

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

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

**April 11, 2021**

**TO:** Honorable Lois W. Kolkhorst, Chair, Senate Committee on Health & Human Services

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

**IN RE: SB1648** by Perry (Relating to the provision of certain benefits under Medicaid, including the coordination of private health benefits, and to reimbursement for some of those benefits.), **As Introduced**

**The fiscal implications of the bill cannot be determined at this time because it is unknown how many Medicaid recipients with complex medical needs who do not have primary health benefit plan coverage would receive services from an out-of-network specialty provider.**

The bill would amend the Government Code to require the Health and Human Services Commission (HHSC) to allow a Medicaid recipient with complex medical needs who has an established relationship with a specialty provider to continue receiving care from the provider regardless of whether the recipient has primary health benefit plan coverage. The bill would also repeal the expiration date for certain provisions related to the interest list for the Medically Dependent Children Program (MDCP) waiver.

According to HHSC, out-of-network providers would be reimbursed 95 percent (if they are inside the service delivery area (SDA)) or 100 percent (if they are outside of the SDA) of the Medicaid fee-for-service rate. This rate may be higher than the rate that would have otherwise been negotiated with a managed care organization, which could increase the cost of services.

The fiscal implications of the bill cannot be determined at this time because it is unknown how many Medicaid recipients with complex medical needs who do not have primary health benefit plan coverage would receive services from an out-of-network specialty provider.

According to HHSC, any additional work resulting from the passage of the bill could be reasonably absorbed within current resources.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 529 Hlth & Human Svcs Comm

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