

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

March 26, 2017

TO: Honorable Charles Schwertner, Chair, Senate Committee on Health & Human Services

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB932 by Schwertner (Relating to the licensing of, the executive commissioner of the Health and Human Services Commission's duties with respect to, and the administrative penalties for certain long-term care facilities.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend portions of the Health and Safety Code to set the expiration date of licenses issued to certain long-term care facilities to the third anniversary of the date the license was issued, require the Health and Human Services Commission (HHSC) to review and develop efficiencies in the methods used to issue informational materials and other materials to a licensed entity, and would require HHSC to develop and implement a system to track the scope and severity of violations of rules and standards regulating certain long-term care facilities that is comparable to the system used by the Centers for Medicare and Medicaid Services (CMS) to categorize the scope and severity of violations for nursing homes.

Based on the LBB's analysis of the Health and Human Services Commission, duties and responsibilities associated with implementing the provisions of the bill could be accomplished utilizing existing resources. However, since HHSC already charges the statutory maximum for the renewal of licenses for these long-term care facilities, there will be an estimated revenue loss of \$504,173 in General Revenue in each fiscal year beginning in fiscal year 2020 since HHSC does not have authority to increase fees above the statutory cap to account for the longer licensure period.

Local Government Impact

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

Source Agencies: 304 Comptroller of Public Accounts, 529 Health and Human Services Commission

LBB Staff: UP, KCA, EP, MDI, LCO