

**LEGISLATIVE BUDGET BOARD
Austin, Texas**

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

March 19, 2023

TO: Honorable Stephanie Klick, Chair, House Committee on Public Health

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB1998 by Johnson, Julie (Relating to the regulation of physicians and the disciplinary authority of the Texas Medical Board.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1998, As Introduced : an impact of \$0 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	\$0
2025	\$0
2026	\$0
2027	\$0
2028	\$0

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	<i>Probable Savings/(Cost) from General Revenue Fund 1</i>	<i>Probable Revenue Gain/(Loss) from General Revenue Fund 1</i>	<i>Change in Number of State Employees from FY 2023</i>
2024	(\$9,633,852)	\$9,633,852	64.0
2025	(\$8,133,852)	\$8,133,852	64.0
2026	(\$8,133,852)	\$8,133,852	64.0
2027	(\$8,133,852)	\$8,133,852	64.0
2028	(\$8,133,852)	\$8,133,852	64.0

Fiscal Analysis

The bill would require the Texas Medical Board (TMB) to use the National Practitioner Data Bank to conduct a query on every physician licensee once a month and update their physician profile to include any new reports of disciplinary action.

Methodology

Based on the analysis of the Texas Medical Board, This estimate assumes the number of physician licensees to

be 106,000. With each query costing \$2.50, the annual cost of the queries to the National Practitioner Data Bank would be \$3,180,000.

This estimate assumes that implementing the bill's provisions would require additional staffing due to the query search with the National Practitioner Data Bank not being automated. Based on the assessment of the Texas Medical Board and given the current rate at which agency employees conduct queries, the Texas Medical Board would require an additional 57.0 License and Permit Specialist I full-time equivalents (FTEs), with an annual salary of \$41,529 and \$13,206 in estimated benefits, to have the workforce necessary to process these queries. Additionally, a Manager IV FTE (annual salary of \$110,000 and \$34,980 in estimated benefits), a Accountant III FTE (annual salary of \$56,165 and \$17,860 in estimated benefits), and a Program Specialist IV FTE (annual salary of \$66,259 and \$21,070 in estimated benefits) would be needed to address the increase in operational responsibilities of the agency. Lastly, a General Counsel III FTE (annual salary of \$139,205 and \$44,267 in estimated benefits) and 3.0 Administrative Assistant II FTEs (annual salary of \$40,308 and \$12,818 in estimated benefits) would be needed to review new reports of disciplinary action and update physician profiles. In total, these 64.0 FTEs would cost \$4,953,852 in annual costs and one-time start-up costs of \$1,500,000 in fiscal year 2024.

This analysis assumes that any increased cost to the Texas Medical Board would be offset by an increase in fee-generated revenue because the agency is statutorily required to generate sufficient revenue to cover operational costs.

Local Government Impact

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

Source Agencies: 503 Texas Medical Board

LBB Staff: JMc, NPe, GDZ, BFa