

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

April 10, 2023

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

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB3317 by Frank (relating to programs established and operated by federally qualified health centers to provide primary care access to certain employees.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3317, Committee Report 1st House, Substituted : 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>	Probable Net Positive/(Negative) Impact to <i>General Revenue Related Funds</i>
2024	\$0
2025	\$0
2026	\$0
2027	\$0
2028	\$0

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	Probable Revenue Gain from <i>Dept Ins Operating Acct</i> 36	Probable (Cost) from <i>Dept Ins Operating Acct</i> 36	<i>Change in Number of State Employees from FY 2023</i>
2024	\$106,771	(\$106,771)	1.3
2025	\$103,021	(\$103,021)	1.3
2026	\$103,021	(\$103,021)	1.3
2027	\$103,021	(\$103,021)	1.3
2028	\$103,021	(\$103,021)	1.3

Fiscal Analysis

This bill would amend the Health and Safety Code to increase access to primary care services for certain Texans at federally qualified health centers.

Methodology

This analysis assumes that for a federally qualified health center (FQHC) to establish and operate a primary care access program for employer groups, the FQHC would require the Department of Insurance (TDI) to approve or enter into a contract with the FQHC.

This analysis assumes TDI will utilize General Revenue-dedicated Texas Department of Insurance Operating Fund Account No. 036 (GR-D Fund 36) for administration and operation elements of this program as this is the dedicated operating fund for the agency. TDI's GR-D Fund 36 utilizes a statutorily authorized self-leveling mechanism where appropriations made from GR-D Fund 36 would be considered in the annual adjustment of the maintenance tax rates. Therefore, the annual revenue for GR-D Fund 36 will equal the expenses incurred by the agency and result in a net zero change in the fund balance.

TDI would require 1.3 Full-Time Equivalents (FTE) at the cost of \$209,791 in GR-D Fund 36 in the 2024-25 biennium. 0.3 Attorney III (\$20,825 plus \$6,629in benefits per fiscal year) to provide legal advice and assistance with contracts and reporting requirements, and 1.0 Program Specialist III (\$55,602 plus \$17,698 in benefits) to administer and operate the various aspects of the grant program.

According to the Health and Human Services Commission, the bill may result in higher utilization for Medicaid clients at FQHCs; however, costs cannot be determined at this time. It is assumed that any additional costs associated with the implementation of the bill could be absorbed using existing resources.

This analysis assumes the Health and Human Services Commission and the Department of State Health Services can accomplish any duties and responsibilities associated with implementing the provisions of the bill by utilizing existing resources.

Local Government Impact

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

Source Agencies: 454 Department of Insurance, 529 Health and Human Services Commission, 537 State Health Services, Department of

LBB Staff: JMc, NPe, LBl, GDZ