

**4.A. EXCEPTIONAL ITEM REQUEST SCHEDULE**  
 80th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/18/2006**  
 TIME: **11:50:28PM**

Agency code: 529

Agency name:

**Health and Human Services Commission**

**CODE DESCRIPTION**

|   | <b>Excp 2008</b> | <b>Excp 2009</b> |
|---|------------------|------------------|
| <b>Item Name:</b> Provide State Funding in lieu of Hospital Financed IGT  |                  |                  |
| <b>Item Priority:</b> 22  |                  |                  |
| <b>Includes Funding for the Following Strategy or Strategies:</b> 02-01-04 Children & Medically Needy Risk Groups |                  |                  |
| <b>METHOD OF FINANCING:</b>   |                  |                  |
| 758 GR MATCH FOR MEDICAID   |                  |                  |
| 8062 Approp Receipts-Match for Medicaid   | 26,338,708       | 26,338,708       |
| <b>TOTAL, METHOD OF FINANCING</b>   | -26,338,708      | -26,338,708      |
|   | <b>\$0</b>       | <b>\$0</b>       |

**DESCRIPTION / JUSTIFICATION:**

General Revenue funds are requested in lieu of intergovernmental transfers (IGTs) that were assumed in the baseline request from public hospitals as a revenue source to draw down federal funds. In order to minimize the impact of required provider rate reductions in recent years, the agency was authorized to use IGTs - fund exchanges among or between different levels of government.

**EXTERNAL/INTERNAL FACTORS:**

This was a IGT put in place during the 2002-03 biennium in lieu of a rate reduction. The HHSC Studies on hospital reimbursement required during the 2006-07 biennium pursuant to HHSC riders 60 and 61 could also impact funding decisions related to this IGT.