

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

April 4, 2021

TO: Honorable Stephanie Klick, Chair, House Committee on Public Health

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB4 by Price (Relating to the provision and delivery of health care services under Medicaid and other public benefits programs using telecommunications or information technology and to reimbursement for some of those services.), **Committee Report 1st House, Substituted**

The fiscal implications of the bill cannot be determined at this time due to the inability to determine the impact on service utilization.

The bill would require the Health and Human Services Commission (HHSC) to ensure a rural health clinic may be reimbursed for the originating site facility fee or the distant site practitioner fee or both, for a covered telemedicine medical service or telehealth service delivered by a health care provider to a Medicaid recipient.

The bill would require HHSC, by January 1, 2022, to ensure individuals receiving services through Medicaid, the Children's Health Insurance Program (CHIP), and other public benefits programs administered by HHSC or another health and human services agency, have the option to receive certain services as telemedicine medical services, telehealth services, or otherwise using telecommunications or information technology, to the extent it is permitted by federal law and is determined cost-effective and clinically effective by HHSC. Covered services would include preventative health and wellness services; case management services, including targeted case management; behavioral health services; occupational, physical, and speech therapy services; nutritional counseling services; and assessment services, including nursing services under certain Section 1915(c) waiver programs.

The bill would require HHSC to implement audio-only benefits for behavioral health services provided in Medicaid, CHIP, and other public benefits programs administered by HHSC or another health and human services agency and allow HHSC to implement audio-only benefits for other services.

The bill would allow Medicaid managed care organizations (MCOs) to reimburse for home telemonitoring services not specifically defined in Government Code Section 531.02164.

The bill would require HHSC to implement policies and procedures to allow Medicaid MCOs to conduct assessment and service coordination activities for members receiving home and community-based services through telecommunication or information technology in certain circumstances.

The bill would take effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article II, Texas Constitution. Otherwise, the bill would take effect September 1, 2021.

According to information provided by the Department of State Health Services, the agency would need to maintain a telehealth system in order to provide case management services, the cost of which is estimated to be \$0.2 million in General Revenue each fiscal year.

It is unknown how these changes will impact service utilization.

It is assumed that costs associated with rulemaking, and development of any state plan amendments or waivers could be absorbed within existing agency resources.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 529 Hlth & Human Svcs Comm, 537 State Health Services

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