

6.I 10 PERCENT BIENNIAL BASE REDUCTION OPTIONS
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

Date: 8/21/2010
 Time: 11:27:55AM

Agency code: **529** Agency name: **Health and Human Services Commission**

<u>Item Priority and Name/ Method of Financing</u>	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2012	2013	Biennial Total	2012	2013	Biennial Total	

1 Adjust Reduction Target to Credit One-time Expense Not in Base

Category: Programs - Service Reductions (Other)

Item Comment: The agency's 2012-13 baseline request has been reduced by \$23.0 million in GR for one-time related expenditures as described in Schedule 6.B, Current Biennium One-Time Expenditures. This includes federal Department of Defense (DoD) SNAP funds, telecommunications equipment purchases associated with TIERS rollout, Project ONE Enterprise Resource Planning (ERP) funds, and decommissioning of the System for Application, Verification, Eligibility, Referral and Reporting (SAVERR). In order for the agency to meet the reduction target, \$2.3 million or 10% of this adjustment to the baseline request is identified as a reduction. Although the reduction has already been taken to the base request, this provides a mechanism to receive credit for the one-time reductions as the target cannot be revised. The entire amount is already excluded from the baseline request.

Strategy: 1-1-2 Integrated Eligibility and Enrollment (IEE)

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$115,576	\$115,576	
758 GR Match For Medicaid	\$0	\$0	\$0	\$417,812	\$417,812	
8010 GR Match For Title XXI	\$0	\$0	\$0	\$5,082	\$5,082	
8014 GR Match Food Stamp Adm	\$0	\$0	\$0	\$68,558	\$68,558	
General Revenue Funds Total	\$0	\$0	\$0	\$607,028	\$607,028	

Strategy: 1-2-1 Consolidated System Support

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$705,929	\$705,929	
General Revenue Funds Total	\$0	\$0	\$0	\$705,929	\$705,929	

Strategy: 6-1-1 Texas Integrated Eligibility Redesign System & Supporting Tech

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$603,615	\$603,615	
758 GR Match For Medicaid	\$0	\$0	\$0	\$138,876	\$138,876	

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	2012	2013	Biennial Total	2012	2013	Biennial Total	
8010 GR Match For Title XXI	\$0	\$0	\$0		\$1,660	\$1,660	
8014 GR Match Food Stamp Adm	\$0	\$0	\$0		\$238,053	\$238,053	
General Revenue Funds Total	\$0	\$0	\$0		\$982,204	\$982,204	
Item Total	\$0	\$0	\$0		\$2,295,161	\$2,295,161	

FTE Reductions (From FY 2012 and FY 2013 Base Request)

2 Capital Projects

Category: Programs - Delayed or Deferred Capital Projects

Item Comment: Reductions include transition from development and implementation to maintenance, enhanced federal financial participation rates, favorable contract negotiations, and non-recurring expenses. These reductions will have a minimal impact on meeting the agency's mission. The federal matching funds that could not be accessed are estimated at \$1.63 million and the TANF federal funds savings is estimated at \$0.01 million.

Strategy: 1-1-2 Integrated Eligibility and Enrollment (IEE)

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0		\$632	\$632	
8014 GR Match Food Stamp Adm	\$0	\$0	\$0		\$233,645	\$233,645	
General Revenue Funds Total	\$0	\$0	\$0		\$234,277	\$234,277	

Strategy: 1-2-1 Consolidated System Support

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0		\$1,169,750	\$1,169,750	
758 GR Match For Medicaid	\$0	\$0	\$0		\$1,047,754	\$1,047,754	
8010 GR Match For Title XXI	\$0	\$0	\$0		\$12,659	\$12,659	
8014 GR Match Food Stamp Adm	\$0	\$0	\$0		\$1,227,504	\$1,227,504	
General Revenue Funds Total	\$0	\$0	\$0		\$3,457,667	\$3,457,667	

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	2012	2013	Biennial Total	2012	2013	Biennial Total	
Strategy: 2-1-4 Children & Medically Needy Risk Groups							
<u>General Revenue Funds</u>							
758 GR Match For Medicaid	\$0	\$0	\$0	\$2,491,195		\$2,491,195	
General Revenue Funds Total	\$0	\$0	\$0	\$2,491,195		\$2,491,195	
Strategy: 2-2-4 Medical Transportation							
<u>General Revenue Funds</u>							
758 GR Match For Medicaid	\$0	\$0	\$0	\$740,232		\$740,232	
General Revenue Funds Total	\$0	\$0	\$0	\$740,232		\$740,232	
Item Total	\$0	\$0	\$0	\$6,923,371		\$6,923,371	
FTE Reductions (From FY 2012 and FY 2013 Base Request)							
3 HHSC IT Administrative Contractors Converted to State Staff							
Category: Administrative - Contracted Admin Services							
Item Comment: Durrently, HHSC is beginning to eliminate some contracts for information technology staff that count as full-time equivalent positions for the agency and replacing them with state employees. This item reflects decreased cost within the agency's budget for contractors working on administrative systems. This would not reduce the agency's FTEs. Instead, it would convert them from contractors to state employees. This would have minimal impact on meeting the agency's mission. The federal matching funds that could not be accessed							
Strategy: 5-1-2 Information Technology Program Support							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$7,725	\$7,725	\$15,450	
758 GR Match For Medicaid	\$0	\$0	\$0	\$76,150	\$76,150	\$152,300	
8010 GR Match For Title XXI	\$0	\$0	\$0	\$2,934	\$2,934	\$5,868	
8014 GR Match Food Stamp Adm	\$0	\$0	\$0	\$48,013	\$48,013	\$96,026	

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	2012	2013	Biennial Total	2012	2013	Biennial Total	
General Revenue Funds Total	\$0	\$0	\$0	\$134,822	\$134,822	\$269,644	
Item Total	\$0	\$0	\$0	\$134,822	\$134,822	\$269,644	

FTE Reductions (From FY 2012 and FY 2013 Base Request)

4 HHSC IT Program Contractors Converted to State Staff

Category: Programs - Service Reductions (Contracted)

Item Comment: Currently, HHSC is beginning to eliminate some contracts for information technology staff that count as full-time equivalent positions for the agency and replacing them with state employees. This item reflects the lower cost within the agency's budget for contractors working on systems that directly support programs and services. This would not reduce the agency's FTEs. Instead, it would convert them from contractors to state employees. This would have minimal impact on meeting the agency's mission. The federal matching funds that could not be accessed are estimated at \$4.12 million and the TANF federal funds savings are estimated at \$0.48 million.

Strategy: 1-1-2 Integrated Eligibility and Enrollment (IEE)

General Revenue Funds

758 GR Match For Medicaid	\$0	\$0	\$0	\$2,225	\$2,225	\$4,450
8014 GR Match Food Stamp Adm	\$0	\$0	\$0	\$58,005	\$58,005	\$116,010
General Revenue Funds Total	\$0	\$0	\$0	\$60,230	\$60,230	\$120,460

Strategy: 1-2-1 Consolidated System Support

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$1,809	\$1,809	\$3,618
758 GR Match For Medicaid	\$0	\$0	\$0	\$64,435	\$64,435	\$128,870
8010 GR Match For Title XXI	\$0	\$0	\$0	\$779	\$779	\$1,558
8014 GR Match Food Stamp Adm	\$0	\$0	\$0	\$75,491	\$75,491	\$150,982
General Revenue Funds Total	\$0	\$0	\$0	\$142,514	\$142,514	\$285,028

Strategy: 2-1-4 Children & Medically Needy Risk Groups

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	2012	2013	Biennial Total	2012	2013	Biennial Total	
<u>General Revenue Funds</u>							
758 GR Match For Medicaid	\$0	\$0	\$0	\$952,320	\$952,320	\$1,904,640	
General Revenue Funds Total	\$0	\$0	\$0	\$952,320	\$952,320	\$1,904,640	
Strategy: 2-2-4 Medical Transportation							
<u>General Revenue Funds</u>							
758 GR Match For Medicaid	\$0	\$0	\$0	\$466,573	\$466,573	\$933,146	
General Revenue Funds Total	\$0	\$0	\$0	\$466,573	\$466,573	\$933,146	
Strategy: 3-1-1 Children's Health Insurance Program (CHIP)							
<u>General Revenue Funds</u>							
8025 Tobacco Receipts Match For Chip	\$0	\$0	\$0	\$90,429	\$90,429	\$180,858	
General Revenue Funds Total	\$0	\$0	\$0	\$90,429	\$90,429	\$180,858	
Strategy: 7-1-1 Office of Inspector General							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$315	\$315	\$630	
758 GR Match For Medicaid	\$0	\$0	\$0	\$87,094	\$87,094	\$174,188	
8010 GR Match For Title XXI	\$0	\$0	\$0	\$7,532	\$7,532	\$15,064	
8014 GR Match Food Stamp Adm	\$0	\$0	\$0	\$93,170	\$93,170	\$186,340	
General Revenue Funds Total	\$0	\$0	\$0	\$188,111	\$188,111	\$376,222	
Item Total	\$0	\$0	\$0	\$1,900,177	\$1,900,177	\$3,800,354	

FTE Reductions (From FY 2012 and FY 2013 Base Request)

5 HHS IT TIERS Contracts

Category: Programs - Service Reductions (Contracted)

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	2012	2013	Biennial Total	2012	2013	Biennial Total	
Item Comment: This item would eliminate some contracted positions for TIERS and eligibility supporting technology that count as agency FTEs and replace them with state employees. This item also reflects a 10% reduction in the rates paid to contractors that would be retained and not converted to state positions. This item also includes a reduction of temporary contracted staff in the Winters data center, and a 50% reduction in Independent Validation and Verification. This would have minimal impact on meeting the agency's mission. The federal matching funds that could not be accessed are estimated at \$7.35 million and the TANF federal funds savings are estimated at \$0.36 million.							
Strategy: 1-1-2 Integrated Eligibility and Enrollment (IEE)							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$5,558	\$5,558	\$11,116	
758 GR Match For Medicaid	\$0	\$0	\$0	\$1,598,969	\$1,598,969	\$3,197,938	
8010 GR Match For Title XXI	\$0	\$0	\$0	\$157,460	\$157,460	\$314,920	
8014 GR Match Food Stamp Adm	\$0	\$0	\$0	\$1,592,000	\$1,592,000	\$3,184,000	
General Revenue Funds Total	\$0	\$0	\$0	\$3,353,987	\$3,353,987	\$6,707,974	
Item Total	\$0	\$0	\$0	\$3,353,987	\$3,353,987	\$6,707,974	

FTE Reductions (From FY 2012 and FY 2013 Base Request)

6 Eliminate Frew Rewards for Provider and Managed Care Organizations

Category: Programs - Service Reductions (Contracted)

Item Comment: HHSC is required to develop and implement reward and sanction plans related to checkup rates under the Frew court order. HHSC would replace financial rewards to Managed Care Organizations in the 2012-13 biennium with a system of non-financial rewards. These savings are in addition to the savings counted as reductions in the FY 2010-11 biennium. Nothing in the order prohibits the Legislature from reducing that appropriation to address budget limitations. No other corrective action orders or strategic initiatives would impacted by this reduction. The federal matching funds that could not be accessed are estimated at \$12.00 million.

Strategy: 2-1-4 Children & Medically Needy Risk Groups

General Revenue Funds

758 GR Match For Medicaid	\$0	\$0	\$0	\$13,000,000	\$13,000,000	\$26,000,000	
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	2012	2013	Biennial Total	2012	2013	Biennial Total	
General Revenue Funds Total	\$0	\$0	\$0	\$13,000,000	\$13,000,000	\$26,000,000	
Item Total	\$0	\$0	\$0	\$13,000,000	\$13,000,000	\$26,000,000	

FTE Reductions (From FY 2012 and FY 2013 Base Request)

7 Medicaid and CHIP Administrative Contracts

Category: Programs - Service Reductions (Contracted)

Item Comment: The affected functions may include outreach and education services, verification and validation services, risk-based performance audits, contract risk assessments, actuarial services, consulting services for technical advice and assistance, research, program enhancement feasibility assessments, program development, oversight, program monitoring, and identifying best practices and efficiencies. Implementation of the national health care reform act may be affected. The impact to the agency's mission would not be significant. The federal matching funds that could not be accessed are estimated at \$6.7 million.

Strategy: 2-1-4 Children & Medically Needy Risk Groups

General Revenue Funds

758 GR Match For Medicaid	\$0	\$0	\$0	\$2,419,350	\$2,419,350	\$4,838,700	
General Revenue Funds Total	\$0	\$0	\$0	\$2,419,350	\$2,419,350	\$4,838,700	

Strategy: 3-1-1 Children's Health Insurance Program (CHIP)

General Revenue Funds

8025 Tobacco Receipts Match For Chip	\$0	\$0	\$0	\$242,048	\$242,048	\$484,096	
General Revenue Funds Total	\$0	\$0	\$0	\$242,048	\$242,048	\$484,096	
Item Total	\$0	\$0	\$0	\$2,661,398	\$2,661,398	\$5,322,796	

FTE Reductions (From FY 2012 and FY 2013 Base Request)

8 Salary Savings - Vacant Positions in Goal 5, Program Support

Category: Administrative - FTEs / Hiring and Salary Freeze

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Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2012	2013	Biennial Total	2012	2013	Biennial Total	
Item Comment: This reduction would eliminate 23 FTEs in Goal E, Program Support that are currently vacant and have not been authorized to be filled. Regional Administrative Services, which directs and provides the administrative and facility support for direct delivery field staff in all five Health and Human Services agencies, has 15 of the 23 vacancies. This reduction is not expected to have a significant impact on the agency's mission. The federal matching funds that could not be accessed are estimated at \$0.57 million and the TANF federal funds savings are estimated at \$0.05 million.							
Strategy: 5-1-1 Central Program Support							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$2,724	\$2,409	\$5,133	
758 GR Match For Medicaid	\$0	\$0	\$0	\$97,030	\$85,810	\$182,840	
8010 GR Match For Title XXI	\$0	\$0	\$0	\$1,174	\$1,038	\$2,212	
8014 GR Match Food Stamp Adm	\$0	\$0	\$0	\$113,678	\$100,533	\$214,211	
General Revenue Funds Total	\$0	\$0	\$0	\$214,606	\$189,790	\$404,396	
Strategy: 5-1-4 Regional Program Support							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$606	\$606	\$1,212	
758 GR Match For Medicaid	\$0	\$0	\$0	\$35,194	\$35,194	\$70,388	
8010 GR Match For Title XXI	\$0	\$0	\$0	\$237	\$237	\$474	
8014 GR Match Food Stamp Adm	\$0	\$0	\$0	\$47,348	\$47,348	\$94,696	
General Revenue Funds Total	\$0	\$0	\$0	\$83,385	\$83,385	\$166,770	
Item Total	\$0	\$0	\$0	\$297,991	\$273,175	\$571,166	
FTE Reductions (From FY 2012 and FY 2013 Base Request)				23.0	22.0		

9 Salary Savings - Vacant Positions in Goals 1, 2, and 7

Category: Programs - Service Reductions (FTEs-Hiring Freeze)

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	2012	2013	Biennial Total	2012	2013	Biennial Total	
Item Comment: This reduction would eliminate 108.6 FTEs in FY 2012 and 125.1 FTEs in FY 2013 in currently vacant positions in Goals A, B and G. This reduction is not expected to have a significant impact on the agency's mission. The federal matching funds that could not be accessed are estimated at \$1.81 million and the TANF federal funds savings are estimated at \$0.17 million.							
Strategy: 1-1-1 Enterprise Oversight and Policy							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$6,126	\$6,126	\$12,252	
758 GR Match For Medicaid	\$0	\$0	\$0	\$46,032	\$46,032	\$92,064	
8010 GR Match For Title XXI	\$0	\$0	\$0	\$1,583	\$1,583	\$3,166	
8014 GR Match Food Stamp Adm	\$0	\$0	\$0	\$52,217	\$52,217	\$104,434	
General Revenue Funds Total	\$0	\$0	\$0	\$105,958	\$105,958	\$211,916	
Strategy: 1-1-2 Integrated Eligibility and Enrollment (IEE)							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$3,013	\$3,013	\$6,026	
8010 GR Match For Title XXI	\$0	\$0	\$0	\$29,104	\$29,104	\$58,208	
8014 GR Match Food Stamp Adm	\$0	\$0	\$0	\$287,540	\$287,540	\$575,080	
General Revenue Funds Total	\$0	\$0	\$0	\$319,657	\$319,657	\$639,314	
Strategy: 1-2-1 Consolidated System Support							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$45,424	\$45,424	\$90,848	
758 GR Match For Medicaid	\$0	\$0	\$0	\$68,642	\$68,642	\$137,284	
8010 GR Match For Title XXI	\$0	\$0	\$0	\$833	\$833	\$1,666	
8014 GR Match Food Stamp Adm	\$0	\$0	\$0	\$80,426	\$80,426	\$160,852	

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	2012	2013	Biennial Total	2012	2013	Biennial Total	
General Revenue Funds Total	\$0	\$0	\$0	\$195,325	\$195,325	\$390,650	
Strategy: 2-1-4 Children & Medically Needy Risk Groups							
<u>General Revenue Funds</u>							
758 GR Match For Medicaid	\$0	\$0	\$0	\$108,542	\$108,542	\$217,084	
General Revenue Funds Total	\$0	\$0	\$0	\$108,542	\$108,542	\$217,084	
Strategy: 2-2-4 Medical Transportation							
<u>General Revenue Funds</u>							
758 GR Match For Medicaid	\$0	\$0	\$0	\$259,854	\$259,854	\$519,708	
General Revenue Funds Total	\$0	\$0	\$0	\$259,854	\$259,854	\$519,708	
Strategy: 2-4-1 State Medicaid Office							
<u>General Revenue Funds</u>							
758 GR Match For Medicaid	\$0	\$0	\$0	\$22,205	\$22,205	\$44,410	
General Revenue Funds Total	\$0	\$0	\$0	\$22,205	\$22,205	\$44,410	
Strategy: 7-1-1 Office of Inspector General							
<u>General Revenue Funds</u>							
758 GR Match For Medicaid	\$0	\$0	\$0	\$148,176	\$276,320	\$424,496	
8014 GR Match Food Stamp Adm	\$0	\$0	\$0	\$58,847	\$157,869	\$216,716	
General Revenue Funds Total	\$0	\$0	\$0	\$207,023	\$434,189	\$641,212	
Item Total	\$0	\$0	\$0	\$1,218,564	\$1,445,730	\$2,664,294	
FTE Reductions (From FY 2012 and FY 2013 Base Request)				108.6	125.1		

10 Reductions to Program and Services Contracts - Minimal Impact

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	2012	2013	Biennial Total	2012	2013	Biennial Total	
Category: Programs - Service Reductions (Contracted)							
Item Comment: This reduction would affect various program and services contracts in Goals A, B, and G by reducing the scope or replacing the contract with other resources and mechanisms. An example of this type of reduction is the Center of Disease Control project for an immunization survey for Medicaid clients, FREW-related that would be completed every other year rather than annually. This reduction is not expected to have a significant impact on the agency's mission. The federal matching funds that could not be accessed are estimated at \$3.04 million and the TANF federal funds savings are estimated at \$0.19 million.							
Strategy: 1-1-2 Integrated Eligibility and Enrollment (IEE)							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$1,772	\$1,772	\$3,544	
758 GR Match For Medicaid	\$0	\$0	\$0	\$490,484	\$490,484	\$980,968	
8010 GR Match For Title XXI	\$0	\$0	\$0	\$42,415	\$42,415	\$84,830	
8014 GR Match Food Stamp Adm	\$0	\$0	\$0	\$702,727	\$702,727	\$1,405,454	
General Revenue Funds Total	\$0	\$0	\$0	\$1,237,398	\$1,237,398	\$2,474,796	
Strategy: 2-1-4 Children & Medically Needy Risk Groups							
<u>General Revenue Funds</u>							
758 GR Match For Medicaid	\$0	\$0	\$0	\$1,047,500		\$1,047,500	
General Revenue Funds Total	\$0	\$0	\$0	\$1,047,500		\$1,047,500	
Item Total	\$0	\$0	\$0	\$2,284,898	\$1,237,398	\$3,522,296	

FTE Reductions (From FY 2012 and FY 2013 Base Request)

11 Travel Reductions in Goal 5, Program Support

Category: Administrative - Travel

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Item Comment: This reduction would affect travel for staff in Goal E, Program Support. Travel for Regional Administrative Services staff providing facilities and administrative support for direct delivery field staff in all five Health and Human Services agencies comprises 80% of the reduction. This could affect the frequency with which these staff are onsite at a particular facility and may decrease their responsiveness to the facility and administrative needs of clients accessing HHS offices and staff serving these clients. This reduction may have a significant impact on the agency's mission. The federal matching funds that could not be accessed are estimated at \$0.11 million and the TANF federal funds savings are estimated at \$0.01 million.							
Strategy: 5-1-1 Central Program Support							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$164	\$164	\$328	
758 GR Match For Medicaid	\$0	\$0	\$0	\$5,837	\$5,837	\$11,674	
8010 GR Match For Title XXI	\$0	\$0	\$0	\$70	\$70	\$140	
8014 GR Match Food Stamp Adm	\$0	\$0	\$0	\$6,837	\$6,837	\$13,674	
General Revenue Funds Total	\$0	\$0	\$0	\$12,908	\$12,908	\$25,816	
Strategy: 5-1-4 Regional Program Support							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$305	\$305	\$610	
758 GR Match For Medicaid	\$0	\$0	\$0	\$17,746	\$17,746	\$35,492	
8010 GR Match For Title XXI	\$0	\$0	\$0	\$121	\$121	\$242	
8014 GR Match Food Stamp Adm	\$0	\$0	\$0	\$23,875	\$23,875	\$47,750	
General Revenue Funds Total	\$0	\$0	\$0	\$42,047	\$42,047	\$84,094	
Item Total	\$0	\$0	\$0	\$54,955	\$54,955	\$109,910	

FTE Reductions (From FY 2012 and FY 2013 Base Request)

12 Operating Expense Reductions in Goal 5, Program Support

Category: Administrative - Operating Expenses

6.I 10 PERCENT BIENNIAL BASE REDUCTION OPTIONS
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Date: 8/21/2010
 Time: 11:28:02AM

Agency code: **529** Agency name: **Health and Human Services Commission**

<u>Item Priority and Name/ Method of Financing</u>	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2012	2013	Biennial Total	2012	2013	Biennial Total	
Item Comment: This reduction would affect the other operating expenses in Goal E, Program Support, such as consumable supplies, cell phones, blackberries, pagers and temporaries. It would not affect building rent and utilities. More than 90% of the identified reduction would be to the administrative departments in strategy E.1.1, such as budget management, legal, accounting, internal audit, agency internal administrative support, and contract administration support. This reduction may have a significant impact on the agency's mission. This reduction may have a significant impact o the agency's mission. The federal matching funds that could not be accessed are estimated at \$0.61 million and the TANF federal funds savings are estimated at \$0.06 million.							
Strategy: 5-1-1 Central Program Support							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$3,675	\$2,709	\$6,384	
758 GR Match For Medicaid	\$0	\$0	\$0	\$130,849	\$96,435	\$227,284	
8010 GR Match For Title XXI	\$0	\$0	\$0	\$1,582	\$1,166	\$2,748	
8014 GR Match Food Stamp Adm	\$0	\$0	\$0	\$153,299	\$112,980	\$266,279	
General Revenue Funds Total	\$0	\$0	\$0	\$289,405	\$213,290	\$502,695	
Strategy: 5-1-4 Regional Program Support							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$126	\$126	\$252	
758 GR Match For Medicaid	\$0	\$0	\$0	\$7,206	\$7,206	\$14,412	
8010 GR Match For Title XXI	\$0	\$0	\$0	\$49	\$49	\$98	
8014 GR Match Food Stamp Adm	\$0	\$0	\$0	\$9,696	\$9,696	\$19,392	
General Revenue Funds Total	\$0	\$0	\$0	\$17,077	\$17,077	\$34,154	
Item Total	\$0	\$0	\$0	\$306,482	\$230,367	\$536,849	

FTE Reductions (From FY 2012 and FY 2013 Base Request)

13 Travel and Operating Expense Reductions in Goal 1, 2, 4, and 7

Category: Programs - Service Reductions (Other)

6.I 10 PERCENT BIENNIAL BASE REDUCTION OPTIONS
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Date: 8/21/2010
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Agency code: **529** Agency name: **Health and Human Services Commission**

<u>Item Priority and Name/ Method of Financing</u>	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2012	2013	Biennial Total	2012	2013	Biennial Total	

Item Comment: This reduction would affect travel and other operating expenses, such as consumable supplies, cell phones, blackberries, pagers, meeting space rental and temporaries in Goals A, B, and G. It would only affect building rent and utilities for a warehouse facility for a program effort that would be eliminated. Travel represents about 10% of the identified reductions. This reduction may have a significant impact on the agency's mission. The federal matching funds that could not be accessed are estimated at \$4.64 million and the TANF federal funds savings are estimated at \$0.49 million.

Strategy: 1-1-1 Enterprise Oversight and Policy

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$24,712	\$24,712	\$49,424	
758 GR Match For Medicaid	\$0	\$0	\$0	\$113,022	\$113,183	\$226,205	
8010 GR Match For Title XXI	\$0	\$0	\$0	\$4,709	\$4,723	\$9,432	
8014 GR Match Food Stamp Adm	\$0	\$0	\$0	\$19,093	\$19,093	\$38,186	
General Revenue Funds Total	\$0	\$0	\$0	\$161,536	\$161,711	\$323,247	

Strategy: 1-1-2 Integrated Eligibility and Enrollment (IEE)

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$1,575	\$1,797	\$3,372	
758 GR Match For Medicaid	\$0	\$0	\$0	\$96,754	\$105,070	\$201,824	
8010 GR Match For Title XXI	\$0	\$0	\$0	\$4,796	\$5,008	\$9,804	
8014 GR Match Food Stamp Adm	\$0	\$0	\$0	\$133,740	\$154,775	\$288,515	
General Revenue Funds Total	\$0	\$0	\$0	\$236,865	\$266,650	\$503,515	

Strategy: 1-2-1 Consolidated System Support

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$47,115	\$47,115	\$94,230	
758 GR Match For Medicaid	\$0	\$0	\$0	\$464,364	\$464,364	\$928,728	

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Agency code: **529** Agency name: **Health and Human Services Commission**

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2012	2013	Biennial Total	2012	2013	Biennial Total	
8010 GR Match For Title XXI	\$0	\$0	\$0	\$5,604	\$5,604	\$11,208	
8014 GR Match Food Stamp Adm	\$0	\$0	\$0	\$561,649	\$561,649	\$1,123,298	
General Revenue Funds Total	\$0	\$0	\$0	\$1,078,732	\$1,078,732	\$2,157,464	
Strategy: 2-1-4 Children & Medically Needy Risk Groups							
<u>General Revenue Funds</u>							
758 GR Match For Medicaid	\$0	\$0	\$0	\$250,487	\$251,770	\$502,257	
General Revenue Funds Total	\$0	\$0	\$0	\$250,487	\$251,770	\$502,257	
Strategy: 2-2-4 Medical Transportation							
<u>General Revenue Funds</u>							
758 GR Match For Medicaid	\$0	\$0	\$0	\$404,990	\$404,990	\$809,980	
General Revenue Funds Total	\$0	\$0	\$0	\$404,990	\$404,990	\$809,980	
Strategy: 2-4-1 State Medicaid Office							
<u>General Revenue Funds</u>							
758 GR Match For Medicaid	\$0	\$0	\$0	\$35,426	\$35,426	\$70,852	
General Revenue Funds Total	\$0	\$0	\$0	\$35,426	\$35,426	\$70,852	
Strategy: 3-1-1 Children's Health Insurance Program (CHIP)							
<u>General Revenue Funds</u>							
8025 Tobacco Receipts Match For Chip	\$0	\$0	\$0	\$8,608	\$8,608	\$17,216	
General Revenue Funds Total	\$0	\$0	\$0	\$8,608	\$8,608	\$17,216	
Strategy: 4-2-1 Family Violence Services							
<u>General Revenue Funds</u>							

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Agency code: **529** Agency name: **Health and Human Services Commission**

<u>Item Priority and Name/ Method of Financing</u>	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2012	2013	Biennial Total	2012	2013	Biennial Total	
1 General Revenue Fund	\$0	\$0	\$0	\$122,904	\$122,904	\$245,808	
General Revenue Funds Total	\$0	\$0	\$0	\$122,904	\$122,904	\$245,808	
Strategy: 7-1-1 Office of Inspector General							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$41	\$449	\$490	
758 GR Match For Medicaid	\$0	\$0	\$0	\$193,310	\$214,645	\$407,955	
8010 GR Match For Title XXI	\$0	\$0	\$0	\$2,044	\$2,218	\$4,262	
8014 GR Match Food Stamp Adm	\$0	\$0	\$0	\$2,417	\$19,280	\$21,697	
General Revenue Funds Total	\$0	\$0	\$0	\$197,812	\$236,592	\$434,404	
Item Total	\$0	\$0	\$0	\$2,497,360	\$2,567,383	\$5,064,743	

FTE Reductions (From FY 2012 and FY 2013 Base Request)

14 Delayed or Deferred Manager and Infrastructure Supports

Category: Programs - Delayed Program Implementation

Item Comment: This item represents delayed or deferred improvements and maintenance of infrastructure and manager supports for all HHS agencies. It includes civil rights and building security. This reduction may have a significant impact on the agency's mission. The federal matching funds that could not be accessed are estimated at \$0.53 million and the TANF federal funds savings are estimated at \$0.05 million.

Strategy: 1-1-2 Integrated Eligibility and Enrollment (IEE)

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0		\$3,253	\$3,253
758 GR Match For Medicaid	\$0	\$0	\$0		\$136,498	\$136,498
8010 GR Match For Title XXI	\$0	\$0	\$0		\$925	\$925
8014 GR Match Food Stamp Adm	\$0	\$0	\$0		\$247,709	\$247,709

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 Time: 11:28:02AM

Agency code: **529** Agency name: **Health and Human Services Commission**

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2012	2013	Biennial Total	2012	2013	Biennial Total	
General Revenue Funds Total	\$0	\$0	\$0		\$388,385	\$388,385	
Strategy: 1-2-1 Consolidated System Support							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0		\$810	\$810	
758 GR Match For Medicaid	\$0	\$0	\$0		\$89,591	\$89,591	
8010 GR Match For Title XXI	\$0	\$0	\$0		\$684	\$684	
8014 GR Match Food Stamp Adm	\$0	\$0	\$0		\$53,876	\$53,876	
General Revenue Funds Total	\$0	\$0	\$0		\$144,961	\$144,961	
Item Total	\$0	\$0	\$0		\$533,346	\$533,346	

FTE Reductions (From FY 2012 and FY 2013 Base Request)

15 Salary Savings - Currently Filled Positions in Goal 5, Program Support

Category: Administrative - FTEs / Layoffs

Item Comment: This item would result in the loss of 5 FTEs in currently filled positions in Goal 5, including staff in HHSC legal, agency support operations and contract administration. Risks include loss of opportunities to identify savings and efficiencies, noncompliance with federal and state mandates, and diminished responsiveness in support of agency contracting, records retention, and other central support functions. This reduction is expected to have a very significant impact to the agency's mission. The federal matching funds that could not be accessed are estimated at \$0.22 million and the TANF federal funds savings are estimated at \$0.02 million.

Strategy: 5-1-1 Central Program Support

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$1,360	\$1,360	\$2,720
758 GR Match For Medicaid	\$0	\$0	\$0	\$48,424	\$48,424	\$96,848
8010 GR Match For Title XXI	\$0	\$0	\$0	\$585	\$585	\$1,170
8014 GR Match Food Stamp Adm	\$0	\$0	\$0	\$56,732	\$56,732	\$113,464

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Date: 8/21/2010
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Agency code: **529** Agency name: **Health and Human Services Commission**

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2012	2013	Biennial Total	2012	2013	Biennial Total	
General Revenue Funds Total	\$0	\$0	\$0	\$107,101	\$107,101	\$214,202	
Item Total	\$0	\$0	\$0	\$107,101	\$107,101	\$214,202	
FTE Reductions (From FY 2012 and FY 2013 Base Request)				5.0	5.0		

16 Salary Savings - Currently Filled Positions in Goals 1 and 7

Category: Programs - Service Reductions (FTEs-Layoffs)

Item Comment: This item would result in the loss of 60.4 FTEs in FY 2012 and 93.5 FTEs in FY 2013 in currently filled positions in the following functions: Office of the Inspector General staff engaged in fraud, waste and abuse investigations, provider audits, and recover of improper payments and benefits; central office support staff for eligibility determination and family services; community liaison staff for border affairs, faith and community based support, computers for learning, ombudsman, health services and other community and external affairs; communications staff providing translation services and formatting and content reviews to assure that client informational materials and service application forms are easy to understand; legal and fair hearings staff serving applicants and recipients while protecting the state's interests; civil rights and human resources staff assuring compliance with federal and state mandates; and information technology, warehouse, mail and central office facility management and leasing staff supporting the programs and staff of all health and human services agencies. Risks include failure to fully pursue fraud, waste and abuse; noncompliance with federal and state mandates; and diminished responsiveness and service delivery. This reduction is expected to have a very significant impact to the agency's mission. The federal matching funds that could not be accessed are estimated at \$1.93. million and the TANF federal funds savings are estimated at \$0.14 million.

Strategy: 1-1-1 Enterprise Oversight and Policy

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$2,266	\$2,399	\$4,665	
758 GR Match For Medicaid	\$0	\$0	\$0	\$74,228	\$78,949	\$153,177	
8010 GR Match For Title XXI	\$0	\$0	\$0	\$1,486	\$1,543	\$3,029	
8014 GR Match Food Stamp Adm	\$0	\$0	\$0	\$103,398	\$108,929	\$212,327	
General Revenue Funds Total	\$0	\$0	\$0	\$181,378	\$191,820	\$373,198	

Strategy: 1-1-2 Integrated Eligibility and Enrollment (IEE)

General Revenue Funds

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Agency code: **529** Agency name: **Health and Human Services Commission**

<u>Item Priority and Name/ Method of Financing</u>	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2012	2013	Biennial Total	2012	2013	Biennial Total	
1 General Revenue Fund	\$0	\$0	\$0	\$4	\$4	\$8	
758 GR Match For Medicaid	\$0	\$0	\$0	\$8,060	\$8,060	\$16,120	
8010 GR Match For Title XXI	\$0	\$0	\$0	\$216	\$216	\$432	
8014 GR Match Food Stamp Adm	\$0	\$0	\$0	\$12,787	\$12,787	\$25,574	
General Revenue Funds Total	\$0	\$0	\$0	\$21,067	\$21,067	\$42,134	
Strategy: 1-2-1 Consolidated System Support							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$314,733	\$314,733	\$629,466	
758 GR Match For Medicaid	\$0	\$0	\$0	\$79,874	\$79,874	\$159,748	
8010 GR Match For Title XXI	\$0	\$0	\$0	\$964	\$964	\$1,928	
8014 GR Match Food Stamp Adm	\$0	\$0	\$0	\$93,585	\$93,585	\$187,170	
General Revenue Funds Total	\$0	\$0	\$0	\$489,156	\$489,156	\$978,312	
Strategy: 7-1-1 Office of Inspector General							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$178	\$376	\$554	
758 GR Match For Medicaid	\$0	\$0	\$0	\$101,325	\$244,909	\$346,234	
8010 GR Match For Title XXI	\$0	\$0	\$0	\$2,518	\$5,576	\$8,094	
8014 GR Match Food Stamp Adm	\$0	\$0	\$0	\$158,501	\$421,119	\$579,620	
General Revenue Funds Total	\$0	\$0	\$0	\$262,522	\$671,980	\$934,502	
Item Total	\$0	\$0	\$0	\$954,123	\$1,374,023	\$2,328,146	
FTE Reductions (From FY 2012 and FY 2013 Base Request)				65.4	93.5		

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Agency code: **529** Agency name: **Health and Human Services Commission**

<u>Item Priority and Name/ Method of Financing</u>	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2012	2013	Biennial Total	2012	2013	Biennial Total	

17 Reductions to Program and Services Contracts - Significant Impact

Category: Programs - Service Reductions (Other)

Item Comment: This item would result in a reduced scope of work in contracts for OIG data, Disproportionate Share Hospital audits, mortality reviews, long-term care family-based alternatives, promoting independence, Autism Pilot and Resource Center, Lone Star Electronic Benefits Transfer for TANF and SNAP, and 2-1-1 Texas Information Resource and Referral. This reduction is expected to have a very significant impact to the agency's mission. The federal matching funds that could not be accessed are estimated at \$3.14 million and the TANF federal funds savings are estimated at \$0.02 million.

Strategy: 1-1-1 Enterprise Oversight and Policy

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$179,927	\$179,927	\$359,854
758 GR Match For Medicaid	\$0	\$0	\$0	\$69,721	\$69,721	\$139,442
General Revenue Funds Total	\$0	\$0	\$0	\$249,648	\$249,648	\$499,296

Strategy: 1-1-2 Integrated Eligibility and Enrollment (IEE)

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$272	\$435	\$707
758 GR Match For Medicaid	\$0	\$0	\$0	\$75,227	\$120,358	\$195,585
8010 GR Match For Title XXI	\$0	\$0	\$0	\$6,505	\$10,408	\$16,913
8014 GR Match Food Stamp Adm	\$0	\$0	\$0	\$105,345	\$168,143	\$273,488
General Revenue Funds Total	\$0	\$0	\$0	\$187,349	\$299,344	\$486,693

Strategy: 2-1-4 Children & Medically Needy Risk Groups

General Revenue Funds

758 GR Match For Medicaid	\$0	\$0	\$0	\$464,481	\$464,481	\$928,962
General Revenue Funds Total	\$0	\$0	\$0	\$464,481	\$464,481	\$928,962

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Agency code: **529** Agency name: **Health and Human Services Commission**

<u>Item Priority and Name/ Method of Financing</u>	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2012	2013	Biennial Total	2012	2013	Biennial Total	
Strategy: 7-1-1 Office of Inspector General							
<u>General Revenue Funds</u>							
758 GR Match For Medicaid	\$0	\$0	\$0	\$284,611	\$284,611	\$569,222	
General Revenue Funds Total	\$0	\$0	\$0	\$284,611	\$284,611	\$569,222	
Item Total	\$0	\$0	\$0	\$1,186,089	\$1,298,084	\$2,484,173	

FTE Reductions (From FY 2012 and FY 2013 Base Request)

18 Reductions to TANF and State Two-parent Cash Assistance

Category: Programs - Service Reductions (Other)

Item Comment: Temporary Family Assistance (TFA) is an employment focused, time limited assistance program that provides families with monthly cash assistance for ongoing needs such as food, shelter, and clothing. This 10% reduction of state funds in Strategy D.1.1 would equate to a reduction in the monthly case assistance grant of approximately 6.5 % on top of the reduced grant amounts assumed in the base request. The reduction assumes a proportionate benefit reduction for the TANF Basic Cash Assistance and the State Two Parent Assistance programs. HHSC has traditionally protected the TANF and Two Parent Programs from general revenue reductions, but it is impossible to protect these programs under the 10% reduction target without devastating reductions to other programs and services. The reduction would mean TANF MOE expenditures of \$12.6 million less during the biennium. If additional expenditures of other state and local funds, such as those for pre-kindergarten services, are not identified to replace the lost TANF MOE, the state would face a penalty for not meeting the TANF MOE requirement, including an equal loss of TANF federal block grant funds, a requirement to replace the federal funds, and a non-compliance penalty. This reduction would have a very significant impact to the agency's mission, as well as the economic well-being of families receiving TANF cash assistance.

Strategy: 4-1-1 Temporary Assistance for Needy Families Grants

<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$282,684	\$282,684	\$565,368	
759 GR MOE For TANF	\$0	\$0	\$0	\$6,285,193	\$6,285,193	\$12,570,386	
General Revenue Funds Total	\$0	\$0	\$0	\$6,567,877	\$6,567,877	\$13,135,754	
Item Total	\$0	\$0	\$0	\$6,567,877	\$6,567,877	\$13,135,754	

FTE Reductions (From FY 2012 and FY 2013 Base Request)

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Agency code: **529** Agency name: **Health and Human Services Commission**

<u>Item Priority and Name/ Method of Financing</u>	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2012	2013	Biennial Total	2012	2013	Biennial Total	
19 Reductions to Grants for Community- and Faith-based Non-Profits							
Category: Programs - Grant/Loan/Pass-through Reductions							
Item Comment: This item would result in the elimination of the faith- and community-based grants for HB 492, reduction of guardianship grants for elderly and disabled people at risk of financial abuse or neglect, reduction of grants for the elimination of health disparities, reduction of grants for community resource coordinating groups, and limit the opportunity to make grants for Medicaid initiatives. This item would significantly impact the provision of services and supports by local providers and could impede the ability of these non-profit entities to carry out their mission, possibly to the extent that some may cease to provide these services or operate. This reduction is expected to have a very significant impact to the agency's mission. The federal matching funds that could not be accessed are estimated at \$0.02 million.							
Strategy: 1-1-1 Enterprise Oversight and Policy							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$141,000	\$141,000	\$282,000	
General Revenue Funds Total	\$0	\$0	\$0	\$141,000	\$141,000	\$282,000	
Strategy: 1-2-1 Consolidated System Support							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$50,000	\$50,000	\$100,000	
General Revenue Funds Total	\$0	\$0	\$0	\$50,000	\$50,000	\$100,000	
Strategy: 2-1-4 Children & Medically Needy Risk Groups							
<u>General Revenue Funds</u>							
758 GR Match For Medicaid	\$0	\$0	\$0	\$337,396	\$337,396	\$674,792	
General Revenue Funds Total	\$0	\$0	\$0	\$337,396	\$337,396	\$674,792	
Item Total	\$0	\$0	\$0	\$528,396	\$528,396	\$1,056,792	
FTE Reductions (From FY 2012 and FY 2013 Base Request)							

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<u>Item Priority and Name/ Method of Financing</u>	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2012	2013	Biennial Total	2012	2013	Biennial Total	
AGENCY TOTALS							
General Revenue Total				\$37,054,220	\$46,486,751	\$83,540,971	\$83,540,971
Agency Grand Total	\$0	\$0	\$0	\$37,054,220	\$46,486,751	\$83,540,971	
Difference, Options Total Less Target							
Agency FTE Reductions (From FY 2012 and FY 2013 Base Request)				202.0	245.6		