

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

May 17, 2015

TO: Honorable Jane Nelson, Chair, Senate Committee on Finance

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB3077 by Zerwas (Relating to funding for trauma facilities, emergency medical services, and emergency medical air transportation.), **As Engrossed**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3077, As Engrossed: a negative impact of (\$29,580,000) through the biennium ending August 31, 2017. Increased revenue to the new General Revenue-Dedicated account could, for certification purposes, offset the reduction to General Revenue Funds.

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	(\$14,790,000)
2017	(\$14,790,000)
2018	(\$14,790,000)
2019	(\$14,790,000)
2020	(\$14,790,000)

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain/(Loss) from <i>New GR-Dedicated Emergency Medical Air Transportation Account</i>	Probable Revenue Gain/(Loss) from <i>General Revenue Fund 1</i>	Probable Revenue Gain/(Loss) from <i>Trauma Facility And Ems 5111</i>	Probable Revenue Gain/(Loss) from <i>Regional Trauma Account 5137</i>
2016	\$14,790,000	(\$14,790,000)	\$112,591,000	(\$112,591,000)
2017	\$14,790,000	(\$14,790,000)	\$16,103,000	(\$16,103,000)
2018	\$14,790,000	(\$14,790,000)	\$16,103,000	(\$16,103,000)
2019	\$14,790,000	(\$14,790,000)	\$16,103,000	(\$16,103,000)
2020	\$14,790,000	(\$14,790,000)	\$16,103,000	(\$16,103,000)

Fiscal Analysis

The bill would amend Chapter 773 of the Health and Safety Code to establish the Emergency Medical Air Transportation General Revenue-Dedicated (GR-D) Account. The bill would authorize appropriation of funds in the account to the Department of State Health Services (DSHS), to be used in addition to other available funding for emergency medical air transportation. The bill would also authorize the transfer of funds to the Health and Human Services Commission (HHSC) to be used for reimbursement to providers of emergency medical air transportation, including reimbursement enhancements to designated air ambulance services, in order to maximize federal funds.

The bill would amend Chapter 542 of the Transportation Code to direct the comptroller to reduce the revenue from certain traffic fines currently deposited to General Revenue by 17 percent, from 67 percent to 50 percent, and to deposit that amount into the new GR-D account instead.

The bill would abolish the GR-Dedicated Regional Trauma Account No. 5137. Revenue from traffic penalties previously deposited to this account would be deposited instead into GR-D Designated Trauma Facility and EMS Account No. 5111.

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

The Comptroller of Public Accounts (CPA) estimates that \$14.8 million in projected revenue would be redirected from General Revenue to the new emergency medical air transportation dedicated account. According to HHSC, emergency medical air transportation is currently a Medicaid-covered benefit, therefore if funds for emergency air transportation were appropriated to DSHS and transferred to HHSC as authorized by the bill, there would be a corresponding savings in General Revenue Match for Medicaid. These savings would not be realized if rate enhancements for providers were funded, as authorized by the bill.

The Comptroller also estimates that a fiscal year 2015 ending balance of \$96,488,000 and revenue of \$16,103,000 per fiscal year would be credited to the Designated Trauma and EMS Account No. 5111 due to the abolishment of the Regional Trauma Account No. 5137, resulting in a net impact of \$0 in GR-D funds.

Local Government Impact

No 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, KK, WP, VJC, SS