

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

May 13, 2019

TO: Honorable Lois W. Kolkhorst, Chair, Senate Committee on Health & Human Services

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director
 Legislative Budget Board

IN RE: HB3991 by Bohac (Relating to the deaf-blind with multiple disabilities waiver program.),
As Engrossed

Estimated Two-year Net Impact to General Revenue Related Funds for HB3991, As Engrossed: a negative impact of (\$6,002,186) through the biennium ending August 31, 2021.

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
2020	(\$1,893,258)
2021	(\$4,108,928)
2022	(\$5,399,488)
2023	(\$5,833,674)
2024	(\$6,417,576)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>General Revenue Fund</i> 1	Probable (Cost) from <i>Federal Funds</i> 555	Probable Revenue Gain/(Loss) from <i>General Revenue Fund</i> 1	Change in Number of State Employees from FY 2019
2020	(\$1,895,718)	(\$3,120,431)	\$2,460	2.0
2021	(\$4,119,946)	(\$6,960,331)	\$11,018	2.0
2022	(\$5,380,600)	(\$9,108,408)	(\$18,888)	2.0
2023	(\$5,853,639)	(\$9,901,805)	\$19,965	2.0
2024	(\$6,438,371)	(\$10,884,567)	\$20,795	2.0

Fiscal Analysis

The bill would direct the executive commissioner of the Health and Human Services Commission (HHSC) to establish minimum reimbursement rates for certain service providers under the Deaf-Blind Multiple disabilities (DBMD) waiver program. The rates would take into account the provider's level of training, education, and experience and be adjusted annually for inflation. The bill would also increase the number of persons receiving services through the DBMD waiver program by 100 in each year of the 2020-21 biennium, and then by 10 percent of the program's interest list each subsequent year.

Methodology

The bill would increase certain rates in the DBMD program every year. It would also increase client services costs in the program. HHSC assumes a Federal Medical Assistance Percentage (FMAP) of 60.89 percent. HHSC estimates the All Funds costs related to client services as \$4.8 million in FY 2020 and \$10.9 million in FY 2021.

The agency indicates that provisions of the bill would require two additional FTEs, a Contract Specialist IV to perform functions related to enrollment and contract administration and Nurse IV to performs functions related to representing the agency at hearings and providing assistance to local IDD authorities and staff. The agency estimates costs of approximately \$0.4 million in All Funds impact for program support, including salaries, overhead, and other costs, for the 2020-21 biennium.

Technology

The agency indicates that the total technology cost is estimated to be: \$11,940 in FY 2020 and \$9,934 in FY 2021 through FY 2024 and that additional capital authority of \$15,352 for the 2020-21 biennium would be required for the technology impact.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 529 Health and Human Services Commission

LBB Staff: WP, BH, AKi, JQ