

Overview of SB 1 (including All Government Functions and Key IDD and DD Programs and Services)

[Pages 1- 4: General Budget Overview & Appropriations for Exceptional Items Requests; Pages 5-7: Performance Measures and Certain Riders]

Overview of SB 1 (all government functions)	Health and Human Services (HHS)																																												
<p>Appropriations for state government operations for FYs 2014–15 total \$197.0 billion from all fund sources.</p> <p>The All Funds (AF) appropriation provides a \$7.1 billion, or 3.7%, increase from the FYs 2012–13 level of funding (\$189.9 billion).</p> <p>General Revenue (GR) Funds, including funds dedicated within the GR Fund, total \$101.4 billion for FYs 2014–15, an increase of \$7.6 billion, or 8.1%, from the FY 2012–2013 level of funding (\$93.8 billion).</p>	<p>All Funds for HHS total \$73.9 billion for FYs 2014–15, an increase of \$5.3 billion, or 7.7%, from FY 2012–2013.</p> <p>General Revenue (GR) Funds and GR–Dedicated Funds total \$30.8 billion, an increase of \$2.3 billion, or 8.1%, from FYs 2012–2013.</p>																																												
Appropriations By Government Function (All Funds in Millions)	Appropriations By Government Function (GR & GR Dedicated in Millions)																																												
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DADS	GR ONLY	DESCRIPTION OF BUDGET ITEM	NOTES
SSLC Operations	\$12.6M	To assist with recruitment and retention of certain clinical staff.	See Article II - Special Provisions, Sec. 31
PASRR	\$9.8 M	Funds will enhance current federally mandated PASRR activities.	
Promoting Independence	\$28.1M	Funds 1,377 'new' slots , of which 1,277 are for HCS, as follows: a) Movement of persons from large and Medium ICFs (400 slots) b) Children aging out of Foster care (192 slots) c) Prevention of Institutionalization (300 HCS slots) d) Prevention of Institutionalization (100 CBA slots) e) Movement of IDD pop. from NHs (120 slots FY'14 / 240 slots FY'15) f) DFPS children (25 HCS slots)	See Article II - Special Provisions, Sec. 60
Community First Choice	\$106.5M GR ((\$371.4M AF)	Beginning in FY 2015 , the funds will provide basic attendant and habilitation services under STAR +PLUs to an estimated 11,902 persons on the current Interest Lists as follows: HCS Interest List: 8,478 CLASS Interest List: 3,403 DBMD Interest List: 21	See Article II - Special Provisions, Sec. 53 for reporting requirements, SB 7 and page 5 of this document.
Service Expansion	\$56.5M	Funds will serve a total of 5,748 persons on current Interest Lists as follows: HCS: 1,374 (combined with PI slots targeted for HCS, total HCS 'slots' = 2,651) CLASS: 712 TxHmL: 3,000; STAR +PLUS: 490; MDCP: 120; DBMD: 100 CBA: 262 slots in FY 2014 (program transfers to HHSC in FY 2015) Other non-waiver & non-community entitlement services (Title XX) - 0	See Article II - Special Provisions, Sec. 60
Protecting Vulnerable Citizens	\$7.4M	The funds will: a) Increase FTEs in guardianship program by 11. b) Provide 28 Assisted Living Ombudsman c) Increase in Waiver Survey & Certification Surveyors by 20 FTEs d) Assist with Regulatory Services System Automation Modernization	Requests not funded: a) Increase in ALF & ADC survey staff b) Regulatory Mobility Investigators c) Certification of Day Habs (bill did not pass)

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DADS	GR ONLY	DESCRIPTION OF BUDGET ITEM	NOTES
Improving Support for SSLCs	\$63.7M (does not include funds appropriated for salary increases for DSPs, recruitment of clinical staff or GO Bonds)	Improvements to SSLC laundry & food services: \$0.6 GR; \$1.5 AF (HHSC budget) Electronic Health Records for SSLC residents: \$7.6 M GR; \$19.2 AF Computers in SSLCs: \$.5 GR; \$1.0 AF Videoconferencing for SSLCs: \$.5 GR; \$1.1 AF SSLC Vehicles: \$3.1 GR; \$3.1 AF for 100 vehicles. 16 are for para-transit vehicles SSLC Furniture and Equipment: \$2.0 GR; \$2.0 AF Repairs and Renovation of SSLCs: General Obligation (GO) Bonds \$17M AF in SB 1; additional \$23M GR; \$23M AF appropriated through HB 1025; \$40M AF	See Article II - DADS Rider 36 and Rider 39 re: SSLC Settlement Oversight, and Development of 10 Year Plan.
PACE Expansion	\$4.7M (via transfer of funds)	In lieu of funding, the expansion is being addressed via a rider giving DADS transfer authority. Will provide 3 additional sites with up to 150 'slots' per site and provide for up to 96 additional 'slots' at current sites (Lubbock, El Paso and Amarillo).	See Article II - Special Provisions, Sec. 48
Cognitive Rehabilitation Therapy	\$0.4 GR	Will add Cognitive Rehabilitation Therapy as a service to the CBA, CLASS and HCS waivers.	
BIP Activities	\$37.6M GR	<p><u>Funds (\$37.6M GR; \$66.8M AF) the following Federally Mandated Rebalancing Activities (BIP):</u></p> <ul style="list-style-type: none"> • Expand Aging and Disability Resource Centers (DADS): \$7.6M GR; \$7.6M AF • IT enhancements - Support "no wrong door" (HHSC): \$16.9M GR; \$33.8M AF • Changes to local Mental Health (MH) Authority and MH provider Electronic Health Records and IT systems (DSHS): \$1.7M GR; \$1.7M AF • Provider Portal Enhancement (DADS): \$.2M GR; \$.7M AF • Provider Portal Enhancement (HHSC): \$.3M GR; \$1.3M AF • Level 1 Screening tool (DADS): \$1.6M GR; \$3.2M AF • MH/Substance Abuse screening (DSHS): \$.3M GR; \$.5 AF • Self-service portal changes to include information on services for Children with Special Needs- (HHSC): \$2M GR; \$3.9M AF • Changes to Self-service portal to improve access to LTC information (HHSC): \$5M GR; \$10.1M AF • Real time changes to self-service portal (HHSC): \$2M GR; \$4M AF 	<p>Funds were allocated across the HHS Enterprise.</p> <p>See Article II - Special Provisions, Sec. 46 related to BIP reporting and Sec. 55 related to use of BIP funds to increase access to community.</p>

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DADS	GR ONLY	DESCRIPTION OF BUDGET ITEM	NOTES
BIP Activities, cont'd.		<p>Funds (\$1.6M GR; \$3.2M AF) the following High Priority IDD Rebalancing Activities:</p> <ul style="list-style-type: none"> • Comprehensive IDD assessment instrument (DADS): \$1M GR; \$2M AF • Administration of two IDD pilots to test capitated managed care (DADS): \$0.6GR; \$1.2M AF 	See Article II - DADS Rider #32 which includes funds for both the assessment tool and resource allocation process.
HHSC	GR ONLY	DESCRIPTION OF BUDGET ITEM	NOTES
Community Care Attendant Wage Increases	\$40.9M	<p>Provides funds to increase certain personal attendant base wages to \$7.50 per hour in FY2014 and \$7.86 per hour in FY2015 and for 'overall' attendant compensation rate enhancement.</p> <p>According to DADS and HHSC (and discussions of the SB 1 Conference Committee, the increase in base wages beginning in FY 2014 applies to community care/personal attendant wages under:</p> <ul style="list-style-type: none"> • Primary Home Care (PHC) to include PHC/Family Care/Community Attendant Services), • Day Activity and Health Services (DAHS), and • Community Care for Aged and Disabled: Title XX Residential Care and CDS for PHC (including PHC/family care/community attendant services) <p>Beginning in FY 2015, the base wages <u>for the above referenced programs</u> will increase to \$7.86/hour <u>as well as</u> for attendants in the following programs:</p> <ul style="list-style-type: none"> • Community Based Alternatives (CBA)- - Home and Community Support Services and related CDS Option • Medically Dependent Children Program and related CDS 	See Article II - Special Provisions, Sec. 55 and 61 for further details and <u>page 7 of this document.</u>
Recruitment & Retention	\$13.8M	Funds 10% salary increase for DSPs at SSLCs.	Funds were also appropriated to assist with salary increases for psychiatric nurses at State Hospitals. See Article II - Special Provisions, Sec. 61 and Article IX - Sec. 17.11
Nursing Facility Rates	\$103M (\$246.6M AF)	<p>Provides a total increase of 6% as follows:</p> <ul style="list-style-type: none"> • 2% increase in FY 2014, and • An additional 4% increase in FY 2015 	See Article II - DADS Rider 40.

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DADS	PERFORMANCE MEASURES: Key performance target levels associated with each item of appropriation as set by Legislature to ensure appropriations are used in the most efficient and effective manner possible.	FY 2014	FY 2015	NOTES
Habilitation Services (CFC)	Avg. # of persons served per month: Avg. monthly cost per person:	- 0 - - 0 -	11,902 \$2,328.52	From Interest List: HCS: 8,478 CLASS: 3,403 DBMD: 21
HCS: A.3.2	Avg. # of persons served <u>per month</u> : Avg. monthly cost per person: Avg. # on Interest List per month: Number served at end of FY:	21,437 \$3,530.20 70,744 21,981	22,748 \$3,574.70 77,032 23,396	Compare to CLASS
CLASS A.3.3	Avg. # of persons served <u>per month</u> : Avg. monthly cost per person: Avg. # on Interest List per month: Number served at end of FY:	4,847 \$3,610.20 50,896 5,011	5,203 \$3,608.71 55,105 5,367	Compare to HCS
TxHmL: A.3.6	Avg. # of persons served <u>per month</u> : Avg. monthly cost per person: Number served at end of FY:	6,511 \$837.29 7,238	8,051 \$837.25 8,738	
ICF A.7.1	Avg. # of persons served per month: Avg. monthly cost per person:	5,609 \$4,353.79	5,609 \$4,353.79	
SSLC A.8.1	Avg. # of persons served per month: Avg. monthly cost per person:	3,411 \$16,425.85	3,176 \$17,652.06	As of 5/31/13, census is 3,608
DADS	DESCRIPTION OF STRATEGY & OTHER BUDGET DIRECTIVE	FY 2014	FY 2015	NOTES
BIP Strategy: A.10.1	Balancing Incentive Program	\$9,300,00	\$5,400,00	See Capitol Budget below.
Capitol Budget	Only items listed under this category funded with BIP funds are the following: (9) BIP Secure Web Portal FY'14 \$1,000,000 / FY'15 \$1,000,00 (10) BIP Level 1 Screening Tool	\$700,000.00 \$3,200,000.00	- 0 - - 0 -	Other BIP funded projects are under HHSC's and DSHS' budget, such as Changes to Your Texas Benefits.

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RIDER	<p>Information Regarding Certain Riders (direct how funds are to be expended): The information below is not intended to replace the detailed summary of key riders affecting the services members provide that will be distributed soon. It is rather to provide details about certain riders that affect IDD and other Medicaid services (in some cases, rates) that are either not discernible (or readily discernible) when viewing amounts appropriated for various services or when reviewing legislative intent on how the funds are to be spent.</p>
HHSC Rider 51	<p>Medicaid Funding and Cost Containment. Similar to the FY 2012-2013 budget, the FY 2014-2015 budget calls for a host of cost containment measures that may include any or all of the initiatives specified. The measure of most significance to the IDD service system is the directive to align the TxHmL rates with the HCS rates which is estimated to save a little under \$2 million in GR. While statements of 'assurance' that this measure would be removed in conference committee were made, it was not.</p> <p>Status: HHSC indicated it will move forward with this reduction (conversation occurred on 6/18/13). Further information will be forthcoming.</p> <p>Note: Last session this same directive was included in the final appropriations bill. Based on testimony during the rate hearing held on this matter, HHSC/DADS did not move forward with the reduction.</p>
HHSC Special Provisions, Sec. 55	<p>Appropriation of Additional Funds Available under BIP and MFP Programs. <u>In the event</u> the enhanced federal matching funds earned under BIP and MFP exceed \$219,631,272 for FYs 2014-15, HHSC may use the 'excess' funds for the following purposes, in priority order, and subject to LBB approval:</p> <ul style="list-style-type: none"> a) increase access to community-based long-term services and supports, b) increase wages in community-based long-term services and supports, and, c) any other projects to improve the effectiveness and quality of, and access to community-based long-term services and supports. <p>Status: According to HHSC, at this time no directives to move forward with this item have been issued. with HHSC still analyzing all HHS Enterprise budgets. The priority order is consistent with Senate Finance Article II discussions, as well as with discussions during the conference committee; i.e., the availability of any 'excess' funds would be used first to offer services (above what is already appropriated) to persons on the current Interest Lists; second to increase base wages for personal attendants; and third to improve quality of programs (which, at this point, is being interpreted in many different ways. Further clarification is being sought.</p>
HHSC Special Provisions, Sec. 61	<p>Sec. 61. Information on Funding Provided for Direct Care Workers and Attendant Wages. This rider appropriates funds to:</p> <ul style="list-style-type: none"> a) increase the wages in certain positions at the SSLCs (direct support staff) and State hospitals (psychiatric nursing assistants), b) the base wages of attendants in certain community-based programs, and c) wage enhancement across community-based programs. <p>Status: According to HHSC (as stated on page 4), the funds appropriated under item (b) above are to <u>increase the base wages</u> of attendants in certain programs only. In other words, providers of the affected programs are to pay no less than the \$7.50/hour in FY 2014 and no less than \$7.86/hour in FY 2015. The funds are not to increase the base attendant wages in ICF, HCS, TxHmL or CLASS.</p>

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RIDER	Information Regarding Certain Riders (direct how funds are to be expended), cont'd.
<p>HHSC Special Provisions, Sec. 61, cont'd.</p>	<p>The funds appropriated under item (c) are to provide ten (10) additional levels to the current wage enhancement program. According to HHSC these additional levels, hence funds, will be applicable only to those programs for which the current base wage rates (or the base wage rates in effect 9-1-13) remain lower than the base wage rates in other programs.</p> <p>Currently the aforementioned interpretations are being questioned by some entities. <u>As we understand</u>, these entities contend that the intent of the rider was to ensure all providers of community-based programs paid attendants no less than \$7.50/hour beginning in FY 2014 and no less than \$7.86/hour beginning in FY 2015.</p> <p>Based on the numerous discussions by the Article II subcommittees of both the House Appropriations Committee and the Senate Finance Committee and those held by the SB 1 conference committee, the intent <u>did not appear</u> to extend to all programs. Legislators on these subcommittees (and conference committee) were hesitant about appropriating funds unless they could be assured that the funds would actually be used to increase the base wage rates of attendants for whom the current base wage rate was \$7.25/hour. HHSC offered several options to them. The final funding levels and decision regarding how to monitor their use was left to the conference committee. There was no 'open' review of the rider or 'open' discussion regarding the conference committee's decision on which option they elected or its intent for all program providers to pay no less than the \$7.50/hour and \$7.56/hour wage rates or only those who operated the programs for which funds were appropriated.</p> <p>Note: Related to the above, recently HHSC and DADS presented proposed rules to implement the rider to the Medical Care Advisory Committee (MCAC) and the DADS Agency Council. As presented, the rules apply to the providers of the programs listed on page 4 and specify that they:</p> <ul style="list-style-type: none"> a) pay attendants \$7.50/hour in FY 2014 and the \$7.86/hour in FY 2015, b) notify an employee that the contractor (employer) is required to pay the wages established via this rider, and c) maintain written documentation, signed by the employee, that he/she has been informed of the requirement. <p>Enforcement of the proposed rule will occur through: a) response to a complaint, and b) 'routine' fiscal and compliance monitoring including reviewing payroll records, financial management records and the documentation that is to be signed by the employee.</p> <p>Corrective action includes DADS imposing a sanction, referring a provider to the OIG and, requiring those CDS programs to which the above rule applies to pay the difference between the amount required and the amount paid to the attendant.</p> <p>Although consideration is being given to applying the same proposed requirements to other programs (such as HCS, TxHmL, etc.), as of this date (6/25/13) no definitive decision has been made by DADS and HHCS. PPAT will continue to closely monitor the implementation stages of this rider and rule.</p>