

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

March 21, 2011

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

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

IN RE: SB57 by Zaffirini (Relating to the licensing and regulation of post-acute care acquired brain injury rehabilitation facilities; providing penalties.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB57, As Introduced: an impact of \$0 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	\$0
2013	\$0
2014	\$0
2015	\$0
2016	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable (Cost) from General Revenue Fund 1	Probable Revenue Gain from General Revenue Fund 1	Change in Number of State Employees from FY 2011
2012	(\$93,821)	\$93,821	1.0
2013	(\$81,811)	\$81,811	1.0
2014	(\$81,811)	\$81,811	1.0
2015	(\$81,811)	\$81,811	1.0
2016	(\$81,811)	\$81,811	1.0

Fiscal Analysis

The bill would add a chapter to the Health and Safety Code requiring the Department of State Health Services (DSHS) to license post-acute care acquired brain injury facilities. The bill authorizes a licensing fee in an amount to cover the costs of administering the chapter. The bill authorizes inspections by DSHS as necessary to ensure compliance with the chapter and requires DSHS to investigate complaints.

The bill would authorize civil, criminal and administrative penalties for a violation of the chapter or a rule adopted under the chapter. A facility would not be required to hold a license under the chapter until September 1, 2012; otherwise, the bill would take effect September 1, 2011.

Methodology

DSHS estimates that 34 existing facilities would be issued licenses by September 1, 2012; the initial licenses would be split between one-year and two-year licenses and then each facility would be inspected every two years and issued a two-year renewal. No new facilities are assumed in the calculations.

Costs listed below for DSHS would be offset by fees (deposited to the General Revenue Fund). It is assumed they would be set in an amount to cover expenses associated with issuing and renewing licenses, as authorized in the bill. Additional funding and full-time equivalents (FTEs) would, however, need to be appropriated to DSHS. Based on the costs below, the fee for a two-year license is assumed to be approximately \$3,600 (\$1,800 for the one-year license) which would only be collected in fiscal year 2012, and a renewal valid for two years is assumed to cost approximately \$4,800 and would be collected in fiscal years 2013-2016.

Costs for DSHS are estimated to be \$93,821 in General Revenue and All Funds for fiscal year 2012, and \$81,811 in General Revenue and All Funds for each fiscal year thereafter. There would be a need for one FTE in each fiscal year.

The State Office of Administrative Hearings and the Office of the Attorney General indicate that any costs to implement the provisions of the bill could be absorbed by current resources. The Health and Human Services Commission does not anticipate any fiscal impact related to implementation.

Technology

DSHS estimates IT costs of \$18,000 in fiscal year 2012 for modifications to the existing health facility licensing Regulatory Automated System (RAS/VERSA).

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 302 Office of the Attorney General, 360 State Office of Administrative Hearings, 529 Health and Human Services Commission, 537 State Health Services, Department of

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