

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

March 7, 2017

TO: Honorable Byron Cook, Chair, House Committee on State Affairs

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB201 by Cook (Relating to disposition of fetal remains by a health care facility; imposing penalties.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would require health care facilities to dispose of fetal remains following certain criteria and would allow the Department of State Health Services (DSHS) to suspend or revoke the licenses of facilities that do not comply. A non-complying facility would be liable for a civil penalty for each violation and the Attorney General would be allowed to sue to collect the penalty. The executive commissioner of the Health and Human Services Commission (HHSC) would be required to adopt any rules necessary to implement the bill by January 1, 2018.

Based on the analysis provided by HHSC, DSHS, The University of Texas System, and the Office of Attorney General, the provisions of the bill can be implemented within existing resources.

Local Government Impact

Certain hospitals that are units of local government reported via survey by the Texas Hospital Association (THA) estimates of costs associated with implementing the provisions of the bill:

In the survey, Texas hospital number 1 indicated 1680 fetal remains specimens per year. For each burial, costs range between \$130-\$390 depending on which funeral home is used. Thus, THA reported the burial costs per year per hospital range between \$218,400-\$655,200.

In the same survey, THA indicated that Texas hospital number 2 reported that their existing funeral home contract specifies a cost of \$1,060 for cremation and \$1,400 for burial. In the last 12 months, hospital number 2 handled 100 fetuses of less than 350 grams not including specimens of fetal tissue which are not currently tracked.

According to the Funeral Consumers Alliance of Central Texas, the lowest cost for direct cremations in Central Texas is \$575, while the lowest cost for immediate burial is \$1,200.

Source Agencies: 302 Office of the Attorney General, 529 Health and Human Services Commission, 537 State Health Services, Department of, 720 The University of Texas System Administration

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