

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

May 20, 2023

TO: Honorable Lois W. Kolkhorst, Chair, Senate Committee on Health & Human Services

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB1898 by Jetton (Relating to a grant program to fund the provision by children's hospitals of mental and behavioral health services to children in this state.), **Committee Report 2nd House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1898, Committee Report 2nd House, Substituted : a negative impact of (\$1,127,017) 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>	Probable Net Positive/(Negative) Impact to <i>General Revenue Related Funds</i>
2024	(\$570,814)
2025	(\$556,203)
2026	(\$556,559)
2027	(\$556,919)
2028	(\$557,283)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	Probable Savings/(Cost) from <i>General Revenue Fund</i> 1	<i>Change in Number of State Employees from FY 2023</i>
2024	(\$570,814)	4.0
2025	(\$556,203)	4.0
2026	(\$556,559)	4.0
2027	(\$556,919)	4.0
2028	(\$557,283)	4.0

Fiscal Analysis

The bill would require the Health and Human Services Commission (HHSC) to establish a grant program to fund mental and behavioral health services by children's hospitals if and to the extent funds are appropriated to HHSC for that purpose. The bill would require HHSC to produce a biennial report on the performance of the grant program.

Methodology

The analysis assumes HHSC would require 4.0 additional full-time equivalents (FTEs), including a Manager VI, Data Analyst IV, Program Specialist VI, and Contract Specialist V, to administer the grant program. Costs for FTEs, including salary, benefits, technology, furniture, and supplies would total \$0.6 million per fiscal year.

The cost estimate includes only the cost to administer the program and does not include funding required to provide grants to children's hospitals. HHSC would require appropriations beyond the administrative costs to actually implement the grant program, but the cost for grant funding would depend on the preferred scale of the program. Other community mental health grant programs at HHSC received appropriations ranging from \$5.0 million to \$25.0 million for grants each fiscal year of the 2022-23 biennium.

Technology

FTE-related technology costs are estimated to be \$12,856 in fiscal year 2024 and \$2,096 in subsequent fiscal years.

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, NDA, NV