

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

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

**April 11, 2023**

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

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

**IN RE: SB2476** by Zaffirini (Relating to consumer protections against certain medical and health care billing by municipal ground ambulance service providers.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for SB2476, 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>	<b>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</b>
2024	\$0
2025	\$0
2026	\$0
2027	\$0
2028	\$0

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

<i>Fiscal Year</i>	<b>Probable Savings/(Cost) from School Employees UGIP Trust Fund 855</b>	<b>Probable Savings/(Cost) from RETIRED SCHOOL EMP GROUP INSURANCE 989</b>
2024	\$0	(\$4,000,000)
2025	(\$5,262,000)	(\$6,228,000)
2026	(\$5,525,000)	(\$6,540,000)
2027	(\$5,800,000)	(\$6,867,000)
2028	(\$6,090,000)	(\$7,210,000)

**Fiscal Analysis**

The bill would prohibit municipal ground ambulance service providers from engaging in balance billing. The bill would also require a health benefit plan administrator to pay the usual and customary rate for covered transportation services provided by an out-of-network municipal ground ambulance service provider. The bill would take effect on September 1, 2023 and apply only to a health benefit plan delivered, issued for delivery, or renewed on or after January 1, 2024.

## Methodology

According to the Teacher Retirement System (TRS), implementing the provisions of the bill would result in additional costs to the TRS-Care and TRS-ActiveCare health plans by requiring the benefit plans to cover out-of-network municipal ground ambulance services at the usual and customary rate. Additional costs to the TRS-Care program are estimated to be \$10.2 million for the biennium. Additional costs to the TRS-ActiveCare program are estimated to be \$5.3 million for the biennium. These costs are based on the total number of ambulance units billed for out-of-network providers in plan year 2022, assuming the usual and customary rate is to be paid. Additional costs would not increase the statutorily required state contributions to the TRS-Care and TRS-ActiveCare programs for the 2024-25 biennium; therefore, no significant fiscal impact to the General Revenue Fund is anticipated. However, the additional costs may result in the need for additional contributions from the State, employers, or members to the TRS-Care and TRS-ActiveCare programs, or for plan benefit changes.

Based on the analysis of the Employees Retirement System, Department of Insurance, Health and Human Services Commission, Texas A&M University System Administrative & General Offices, and the University of Texas System Administration, duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

## Local Government Impact

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 323 Teacher Retirement System, 327 Employees Retirement System, 454 Department of Insurance, 529 Health and Human Services Commission, 710 Texas A&M University System Administrative and General Offices, 720 The University of Texas System Administration

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