

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION**

**April 16, 2013**

**TO:** Honorable John T. Smithee, Chair, House Committee on Insurance

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

**IN RE: HB2700** by Bonnen, Greg (Relating to the requirement that certain health care providers give patients a good faith estimate of the expected payment for health care services and goods before the services or goods are provided; providing penalties.), **As Introduced**

The fiscal implications of the bill are dependant on unknown implementation details and cannot be determined at this time.

The bill would amend Chapter 117 of the Occupations Code, related to the requirement that certain health care providers give patients a good faith estimate of the expected payment for health care services and goods before the services or goods are provided, and it provides penalties. The bill would only apply to health care goods ordered or provided after the bill's effective date of September 1, 2013.

The fiscal impact to health-related boards may vary depending on how the board intends to implement provisions of the bill. In general, costs related to the bill would be absorbed within existing resources of the board or could be offset by raising their licensing fees. However, the bill may result in a cost to smaller boards without the option to raise their fees.

The Department of State Health Services (DSHS) indicates it would absorb any cost associated with changing, assessing and enforcing the rules described in the bill, if it were enacted. According to the Health and Human Services Commission (HHSC) the cost of implementing the bill could be significant because it would require information technology and communication systems changes, the details of which partly depend on how providers decide to put the provisions of the bill into practice. HHSC indicates implementation of the bill by the enactment date of September 1, 2013 could be hindered by the rule development process, which typically requires six months lead time.

The provision in the bill that institutes provider penalties for violating the new rules is expected to result in increased revenue but the overall fiscal impact is not known at this time.

## **Local Government Impact**

Local units of government operating public hospitals and clinics may see new administrative costs for complying with this bill.

**Source Agencies:** 503 Texas Medical Board, 507 Texas Board of Nursing, 508 Board of Chiropractic Examiners, 512 Board of Podiatric Medical Examiners, 514 Optometry Board, 515 Board of Pharmacy, 529 Health and Human Services Commission, 533 Executive Council of Physical Therapy & Occupational Therapy Examiners, 537 State Health Services, Department of

**LBB Staff:** UP, AG, MB, JTe, NB, JJO, KKR