

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 20, 2017

TO: Honorable Dan Patrick, Lieutenant Governor, Senate

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB922 by Buckingham (Relating to the reimbursement of certain providers under the Medicaid program for the provision of telehealth services.), **As Passed 2nd House**

The fiscal implications of the bill cannot be determined at this time. Legislation is anticipated to result in a significant cost to state and federal funds, but the amount is unknown at this time due to uncertainties regarding participation by school districts, charter schools, and other health professionals.

The bill would require the Health and Human Services Commission (HHSC) to ensure that Medicaid reimbursement is provided to certain school districts and charter schools for telehealth services provided through the school district or charter school by certain health professionals, even if the health professional is not the patient's primary care provider.

According to HHSC, a facility fee is paid to telemedicine patient site providers when the distant site provider qualifies as a telemedicine provider. Through the provisions of the bill, school districts and certain charter schools would become eligible to receive the facility fee. Fee-for-service Medicaid facility fees range from \$18.00 to \$20.00 and fees paid through managed care would be negotiated by the managed care organizations (MCOs). According to HHSC, the bill would require HHSC to provide reimbursement for these services in a school-based setting to additional provider types. Fee-for-service Medicaid telemedicine distant site provider reimbursement typically range from \$47.00 to \$53.00 and reimbursement through managed care would be negotiated by the MCOs.

Due to uncertainties regarding the number of school districts and charter schools that would provide Medicaid telemedicine services, the number of additional providers that would be reimbursed, and the frequency at which these services would be provided, the fiscal impact of the bill cannot be determined at this time.

Local Government Impact

There would be a significant fiscal impact to school districts who could receive additional reimbursement under the provisions of the bill. The amount of increased reimbursement cannot be determined at this time.

Source Agencies: 529 Health and Human Services Commission

LBB Staff: UP, LR, KCA, RGU, TBo

