

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

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

**April 29, 2023**

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

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

**IN RE: HB1798** by Howard (relating to the development of a strategic plan for home and community-based services provided under Medicaid and the child health plan program and the establishment of an advisory committee on home and community-based services.), **Committee Report 1st House, Substituted**

The fiscal implications of the bill cannot be determined due to the client services impact related to the approval and implementation of the strategic plan being unknown.

The bill would require the Health and Human Services Commission (HHSC) to develop a strategic plan and report related to home and community-based services provided under Medicaid and the Children's Health Insurance Program.

The bill would require the strategic plan to include a proposal for a viable rate methodology for services and an assessment of the potential costs, including the costs to the state, associated with a lack of adequate access to HCS services, any projected long-term savings associated with timely access, costs associated with providing services in alternate settings.

The bill would require the Legislative Budget Board to approve the strategic plan and provide comments before determining whether to approve the plan.

The bill would require HHSC to establish an advisory committee for home and community-based services.

According to information provided by HHSC, additional staff would be needed to comply with the bill. It is assumed HHSC would need additional staff to develop a methodology for a viable rate, support the development of the report, and provide support to the advisory committee. According to HHSC 17.7 full-time equivalents (FTEs) are needed in fiscal year 2024 and on. Personnel related costs, including salaries, travel, and overhead, are estimated to be \$2,281,554 in fiscal year 2024 and \$2,213,271 in fiscal year 2025.

Costs for HHSC are not included in the table above but noted here to provide additional fiscal implications associated with the bill.

The fiscal impact related to client services costs cannot be determined at this time due to the uncertainty regarding the strategic plan recommendations, approval, and implementation.

**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