

4.A. EXCEPTIONAL ITEM REQUEST SCHEDULE
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/21/2010**
 TIME: **11:15:18AM**

Agency code: **529**

Agency name:

Health and Human Services Commission

CODE	DESCRIPTION	Excp 2012	Excp 2013
	Item Name: Maintain Medicaid Cost and Utilization Trends for Current Services		
	Item Priority: 1		
	Includes Funding for the Following Strategy or Strategies:		
	01-01-01 Enterprise Oversight and Policy		
	02-01-01 Medicare and Supplemental Security Income Risk Groups		
	02-01-02 Temp Asst for Needy Families 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.		
	02-01-06 STAR+PLUS (Integrated Managed Care)		
	02-02-01 Cost Reimbursed Services		
	02-02-02 Medicaid Vendor Drug Program		
	02-02-04 Medical Transportation		
	02-03-01 Health Steps (EPSDT) Medical - Fee for Service Only		
	02-03-02 Health Steps (EPSDT) Dental		
	02-03-03 Health Steps (EPSDT) Comprehensive Care Program - Fee for Service Only		

OBJECTS OF EXPENSE:

3001	CLIENT SERVICES	1,062,411,544	2,279,271,009
	TOTAL, OBJECT OF EXPENSE	\$1,062,411,544	\$2,279,271,009

METHOD OF FINANCING:

555	Federal Funds		
93.778.000	XIX FMAP	622,710,052	1,335,632,676
93.778.003	XIX 50%	13,042,224	28,442,092
706	Vendor Drug Rebates-Medicaid	32,193,561	69,227,871
758	GR Match For Medicaid	391,182,765	838,902,583
8081	Vendor Drug Rebates-Sup Rebates	3,282,942	7,065,787
	TOTAL, METHOD OF FINANCING	\$1,062,411,544	\$2,279,271,009

DESCRIPTION / JUSTIFICATION:

This request represents the incremental costs associated with the FY 2012-13 Medicaid costs estimates over the FY 2011 levels not allowed in the base request. Caseload growth is assumed to be in the base request at FY 2011 cost levels and the Federal Medical Assistance Percentage (FMAP) rates of 60.55 percent for FY 2012-13. The overall FY 2012-13 Medicaid total cost growth over the base LAR forecast is 5.2 percent for FY 12 and 10.9 percent for FY 13. Risk Group medical costs account for 47 percent of the total and

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generally grow at a rate of 11 percent a year. Risk group medical costs include all inpatient/outpatient hospital costs, HMO premium payments, and all acute medical fee-for-service and PCCM payments for the Medicaid Risk Groups and STAR+PLUS. Vendor drug costs are 22 percent of the total (before considering additional rebate income) and total cost growth above the base is 7 percent in FY 2012 and 15 percent in FY 2013. The Texas Health Steps program is 19 percent of this exceptional item and typically accounts for about 13 percent of costs. The FREW Settlement Agreement resulted in a fee increase of 25 percent in professional fees for medical services and an increase of 50 percent for dental services. There have been many FREW Strategic Initiatives & Corrective Action Orders proven to be successful and integrated into the base budget in FY 2012-13. The major funding component of the initiatives includes two rate factors for First Home Dental and Fluorine Varnish. Texas Health Steps includes medical and dental services as well as comprehensive care program services. Costs for emergency services provided to Legal Permanent Residents and Illegal Aliens represent approximately 0.6 percent of the total. Costs for Medical Transportation represent about 2 percent of the total. Premiums for certain Medicare clients (non-full dual eligibles) account for about 9 percent of the total.

EXTERNAL/INTERNAL FACTORS:

Certain cost elements of Medicaid are not controlled by the state. For example, the federal matching rate and Medicare related payments are set by the federal government. Federal regulations can increase state costs. In addition, some medical cost increases can be attributed to changes in medical technology and the adoption of newer procedures.

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CODE	DESCRIPTION	Excp 2012	Excp 2013
	Item Name: Maintain CHIP Cost and Utilization Trends for Current Services		
	Item Priority: 2		
	Includes Funding for the Following Strategy or Strategies:		
	02-01-01 Medicare and Supplemental Security Income Risk Groups		
	03-01-01 Children's Health Insurance Program (CHIP)		
	03-01-02 Immigrant Children Health Insurance		
	03-01-03 School Employee Children Insurance		
	03-01-04 CHIP Perinatal Services		
	03-01-05 CHIP Vendor Drug Program		
OBJECTS OF EXPENSE:			
3001	CLIENT SERVICES	45,300,750	95,368,752
TOTAL, OBJECT OF EXPENSE		\$45,300,750	\$95,368,752

METHOD OF FINANCING:

1	General Revenue Fund	1,413,557	2,985,754
555	Federal Funds		
93.767.000	CHIP	31,838,447	67,025,536
8010	GR Match For Title XXI	11,762,497	24,802,347
8070	Vendor Drug Rebates-CHIP	286,249	555,115
TOTAL, METHOD OF FINANCING		\$45,300,750	\$95,368,752

DESCRIPTION / JUSTIFICATION:

Traditional CHIP recipient month premiums are assumed to grow at 4.2 percent each year in FY 12 and FY 13. CHIP cost growth accounts for 67.5 percent of this exceptional item. Total CHIP vendor drug cost growth over the base LAR request is 2.1 percent in FY 2012 and 4.2 percent in FY 2014. Cost growth in the CHIP vendor drug program accounts for 9.7 percent of this exceptional item. Total CHIP Perinatal cost growth over the base LAR request is 6.5 percent in FY 2012 and 13.3 percent in FY 2014. Cost growth in the CHIP Perinatal program accounts for 22.7 percent of this exceptional item.

EXTERNAL/INTERNAL FACTORS:

Perinatal newborns will be deemed into the Medicaid Newborn risk group upon their birth into the CHIP Perinatal program as of September 1, 2010. In the CHIP Perinatal program, newborn premiums are cheaper per month than the Perinatal premiums. Average CHIP Perinatal program cost per recipient month increases as a result of this change, while total CHIP Perinatal costs decrease from the lower caseload. Certain cost elements of CHIP are not controlled by the state. For example, the federal match rate is set by the federal government. Federal regulations can increase state costs. In addition, some medical cost increases can be attributed to changes in medical technology and the adoption of newer procedures.

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<u>CODE</u>	<u>DESCRIPTION</u>	<u>Excp 2012</u>	<u>Excp 2013</u>
	Item Name: Maintain TANF Grant Amounts for Current Services		
	Item Priority: 3		
	Includes Funding for the Following Strategy or Strategies: 04-01-01 Temporary Assistance for Needy Families Grants		
OBJECTS OF EXPENSE:			
3001	CLIENT SERVICES	26,543,190	27,531,700
	TOTAL, OBJECT OF EXPENSE	\$26,543,190	\$27,531,700
METHOD OF FINANCING:			
1	General Revenue Fund	2,961,938	3,255,151
759	GR MOE For TANF	23,581,252	24,276,549
	TOTAL, METHOD OF FINANCING	\$26,543,190	\$27,531,700

DESCRIPTION / JUSTIFICATION:

This request would continue funding the full monthly cash grant awards for the TANF-Basic program, TANF- Separate State Program (SSP) for two-parent families and families in crises who are eligible for TANF cash assistance benefits and choose to receive a one-time cash grant of \$1,000 in lieu of regular ongoing TANF cash assistance benefits. The purpose of the program is to provide temporary financial assistance to needy dependent children and the parents or relatives with whom they are living. The TANF-Basic program provides financial assistance to families with needy children who are deprived of parental support because of the absence or disability of one or both parents and the unemployment or underemployment of the remaining parent. Caseload growth trends are estimated at 8.2 percent in FY 2010, and slows down to 2.5 percent increase by FY 2013. Preliminary data through May 2010 shows another upswing in caseload, underscoring the need to project continued growth.

EXTERNAL/INTERNAL FACTORS:

TANF caseloads declined starting in the mid-1990s and stabilized in 2000. The increase in FY 2010 is the first since FY 2003 for the TANF program. In FY 2003 the Personal Responsibility Agreement and Full-Family Sanctions for TANF clients was implemented. The current period of economic down-turn and high unemployment impacting Texas families has caused the TANF basic assistance caseload to increase for the first time in seven years and HHSC has experienced a major growth in TANF clients. The low point for TANF recipient caseload was just under 110,000, in the spring of 2009.

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the Texas Health Steps Lab courier services will decrease the number of specimens rejected because of delay in mail delivery, the Children's Medicaid Loan Repayment will meet obligations to currently participating physicians & dentists who meet their requirements to provide a minimum number of services to children enrolled in Medicaid. The Health Home pilots allows provider practices the opportunity to test different methods for establishing medical homes for children, the Integrated Pediatric & Mental Health integrates licensed professionals with pediatric primary care practices where as the initial pilot indicated effectiveness at providing preventive behavioral health services and the Mobile Dental services provide Health Departmental Dental Clinics to children enrolled in Medicaid. HHSC is required to report quarterly on its activities related to the Consent Decree.

EXTERNAL/INTERNAL FACTORS:

HHSC's requirement to report quarterly to the federal court on implementation activities. Compliance issues could result in additional court action. Internal factors include procedural requirements in the RFP and contracting process or the hiring process could result in delayed implementation. The Corrective Action Order stipulates Adequate Supply of Health Care Providers and requires HHSC to apply \$150 million toward strategic initiatives to improve class members' access to care for children enrolled in Medicaid. Plaintiffs in the FREW lawsuit may object to reductions in funding for Strategic Initiatives established under the Adequate Supply of Health Care Providers corrective action order. Plaintiff attorney has indicated that the State should seek additional funding for Strategic Initiatives. HHSC will expend the entire \$150 million one time appropriation by the end of FY 2011.

Other than the strategic initiatives that are provider rate adjustments that are currently in the FY 2011 Medicaid cost trends (and therefore in the Base Request), HHSC has no other base funding for FY 2012-13 to maintain or implement strategic initiatives for improving access to care for children enrolled in Medicaid.

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Item Name: Annualize Costs and Maintain Current Services

Item Priority: 5

Includes Funding for the Following Strategy or Strategies: 01-01-02 Integrated Eligibility and Enrollment (IEE)
 01-02-01 Consolidated System Support

OBJECTS OF EXPENSE:

2001	PROFESSIONAL FEES AND SERVICES	1,000,000	1,000,000
2006	RENT - BUILDING	9,597,467	11,144,633
2009	OTHER OPERATING EXPENSE	2,532,064	1,003,713
TOTAL, OBJECT OF EXPENSE		\$13,129,531	\$13,148,346

METHOD OF FINANCING:

1	General Revenue Fund	8,283,883	8,837,109
555	Federal Funds		
00.000.001	Comptroller Misc Claims Fed Fnd Pym	1,784,455	1,915,196
10.561.000	St Admin Match Food Stamp	940,815	708,413
93.767.000	CHIP	9,387	7,588
93.778.002	MEDICAID REIMBURSE ADMIN	604,328	511,811
758	GR Match For Medicaid	562,055	456,738
8010	GR Match For Title XXI	3,793	3,078
8014	GR Match Food Stamp Adm	940,815	708,413
TOTAL, METHOD OF FINANCING		\$13,129,531	\$13,148,346

DESCRIPTION / JUSTIFICATION:

This request funds increases in lease costs, and increases in Electronic Benefit Transfer (EBT) costs due to caseload growth.

All lease renewals negotiated by the Texas Facilities Commission between March 2009 and March 2010 reflect an increase based on the changes in the Consumer Price Index (CPI). This pattern is expected to continue. Additionally, FTEs headquartered in regional facilities increased during FY 2010, which required additional lease space.

Agency costs are also expected to increase for the EBT program. Based on FY 2010 caseload information and growth patterns, costs of the EBT program are projected to increase by 22.20% in FY 2012 and 25.06% in FY 2013.

EXTERNAL/INTERNAL FACTORS:

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Impacts include 1) HHS approved FTE growth in the regions; 2) changes in the Consumer Price Index; 3) the Texas Facilities Commission negotiates lease contracts; 4) caseload/workload growth; 5) caseload mix changes; 6) laws and standards for benefit issuance, including federal standards that determine imposition of sanctions and financial penalties; and 7) state and federal external oversight and review.

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Item Name: Maintain IT Services for HHS Provided by DIR Data Center Services

Item Priority: 6

Includes Funding for the Following Strategy or Strategies: 08-01-01 Maintain IT Services for HHS Provided by DIR Data Center Services

OBJECTS OF EXPENSE:

2001	PROFESSIONAL FEES AND SERVICES	713,233	6,586,389
2009	OTHER OPERATING EXPENSE	11,456,545	0
TOTAL, OBJECT OF EXPENSE		\$12,169,778	\$6,586,389

METHOD OF FINANCING:

1	General Revenue Fund	9,387,795	693,345
555	Federal Funds		
00.000.001	Comptroller Misc Claims Fed Fnd Pym	1,355,364	0
10.561.000	St Admin Match Food Stamp	381,169	2,946,522
93.767.000	CHIP	9,696	0
93.778.003	XIX 50%	325,328	0
758	GR Match For Medicaid	325,328	0
8010	GR Match For Title XXI	3,929	0
8014	GR Match Food Stamp Adm	381,169	2,946,522
TOTAL, METHOD OF FINANCING		\$12,169,778	\$6,586,389

DESCRIPTION / JUSTIFICATION:

On November 22, 2006, DIR executed a contract with International Business Machines Corporation (IBM) to provide data center services for Texas state agencies. The contract commenced on March 31, 2007, and expires on August 31, 2014, with three optional, one-year extensions. The agreement includes management of services in 31 legacy data centers, consolidation of these services to the Austin and San Angelo Data Centers, and ongoing operations. The state retains ownership of all assets until end of life and retains ownership of all data on the in-scope systems. The state's goals for the data center services (DCS) contract include effective management of in-place services, migration of services to the consolidated data centers, and improvements to services, security, and disaster recovery capability.

The exceptional item represents two funding components. Funding would allow two agencies to continue to pay estimated monthly DIR billings -DARS (\$713K in FY2012 and \$0.7 million in FY2013 for a biennial total of \$1.4 million) and HHSC (\$5.9 million in FY 2013). The DIR payments would be included in the capital budget rider. There are also funding requests for transformation and remediation costs in FY 2012 for DADS -\$1.1 million, DFPS - 0.4 million, DSHS - 5.7 million and HHSC - \$4.2 million. This funding is necessary to transform and remediate existing applications so that they can be supported by the DIR Data Center.

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Exceptional item also includes request to fund DCS related costs for new FTEs requested in all HHSC exceptional item requests.

EXTERNAL/INTERNAL FACTORS:

Texas Government Code §2054.375, Subchapter L. Statewide Technology Centers requires DIR to manage a statewide data center consolidation and identify agencies for participation.

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CODE	DESCRIPTION	Excp 2012	Excp 2013
	Item Name: Improve Security for HHS IT Systems		
	Item Priority: 7		
	Includes Funding for the Following Strategy or Strategies: 08-01-06 Improve Security for IT Systems		
OBJECTS OF EXPENSE:			
2001	PROFESSIONAL FEES AND SERVICES	7,011,674	4,347,490
2009	OTHER OPERATING EXPENSE	189,250	570,461
5000	CAPITAL EXPENDITURES	1,550,000	2,382,216
TOTAL, OBJECT OF EXPENSE		\$8,750,924	\$7,300,167

METHOD OF FINANCING:

1	General Revenue Fund	4,018,615	4,092,822
555	Federal Funds		
00.000.001	Comptroller Misc Claims Fed Fnd Pym	997,566	1,263,704
10.551.000	Food Stamps	997,833	519,296
93.767.000	CHIP	25,375	13,202
93.778.003	XIX 50%	851,709	443,248
758	GR Match For Medicaid	851,703	443,248
8010	GR Match For Title XXI	10,290	5,351
8014	GR Match Food Stamp Adm	997,833	519,296
TOTAL, METHOD OF FINANCING		\$8,750,924	\$7,300,167

DESCRIPTION / JUSTIFICATION:

Security improvements and replacements to the following areas throughout the HHS system: improvements to protect personal confidential client information, staff email improvements, security improvements to Winters building to resolve Internal Audit findings, and replacement of aging Power Distribution Units (PDUs) and Computer Room Air Conditioning (CRAC) units.

Improvements to protect confidential information (Security Roadmap) will enable compliance with state and federal laws and policies for protecting this data. It will provide further capability for the HHS information security to provide technical solutions to protect the privacy, confidentiality, security, integrity, and relevance of this information.

Improvements to staff email (e-Discovery) would provide for compliance with state and federal regulations, efficiencies in fulfilling Open Records requests, and avoidance of litigation penalties when records cannot be located and provided. In addition, electronic document processing can cut manual attorney review costs.

Improvements to Data Center Security at the Winters building will help resolve Internal Audit findings that identified several physical security vulnerabilities for the Winters

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building. These findings include adding security cameras, security guards; replacement of all data centers' locks, adding water, temperature and fire suppression controls; and adding monitoring of the additional environmental controls to enable TFC remote visibility to the facility's status. These measures would satisfy audit findings related to the security of PHI data.

Replace the aging Power Distribution Units (PDUs) and Computer Room Air Conditioning (CRAC) units and allow for dedicated chillers to be installed for the data centers. Without these items, the data centers will be at risk of losing air conditioning capabilities, having sufficient cooled water for the CRAC units, and could potentially have power losses to infrastructure devices.

EXTERNAL/INTERNAL FACTORS:

Security Roadmap:

The Asset will be used ongoing. The federal HITECH law provides for penalties in the event of a data breach where data is not encrypted. This will ensure discovery and encryption of confidential data.

e-Discovery:

Across the HHS system, agencies processed more than 2,000 open records requests in 2009. Additionally, HHSC legal has worked multiple Medicare fraud cases with the Attorney General's office that have resulted in awards being made to State. Manual search required for either an open records request or in response to litigation make demands upwards of 15-20 hours per staff member who is required to search e-mail for any relevant correspondence. Gartner Research indicates that E-Discovery software promotes cost savings.

Data Center Physical Security & Data Center Power:

The services require coordination through TFC. HHSC is not authorized to make changes to the facility without TFC approval. Final timelines will be coordinated with TFC. HHSC has been in discussion with TFC about these needed repairs and we are assured expeditious work. Security recommendations are from the Internal Auditors' Physical Security Assessment of John H. Winters Computer Building, where findings were noted as vulnerabilities which could violate agency requirements to secure Protected Health Information (PHI) data. TFC has started a Winters facility assessment and have indicated will be completed in the first half of FY2011. Specific installation dates for identified hardware and software will be dependent upon the Winters facility assessment and TFC's ability to properly schedule all of the installations around HHSC work to avoid any disruptions of service. It is expected that approximately 75% of the total cost will be required up front by TFC to cover hardware acquisition. There is also an increased concern the older PDUs and CRAC units will begin to fail more frequently after TFC replaces the UPSs and ATS switch (scheduled for Fall 2010).

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CODE	DESCRIPTION	Excp 2012	Excp 2013
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Item Name: Implement MEPD Asset Verification System

Item Priority: 8

Includes Funding for the Following Strategy or Strategies: 01-01-02 Integrated Eligibility and Enrollment (IEE)

OBJECTS OF EXPENSE:

2001 PROFESSIONAL FEES AND SERVICES

3,000,000

1,600,000

TOTAL, OBJECT OF EXPENSE

\$3,000,000

\$1,600,000

METHOD OF FINANCING:

555 Federal Funds

93.778.003 XIX 50%

758 GR Match For Medicaid

1,500,000

800,000

1,500,000

800,000

TOTAL, METHOD OF FINANCING

\$3,000,000

\$1,600,000

DESCRIPTION / JUSTIFICATION:

The Supplemental Appropriations Act of 2008 added section 1940 to the Social Security Act (Sec. 1940. [42 U.S.C. 1396w]). This section requires all states to implement an electronic system to obtain information from financial institutions for verification of the assets of Medicaid Eligibility for the Elderly or People with Disabilities (MEPD) applicants and redeterminations. This is an unfunded federal mandate. The Centers for Medicare and Medicaid Services (CMS) released guidance on the specifications. Federal requirements must be met through developing an in-house system or contracting for a vendor to implement and conduct the interfaces. The system must be electronic, matches are run for applications and redeterminations, verification requests must include financial institutions other than those reported by clients, verification requests may need to be for open and closed accounts for a five year look-back, and the state must generate reports required by CMS.

EXTERNAL/INTERNAL FACTORS:

Internal/external factors include the potential impact associated with the rollout schedule, as the federal fiscal year for implementation is 2013 and there is no schedule for MEPD TIERS rollout at this time. There are also potential impacts associated with workload growth, re-procurements for contracted services, and federal and state review and oversight. As for workload growth, there may be timing issues related to the matching of data. Regarding the re-procurement of contracted services, it is unknown at this time whether it will be handled under the Data Broker or through a new procurement. Further, there are factors relating to oversight, as the federal mandate includes meeting CMS timeliness and non-compliance requirements.

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CODE	DESCRIPTION	Excp 2012	Excp 2013
	Item Name: Expand Food Bank Collaboration Pilot Statewide		
	Item Priority: 9		
	Includes Funding for the Following Strategy or Strategies: 01-01-02 Integrated Eligibility and Enrollment (IEE)		
OBJECTS OF EXPENSE:			
2001	PROFESSIONAL FEES AND SERVICES	2,250,000	2,250,000
TOTAL, OBJECT OF EXPENSE		2,250,000	2,250,000

METHOD OF FINANCING:

1	General Revenue Fund	38,250	38,250
555	Federal Funds		
10.561.000	St Admin Match Food Stamp	533,024	533,024
93.767.000	CHIP	106,088	106,088
93.778.003	XIX 50%	498,263	498,263
758	GR Match For Medicaid	498,263	498,263
8010	GR Match For Title XXI	43,088	43,088
8014	GR Match Food Stamp Adm	533,024	533,024
TOTAL, METHOD OF FINANCING		2,250,000	2,250,000

DESCRIPTION / JUSTIFICATION:

On December 29, 2009, USDA approved an HHSC waiver request for the Community Partner Interviewer (CPI) demonstration project enabling HHSC to expand the current application assistance services provided through a strategic public partnership with Texas Food Bank Network (TFBN) to include the SNAP eligibility interview process. Waiver services are delivered under application assistance contract with the (TFBN) and its affiliated Food Bank members serving the Houston, San Antonio, and Dallas / Ft. Worth pilot areas.

The CPI service waiver is an expansion of the current application assistance efforts and will provide Texan's with greater access options for SNAP, Medicaid, CHIP, TANF and other HHSC benefit programs. This is particularly vital given the challenges currently being experienced in determining eligibility in a timely fashion. This partnership is one of many strategies being implemented to make the processing of applications more efficient. Clients will also report a high rate of satisfaction with the services they receive.

The potential exists, pursuant to USDA FNS approval and successful implementation as demonstrated by regular reports to USDA FNS, to expand pilot operations statewide.

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External Factors: Many eligible people in Texas are not receiving social service benefits they are qualified for either because they are unaware of what programs are available or experience barriers accessing them, as evident from the first few months of the pilot where over 50% of people served have never applied for benefits before. Expansion statewide would require federal approval.

Internal: Heavy increases in applications for benefit programs currently being experienced at the HHSC eligibility offices has caused problems in meeting federal timeliness requirements.

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CODE	DESCRIPTION	Excp 2012	Excp 2013
	Item Name: Increase Retention of Eligibility Staff		
	Item Priority: 10		
	Includes Funding for the Following Strategy or Strategies: 01-01-02 Integrated Eligibility and Enrollment (IEE)		
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	36,617,348	60,228,778
1002	OTHER PERSONNEL COSTS	2,832,354	2,832,354
TOTAL, OBJECT OF EXPENSE		\$39,449,702	\$63,061,132

METHOD OF FINANCING:

1	General Revenue Fund	1,304,268	2,070,490
555	Federal Funds		
10.561.000	St Admin Match Food Stamp	8,617,745	13,680,435
93.778.003	XIX 50%	10,454,972	16,814,886
758	GR Match For Medicaid	10,454,972	16,814,886
8014	GR Match Food Stamp Adm	8,617,745	13,680,435
TOTAL, METHOD OF FINANCING		\$39,449,702	\$63,061,132

DESCRIPTION / JUSTIFICATION:

This request would provide a 10% salary increase to OES direct delivery staff and provide funding to implement a performance incentive program for them. While HHSC has made significant improvement in recruiting/filling eligibility positions (current vacancy rate is less than 3%) the annualized FY2010 turnover rate for OES eligibility Workers/Clerks is projected to be 16%. OES and HR staff have identified low starting salaries, mandatory overtime, and other reasons for the difficulties in retaining qualified staff. A market data review indicates the starting salary levels for HHSC eligibility Workers are not competitive with similar jobs in other states. The State Auditor's Office (SAO) Report No. 10-026 stated the median average base salary for tenured eligibility workers is \$40,761 in 8 states; while Texas ranks near the bottom with its tenured Workers earning an average of \$31,735. The SAO recommended that HHSC consider increasing the Worker salaries and implementing a performance incentive program to help recruit and retain eligibility staff.

EXTERNAL/INTERNAL FACTORS:

External/Internal Factors Impacting Strategy include 1) private section competition paying higher salaries; 2) competition from other agencies or entities that offer bonuses or merit raises on an ongoing basis 3) caseload/workload growth and caseload mix changes; 4) SAO audit recommended that HHSC implement performance incentives for staff; and 5) employees dissatisfaction with working conditions, pay and benefits, the heavy workload, and the complexity of working in two automated systems causing them to decide to leave (revealed in the State Auditor's Office Exit Survey system during FY 2009/2010).

4.A. EXCEPTIONAL ITEM REQUEST SCHEDULE
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/21/2010**
 TIME: **11:15:24AM**

Agency code: **529**

Agency name:

Health and Human Services Commission

CODE	DESCRIPTION	Excp 2012	Excp 2013
	Item Name: Increase Eligibility Resources for Caseload Growth		
	Item Priority: 11		
	Includes Funding for the Following Strategy or Strategies: 01-01-02 Integrated Eligibility and Enrollment (IEE)		
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	34,272,019	56,432,742
1002	OTHER PERSONNEL COSTS	896,833	1,453,972
2005	TRAVEL	1,241,568	2,004,912
2009	OTHER OPERATING EXPENSE	15,047,161	17,317,931
TOTAL, OBJECT OF EXPENSE		\$51,457,581	\$77,209,557

METHOD OF FINANCING:

1	General Revenue Fund	1,686,303	2,519,659
555	Federal Funds		
10.561.000	St Admin Match Food Stamp	11,141,968	16,648,231
93.778.003	XIX 50%	13,743,671	20,696,718
758	GR Match For Medicaid	13,743,671	20,696,718
8014	GR Match Food Stamp Adm	11,141,968	16,648,231
TOTAL, METHOD OF FINANCING		\$51,457,581	\$77,209,557

FULL-TIME EQUIVALENT POSITIONS (FTE):

958.00 1,547.00

DESCRIPTION / JUSTIFICATION:

This request would provide an increase of FTEs for OES direct delivery staff. Adding an additional 1,547 FTEs would help decrease the total expense of overtime that is paid out to about an average of 60% of our current worker base. In addition to reducing overtime expense it will also reduce the the number of hours staff are required to work over the normal 40 hour workweek. While HHSC has made significant improvement in recruiting and filling eligibility positions, the vacancy rate is currently less than 3%, the annualized FY2010 turnover rate for OES eligibility Workers and Clerks is projected to be about 16%. OES management and HR staff have identified that mandatory overtime has been a contributing factor to the turnover rate. The SAO also recommended that HHSC identify ways to relieve current tenured eligibility workers to help retain the agencies most experienced staff which in turn could become an asset for the newly hired staff to look upon for mentoring and best practice initiatives. Hiring additional staff will relieve employees from feeling overworked by giving them a more reasonable and controlled workload.

EXTERNAL/INTERNAL FACTORS:

External/Internal Factors Impacting Strategy include 1) caseload/workload growth and caseload mix changes; 2) Manageable workloads and working schedules in other agencies or entities appear more enticing for current staff therefore adding to our turnover/vacancy rate; 3) SAO audit recommended that HHSC implement relief efforts for staff; and 4) employees dissatisfaction with working conditions and the heavy workload causing them to decide to leave (revealed in the State Auditor's Office Exit Survey system during FY 2009/2010).

4.A. EXCEPTIONAL ITEM REQUEST SCHEDULE
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DATE: **8/21/2010**
 TIME: **11:15:24AM**

Agency code: **529**

Agency name:

Health and Human Services Commission

CODE	DESCRIPTION	Excp 2012	Excp 2013
	Item Name: Implement Eligibility Customer Flow Management System		
	Item Priority: 12		
	Includes Funding for the Following Strategy or Strategies: 01-01-02 Integrated Eligibility and Enrollment (IEE)		
OBJECTS OF EXPENSE:			
2001	PROFESSIONAL FEES AND SERVICES	1,680,000	336,000
TOTAL, OBJECT OF EXPENSE		\$1,680,000	\$336,000

METHOD OF FINANCING:

1	General Revenue Fund	61,824	12,366
555	Federal Funds		
10.561.000	St Admin Match Food Stamp	408,492	81,698
93.778.003	XIX 50%	400,596	80,119
758	GR Match For Medicaid	400,596	80,119
8014	GR Match Food Stamp Adm	408,492	81,698
TOTAL, METHOD OF FINANCING		\$1,680,000	\$336,000

DESCRIPTION / JUSTIFICATION:

Acquiring and deploying a customer flow management system equipment and digital signage in OES local offices that house three or more units and experience significant customer wait time in the lobby will help improve client services, decrease client waiting time, and increase organizational efficiency. This initiative may result in decreased overtime for staff due to improved client traffic flow. This system can also help track and monitor services that are provided by the agency in which statistical data can be retrieved to determine efficiency and services provided to clients.

EXTERNAL/INTERNAL FACTORS:

External/Internal factors affecting strategy include 1) overflow of clients in OES lobbies; 2) client complaints; 3) high office lead times; 4) caseload growth; 5) due to volatility of the economy more clients have been forced to seek assistance which contributes to a higher volume of applicants; 6) visiting other agencies/entities that have set up a comparable system that has shown an improvement to customer service.

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DATE: **8/21/2010**
 TIME: **11:15:24AM**

Agency code: **529**

Agency name:

Health and Human Services Commission

CODE	DESCRIPTION	Excp 2012	Excp 2013
	Item Name: Capitate Medicaid in Urban and Contiguous Counties (Savings)		
	Item Priority: 13		
	Includes Funding for the Following Strategy or Strategies:		
	02-01-01 Medicare and Supplemental Security Income Risk Groups		
	02-01-02 Temp Asst for Needy Families Adults & Children Risk Groups		
	02-01-03 Pregnant Women Risk Group		
	02-01-04 Children & Medically Needy Risk Groups		
	02-01-06 STAR+PLUS (Integrated Managed Care)		
	02-02-02 Medicaid Vendor Drug Program		
	02-02-04 Medical Transportation		
	02-02-05 Medicaid Family Planning - Fee for Service Only		
	02-03-01 Health Steps (EPSDT) Medical - Fee for Service Only		
	02-03-03 Health Steps (EPSDT) Comprehensive Care Program - Fee for Service Only		
	02-04-02 Managed Care Expansion Savings		

OBJECTS OF EXPENSE:

3001	CLIENT SERVICES	-31,632,838	-26,984,772
TOTAL, OBJECT OF EXPENSE		-31,632,838	-26,984,772

METHOD OF FINANCING:

1	General Revenue Fund	-4,106,098	-15,250,517
555	Federal Funds		
93.778.000	XIX FMAP	-16,722,778	-7,171,523
758	GR Match For Medicaid	-10,803,962	-4,562,732
TOTAL, METHOD OF FINANCING		-31,632,838	-26,984,772

DESCRIPTION / JUSTIFICATION:

Implementation of capitated managed care services in certain contiguous counties to the managed care service delivery areas of Lubbock, San Antonio, Austin, Houston, Corpus Christi, and El Paso. STAR managed care would be implemented by September 2011 and STAR+Plus would be implemented by March 2012 where these programs currently exist. This estimate reflects improved utilization management in the affected service areas, long-term care savings at DADS, and the revenue gain in Insurance Premium Tax at the Comptroller of Public Accounts (CPA) which cannot be realized at HHSC. Strategy 4-2-2 reflects those non-HHSC impacts.

Estimates also do not yet include any administrative costs or savings.

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Health and Human Services Commission

CODE DESCRIPTION

Excp 2012

Excp 2013

EXTERNAL/INTERNAL FACTORS:

Key milestones must be completed to ensure a federally-approved and effective transition including state plan and waiver amendments, rate development and new enrollment broker protocols. System changes and assessment of the operation readiness of the health plans must be completed prior to implementation.

The timing of this expansion with the Comptroller's assessment and collection of the Insurance Premiumm would impact actual revenue collections.

4.A. EXCEPTIONAL ITEM REQUEST SCHEDULE
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Agency name:

Health and Human Services Commission

CODE	DESCRIPTION	Excp 2012	Excp 2013
	Item Name: Expand Medicaid Managed Care into South Texas		
	Item Priority: 14		
	Includes Funding for the Following Strategy or Strategies:		
	02-01-01 Medicare and Supplemental Security Income Risk Groups		
	02-01-02 Temp Asst for Needy Families Adults & Children Risk Groups		
	02-01-03 Pregnant Women Risk Group		
	02-01-04 Children & Medically Needy Risk Groups		
	02-01-06 STAR+PLUS (Integrated Managed Care)		
	02-02-02 Medicaid Vendor Drug Program		
	02-02-04 Medical Transportation		
	02-02-05 Medicaid Family Planning - Fee for Service Only		
	02-03-01 Health Steps (EPSDT) Medical - Fee for Service Only		
	02-03-03 Health Steps (EPSDT) Comprehensive Care Program - Fee for Service Only		
	02-04-02 Managed Care Expansion Savings		

OBJECTS OF EXPENSE:

3001	CLIENT SERVICES	-208,819,295	-465,206,841
TOTAL, OBJECT OF EXPENSE		-208,819,295	-465,206,841

METHOD OF FINANCING:

1	General Revenue Fund	0	-40,699,510
555	Federal Funds		
93.778.000	XIX FMAP	-126,591,840	-257,414,928
758	GR Match For Medicaid	-82,227,455	-167,092,403
TOTAL, METHOD OF FINANCING		-208,819,295	-465,206,841

DESCRIPTION / JUSTIFICATION:

Implementation of capitated managed care services in South Texas by March 2012. Managed care services would include STAR and STAR+Plus in 13 counties in South Texas. This estimate reflects improved utilization management in the affected service areas, long term care savings at DADS, and the revenue gain in Insurance Premium Tax at the CPA which cannot be realized at HHSC. Strategy 4-2-2 reflects those non-HHSC impacts.

Estimates also do not yet include any administrative costs or savings.

EXTERNAL/INTERNAL FACTORS:

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Agency name:

Health and Human Services Commission

CODE DESCRIPTION

Excp 2012

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Key milestones must be completed to ensure a federally-approved and effective transition including state plan and waiver amendments, rate development and new enrollment broker protocols. System changes and assessment of the operation readiness of the health plans must be completed prior to implementation. This expansion requires a change in statutory authority and a procurement.

The timing of this expansion with the Comptroller's assessment and collection of the Insurance Premiumm would impact actual revenue collections.

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Agency code: **529**

Agency name:

Health and Human Services Commission

CODE	DESCRIPTION	Excp 2012	Excp 2013
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Item Name:	Expand Medicaid Exclusive Provider Organization Model in Non-Urban Counties in Texas		
Item Priority:	15		
Includes Funding for the Following Strategy or Strategies:	02-01-01	Medicare and Supplemental Security Income Risk Groups	
	02-01-02	Temp Asst for Needy Families Adults & Children Risk Groups	
	02-01-03	Pregnant Women Risk Group	
	02-01-04	Children & Medically Needy Risk Groups	
	02-01-06	STAR+PLUS (Integrated Managed Care)	
	02-02-05	Medicaid Family Planning - Fee for Service Only	
	02-04-02	Managed Care Expansion Savings	

OBJECTS OF EXPENSE:

3001	CLIENT SERVICES	-14,873,802	-77,931,298
TOTAL, OBJECT OF EXPENSE		-14,873,802	-77,931,298

METHOD OF FINANCING:

1	General Revenue Fund	0	-40,997,358
555	Federal Funds		
93.778.000	XIX FMAP	-9,062,853	-22,513,349
758	GR Match For Medicaid	-5,810,949	-14,420,591
TOTAL, METHOD OF FINANCING		-14,873,802	-77,931,298

DESCRIPTION / JUSTIFICATION:

Replacement of Medicaid Primay Care Case Management (PCCM) service delivery model with a capitated managed care EPO that would include all Acute Care services for Adults (Aged and Disability-Related, as well as current Health Maintenance Organization members) in 164 counties by March, 2012. This estimate reflects the revenue gain in Insurance Premium tax at the CPA which cannot be realized at HHSC.

EXTERNAL/INTERNAL FACTORS:

Key milestones must be completed to ensure a federally-approved and effective transition including state plan and waiver amendments, rate development and new enrollment broker protocols. System changes and assessment of the operation readiness of the health plans must be completed prior to implementation. This item will require a procurement. All other expansions are assumed for this model to be meaningful.

The timing of this expansion with the Comptroller's assessment and collection of the Insurance Premiumm would impact actual revenue collections.

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Agency name:

Health and Human Services Commission

CODE	DESCRIPTION	Excp 2012	Excp 2013
	Item Name: Capitate Medicaid Dental Services in Managed Care		
	Item Priority: 16		
	Includes Funding for the Following Strategy or Strategies:		
	02-01-06 STAR+PLUS (Integrated Managed Care)		
	02-03-02 Health Steps (EPSDT) Dental		
	02-04-02 Managed Care Expansion Savings		
 OBJECTS OF EXPENSE:			
3001	CLIENT SERVICES	-37,363,357	-138,644,798
	TOTAL, OBJECT OF EXPENSE	-\$37,363,357	-\$138,644,798
 METHOD OF FINANCING:			
1	General Revenue Fund	0	-48,637,766
555	Federal Funds		
93.778.000	XIX FMAP	-21,217,333	-53,156,130
758	GR Match For Medicaid	-16,146,024	-36,850,902
	TOTAL, METHOD OF FINANCING	-\$37,363,357	-\$138,644,798

DESCRIPTION / JUSTIFICATION:

This request would capitate children's dental services through a Dental Management Organization (DMO) or HMO dental carve-in beginning March, 2012. The estimate also reflects the revenue gain in Insurance Premium Tax to the CPA which cannot be realized at HHSC. Strategy 4-2-2 reflects those non-HHSC impacts.

Estimates also do not yet include any administrative costs or savings.

EXTERNAL/INTERNAL FACTORS:

Key milestones must be completed to ensure a federally-approved and effective transition including state plan and waiver amendments, rate development and new enrollment broker protocols. System changes and assessment of the operation readiness of the health plans must be completed prior to implementation. This expansion will require a procurement.

The timing of this expansion with the Comptroller's assessment and collection of the Insurance Premiumm would impact actual revenue collections.

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Agency name:

Health and Human Services Commission

CODE	DESCRIPTION	Excp 2012	Excp 2013
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Item Name:	Carve-In STAR+Plus Hospital Services in Medicaid Managed Care		
Item Priority:	17		
Includes Funding for the Following Strategy or Strategies:	02-01-01	Medicare and Supplemental Security Income Risk Groups	
	02-01-06	STAR+PLUS (Integrated Managed Care)	
	02-04-02	Managed Care Expansion Savings	

OBJECTS OF EXPENSE:

3001	CLIENT SERVICES	-15,630,346	-43,145,813
TOTAL, OBJECT OF EXPENSE		-15,630,346	-43,145,813

METHOD OF FINANCING:

1	General Revenue Fund	0	-9,502,365
555	Federal Funds		
93.778.000	XIX FMAP	-9,464,174	-20,371,108
758	GR Match For Medicaid	-6,166,172	-13,272,340
TOTAL, METHOD OF FINANCING		-15,630,346	-43,145,813

DESCRIPTION / JUSTIFICATION:

This request would include in-patient hospital costs in the capitation rates for STAR+Plus by March, 2012. Currently these costs are excluded from the capitation and paid fee-for-service for STAR+Plus members. The estimate reflects the revenue gain in Insurance Premium tax to the CPA which cannot be realized at HHSC. Strategy 4-2-2 reflects those non-HHSC impacts.

Estimates also do not yet include any administrative costs or savings. There also could be a negative impact to UPL receipts by Hospitals. The impact also assumes adoption of current, contiguous, Lubbock, El Paso, and South Texas Expansion coverages or the previous savings exceptional items.

EXTERNAL/INTERNAL FACTORS:

Key milestones must be completed to ensure a federally-approved and effective transition including state plan and waiver amendments, rate development and new enrollment broker protocols. System changes and assessment of the operation readiness of the health plans must be completed prior to implementation.

The timing of this expansion with the Comptroller's assessment and collection of the Insurance Premium would impact actual revenue collections.

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Agency code: **529**

Agency name:

Health and Human Services Commission

CODE	DESCRIPTION	Excp 2012	Excp 2013
	Item Name: Capitate Medicaid and CHIP Vendor Drug Programs in Managed Care		
	Item Priority: 18		
	Includes Funding for the Following Strategy or Strategies:		
	02-01-06 STAR+PLUS (Integrated Managed Care)		
	02-02-02 Medicaid Vendor Drug Program		
	02-04-02 Managed Care Expansion Savings		
	03-01-05 CHIP Vendor Drug Program		
 OBJECTS OF EXPENSE:			
3001	CLIENT SERVICES	-10,116,908	-103,783,483
	TOTAL, OBJECT OF EXPENSE	-10,116,908	-103,783,483

METHOD OF FINANCING:

1	General Revenue Fund	-11,561,621	-67,218,928
555	Federal Funds		
93.767.000	CHIP	-4,333,631	-5,882,854
93.778.000	XIX FMAP	1,176,644	-20,738,992
706	Vendor Drug Rebates-Medicaid	-41,025,189	-54,100,834
758	GR Match For Medicaid	42,747,838	41,941,115
8010	GR Match For Title XXI	7,610,732	6,948,690
8070	Vendor Drug Rebates-CHIP	-4,731,681	-4,731,680
	TOTAL, METHOD OF FINANCING	-10,116,908	-103,783,483

DESCRIPTION / JUSTIFICATION:

This request would capitate vendor drug costs for Medicaid and CHIP recipients enrolled in managed care by September, 2011. The estimate reflects the estimated lost vendor drug supplemental rebates by the State, the net costs/savings associated with HMO management of these benefits, and the revenue gain in Insurance Premium tax to the CPA which cannot be realized at HHSC. Strategy 4-2-2 reflects those non-HHSC impacts. Rebate revenue loss of \$104,589,385 is assumed for the biennium.

Estimates also do not yet include any administrative costs or savings.

EXTERNAL/INTERNAL FACTORS:

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Key milestones must be completed to ensure a federally-approved and effective transition including state plan and waiver amendments. System changes and assessment of the operation readiness of the health plans must be completed prior to implementation. The Patient Protection and Affordable Care Act (PPACA) makes changes to the Medicaid Drug Rebate policies and CMS is expected to issue guidance and policy clarification on the Preferred Drug Lists (PDL).

The timing of this expansion with the Comptroller's assessment and collection of the Insurance Premiumm would impact actual revenue collections.

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Agency name:

Health and Human Services Commission

CODE	DESCRIPTION	Excp 2012	Excp 2013
	Item Name: Improve Staffing and Supports for the Office of the Inspector General		
	Item Priority: 19		
	Includes Funding for the Following Strategy or Strategies: 07-01-01 Office of Inspector General		
 OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	1,571,112	1,571,112
2001	PROFESSIONAL FEES AND SERVICES	125,000	125,000
2003	CONSUMABLE SUPPLIES	9,900	9,900
2005	TRAVEL	47,600	47,600
2009	OTHER OPERATING EXPENSE	579,485	322,900
TOTAL, OBJECT OF EXPENSE		\$2,333,097	\$2,076,512

METHOD OF FINANCING:

1	General Revenue Fund	288,430	260,303
555	Federal Funds		
00.000.001	Comptroller Misc Claims Fed Fnd Pym	56,252	51,217
10.561.000	St Admin Match Food Stamp	881,054	774,923
93.767.000	CHIP	514	468
93.778.003	XIX 50%	112,792	107,244
758	GR Match For Medicaid	112,792	107,244
8010	GR Match For Title XXI	209	190
8014	GR Match Food Stamp Adm	881,054	774,923
TOTAL, METHOD OF FINANCING		\$2,333,097	\$2,076,512

FULL-TIME EQUIVALENT POSITIONS (FTE):

	35.00	35.00
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DESCRIPTION / JUSTIFICATION:

General Investigations (GI) investigates fraud, waste, and abuse and clears Income and Eligibility Verification System and other data matches (Govt. Code §531.0214(e), §531.102; 7 USC §2020(e)(20)(B); 7 CFR §272.8(c)(2); 42 CFR §435.952(c) and 45 CFR §205.56(a)(1)(iv)). Workloads have risen 177% in some areas. These FTEs will let GI address rising caseloads, recover more dollars, and increase cost avoidance. Failure to approve the request threatens cost recoveries and avoidances and elevates risk of audit findings/sanctions from non-compliance with Federal timeliness match clearance and claims establishment mandates.

Internal Affairs FTEs will: (1) address SB 643 requiring OIG investigation of criminal allegations in State Supported Living Centers (SSLC); (2) ensure Federal DOJ time constraint compliance; (3) control identity theft via vital records cross matches, addressing a two-year backlog; and (4) meet rising law enforcement requests for help with missing children reports. Failure to approve the request may delay SSLC investigations, risk non-compliance with USDOJ time criteria, increase identity theft risk, and compromise missing children investigations.

Rule 371.214 (h)(1) Resource Utilization Group Classification System requires training persons submitting MDS assessment forms for Medicaid reimbursement. CMS has

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revised the data set used in case mix reimbursement which will be implemented October 1, 2010 and anticipates releasing new Medicare reimbursement models, with Medicaid likely to follow, requiring modifying/developing software and training modules

EXTERNAL/INTERNAL FACTORS:

General Investigations (GI) has a new electronic data match mandate (Public Law 110-379) requiring states to ensure mechanized Medicaid claims data processing/retrieval systems have an eligibility determination system which matches data via the USDHHS-facilitated Public Assistance Reporting Information System (PARIS), including matching to medical assistance programs in other states. Previously, TGC 531.108(e) required electronic data matches for duplicate participation with only bordering states. PARIS matches seek duplicates in all states, resulting in GI's development of a new automated module in its current claims and match processing system. Also, a FY 2009 Food and Nutrition Services Management Evaluation Review said OIG-GI should develop a Corrective Action Plan to address reducing backlogs and processing timely SNAP fraud referrals, as per 273.18(a)(3) of Federal regulations. Pending fraud referrals have risen so steadily since FY 2003 that back-logs now exist. The review stated that May 2009 total investigations cleared timely was 88.33 percent. The criterion is 93%.

External factors underlying the Internal Affairs request include SB 643, Federal DOJ time constraint criteria, rising state and local identity theft, and the immediacy of missing children investigations.

The capital authority request rests on requirement for RN Assessment Coordinator training every 2 years, without which the RN Assessment Coordinator's license number will be rejected by state databases, and the MDS will be rejected by the Medicaid Claims Administrator

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<u>CODE</u>	<u>DESCRIPTION</u>	<u>Excp 2012</u>	<u>Excp 2013</u>
	Item Name: Increase Family Violence Services Funding		
	Item Priority: 20		
	Includes Funding for the Following Strategy or Strategies: 04-02-01 Family Violence Services		
OBJECTS OF EXPENSE:			
3001	CLIENT SERVICES	2,250,000	2,250,000
	TOTAL, OBJECT OF EXPENSE	\$2,250,000	\$2,250,000
METHOD OF FINANCING:			
1	General Revenue Fund	2,250,000	2,250,000
	TOTAL, METHOD OF FINANCING	\$2,250,000	\$2,250,000

DESCRIPTION / JUSTIFICATION:

This request enables current family violence (FV) service providers and other community-based organizations to provide economic stability, legal, primary prevention and domestic violence fatality review (DFVR) services above the core services. These expanded services will enable providers to serve clients more efficiently and effectively, freeing up resources for new clients and reducing the number of FV victims.

The benefits of providing enhanced economic stability and legal services are facilitating a victim leaving shelter, reducing the incidence of repeat FV and strengthening families. Therefore, victims are better able to function independently in society, provide a safer environment for their family and support themselves economically. Enhancing economic stability and legal services directly impacts the key risk factors that drive victims back to their abusers. These services contribute to HHSC's objective to encourage self-sufficiency, and are an extension of the agency's efforts to increase the safety of FV victims.

The benefits of prevention services, including expanded DVFR, is reducing the overall incidence and severity of FV by informing and educating the community, teaching potential abusers to develop appropriate coping strategies and building stronger systems that operate collaboratively to address FV. These services will enhance infrastructure and improve systems, leading to a reduction in the incidence and severity of FV.

No risks or limitations have been identified with the provision of any of these services.

Legal Base: Chapter 51, Human Resources Code

EXTERNAL/INTERNAL FACTORS:

The primary external factor that impacts this request is the changing demographic of the population served by the Family Violence Program: victims that present for services at the family violence shelters and nonresidential facilities are bringing increasingly complex issues that typically require additional resources or time to address. Examples include complicated immigration, custody and other legal issues, severe economic concerns, and mental health and substance abuse issues. Stakeholders, including the service providers, the Texas Council on Family Violence, and victims of family violence have indicated a need for resources that can address the increasingly complex and challenging issues facing victims. While shelter and nonresidential staff have the skills and training to address many situations, some clients present with issues that require specialized expertise.

Additionally, stakeholders have expressed a need for more emphasis on prevention and an increased understanding of how to strengthen the systems currently in place to address family violence. No external factors related to federal requirements or litigation have been identified. No internal factors have been identified.

4.A. EXCEPTIONAL ITEM REQUEST SCHEDULE
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Agency code: **529**

Agency name:

Health and Human Services Commission

CODE	DESCRIPTION	Excp 2012	Excp 2013
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Item Name: Establish the Texas Autism Research and Resource Center

Item Priority: 21

Includes Funding for the Following Strategy or Strategies: 01-01-01 Enterprise Oversight and Policy

OBJECTS OF EXPENSE:

1001	SALARIES AND WAGES	258,912	258,912
2003	CONSUMABLE SUPPLIES	1,500	1,500
2005	TRAVEL	36,588	38,588
2009	OTHER OPERATING EXPENSE	514,963	483,817
TOTAL, OBJECT OF EXPENSE		\$811,963	\$782,817

METHOD OF FINANCING:

1	General Revenue Fund	811,963	782,817
TOTAL, METHOD OF FINANCING		\$811,963	\$782,817

FULL-TIME EQUIVALENT POSITIONS (FTE):

	4.20	4.20
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DESCRIPTION / JUSTIFICATION:

Prevalence rates for autism have increased rapidly in recent years, impacting an estimated 1 in 110 children, according to the Centers for Disease Control. S.B. 1574 81st Legislature Regular Session 2009, requires HHSC to establish and administer an autism spectrum disorders resource center to coordinate resources for individuals with autism and other pervasive developmental disorders and their families. Although unfunded by the legislature, HHSC and DADS are currently contributing \$50,000 annually to an effort to begin building the center through a collaborative effort involving over 20 university autism programs.

The goal of the initial effort is to develop a web-based center, building on existing resources and information provided by the collaborative partners. However the goal of the legislation was much broader than can be accomplished by a web-based resource alone, and requires HHSC to design the center to: conduct training and development activities for persons who may interact with an individual with autism in the course of their employment, including school, medical, or law enforcement personnel; coordinate with local entities that provide services to individuals with autism; and provide support for families affected by autism and other pervasive developmental disorders. The goal of building an autism center has widespread support by advocates and stakeholders.

Funding will enable HHSC (through a contract with DADS) to begin to provide training and development activities that are central to the mandates required of the center. It will also allow for further development and on-going implementation of the web-based resource tools, as well as the development of some of the coordination and support activities described in legislation.

Without this funding, the state will be without a central hub for resource information and training relating to autism, and HHSC will not likely meet some of the core mandates of the legislation.

EXTERNAL/INTERNAL FACTORS:

4.A. EXCEPTIONAL ITEM REQUEST SCHEDULE
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CODE DESCRIPTION

Excp 2012

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Sharply increasing prevalence rates and increased demand for services have cast a growing public spotlight on autism. The Autism Resource Center was mandated by legislature last session but was unfunded. The goal of building an autism center has been promoted by the Texas Council on Autism and Pervasive Developmental Disorders, and has widespread support by advocates and stakeholders. Funding for further development and implementation of the autism resource center will enable HHSC to continue its efforts to meet the mandates of the legislation. Moreover, the funds will provide additional tools and resources for families, employers, educators, professionals and others who interact with individuals with autism.

DADS commissioned a study to determine the feasibility and cost scenarios of establishing a Texas autism research and resource center. The contractor completed the study in February 2009 and developed four budget models ranging from just under \$500,000 to just over \$2,000,000 annually. This exceptional item request falls between the low and mid-range of the scenarios described in the study.

4.A. EXCEPTIONAL ITEM REQUEST SCHEDULE
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CODE	DESCRIPTION	Excp 2012	Excp 2013
	Item Name: Increase State Assistance to 2-1-1 Area Information Centers		
	Item Priority: 22		
	Includes Funding for the Following Strategy or Strategies: 01-01-02 Integrated Eligibility and Enrollment (IEE)		
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	86,316	86,316
2001	PROFESSIONAL FEES AND SERVICES	2,077,219	1,185,929
2003	CONSUMABLE SUPPLIES	500	500
2005	TRAVEL	1,500	1,500
2009	OTHER OPERATING EXPENSE	32,956	32,956
TOTAL, OBJECT OF EXPENSE		\$2,198,491	\$1,307,201

METHOD OF FINANCING:

1	General Revenue Fund	37,658	22,506
555	Federal Funds		
10.561.000	St Admin Match Food Stamp	520,747	309,600
93.767.000	CHIP	103,610	61,586
93.778.003	XIX 50%	486,782	289,406
93.778.004	XIX ADM @ 75%	81	81
758	GR Match For Medicaid	486,786	289,410
8010	GR Match For Title XXI	42,080	25,012
8014	GR Match Food Stamp Adm	520,747	309,600
TOTAL, METHOD OF FINANCING		\$2,198,491	\$1,307,201

FULL-TIME EQUIVALENT POSITIONS (FTE):

	2.10	2.10
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DESCRIPTION / JUSTIFICATION:

2 additional FTEs are needed to support the HHSC expanding 2-1-1 workload in the areas of contract management and routine administrative duties (clerical). Currently, 1 FTE manages all aspects of multiple contracts (25), and all routine administrative duties are performed by professional staff, including the program manager. 2-1-1 Area Information Centers experienced a 55% increase in call volumes during calendar year 2009 due to the increase in families needing information about community services to supplement basic needs. Therefore, additional funding is needed to enable them to adequately staff the call centers to effectively respond to each call and meet monthly service level agreements.

Improvements to the 2-1-1 telephony call platform are also needed due to the increased call volumes. Implementation of technological enhancements (Virtual Hold technology and Advance Features Services) would improve management of call volumes on a daily basis, as well as, during a major disaster. A major disaster, such as a hurricane that severely impacts the Texas Gulf Coast, results in a significant increase in calls for information and referral, HHSC human services programs in addition to the basic disaster related calls. There has been an increase in the number of AICs not meeting the monthly service level of 80 percent of calls answered within 60 seconds.

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CODE DESCRIPTION

Excp 2012

Excp 2013

EXTERNAL/INTERNAL FACTORS:

The 2-1-1 Texas Information and Referral Network is impacted by changes in the overall economy. This is because as the economy experiences a downturn, there is an increase in families requiring access to information about community resources to supplement basic needs. Utilization of 2-1-1 is also impacted by changing patterns of technologies, such as the increased usage of social networking sites. In 2008 2-1-1 experienced a 20% in utilization, and in 2009 this accelerated to a 55% increase. Another factor that impacts 2-1-1 is the number and severity of disasters occurring in any year.

4.A. EXCEPTIONAL ITEM REQUEST SCHEDULE
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Agency name:

Health and Human Services Commission

CODE	DESCRIPTION	Excp 2012	Excp 2013
	Item Name: Increase Capacity of HHS-Funded Community Services (Reduce Waiting and Interest Lists)		
	Item Priority: 23		
	Includes Funding for the Following Strategy or Strategies: 08-01-02 Increase Capacity of HHS-Funded Community Services		
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	2,305,282	4,687,912
2005	TRAVEL	212,508	428,964
2009	OTHER OPERATING EXPENSE	1,109,630	1,837,541
3001	CLIENT SERVICES	118,236,802	352,493,184
4000	GRANTS	27,801,368	34,404,104
	TOTAL, OBJECT OF EXPENSE	\$149,665,590	\$393,851,705

METHOD OF FINANCING:

1	General Revenue Fund	34,925,768	47,979,094
555	Federal Funds		
93.778.000	XIX FMAP	67,378,550	205,305,417
93.778.003	XIX 50%	1,815,222	3,594,405
758	GR Match For Medicaid	45,546,050	136,972,789
	TOTAL, METHOD OF FINANCING	\$149,665,590	\$393,851,705

FULL-TIME EQUIVALENT POSITIONS (FTE):

62.40	125.50
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DESCRIPTION / JUSTIFICATION:

This request continues the Department of Aging and Disability Services (DADS), Department of Assistive and Rehabilitative Services (DARS), & Department of State Health Services (DSHS) efforts in reducing or eliminating the number of individuals waiting for community services.

DADS - \$204.2 million GR & \$482.3 million AF. Included in this exceptional item are DADS' Home & Community Care Waivers, Non-Medicaid services, MR Community, and In-Home & Family Support (IHFS). Programs included in Home and Community Care Waivers are Community Based Alternatives (CBA), Community Living Assistance and Support Services (CLASS), Medically Dependent Children's Program (MDCP), Consolidated Waiver Program (CWP), Deaf-Blind with Multiple Disabilities (DBMD), Home & Community Based Services (HCS) and Texas Home Living (TxHml). This request includes staff costs associated with the additional LTC eligibility FTEs needed at DADS to support the increased community services capacity. Incremental Medicaid acute care and prescription drug costs incurred by HHSC are assumed in DADS' portion of this request for all programs except for Non-Medicaid, MR Community and IHFS. This exceptional item increases DADS' community services capacity by providing an average monthly caseload increase of 3,928 in FY 2012 & 11,785 by FY 2013.

DARS - \$7.4 million GR & AF. DARS' programs included in this exceptional item are Independent Living Service (ILS) & Comprehensive Rehabilitative Services (CRS). This exceptional item provides services for an additional 625 individuals in the CRS program & 1,760 individuals in the ILS program.

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DSHS - \$53.8 million GR & AF. DSHS' programs included in this exceptional item are Child and Adolescent Community Mental Health (CACMH), Adult Community Mental Health (ACMH), & Children with Special Health Care Needs (CSHCN).

This exceptional item provides services for an additional 4,056 individuals in ACMH, 277 individuals in CACMH, & 87 individuals in CSHCN.

EXTERNAL/INTERNAL FACTORS:

External Factors contributing to the increase in the number of individuals waiting for community services is the growth in State's population and change in the demographics; i.e., increase in the number of disabled and the aging population. Also contributing to the increase in the number of individuals waiting for community services is public awareness, which has encourages individuals to express an interest in services.

An Internal Factor that impacts this exceptional item is HHSC's exceptional item expanding STAR+Plus into Lubbock, El Paso and South Texas. The impact of this expansion is included in this exceptional item and results in a biennial decrease of \$9.6 million general revenue (\$24.0 million all funds). In addition, STAR+PLUS expansion will cause a shift in the amount of Increase Capacity of HHS-Funded Community Services funding needed by DADS to HHSC.

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Agency name:

Health and Human Services Commission

CODE	DESCRIPTION	Excp 2012	Excp 2013
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Item Name: Support a Veterans' Health Initiative

Item Priority: 24

Includes Funding for the Following Strategy or Strategies: 08-01-03 Support a Veteran's Health Initiative

OBJECTS OF EXPENSE:

1001	SALARIES AND WAGES	170,484	170,484
2001	PROFESSIONAL FEES AND SERVICES	6,524,100	6,524,100
2005	TRAVEL	23,725	23,725
2009	OTHER OPERATING EXPENSE	742,495	742,495

TOTAL, OBJECT OF EXPENSE

	\$7,460,804	\$7,460,804
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METHOD OF FINANCING:

1	General Revenue Fund	7,460,804	7,460,804
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TOTAL, METHOD OF FINANCING

	\$7,460,804	\$7,460,804
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FULL-TIME EQUIVALENT POSITIONS (FTE):

	3.10	3.10
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DESCRIPTION / JUSTIFICATION:

This exceptional item request will allow HHS to enhance veterans' services by:

- increased coordination of services and supports for veterans and their families;
- development of wrap-around services for veterans and their families to address current gaps in service delivery; and
- development and implementation of additional evidence-based practices to address injuries suffered by OEF/OIF veterans.

Specifically the funding will allow:

- DSHS to continue and build upon current veterans mental health initiatives by contracting with LMHAs to develop veterans' resource networks that link state, federal, faith-based, volunteers, jobs, education, housing and financial resources.
- DADS to expand the current Aging and Disability Resource Center infrastructure that serves veterans to other areas in the state.
- HHSC/2-1-1 to expand the Texas Military Family Access Project to additional area information centers. This project connects service members and their families to vital community services through dedicated call center specialists and outreach staff.
- HHSC/CRCG to build upon the existing CRCG infrastructure to offer flexible and responsive services to service members, veterans and their families when essential needs are not otherwise met through the existing service system.
- HHSC/OABI to create a two-year pilot in partnership with Camp Mabry to determine the needs of those service members with brain injuries and ways to link them to the appropriate federal and state services

EXTERNAL/INTERNAL FACTORS:

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Agency name:

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CODE DESCRIPTION

Excp 2012

Excp 2013

Texas has the third largest population of veterans in the United States and contributes a significant number of the military service members deployed to Iraq and Afghanistan.

From these two theaters, service personnel are experiencing unprecedented survival rates from serious injuries, unprecedented length and number of deployments and unprecedented awareness and recognition of behavioral health impacts.

At the state level, multiple state, federal, and private partners have joined together to ensure veterans are linked to applicable federal and state benefits, and are supported as they attempt to return to work and deal with the physical, psychological, and emotional impacts of combat experience.

Given the substantial number of Texans who have already returned from service and who will continue to return over the next few years, these partnerships must be maintained and strengthened. This exceptional item will allow the health and human services enterprise to maximize the impact of a successful early response to support the reintegration of returning service personnel into their families and communities.

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Agency name:

Health and Human Services Commission

CODE	DESCRIPTION	Excp 2012	Excp 2013
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Item Name: Enhance Technological Supports of State Hospitals & State Supported Living Centers

Item Priority: 25

Includes Funding for the Following Strategy or Strategies: 08-01-05 Enhance Tech Supports of State Hospitals and State Centers

OBJECTS OF EXPENSE:

2001	PROFESSIONAL FEES AND SERVICES	1,521,000	890,000
5000	CAPITAL EXPENDITURES	9,120,500	873,950
TOTAL, OBJECT OF EXPENSE		\$10,641,500	\$1,763,950

METHOD OF FINANCING:

1	General Revenue Fund	7,518,790	1,242,274
555	Federal Funds		
00.000.001	Comptroller Misc Claims Fed Fnd Pym	3,115,714	520,923
10.561.000	St Admin Match Food Stamp	1,876	202
93.767.000	CHIP	48	5
93.778.003	XIX 50%	1,590	171
758	GR Match For Medicaid	1,590	171
8010	GR Match For Title XXI	16	2
8014	GR Match Food Stamp Adm	1,876	202
TOTAL, METHOD OF FINANCING		\$10,641,500	\$1,763,950

DESCRIPTION / JUSTIFICATION:

Aligns with the overall vision of the state to provide services and support to persons in State Hospitals and State Supported Living Centers by providing essential client systems 24 hours per day/7 days per week without interruption due to hardware and software failures. To provide specialized assessment, treatment, and medical services in state mental health facility programs.

Postponing this project will have the following consequences:

- Complete patient information is not readily accessible to help clinicians make critical decisions in a crisis and the risk to patient health and safety is increased.
- Information from the separate systems cannot be easily meshed, giving an incomplete picture of a patient's status and improper drug combinations may be given if systems are not available to detect issues with drugs.
- Surveyors from Joint Commission and Medicaid will not get the reports they request in their required timeframes. Reports will require manual compilation.
- Information from providers outside the state is not always available and must be accessed manually.

The existing Client Trust Fund (CTF) application is running on a hardware platform that is no longer manufactured nor is it supported. CTF fails increasingly with memory errors,

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CODE DESCRIPTION

Excp 2012

Excp 2013

printing problems, and application errors. This is impacting essential functionality with an alarming rise in data corruptions and loss of application availability due to the frequent data restores.

The CTF platform does not meet the software requirements for the Data Center Services (DCS) contract, thus HHSC cannot migrate the existing application.

The inventory management system is out-of-date by multiple versions and no longer receives support, patches/fixes or maintenance, and is no longer upgradeable, nor does it meet the software requirements of the DCS contract.

EXTERNAL/INTERNAL FACTORS:

The residents of state hospitals and living centers are very vulnerable. They often have complicated medical and psychiatric issues.

Clinicians need quick access to accurate data so that they can ensure that they make proper treatment decisions. Timeliness is especially important in emergencies and crisis situations. The risk of harm is great and system updates are necessary to mitigate these risks and to provide information so that the correct treatment is chosen for each resident.

Agencies also require the ability to handle secure cash and non-cash (card) transactions. A vendor provided product with these capabilities could interface directly into CRS to greatly enhance and facilitate the management of client funds in state hospitals and state supported living centers.

The software components (application, database, and operating system) cannot be updated independently.

Existing hardware has exceeded its life expectancy. The Joint Commission requires a standard of access to electronic health information that cannot be satisfied unless systems are available when needed. Timely reporting issues, due to system failures and data corruption, puts federal matching funds at risk.

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Agency name:

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CODE	DESCRIPTION	Excp 2012	Excp 2013
	Item Name: Implement an Acquired Brain Injury Medicaid Waiver		
	Item Priority: 26		
	Includes Funding for the Following Strategy or Strategies: 08-01-04 Implement an Acquired Brain Injury Waiver		
 OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	240,132	421,980
2005	TRAVEL	27,000	40,500
2009	OTHER OPERATING EXPENSE	116,263	225,616
3001	CLIENT SERVICES	0	1,560,756
TOTAL, OBJECT OF EXPENSE		\$383,395	\$2,248,852

METHOD OF FINANCING:

1	General Revenue Fund	191,437	343,854
555	Federal Funds		
00.000.001	Comptroller Misc Claims Fed Fnd Pym	93,286	251,688
10.561.000	St Admin Match Food Stamp	188	136
93.767.000	CHIP	8	6
93.778.000	XIX FMAP	0	945,037
93.778.003	XIX 50%	49,142	46,136
758	GR Match For Medicaid	49,142	661,856
8010	GR Match For Title XXI	4	3
8014	GR Match Food Stamp Adm	188	136
TOTAL, METHOD OF FINANCING		\$383,395	\$2,248,852

FULL-TIME EQUIVALENT POSITIONS (FTE):

	4.10	8.10
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DESCRIPTION / JUSTIFICATION:

This funding request would develop and implement a new Medicaid waiver for individuals with an acquired brain injury. The long tem costs would be at DADS and the acute at HHSC. There would also be administrative costs at both agencies. The biennial cost at DADS totals \$1.0 million GR and \$ 2.2 million All Funds. The biennial cost at HHSC totals \$0.4 million GR and All Funds.

During FY 2012, the waiver would be developed and submitted for federal approval. Waiver implementation is assumed in FY 2013 with 100 slots for clients. Fifty new slots would be added over the next two years, eventually expanding up to 200 slots by 2015.

EXTERNAL/INTERNAL FACTORS:

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Agency name:

Health and Human Services Commission

CODE DESCRIPTION

Excp 2012

Excp 2013

Acquired Brain Injury (ABI) is a growing public health issue in Texas and across the nation. More than 144,000 Texans are reported annually with a subset of ABI, Traumatic Brain Injury (TBI), caused by a penetrating wound, a blow or jolt to the head. As a result, over 5,700 Texans are permanently disabled from these injuries.

Acquired Brain Injuries (ABI) include TBI as well as stroke, heart attack, brain tumors, choking, near-drowning or other conditions that create oxygen deprivation which disrupts the normal function of the brain but are not always recognized as brain injury.

In 2008 more than 47,400 Texans were diagnosed and treated for brain injuries. The medical results are more than often an economic catastrophe for families and the individuals who acquire these injuries due to loss of income, the inability to work, loss of short or long term memory, along with depression and behavioral dysfunctions.

An Acquired Brain Injury Medicaid Waiver in Texas would provide the necessary array of services that allow people to remain in their homes and receive the support to regain independence. Federal approval of the waiver would be required.

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Agency name:

Health and Human Services Commission

CODE	DESCRIPTION	Excp 2012	Excp 2013
	Item Name: Support and Implement Initiative to Address Disproportionality Across HHS System		
	Item Priority: 27		
	Includes Funding for the Following Strategy or Strategies: 08-01-08 HHS Disproportionality Initiative		
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	603,000	603,000
2001	PROFESSIONAL FEES AND SERVICES	700,000	700,000
2003	CONSUMABLE SUPPLIES	4,500	4,500
2005	TRAVEL	25,000	25,000
2009	OTHER OPERATING EXPENSE	304,751	159,577
TOTAL, OBJECT OF EXPENSE		\$1,637,251	\$1,492,077

METHOD OF FINANCING:

1	General Revenue Fund	1,000,768	912,902
555	Federal Funds		
00.000.001	Comptroller Misc Claims Fed Fnd Pym	293,656	267,925
10.561.000	St Admin Match Food Stamp	91,539	83,129
93.767.000	CHIP	2,346	2,125
93.778.003	XIX 50%	78,181	70,977
93.778.004	XIX ADM @ 75%	70	41
758	GR Match For Medicaid	78,204	70,990
8010	GR Match For Title XXI	948	859
8014	GR Match Food Stamp Adm	91,539	83,129
TOTAL, METHOD OF FINANCING		\$1,637,251	\$1,492,077

FULL-TIME EQUIVALENT POSITIONS (FTE):

	9.50	9.50
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DESCRIPTION / JUSTIFICATION:

Research has shown that the causes of disproportionality and disparities are complex, multilayered and not fully understood. Only through a better understanding of the causes and impact of disproportionality, can truly effective programs, services, supports and policies be developed that will have a lasting impact on the lives of citizens serviced by HHS agencies. Current models exist within HHSC involving the child welfare system and the health disparities program that have proven to be successful in decreasing disparities.

Funding for this exceptional item includes FTEs that will facilitate cross systems disproportionality work at a state and regional level including working with communities and other stakeholders. Training would build a foundation for understanding culture, ethnicity and race, enhancing the competency of staff to ensure equitable outcomes for all clients served.

EXTERNAL/INTERNAL FACTORS:

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CODE DESCRIPTION

Excp 2012

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Disproportionality is a problem that crosses many systems. These systems include public health, medical and behavioral health care, care for the elderly and people with disabilities, juvenile justice, criminal justice, education, poverty related entitlement benefits, etc. The Health and Human Services Commission is committed to expanding its current efforts to eliminate disparities experienced by children, families, and individuals served by HHS agencies. Data reflects that disproportionality and disparate outcomes exist for certain client populations.

Since the inclusion of training and addition of disproportionality staff significant gains have been made in reducing disparate outcome within the Texas child welfare system and the intent is to gain the same efficiencies and outcomes in all health and human service agencies.

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Health and Human Services Commission

CODE	DESCRIPTION	Excp 2012	Excp 2013
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Item Name: Increase Retention and Recruitment of Targeted HHS Medicaid Staff in State Hospitals and State Supported Living Centers

Item Priority: 28

Includes Funding for the Following Strategy or Strategies: 08-01-07 Increase Retention and Recruitment of Targeted HHS Staff

OBJECTS OF EXPENSE:

1001	SALARIES AND WAGES	39,654,844	39,654,844
TOTAL, OBJECT OF EXPENSE		\$39,654,844	\$39,654,844

METHOD OF FINANCING:

1	General Revenue Fund	13,010,821	13,010,821
129	Hospital Licensing Acct	12,585	12,585
524	Pub Health Svc Fee Acct	9,761	9,761
555	Federal Funds		
93.777.002	SURVEY & CERT @ 75%	183,397	183,397
93.778.000	XIX FMAP	13,538,349	13,538,349
93.778.003	XIX 50%	1,892,002	1,892,002
93.778.004	XIX ADM @ 75%	197,528	197,528
758	GR Match For Medicaid	3,248,756	3,248,756
8032	GR Certified As Match For Medicaid	7,561,645	7,561,645
TOTAL, METHOD OF FINANCING		\$39,654,844	\$39,654,844

DESCRIPTION / JUSTIFICATION:

HHSC requests this exceptional item in support of the Department of Aging and Disability Services (DADS) and Department of State Health Services (DSHS) efforts in improving recruitment and retention in critical positions in state supported living centers and state mental health hospitals.

DADS - \$24.9 million general revenue (\$56.5million all funds). This exceptional item includes 10 percent annual salary increase for Mental Retardation Assistants (MRAs), 15 percent increase for Licensed Vocational Nurses (LVNs), 7.5 percent increase for direct care registered nurses and a 5 percent increase for non-direct care registered nurses. In addition, this exceptional item includes \$9 million in all funds for a 10 percent salary increase for regional eligibility staff.

DSHS - \$22.8 million general revenue (\$22.8 million all funds). DSHS' request includes a similar to DADS request for 10 percent annual salary increase for Psychiatric Nursing Assistant (PNAs), 15 percent increase for LVNs, 7.5 percent increase for direct care registered nurses and a 5 percent increase for non-direct care registered nurses.

EXTERNAL/INTERNAL FACTORS:

4.A. EXCEPTIONAL ITEM REQUEST SCHEDULE
82nd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/21/2010**
TIME: **11:15:24AM**

Agency code: **529**

Agency name:

Health and Human Services Commission

CODE DESCRIPTION

Excp 2012

Excp 2013

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DSHS - \$22.8 million general revenue (\$22.8 million all funds). DSHS' request includes a similar to DADS request for 10 percent annual salary increase for Psychiatric Nursing Assistant (PNAs), 15 percent increase for LVNs, 7.5 percent increase for direct care registered nurses and a 5 percent increase for non-direct care registered nurses.