

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

April 16, 2015

TO: Honorable Richard Peña Raymond, Chair, House Committee on Human Services

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **SB203** by Nelson (Relating to the continuation and functions of the Texas Health Services Authority as a quasi-governmental entity and the electronic exchange of health care information.), **Committee Report 2nd House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would implement Sunset Advisory Commission's recommendations to amend Chapter 531 of the Government Code and Chapters 181 and 182 of the Health and Safety Code regarding the expiration and duties of the Texas Health Services Authority (THSA). The bill also provides for the continuation of privacy and security standards after THSA is removed from statute, allows the Health and Human Services Commission (HHSC) to seek the assistance of a private nonprofit organization with relevant experience when amending those standards, and requires that the HHSC designate such an organization to establish a process by which certain entities may be certified by the organization as complying with those standards. The bill provides alternative procedures if such a private nonprofit organization does not exist. The bill requires the HHSC to ensure that any fee charged for the certification process is reasonable. The bill also gives the HHSC the authority to revoke, for good cause, the designation or authority of a private nonprofit organization or entity to establish the process or offer certification.

HHSC, the Department of Family and Protective Services, the Department of Assistive and Rehabilitative Services, the Department of Aging and Disability Services, the Office of the Governor, and the Texas Department of Insurance have indicated that implementing the provisions of the bill would not result in a fiscal impact to the state. Assuming current privacy, security, and certification standards would not be changed, the Department of State Health Services reported that any costs associated with the bill would be absorbed with current agency resources.

The portions of the bill regarding privacy, security, and certification standards would take effect on September 1, 2021. All other provisions of the bill would take effect on September 1, 2015.

Local Government Impact

No significant fiscal implication to units of local government is anticipated. Local governments may incur fees if there are any changes to the privacy, security, and certification standards.

Source Agencies: 116 Sunset Advisory Commission, 301 Office of the Governor, 454

Department of Insurance, 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

LBB Staff: UP, NB, MH, CG