

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

April 5, 2021

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

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB2325 by Thompson, Ed (Relating to emergency generators or other power sources in nursing facilities and assisted living facilities.), **As Introduced**

The fiscal implications of the bill cannot be determined at this time because the Health and Human Services Commission does not have enough information to determine the impact that the cost of acquiring an emergency generator would have on the facility expenses considered in Medicaid rate calculations.

The bill would require each nursing facility licensed under Health and Safety Code Chapter 242 and each assisted living facility licensed under Chapter 247 to ensure that the facility is equipped with an operational emergency generator or comparable emergency power source with a sufficient amount of fuel and to be able to operate and support a certain air temperature in the facility during a power outage.

The bill would require the executive commissioner of the Health and Human Services Commission (HHSC) to adopt rules necessary to implement the provisions of this Act.

According to information provided by HHSC, the cost of installing a new generator capable of supporting certain air temperatures is typically dependent on the square footage of a facility, and could range from \$20,000 for a newer and smaller facility to \$720,000 or more for an older and larger facility.

Due to insufficient information related to the number of affected facilities and the related square footage of each affected facility, the fiscal implications of the bill cannot be determined at this time.

Local Government Impact

The fiscal implications of the bill cannot be determined at this time.

Source Agencies: 529 Hlth & Human Svcs Comm

LBB Staff: JMc, AKI, JLI