

LEGISLATIVE BUDGET BOARD  
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

March 19, 2013

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

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB286** by Zedler (Relating to the investigation and resolution of complaints filed against physicians.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB286, As Introduced: an impact of \$0 through the biennium ending August 31, 2015.

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
2014	\$0
2015	\$0
2016	\$0
2017	\$0
2018	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable (Cost) from General Revenue Fund 1	Probable Revenue Gain from General Revenue Fund 1
2014	(\$2,458,900)	\$2,458,900
2015	(\$2,458,900)	\$2,458,900
2016	(\$2,458,900)	\$2,458,900
2017	(\$2,458,900)	\$2,458,900
2018	(\$2,458,900)	\$2,458,900

Fiscal Analysis

The bill would amend the Occupations Code relating to the investigation and resolution of complaints filed against physicians. The bill requires the board, when providing notice to a physician of a confidential informal disciplinary proceeding, to include the identity and

credentials of any expert physician the board intends to rely on at the proceeding, along with the specific allegations made in the complaint against the physician and the specific statute, rule, or standard of care alleged to be violated.

The bill would take effect September 1, 2013.

## **Methodology**

To implement the provisions of the bill, the Texas Medical Board (TMB) assumes it would have to establish a pool of professional experts who would be physicians willing to perform the reviews and have their identities released to the licensees under investigation. The agency would have to increase its current reimbursement rate of \$100 per hour up to \$250 per hour to the going rate for professional experts. According to information provided by TMB, the agency currently uses professional experts only for certain cases that go to trial at SOAH. These professional experts are paid at varying rates, but the lowest hourly rate currently paid is \$250 an hour, which is 2.5 times what the current expert physicians are paid. Under this bill, the total would be \$4,918,000 for fiscal years 2014-18, which is an increase of \$2,458,900 each fiscal year.

According to the analysis by TMB, implementation of this bill could impact the agency's ability to generate the necessary fee revenue due to the statutory caps on biennial license registration. However, it is assumed that the Board would adjust license fees as necessary to cover any additional costs associated with the implementation of the bill.

## **Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 360 State Office of Administrative Hearings, 503 Texas Medical Board

**LBB Staff:** UP, CL, MW, NV