

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

April 20, 2015

TO: Honorable Myra Crownover, Chair, House Committee on Public Health

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB3519 by Guerra (Relating to the use of home telemonitoring services under Medicaid.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would require that telemonitoring services are made available only to a person who is diagnosed with certain conditions or another condition for which the commission makes an evidence-based determination that monitoring through the use of home telemonitoring services is cost-effective and feasible. The bill also requires the Health and Human Services Commission (HHSC) to provide home telemonitoring to certain pediatric clients with complex medical needs. It is assumed this is only required if HHSC determines the service is cost effective, as with other conditions listed, and therefore this provision would have no significant fiscal impact. The bill also would require Medicaid to provide reimbursement for home telemonitoring services in the event of an unsuccessful data transmission if the provider of the services attempts to communicate with the patient by telephone or in person to establish a successful data transmission. In addition, the bill extends home telemonitoring medical reimbursement through 2021.

HHSC already uses evidence-based research to determine conditions which can be managed through telemonitoring, and will continue to do so. HHSC assumes that a home health visit as a result of an unsuccessful transmission is part of the current standard of care and no additional costs are incurred. HHSC will need to update medical policy to reflect this requirement and ensure no duplication of services. HHSC also assumes a low rate of transmission error and therefore any technology costs required can be absorbed within existing resources. HHSC must amend contracts to change the expiration date of the home telemonitoring benefit from September 1, 2015 to September 1, 2021. HHSC indicates that any costs associated with the bill could be absorbed within the agency's existing resources.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 529 Health and Human Services Commission

LBB Staff: UP, NB, JJ, JQ