

3.A. STRATEGY REQUEST
 80th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/18/2006
 TIME: 6:59:51PM

Agency code: 529 Agency name: Health and Human Services Commission

GOAL: 2 Medicaid
 OBJECTIVE: 3 Special Medicaid Services for Children
 STRATEGY: 1 Health Steps (EPSDT) Medical

Statewide Goal/Benchmark: 3 0
 Service Categories:
 Service: 22 Income: A.1 Age: B.1

CODE	DESCRIPTION	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
Output Measures:						
	1 Average THSteps (EPSDT) Medical Recipient Months Per Month	1,020,716.00	456,903.00	411,451.00	436,157.00	458,882.00
Efficiency Measures:						
	1 Avg Cost Per THSteps (EPSDT) Medical Recipient Months Per Month	7.66	8.39	9.14	8.22	8.13
Explanatory/Input Measures:						
	1 Number of THSteps (EPSDT) Medical Clients Served	683,710.00	305,498.00	271,487.00	279,513.00	293,851.00
Objects of Expense:						
	1001 SALARIES AND WAGES	\$0	\$50,615	\$46,128	\$40,440	\$39,183
	1002 OTHER PERSONNEL COSTS	\$626	\$1,516	\$1,194	\$1,324	\$1,287
	2001 PROFESSIONAL FEES AND SERVICES	\$92	\$4,911,055	\$5,478,953	\$101,076	\$98,568
	2002 FUELS AND LUBRICANTS	\$0	\$8	\$7	\$7	\$7
	2003 CONSUMABLE SUPPLIES	\$29	\$388	\$244	\$270	\$261
	2004 UTILITIES	\$212	\$2,329	\$2,646	\$2,046	\$1,987
	2005 TRAVEL	\$0	\$621	\$598	\$289	\$281
	2006 RENT - BUILDING	\$221	\$3,789	\$4,811	\$3,921	\$3,799
	2007 RENT - MACHINE AND OTHER	\$46	\$539	\$341	\$465	\$454
	2009 OTHER OPERATING EXPENSE	\$585	\$6,843	\$4,130	\$4,433	\$4,308
	3001 CLIENT SERVICES	\$119,711,702	\$118,476,642	\$45,286,825	\$43,044,185	\$44,747,792
	4000 GRANTS	\$7,929,977	\$71,203	\$66,117	\$4,631,275	\$4,629,750
	5000 CAPITAL EXPENDITURES	\$69	\$1,464	\$41,349	\$19,225	\$18,722
	TOTAL, OBJECT OF EXPENSE	\$127,643,559	\$123,527,012	\$50,933,343	\$47,848,956	\$49,546,399
Method of Financing:						
	758 GR MATCH FOR MEDICAID	\$52,805,966	\$45,124,413	\$20,498,476	\$21,616,221	\$22,206,306

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CODE	DESCRIPTION	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
8056	SUPPLEMENTAL: GR MATCH FOR MEDICAID	\$0	\$3,625,429	\$0	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$52,805,966	\$48,749,842	\$20,498,476	\$21,616,221	\$22,206,306
Method of Financing:						
5044	TOBACCO EDUCATION/ENFORCE	\$2,000,000	\$2,779,351	\$2,779,351	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$2,000,000	\$2,779,351	\$2,779,351	\$0	\$0
Method of Financing:						
555	FEDERAL FUNDS					
	93.778.000 Medical Assistance Program	\$72,837,593	\$66,402,930	\$27,655,516	\$26,232,735	\$27,340,093
CFDA Subtotal, Fund	555	\$72,837,593	\$66,402,930	\$27,655,516	\$26,232,735	\$27,340,093
8059	SUPPLEMENTAL: FEDERAL FUNDS	\$0	\$5,594,889	\$0	\$0	\$0
	93.778.000 Medical Assistance Program	\$0	\$5,594,889	\$0	\$0	\$0
CFDA Subtotal, Fund	8059	\$0	\$5,594,889	\$0	\$0	\$0
SUBTOTAL, MOF (FEDERAL FUNDS)		\$72,837,593	\$71,997,819	\$27,655,516	\$26,232,735	\$27,340,093
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$47,848,956	\$49,546,399
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$127,643,559	\$123,527,012	\$50,933,343	\$47,848,956	\$49,546,399
FULL TIME EQUIVALENT POSITIONS:		0.0	1.0	0.9	0.8	0.7
STRATEGY DESCRIPTION AND JUSTIFICATION:						

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	Federal and State law (Title XIX of the Social Security Act, 42 CFR parts 440-740; Title II of the Social Security Act; and Chapters 22 and 32 of the Human Resources Code) mandates the provision of periodic medical screens to Medicaid children less than 21 years of age. Case management services are also provided to children over age one with severe or complex health problems. These medical services are outside of the payments related to risk groups.					

Included in this strategy are client service payments to providers as well as the state match for the administrative functions at the Department of State Health Services (DSHS).

Projected 2008-09 expenditures in the base request reflect client service cost reductions to FY2006 levels. A 10% reduction in administrative functions in contracts, staffing, and general operating expenses is reflected.

Projected expenditures for maintaining current 2008-09 cost trends are requested as exceptional items. Provider rate restorations are also requested as exceptional items.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

Since services covered under this strategy are mandated under a State administered Medicaid program, the risk of non-compliance and federal financial participation would be jeopardized for failure to reimburse medical providers at a rate that is reasonable and adequate to ensure provider participation.

Providing an adequate level of client outreach is necessary for compliant with the Frew et al v Hawkins et al consent decree.

Congress authorized an adjustment to the calculation of Texas' Medicaid matching rate for the impact of Hurricane Katrina evacuees to the State's per capita income. This adjustment, which is unknown at this time, will impact Texas' (Federal Medical Assistance Percentage) FMAP for a three-year period beginning in FY 2008. The FMAPs for both FY 2008-09 are estimates as the FMAP for FY 2008 will be determined in Fall 2006 and the FMAP for FY 2009 will be determined in Fall