

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

April 5, 2011

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

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

IN RE: HB3136 by Shelton (Relating to greater flexibility over the administration and operation of the Medicaid program.), **As Introduced**

<p>There are anticipated costs and savings associated with the provisions of the bill, but there is not sufficient information available at this time to estimate those fiscal implications.</p>
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The bill would require the Health and Human Services Commission (HHSC) to pursue a waiver or other authorization from the federal Centers for Medicare and Medicaid Services to implement changes in the Medicaid program that increase efficiency and reduce program costs. The bill would direct HHSC to seek flexibility in the maintenance of effort requirements specified in the Patient Protection and Affordable Care Act, flexibility in the level of benefits provided to recipients under Medicaid, and authority to impose copayments for Medicaid services.

The bill would take effect immediately if it receives a vote of two-thirds of all the members elected to each house. If not, the bill would take effect September 1, 2011.

Based on HHSC analysis, implementing the provisions of the bill could have significant costs, such as technology costs for changes in the eligibility systems, and could result in significant savings from greater flexibility in administering the Medicaid program. However, there is not sufficient information available at this time to estimate the fiscal impact.

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, MB, LR, VJC, ES