

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

April 27, 2025

TO: Honorable Gary VanDeaver, Chair, House Committee on Public Health

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB3708 by Oliverson (Relating to charity care provided by certain health care facilities.), As Introduced

No significant fiscal implication to the State is anticipated.

The bill would require a non-disproportionate share hospital to screen all patients for eligibility of the hospital's financial assistance program and charity care policy and prohibit the hospital from pursuing debt collections of any patient account until the hospital verifies the patient is not eligible for financial assistance or charity care.

The bill would require the Health and Human Services Commission (HHSC) to adopt by rule the process for screening a patient for eligibility for charity care. The bill would also require HHSC to implement procedures relating to incorrect determinations and non-compliance by hospitals, including implementing corrective action plans and administrative penalties and referral to the attorney general for revocation of state tax exemptions.

According to HHSC, the Office of the Attorney General, and public institutions of higher education with associated hospitals, any costs associated with the bill could be absorbed using existing resources. According to the Comptroller of Public Accounts, the number of violations that would result in administrative penalty revenue is unknown; therefore, the related revenue impact cannot be determined.

Local Government Impact

While no significant fiscal implication to units of local government is anticipated, the fiscal impact cannot be determined due to the lack of data necessary to estimate additional screenings, charity care, or administrative costs to non-disproportionate share public hospitals.

Source Agencies: 302 Office of the Attorney General, 304 Comptroller of Public Accounts, 529 Health and Human Services Commission, 710 Texas A&M University System Administrative and General Offices, 720 The University of Texas System Administration, 758 Texas State University System, 768 Texas Tech University System Administration, 769 University of North Texas System Administration, 783 University of Houston System Administration

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