

LEGISLATIVE BUDGET BOARD  
Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

March 13, 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 employment and license suspension of persons who provide care to individuals with an intellectual or developmental disability and who are under investigation for certain misconduct.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB1008, As Introduced : a negative impact of (\$24,789,880) 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	(\$12,885,100)
2025	(\$11,904,780)
2026	(\$11,149,745)
2027	(\$11,149,745)
2028	(\$11,149,745)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	<i>Probable Savings/(Cost) from General Revenue Fund 1</i>	<i>Probable Savings/(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	(\$11,707,031)	(\$1,178,069)	(\$1,178,069)	30.2
2025	(\$11,023,685)	(\$881,095)	(\$881,095)	29.2
2026	(\$10,506,807)	(\$642,938)	(\$642,938)	29.2
2027	(\$10,506,807)	(\$642,938)	(\$642,938)	29.2
2028	(\$10,506,807)	(\$642,938)	(\$642,938)	29.2

Fiscal Analysis

The bill would require a group home or other residential facility licensed by or operated under the authority of the Health and Human Services Commission (HHSC) to suspend the employment of a residential caregiver who is the subject of an investigation for misconduct involving abuse, neglect, or exploitation of an individual receiving services from the caregiver. The bill would require HHSC to suspend the license of a group home or other residential facility that fails to suspend an employee who is under investigation. The bill would require HHSC to disenroll a residential caregiver who is under investigation from participation in Medicaid. 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 is the subject of an investigation. The bill would take effect September 1, 2023.

## Methodology

According to HHSC, there would be costs to information technology, regulatory services, facility-based services, and Medicaid and CHIP services to implement the bill. HHSC reports costs and additional full-time-equivalent (FTE) authority would be needed to create a registry to monitor investigations and to track investigations over time.

Based on information provided by the agency, analysis assumes HHSC would need additional staff as follows to implement the bill: 1.0 Project Manager to oversee system changes and creation of a registry; 1.0 System Analyst IV to assist with creation of a registry; 1.0 Program Specialist I to assist with database entry; 13.0 Program Specialist V to monitor investigations and status of individuals listed in the registry; 1.0 Program Specialist VII to review cases for the registry; 1.0 Manager V to oversee registry functions; 2.0 Program Specialist V to review documentation; 1.0 Management Analyst III to support the regulatory enforcement unit; 8.0 Contract Specialist IV to monitor compliance within Medicaid contracts; and 1.2 Indirect Program Specialist Vs for indirect agency functions. Analysis assumes a total of 30.2 FTEs are needed in fiscal year 2024 and 29.2 FTEs are needed in fiscal year 2025 through 2028 to implement the provisions of the bill. Personnel related costs, including salaries, travel, and overhead are estimated to total \$9,667,293 in All Funds in fiscal year 2024 and \$8,390,000 in All Funds in fiscal year 2025.

HHSC may have additional costs at the state supported living centers to pay for overtime for current employees that would provide services instead of suspended staff. This analysis assumes additional overtime costs at \$4,395,876 in All Funds per fiscal year, which represents 10.0 percent of reported overtime costs in fiscal year 2022. Amounts could be more or less depending on how many employees would be suspended.

HHSC may have additional costs at the state supported living centers to pay for cost of leave for employees with unconfirmed allegations. Analysis does not assume these additional costs as secondary impact.

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

## Technology

According to information from HHSC, the total technology cost is estimated to be \$2,163,526 in fiscal year 2024 and \$1,065,235 in fiscal year 2025. Costs are primarily related to application system modifications such as creation of a database or registry for investigations.

## Local Government Impact

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

**Source Agencies:** 529 Health and Human Services Commission, 530 Family and Protective Services, Department of  
**LBB Staff:** JMc, NPe, ER, SB, NV