

**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
	<b>Item Name:</b> Maintain Compliance with Federal HIPAA Regulations		
	<b>Item Priority:</b> 8		
<b>Includes Funding for the Following Strategy or Strategies:</b>			
	02-01-01 Medicare and SSI Risk Groups		
	02-01-02 TANF Adults & Children Risk Groups		
	02-01-03 Pregnant Women Risk Group		
	02-01-04 Children & Medically Needy Risk Groups		
	02-01-05 For Clients Dually Eligible for Medicare and Medicaid.		
	02-02-01 Cost Reimbursed Services		
	02-02-02 Medicaid Vendor Drug Program		
	02-03-03 Health Steps (EPSDT) Comprehensive Care Program		
<b>OBJECTS OF EXPENSE:</b>			
5000	CAPITAL EXPENDITURES		
<b>TOTAL, OBJECT OF EXPENSE</b>		<u>7,500,004</u>	<u>7,500,004</u>
		<b>\$7,500,004</b>	<b>\$7,500,004</b>
<b>METHOD OF FINANCING:</b>			
555	FEDERAL FUNDS		
93.778.000	Medical Assistance Program		
758	GR MATCH FOR MEDICAID		
<b>TOTAL, METHOD OF FINANCING</b>		<u>4,875,002</u>	<u>4,875,002</u>
		<u>2,625,002</u>	<u>2,625,002</u>
		<b>\$7,500,004</b>	<b>\$7,500,004</b>

**DESCRIPTION / JUSTIFICATION:**

This request would continue HIPAA (Health Insurance Portability and Administration Act) Initiatives that ensure compliance with federal regulations regarding healthcare claims processing. This funding would allow for standardization of electronic claims attachments, the update of federal coding (diagnosis and inpatient procedure codes) by October 1, 2008, and the implementation by 2008 of a federal plan for National ID.

This is also a capital funding request. Funding for this phase of the project is matched at various match rates.

**EXTERNAL/INTERNAL FACTORS:**

Texas Medicaid must comply federal regulations to standardize healthcare information. Reduced federal funding or sanctions could result if federal mandates are not followed.