

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: SB585 by Watson (Relating to programs, services, and information related to women's health, family planning, and human sexuality.), As Introduced

Estimated Two-year Net Impact to General Revenue Related Funds for SB585, As Introduced: a positive impact of \$83,738,684 through the biennium ending August 31, 2013.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2012	\$39,575,868
2013	\$44,162,816
2014	\$15,938,115
2015	\$0
2016	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund 1	Probable Savings/(Cost) from Federal Funds 555
2012	\$39,575,868	\$24,880,668
2013	\$44,162,816	\$25,956,988
2014	\$15,938,115	\$9,321,926
2015	\$0	\$0
2016	\$0	\$0

Fiscal Analysis

This bill would implement a recommendation in the report "Continue and Expand the Texas Medicaid Women's Health Program to maximize Federal Funds and State Savings" in the Legislative Budget Board's Government Effectiveness and Efficiency Report, submitted to the Eighty-second Texas Legislature, 2011.

The bill would direct the Health and Human Services Commission (HHSC) to continue the Medicaid Women's Health Program (WHP) through December 31, 2013. The bill would also direct HHSC to implement outreach measures designed to increase enrollment in the program and direct school districts to provide written notice to each student's parent that characterizes the district's human sexuality instruction and states the parent's right to review curriculum material and remove the student from any aspect of the instruction.

The bill would take effect September 1, 2011.

## Methodology

To continue the Women's Health Program, HHSC must prepare a waiver renewal, obtain federal approval, and adopt rules. This estimate assumes all start-up activities can be accomplished by September 1, 2011.

The savings shown above include savings from continuing the waiver and are net of the costs of providing services. General Revenue Fund savings from continuing the waiver, based on estimates from HHSC, are \$39.6 million in fiscal year 2012, \$44.2 million in fiscal year 2013, and \$15.9 million in 2014. These savings are assumed in House Bill 1 as introduced.

This analysis assumes that costs of the outreach provisions, half of which are paid for with Federal Funds, would be offset by savings resulting from greater program enrollment and participation. Additional savings could result from participation increases beyond the level needed to pay for the cost of the outreach, enrollment, and services.

HHSC assumed that beginning January 1, 2014, women's health services would be available through the expanded coverage provisions of the Patient Protection and Affordable Care Act, and therefore savings and costs from this Act are for the first four months of fiscal year 2014. Savings after this time would accrue to the program that replaces the Women's Health Program.

## Local Government Impact

Local units of government operating public hospitals and clinics enrolled as Medicaid providers could see increased revenue (in the form of provider payments).

**Source Agencies:** 529 Health and Human Services Commission

**LBB Staff:** JOB, CL, JI, BH