

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

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

**April 30, 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 benefits to certain Medicaid recipients with complex medical needs.), **Committee Report 1st House, Substituted**

**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 Health and Human Services Commission is required to implement a provision of this Act only if the legislature appropriate 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 a provision of the Act using other appropriations available for that purpose.

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. For a recipient without primary health benefit coverage, a Medicaid managed care organization would be required to negotiate a single-case agreement with the specialty provider. The bill would also repeal the expiration date for certain provisions related to the interest list for the Medically Dependent Children Program (MDCP) waiver.

Out-of-network providers would be reimbursed 100 percent of the Medicaid fee-for-service rate until an agreement is made with the MCO for a single-case agreement. Additionally, the single-case agreement may be higher than the Medicaid fee-for-service rate, 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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