

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

April 2, 2013

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB37** by Menéndez (Relating to ensuring the continuation of certain public benefits, including medical assistance, for individuals after release from confinement in a county jail.), **As Introduced**

<p>No significant fiscal implication to the State is anticipated.</p>
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The bill would amend the Human Resources Code to suspend Medicaid eligibility for an individual confined in county jail and would automatically reinstate Medicaid eligibility on the date the individual is released from the county jail, if the individual's eligibility certification period is still active. Following reinstatement, the individual would remain eligible until the end of the certification period.

The bill would amend the Local Government Code to require a county sheriff to notify the Social Security Administration and the Health and Human Services Commission (HHSC) of the release of a prisoner who received Supplemental Security Income or Social Security Disability Insurance benefits immediately prior to confinement. The bill would require the sheriff to provide the notices by mail and electronically.

The bill would require a state agency to request federal approval or waiver to implement a provision of the bill, and would allow for a delay in the implementation of the provision until approval is granted.

According to HHSC there would be no significant fiscal impact to the agency. It is assumed the agency could absorb a small cost in fiscal year 2015 for modifications to the Texas Integrated Eligibility Redesign System (TIERS). The impact to Medicaid caseloads is assumed to be small and any cost or savings would not be significant.

Local Government Impact

There could be costs to counties for the required notices; however, the amounts would vary depending on current processes.

Dallas County reported estimated costs totaling \$250,228 which would include costs for five additional employees with salary and benefits (\$240,228); and office equipment (\$10,000) in fiscal year (FY) 2014; and costs ranging from \$249,837 in FY 2015 to \$281,033 in FY 2018. The county also added that the county currently provides monthly reports, but would now be required

to immediately report the release of a prisoner. Dallas County has a population of 2.4 million and the affected department's current fiscal year budget is \$142.0 million.

The Harris County Sheriff's Office reported that such a law would improve the continuity of care for former inmates whose medical needs were addressed in the Harris County Jail. Easier access to compensated medical services could help reduce the chances that such inmates will re-offend and be housed in jail again, or re-offenders could have fewer medical needs; however, the fiscal impact cannot be quantified at this time.

Travis County reported estimated costs totaling \$110,000 which would include costs for two additional employees with salary and benefits (\$100,000); capital outlay (\$4,000); and operational costs (\$6,000) in FY 2014; and \$106,000 in FY 2015 through FY 2018. The county also added that the fiscal impact would depend on an interlocal agreement being established with the federal government to receive the data, and that an agreement does not currently exist. Travis County has a population of 1.1 million and the affected department's current fiscal year budget is \$149.0 million.

Source Agencies: 529 Health and Human Services Commission

LBB Staff: UP, CL, TP, LR