

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 24, 2017

TO: Honorable Joe Straus, Speaker of the House, House of Representatives

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB3675** by Paddie (Relating to the provision of eye health care by certain professionals and institutions as providers in the Medicaid managed care program.), **As Passed 2nd House**

No significant fiscal implication to the State is anticipated.

The bill would amend the Human Resources Code to no longer require Medicaid enrolled ophthalmologists and therapeutic optometrists to be credentialed in their specialty area. The bill would require the Health and Human Services Commission (HHSC) to permit optometrists, therapeutic optometrists, ophthalmologists, and institutions of higher education that meet certain criteria, to enroll as a Medicaid provider. The bill would require Medicaid managed care organizations (MCOs) to include in their provider network each Medicaid enrolled optometrist, therapeutic optometrist, and ophthalmologist that is in the region and agrees to certain contract conditions.

According to HHSC, MCOs would only contract with providers that agree to accept the prevailing provider rates, as per the provisions of the bill. Therefore, HHSC assumes the MCO requirement to include any willing provider in its network will not have an effect on the overall provider reimbursement rate. It is assumed that the provisions of the bill would not result in an overall increase in services provided in managed care or fee-for-service. With no increase to average reimbursement or utilization, no fiscal impact to client services is anticipated. It is assumed any administrative costs associated with implementation of the bill would not be significant and could be absorbed within the available resources of HHSC.

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, SD, KCA, LR, RGU