

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

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

**May 25, 2021**

**TO:** Honorable Dan Patrick, Lieutenant Governor, Senate

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

**IN RE: SB73** by Miles (Relating to providing access to local public health entities and certain health service regional offices under Medicaid.), **As Passed 2nd House**

**Estimated Two-year Net Impact to General Revenue Related Funds** for SB73, As Passed 2nd House : a negative impact of (\$665,000) through the biennium ending August 31, 2023.

The Health and Human Services Commission is required to implement this Act only if the legislature appropriates money specifically for that purpose. If the legislature does not appropriate money specifically for that purpose, the commission may, but is not required to, implement the Act using other appropriations available for the purpose.

**General Revenue-Related Funds, Five- Year Impact:**

<i>Fiscal Year</i>	<b>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</b>
2022	(\$665,000)
2023	\$0
2024	\$0
2025	\$0
2026	\$0

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

<i>Fiscal Year</i>	<b>Probable Savings/(Cost) from GR Match For Medicaid 758</b>	<b>Probable Savings/(Cost) from Federal Funds 555</b>
2022	(\$665,000)	(\$665,000)
2023	\$0	\$0
2024	\$0	\$0
2025	\$0	\$0
2026	\$0	\$0

**Fiscal Analysis**

The bill would require the Health and Human Services Commission (HHSC) to create a provider type for local health departments for purposes of enrollment as a provider for and reimbursement under Medicaid. HHSC would be able to delay implementation of the provisions of the bill until the agency obtained a federal waiver or authorization, if required.

## **Methodology**

The analysis assumes HHSC's Provider Enrollment Management System and auxiliary technology services would require updates to include the new provider type. It is assumed these changes would be completed during fiscal year 2022 and would cost \$1,330,000. It is assumed costs associated with these technology changes would receive a 50 percent federal match.

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 for one-time upgrades to the Provider Enrollment Management System and auxiliary technology services at HHSC.

## **Local Government Impact**

The Texas Association of Counties does not anticipate a significant fiscal impact to counties.

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

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