

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

April 1, 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: SB1235 by Buckingham (Relating to the enrollment of health care providers in Medicaid.), **As Introduced**

<p>The fiscal implications of the bill related to changes to provider enrollment in the Medicaid program cannot be determined at this time.</p>

The bill would amend Chapter 531 of the Government Code to allow providers that are credentialed by a managed care organization (MCO) or enrolled in Medicare to participate in Medicaid without also enrolling with the states Medicaid claims administrator. The Health and Human Services Commission indicates that allowing providers to participate in Medicaid without following Medicaid enrollment requirements would require federal approval of a waiver, as well as significant changes to the provider management and enrollment system (PMES) of the state Medicaid Management Information System (MMIS). Based on LBB analysis of average implementation costs for change order requests to the MMIS, LBB estimates that implementation costs for changes relating to the provisions of the bill could have a General Revenue impact of up to \$2.4 million in All Funds (\$1.2 million in General Revenue). However, costs for changes related to the PMES could vary significantly based on the exact changes required.

The bill would take effect September 1, 2019.

Local Government Impact

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

Source Agencies: 529 Health and Human Services Commission

LBB Staff: WP, AKi, EP, MDI