

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

April 6, 2015

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB764 by King, Susan (Relating to the use, collection, and security of health care data collected by the Department of State Health Services.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB764, As Introduced: an impact of \$0 through the biennium ending August 31, 2017.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2016	\$0
2017	\$0
2018	\$0
2019	\$0
2020	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue (Loss) from <i>Appropriated Receipts</i> 666
2016	\$0
2017	\$0
2018	(\$850,000)
2019	(\$850,000)
2020	(\$850,000)

Fiscal Analysis

The bill would amend Chapter 108 of the Health and Safety Code relating to health care data collected by the Department of State Health Services (DSHS). The bill would require that DSHS create a form and make it available on the DSHS website for use by providers to notify patients whose health data is being collected. The bill would prohibit the sale of any health data collected under the chapter. The bill would require that DSHS prepare an annual report on security related to the data. The bill would require a transition plan to prohibit the sale of data to be in place by January 1, 2016; prohibition of data sales would be effective September 1, 2017.

Methodology

DSHS indicates that revenue from the sale of health data currently ranges from \$400,000 to \$600,000 per year. Additionally, DSHS recently implemented the collection of hospital base Emergency Department data and sales estimated at \$300,000 to \$400,000 per year will begin in fiscal year 2016. The total revenue loss to the state is estimated to be \$850,000 per year beginning in fiscal year 2018, the sum of the midpoints of the two ranges.

DSHS indicates that implementation of the sections of the bill related to provider forms and security-related reports could be absorbed within existing resources.

Local Government Impact

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

Source Agencies: 537 State Health Services, Department of

LBB Staff: UP, NB, WP, VJC, KVe