

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

April 28, 2017

TO: Honorable Four Price, Chair, House Committee on Public Health

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB3633 by Price (Relating to cost reporting requirements for certain facilities and providers participating in medical assistance programs.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would require the executive commissioner of the Health and Human Services Commission (HHSC) to develop and implement a streamlined cost reporting system, following certain criteria, for facilities and providers that provide Medicaid services under the ICF-IID program or the home and community-based services (HCS) waiver program. These facilities and providers would be required to submit a financial statement, detailing certain cost information, to the executive commissioner of HHSC no later than December 1 of each odd-numbered year. HHSC would be required to review the submitted statements to evaluate the facility's or provider's compliance with an incentive program established by Human Resources Code §32.028(g). The executive commissioner of HHSC, by rule, would be required to designate small, medium, and large classes of providers. By January 1 of each even-numbered year HHSC would be required to randomly select 10 facilities and providers, following certain criteria, to validate their financial statements from the preceding fiscal biennium. Selected facilities and providers would be required to contract with a certified public accountant (CPA) and submit to HHSC program costs along with the audit report produced by the CPA. HHSC would be required to review the audits no later than August 31 of each even-numbered year and submit a report to the legislature based on those audits.

According to HHSC, the provisions of the bill can be implemented within 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, KCA, LR, RGU, TBo