

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

April 16, 2013

TO: Honorable Richard Peña Raymond, Chair, House Committee on Human Services

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB2647 by Muñoz, Jr. (Relating to the processing and payment of claims for reimbursement by providers under the Medicaid program.), **As Introduced**

There could be significant costs related to implementing the provisions of the bill, but because needed system modifications at managed care organizations are unknown, the fiscal impact to the state cannot be determined.

The bill would amend Chapter 533 of the Government Code to amend and add to required contract provisions between the Health and Human Services Commission (HHSC) and managed care organizations that a managed care organization make a payment to a physician or provider for health care services no later than 15 days after the receipt of a claim for payment and that a managed care organization allow a physician or provider to electronically submit documentation necessary to process a claim, including additional or amended documentation.

HHSC indicates current contracts require managed care organizations to offer providers the option of submitting and receiving claims information through an electronic data exchange. However, contracts would need to be amended to include the requirement that the portal accept all necessary attachments and to accept corrected or additional documentation. Certain managed care organizations may need to modify systems, which could impact the administrative rate HHSC pays to those plans. There could be significant costs related to implementing the provisions of the bill, but because needed system modifications at managed care organizations are unknown, the fiscal impact to the state cannot be determined.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 529 Health and Human Services Commission

LBB Staff: UP, CL, MB, LR, NB, ES