

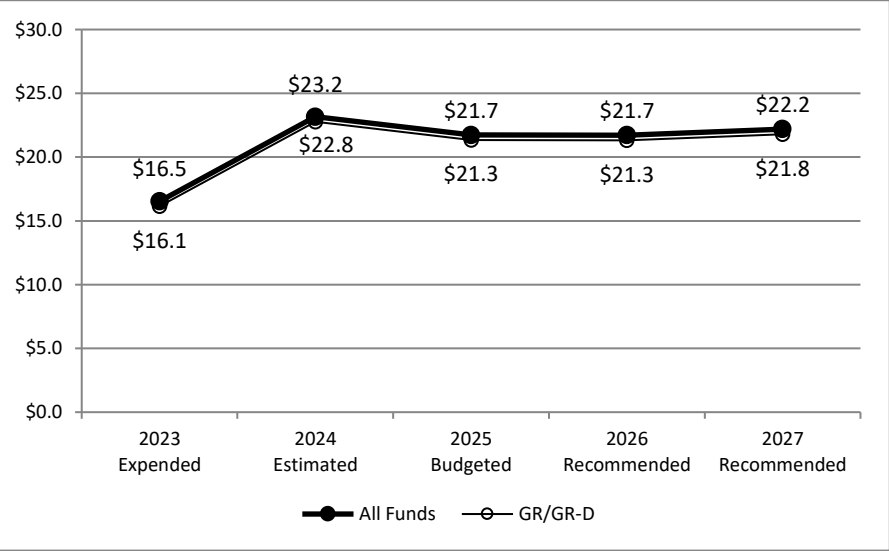
**Texas Medical Board
Summary of Budget Recommendations - House**

Page VII-31
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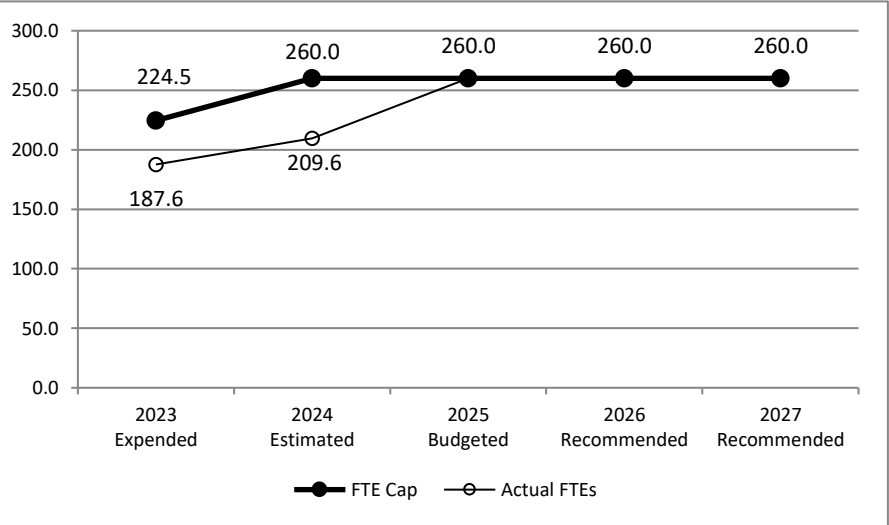
Method of Financing	2024-25 Base	2026-27 Recommended	Biennial Change (\$)	Biennial Change (%)
General Revenue Funds	\$34,895,189	\$33,904,095	(\$991,094)	(2.8%)
GR Dedicated Funds	\$9,211,748	\$9,188,198	(\$23,550)	(0.3%)
<i>Total GR-Related Funds</i>	<i>\$44,106,937</i>	<i>\$43,092,293</i>	<i>(\$1,014,644)</i>	<i>(2.3%)</i>
Federal Funds	\$0	\$0	\$0	0.0%
Other	\$789,670	\$809,670	\$20,000	2.5%
All Funds	\$44,896,607	\$43,901,963	(\$994,644)	(2.2%)

	FY 2025 Budgeted	FY 2027 Recommended	Biennial Change	Percent Change
FTEs	260.0	260.0	0.0	0.0%

Historical Funding Levels (Millions)



Historical Full-Time-Equivalent Employees (FTEs)



The bill pattern for this agency (2026-27 Recommended) represents an estimated 100.0% of the agency's estimated total available funds for the 2026-27 biennium.

Texas Medical Board
Summary of Funding Changes and Recommendations - House

Funding Changes and Recommendations for the 2026-27 Biennium compared to the 2024-25 Base Spending Level	General Revenue	GR-Dedicated	Federal Funds	Other Funds	All Funds	Strategy in Appendix A
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<i>OTHER Funding Changes and Recommendations (these issues are not addressed in Section 3 but details are provided in Appendix A):</i>
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A)	Decrease of General Revenue and General Revenue-Dedicated for one-time funding for various IT projects, document scanning, and onboarding costs of hiring additional staff.	(\$1,513,282)	(\$23,550)	\$0	\$0	(\$1,536,832)	A.1.1, B.1.1, B.1.2, B.2.1, C.1.1, C.1.2
B)	Increase of General Revenue to biennialize the statewide salary adjustment included in the 2024-2025 appropriations.	\$522,188	\$0	\$0	\$0	\$522,188	A.1.1, B.1.1, B.1.2, B.2.1, C.1.3
C)	Net Increase in Interagency Contracts.	\$0	\$0	\$0	\$20,000	\$20,000	B.2.1, C.1.3

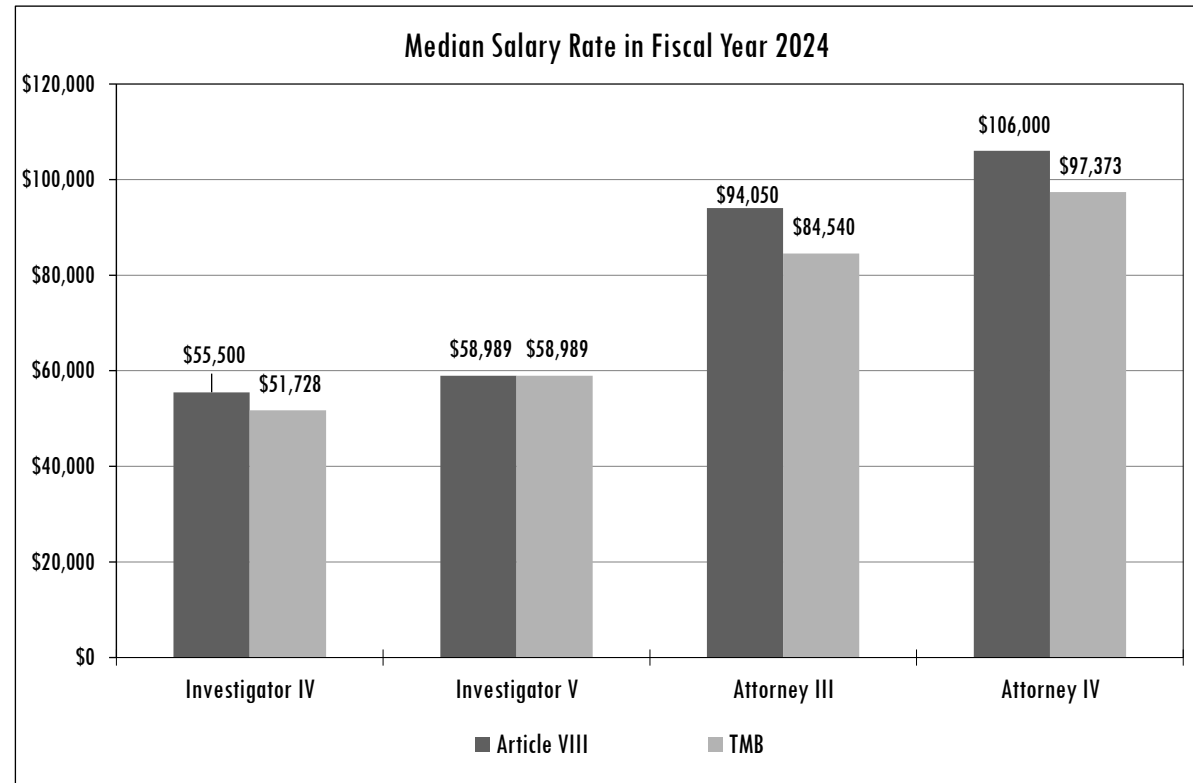
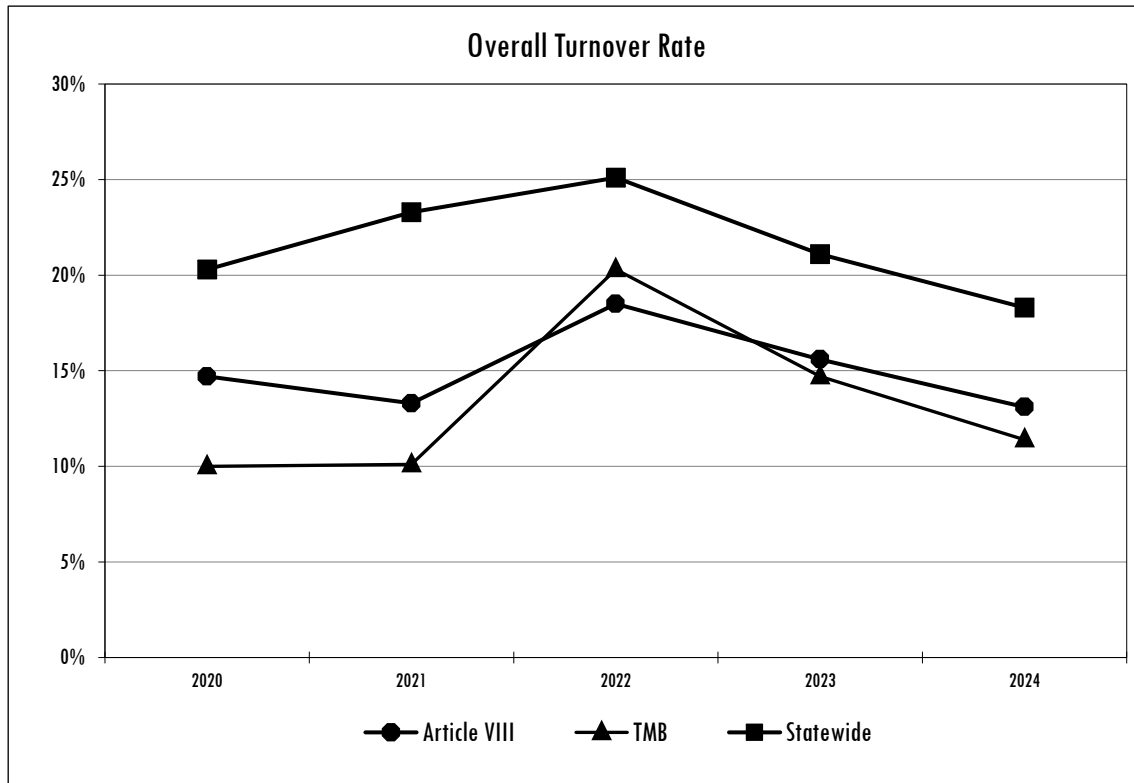
TOTAL SIGNIFICANT & OTHER Funding Changes and Recommendations (in millions)	(\$991,094)	(\$23,550)	\$0	\$20,000	(\$994,644)	As Listed
<i>SIGNIFICANT & OTHER Funding Increases</i>	\$522,188	\$0	\$0	\$20,000	\$542,188	As Listed
<i>SIGNIFICANT & OTHER Funding Decreases</i>	(\$1,513,282)	(\$23,550)	\$0	\$0	(\$1,536,832)	As Listed

NOTE: Totals may not sum due to rounding.

**Texas Medical Board
Selected Fiscal and Policy Issues - House**

- Additional Staffing and Retention.** Recommendations maintain \$4,823,673 in General Revenue for the addition of 30.5 FTEs, \$1,074,116 in General Revenue and General Revenue-Dedicated Texas Physicians Health Program Fund No. 5147 (Fund 5147) for salary increases, and \$41,754 in General Revenue for salary increases for low-income staff that were adopted by the Eighty-Eighth Legislature. Not included in Recommendations are agency exceptional items of \$11,115,992 in General Revenue for salary-related purposes to improve recruitment and retention and \$9,887,878 in General Revenue and Fund 5147 for 42.0 additional FTEs to support agency operations.

The below chart on the left compares the agency’s overall turnover rate to the overall turnover rate of all state agencies and all Article VIII state agencies. The agency has stated that they are struggling with retention of employees and that their exit interview data shows that exiting employees are going to the private industry or other state agencies for a higher salary, however, there have been improvements for turnover for the agency which could reflect the impact of the statewide salary adjustment and additional appropriations made by the Eighty-Eighth Legislature. Specifically, the agency has stated that the staffing areas that are most difficult to recruit and retain are attorneys, investigators, and technical staff. The second chart on the right shows the fiscal year 2024 median salary for the highest headcount staff classification in the attorney and investigator classification series, which shows some disparities between the Article VIII median payrate and the agency’s median payrate.



**Texas Medical Board
Rider Highlights - House**

Deleted Riders

Former 4. **Contingency for Behavioral Health Funds.** Recommendations include the deletion of the rider as all provisions are currently covered in Article IX, Section 10.04, Statewide Behavioral Health Strategic Plan and Coordinated Expenditures.

Texas Medical Board
Items Not Included in Recommendations - House

	2026-27 Biennial Total			Information Technology Involved?	Contracting Involved?	Estimated Continued Cost 2028-29
	GR & GR-D	All Funds	FTEs			

Agency Exceptional Items Not Included (in agency priority order)

1)	General Revenue funding to restore the 2022-23 budget reduction and provide additional funding both for existing staff positions and to support payroll-related costs associated with the statewide salary increase.	\$2,478,750	\$2,478,750	0.0	No	No	\$2,530,828
2)	General Revenue funding to provide the Executive Director exempt position with a salary raise of \$78,726 in fiscal year 2026 and \$82,662 in fiscal year 2027 if the requested amendments to Rider 3, Salary Supplementation are adopted.	\$161,388	\$161,388	0.0	No	No	\$165,324
3)	General Revenue funding to provide salary adjustments for all staff to improve recruitment and retention.	\$8,637,242	\$8,637,242	0.0	No	No	\$8,743,874
4)	General Revenue and General Revenue-Dedicated funding with capital budget authority and 6.0 additional full-time equivalent positions to modernize the agency's case management system.	\$10,131,895	\$10,131,895	6.0	Yes	Yes	\$5,644,478
5)	General Revenue and General Revenue-Dedicated funding to cover inflationary cost increases in operations, membership to the Health Professions Council, for continuing education, and to provide an increase in the hourly rates for expert panelists.	\$1,827,163	\$1,827,163	0.0	Yes	No	\$1,829,480
6)	General Revenue and General Revenue-Dedicated funding with capital budget authority and 8.0 additional full-time equivalent positions for legacy system modernization and to support ongoing IT operations.	\$3,618,280	\$3,618,280	8.0	Yes	Yes	\$3,662,952
7)	General Revenue and General Revenue-Dedicated funding, capital budget authority and 42.0 additional full-time equivalent positions to support increasing workload, train expert panelists, and for facility expansion.	\$9,887,878	\$9,887,878	42.0	Yes	Yes	\$10,009,956
8)	General Revenue funding and 4.0 additional full-time equivalent positions for the creation of an Ombudsman office to assist in dispute resolution.	\$602,515	\$602,515	4.0	Yes	No	\$609,954
9)	General Revenue funding for lump sum annual leave payments due to anticipated turnover and increased amounts of retirement-eligible staff.	\$600,000	\$600,000	0.0	No	No	\$600,000

Texas Medical Board
Items Not Included in Recommendations - House

		2026-27 Biennial Total			Information Technology Involved?	Contracting Involved?	Estimated Continued Cost 2028-29
		GR & GR-D	All Funds	FTEs			
Agency Rider Edit Requests Not Included							
10)	Rider 3, Salary Supplementation. Agency requests to amend the rider to have the authority to increase the Executive Director salary under the following conditions: - \$40,000 in FY2026 and \$42,000 in FY2027 if the Executive Director is a medical doctor. - \$38,726 in FY2026 and \$40,662 in FY2027 if the Executive Director is an attorney. - \$78,726 in FY2026 and \$82,662 in FY2027 if the Executive Director is a medical doctor and an attorney.	\$0	\$0	0.0	No	No	\$0
11)	New Rider, Contingent Appropriation from IMLC Licensees. Agency requests a new rider that would appropriate an undetermined amount of General Revenue and authority for 4.0 FTEs contingent upon the agency generating sufficient revenue from another state activating an Interstate Medical Licensure Compact.	\$0	\$0	0.0	No	No	\$0
12)	New Rider, Lump Sum Retirement Payouts. Agency requests a new rider that restricts \$300,000 in requested General Revenue each fiscal year to be used for lump sum payouts for retiring employees.	\$0	\$0	0.0	No	No	\$0
13)	New Rider, Doctor Surcharge Fees. Agency requests a new rider that provides estimated appropriation authority to all unobligated and unexpended balances and all revenues in excess of the Comptroller's Biennial Revenue Estimate to Strategies A.1.1, Licensing, and B.1.1, Enforcement, from Health Professional Fee revenues generated by the doctor surcharge and deposited to the credit of General Revenue-Dedicated Public Assurance Account No. 5105 for the agency's licensing and enforcement programs. In addition, the rider would grant unexpended balance authority for these funds between the 2024-25 biennium and 2026-27 biennium, and unexpended balance authority within the 2026-27 biennium.	\$0	\$0	0.0	No	No	\$0
TOTAL Items Not Included in Recommendations		\$37,945,111	\$37,945,111	60.0			\$33,796,846

**Texas Medical Board
Appendices - House**

Table of Contents		
Appendix	Appendix Title	Page
A	Funding Changes and Recommendations by Strategy	8
B	Summary of Federal Funds	*
C	FTE Highlights	10

* Appendix is not included - no significant information to report

**Texas Medical Board
Funding Changes and Recommendations by Strategy - House -- ALL FUNDS**

Strategy/Goal	2024-25 Base	2026-27 Recommended	Biennial Change	% Change	Comments
LICENSING A.1.1	\$11,927,034	\$11,202,980	(\$724,054)	(6.1%)	Recommendations include the following: - Decrease of \$368,671 in General Revenue for the removal of one-time funding for IT projects. - Increase of \$153,474 in General Revenue for the biennialization of the statewide salary adjustment. - Increase of \$55,000 in General Revenue and \$65,000 in GR-Dedicated 5105 for ongoing IT costs. - Transfer of \$321,909 in General Revenue from A.1.1 to C.1.3 to transition to the new operational and support staff strategy.
Total, Goal A, LICENSURE	\$11,927,034	\$11,202,980	(\$724,054)	(6.1%)	
ENFORCEMENT B.1.1	\$22,114,760	\$20,913,790	(\$1,200,970)	(5.4%)	Recommendations include the following: - Transfer of \$65,000 in GR-Dedicated 5105 from B.1.1 to A.1.1 for ongoing IT costs. - Decrease of \$736,724 in General Revenue for the removal of one-time funding for IT projects. - Increase of \$17,730 in General Revenue for the biennialization of the statewide salary adjustment. - Increase of \$162,270 in General Revenue for ongoing IT costs. - Transfer of \$579,246 in General Revenue to C.1.3 to transition to the new operational and support staff strategy.
PHYSICIAN HEALTH PROGRAM B.1.2	\$1,582,532	\$1,596,241	\$13,709	0.9%	Recommendations include the following: - Decrease of \$23,550 in GR-Dedicated 5147 and \$64,775 in General Revenue for the removal of one-time funding for IT projects. - Increase of \$8,000 in General Revenue for ongoing IT costs. - Increase of \$94,034 in General Revenue for the biennialization of the statewide salary adjustment.

**Texas Medical Board
Funding Changes and Recommendations by Strategy - House -- ALL FUNDS**

Strategy/Goal	2024-25 Base	2026-27 Recommended	Biennial Change	% Change	Comments
PUBLIC EDUCATION B.2.1	\$1,035,887	\$995,387	(\$40,500)	(3.9%)	Recommendations include the following: - Decrease of \$39,670 in Interagency Contracts. - Decrease of \$42,825 in General Revenue for removal of one-time funding for IT projects. - Increase of \$20,000 in General Revenue for ongoing IT costs. - Increase of \$21,995 in General Revenue for the biennialization of the statewide salary adjustment.
Total, Goal B, ENFORCE ACTS	\$24,733,179	\$23,505,418	(\$1,227,761)	(5.0%)	
INDIRECT ADMIN C.1.1	\$2,645,636	\$4,844,415	\$2,198,779	83.1%	Recommendations include the following: - Decrease of \$84,654 in General Revenue for the removal of one-time funding for IT projects. - Increase of \$9,678 in General Revenue for ongoing IT costs. - Transfer of \$2,273,755 in General Revenue from C.1.2 to C.1.1 due to restructuring of indirect admin strategies.
INDIRECT ADMIN C.1.2	\$5,590,758	\$3,153,370	(\$2,437,388)	(43.6%)	Recommendations include the following: - Decrease of \$215,633 in General Revenue for the removal of one-time funding for IT projects. - Increase of \$52,000 in General Revenue for ongoing IT costs. - Transfer of \$2,273,755 in General Revenue from C.1.2 to C.1.1 due to restructuring of indirect admin strategies.
INDIRECT ADMIN C.1.3	\$0	\$1,195,780	\$1,195,780	100.0%	Recommendations include the following: - Increase of \$59,670 in Interagency Contracts. - Transfers of \$901,155 in General Revenue from A.1.1 and B.1.1 to transition to the new operational support staff strategy. - Increase of \$234,955 in General Revenue for the biennialization of the statewide salary adjustment.
Total, Goal C, INDIRECT ADMINISTRATION	\$8,236,394	\$9,193,565	\$957,171	11.6%	
Grand Total, All Strategies	\$44,896,607	\$43,901,963	(\$994,644)	(2.2%)	

**Texas Medical Board
FTE Highlights - House**

Full-Time-Equivalent Positions	Expended 2023	Estimated 2024	Budgeted 2025	Recommended 2026	Recommended 2027
Cap	224.5	260.0	260.0	260.0	260.0
Actual/Budgeted	187.6	209.6	260.0	NA	NA

Schedule of Exempt Positions					
Executive Director, Group 5	\$165,315	\$174,776	\$174,776	\$174,776	\$174,776
Salary Supplement	\$12,300	\$12,300	\$12,300	\$12,300	\$12,300

Note:
 a) The State Auditor's Office Report, Executive Compensation at State Agencies (Report 25-702, October 2024), indicates a market average salary of \$186,435 for the Executive Director position at the Texas Medical Board. The agency is not requesting any changes to the exempt position salary, but is requesting General Revenue funding and to amend Rider 3, Salary Supplementation, to give the agency the authority to increase the Executive Director's salary by approximately \$40,000 if they are a medical doctor and by approximately \$40,000 if they are an attorney, with the possibility to receive both supplements.