

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 Statewide Goal/Benchmark: 3 0
 OBJECTIVE: 3 Special Medicaid Services for Children Service Categories:
 STRATEGY: 3 Health Steps (EPSDT) Comprehensive Care Program Service: 17 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
Output Measures:						
1	Average Number of EPSDT-CCP Recipient Months per Month	1,020,716.00	456,903.00	411,451.00	436,157.00	458,882.00
Efficiency Measures:						
1	Average Cost Per EPSDT-CCP Recipient Month per Month	32.23	64.23	82.28	75.68	77.96
Objects of Expense:						
1001	SALARIES AND WAGES	\$276,791	\$381,822	\$404,960	\$374,810	\$386,132
1002	OTHER PERSONNEL COSTS	\$10,825	\$11,435	\$10,484	\$12,024	\$12,351
2001	PROFESSIONAL FEES AND SERVICES	\$7,845,092	\$6,802,708	\$8,549,293	\$7,649,072	\$7,673,599
2002	FUELS AND LUBRICANTS	\$3	\$61	\$58	\$61	\$63
2003	CONSUMABLE SUPPLIES	\$403	\$2,926	\$2,144	\$2,452	\$2,511
2004	UTILITIES	\$11,133	\$17,573	\$23,220	\$18,546	\$19,028
2005	TRAVEL	\$5,113	\$4,682	\$5,248	\$2,626	\$2,698
2006	RENT - BUILDING	\$2,668	\$28,577	\$42,245	\$35,660	\$36,518
2007	RENT - MACHINE AND OTHER	\$589	\$4,067	\$2,992	\$4,229	\$4,360
2009	OTHER OPERATING EXPENSE	\$72,263	\$51,632	\$36,249	\$40,168	\$41,231
3001	CLIENT SERVICES	\$502,039,663	\$544,859,451	\$408,059,763	\$393,172,423	\$425,705,936
4000	GRANTS	\$30,104	\$537,412	\$579,795	\$537,073	\$552,331
5000	CAPITAL EXPENDITURES	\$59,961	\$11,051	\$362,602	\$173,507	\$178,375
TOTAL, OBJECT OF EXPENSE		\$510,354,608	\$552,713,397	\$418,079,053	\$402,022,651	\$434,615,133

Method of Financing:

758	GR MATCH FOR MEDICAID	\$192,988,940	\$228,838,681	\$163,901,709	\$157,917,223	\$170,078,250
8056	SUPPLEMENTAL: GR MATCH FOR MEDICAID	\$0	\$2,384,586	\$0	\$0	\$0

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GOAL:	2 Medicaid	Statewide Goal/Benchmark:	3	0
OBJECTIVE:	3 Special Medicaid Services for Children	Service Categories:		
STRATEGY:	3 Health Steps (EPSDT) Comprehensive Care Program	Service:	17	Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$192,988,940	\$231,223,267	\$163,901,709	\$157,917,223	\$170,078,250
Method of Financing:						
555 FEDERAL FUNDS						
	93.778.000 Medical Assistance Program	\$317,365,668	\$317,810,153	\$254,177,344	\$244,105,428	\$264,536,883
CFDA Subtotal, Fund	555	\$317,365,668	\$317,810,153	\$254,177,344	\$244,105,428	\$264,536,883
8059 SUPPLEMENTAL: FEDERAL FUNDS						
	93.778.000 Medical Assistance Program	\$0	\$3,679,977	\$0	\$0	\$0
CFDA Subtotal, Fund	8059	\$0	\$3,679,977	\$0	\$0	\$0
SUBTOTAL, MOF (FEDERAL FUNDS)		\$317,365,668	\$321,490,130	\$254,177,344	\$244,105,428	\$264,536,883
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$402,022,651	\$434,615,133
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$510,354,608	\$552,713,397	\$418,079,053	\$402,022,651	\$434,615,133
FULL TIME EQUIVALENT POSITIONS:		10.7	7.7	7.6	7.1	7.4

STRATEGY DESCRIPTION AND JUSTIFICATION:

This program includes the hospital, physician, and other medical services provided to eligible Medicaid children under the age of 21 that are not covered or provided under the State Medicaid Plan. The Omnibus Budget Reconciliation Act of 1989 requires States to provide diagnostic/treatment services for conditions identified through a screen performed by the Early and Periodic Screening, Diagnosis, and Treatment program or other health care encounter. These services must be federally allowable Medicaid services and may be services that are beyond the scope and durational limits of services covered under the insured arrangement. Some services covered under the legislation include freestanding psychiatric hospitals, freestanding inpatient rehabilitation, durable medical equipment/supplies, extended hospital stays, private duty nursing, and speech, occupational, and physical therapies.

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.

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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. There is also an exceptional item addressing the Alberto N v Hawkins lawsuit as the settlement on this suit is scheduled for implementation in January 2007.

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.