

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

**FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION**

**April 8, 2017**

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

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

**IN RE: HB3151** by Sheffield (Relating to demonstration projects to coordinate eligibility renewal and eligibility recertification for certain children in the Medicaid and child health plan programs.), **As Introduced**

**The fiscal implications of the bill cannot be determined at this time but a significant fiscal impact to client services would be anticipated in fiscal years 2019 through 2021.** Insufficient information is available to estimate the impact to caseload associated with the provisions of the bill.

The bill would require the Health and Human Services Commission (HHSC) to establish demonstration projects, not later than September 1, 2018, under the Children's Health Insurance Program (CHIP) and Medicaid to allow for the simultaneous renewal of multiple children within the same household who are eligible for enrollment. HHSC would be required to submit a report to the legislature regarding the demonstration project. Statutory authority related to the demonstration projects would expire September 1, 2021. The bill would be effective immediately upon a two-thirds vote of all members elected to each house; otherwise, the bill would be effective September 1, 2017.

According to HHSC, there would be a one-time cost of \$0.9 million in All Funds, including \$0.3 million in General Revenue Funds, in fiscal year 2018 for modifications to Texas Integrated Eligibility Redesign System (TIERS). The fiscal impact to client services associated with the provisions of the bill cannot be determined at this time. Insufficient information is available to determine the scope of the demonstration projects and what would be allowable under federal law; this information would be necessary to estimate any caseload impact, which would be expected to have a significant fiscal impact in fiscal years 2019 through 2021. It is assumed any costs associated with adoption of rules and reporting can be absorbed within the available resources of the agency.

**Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

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

**LBB Staff:** UP, KCA, LR