

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

March 29, 2021

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

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB3662 by Buckley (Relating to the award of health plan provider contracts under the Medicaid managed care program.), **As Introduced**

The fiscal implications of the bill cannot be determined at this time because it is unknown how many additional managed care organizations the Health and Human Services Commission would be required to contract with to provide health care services through Medicaid managed care, but a cost would be anticipated.

The bill would require the Health and Human Services Commission (HHSC) to contract with a provider-sponsored managed care organization (MCO) affiliated with two trauma facilities designated as level I trauma facilities to provide health care services through Medicaid managed care provided HHSC does not have an existing contract with a MCO wholly owned and operated by a hospital district in the same health care service region.

It is unknown how many additional MCOs HHSC would be required to contract with. However, it is assumed that there would be a cost associated with requiring HHSC to award contracts to the MCOs identified in the bill.

It is assumed that costs associated with rulemaking and development of any state plan amendment or waiver 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

LBB Staff: JMc, AKI, JLI, RD