

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

**FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION**

**March 29, 2023**

**TO:** Honorable Sam Harless, Chair, House Committee on Health Care Reform, Select

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

**IN RE: HB1575** by Hull (Relating to improving health outcomes for certain recipients and enrollees under certain state health benefits programs, through improved program administration.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB1575, As Introduced : a negative impact of (\$4,188,534) through the biennium ending August 31, 2025.

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

<i>Fiscal Year</i>	<b>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</b>
2024	(\$3,216,118)
2025	(\$972,416)
2026	(\$972,892)
2027	(\$973,373)
2028	(\$973,860)

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

<i>Fiscal Year</i>	<b>Probable (Cost) from General Revenue Fund 1</b>	<b>Probable (Cost) from GR Match For Medicaid 758</b>	<b>Probable (Cost) from Federal Funds 555</b>	<b>Change in Number of State Employees from FY 2023</b>
2024	(\$2,239,640)	(\$976,478)	(\$976,478)	6.0
2025	(\$853,690)	(\$118,726)	(\$118,726)	6.0
2026	(\$854,108)	(\$118,784)	(\$118,784)	6.0
2027	(\$854,530)	(\$118,843)	(\$118,843)	6.0
2028	(\$854,958)	(\$118,902)	(\$118,902)	6.0

**Fiscal Analysis**

The bill would require the Health and Human Services Commission (HHSC) to adopt standardized assessment questions to screen for, identify, and aggregate data regarding the nonmedical health related needs of pregnant women eligible for Medicaid and the Alternatives to Abortion program.

The bill would require managed care organizations (MCO) and other providers to provide HHSC with the data collected.

The bill would establish provider qualifications and require that program services may be provided only by a provider who completes the standardized case management training required by HHSC.

The bill would require HHSC to require a provider to complete training that meets the provisions of the bill.

The bill would require an MCO to conduct a health needs and nonmedical health needs screening of each eligible pregnant recipient or enrollee.

The bill would require that HHSC establish a separate provider type for community health workers and doulas.

The bill would require HHSC to submit a report on the case management services provider to pregnant women.

### **Methodology**

This analysis assumes HHSC would be required to develop a database to collect, aggregate, and report on the nonmedical health related needs of eligible pregnant women. This analysis assumes HHSC would require an additional 6.0 Full-time Equivalent (FTE) positions to develop the database. This analysis assumes one Project Manager III, one Information Technology Business Analyst III, two Programmer IVs, one Systems Analyst IV, and one Database Administrator III would manage the implementation and development of a program database to collect and aggregate the required data and support on-going maintenance.

In addition to FTE-related costs, the system development of the database is estimated to be \$1.8 million in All Funds in fiscal year 2024. Additional costs related to Data Center Services (DCS) infrastructure are estimated to be \$0.3 million in All Funds in each fiscal year.

System upgrades to the Texas Medicaid and Health Partnership (TMHP) to create new provider types for community health workers and doulas is estimated to cost \$1.3 million in All Funds in fiscal year 2024.

According to HHSC, costs related to client services, developing the assessment questions, reporting requirements, and updating provider training materials can be accomplished with existing resources.

### **Technology**

Technology costs related to database development, DCS, and TMHP updates total \$3.7 million in All Funds for the biennium. Additional FTE-related technology costs are estimated to be \$19,283 in fiscal year 2024 and \$3,143 in each subsequent year.

### **Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 529 Health and Human Services Commission

**LBB Staff:** JMc, NPe, ER, CST, NV