

LEGISLATIVE BUDGET BOARD  
Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

March 7, 2023

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

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

**IN RE: SB576** by Menéndez (Relating to the definition of exploitation for purposes of investigating reports of exploitation by certain providers against certain elderly individuals and individuals with disabilities receiving services from those providers.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for SB576, As Introduced : a negative impact of (\$1,784,335) 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	(\$913,817)
2025	(\$870,518)
2026	(\$871,298)
2027	(\$872,086)
2028	(\$872,882)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	<i>Probable (Cost) from General Revenue Fund 1</i>	<i>Probable (Cost) from GR Match For Medicaid 758</i>	<i>Probable (Cost) from Federal Funds 555</i>	<i>Change in Number of State Employees from FY 2023</i>
2024	(\$679,623)	(\$234,194)	(\$234,194)	11.0
2025	(\$647,420)	(\$223,098)	(\$223,098)	11.0
2026	(\$648,001)	(\$223,297)	(\$223,297)	11.0
2027	(\$648,587)	(\$223,499)	(\$223,499)	11.0
2028	(\$649,178)	(\$223,704)	(\$223,704)	11.0

Fiscal Analysis

The bill would require the executive commissioner of the Health and Human Services Commission to adopt a definition for exploitation that does not exclude from the definition, an act of exploitation the provision of a monetary or property loan made to a provider by an individual receiving services from that provider.

Methodology

According to information provided by the Health and Human Services Commission (HHSC), the change in the

definition may result in additional exploitation investigations. This analysis assumes there would be a 32.0 percent increase of intake reports due to the change in definition. According to information provided by HHSC, 7.0 Investigator V full-time-equivalents (FTEs), 1.0 Manager II FTE, 2.0 Program Specialist V FTEs and 1.0 Administrative Assistant I FTE would be needed to conduct investigations, manage investigators and providing administrative support. The total estimated cost in General Revenue to hire 11.0 FTEs, including travel, training, and other personnel-related costs, would be \$0.9 million in fiscal years 2024 through 2028.

It is assumed that any other fiscal impact to the Health and Human Services Commission can be absorbed within existing resources.

It is also assumed there would be no fiscal impact to the Department of Family and Protective Services.

### **Technology**

This analysis assumes there would be FTE related technology costs including seat management services and basic data storage. The total estimated cost in General Revenue would be \$35,351 in fiscal year 2024 and \$5,761 in fiscal years 2025 through 2028.

### **Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 529 Health and Human Services Commission, 530 Family and Protective Services, Department of  
**LBB Staff:** JMc, NPe, ER, AN, NV, SB