

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

March 7, 2011

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

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

IN RE: SB219 by Nelson (Relating to health and mental health services for children in foster care and kinship care.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB219, As Introduced: a negative impact of (\$6,662,601) 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	(\$3,564,741)
2013	(\$3,097,860)
2014	(\$3,099,665)
2015	(\$3,099,665)
2016	(\$3,099,665)

All Funds, Five-Year Impact:

Fiscal Year	Probable (Cost) from General Revenue Fund 1	Probable (Cost) from Federal Funds 555	Probable Revenue Gain from General Revenue Fund 1
2012	(\$3,630,302)	(\$2,424,792)	\$65,561
2013	(\$3,142,197)	(\$1,678,867)	\$44,337
2014	(\$3,144,002)	(\$1,677,062)	\$44,337
2015	(\$3,144,002)	(\$1,677,062)	\$44,337
2016	(\$3,144,002)	(\$1,677,062)	\$44,337

Fiscal Analysis

SECTION 1 of the bill adds caseworker supervisors to the list of staff to whom the Department of Family and Protective Services (DFPS) is required to provide training in trauma-informed programs and services. DFPS would be required to annually evaluate the effectiveness of training in trauma-informed programs and services. Department caseworkers and caseworker supervisors would be required to complete an annual refresher course in trauma-informed programs and services. DFPS would also be required to offer training in trauma-informed programs and services to certain other persons and to include the training in classes provided to parents receiving services from DFPS.

SECTION 2 of the bill would require the Health and Human Services Commission (HHSC) to explore opportunities to increase STAR Health program providers' use of telemedicine in medically

underserved areas and to encourage STAR Health providers to use telemedicine as appropriate.

SECTION 3 of the bill would require that STAR Health contracts with managed care organizations (MCOs) include a requirement that each physician or provider enrolled in the plan receive training in trauma-informed care; SECTION 5 of the bill would limit this requirement to contracts entered into or renewed on or after the effective date of the bill, but would direct HHSC to amend contracts entered into before the effective date to the extent permitted by law. SECTION 3 of the bill would further require HHSC to encourage each MCO providing services to STAR Health recipients to include in provider contracts a requirement that the provider receive training in post-traumatic stress disorder and attention-deficit hyperactivity disorder.

SECTION 4 of the bill would require that STAR Health program providers conduct a preliminary behavioral health assessment of each child recipient during the child's initial visit to the provider.

Methodology

The total cost of the bill is estimated to be \$6.1 million in All Funds, including \$3.6 million in General Revenue Funds, in fiscal year 2012 and \$4.8 million in All Funds, including \$1.7 million General Revenue Funds in fiscal year 2013 and subsequent fiscal years. There is estimated to be a gain to premium tax revenue of \$65,561 in fiscal year 2012 and \$44,337 in fiscal year 2013 and subsequent fiscal years.

SECTION 1: According to DFPS, any cost to provide training to caseworker supervisors, provide annual refresher training, or annually evaluate training effectiveness would be minimal and could be absorbed within available resources. DFPS estimates that offering training to non-department staff would result in an additional 7,300 persons receiving training for eight hours each at a cost of \$20 per hour for a total estimated annual cost of \$1.2 million. DFPS estimates that providing training to parents receiving services from the department would result in 14,000 parents per year receiving three additional hours of training. The department estimates that 10 percent of this training would be provided in the home at a cost of \$76 per hour while the remaining training would be provided in a classroom setting at a cost of \$20 per hour for a total estimated annual cost of \$1.1 million. The total estimated annual cost is \$2.2 million in All Funds, including \$2.0 million in General Revenue Funds.

SECTION 2: According to HHSC, this section would have no significant fiscal impact.

SECTION 3 and SECTION 5: According to HHSC, the cost to provide training to STAR Health providers would be \$3.2 million in fiscal year 2012 and \$2.0 million in fiscal year 2013 and subsequent years.

SECTION 4: As the bill is written, each STAR Health recipient could receive more than one behavioral health assessment as they are required to be conducted by each provider during a child's initial visit to the provider. It is estimated that there would be 32,291 average monthly STAR Health recipients in fiscal year 2012 and 33,679 in fiscal year 2013 and subsequent fiscal years. It is assumed that one assessment would be provided for each average monthly recipient month at a cost of \$15.99 per assessment. The total estimated cost of these assessments is \$0.5 million in each fiscal year.

The costs of SECTION 3, SECTION 4, and SECTION 5 are assumed to result in an increase to the STAR Health premium, including an increase to the component of the premium related to premium tax; these costs are assumed to be funded with General Revenue Funds and Federal Funds based on the federal medical assistance percentage (FMAP). It is assumed that the increased premiums would result in an increase to premium tax revenue deposited to General Revenue.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 529 Health and Human Services Commission, 530 Family and Protective Services,
Department of

LBB Staff: JOB, CL, LR, MB, NB, NM