

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

May 22, 2015

TO: Honorable Charles Schwertner, Chair, Senate Committee on Health & Human Services

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB2641 by Zerwas (Relating to the exchange of health information in this state; creating a criminal offense.), **Committee Report 2nd House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend Chapter 531 of the Government Code to require the Health and Human Services Commission (HHSC) to ensure that all information systems available for use by health and human services agencies are compliant with the applicable data exchange standards developed by an organization accredited by the American National Standards Institute. The bill gives HHSC the authority to develop rules and implement a system to reimburse providers of health care services under the state Medicaid program for review and transmission of electronic health information if feasible and cost-effective. The bill amends the Health and Safety Code to add reporting of certain provided immunizations and related health related conditions by health care providers, allow the Department of State Health Services (DSHS) to submit or obtain immunization history, and creates a certain offense. The bill extends Medicaid reimbursement for home telemonitoring services to September 1, 2019. The bill also amends the Civil Practice and Remedies Code to create certain limitations on liability relating to Health Information Exchanges, which would take effect on or after the effective date of the act.

HHSC has indicated that the Enterprise Health Information Exchange Policy would need to be updated to ensure compliance with the requirements of the bill. The costs to update the policy are immaterial and would be absorbed within existing resources.

HHSC has indicated that, while implementation of the bill could result in a fiscal impact to HHSC a specific estimate is not available. The number of exchanges out of compliance with national standards is unknown and HHSC does not have the information necessary to make appropriate assumptions to determine the fiscal impact.

HHSC would implement a reimbursement system by rule to reimburse providers of health care services under the state Medicaid program for review and transmission of electronic health information. Costs related are immaterial and would be absorbed within existing resources. The fiscal impact of reimbursing providers of health care services can not be determined due to the unknown number of providers seeking reimbursement. HHSC has indicated that there may be some fiscal impact for receiving data through health information exchanges. This analysis assumes that these costs will be absorbed within existing resources.

HHSC has authority to stop reimbursing for home telemonitoring services if the agency determines that it is no longer cost effective, therefore it is assumed the services will only

continue if cost effective and therefore no significant fiscal impact to the state is anticipated.

HHSC must amend contracts to change the expiration date of the home telemonitoring benefit from September 1, 2015 to September 1, 2019. HHSC has indicated that any associated cost could be absorbed within the agency's existing resources.

DSHS has indicated that there is no fiscal impact for receiving data through health information exchanges and that any cost to implement systems that meet the standards of the bill will be factored into future information technology projects.

It is anticipated that there would be no significant fiscal impact to the Texas Medical Board, the Department of Family and Protective Services, the Department of Assistive and Rehabilitative Services, and the Department of Aging and Disability Services as a result of this bill.

The bill would go into effect on September 1, 2015.

Local Government Impact

There may be a cost to local governments depending on the systems used to exchange or report data. Fiscal impact will vary depending on the local health department's available resources.

Source Agencies: 503 Texas Medical Board, 529 Health and Human Services Commission, 530 Family and Protective Services, Department of, 537 State Health Services, Department of, 538 Assistive and Rehabilitative Services, Department of, 539 Aging and Disability Services, Department of

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