

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

**FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION**

**March 16, 2015**

**TO:** Honorable Myra Crownover, Chair, House Committee on Public Health

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

**IN RE: HB175** by Miller, Rick (Relating to the establishment of the Veterans Recovery Program to provide certain veterans with hyperbaric oxygen treatment.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB175, As Introduced: a negative impact of (\$24,327,476) through the biennium ending August 31, 2017.

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
2016	(\$10,476,706)
2017	(\$13,850,770)
2018	(\$13,850,770)
2019	(\$13,850,770)
2020	(\$13,850,770)

**All Funds, Five-Year Impact:**

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund 1	Change in Number of State Employees from FY 2015
2016	(\$10,476,706)	3.0
2017	(\$13,850,770)	4.0
2018	(\$13,850,770)	4.0
2019	(\$13,850,770)	4.0
2020	(\$13,850,770)	4.0

**Fiscal Analysis**

The bill would establish the Veterans Recovery Program to provide certain veterans with hyperbaric oxygen treatment. The Department of State Health Services (DSHS) would be required to operate the program, which would provide diagnostic services, hyperbaric oxygen treatment, and support services free of charge to eligible Texas veterans who have post-traumatic stress

disorder (PTSD) or a traumatic brain injury. DSHS would be authorized to appoint an advisory board to assist with program development.

The bill would create the Veterans Recovery Account, a dedicated account in the general revenue fund, funded with appropriations, gifts, grants, and other donations, and third-party reimbursements. Funds in the account would be expended only for administration of the Veterans Recovery Program, including eligible veterans' travel and living expenses, if travel for treatment is necessary. Facilities providing the medical care would be required to submit a treatment plan to be approved by DSHS in order to be eligible for reimbursement. Approval of treatment plans by DSHS would be dependent on the availability of funds in the new dedicated account. DSHS would be required to submit a biennial evaluation of the program to the legislature.

This legislation would do one or more of the following: create or recreate a dedicated account in the General Revenue Fund, create or recreate a special or trust fund either with or outside of the Treasury, or create a dedicated revenue source. The fund, account, or revenue dedication included in this bill would be subject to funds consolidation review by the current Legislature.

### **Methodology**

Calculations assume the following estimates from DSHS: there are 180,000 Texas veterans with PTSD or traumatic brain injury, and eligible veterans would receive 30 treatments at \$200 per treatment (\$6,000) per year. Calculations assume that 1,800, or one percent, of eligible veterans would receive services (1,350 in the first year as services are rolled out). This analysis assumes that one-third of those served would also incur travel expenses, estimated at \$4,560 per person for the entire treatment period.

DSHS has estimated that four FTEs (three program specialists and one contract specialist) would be required to operate the program. Calculations assume that three FTEs would be needed in the first year. Total FTE costs, including benefits, total \$343,876 in fiscal year 2016, and \$340,330 each year thereafter. The total cost of all services to veterans would be \$10,476,706 in fiscal year 2016 (\$8,100,000 for treatment-related services and \$2,031,480 for travel-related expenses) and \$13,850,770 each year thereafter (\$10,800,000 for treatment-related services and \$2,708,640 for travel-related expenditures).

The analysis does not assume any gifts, grants or donations to the new Veterans Recovery GR-Dedicated account. The amount of third-party reimbursements is unknown, and also is not included in the analysis. Therefore, it is assumed that the costs associated with the program would be funded with General Revenue.

### **Technology**

Technology costs of approximately \$11,000 per fiscal year, related to additional FTEs at DSHS, are included in the costs above.

### **Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

**Source Agencies:** 304 Comptroller of Public Accounts, 529 Health and Human Services Commission, 537 State Health Services, Department of

**LBB Staff:** UP, NB, WP, VJC, SD, SS, KVe