

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

		Excp 2008	Excp 2009
	Item Name: Restore CHIP Perinatal Program		
	Item Priority: 6		
Includes Funding for the Following Strategy or Strategies:	01-01-02 Integrated Eligibility and Enrollment (IEE)		
	02-01-04 Children & Medically Needy Risk Groups		
	02-02-02 Medicaid Vendor Drug Program		
	02-02-04 Medical Transportation		
	02-03-01 Health Steps (EPSDT) Medical		
	02-03-02 Health Steps (EPSDT) Dental		
	02-03-03 Health Steps (EPSDT) Comprehensive Care Program		
	03-01-04 CHIP Perinatal Services		
	03-01-05 CHIP Vendor Drug Program		

OBJECTS OF EXPENSE:

3001 CLIENT SERVICES

TOTAL, OBJECT OF EXPENSE

81,265,877	77,415,506
\$81,265,877	\$77,415,506

METHOD OF FINANCING:

555 FEDERAL FUNDS

93.767.000 CHIP

93.778.000 Medical Assistance Program

706 VENDOR DRUG REBATES-MEDICAID

758 GR MATCH FOR MEDICAID

8025 TOBACCO RECEIPTS MATCH FOR CHIP

8081 Vendor Drug Rebates-Sup Rebates

TOTAL, METHOD OF FINANCING

241,743,071	265,045,236
-153,208,183	-175,195,672
-2,820,786	-3,353,130
-95,656,857	-108,434,628
91,741,645	99,980,568
-533,013	-626,868
\$81,265,877	\$77,415,506

DESCRIPTION / JUSTIFICATION:

This request would maintain CHIP perinatal program implemented during FY 2007. Because of the partial implementation during the 2006-07 biennium, the program could not be maintained in the 2008-09 CHIP baseline request. Therefore, the baseline funding for Medicaid included these children as entitlement caseload. Additionally, \$41.6 million of this request is a part of the restoration funding of the 10 percent reduction imposed in the baseline request

By reinstating the perinate program in this exceptional item request, the Medicaid program baseline funding is reduced and the CHIP program increases. This request provides a

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	net biennial savings of \$19.7 million GR but a \$156.7 million increase of All Funds. The GR savings accrues because the state match rate is lower for CHIP than Medicaid thereby drawing a higher rate of matching federal funds.		

CHIP caseloads would increase from 327,012 in FY 2007 to 335,477 recipients in FY 2008 and 339,037 recipients in FY 2009. Medicaid caseloads would decrease from baseline request projections to 2,937,221 recipients in FY 2008 and to 3,057,937 recipients in FY 2009. There is a difference in caseloads because CHIP coverage would include the time the unborn child is covered, unlike in Medicaid.

EXTERNAL/INTERNAL FACTORS:

The most significant external factor impacting the Perinatal initiative is the long-term availability of CHIP federal funding. Estimating potential caseload growth with future federal allocations would require significantly altering the program by FY 2011 as federal funding would run. Additionally, the CHIP program is subject to federal reauthorization in FY 2007 which could impact Texas's allocation.