

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

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

**April 1, 2015**

**TO:** Honorable Garnet Coleman, Chair, House Committee on County Affairs

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

**IN RE:** **HB3185** by Raney (Relating to the creation of county health care funding districts in certain counties.), **As Introduced**

<b>No significant fiscal implication to the State is anticipated.</b>
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The bill would add Chapter 296 to the Health and Safety Code to establish hospital districts for certain counties that have a population less than 200,000 and contain two municipalities with populations of 75,000 or more. The bill would establish a local provider participation fund for these districts consisting of mandatory payment revenue from nonpublic hospitals, refunds from the Health and Human Services Commission (HHSC) of federally unmatched intergovernmental transfers originally intended to pay the nonfederal share Medicaid supplemental payments, and the earnings of the fund. The bill states that money in the fund may be used to provide the nonfederal share for Medicaid supplemental payments and for indigent health care.

The nonfederal share of Texas Medicaid supplemental payments is provided largely by local public funds provided to HHSC by intergovernmental transfer. The bill's amendments do not contain any implications for state General Revenue funds. HHSC reports that there would be no significant fiscal impact to the agency resulting from implementation of the bill.

**Local Government Impact**

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

**Source Agencies:** 529 Health and Human Services Commission

**LBB Staff:** UP, KVe, SD, MH