

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION**

**April 27, 2011**

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

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

**IN RE: HB3537** by Taylor, Van (Relating to collecting information and requiring reimbursement from certain recipients of certain public benefits.), **As Introduced**

**No significant fiscal implication to the State is anticipated.**

The bill would amend the Government Code to require the Health and Human Services Commission (HHSC) to make a reasonable effort to obtain copies of the immigration forms of a person that is a qualified or sponsored alien at the time of application for the Children's Health Insurance Program (CHIP), Temporary Assistance for Needy Families (TANF), Medicaid, or Supplemental Nutrition Assistance Program (SNAP). The bill would require the commission to seek reimbursement from the sponsor for any benefits provided to a sponsored alien to the extent allowable by law.

The bill specifies that the new provisions that would be created by the bill would not add to or change eligibility requirements for the benefit programs to which it applies.

HHSC reports that verification of the alien status of applicants and recipients is currently conducted through the Systematic Alien Verification and Entitlements (SAVE) system operated by the Department of Homeland Security. Alien sponsor information may be obtained through SAVE by submitting an additional request for information; however, immigration forms may only be obtained if provided by the applicant.

HHSC reports that federal law prohibits pursuing the sponsor for benefits provided to pregnant women and children in CHIP and Medicaid. Any recovery in the SNAP program would be 100 percent Federal Funds. Therefore, reimbursement to the state would be limited to alien sponsors for certain populations in Medicaid and TANF cash assistance applicants. Implementation of the bill could result in a savings in General Revenue in these programs, estimated to be \$259,000, based on the reported health and human services program recovery rate of 0.3 percent.

HHSC reports costs would be incurred to implement the provisions of the bill for the adoption of rules; amendment of contracts; development of policies and procedures; changes made to automation systems, the Texas Integrated Eligibility Redesign System, and supporting systems; training of staff and contractors on new policies, procedures, and automation systems; and conducting outreach and notification activities. This analysis assumes that these costs could be absorbed within existing resources.

**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, JI, ES, AM, MM