

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

May 2, 2025

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

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: SB1044 by Parker (Relating to newborn screening tests for Duchenne muscular dystrophy.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

The Department of State Health Services (DSHS) is required to implement a provision of the bill only if the legislature appropriates money specifically for that purpose. If the legislature does not appropriate money specifically for that purpose, DSHS may, but is not required to, implement a provision of the bill using other appropriations available for that purpose. Additionally, the bill would authorize DSHS to implement changes made by the bill upon completion of a new laboratory.

To illustrate possible costs related solely to the new screening, the agency has noted that once additional laboratory space is operational, ramp-up activities for adding DMD to the Texas Newborn Screening Panel will take two years before testing can be implemented. DSHS estimates that the first year ramp up costs would be \$710,320 and \$2,937,025 in the second year, all from the General Revenue Fund. DSHS would require 9.0 full-time equivalent positions (FTEs) in year 1 and 12.0 FTEs in year 2.

After the first two years, revenue from Medicaid reimbursements, based on a DMD test cost of \$11.87, is estimated to total \$4,053,400 in year 3, \$4,912,721 in year 4, and \$4,961,849 in year 5, which would be deposited into Account 709, Public Health Medicaid Reimbursements. Revenue from private pay insurance, based on a DMD test cost of \$5.23, is estimated to total \$780,272 in year 3, \$1,576,149 in year 4, and \$1,591,909 in year 5, which would be deposited into General Revenue-Dedicated Account 524, Public Health Services Fees.

The Health and Human Services Commission (HHSC) pays DSHS for Medicaid and Children's Health Insurance Program (CHIP) newborn testing through an interagency contract (IAC). HHSC would not have any costs until DSHS implements DMD testing.

Local Government Impact

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

Source Agencies: 529 Health and Human Services Commission, 537 State Health Services, Department of

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