

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

April 25, 2021

TO: Honorable James B. Frank, Chair, House Committee on Human Services

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB158 by Thierry (Relating to a pilot program to provide Medicaid coverage of doula services.),
Committee Report 1st House, Substituted

Estimated Two-year Net Impact to General Revenue Related Funds for HB158, Committee Report 1st House, Substituted : a negative impact of (\$832,478) through the biennium ending August 31, 2023.

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:

<i>Fiscal Year</i>	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2022	(\$752,578)
2023	(\$79,900)
2024	(\$80,076)
2025	(\$80,257)
2026	(\$80,444)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	Probable Savings/(Cost) from GR Match For Medicaid 758	Probable Savings/(Cost) from Federal Funds 555
2022	(\$752,578)	(\$752,579)
2023	(\$79,900)	(\$79,901)
2024	(\$80,076)	(\$80,077)
2025	(\$80,257)	(\$80,258)
2026	(\$80,444)	(\$80,445)

<i>Fiscal Year</i>	Change in Number of State Employees from FY 2020
2021	1.5
2022	1.5
2023	1.5
2024	1.5
2025	1.5
2026	1.5

Fiscal Analysis

The bill would amend Human Resource Code Chapter 32 to require the Health and Human Services Commission (HHSC) to establish a pilot program to provide medical assistance reimbursement for doula services. HHSC would be allowed to delay implementation of the provisions of the bill until the agency obtained a federal waiver or authorization, if required.

Methodology

The analysis assumes necessary technology changes will be completed during fiscal year 2022 and will cost \$1.3 million in All Funds. It is assumed costs associated with technology changes will receive a 50 percent federal match.

According to HHSC, the agency would require 1.5 additional full-time equivalents (FTEs) each fiscal year to develop and manage the pilot program and conduct the reports and evaluation required by the bill. The estimated cost of the additional FTEs is \$0.2 million in All Funds each fiscal year.

The analysis assumes Medicaid coverage for doula service will begin on September 1, 2022. It is assumed the cost of providing doula services can be accomplished by utilizing existing agency resources and may be offset, in whole or in part, by decreased costs primarily related to decreased caesarian section deliveries and preterm births.

The analysis assumes the remaining duties and responsibilities associated with implementing provisions of the bill could be accomplished by utilizing existing agency resources.

Technology

Technology costs are estimated to total \$1,330,000 in fiscal year 2022 for onetime upgrades to the Provider Enrollment Management System and auxiliary technology services. FTE-related technology costs are estimated to be \$3,250 in fiscal year 2022 and \$1,152 in each subsequent year.

Local Government Impact

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

Source Agencies: 529 Hlth & Human Svcs Comm

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