

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

May 27, 2021

TO: Honorable Dade Phelan, Speaker of the House, House of Representatives

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB2706 by Howard (Relating to the emergency services and care provided to victims of sexual assault and other sex offenses and to the processes associated with preserving and analyzing the evidence of those offenses.), **As Passed 2nd House**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2706, As Passed 2nd House : an impact of \$0 through the biennium ending August 31, 2023. The bill would have a negative two-year impact of (\$8,759,226) to General Revenue - Dedicated Compensation to Victims of Crime Account No 0469. Balances and revenues to Account 469 are estimated to be insufficient to cover costs to implement the bill. Additionally, Article 56B.454 of the Code of Criminal Procedures states that General Revenue may not be used for compensation to victims of crime payments.

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 | \$0 |
| 2023 | \$0 |
| 2024 | \$0 |
| 2025 | \$0 |
| 2026 | \$0 |

All Funds, Five-Year Impact:

| <i>Fiscal Year</i> | Probable Savings/(Cost) from Crime Victims Comp Acct 469 | Change in Number of State Employees from FY 2021 |
|--------------------|---|---|
| 2022 | (\$4,336,004) | 9.0 |
| 2023 | (\$4,423,222) | 9.0 |
| 2024 | (\$4,553,120) | 9.0 |
| 2025 | (\$4,685,103) | 9.0 |
| 2026 | (\$4,820,890) | 9.0 |

Fiscal Analysis

The bill would amend multiple articles of the Code of Criminal Procedure to include a "health provider" that operates a sexual assault forensic examination (SAFE) program under Chapter 323 of the Health and Safety Code as an entity eligible to receive reimbursements for emergency medical care expenses for examination for

reported and non-reported sexual assaults.

The bill would amend Chapter 323 of the Health and Safety Code, to include Subchapter A for emergency services provided by health care facilities and Subchapter B, for emergency services provided by sexual assault forensic examination programs.

The bill establishes the SAFE program and includes it as an entity that may provide emergency services to victims of sexual assault.

The bill adds provisions in Chapter 323 of the Health and Safety Code, that would include availability of shower facilities at no cost for victims of sexual assault seeking an exam if they are available.

The bill would amend the Code of Criminal Procedure, to prohibit the use of evidence collected during the exam in certain cases.

Methodology

It is assumed that the provisions of the bill would result in increased participation in the Crime Victims' Compensation Program. The Office of the Attorney General indicates that the increase in participation would require an additional 3 Administrative Assistants II FTEs, 4 Reimbursement Officer III FTEs, 1 Accountant II FTE, and 1 Accountant I FTE to accommodate an increased workload.

In addition to FTE costs, the Office of the Attorney General anticipates one-time costs of for vendor hours to update the claims management system workflow used for crime victim claims.

The expected five-year cost of the bill is \$22.8 million.

Note that the Code of Criminal Procedure, Article 56B.454 states the Office of the Attorney General may not make compensation payments that exceed the amount of money available in the Compensation to Victims of Crime Fund (Fund 0469) and states general revenue may not be used for compensation to victims of crime payments. The forecasted cash balances and revenues in Fund 0469 are insufficient to support the additional costs to the Crime Victims Services program that would arise as a result of passage of this bill.

According to the Health and Human Services Commission, any work resulting from the provisions of the bill would be absorbed within current resources.

According to the Department of Public Safety, no fiscal implication is anticipated.

The bill would have a fiscal impact on two separate areas related to sexual assault examination reimbursements within the Crime Victims' Compensation (CVC) Program: (1) Sexual Assault Exam Reimbursements (SAER) and (2) Emergency Medical Care (EMC).

The bill would increase the amount paid on SAER applications submitted by programs potentially eligible for reimbursement as a SAFE Program. The biggest increase will be the amount allowable for a facility fee. Currently, standalone facilities are eligible for \$125 reimbursement for a facility fee. This change will allow entities to receive \$350 for the fee, or a \$225 increase. In FY 2019, the CVC Program received 2,909 SAER applications from these entities. It is anticipated that all the entities will seek full reimbursement for the facility fee.

| FY 2022 | FY 2023 | FY 2024 | FY 2025 | FY 2026 |
|-----------|-----------|-----------|-----------|-----------|
| \$654,525 | \$654,525 | \$654,525 | \$654,525 | \$654,525 |

It is anticipated that the bill would result in an increase in EMC applications of 2,618 in the first year. This increase is the result of the bill enabling standalone sexual assault forensic programs as being eligible to receive reimbursements for emergency medical care provided to sexual assault survivors. It is expected that the number of new applications would increase by 5% in the second year, and 2% in years three through five.

| | FY 2022 | FY 2023 | FY 2024 | FY 2025 | FY 2026 |
|--------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| New EMC Applications | 2,618 | 2,749 | 2,804 | 2,860 | 2,917 |
| Avg Payment with 2% increase | \$1,109 | \$1,131 | \$1,154 | \$1,177 | \$1,200 |
| Total Increase New EMCs | \$2,903,362 | \$3,109,119 | \$3,235,816 | \$3,366,220 | \$3,500,400 |

The CVC Program utilizes an outside CCV to process medical bills. The current CCV contract allows for cost increases in the cost per bill. The CVC Program conservatively estimates that each new EMC application will have three bills per application. The table below outlines the additional increase.

| | FY 2022 | FY 2023 | FY 2024 | FY 2025 | FY 2026 |
|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| New EMC Bills (3 per app) | 7,854 | 8,247 | 8,412 | 8,580 | 8,751 |
| CCV per bill | \$8.90 | \$9.20 | \$9.40 | \$9.40 | \$9.40 |
| Total Increase for CCV | \$69,901 | \$75,872 | \$79,073 | \$80,652 | \$82,259 |

The Office of the Attorney General indicates that the bill would require salaries and wages for 3 Administrative Assistant II (\$105,048), 4 Reimbursement Officer II (\$183,092), 3 Accountant II (\$39,729), and 1 Accountant I (\$39,640). In addition to the increase in costs for salaries and wages is a \$125,027 per year increase in costs for employee benefits and \$23,100 per year in costs for travel expenses. Additionally, a onetime cost of \$49,000 would be anticipated for vendor hours to update the claims management system workflow used for crime victims claims.

Technology

The technology impact includes one-time costs of \$86,710 in 2022 and a recurring annual cost in each FY 2022-2026 of \$29,970. One-time costs include application development, standard computer desk-top/laptop, software, printer, and telecom/voice mailbox and the costs to update CVMS. Annual recurring charges cover data center services and voice line.

Local Government Impact

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

Source Agencies: 302 Office of the Attorney General, 405 Department of Public Safety, 529 Hlth & Human Svcs Comm

LBB Staff: JMc, CMA, LCO, HGR, DKN