

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

March 31, 2023

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

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: **HB1008** by Turner (Relating to suspending the employment of certain persons who provide care to individuals with an intellectual or developmental disability and who are alleged to have engaged in reportable conduct.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1008, Committee Report 1st House, Substituted : a negative impact of (\$890,642) through the biennium ending August 31, 2025.

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>	<i>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</i>
2024	(\$454,322)
2025	(\$436,320)
2026	(\$436,676)
2027	(\$437,036)
2028	(\$437,400)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	<i>Probable (Cost) from GR Match For Medicaid 758</i>	<i>Probable Savings/(Cost) from Federal Funds 555</i>	<i>Change in Number of State Employees from FY 2023</i>
2024	(\$454,322)	(\$454,322)	8.0
2025	(\$436,320)	(\$436,320)	8.0
2026	(\$436,676)	(\$436,676)	8.0
2027	(\$437,036)	(\$437,036)	8.0
2028	(\$437,400)	(\$437,400)	8.0

Fiscal Analysis

The bill adds Section 531.02485(b) to Government Code 531, which would require a Medicaid provider who employs or contracts with a residential caregiver to provide community-based residential care services to suspend the employment or contract of an individual who the Health and Human Services Commission (HHSC) finds has engaged in reportable conduct, as defined by Section 531.02485(a)(2) of the bill. The bill would require HHSC to disenroll a provider that is in violation of Section 531.02485(b).

The bill would add state supported living centers to Health and Safety Code Chapter 253. The bill would require

a facility to suspend the employment of an employee who HHSC finds has engaged in reportable conduct.

The bill would require a state agency to request a waiver or authorization from a federal agency if the state agency determines that a waiver or authorization is necessary for implementation of the bill.

The bill would take effect September 1, 2023

Methodology

It is assumed that HHSC will require additional staff to monitor compliance within Medicaid contracts. Analysis assumes a total of 8.0 Contract Specialist IV full-time-equivalents (FTEs) are needed in fiscal year 2024 through fiscal year 2028 to implement the provisions of the bill. Personnel related costs, including salaries, benefits, and other overhead costs, are estimated to total \$908,644 in All Funds in fiscal year 2024 and \$872,640 in All Funds in fiscal year 2025.

It is assumed that HHSC can perform all other functions of the bill with existing resources.

It is assumed the Department of Family and Protective Services can perform the functions of the bill with existing resources.

Technology

Total technology costs are estimated to be \$25,710 in fiscal year 2024 and \$4,190 in fiscal year 2025. Costs are primarily related to additional personnel.

Local Government Impact

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

Source Agencies: 529 Health and Human Services Commission

LBB Staff: JMc, NPe, ER, SB