

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

April 4, 2023

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

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: SB1086 by Campbell (Relating to the administration of the Texas Physician Health Program; authorizing a surcharge.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB1086, 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>	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/(Loss) from <i>Physicians Health Program</i> 5147
2024	\$615,000
2025	\$720,000
2026	\$773,000
2027	\$777,000
2028	\$832,000

Fiscal Analysis

The bill would amend the Occupations Code to eliminate the \$1,200 annual participation fee for the Texas Physicians Health Program (TXPHP) paid by program participants and replace it with a \$15 surcharge due at the time of license issuance or registration permit renewal for all licensed physicians and physician's assistants. The bill would take effect September 1, 2023.

This legislation would do one or more of the following: create or recreate a dedicated account in the General Revenue Fund, create or recreate a special or trust fund either in, with, or outside of the Treasury, or create a dedicated revenue source. Legislative policy, implemented as Government Code 403.095, consolidated special

funds (except those affected by constitutional, federal, or other restrictions) into the General Revenue Fund as of August 31, 1993 and eliminated all applicable statutory revenue dedications as of August 31, 1995. Each subsequent Legislature has reviewed bills that affect funds consolidation. The fund, account, or revenue dedication included in this bill would be subject to funds consolidation review by the current Legislature.

Methodology

Based on the analysis of the Texas Medical Board and the Comptroller of Public Accounts, this estimate assumes that the bill would have a significant positive impact on the revenue deposited into the General Revenue Dedicated Account No. 5147, Texas Physicians Health Program Fund. This fund acts as the dedicated funding source for the Texas Medical Board's Physician Health Program (TXPHP).

Under current law the TXPHP is funded by a \$1,200 annual fee paid by approximately 300 participants in the program, which is expected to generate \$360,000 in fiscal year 2024. This estimate assumes that participation for the TXPHP would remain consistent and generate similar amounts of revenue in future years. The bill would eliminate this fee and replace it with a \$15 surcharge due at the time of license issuance or registration permit renewal for all 64,981 licensed physicians and physician's assistants. This new surcharge is estimated to generate approximately \$1,000,000 in revenue in fiscal year 2024.

This estimate assumes that there will be a small increase in licensee population each fiscal year, generating a greater amount of revenue each year. As the bill would eliminate the current fee structure and replace it with a new method, the table above reflects the estimated net differences by fiscal year between the generated revenue under current law versus under the provisions of the bill to provide a more accurate representation of deposits to the General Revenue Dedicated Account.

Local Government Impact

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

Source Agencies: 304 Comptroller of Public Accounts, 503 Texas Medical Board

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