

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

May 4, 2015

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB1385 by Schwertner (Relating to the authorization of the imposition of administrative penalties on providers participating in certain Medicaid waiver programs.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

The bill would authorize the Department of Aging and Disability Services (DADS) to assess and collect administrative penalties from providers participating in the Home and Community-based Services (HCS) and Texas Home Living (TxHmL) waiver programs for violations of law, including a rule, or DADS policy. Administrative penalties could only be imposed for actions occurring on or after September 1, 2015 (the bill's effective date). The executive commissioner of the Health and Human Services Commission would be required to adopt rules regarding the imposition of penalties, including the amount of any penalty. The bill directs the agencies to seek any necessary federal waiver or authorization and allows them to delay implementation until approval is received.

According to DADS, there were 33 sanctions against HCS or TxHmL providers in fiscal year 2013 and 37 in fiscal year 2014. It is assumed that the amount of any administrative penalty would be nominal and the number of violations would be similar to the number of sanctions in recent history. At these levels, no significant fiscal impact is anticipated.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 529 Health and Human Services Commission, 539 Aging and Disability Services, Department of

LBB Staff: UP, NB, LR