

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

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

**April 22, 2015**

**TO:** Honorable John Otto, Chair, House Committee on Appropriations

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

**IN RE:** **HB3077** by Zerwas (relating to emergency medical air transportation funding. ),  
**Committee Report 1st House, Substituted**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB3077, Committee Report 1st House, Substituted: 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:**

<b>Fiscal Year</b>	<b>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</b>
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:**

<b>Fiscal Year</b>	<b>Probable Revenue Gain/(Loss) from New GR-Dedicated Emergency Medical Air Transportation Account</b>	<b>Probable Revenue Gain/(Loss) from General Revenue Fund 1</b>
2016	\$14,790,000	(\$14,790,000)
2017	\$14,790,000	(\$14,790,000)
2018	\$14,790,000	(\$14,790,000)
2019	\$14,790,000	(\$14,790,000)
2020	\$14,790,000	(\$14,790,000)

**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.

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.

### **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