



H.B. 2292 Implementation

Presentation to Senate Health and Human Services Committee

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Presentation Overview

- H.B. 2292 Overview and Fiscal Impact
- HHS Consolidation
- HHS Service Delivery Improvements
- HHSC Improvements in Service Delivery
- HHSC Opportunities for Future Service Improvements
- Reports from HHS Agencies
 - Department of Family and Protective Services (DFPS)
 - Department of Assistive and Rehabilitative Services (DARS)
 - Department of Aging and Disability Services (DADS)
 - Department of State Health Services (DSHS)

H.B. 2292 Overview

- H.B. 2292, 78th Legislature, Regular Session, set a new direction for improving the delivery of health and human services for Texas.
 - Created a rational organizational structure
 - Improved service delivery
 - Reduced administrative cost
 - Strengthened accountability
- H.B. 2292 included:
 - Policy and Programmatic Changes
 - Reorganization and Administrative Consolidation
 - Integrated Eligibility and Enrollment (IEE)

H.B. 2292 Fiscal Impact

- General Revenue Appropriations for the 2004-2005 biennium were reduced by \$1.134 billion in H.B. 1 (General Appropriations Act)
 - Savings totaling \$954.4 million GR were implemented in H.B. 1, 78th Regular Session (General Appropriations Act) for Policy Initiatives in H.B. 2292.
 - In addition, H.B. 1, 78th Regular Session, Article II, Special Provisions, Sec. 28, further reduced appropriations to the Health and Human Services Commission (HHSC) by \$180.1 million in GR.
- The Fiscal Note estimated that H.B. 2292 would have a positive impact of \$1.0 billion in General Revenue (GR) through the biennium ending August 31, 2005.



H.B. 2292 Fiscal Impact

<u>Savings Initiatives</u>	<u>HB 1 Savings Target</u>	<u>Savings Achieved 2004-2005</u>
HB 2292 Policy/Program Changes in HB 1	\$954.4	\$832.4
HB 1 Program Initiatives (Sec. 28)	\$99.8	\$27.6
Consolidation Related Savings (Sec. 28)	\$45.7	\$50.4*
Other Savings Achieved (Sec. 28)	\$ -	\$51.4
Call Centers/Integrated Eligibility(Sec 28)	\$34.6	\$ -
	\$1,134.5	\$961.8

*Includes \$35.1 million of the \$70.1 million duplicative reductions in HB 1

H.B. 2292 Fiscal Impact

H.B. 2292 Policy Changes Assumed in H.B. 1, 2004-2005 Biennium

	Target Savings	Achieved Savings
Medicaid Policy Changes: <ul style="list-style-type: none"> •Maintain 6 months Continuous Eligibility •Use Third Party Information to verify assets •Transfer Medicaid Client Transportation program to TxDoT •Medicaid Cost Sharing 	\$519.1m	\$388.5m
Medicaid Benefit Changes: <ul style="list-style-type: none"> •Eliminate podiatry services, mental health benefits, vision and hearing aids from adult Medicaid (<i>Restored 79th Regular session</i>) 	\$12.8m	\$43.1m
CHIP Policy Changes: <ul style="list-style-type: none"> •Implement Assets Test for over 150% of FPL •Implement 90-day waiting period for benefits •Implement 6-months continuous eligibility •Eliminate Earned Income Disregards 	\$144.5 m	\$144.5 m
TANF Policy Changes	\$29.1 m	\$29.1 m
Preferred Drug List	\$150.8 m	\$140.0 m
Premium Tax	\$41.3 m	\$36.7 m
Quality Assurance Fee for MHMR Facilities	\$33.0 m	\$40.0 m
Licensing Fees	\$23.8 m	\$10.5 m



H.B. 2292 Fiscal Impact

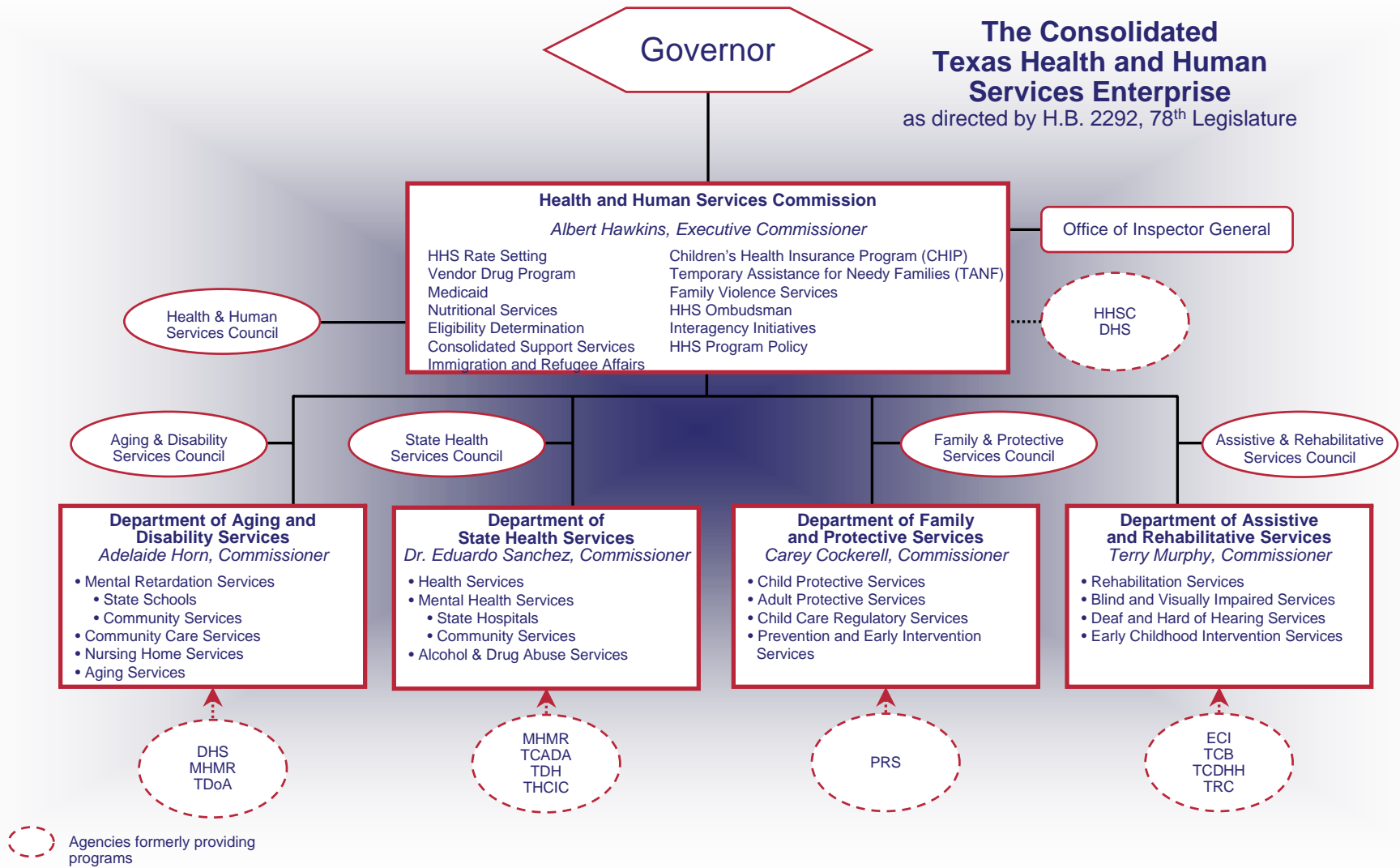
Policy and Program Changes Assumed in H.B. 1, Article II, Section 28,
2004-2005 Biennium

	Projected Savings	Actual Savings
Recovery of 3 rd party reimbursements	\$3.3 m	\$5.1 m
Prior authorization for high cost medical services	\$0.5 m	Restructured and Implemented in FY 2006
Medicaid Estate Recovery	\$4.8 m	None identified in 2004-2005
Office of Inspector General Use of Technology	\$25.4 m	\$22.5 m
Medicaid Integrity Pilot (now Medicaid Access Card Project)	\$3.7 m	Phased Implementation in FY 2006
Medicaid Managed Care Expansion	\$6.0 m	Will occur beginning in 2006-2007
Four Brand/34-day Supply Prescription Limit	\$27.5 m	Not determined to be cost effective
Medicare Repricing	\$17.9 m	Not implemented
Unspecified Savings in Sec 28 Reductions	\$10.7 m	\$51.4 m

H.B. 2292 Overview

- 12 HHS agencies consolidated in 5:
 - Dept. of Family and Protective Services (DFPS) – February 1, 2004
 - Dept. of Assistive and Rehabilitative Services (DARS) – March 1, 2004
 - Dept. of Aging and Disability Services (DADS) – September 1, 2004
 - Dept. of State Health Services (DSHS) – September 1, 2004
 - Health and Human Services Commission (HHSC) - September 1, 2004

HHS Organizational Structure



HHS Benefits of Consolidation

Agency consolidations produced a number of benefits and created a foundation for future improvements:

- Functioning as an integrated system
- Enhanced focus on client services due to consolidation of administrative services
- Structure programs based on similar processes to maximize efficiencies and improve service delivery

HHS Benefits of Consolidation

Examples of Enhanced Service Delivery Across HHS Agencies:

- Consolidated response by health and human services agencies to Hurricanes Katrina and Rita
 - Improved coordination and communications in delivering immediate services to evacuees
- Child Protective Services (CPS) and Adult Protective Services (APS) Reform
 - Utilized expertise across HHS agencies to enhance CPS/APS reform efforts
 - Guardianship Program transferred to DADS
 - Cross-agency evaluation, assessment, and intervention on the use of psychotropic drugs in foster children
 - Consolidated HHS initiative to develop a healthcare model specifically designed to address the needs of foster children
- Enhanced Fraud, Abuse and Waste Capabilities
 - Office of Inspector General (OIG) established priorities for investigations on system wide level, resulting in increased efficiencies

HHSC Improvements in Service Delivery

Integrated Eligibility and Enrollment (IEE)

- **Five Channels of Access to apply for:**
 - Cash Assistance (Temporary Assistance to Needy Families)
 - Nutrition Assistance (Food Stamps)
 - Medical Assistance (Medicaid and CHIP)
 - Long-term Care Financial Eligibility
- **In-Person:** 167 full-service offices, 8 a.m. to 5:00 p.m. Monday through Friday, 44 satellite offices open by appointment, mobile units, eligibility workers at 300 hospitals/medical facilities
- **By Phone:** 8:00 a.m. to 8:00 p.m. Monday through Friday, English/Spanish/Vietnamese plus a language line for other languages, RelayTexas/TDD for hearing impaired
- **Internet:** Screen for potential eligibility, apply for services, and check the status of their applications
- **Fax**
- **Mail**

HHSC Improvements in Service Delivery

Benefits of IEE Model:

- Client Benefits:
 - Increase convenience and decreases bureaucracy
 - Improve client access:
 - Allows for multiple channels of access: face-to-face, Internet, IVR, mail, phone and fax
 - Mobile units in rural areas
- Improve customer service:
 - Consistency in processes
 - Case information and processing is centralized
 - Clients do not have to accompany their case information
- Improve Worker Productivity:
 - Streamlining of processes
 - Increases efficiencies
- Improve stewardship of taxpayer money

HHSC Improvements in Service Delivery

Projected Rollout Schedule:

- ✓ December 1, 2005 CHIP Statewide
- ✓ January 1, 2005 Children's Medicaid Statewide
- ✓ January 20, 2005 Pilot Area (Austin & San Marcos)
- April 2006 Hill Country
- June 2006 Bexar County
- July 2006 East and West Rural Texas,
including Midland & Longview/Tyler
- August 2006 Harris County
- October 2006 El Paso/North Border and Panhandle
- November 2006 Rio Grande Valley, South Border
- December 2006 Dallas-Fort Worth

HHSC Improvements in Service Delivery

Next Steps:

- Remain in “pilot” in Austin and San Marcos for 90 days.
- Identify and address issues with technology, business process, training, or client access.
- Prepare for next rollout in Hill Country in April 2006.
- Adjust business process, procedures, and/or timeline if necessary.

HHSC Opportunities for Future Service Improvements

Medicaid Access Card:

- Client and Provider Benefits:
 - Faster check-in process for clients and providers
 - Easier for clients to carry 1 permanent card, instead of maintaining monthly paper cards
 - Automated eligibility verification for all clients at point of service
 - Ensures services are rendered to enrolled client

Universal Benefits Card:

- Single platform for clients to access benefits from multiple state programs:
 - Medicaid, TANF, Food Stamps, and WIC



Department of Family and Protective Services (DFPS)

Carey D. Cockerell
Commissioner



Mission and Responsibilities

DFPS Mission -

- To protect the unprotected – children, elderly, and people with disabilities – from abuse, neglect, and exploitation

Program Areas -

- Adult Protective Services (APS)
- Child Care Licensing (CCL)
- Child Protective Services (CPS)
- Purchased Client Services (PCS)



Mission and Responsibilities

Adult Protective Services (APS)

- Responsible for investigating abuse, neglect, and exploitation of adults who are elderly or have disabilities
- Provides or arranges for client services as necessary
 - Financial, social, and health services
 - Referrals to other state and community resources

Child Care Licensing (CCL)

- Responsible for protecting the health, safety, and well-being of children who attend or reside in regulated child care facilities and homes
 - Issues permits to allow regulated child care to operate; and
 - Provides consultation, technical assistance, and training for child-care providers and educating the public in the selection and improvement of child-care services
 - Develops minimum standards for regulated facilities and policies for enforcement of the standards

Mission and Responsibilities

Child Protective Services (CPS)

- Responsible for investigating reports of abuse and neglect of children
- Provides services to children and families
 - Transition services to youth aging out of foster care
 - Places children needing care in kinship, foster, and adoptive homes

Purchased Client Services (PCS)

- Contracts with other entities to provide clients with needed services
- Manages prevention and early intervention programs that prevent juvenile delinquency and child maltreatment
 - Works with community partners to identify needs and develop/modify programs

Improvements in Service Delivery

- Increased Focus on Client Services
 - Program areas are able to focus exclusively on delivering client services
 - Reorganization and new organizational structure
 - Automated hiring process
 - Regional administrative services
- Assisted with Reform Implementation
 - DFPS has increased access to enterprise resources
 - Access to planning and project management staff
 - Allows for consultation with enterprise subject matter experts



Opportunities for Future Improvements

- Coordination
 - Department and enterprise coordination will facilitate continued implementation of Senate Bill 6 and ultimately improve service delivery to clients
 - Enterprise – created a peer network that facilitates problem-solving and sharing of best practices



Department of Assistive and Rehabilitative Services (DARS)

**Terrell I. Murphy
Commissioner**



Mission and Responsibilities

DARS Mission

To work in partnership with Texans with disabilities and families with children who have developmental delays to improve the quality of their lives and to enable their full participation in society.

DARS administers programs previously provided by the:

- Commission for the Blind
- Rehabilitation Commission
- Commission for the Deaf and Hard of Hearing
- Interagency Council on Early Childhood Intervention



Mission and Responsibilities

DARS achieves its mission by

- Assisting Texans with disabilities to find or retain employment
- Preparing children with disabilities and developmental delays age 0-3 to meet educational and developmental goals
- Helping Texans with disabilities to live independently in their communities
- Helping survivors of traumatic brain and spinal cord injuries to regain functionality and independence
- Making disability determinations for Texans who apply for Social Security Disability Insurance and/or Supplemental Security Income



Improvements in Service Delivery

- ***Increased Resources for the Deaf and Hard of Hearing***
 - Added \$1.2 million (all funds) for deaf and hard of hearing services by matching federal Vocational Rehabilitation grant
 - Expanded Regional Specialist program from 11 contractors to 15 to serve additional consumers
 - Developed the Hard of Hearing Specialist program by funding 7 contracted specialists across the state
 - Hired a state coordinator for the deaf



Improvements in Service Delivery

- ***Increased access to information about infants with hearing loss to promote early detection and services***
 - Received grant from the Health Resources and Services Administration (HRSA) to Division for Early Childhood Intervention for this purpose
 - ECI provides tools, such as access to a tracking system for newborn hearing screening results, to Regional Specialists for deaf to assist in the early identification of infants with hearing loss



Improvements in Service Delivery

- ***Enhanced services to families with children who are blind or visually impaired***
 - Divisions for Early Childhood Intervention and Blind Services combined financial and staff resources to provide comprehensive services for children who are blind or visually impaired



Improvements in Service Delivery

- ***Improved and expanded contract management support and oversight to all service delivery program areas***
 - Expanded Best Practices/Technical Assistance to all DARS program areas to help improve contractor/provider performance in delivering services
 - Standardized DARS contract terms, conditions and contractor performance requirements across DARS programs to help reduce complexity



Improvements in Service Delivery

- ***Increased funding to Independent Living Services program by increasing reimbursements from Social Security Administration***
 - Improved our ability to claim reimbursement from SSA for successfully employing SSI and SSDI recipients
 - Removed reimbursement function from service delivery divisions and centralized under financial services
 - Increased funding for FY 2005 by \$1,000,000

Opportunities for Future Improvements

- ***Consolidating two consumer case management systems to better serve DARS consumers***
 - Will enable us to align and standardize consumer purchasing processes in many of our programs
- ***Cultivating partnerships with consumer and advocacy groups***
 - Regular appearances at meetings and conferences
 - Stakeholder forums
 - Stakeholder workgroup on customer satisfaction

Opportunities for Future Improvements

- ***By re-deploying resources, adding 100 additional counselors to serve students with significant disabilities transitioning from school to work***
 - Expanding transition services for students with disabilities is a broad initiative at the federal level, both under the Individuals with Disabilities Education Act and the Rehabilitation Act
- ***Emphasizing Employment Assistance Services***
 - Improving vocational rehabilitation counselors' skills in providing job development and employment assistance services



Opportunities for Future Improvements

- ***Continued collaboration with workforce partners***
 - Strengthening relationship with Texas Workforce Investment Council and Texas Workforce Commission



Department of Aging and Disability Services (DADS)

**Adelaide Horn
Commissioner**



Mission and Responsibilities

Vision

Older Texans and persons with disabilities will be supported by a comprehensive and cost-effective service delivery system that promotes and enhances individual well-being, dignity, and choice.

Mission

To provide a comprehensive array of aging, disability, and mental retardation services, supports, and opportunities that is easily accessed in local communities.



Mission and Responsibilities

- The **Texas Department of Aging and Disability Services (DADS)** was established in September 2004 and consolidated programs previously administered by the following agencies:
 - **mental retardation** services and **state school programs** of the Department of Mental Health and Mental Retardation;
 - **community care, nursing facility, and long-term care regulatory** services of the Department of Human Services; and
 - **aging services and programs** of the Department on Aging.



Mission and Responsibilities

- DADS Responsibilities fall into the following functional areas:
 - **Access and Intake**
 - Area Agencies on Aging
 - Mental Retardation Authorities
 - Regional and Local Services
 - Guardianship
 - **Provider Services**
 - Institutional Services
 - Community Services
 - State Schools
 - **Regulatory Services**
 - Licensing and Credentialing
 - Survey Operations
 - Enforcement Operations



Improvements in Service Delivery

- Improved planning and implementation of the agency's receipt of 9,360 slots for interest list reduction.
- Expanded consumer-directed service (CDS) options in long-term care home and community-based service programs.
- Improved coordination at the community level among Area Agencies on Aging (AAA), Mental Retardation Authorities (MRA), Regional and Local Services and Guardianship staff. These entities have worked collectively to ensure individuals receive the services they need.
- Enhanced opportunities for the consumer to select the service package that will best meet their needs.
- Increased communication and coordination of regulatory oversight of certain waivers with other areas of program regulation, allow for shared best practices, efficiencies and program integration.



Improvements in Service Delivery

- Coordinated, consistent and direct supervision of all licensing activities within one organizational area.
- Expanded nursing facility quality review quality of life surveys for individuals and family members in all DADS Medicaid waiver and Intermediate Care Facilities for Persons with Mental Retardation (ICF/MR) programs.
- Increased oversight and monitoring of regional activities within the Guardianship program. The program is organizationally structured as a statewide program with central management and direction from the state office.
- More easily developed, implemented and disseminated information related to the Medicaid Estate Recovery Program to clients.



Improvements in Service Delivery

- Improved communication and cooperation among Provider Services, Regulatory Services and Access and Intake when providers close, ensuring consumers are transitioned to a safe environment and afforded choice as to the environment that best meets their needs.
- More coordinated response to the implementation of the Medicare Prescription Drug Program with the AAAs, MRAs, Regional and Local Services and Guardianship staff participating in joint training, sharing information regarding plans and enrollment, referring individuals across programs and participating in CMS and other local outreach and enrollment events.



Opportunities for Future Improvements

- Application of best practices in clinical quality improvement to the full range of DADS populations and provision of evidence-based technical assistance to nursing facilities, state schools and other contracted facilities.
- Streamlining and standardization of the change of ownership processes across Institutional Services provider contracts to ensure that:
 - Requests are processed timely; and
 - There are not duplicative requests for the same information from applicants.
- Analyses of the waiver programs designed to offer community based long-term services and supports will determine if modifications could improve services and increase efficiencies.



Opportunities for Future Improvements

- Strengthening the provider base for community services by increasing the range of services they provide could decrease service disruptions for individuals whose services needs change over time.
- Strengthening the State School operations management team to increase oversight of day-to-day operations and ensure facilities are using best practices for:
 - Prevention of abuse and neglect;
 - Reduction of restraint use;
 - Community placement; and
 - Person directed planning.



Opportunities for Future Improvements

- Reviewing policies and processes for enrollment and maintenance of the waiting/interest lists to determine opportunities to streamline and improve the enrollment and referral processes for available services.
- Reduction of duplication of efforts between regulatory oversight and contract monitoring oversight.



Department of State Health Services (DSHS)

**Eduardo J. Sanchez, M.D., M.P.H.
Commissioner**



Mission and Responsibilities

Mission

- Promote optimal health for individuals and communities
- Provide effective health, mental health and substance abuse services

Principles

- Sound Mind ~ Sound Body
- Prevention First
- Partnerships
- Community Focus



Improvements in Service Delivery

- Integrated and Coordinated Disaster Response
 - Partnership with local communities and state/federal agencies
- Mental Health in Primary Care Settings
 - Early intervention and integrated approach to health
- WIC EBT Smart Card Implementation
 - Improved services for clients and providers through technology



Opportunities for Future Improvements

- Tobacco Prevention
 - Reduce tobacco use by leveraging state & community resources
- Mental Health Transformation
 - Improve outcomes for consumers, increase the quality of data, and support local community planning
- Substance Abuse and Reducing Infant Mortality
 - Improve birth outcomes by identifying substance abuse early