

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

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

**April 16, 2023**

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

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

**IN RE: HB3162** by Klick (Relating to advance directives and health care treatment decisions made by or on behalf of patients, including a review of those directives and decisions.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB3162, As Introduced : a negative impact of (\$900,017) 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>	<i>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</i>
2024	(\$448,414)
2025	(\$451,603)
2026	(\$451,959)
2027	(\$452,319)
2028	(\$452,683)

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

<i>Fiscal Year</i>	<i>Probable (Cost) from General Revenue Fund 1</i>	<i>Change in Number of State Employees from FY 2023</i>
2024	(\$448,414)	4.0
2025	(\$451,603)	4.0
2026	(\$451,959)	4.0
2027	(\$452,319)	4.0
2028	(\$452,683)	4.0

**Fiscal Analysis**

The bill would revise rules and procedures that a health care facility would follow if a physician does not follow a patient's advance directive on a health care or treatment decision made by or on behalf of a patient.

The bill would require health care facilities to prepare and submit a report to the Department of State Health Services (DSHS) regarding ethics or medical committee processes, treatment provided, and patient characteristics. The report must be submitted to DSHS no later than 180 days after the facility gives written notice of an ethics or medical review committee meeting to a person making health care decisions for a patient. The bill would require DSHS to keep each report submitted by a health care facility confidential.

The bill would require DSHS to publish an annual report on its website with data from hospital reports by April 1 of each year.

The bill would require the Health and Human Services Commission (HHSC) executive commissioner to adopt rules establishing the standard for reporting requirements and to protect and aggregate information that DSHS receives.

### **Methodology**

It is assumed that DSHS would required 4.0 full-time equivalent (FTE) positions to implement the bill including a Research Specialist II position (1.0 FTE) and a Research Specialist III position (1.0 FTE) to gather and review submitted reports and data and to educate healthcare facilities on the report requirements; and a Data Analyst II position (1.0 FTE) and Data Analyst IV position (1.0 FTE) to review submitted data, develop submission process of required data, and to draft the annual report.

Salaries and benefits for the new positions at DSHS would total \$0.3 million in fiscal year 2024 and \$0.4 million in fiscal year 2025. The lesser amount in fiscal year 2024 assumes that the positions would not be filled until later in the fiscal year. Other FTE costs would total less than \$0.1 million in each fiscal year.

HHSC would require additional staff or staff time to update rules for applicable facility types, issue guidance to applicable providers, process and respond to stakeholder inquiries, train internal staff on the bill's provisions and rules adopted to implement the bill, and review any citations in preparation for routing to enforcement. It is assumed that any costs associated with the bill could be absorbed using existing resources.

### **Technology**

Technology costs at DSHS would include \$0.1 million for staff augmentation and software licensing needs for fiscal year 2024. Continuing software licensing needs would be less than \$0.1 million in fiscal year 2025.

IT costs for the new FTEs at DSHS would be less than \$0.1 million in each fiscal year.

### **Local Government Impact**

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

**Source Agencies:** 212 Office of Court Administration, Texas Judicial Council, 503 Texas Medical Board, 529 Health and Human Services Commission, 537 State Health Services, Department of

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