

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: SB933 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 home and community support services agencies.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB933, As Introduced: an impact of \$0 through the biennium ending August 31, 2019.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2018	\$0
2019	\$0
2020	\$0
2021	\$0
2022	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain/(Loss) from <i>Home Health Services Acct</i> 5018
2018	\$0
2019	\$0
2020	(\$1,834,583)
2021	(\$1,834,583)
2022	(\$1,834,583)

Fiscal Analysis

The bill would amend portions of the Health and Safety Code to set the expiration date of licenses issued to home and community support services agencies (HCSSAs) to the third anniversary of the date the license was issued, and require HHSC to develop and implement a system to track the scope and severity of violations of rules and standards regulating HCSSAs that is comparable to the system used by the Centers for Medicare and Medicaid Services to categorize the scope and severity of violations for nursing homes. The bill would take effect September 1, 2017.

Methodology

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 the maximum amount that HHSC may charge for the renewal of licenses for HCSSAs is statutorily capped, there will be an estimated revenue loss of \$1,834,583 in General Revenue Dedicated Account No. 5018, Home Health Services Account, 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. This analysis assumes that any licenses issued or renewed before September 1, 2017 will expire during the 2018-19 biennium. HHSC indicates there are currently 6,290 HCSSAs.

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

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