

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION**

**April 6, 2021**

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

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: HB4139** by Coleman (Relating to the Office for Health Equity.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB4139, As Introduced : a negative impact of (\$5,449,965) 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>	<b>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</b>
2022	(\$2,931,942)
2023	(\$2,518,023)
2024	(\$2,522,494)
2025	(\$2,527,091)
2026	(\$2,531,841)

**All Funds, Five-Year Impact:**

<i>Fiscal Year</i>	<b>Probable Savings/(Cost) from General Revenue Fund 1</b>	<b>Probable Savings/(Cost) from Federal Funds 555</b>	<b>Change in Number of State Employees from FY 2021</b>
2022	(\$2,931,942)	(\$666,056)	25.4
2023	(\$2,518,023)	(\$666,056)	25.4
2024	(\$2,522,494)	(\$666,056)	25.4
2025	(\$2,527,091)	(\$666,056)	25.4
2026	(\$2,531,841)	(\$666,056)	25.4

**Fiscal Analysis**

The bill would amend Health and Safety Code Chapter 107A to change the name of the Center for Elimination of Disproportionality and Disparities to The Office for Health Equity. The executive commissioner of the Health and Human Services Commission (HHSC) would be required to maintain the Office for Health Equity (the Office) to develop and implement health initiatives to create health equity and eliminate health and health access disparities among certain populations. The Office would be required to seek out various state and federal agencies, universities and organizations in order to coordinate and maximize use of existing resources without duplicating existing efforts.

The bill would require HHSC to work with the Office during contract procurement to ensure that providers promote health equity and eliminate health and health access disparities among certain populations. Additionally, the Office would be required to work with other Texas agencies to advise and assist in implementation of programs and strategies. HHSC would distribute appropriations of money to the fund by the legislature and any gifts, grants, including grants from the federal government, to the Office.

The Office would be required to conduct a study to assess the disproportionate effect the COVID-19 pandemic has had on certain populations. The Office would be required to submit the report to the Governor, Lieutenant Governor, Speaker of the House of Representatives, and members of the legislature no later than December 1, 2022. This section would expire August 31, 2023.

### **Methodology**

According to information provided by HHSC, 1.0 Director III full-time equivalent (FTE), 2.0 Director I FTEs, 4.0 Project Manager FTEs, 1.0 Executive Assistant I FTE, 6.0 Program Specialist VI FTEs and 11.4 Program Specialist V FTEs would be needed to coordinate with various partners, manage initiatives, monitor outcomes, and to carry out other duties of the Office. The estimated All Funds associated with hiring 25.4 FTEs would be \$3.0 million in fiscal year 2022, \$2.6 million in fiscal year 2023, \$2.6 million in fiscal year 2024, \$2.7 million in fiscal year 2025, and \$2.7 million in fiscal year 2026. Actual amounts may vary based on appropriations or federal grants received for this purpose.

HHSC would be required to work with the Office for contract procurement. The estimated cost for the professional services contract for this purpose would be \$0.1 million in fiscal years 2022 through 2026. Additionally, there would be costs for other Article II agencies related to the system support services provided by HHSC. Estimated costs for the Department of Family and Protective Services and the Department of State Health Services would be \$0.4 million in General Revenue in fiscal years 2022 through 2026.

This analysis assumes any costs associated with conducting a study on the disproportionate effect the COVID-19 pandemic has had on certain populations could be implemented within existing resources.

### **Technology**

Costs for FTE-related technology costs including salaries, training and supplies for IT staff, seat management services, and basic data storage services for additional FTEs are estimated to be \$125,402 in fiscal year 2022, and \$69,822 in fiscal years 2023 through 2026.

### **Local Government Impact**

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

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

**LBB Staff:** JMc, AKI, JLI