LEGISLATIVE BUDGET BOARD Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

May 3, 2013

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB2401 by McClendon (Relating to the provision of community-based services to individuals who have or may have mental illness.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend Chapter 534, Health and Safety Code, as it relates to the provision of community-based services to individuals who have or may have mental illness. Under the provisions of the bill, the Department of State Health Services (DSHS) would be required to ensure the availability of at least one of the following services: crisis stabilization services; short-term residential treatment, respite care, or extended observation services; and medical and nursing services to address the patient's mental health condition or presenting symptoms through the local mental health authorities. Under the provisions of the bill, DSHS shall provide funding for these services to the extent that costs are not paid from the delivery service reform incentive payments (DSRIP) received under the Texas Health Care Transformation and Quality Improvement Program 1115 waiver. Due to the current availability of the services listed in the bill, DSHS indicates that the provisions of the bill can be implemented within existing resources.

Local Government Impact

The bill would require DSHS to provide funding and contract with local mental health authorities to provide community-based alternatives to inpatient hospitalization. Fiscal impact to local governments would vary depending on how funding is disbursed and the terms of future contracts.

Source Agencies: 537 State Health Services, Department of **LBB Staff:** UP, CL, CH, NB