

Presentation to the House Committee on Human Services



Albert Hawkins, Executive Commissioner

Health and Human Services Commission
January 29, 2004

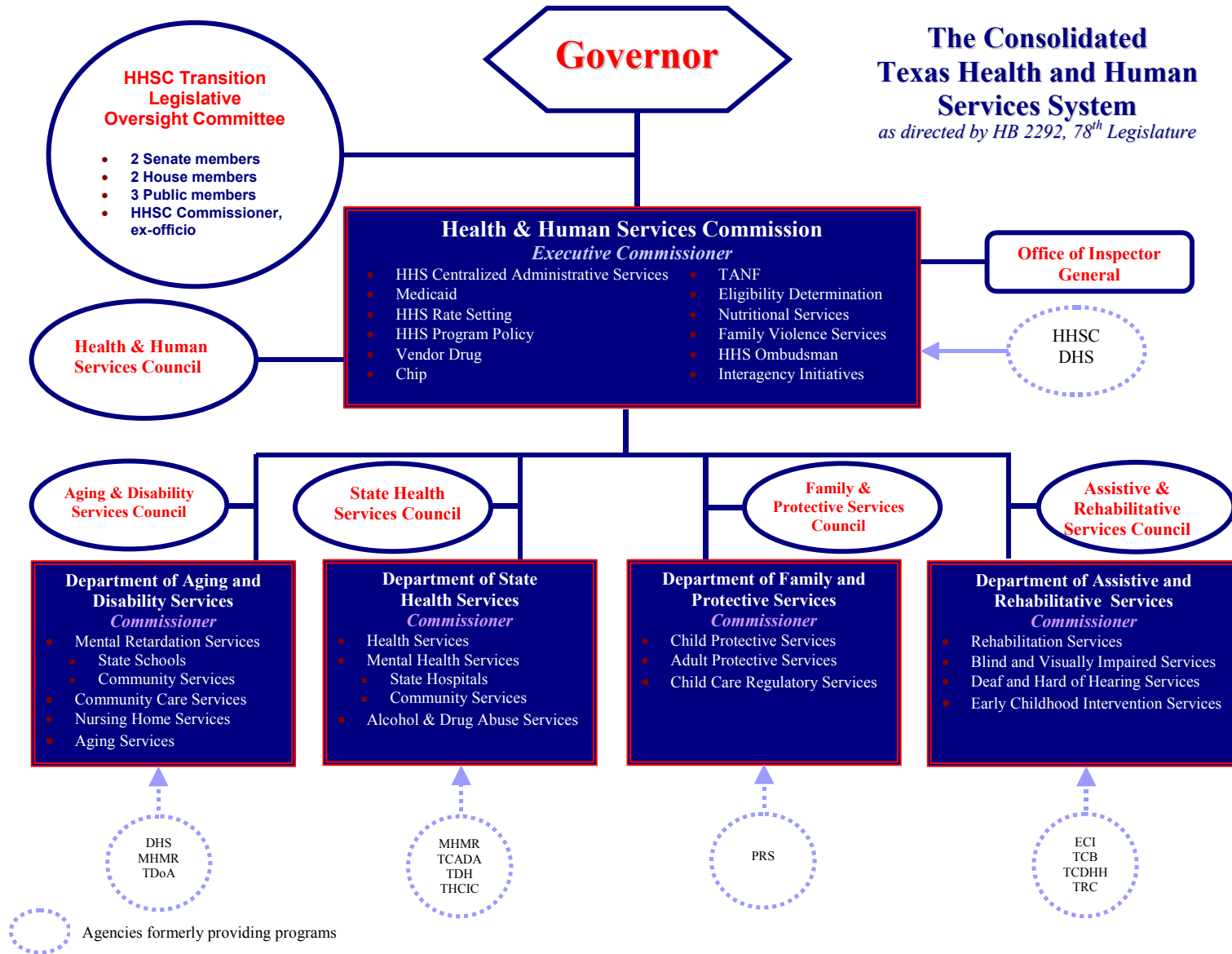
Consolidation Update



Albert Hawkins, Executive Commissioner



HB 2292 – Consolidation Organizational Structure





Consolidation Status

Consolidation Activities:

- **Public Input on Transition Plan Design**
 - Held public meetings around the state from September 15 – 25, 2003
- **Release of the Draft Transition Plan**
 - Held public meeting in Austin to receive comments on the Draft Transition Plan.
- **Transition Plan Delivered to the Governor and the LBB**
 - Final plan delivered on November 3, 2003.
- **Continue to Solicit and Receive Public Input**



Consolidation Status

HB 2292 – Transition Plan

Guiding Principles

- **Focus on Client Need and Program Delivery**
- **Effective Stewardship of Public Resources**
- **Cultural Change and Accountability**

Incremental Approach to Reorganization

- **Planning**
- **Integration**
- **Optimization**
- **Transformation**



Consolidation Status

Consolidation Activities:

- **Commissioners of 4 Departments Named (December 2003)**
- **Public Meetings on Proposed Organizational Structures of 4 Departments (January 2004 – February 2004)**
- **Public Meetings on Role of Departmental Councils (February 2004)**



Consolidation Status

Department of Family and Protective Services

- **Encompasses all the programs from the Department of Protective and Regulatory Services (PRS).**
- **Thomas Chapmond named Commissioner.**
- **Public meeting on the proposed Organizational Structure was held on January 9, 2004.**
- **Agency to become operational February 1, 2004.**

(see proposed organizational chart – Appendix A)



Department of Assistive and Rehabilitative Services

- **Encompasses all of the programs from the following agencies:**
 - **Texas Rehabilitation Commission**
 - **Commission for the Blind**
 - **Commission for the Deaf & Hard of Hearing**
 - **Interagency Council on Early Childhood Intervention**

- **Terry Murphy named Commissioner.**

- **Public meetings on the proposed Organizational Structure were held January 12 - 20, 2004.**

- **Agency to become operational March 1, 2004.**

(see proposed organizational chart – Appendix B)



Consolidation Status

Department of Aging and Disability Services

- **Encompasses programs from the following agencies:**

- Department of Mental Health and Mental Retardation**

- Mental Retardation Services

- State School programs

- Department of Human Services**

- Community Care Services

- Nursing Home Services

- Department on Aging**

- Aging Services programs

- **James R. Hine named Commissioner.**

- **Public meetings on the proposed Organizational Structure are being held January 29 – February 5, 2004.**

- **Agency to become operational Spring/Summer 2004.**
(see proposed organizational charts – Appendix C)



Consolidation Status

Department of State Health Services

- **Encompasses programs from the following agencies:**

- Texas Department of Health (TDH)
- Texas Commission on Alcohol & Drug Abuse (TCADA)
- Texas Health Care Information Council (THCIC)
- Department of Mental Health and Mental Retardation (MHMR)
 - Mental Health Services
 - State Hospitals

- **Eduardo J. Sanchez, M.D., named Commissioner.**

- **Public meetings on the proposed Organizational Structure are being held January 29 – February 5, 2004.**

- **Agency to become operational Spring/Summer 2004.**

(see proposed organizational charts – Appendix D)



Consolidation Projects

Department Consolidation Guiding Principles:

- **Focus on service delivery.**
- **Foster direct management accountability.**
- **Reorganize around common service delivery.**
- **Promote integration and consistency.**
- **Establish appropriate span of control.**

Business Decision Guidelines:

- **Carefully compile decision criteria.**
- **Require an open and competitive procurement process.**
- **Establish strong contract management focused on performance and accountability.**
- **Develop a transition strategy for affected state employees.**
- **Provide open and active communications.**



Consolidation Projects -- Status

Completed Consolidations:

- **Human Resources Management**
- **Office of Civil Rights**
- **Procurement**
- **Family Violence Program**
- **Refugee Services Program**
- **Planning and Evaluation**
- **Office of Inspector General**



Consolidation Projects -- Status

Consolidation In Progress:

Toll-free Hotlines Consolidation

- Identified 447 across the health and human services enterprise.
- Identified 10 high-volume numbers for consolidation with 211 by April 1, 2004.
- HHS agencies to eliminate low-volume, non-essential lines by mid-February.
- AT&T will reduce the current state agency rates for 800 number costs retroactive to November.

Information Technology (IT)

- 816 Existing Applications Identified Across the 12 HHS Agencies.

Records Management

- Standardizing records management process.
- Exploring electronic storage to save warehousing costs.

Trends in CHIP and Medicaid



Albert Hawkins, Executive Commissioner

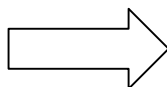


Trends in CHIP and Medicaid

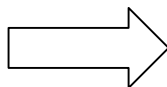
Children's Health Insurance Program (CHIP) Policy Changes, 78th Legislature, R.S.

Before

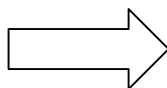
12 months continuous eligibility:
Reapplication for CHIP benefits after 12 months.



Eligibility determined on adjusted income (disregards for childcare, etc).
Qualifying income = 200% Federal Poverty Level (FPL). (See *FPL Chart – Appendix E*)



Assets not considered in eligibility determination.



After

6 month continuous eligibility:
effective November 2003 (existing clients beginning January 2004).

Earned income disregards eliminated, effective November 2003.

Assets policy for families above 150% FPL, modeled on food stamps assets policy, planned for May 2004.



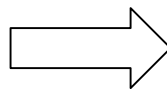
Trends in CHIP and Medicaid

CHIP Policy Changes, 78th Legislature, R.S.

Before

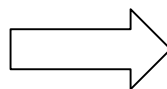
After

No waiting period, unless family dropped private coverage.



3-month waiting period for benefits after eligibility determination, effective October 2003 (some exceptions apply).

Cost-sharing for premium cost for families above 150% FPL.



Cost-sharing for families above 100% FPL, increasing with income, and point of service co-pay increases.



Trends in CHIP and Medicaid

CHIP CASELOAD DATA

Average Monthly Caseload			Current Enrollment
FY 2003	FY 2004	FY 2005	January 1, 2004
506,968	380,603	346,818	416,302*
Actual	Per HB 1	Per HB 1	Actual
<p><i>* There are currently 10,328 children waiting for coverage to begin. If these children had been enrolled immediately, the January 2004 caseload would be 426,630.</i></p>			



Trends in CHIP and Medicaid

CHIP CASELOAD DATA

Month	Total Enrollment	Actual Renewal Rate
August 2003	506,068	69.6%
December 2003	438,164	68.7%

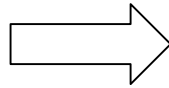


Trends in CHIP and Medicaid

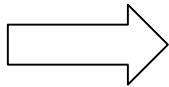
Medicaid Policy Changes 78th Legislature, R.S.

Before

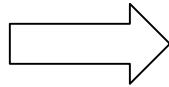
Medically Needy: Includes adults and children who can “spend down” to TANF eligibility limits.



Pregnant Women: Covered up to 185% of federal poverty level (FPL).



TANF Adults: Eligible for Medicaid as part of TANF eligibility (17% FPL).



After

Medically Needy: Adult eligibility above TANF income level discontinued, except pregnant women.

Pregnant Women: Age 19 and older at/above 158% FPL no longer covered after September 2003. Any pre-September pregnancy fully covered through two months post-partum (latest date July 2004).

TANF Adults: Lose one month eligibility for noncompliance with work requirement as of September 2003. May reapply for benefits. Loss of one month eligibility with any Personal Responsibility Agreement requirement pending.



Trends in CHIP and Medicaid

MEDICAID CASELOAD DATA

	Average Monthly Caseload			Current Enrollment
	FY 2003	FY 2004	FY 2005	December 2003
Children's Medicaid	1,675,852	1,668,479	1,686,810	1,850,076
Total Medicaid	2,466,409	2,450,868	2,478,652	2,629,964
	Actual	Per HB 1	Per HB 1	Actual

Children's Medicaid includes the TANF Child, Newborn, Expansion Child, and Federal Mandate Child Risk Groups



Trends in CHIP and Medicaid

MEDICAID CASELOAD DATA

Month	Enrollment Children's Medicaid	Total Medicaid Enrollment
August 2003	1,784,612	2,592,578
December 2003	1,850,076	2,629,964