

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

April 30, 2013

TO: Honorable Juan Hinojosa, Chair, Senate Committee on Intergovernmental Relations

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB1863 by Hinojosa (relating to use of district funds by the Nueces County Hospital District.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend the Health and Safety Code to authorize the Nueces County Hospital District (NCHD) to fund intergovernmental transfers (IGTs) from NCHD to the state as the nonfederal share of Medicaid waiver program payments for providers inside or outside NCHD, including payments made through a Medicaid waiver under Section 1115, Social Security Act or other similar payment programs.

According to the analysis by the Health and Human Services Commission (HHSC), the bill would directly impact the hospital districts' available methods of finance for IGTs and would allow NCHD to increase their IGT for the Section 1115 Medicaid waiver, allowing the state to draw down additional federal dollars, but not use the dollars to expand Medicaid eligibility. The Department of State Health Services (DSHS) administers the state's County Indigent Health Care Program. Under the provisions of the bill, there is potential for less IGTs to be available for this program if the Nueces County Hospital District directs more IGT to Disproportionate Share Hospital, Uncompensated Care or Delivery System Reform Incentive Payments.

HHSC indicated that costs associated with processing IGTs from NCHD could be absorbed within the agency's existing resources. DSHS indicated no fiscal impact to the department is anticipated.

Local Government Impact

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

Source Agencies: 529 Health and Human Services Commission, 537 State Health Services, Department of

LBB Staff: UP, KKR, SD, TP