

# Health and Human Services Commission Budget Request



Prepared for the Senate Finance Committee  
February 7, 2001

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# HHSC Overview

## FY 2001

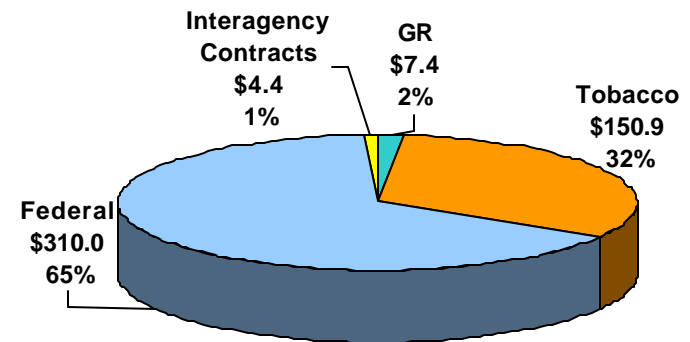
Size of Budget: \$472.7 million

FTEs: 198.5

### Major Programs:

- CHIP
- State Medicaid Office
- Medicaid Fraud Investigations
- System Oversight & Integration
- Agency Administration

### Method of Finance:



# House Bill 2641

# New Responsibilities

## HB 2641

- In 1999, the 76<sup>th</sup> Legislature enacted HB2641 which assigned numerous powers, duties, and responsibilities to HHSC and redefined its relationship with the individual health and human service agencies.
  
- Generally, HB2641 expanded the operational authority over health and human service (HHS) programs to include:
  - Management of Federal Funds
  - Increased oversight of purchasing and contracting
  - Greater responsibility for strategic planning
  - Oversight of all HHS agency information resources projects
  - Increased emphasis on improvement in regional management of HHS agencies

# Current Service Issues

## Current Service Issues (GR Above SB1)

- |   |          |       |
|---|----------|-------|
| <ul style="list-style-type: none"> <li>■ Restore Agency Oversight function to FY 01 Level</li> </ul>  | 7.0 FTEs | \$0.0 |
| <ul style="list-style-type: none"> <li>➤ Restore interagency contracts (\$1,350,138) for salaries and operating expenses to the FY 01 appropriated level. No additional GR is requested.</li> </ul>   |          |       |
| <ul style="list-style-type: none"> <li>■ Restore Information and Referral Program to FY00-01 Level</li> </ul>   |          | \$0.7 |
| <ul style="list-style-type: none"> <li>➤ FY00-01 appropriations included a capital rider for \$341,000 in each year. This capital rider is also requested in the FY 02/03 biennium to continue the development of a statewide internet database of health and human services. This item was inadvertently left out of the LAR request.</li> </ul>   |          |       |
| <ul style="list-style-type: none"> <li>■ Increase FY 00-01 Consolidated Medicaid Waiver</li> </ul>  |          | \$0.0 |
| <ul style="list-style-type: none"> <li>➤ HB2148 (76<sup>th</sup> session) required HHSC to pilot a 1915(c) consolidated waiver program and to implement a single statewide waiting list. HHSC requests this increase to continue the pilot in the FY02-03 biennium with 200 slots. Capital Rider authority is also requested to build a wait list database with user-interface that will integrate with the Community Care Interest list currently maintained at DHS. This request would be funded through interagency contracts (\$13,591,552) with DHS and TxMHMR.</li> </ul> |          |       |

# Exceptional Items



# FY 2002-2003 Exceptional Items

| Exceptional Items  | <u>GR/GRD</u> | <u>All Funds</u> | <u>FTEs Requested</u> |              |
|--|---------------|------------------|-----------------------|--------------|
|  | FY 02/03      | FY 02/03         | FY 2002               | FY 2003      |
| <b>CHIP **</b>   | 83.4          | 233.3            |                       |              |
| <b>Enterprise Administrative System (Consolidated HHS Request)</b> | 11.6          | 24.9             |                       |              |
| <b>Colonias Initiative (Consolidated HHS Request)</b>              | 8.0           | 11.2             | 68.0                  | 126.0        |
| <b>Guardianship Expansion</b>                                      | 1.2           | 1.2              |                       |              |
| <b>Long-Term Care Community Access</b>                             | 4.3           | 4.5              |                       |              |
| <b>Information &amp; Referral Network - #211</b>                   | 7.1           | 7.1              |                       |              |
| <b>Total Requests</b>  | <b>115.6</b>  | <b>282.2</b>     | <b>68.0</b>           | <b>126.0</b> |

\*\* Includes funds requested in both Article II and Article XII.

# **Children's Health Insurance Program (CHIP)**

# CHIP

- Total Request is for \$83.4 million in GR
- Lapsed Funds of up to \$32.4 million may be available from FY01 which SB1 authorizes to be carried forward to the FY 02-03 biennium.
- February 1<sup>st</sup> update reflects higher enrollees and medical/dental rate increases. (Equal to rate increases requested in Medicaid.)

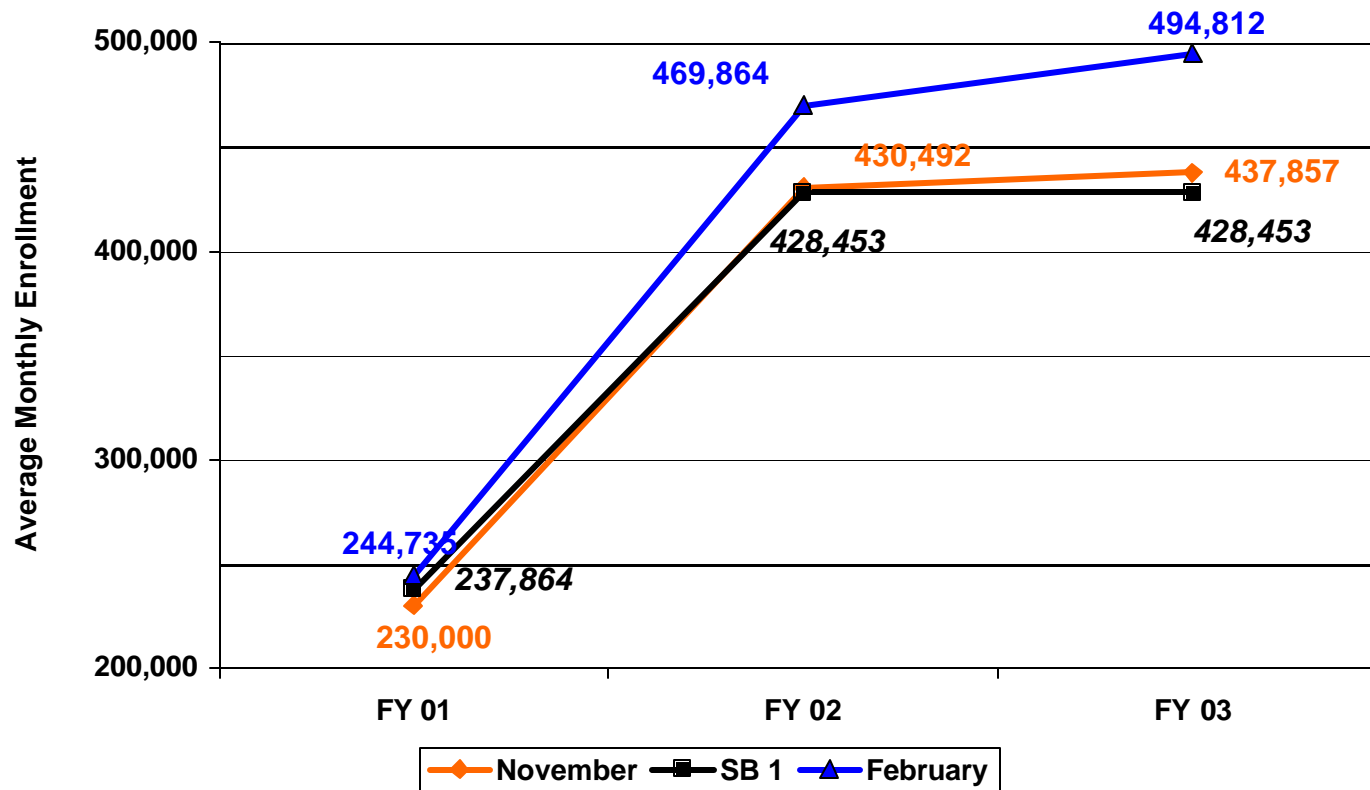
# CHIP

## Tobacco Funds Request (in millions)

|                         | FY02-03    |
|-------------------------|------------|
| CHIP Phase I            | (\$0.1)    |
| Medicaid Spillover      | (6.8)      |
| CHIP Phase II           | 88.1       |
| Legal Immigrants        | -          |
| State Employees (SKIP)  | <u>2.2</u> |
| Total, GR (Article XII) | \$83.4     |

# CHIP II Caseload

Comparison of SB 1, November & February Updates

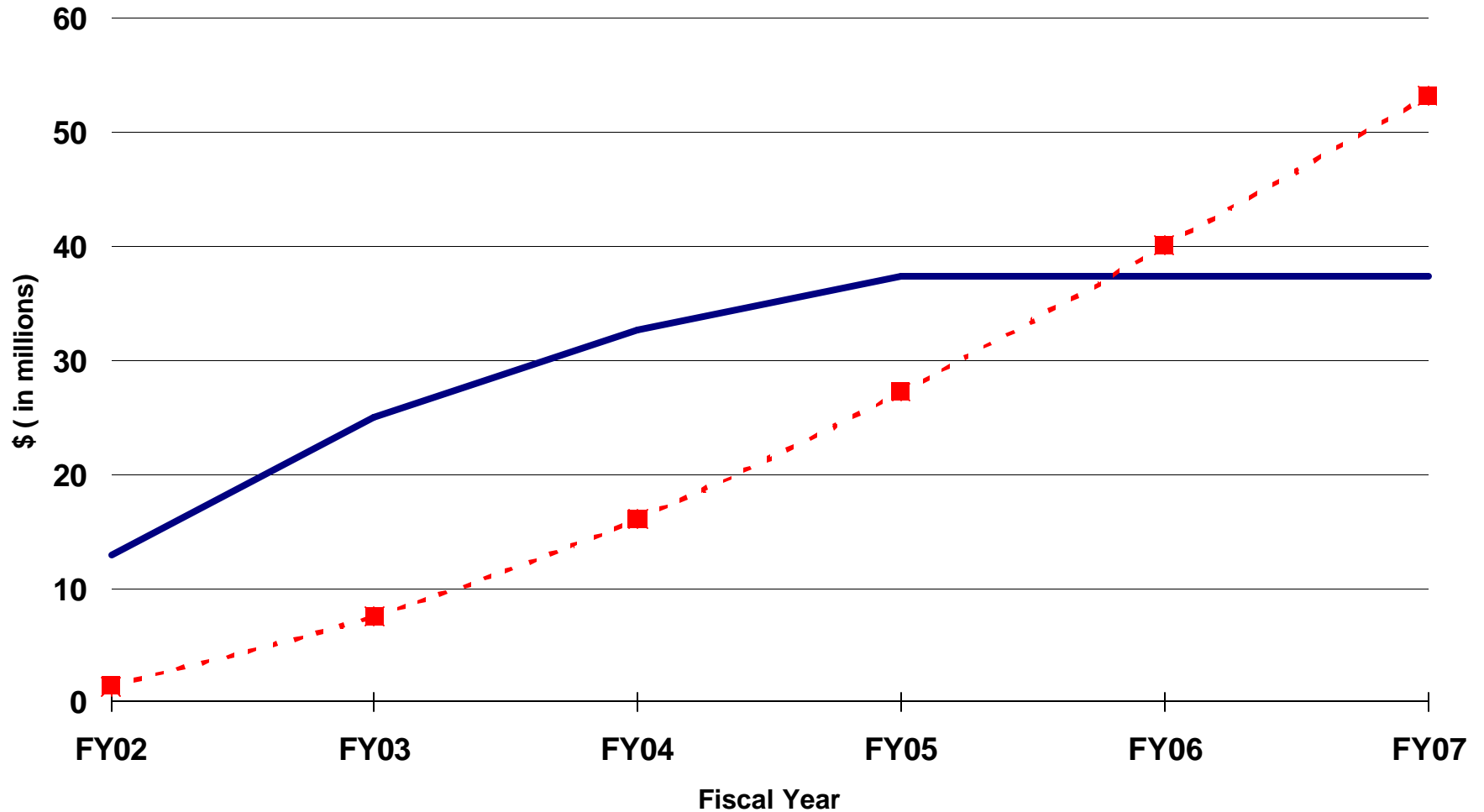


# **Health and Human Services Administrative System (HHSAS)**

# HHSAS

- The enterprise administrative system is an initiative to streamline the business processes among the HHS agencies in the areas of financial management and human resources.
- Currently, HHS agencies operate and maintain over 100 separate administrative systems costing an estimated \$13 million per year.
- HHSC has purchased the license for a business system to support financial and Human Resources functions for all state agencies.
- The HHSAS project has defined the business process requirements for all HHS agencies and is in the process of “fit-gap” analysis.
- Implementation timeline assumes full conversion into the common HHSAS system by the end of FY05.
- HHSC estimates that HHSAS will pay for itself through the elimination of legacy systems and supports in FY06.

# HHSAS Break Even Analysis



— Cumulative Implementation Costs - ■ - Cumulative Savings/Cost Avoidance



# HHSAS Benefits

- Benefits of the HHSAS include:

- Opportunities for reduced costs/FTEs to manage Human Resources/Financial Services, including:
- Greater efficiency in work process; eliminating duplicate data entry
- Consistent and accurate Financial and Human Resources information
- Ability to support an enterprise contract administration database
- Improve customer service and quicken response times

|                          |       |            |
|--------------------------|-------|------------|
| ■ GR requested for 02/03 |       | \$11.6     |
| ■ GR requested for 04/05 |       | <u>8.1</u> |
|                          | Total | \$19.7     |

# Colonias Initiative

# Colonias Initiative

## (Biennial GR Requested)

Funds are requested on behalf of seven (7) HHS agencies to expand services in the Colonias through an efficient and effective system that promotes the health, responsibility, and self-sufficiency of individuals and families. Funding will provide for services expansion and some infrastructure needs (office space, staff) to the residents of the colonias.

|        |   |            |
|--------|---|------------|
| TDH    |   | \$ 2.5     |
|        | ➤ Increase staff (19.0 FTEs) in existing field offices to implement border health community activities and provide disease control and prevention through testing and training.           |            |
| DHS    |   | 2.5        |
|        | ➤ Place case management staff (99.0 FTEs) at 16 Colonias community centers to meet the residents, assess their needs and link them to the appropriate services.                           |            |
| TCADA  |   | 1.4        |
|        | ➤ Grant funding targeted at the Laredo area to focus on youth prevention, treatment, and intervention.  |            |
| TDoA   |   | .7         |
|        | ➤ Increase grant funding to three AAA's along the border to provide expansion of nutrition services, benefit counseling, promotora training, and medication assistance services.          |            |
| TxMHMR |   | .5         |
|        | ➤ Increase staff (6.0 FTEs) in five area MHMR Community Centers to focus on outreach, training, material translation, Medicaid Waiver Pilots, and the development of best practices.      |            |
| TCDHH  |   | .2         |
|        | ➤ Contract with regional specialist in Colonias areas to develop training and testing for Mexican sign language, provide empowerment training for the deaf and hard of hearing community. |            |
| HHSC   |   | <u>.2</u>  |
|        | ➤ Program specialist (2.0 FTEs) housed in available space to coordinate services across agencies.   |            |
|        | <b>Total Request</b>  | <b>8.0</b> |

# Guardianship

# Guardianship (GR Above SB1)

## Guardianship

\$1.2

- Consolidated request on behalf of 16 member Guardianship Board.
- Will provide 34 additional Guardianship grants to areas that have no local guardianship programs or to areas where the need exceeds availability of services.
- Grants serve as seed money for Guardianship programs and are sustained in future years by local communities.
- To date, 31 grants have been awarded.
- As a result of this program, Guardianship programs in the state have increases from 12 in 1998 to 21 in 2000.

# Long-Term Care Community Access

# Long-Term Care Community Access (GR Above SB1)

## Long-Term Care Community Access

\$4.3

- Would provide grants to communities for enhancing access to community-based Long-Term Care services for persons who are aged and/or disabled.
- Will fund the creation of a technology infrastructure to interconnect all Long-Term Care agencies, both public and private.
- Will provide staff to oversee interagency coordination, provide case management, cross-agency service coordination, and benefits and housing counseling.
- Will support a community education and public awareness campaign to ensure widespread recognition of Long-Term Care services.

# Information & Referral - #211



# Information & Referral - #211

## (GR Above SB1)

### Information & Referral (I&R) – #211 \$7.1

- Would provide a single telephone number (#211) for use as a comprehensive, statewide link to health and human services information.
- Will provide benefits of \$108.5 mil over the next 10 years to individuals, families, government and employers.
- Builds upon the existence of 25 existing Area Information Centers (AICS) providing resources to every community throughout Texas.
- Costs are based on a 3-year plan for the 25 AICs.
- Only 4% of the request is for the HHSC I&R Network operations. 96% benefits the community based AIC #211 call centers.

# Rider Adjustments

# Rider Adjustments

## Current Services

- Increase Texas Integrated Funding Rider(TIFI) to FY 2001 current service level
- Increase Consolidated Waiver Rider to provide for 200 waiver slots.
  - Create a Capital Budget Rider to authorize the development of an automated waiver waiting list.
- Create a Capital Budget Rider to authorize continued development of the Information & Referral (I&R) statewide internet database.
- Create greater flexibility by amending the Transfer Authority Rider to extend transfer authority to salary and travel caps across HHS agencies and to allow for the adjustment of HHS CEO salaries.

# Rider Adjustments

## Exceptional Items

- Addition of Capital Budget Rider to authorized capital expenditures associated with the Enterprise Administrative System project.
- Addition of Capital Budget Rider to authorize capital expenditures associated with the Colonias Initiative.