

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

March 14, 2023

TO: Honorable Brandon Creighton, Chair, Senate Committee on Education

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: SB113 by Menéndez (Relating to the provision of on-campus mental health services by a school district and reimbursement under Medicaid for certain services provided to eligible students.), **As Introduced**

The fiscal implications of the bill cannot be determined at this time, primarily due to uncertainty regarding implementation and utilization of a new program and services.

The bill would allow a school district to contract with a local mental health authority (LMHA) to provide mental health services on a campus. The bill would allow the LMHA to share results if applicable, at the request of a parent or guardian. The bill would require the Health and Human Services Commission (HHSC) to allow a school district to enroll in Medicaid to provide and receive reimbursement for mental health services provided to eligible students.

HHSC estimates that one-time costs to create a new provider type and manage claims-related issues would be \$0.5 million in fiscal year 2024, with on-going annual costs of \$0.7 million in fiscal year 2025 and on. While there would be a cost associated with adding school districts as Medicaid providers, in addition to the technology updates and training for school districts and LMHAs regarding procedures for Medicaid payment and reimbursement, the fiscal implications of adding and reimbursing for this service cannot be determined at this time.

The Texas Education Agency indicated that no fiscal impact is anticipated.

Local Government Impact

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

Source Agencies: 529 Health and Human Services Commission, 701 Texas Education Agency

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