

**3.A. STRATEGY REQUEST**  
 79th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/7/2004  
 TIME: 10:25:35AM

Agency code: **539** Agency name: **AGING AND DISABILITY SERVICES**

GOAL: 1 Long-term Care Continuum  
 OBJECTIVE: 8 MR State Schools Services  
 STRATEGY: 1 MR State Schools Services

Statewide Goal/Benchmark: 3 0  
 Service Categories:  
 Service: 26 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2003	Est 2004	Bud 2005	BL 2006	BL 2007
<b>Output Measures:</b>						
1	Average Monthly Number of MR Campus Residents	5,006.00	4,991.00	5,003.00	5,007.00	5,011.00
2	Avg Mthly # Consumers w/MR Waiting Admission Any State School Campus	15.00	15.00	15.00	15.00	15.00
3	Avg Mthly # Consumers w/MR Waiting Admission Specific St School Campus	3.00	4.00	4.00	4.00	4.00
<b>Efficiency Measures:</b>						
1	Average Monthly Cost Per MR Campus Resident	6,447.84	6,453.20	6,417.08	6,460.18	6,461.35
2	Avg # Days Consumers w/MR Wait for Admission Any State School Campus	23.00	25.00	27.00	27.00	27.00
3	Avg # Days Consumers w/MR Wait Admission Specific State School Campus	22.00	20.00	22.00	22.00	22.00
<b>Explanatory/Input Measures:</b>						
1	Number of MR Campus Residents Who Are under 18 Years of Age Per Year	87.00	100.00	100.00	100.00	100.00
2	Avg # Day Consumers w/MR Interested St School Placement Wait Admission	53.00	51.00	52.00	52.00	52.00
3	Number Interested In State School Placement	215.00	170.00	175.00	175.00	175.00
4	Number of MR Campus Residents Per Year	5,261.00	5,211.00	5,243.00	5,247.00	5,251.00
<b>Objects of Expense:</b>						
1001	SALARIES AND WAGES	\$259,911,915	\$256,194,846	\$254,976,757	\$256,075,947	\$256,075,947
1002	OTHER PERSONNEL COSTS	\$10,900,448	\$15,742,734	\$10,525,067	\$10,673,134	\$10,673,134
2001	PROFESSIONAL FEES AND SERVICES	\$7,341,254	\$5,502,665	\$5,152,418	\$4,902,418	\$4,702,418
2002	FUELS AND LUBRICANTS	\$583,795	\$586,025	\$586,025	\$586,115	\$586,121
2003	CONSUMABLE SUPPLIES	\$4,611,441	\$5,689,095	\$5,610,396	\$5,660,972	\$5,670,969
2004	UTILITIES	\$12,058,529	\$12,114,524	\$11,616,007	\$11,528,127	\$11,099,942

**0000135**

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 OBJECTIVE: 8 MR State Schools Services  
 STRATEGY: 1 MR State Schools Services

Statewide Goal/Benchmark: 3 0  
 Service Categories:  
 Service: 26 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2003	Est 2004	Bud 2005	BL 2006	BL 2007
2005	TRAVEL	\$406,653	\$469,399	\$459,219	\$459,239	\$459,249
2006	RENT - BUILDING	\$217,097	\$216,045	\$216,045	\$216,100	\$216,100
2007	RENT - MACHINE AND OTHER	\$1,049,088	\$1,002,434	\$996,471	\$996,516	\$996,516
2009	OTHER OPERATING EXPENSE	\$77,457,218	\$78,229,655	\$82,197,844	\$83,248,668	\$83,304,314
3001	CLIENT SERVICES	\$4,455,118	\$4,210,106	\$4,155,740	\$4,306,295	\$4,308,295
3002	FOOD FOR PERSONS - WARDS OF STATE	\$7,890,163	\$7,550,871	\$7,448,225	\$7,543,224	\$7,568,224
4000	GRANTS	\$4,208	\$4,208	\$4,208	\$4,208	\$4,208
5000	CAPITAL EXPENDITURES	\$7,696,431	\$1,143,822	\$1,202,478	\$1,952,595	\$2,868,663
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$394,583,358</b>	<b>\$388,656,429</b>	<b>\$385,146,900</b>	<b>\$388,153,558</b>	<b>\$388,534,100</b>

**Method of Financing:**

1	GENERAL REVENUE FUND	\$9,895,295	\$9,407,324	\$9,497,864	\$11,496,809	\$11,496,802
888	EARNED FEDERAL FUNDS	\$0	\$5,698,877	\$4,774,379	\$5,290,182	\$5,290,294
8032	GR CERTIFIED AS MATCH FOR MEDICAID	\$121,295,772	\$84,278,106	\$91,532,425	\$93,740,353	\$94,047,858
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS)</b>		<b>\$131,191,067</b>	<b>\$99,384,307</b>	<b>\$105,804,668</b>	<b>\$110,527,344</b>	<b>\$110,834,954</b>

**Method of Financing:**

5080	QUALITY ASSURANCE	\$10,778,929	\$27,779,438	\$27,780,950	\$29,005,288	\$29,030,674
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)</b>		<b>\$10,778,929</b>	<b>\$27,779,438</b>	<b>\$27,780,950</b>	<b>\$29,005,288</b>	<b>\$29,030,674</b>

**Method of Financing:**

555 FEDERAL FUNDS

10.550.000	Food Distribution	\$109,006	\$104,782	\$103,698	\$103,698	\$103,698
93.778.003	XIX 50%	\$0	\$0	\$0	\$0	\$0
93.778.005	XIX FMAP	\$228,765,192	\$234,238,514	\$223,662,396	\$223,581,960	\$223,614,178
94.011.000	Foster Grandparent Progra	\$1,808,796	\$1,872,449	\$1,971,159	\$1,971,159	\$1,971,159
97.044.000	Assistance to Firefighters Grant	\$135,000	\$0	\$0	\$0	\$0

**0000136**

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GOAL: 1 Long-term Care Continuum  
 OBJECTIVE: 8 MR State Schools Services  
 STRATEGY: 1 MR State Schools Services

Statewide Goal/Benchmark: 3 0  
 Service Categories:  
 Service: 26 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2003	Est 2004	Bud 2005	BL 2006	BL 2007
CFDA Subtotal, Fund 555		\$230,817,994	\$236,215,745	\$225,737,253	\$225,656,817	\$225,689,035
<b>SUBTOTAL, MOF (FEDERAL FUNDS)</b>		<b>\$230,817,994</b>	<b>\$236,215,745</b>	<b>\$225,737,253</b>	<b>\$225,656,817</b>	<b>\$225,689,035</b>
<b>Method of Financing:</b>						
666 APPROPRIATED RECEIPTS		\$0	\$3,328,641	\$3,285,186	\$0	\$0
777 INTERAGENCY CONTRACTS		\$283,400	\$717,609	\$921,211	\$902,041	\$902,041
8031 MHMR COLLECT-PAT SUPP & MAINT		\$16,656,585	\$16,781,293	\$16,794,264	\$17,168,663	\$17,183,205
8033 MHMR APPROPRIATED RECEIPTS		\$802,662	\$785,477	\$847,451	\$891,139	\$891,139
8034 MHMR MEDICARE RECEIPTS		\$1,057,911	\$950,200	\$953,750	\$980,099	\$980,885
8061 MHMR Revolving Fund Receipts		\$2,994,810	\$2,713,719	\$3,022,167	\$3,022,167	\$3,022,167
<b>SUBTOTAL, MOF (OTHER FUNDS)</b>		<b>\$21,795,368</b>	<b>\$25,276,939</b>	<b>\$25,824,029</b>	<b>\$22,964,109</b>	<b>\$22,979,437</b>
<b>TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)</b>					<b>\$388,153,558</b>	<b>\$388,534,100</b>
<b>TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)</b>		<b>\$394,583,358</b>	<b>\$388,656,429</b>	<b>\$385,146,900</b>	<b>\$388,153,558</b>	<b>\$388,534,100</b>
<b>FULL TIME EQUIVALENT POSITIONS:</b>		<b>11,477.0</b>	<b>11,381.0</b>	<b>11,335.0</b>	<b>11,381.0</b>	<b>11,381.0</b>

**STRATEGY DESCRIPTION AND JUSTIFICATION:**

This strategy funds the direct services and supports to persons with mental retardation admitted to the eleven state school campuses and two state centers providing mental retardation residential services. State schools and centers provide 24-hour residential services for many persons with mental retardation who are medically fragile or severely physically impaired or have severe behavior problems and who choose these services or cannot currently be served in the community. Other services provided by the state MR facilities include intensive time-limited services for persons who reside in the community but require such intervention services as respite. State schools are located in Abilene, Austin, Brenham, Corpus Christi, Denton, Lubbock, Lufkin, Mexia, Richmond, San Angelo, and San Antonio. Two state centers, El Paso and Rio Grande, also provide campus-based mental retardation services. Statutory Authority: Health and Safety Code, Chapters 551- 554.

**EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:**

**0000137**

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Agency code: **539**      Agency name: **AGING AND DISABILITY SERVICES**

GOAL:            1    Long-term Care Continuum  
 OBJECTIVE:    8    MR State Schools Services  
 STRATEGY:    1    MR State Schools Services

Statewide Goal/Benchmark:    3    0  
 Service Categories:  
 Service: 26    Income: A.2    Age: B.3

CODE	DESCRIPTION	Exp 2003	Est 2004	Bud 2005	BL 2006	BL 2007
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Although in recent years there was a slight decline in enrollment, currently enrollment has stabilized and State Mental Retardation Facilities have recently experienced a slight increase in enrollment above their budgeted target. This appropriation request is based on projections that this slight increase would continue through FY 05. As a part of that projection is the assumption that, as in recent years, community placements will be available for those state school residents seeking and referred to community placements. If additional community placements do not become available, enrollment increases would be more significant.

Due to agency consolidation under H.B. 2292, Rio Grande State Center will be operated by the Department of State Health Services (DSHS). The Department of Aging and Disability Services (DADS) will contract with the DSHS to continue to provide services to persons with mental retardation.

Under Health and Safety Code, chapter 252 section 202, the MR facilities paid a Quality Assurance Fee (QAF) for FY 2004-2005. This legislation expires September 1, 2005 per section 209, and the Department has no legal authority to continue assessing the fee in FY 2006-2007. However, this request assumes that it will be reinstated effective September 1, 2005. If not reinstated, there will be a biennial reduction in all funds expenditures of \$62 million for this strategy.

**0000138**

3.D. Sub-Strategy Request      Strategy Code: 01-08-01-01

<b>Agency Code</b>	539	Department of Aging and Disability Services
<b>Goal:</b>	01	Long-Term Care
<b>Objective:</b>	08	MR State School Services
<b>Strategy:</b>	01	MR State Schools Services
<b>Substrategy:</b>	01	Residential Care

Code	Description	Exp 2003	Est 2004	Bud 2005	BL 2006	BL 2007
<b>Objects of Expense:</b>						
1001	Salaries	259,911,915	256,194,846	254,976,757	256,075,947	256,075,947
1002	Other Personnel Cost	10,900,448	15,742,734	10,525,067	10,673,134	10,673,134
2001	Professional Fees and Services	4,532,072	3,248,847	3,006,098	2,746,098	2,544,098
2002	Fuels and Lubricants	583,795	586,025	586,025	586,115	586,121
2003	Consumable Supplies	4,611,441	5,689,095	5,610,396	5,660,972	5,670,969
2004	Utilities	12,058,529	12,114,524	11,616,007	11,528,127	11,099,942
2005	Travel	406,653	469,399	459,219	459,239	459,249
2006	Rent - Building	217,097	216,045	216,045	216,100	216,100
2007	Rent - Machine and Other	1,049,088	1,002,434	996,471	996,516	996,516
2009	Other Operating Expense	60,153,210	58,595,308	61,488,777	61,404,584	60,811,461
3001	Direct Client Services	4,455,118	4,210,106	4,155,740	4,306,295	4,308,295
3002	Food for Persons - Wards of State	7,890,163	7,550,871	7,448,225	7,543,224	7,568,224
4000	Grants	4,208	4,208	4,208	4,208	4,208
5000	Capital Expenditures	7,696,431	1,143,822	1,202,478	1,952,595	2,868,663
<b>Total, Objects of Expense</b>		<b>374,470,168</b>	<b>366,768,264</b>	<b>362,291,513</b>	<b>364,153,154</b>	<b>363,882,927</b>
<b>Method of Finance:</b>						
0001	General Revenue	9,341,742	8,824,928	8,923,106	10,765,420	10,745,860
0888	Earned Federal Funds	0	5,346,067	4,460,278	4,925,702	4,919,478
8032	GR Certified as Match for Medicaid	115,113,341	79,727,863	86,287,609	88,183,517	88,322,338
<b>Subtotal, General Revenue Funds</b>		<b>124,455,083</b>	<b>93,898,858</b>	<b>99,670,993</b>	<b>103,874,639</b>	<b>103,987,676</b>
5080	GR Dedicated - Quality Assurance Account	10,175,944	26,059,648	25,953,271	26,860,146	26,828,920
<b>Subtotal, General Revenue Funds - Dedicated</b>		<b>10,175,944</b>	<b>26,059,648</b>	<b>25,953,271</b>	<b>26,860,146</b>	<b>26,828,920</b>
555	Federal Funds					
10.550.000	Food Donation	109,006	104,782	103,698	103,698	103,698
93.778.005	Medical Assistance Program - Title XIX - FMAP	216,981,939	220,859,394	210,152,476	209,624,096	209,291,087
94.011.000	Foster Grandparent Program	1,808,796	1,872,449	1,971,159	1,971,159	1,971,159
83.554.000	Assistance to Fire Fighters Grant	135,000	0	0	0	0
<b>Subtotal, Federal Funds</b>		<b>219,034,741</b>	<b>222,836,625</b>	<b>212,227,333</b>	<b>211,698,953</b>	<b>211,365,944</b>
0666	Appropriated Receipts	0	3,122,569	3,069,058	0	0
0777	Interagency Contracts	283,400	717,609	921,211	902,041	902,041
8031	MHMR Collections for Patient Support and Maintenance	15,724,798	15,742,384	15,689,044	15,991,187	15,973,225
8033	MHMR Appropriated Receipts	802,662	785,477	847,451	891,139	891,139
8034	MHMR Medicare Receipts	998,730	891,375	890,985	912,882	911,815
8061	MHMR Revolving Fund Receipts	2,994,810	2,713,719	3,022,167	3,022,167	3,022,167
<b>Subtotal, Other Funds</b>		<b>20,804,400</b>	<b>23,973,133</b>	<b>24,439,916</b>	<b>21,719,416</b>	<b>21,700,387</b>
<b>Total, Method of Financing</b>		<b>374,470,168</b>	<b>366,768,264</b>	<b>362,291,513</b>	<b>364,153,154</b>	<b>363,882,927</b>

0000139

Code	Description	Exp 2003	Est 2004	Bud 2005	BL 2006	BL 2007
<b>Full-Time Equivalent Positions:</b>						
	State/Federal	11,477.0	11,381.0	11,335.0	11,381.0	11,381.0
<b>Total, Full-Time Equivalent Positions</b>		<b>11,477.0</b>	<b>11,381.0</b>	<b>11,335.0</b>	<b>11,381.0</b>	<b>11,381.0</b>

**Sub-strategy Description and Justification:**

The MR Residential Care sub-strategy funds the direct care and support given persons with mental retardation admitted to the eleven state school campuses and two state centers providing mental retardation residential services. State schools and centers provide 24-hour residential services for many persons with mental retardation who are medically fragile or severely physically impaired or have severe behavior problems and cannot currently be served in the community. Other services provided by the state MR facilities include intensive time-limited services for persons who reside in the community but require such intervention services as respite. Specialized services for both campus and community residents such as habilitation therapy, specialized mobility and communications systems, physical and nutritional management programs are also available. Statutory Authority: Health and Safety Code, Chapters 551- 554.

**External/Internal Factors Impacting Sub-strategy:**

Although in recent years there was a slight decline in enrollment, currently enrollment has stabilized and State Mental Retardation Facilities have experienced an increase in enrollment above their budgeted target. This appropriation request is based on projections that this slight increase would continue through FY 05. As a part of that projection is the assumption that, as in recent years, community placements will be available for those state school residents seeking and referred for state school placement. If additional community placements do not become available, enrollment increases would be more significant.

Due to agency consolidation under H.B. 2292, Rio Grande State Center will be operated by the Department of State Health Services (DSHS). The Department of Aging and Disability Services (DADS) will contract with the DSHS to continue to provide services to persons with mental retardation.

Under Health and Safety Code, chapter 252 section 202, the MR facilities paid a Quality Assurance Fee (QAF) for FY 2004-2005; this legislation expires September 1, 2005 per section 209, and the Department has no legal authority to continue assessing the fee in FY 2006-2007. The reduction in expenditures for the biennium is approximately \$62 million.

0000140

3.D. Sub-Strategy Request      Strategy Code: 01-08-01-02

<b>Agency Code</b>	539	Department of Aging and Disability Services
<b>Goal:</b>	01	Long-Term Care
<b>Objective:</b>	08	MR State School Services
<b>Strategy:</b>	01	MR State Schools Services
<b>Substrategy:</b>	02	New Generation Medications

Code	Description	Exp 2003	Est 2004	Bud 2005	BL 2006	BL 2007
<b>Output Measures:</b>						
<b>Objects of Expense:</b>						
2009	Other Operating Expense	6,640,609	7,461,947	7,787,916	8,128,125	8,333,196
<b>Total, Objects of Expense</b>		<b>6,640,609</b>	<b>7,461,947</b>	<b>7,787,916</b>	<b>8,128,125</b>	<b>8,333,196</b>
<b>Method of Finance:</b>						
0001	General Revenue	182,762	198,546	195,847	247,697	253,852
0888	Earned Federal Funds	0	120,277	107,029	123,437	125,352
8032	GR Certified as Match for Medicaid	2,041,203	1,551,234	1,787,158	1,881,912	1,935,481
<b>Subtotal, General Revenue Funds</b>		<b>2,223,965</b>	<b>1,870,057</b>	<b>2,090,034</b>	<b>2,253,046</b>	<b>2,314,685</b>
5080	GR Dedicated - Quality Assurance Account	199,083	586,298	622,777	726,487	744,291
<b>Subtotal, General Revenue Funds - Dedicated</b>		<b>199,083</b>	<b>586,298</b>	<b>622,777</b>	<b>726,487</b>	<b>744,291</b>
555	Federal Funds					
	93.778.005 Medical Assistance Program - Title XIX - FMAP	3,890,381	4,561,108	4,603,472	4,727,057	4,841,844
<b>Subtotal, Federal Funds</b>		<b>3,890,381</b>	<b>4,561,108</b>	<b>4,603,472</b>	<b>4,727,057</b>	<b>4,841,844</b>
0666	Appropriated Receipts	0	70,253	73,645	0	0
8031	MHMR Collections for Patient Support and Maintenance	307,641	354,177	376,601	398,771	409,027
8034	MHMR Medicare Receipts	19,539	20,054	21,387	22,764	23,349
<b>Subtotal, Other Funds</b>		<b>327,180</b>	<b>444,484</b>	<b>471,633</b>	<b>421,535</b>	<b>432,376</b>
<b>Total, Method of Financing</b>		<b>6,640,609</b>	<b>7,461,947</b>	<b>7,787,916</b>	<b>8,128,125</b>	<b>8,333,196</b>

**Sub-strategy Description and Justification:**

The funds reflected in this sub-strategy represent the expenditures made for New Generation Medications in the state schools. New generation medications are the newer, more effective medications for mental illnesses such as schizophrenia, bipolar disorder and major depression. New generation medications, due to their increased efficacy and reduced number of side effects, continue to play a significant role in the treatment of mental illness. There are many state school consumers who are dually diagnosed as having both mental retardation and mental illness for whom new generation medications are prescribed and necessary.

Statutory Authority: Health and Safety Code, Chapters 551- 554; General Appropriations Act, 78<sup>th</sup> Legislature, Regular Session, 2003, Article II.

**External/Internal Factors Impacting Sub-strategy:**

Texas continues to pursue groundbreaking research projects that will profoundly affect the way medications are prescribed for children and adults, not only in Texas but also across the country. The Texas Medication Algorithms Project (TMAP) has resulted in the development of medication treatment guidelines for three major psychiatric disorders: schizophrenia, major depressive disorder, and bipolar disorder. The statewide implementation of the algorithms, Texas Implementation of Medication Algorithms (TIMA) was completed in August 2002. The cost of psychotropic medications has been rising which in turns puts financial pressures on other services delivered to consumers served by the state schools and centers.

3.D. Sub-Strategy Request      Strategy Code: 01-08-01-03

<b>Agency Code</b>	539	Department of Aging and Disability Services
<b>Goal:</b>	01	Long-Term Care
<b>Objective:</b>	08	MR State School Services
<b>Strategy:</b>	01	MR State Schools Services
<b>Substrategy:</b>	03	All Other Medications

Code	Description	Exp 2003	Est 2004	Bud 2005	BL 2006	BL 2007
<b>Objects of Expense:</b>						
2009	Other Operating Expense	10,663,399	12,172,400	12,921,151	13,715,959	14,159,657
<b>Total, Objects of Expense</b>		<b>10,663,399</b>	<b>12,172,400</b>	<b>12,921,151</b>	<b>13,715,959</b>	<b>14,159,657</b>
<b>Method of Finance:</b>						
0001	General Revenue	293,477	323,881	324,936	417,980	431,342
0888	Earned Federal Funds	0	196,204	177,575	208,296	212,997
8032	GR Certified as Match for Medicaid	3,277,736	2,530,472	2,965,124	3,175,669	3,288,744
<b>Subtotal, General Revenue Funds</b>		<b>3,571,213</b>	<b>3,050,557</b>	<b>3,467,635</b>	<b>3,801,945</b>	<b>3,933,083</b>
5080	GR Dedicated - Quality Assurance Account	319,684	956,406	1,033,267	1,225,924	1,264,690
<b>Subtotal, General Revenue Funds - Dedicated</b>		<b>319,684</b>	<b>956,406</b>	<b>1,033,267</b>	<b>1,225,924</b>	<b>1,264,690</b>
555	Federal Funds					
	93.778.005 Medical Assistance Program - Title XIX - FMAP	6,247,121	7,440,367	7,637,749	7,976,762	8,227,196
<b>Subtotal, Federal Funds</b>		<b>6,247,121</b>	<b>7,440,367</b>	<b>7,637,749</b>	<b>7,976,762</b>	<b>8,227,196</b>
0666	Appropriated Receipts	0	114,600	122,187	0	0
8031	MHMR Collections for Patient Support and Maintenance	494,005	577,756	624,829	672,914	695,014
8034	MHMR Medicare Receipts	31,376	32,714	35,484	38,414	39,674
<b>Subtotal, Other Funds</b>		<b>525,381</b>	<b>725,070</b>	<b>782,500</b>	<b>711,328</b>	<b>734,688</b>
<b>Total, Method of Financing</b>		<b>10,663,399</b>	<b>12,172,400</b>	<b>12,921,151</b>	<b>13,715,959</b>	<b>14,159,657</b>

**Sub-strategy Description and Justification:**

When an individual is receiving services in a Mental Retardation residential facility a component of their total service array is physical health care. Included in this service is the prescribing and dispensing of pharmaceuticals to treat physical and psychiatric conditions. These drugs are prescribed under the supervision and care of a licensed physician. The cost of these medications is reflected in this sub-strategy. Statutory Authority: Health and Safety Code, Chapters 551- 554.; General Appropriations Act, 78<sup>th</sup> Legislature, Regular Session, 2003, Article II.

**External/Internal Factors Impacting Sub-strategy:**

The cost of non-psychotropic medications has been rising which in turns put financial pressures on other services delivered in the state schools.

0000142



3.D. Sub-Strategy Request      Strategy Code: 01-08-01-04

<b>Agency Code</b>	539	Department of Aging and Disability Services
<b>Goal:</b>	01	Long-Term Care
<b>Objective:</b>	08	MR State School Services
<b>Strategy:</b>	01	MR State Schools Services
<b>Substrategy:</b>	04	Off-Campus Medical Care

Code	Description	Exp 2003	Est 2004	Bud 2005	BL 2006	BL 2007
<b>Objects of Expense:</b>						
2001	Professional Fees and Services	2,809,182	2,253,818	2,146,320	2,156,320	2,158,320
<b>Total, Objects of Expense</b>		<b>2,809,182</b>	<b>2,253,818</b>	<b>2,146,320</b>	<b>2,156,320</b>	<b>2,158,320</b>
<b>Method of Finance:</b>						
0001	General Revenue	77,314	59,969	53,975	65,712	65,748
0888	Earned Federal Funds	0	36,329	29,497	32,747	32,467
8032	GR Certified as Match for Medicaid	863,492	468,537	492,534	499,255	501,295
<b>Subtotal, General Revenue Funds</b>		<b>940,806</b>	<b>564,835</b>	<b>576,006</b>	<b>597,714</b>	<b>599,510</b>
5080	GR Dedicated - Quality Assurance Account	84,218	177,086	171,635	192,731	192,773
<b>Subtotal, General Revenue Funds - Dedicated</b>		<b>84,218</b>	<b>177,086</b>	<b>171,635</b>	<b>192,731</b>	<b>192,773</b>
555	Federal Funds					
	93.778.005 Medical Assistance Program - Title XIX - FMAP	1,645,751	1,377,645	1,268,699	1,254,045	1,254,051
<b>Subtotal, Federal Funds</b>		<b>1,645,751</b>	<b>1,377,645</b>	<b>1,268,699</b>	<b>1,254,045</b>	<b>1,254,051</b>
0666	Appropriated Receipts	0	21,219	20,296	0	0
8031	MHMR Collections for Patient Support and Maintenance	130,141	106,976	103,790	105,791	105,939
8034	MHMR Medicare Receipts	8,266	6,057	5,894	6,039	6,047
<b>Subtotal, Other Funds</b>		<b>138,407</b>	<b>134,252</b>	<b>129,980</b>	<b>111,830</b>	<b>111,986</b>
<b>Total, Method of Financing</b>		<b>2,809,182</b>	<b>2,253,818</b>	<b>2,146,320</b>	<b>2,156,320</b>	<b>2,158,320</b>

**Sub-strategy Description and Justification:**

As health care acuity of consumers in State Mental Retardation Facilities increases over time, the demands for specialty consultation on complex health needs also continues to increase. The funding provided for services for consumers in the Intermediate Care Facilities for the Mentally Retarded (ICF/MR) program is an all-inclusive daily rate that must cover all care, treatment and training needs for consumers. Facilities put forth significant efforts to ensure that off-campus specialty health services secured for consumers eligible for Medicare or Medicaid reimbursement are provided with the cost confines of those programs. However, if the facility serves a consumer that is not eligible for reimbursement under one or both of these programs and that consumer has significant health care issues and/or has exhausted all available benefits, the full cost of securing and providing these very costly services is paid from the facility's operating budget. This funding request is focused on assuring available dollars for securing and providing these necessary health care services for consumers. Statutory Authority: Health and Safety Code, Chapters 551- 554; General Appropriations Act, 78<sup>th</sup> Legislature, Regular Session, 2003, Article II.

**External/Internal Factors Impacting Sub-strategy:**

Federal regulations governing reimbursement for services for consumers enrolled in the ICF/MR program require that all necessary care, treatment and training (including health care services) be funded through the daily rate paid to the provider organization. While persons enrolled in this program are eligible for Medicaid reimbursement for specialty health care services provided outside the facility, the complexity of their health care needs often place them at risk of exhausting the available cap on reimbursement in a very short period of time. With multiple chronic health care needs being the focus of service for this one significant portion of the priority population served by the State Mental Retardation Facilities, the projected increase in costs of this nature appears quite likely.

0000143

### 3. E. Sub-strategy Summary

Agency Code: 539	Agency Name: Texas Department of Aging and Disability Services	Statewide Goal Code :03-00	Strategy Code: 01-08-01			
<b>AGENCY GOAL</b>	Long Term Care					
<b>OBJECTIVE</b>	MR State School Services					
<b>STRATEGY</b>	MR State School Services					
<b>SUB-STRATEGY SUMMARY</b>						
Code	Sub-strategy Requests	Exp 2003	Est 2004	Bud 2005	BL 2006	BL 2007
01	Residential Care	374,470,168	366,768,264	362,291,513	364,153,154	363,882,927
02	New Generation Medications	6,640,609	7,461,947	7,787,916	8,128,125	8,333,196
03	All Other Medications	10,663,399	12,172,400	12,921,151	13,715,959	14,159,657
04	Off-Campus Medical Care	2,809,182	2,253,818	2,146,320	2,156,320	2,158,320
<b>Total, Sub-strategies</b>		<b>394,583,358</b>	<b>388,656,429</b>	<b>385,146,900</b>	<b>388,153,558</b>	<b>388,534,100</b>