

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

April 4, 2011

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

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

IN RE: SB293 by Watson (Relating to telemedicine medical services, telehealth services, and home telemonitoring services provided to certain Medicaid recipients.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would require the Health and Human Services Commission (HHSC) to reimburse Medicaid providers for telehealth and home telemonitoring services for certain clients and to report on Medicaid telehealth and home telemonitoring services biannually.

Section 2 would require HHSC to develop and implement a system to reimburse providers for performing telehealth services in addition to the telemedicine services which are already reimbursed. The development of the system would include reviewing programs from other states and establishing modifiers for telehealth and home telemonitoring services eligible for reimbursement. HHSC would be required to add information on telehealth and home telemonitoring to an existing telemedicine report due December 1st of even-numbered years.

Section 3 would require HHSC to permit reimbursement statewide for home telemonitoring services provided by home health agencies in the Medicaid program, given certain eligibility conditions.

Section 4 would expand the scope of services and diseases that are considered in developing a telemedicine and telehealth pilot program to include: monitoring of chronic diseases, chronic obstructive pulmonary disease, hypertension, and congestive heart failure.

HHSC reports it would need to obtain a waiver to implement the provisions of the bill. HHSC indicates that costs associated with the bill could be absorbed by existing resources or offset by reductions in the number of home health visits and reduced hospitalization costs.

Local Government Impact

No fiscal implication to units of local government is anticipated.

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

LBB Staff: JOB, CL, JI, JQ