

LEGISLATIVE BUDGET BOARD  
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

April 16, 2013

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

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

**IN RE: HB3020** by Sheffield, J. D. (Relating to disclosure of the price charged by a health care provider for a health care service or supply; providing penalties.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB3020, 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 Savings/(Cost) from General Revenue Fund 1	Probable Revenue Gain/(Loss) from General Revenue Fund 1	Change in Number of State Employees from FY 2013
2014	\$0	\$0	0.0
2015	(\$103,653)	\$103,653	2.0
2016	(\$90,818)	\$90,818	2.0
2017	(\$90,818)	\$90,818	2.0
2018	(\$90,818)	\$90,818	2.0

Fiscal Analysis

The bill would amend the Occupations Code relating to disclosure of the price charged by a health care provider for a health care service or supply and provide penalties. The bill would require

health care providers to compile and publish a pricing information list that lists the prices of certain frequently performed services, and provide notice if changes to the list are made. The bill would prohibit the health care provider from charging an amount different than what is listed, unless the charge is less than the amount listed and negotiated with the patient and not a third party payor. The bill would also subject a health care provider who violated provisions of the bill to disciplinary action by their regulating entity.

The bill would take effect September 1, 2013 and would apply to health care providers after September 1, 2014.

**Methodology**

Based on provisions of the bill, the Texas Medical Board (TMB) estimates it could be required to open 100 new investigations each fiscal year based on complaints received by the agency related to the new pricing requirements. Based on the bill's requirements, a health care provider would not be required to comply until September 1, 2014, therefore TMB estimates costs necessary to implement the provisions of the bill would begin in fiscal year 2015. According to information provided by TMB, it would need two additional staff to address the increase in complaints. For the purpose of this analysis, TMB estimates a cost of \$103,653 in fiscal year 2015 for salaries, benefits and one-time start-up costs for additional staff and \$90,818 in fiscal years 2016-2018 for salaries and benefits; totaling \$376,107 over a five-year period. Based on the analysis provided by the agency, it is assumed that the Board would adjust license fees to cover any additional costs associated with the implementation of the bill.

Based on information provided by the Health Professions Council, Department of State Health Services, Texas State Board of Dental Examiners, Employees Retirement System, Texas A&M University System Administrative and General Offices, Board of Podiatric Medical Examiners, Texas Medical Board, Teacher Retirement System, Texas Board of Nursing, Board of Examiners of Psychologists, Board of Chiropractic Examiners, The University of Texas System Administration, Board of Pharmacy, Executive Council of Physical Therapy & Occupational Therapy Examiners, it is assumed that any costs associated with the implementation of the bill would be absorbed within existing staff and resources.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 323 Teacher Retirement System, 327 Employees Retirement System, 364 Health Professions Council, 503 Texas Medical Board, 504 Texas State Board of Dental Examiners, 507 Texas Board of Nursing, 508 Board of Chiropractic Examiners, 512 Board of Podiatric Medical Examiners, 515 Board of Pharmacy, 520 Board of Examiners of Psychologists, 533 Executive Council of Physical Therapy & Occupational Therapy Examiners, 537 State Health Services, Department of, 710 Texas A&M University System Administrative and General Offices, 720 The University of Texas System Administration

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