

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: 2 Other Medicaid Services
 STRATEGY: 1 Cost Reimbursed Services

Statewide Goal/Benchmark: 3 0
 Service Categories:
 Service: 17 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
Output Measures:						
1	Average Monthly Number of Enrolled Federally Qualified Health Centers	36.00	45.00	47.00	47.00	47.00
2	Average Number of Undocumented Persons Recipient Months Per Month	9,101.00	9,890.00	11,403.00	12,872.00	14,842.00
Efficiency Measures:						
1	Average Undocumented Persons Cost Per Recipient Month	2,872.79	2,927.56	3,079.80	3,005.40	3,004.88
Explanatory/Input Measures:						
1	Average Monthly # of Medicaid Clients Served in FQHCs	16,245.00	10,000.00	14,500.00	14,500.00	14,500.00
Objects of Expense:						
1001	SALARIES AND WAGES	\$469,662	\$422,291	\$469,857	\$459,168	\$500,436
1002	OTHER PERSONNEL COSTS	\$15,613	\$12,909	\$12,164	\$14,626	\$15,827
2001	PROFESSIONAL FEES AND SERVICES	\$17,726,846	\$9,430,725	\$9,937,544	\$9,296,624	\$9,383,201
2002	FUELS AND LUBRICANTS	\$3	\$69	\$67	\$74	\$80
2003	CONSUMABLE SUPPLIES	\$487	\$3,303	\$2,488	\$2,982	\$3,219
2004	UTILITIES	\$17,807	\$19,840	\$26,945	\$22,556	\$24,367
2005	TRAVEL	\$8,675	\$5,286	\$6,089	\$3,194	\$3,457
2006	RENT - BUILDING	\$2,889	\$32,258	\$49,011	\$43,380	\$46,811
2007	RENT - MACHINE AND OTHER	\$721	\$4,591	\$3,472	\$5,144	\$5,588
2009	OTHER OPERATING EXPENSE	\$119,784	\$58,296	\$42,062	\$48,853	\$52,797
3001	CLIENT SERVICES	\$1,399,357,561	\$1,513,734,728	\$1,718,712,365	\$1,463,935,216	\$1,537,913,645
4000	GRANTS	\$51,083	\$606,920	\$673,037	\$653,032	\$706,435
5000	CAPITAL EXPENDITURES	\$101,438	\$12,479	\$420,914	\$210,973	\$228,144
TOTAL, OBJECT OF EXPENSE		\$1,417,872,569	\$1,524,343,695	\$1,730,356,015	\$1,474,695,822	\$1,548,884,007

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Method of Financing:						
758	GR MATCH FOR MEDICAID	\$88,521,276	\$117,116,253	\$188,969,632	\$217,790,639	\$244,656,621
8056	SUPPLEMENTAL: GR MATCH FOR MEDICAID	\$0	\$37,555,112	\$0	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$88,521,276	\$154,671,365	\$188,969,632	\$217,790,639	\$244,656,621
Method of Financing:						
555	FEDERAL FUNDS					
93.778.000	Medical Assistance Program	\$774,817,749	\$885,778,677	\$1,094,178,181	\$897,086,585	\$944,408,788
CFDA Subtotal, Fund	555	\$774,817,749	\$885,778,677	\$1,094,178,181	\$897,086,585	\$944,408,788
8059	SUPPLEMENTAL: FEDERAL FUNDS					
93.778.000	Medical Assistance Program	\$108,079,487	\$57,956,363	\$0	\$0	\$0
CFDA Subtotal, Fund	8059	\$108,079,487	\$57,956,363	\$0	\$0	\$0
SUBTOTAL, MOF (FEDERAL FUNDS)		\$882,897,236	\$943,735,040	\$1,094,178,181	\$897,086,585	\$944,408,788
Method of Financing:						
8062	Approp Receipts-Match for Medicaid	\$377,354,057	\$425,937,290	\$447,208,202	\$359,818,598	\$359,818,598
8103	SUPP AR MATCH FOR MEDICAID	\$69,100,000	\$0	\$0	\$0	\$0
SUBTOTAL, MOF (OTHER FUNDS)		\$446,454,057	\$425,937,290	\$447,208,202	\$359,818,598	\$359,818,598
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$1,474,695,822	\$1,548,884,007
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)					\$1,417,872,569	\$1,524,343,695
FULL TIME EQUIVALENT POSITIONS:					6.3	8.7
					8.8	9.5

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STRATEGY DESCRIPTION AND JUSTIFICATION:

This strategy provides medical services for the following items that are not risk specific:

Federally Qualified Health Centers (FQHC) – a center providing Medicaid mandates services such as, comprehensive primary & preventive services & other allied & related health services.

Undocumented Aliens – Federally mandated coverage for aliens residing illegally in the U.S. with an emergency condition & who meet all other Medicaid eligibility criteria & for legal alien residents with an emergency condition who met all Medicaid eligibility requirements except citizenship.

School Health & Related Services Administration –reimburse admin services incurred for processing claims by the Medicaid fiscal agent contractor; & school districts & cooperatives receive the federal share of medically necessary services to Medicaid-eligible children under 21.

Substance Abuse Services – state licensed chemical dependency treatment facilities are eligible to enroll in the Medicaid Program to treat persons under the age of 21 on an outpatient basis.

Upper Payment Limit (UPL) – Federal Medicaid regulations allow certain providers to receive additional reimbursements for the difference between what Medicare & Medicaid pays (referred to as the UPL). The first UPL payments were made in FY2003. Texas pays certain eligible urban & rural hospitals from local funds (intergovernmental transfers) that match federal Medicaid funds as well as a childrens' hospital UPL with state funding.

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. As well as covering all eligible persons.

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 2007.