

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: **HB1940** by Thompson, Senfronia (Relating to the improvement of oral health care access through the regulation of dental hygiene practitioners, dental hygienists, and dentists in this state.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1940, As Introduced: a negative impact of (\$322,500) through the biennium ending August 31, 2017. A significant impact to the Medicaid program is expected but cannot be determined because reimbursement rates for dental hygiene practitioners are not known and it is not known if the availability of a new provider type would increase overall services provided.

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	(\$322,500)
2017	\$0
2018	\$0
2019	\$0
2020	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable (Cost) from General Revenue Fund 1	Probable Revenue Gain from General Revenue Fund 1	Probable (Cost) from Federal Funds 555
2016	(\$388,937)	\$66,437	(\$967,500)
2017	(\$50,137)	\$50,137	\$0
2018	(\$50,137)	\$50,137	\$0
2019	(\$50,137)	\$50,137	\$0
2020	(\$50,137)	\$50,137	\$0

Fiscal Analysis

The bill would amend the Occupations Code relating to the improvement of oral health care access through the regulation of dental hygiene practitioners, dental hygienists, and dentists in this state. The bill creates a new regulatory program for dental hygienist practitioners. The bill would authorize dentists to delegate to a dental hygiene practitioner in specific locations including nursing facilities, state-operated facilities, adult day care facilities, and the homes of persons receiving home and community-based waiver services under Medicaid. The bill would require the Health and Human Services Commission to establish a separate provider type for dental hygienists and dental hygiene practitioners in the Medicaid program.

This bill would take effect immediately upon enactment, assuming it received the requisite two-thirds majority votes in both houses of the Legislature. Otherwise, it would take effect September 1, 2015.

Methodology

Allowing dentists to delegate to a dental hygiene practitioner in the specific locations included in the bill is likely to have a significant fiscal impact to the Health and Human Services Commission (HHSC), but it cannot be determined whether that impact would be a cost or a savings or what the magnitude might be. The specific locations in the bill serve a large number of Medicaid recipients and establishing a separate provider type for dental hygiene practitioners could either increase the total number of dental services provided or shift services from dentists to a different provider type. It is not known what the reimbursement rate for the new provider type might be; there could be a savings to the Medicaid program if services previously provided by a dentist were instead provided by a dental hygiene practitioner at a lower rate. There could be a cost to the Medicaid program if there were an increase in the overall number of dental services provided through increased access to providers, particularly by persons in settings that have traditionally not been reached extensively by dentists (home- and facility-based services). HHSC indicates the implementation of the bill relating to establishing dental hygienists and dental hygiene practitioners as separate provider types for the Medicaid program would have a one-time cost of \$322,500 in General Revenue Funds, \$1,290,000 in All Funds, in fiscal year 2016 to modify the Texas Medicaid Management Information System.

The Texas State Board of Dental Examiners (TSBDE) estimates the implementation of the provisions of the bill would require \$12,000 in General Revenue funding for updates to the agency licensing database in fiscal year 2016 only. Additionally, the agency estimates the need for \$36,000 in General Revenue funding and an increase in the full-time equivalent (FTE) cap for 1.0 FTE License and Permit Specialist each fiscal year in order to manage the additional workload. The agency estimates the retirement and payroll contributions for this FTE to be \$12,197 each fiscal year. The agency also anticipates one-time start up costs, including the purchase of informational technology and workspace remodeling to be \$4,300 in fiscal year 2016 only. The agency estimates other operating costs including consumable supplies and training to be \$1,940 each fiscal year.

This analysis assumes that the TSBDE, which is statutorily required to raise revenues to cover the amounts appropriated to the agency, would raise revenues to cover agency costs associated with implementing the provisions of the bill.

Technology

The TSBDE estimates the implementation of the provisions of the bill would require \$12,000 in General Revenue funding for updates to the agency licensing database in fiscal year 2016 only.

HHSC indicates the implementation of the bill relating to establishing dental hygienists and dental hygiene practitioners as separate provider types for the Medicaid program would have a one-time cost of \$322,500 in General Revenue Funds, \$1,290,000 in All Funds, in fiscal year 2016 to modify the Texas Medicaid Management Information System.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 504 Texas State Board of Dental Examiners, 529 Health and Human Services Commission

LBB Staff: UP, NB, NV, TWh