

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION**

**April 23, 2017**

**TO:** Honorable Eddie Lucio, Jr., Chair, Senate Committee on Intergovernmental Relations

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE:** **SB2170** by Huffines (Relating to the creation and operations of health care provider participation programs in hospital districts established under Chapter 281, Health & Safety Code.), **As Introduced**

**No significant fiscal implication to the State is anticipated.**

The bill would amend the Health and Safety Code to add Chapter 298 to authorize the Dallas County Hospital District to establish a health care provider participation program. The authority for the health care provider participation would expire December 31, 2019. The health care provider participation program would allow the Dallas County Hospital District to collect mandatory payments from nonpublic hospitals. These payments would be deposited into a local provider participation fund to fund intergovernmental transfers. Intergovernmental transfers would be used by the Health and Human Services Commission (HHSC) as the nonfederal share to draw down Medicaid Waiver uncompensated payments or to increase hospital rates for nonpublic hospitals under the Medicaid managed care program. The bill specifies that if a state agency determines that a waiver from a federal agency is necessary, the agency shall request the waiver and delay implementation until such waiver is received.

The bill's provisions do not contain any implications for state General Revenue funds. HHSC reports that there would be no significant fiscal impact to the agency resulting from implementation of the bill.

The bill would take effect on September 1, 2017, or immediately with a vote of two-thirds of all members in both houses.

**Local Government Impact**

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the Senate as to its probable fiscal implication on units of local government.

**Source Agencies:** 529 Health and Human Services Commission

**LBB Staff:** UP, JGA, MH