploitation of residents of certain facilities; creating an offense; providing penalties.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB985, As Introduced: a negative impact of (\$10,179,364) through the biennium ending August 31, 2013.

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
2012	(\$5,142,480)
2013	(\$5,036,884)
2014	(\$5,036,884)
2015	(\$5,036,884)
2016	(\$5,036,884)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/ (Cost) from <i>General Revenue Fund</i> 1	Probable Savings/ (Cost) from <i>GR Match For Medicaid</i> 758	Probable Savings/ (Cost) from <i>Federal Funds</i> 555	Change in Number of State Employees from FY 2011
2012	(\$3,817,536)	(\$1,324,944)	(\$2,262,593)	99.0
2013	(\$3,738,300)	(\$1,298,584)	(\$2,217,583)	99.0
2014	(\$3,738,300)	(\$1,298,584)	(\$2,217,583)	99.0
2015	(\$3,738,300)	(\$1,298,584)	(\$2,217,583)	99.0
2016	(\$3,738,300)	(\$1,298,584)	(\$2,217,583)	99.0

Fiscal Analysis

The bill would amend Subtitle B, Title 4, Health & Safety Code by adding Chapter 260, reports of abuse, neglect and exploitation (ANE) in nursing facilities (NFs) and assisted living facilities (ALFs), and investigations of those reports by the Department of Aging and Disability Services (DADS); adds new Article 2.271 to Chapter 2 of the Code of Criminal Procedure; and repeals Health & Safety Code, Chapter 242 Subchapter E. The bill repeals this section, but all of the provisions of Subchapter E are incorporated into the new Chapter 260.

The Act would take effect immediately if it receives a two-thirds vote of all the members elected to each house. If the Act does not receive the vote necessary for immediate effect, the Act would take

effect September 1, 2011.

Methodology

The bill requires DADS to establish and operate a telephone hotline for ANE reports. The DADS estimate indicated each of the 11 regions would need seven (7) FTEs to cover all shifts seven days a week. A total of 77 call center staff (Program Specialist IIs) were included for the 11 regions. In addition, two Program Specialist IIIs were included for each region in order to have monitors in place to ensure compliance with Centers for Medicaid and Medicare Services. A total of 22 Quality Monitors were included in the DADS estimate.

DADS has an interagency cooperative contract (IAC) with the Department of State Health Services for matching death verifications for nursing facilities and intermediate care facilities. The current IAC is approximately \$15,000 - \$16,000. DADS estimated that based on current census there would be approximately 2,229 ALF resident deaths per year, which would add an estimated cost of \$2,000 - \$3,000 to the current IAC.

Technology

DADS estimated a technology cost of \$52,706 in fiscal year 2012 for additional server space and programming changes. Costs were based on costs provided in the Data Services Consolidation Contract with the Department of Information Resources.

Local Government Impact

The bill would require municipal and county law enforcement agencies to conduct joint investigations with DADS into reports of abuse. The fiscal impact on local governments could be significant; however it would vary by locality depending on the number of reports of abuse and the scope of an investigation required in individual cases.

Source Agencies: 320 Texas Workforce Commission, 529 Health and Human Services Commission, 539 Aging and Disability Services, Department of

LBB Staff: JOB, CL, ML, MB, NB, KKR