

**Section 1**

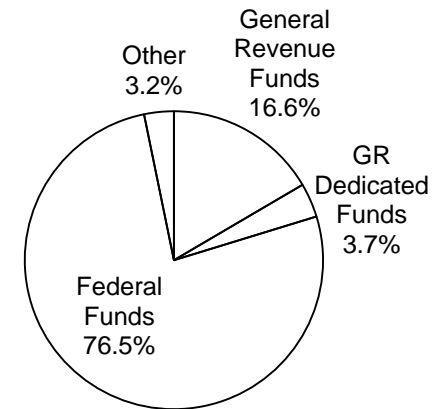
**Assistive and Rehabilitative Services, Department of  
Summary of Recommendations - House**

Page II-22  
Veronda Durden, Commissioner

Valerie Crawford, LBB Analyst

<b>Method of Financing</b>	<b>2014-15 Base</b>	<b>2016-17 Recommended</b>	<b>Biennial Change</b>	<b>% Change</b>
General Revenue Funds	\$218,873,620	\$208,748,121	(\$10,125,499)	(4.6%)
GR Dedicated Funds	\$34,918,277	\$46,747,614	\$11,829,337	33.9%
<i>Total GR-Related Funds</i>	<i>\$253,791,897</i>	<i>\$255,495,735</i>	<i>\$1,703,838</i>	<i>0.7%</i>
Federal Funds	\$937,854,871	\$964,635,860	\$26,780,989	2.9%
Other	\$40,838,793	\$40,586,298	(\$252,495)	(0.6%)
<b>All Funds</b>	<b>\$1,232,485,561</b>	<b>\$1,260,717,893</b>	<b>\$28,232,332</b>	<b>2.3%</b>

**RECOMMENDED FUNDING  
BY METHOD OF FINANCING**



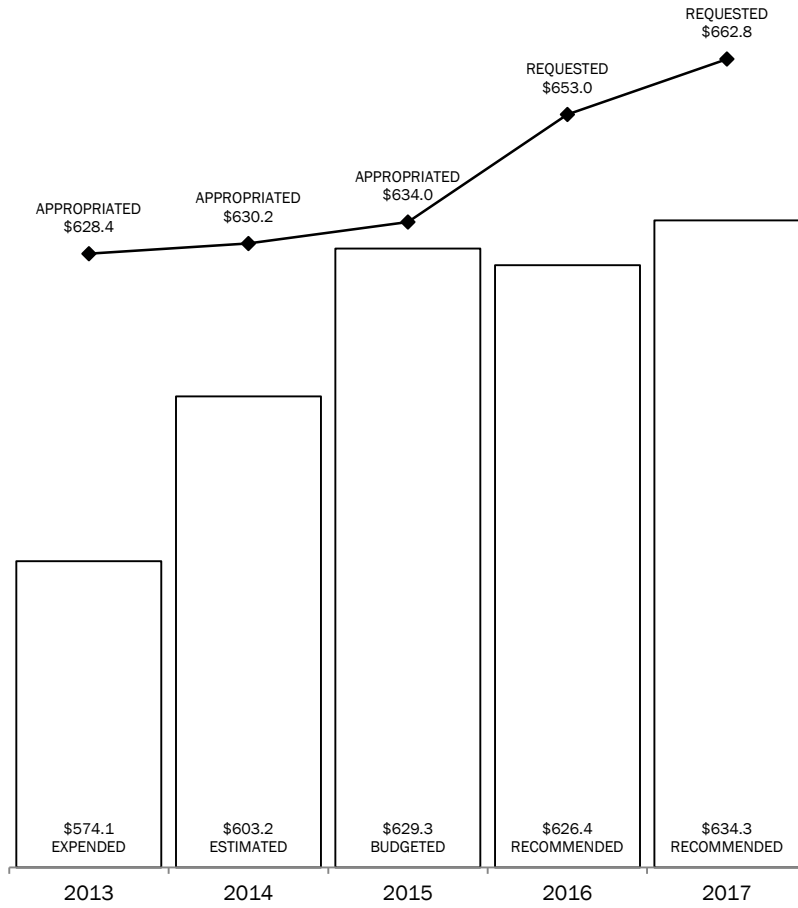
	<b>FY 2015 Budgeted</b>	<b>FY 2017 Recommended</b>	<b>Biennial Change</b>	<b>% Change</b>
<b>FTEs</b>	3,178.5	3,020.3	(158.2)	(5.0%)

The bill pattern for this agency (2016-17 Recommended) represents an estimated 100% of the agency's estimated total available funds for the 2016-17 biennium.

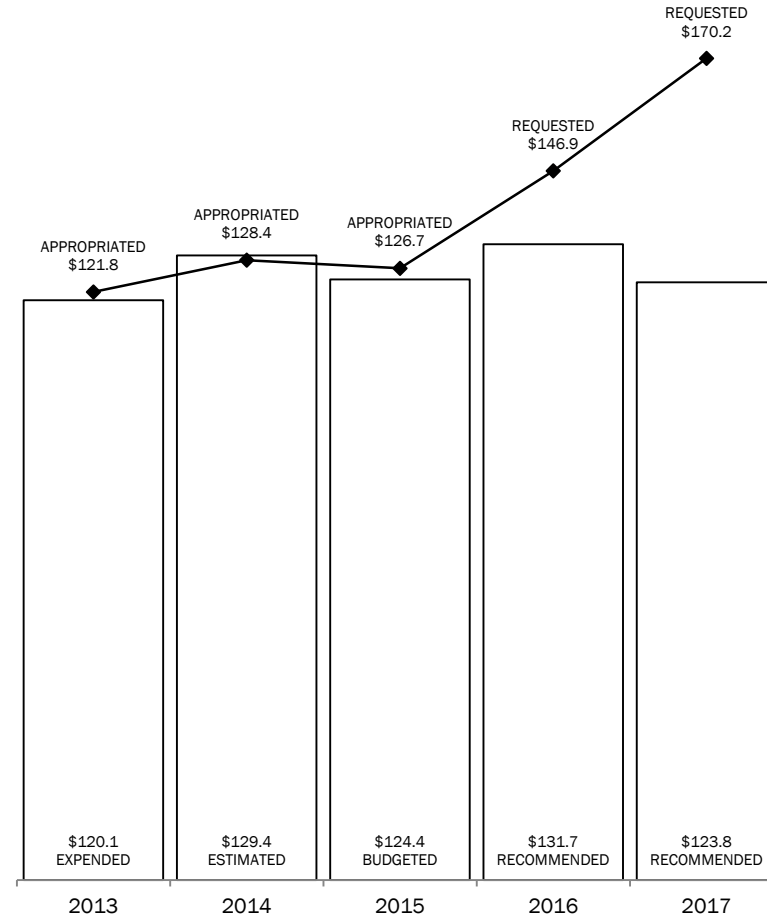
**Section 1**  
**Assistive and Rehabilitative Services, Department of**  
**2016-2017 BIENNIUM**  
 IN MILLIONS

TOTAL= \$1,260.7 MILLION

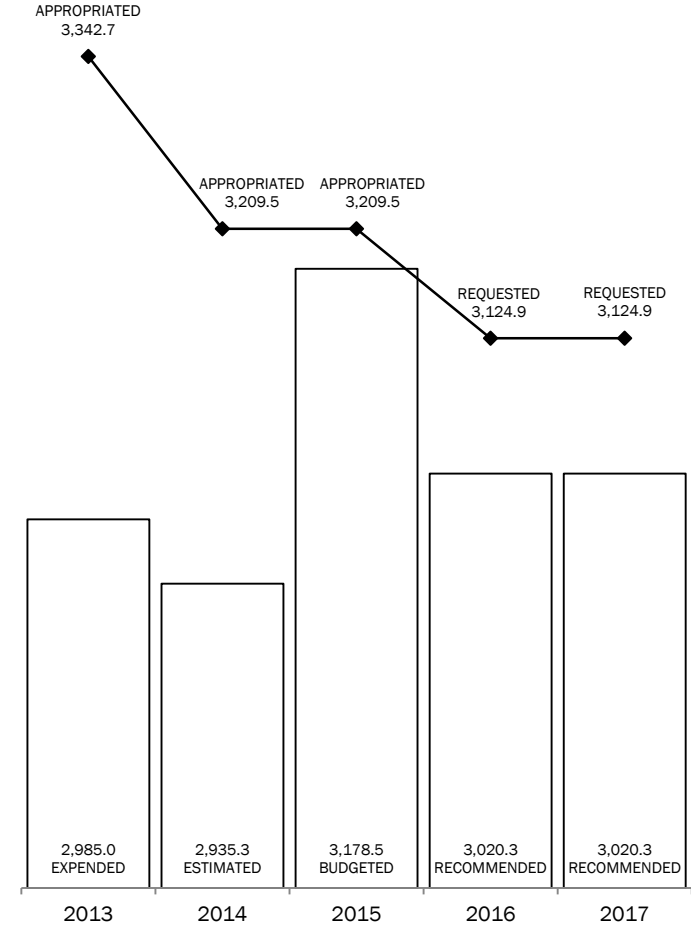
**ALL FUNDS**



**GENERAL REVENUE AND  
 GENERAL REVENUE-DEDICATED FUNDS**



**FULL-TIME-EQUIVALENT POSITIONS**



Section 2

Assistive and Rehabilitative Services, Department of  
Summary of Recommendations - House, By Method of Finance -- Supplemental

Strategy/Fund Type/Goal	2014-15 Base	2016-17 Recommended	Biennial Change	% Change	Comments
<b>Total, Goal A, CHILDREN WITH DISABILITIES</b>	<b>\$306,112,727</b>	<b>\$326,297,185</b>	<b>\$20,184,458</b>	<b>6.6%</b>	• Increase of \$11.8 million in Medicaid Federal Funds and \$8.2 million in Special Education Grants for Infants & Families (IDEA Part C Federal Funds) for projected caseload increases. An increase in Medicaid General Revenue (match) is offset by a decrease in General Revenue for ECI (non-match) in 2016-17 for no net change in General Revenue Funds over the 2014-15 base. See Selected Fiscal and Policy Issue #2.
GENERAL REVENUE FUNDS	\$74,842,825	\$74,805,534	(\$37,291)	(0.0%)	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$198,144,131	\$218,239,837	\$20,095,706	10.1%	
OTHER FUNDS	\$33,125,771	\$33,251,814	\$126,043	0.4%	
<b>Total, Goal B, PERSONS WITH DISABILITIES</b>	<b>\$650,733,971</b>	<b>\$647,441,808</b>	<b>(\$3,292,163)</b>	<b>(0.5%)</b>	• Method of financing swap to increase GR-Dedicated Comprehensive Rehabilitation Account No. 107 and decrease General Revenue Funds. See Selected Fiscal and Policy Issue #4.  • Net decrease primarily due to \$1.8 million reduction to Social Security Vocational Rehabilitation (SSVR) Reimbursement (Federal Funds) and \$1.1 million reduction to Vocational Rehabilitation (VR) Grants to States for ReHabWorks IT enhancements. See Selected Fiscal and Policy Issue #9.  • Net decrease primarily due to agency estimated reductions of \$0.2 million in Subrogation Receipts and \$0.2 million in Interagency Contracts.
GENERAL REVENUE FUNDS	\$132,359,841	\$120,810,211	(\$11,549,630)	(8.7%)	
GR DEDICATED	\$34,918,277	\$46,747,614	\$11,829,337	33.9%	
FEDERAL FUNDS	\$475,812,565	\$472,619,233	(\$3,193,332)	(0.7%)	
OTHER FUNDS	\$7,643,288	\$7,264,750	(\$378,538)	(5.0%)	
<b>Total, Goal C, DISABILITY DETERMINATION</b>	<b>\$227,920,074</b>	<b>\$234,403,712</b>	<b>\$6,483,638</b>	<b>2.8%</b>	• Increase in Social Security Disability Insurance Federal Funds. See Selected Fiscal and Policy Issue #6.
GENERAL REVENUE FUNDS	\$0	\$0	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$227,920,074	\$234,403,712	\$6,483,638	2.8%	
OTHER FUNDS	\$0	\$0	\$0	0.0%	

Section 2

Assistive and Rehabilitative Services, Department of  
Summary of Recommendations - House, By Method of Finance -- Supplemental

Strategy/Fund Type/Goal	2014-15 Base	2016-17 Recommended	Biennial Change	% Change	Comments
<b>Total, Goal D, PROGRAM SUPPORT</b>	<b>\$47,718,789</b>	<b>\$52,575,188</b>	<b>\$4,856,399</b>	<b>10.2%</b>	• Net increase primarily due to \$1.5 million increase in General Revenue Funds and \$3.1 million increase in VR Grants to States (Federal Funds) to maintain current obligations for Data Center Services (DCS). See Selected Fiscal and Policy Issue #10.
GENERAL REVENUE FUNDS	\$11,670,954	\$13,132,376	\$1,461,422	12.5%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$35,978,101	\$39,373,078	\$3,394,977	9.4%	
OTHER FUNDS	\$69,734	\$69,734	\$0	0.0%	
<b>Grand Total, All Agency</b>	<b>\$1,232,485,561</b>	<b>\$1,260,717,893</b>	<b>\$28,232,332</b>	<b>2.3%</b>	
GENERAL REVENUE FUNDS	\$218,873,620	\$208,748,121	(\$10,125,499)	(4.6%)	
GR DEDICATED	\$34,918,277	\$46,747,614	\$11,829,337	33.9%	
FEDERAL FUNDS	\$937,854,871	\$964,635,860	\$26,780,989	2.9%	
OTHER FUNDS	\$40,838,793	\$40,586,298	(\$252,495)	(0.6%)	

**Section 2**

**Assistive and Rehabilitative Services, Department of  
Summary of Recommendations - House, By Method of Finance -- ALL FUNDS**

<b>Strategy/Goal</b>	<b>2014-15 Base</b>	<b>2016-17 Recommended</b>	<b>Biennial Change</b>	<b>% Change</b>	<b>Comments</b>
ECI SERVICES A.1.1	\$283,584,653	\$303,586,877	\$20,002,224	7.1%	• Increase of \$11.8 million in Medicaid Federal Funds and \$8.2 million in IDEA Part C Federal Funds for projected caseload increases. An increase in Medicaid General Revenue (match) is offset by a decrease in General Revenue for ECI (non-match) in 2016-17 for no net change in General Revenue Funds over the 2014-15 base. See Selected Fiscal and Policy Issue #2.
ECI RESPITE SERVICES A.1.2	\$800,000	\$800,000	\$0	0.0%	
ENSURE QUALITY ECI SERVICES A.1.3	\$2,967,528	\$3,080,768	\$113,240	3.8%	• Increase in IDEA Part C Federal Funds.
CHILDREN'S BLINDNESS SERVICES A.2.1	\$9,649,690	\$9,610,172	(\$39,518)	(0.4%)	• Net decrease due primarily to \$50,000 reduction to General Revenue Funds in FY 2016 for Texas Reporting, Oversight, and Coaching System (TxROCS) IT enhancements. See Selected Fiscal and Policy Issue #9.
AUTISM PROGRAM A.3.1	\$9,110,856	\$9,219,368	\$108,512	1.2%	• Net increase due primarily to \$120,000 increase in Interagency Contracts (Other Funds) to support of the Texas Council on Autism and Pervasive Development Disorders (TCAPDD).
<b>Total, Goal A, CHILDREN WITH DISABILITIES</b>	<b>\$306,112,727</b>	<b>\$326,297,185</b>	<b>\$20,184,458</b>	<b>6.6%</b>	
IL SERVICES AND COUNCIL - BLIND B.1.1	\$6,949,800	\$6,851,858	(\$97,942)	(1.4%)	• Net decrease due primarily to \$0.1 million reduction to Independent Living - State Grants (Federal Funds) for TxROCS IT enhancements. See Selected Fiscal and Policy Issue #9.
BEST PROGRAM B.1.2	\$856,532	\$983,600	\$127,068	14.8%	• Increase for LBB revenue estimate of the Voluntary Driver License Fee (General Revenue Funds).
VOCATIONAL REHABILITATION - BLIND B.1.3	\$98,564,293	\$97,076,175	(\$1,488,118)	(1.5%)	• Net decrease primarily due to \$1.8 million reduction to Social Security Vocational Rehabilitation (SSVR) Reimbursement (Federal Funds).

**Section 2**

**Assistive and Rehabilitative Services, Department of  
Summary of Recommendations - House, By Method of Finance -- ALL FUNDS**

<b>Strategy/Goal</b>	<b>2014-15 Base</b>	<b>2016-17 Recommended</b>	<b>Biennial Change</b>	<b>% Change</b>	<b>Comments</b>
BUSINESS ENTERPRISES OF TEXAS (BET) B.1.4	\$4,930,444	\$4,927,210	(\$3,234)	(0.1%)	
BUSN ENTERPRISES OF TEX TRUST FUND B.1.5	\$808,424	\$808,424	\$0	0.0%	
CONTRACT SERVICES - DEAF B.2.1	\$5,202,823	\$5,202,274	(\$549)	(0.0%)	
EDUC, TRAINING, CERTIFICATION-DEAF B.2.2	\$3,512,713	\$2,983,979	(\$528,734)	(15.1%)	• Net decrease due primarily to \$0.4 million reduction to General Revenue Funds for one-time interpreter test development and \$0.2 decrease to agency-estimated Interagency Contracts (Other Funds).
TELEPHONE ACCESS ASSISTANCE B.2.3	\$1,954,951	\$1,959,230	\$4,279	0.2%	
VOCATIONAL REHABILITATION - GENERAL B.3.1	\$456,288,012	\$454,853,408	(\$1,434,604)	(0.3%)	• Net decrease due primarily to \$0.9 million reduction to Vocational Rehabilitation (VR) Grants to States for ReHabWorks IT enhancements and \$0.4 million reduction to Rehabilitation Training State Vocational Grant (grant ended). See Selected Fiscal and Policy Issue #9.
CENTERS FOR INDEPENDENT LIVING B.3.2	\$5,378,566	\$5,378,566	\$0	0.0%	
IL SERVICES AND COUNCIL - GENERAL B.3.3	\$16,337,451	\$16,270,764	(\$66,687)	(0.4%)	• Net decrease due primarily to \$50,000 reduction in FY 2016 to Independent Living - State Grants (Federal Funds) for TxROCS IT enhancements. See Selected Fiscal and Policy Issue #9.
COMPREHENSIVE REHABILITATION (CRS) B.3.4	\$49,949,962	\$50,146,320	\$196,358	0.4%	• Net increase of \$0.4 million in General Revenue Funds and \$0.2 million in All Funds due to the following: Method of financing swap to increase GR-Dedicated Comprehensive Rehabilitation Account No. 107 and decrease General Revenue Funds. See Selected Fiscal and Policy Issue #4. Decrease of \$0.2 million in agency-estimated Subrogation Receipts (Other Funds). See Selected Fiscal and Policy Issue #4.
<b>Total, Goal B, PERSONS WITH DISABILITIES</b>	<b>\$650,733,971</b>	<b>\$647,441,808</b>	<b>(\$3,292,163)</b>	<b>(0.5%)</b>	

**Section 2**

**Assistive and Rehabilitative Services, Department of  
Summary of Recommendations - House, By Method of Finance -- ALL FUNDS**

Strategy/Goal	2014-15 Base	2016-17 Recommended	Biennial Change	% Change	Comments
DISABILITY DETERMINATION SVCS (DDS) C.1.1	\$227,920,074	\$234,403,712	\$6,483,638	2.8%	• Increase in Social Security Disability Insurance Federal Funds. See Selected Fiscal and Policy Issue #6.
<b>Total, Goal C, DISABILITY DETERMINATION</b>	<b>\$227,920,074</b>	<b>\$234,403,712</b>	<b>\$6,483,638</b>	<b>2.8%</b>	
CENTRAL PROGRAM SUPPORT D.1.1	\$23,854,548	\$24,659,751	\$805,203	3.4%	• Net increase primarily due to \$1.0 million increase in SSVR Reimbursements (Federal Funds).
REGIONAL PROGRAM SUPPORT D.1.2	\$1,800,148	\$1,800,148	\$0	0.0%	
OTHER PROGRAM SUPPORT D.1.3	\$8,309,912	\$7,745,614	(\$564,298)	(6.8%)	• Net decrease in various Federal Funds.
IT PROGRAM SUPPORT D.1.4	\$13,754,181	\$18,369,675	\$4,615,494	33.6%	• Net increase primarily due to \$1.5 million increase in General Revenue Funds and \$3.1 million increase in VR Grants to States (Federal Funds) to maintain current obligations for Data Center Services (DCS). See Selected Fiscal and Policy Issue #10.
<b>Total, Goal D, PROGRAM SUPPORT</b>	<b>\$47,718,789</b>	<b>\$52,575,188</b>	<b>\$4,856,399</b>	<b>10.2%</b>	
<b>Grand Total, All Strategies</b>	<b>\$1,232,485,561</b>	<b>\$1,260,717,893</b>	<b>\$28,232,332</b>	<b>2.3%</b>	

## Section 3

### *Department of Assistive and Rehabilitative Services Selected Fiscal and Policy Issues - House*

1. **Strategic Fiscal Review.** DARS programs that are funded either fully or in large part with General Revenue or General Revenue-Dedicated Funds are included in the Strategic Fiscal Review (SFR). Please refer to the SFR packet for specific information and findings. Significant observations and findings include the following:
  - a. The selected programs represent 28.4% of the agency's recommended General Revenue-related funds for the 2016-17 biennium but only 6.3% of All Funds.
  - b. The agency is compliant with the use of General Revenue-Dedicated and constitutionally dedicated funds.
  - c. All of the programs align with the agency's mission at a moderate or strong level. Two programs (Autism and Comprehensive Rehabilitation) have no specific authority in statute; they are ranked as the agency's top two priorities.
  - d. The agency offered only their exceptional items for enhanced funding alternatives and submitted the default reduction amount of 20% per program.
  
2. **Early Childhood Intervention (ECI) Program.** The introduced bill includes LBB forecasted amounts for total expenditures, average monthly caseload, average monthly cost per child, and average monthly hours of service per child. A slight growth in caseloads is seen in FY 2014 with FY 2015 growth increasing to 4.7%. Caseload growth of 5.5% is forecast for FY 2016, with growth slowing slightly to 5.2% in FY 2017. Average cost for fiscal years 2016 and 2017 is forecasted at the FY 2014 level. Average monthly service hours of 2.69 hours per child in FY 2014 are maintained through FY 2017. See Supplemental Schedule #1: ECI Forecast Comparison.
  - a. 2014-15 Base. The LBB estimate of expenditures for the 2014-15 biennium is \$283.6 million in All Funds, a decrease of \$9.6 million from the DARS LAR estimate and a decrease of \$34.5 million from 2014-15 appropriated amounts. The LBB estimated difference from the DARS estimate is primarily due to a lower LBB average cost estimate.



### Section 3

- b. Medicaid Collections/IDEA Part C Federal Funds. Included in each ECI provider's contract is a maximum amount to be reimbursed by DARS as well as an amount to be collected by the provider from Medicaid billings. In FY 2014, certain providers did not collect expected amounts from Medicaid billings, which left their continued participation in doubt, as several providers have also indicated that they are not able to sustain historical levels of other collections required by the contract. In an attempt to preserve the ECI provider network, DARS made mid-year adjustments to FY 2014 contracts and lowered the Medicaid collection targets. To make up the difference, DARS budgeted more Special Education Grants for Infants and Families with Disabilities, known as Individuals with Disabilities Education Act (IDEA) Part C Federal Funds to reimburse providers directly. Despite the assistance from DARS through these contract adjustments, three providers did not renew their contracts for FY 2015 (eight providers have left the program since FY 2011).

The DARS baseline request for 2016-17 assumes the continuation of lower Medicaid collections by providers, with a decrease of \$9.2 million in Medicaid Federal Funds and an increase in IDEA Part C funds of \$3.0 million as compared to the 2014-15 base in the LAR. The introduced bill assumes that providers will maximize Medicaid collections in 2016-17. A new rider (Rider 11) that limits expenditures of Part C funds to appropriated amounts unless approved by the LBB and Governor is included in the introduced bill. See Section 5, Rider Highlights.

Towards the end of FY 2014, expenditures were projected by the LBB to be lower than appropriated amounts, and unexpended IDEA Part C Funds were available to be carried forward, therefore the agency was directed to transfer \$7.0 million in GR to HHSC and to use Part C Federal Funds in lieu of General Revenue Funds in FY 2015. However, the agency's midyear adjustment mentioned above and the increased amounts of Part C already obligated for the FY 2015 contracts have resulted in a substantial reduction to the available Part C fund balance (projected to be \$14.6 million at the end of FY 2017, assuming the LBB forecasted average cost through FY 2017).

- c. ECI Provider Contracts. An ECI contract is based on a total budget for each provider. The agency subtracts targeted amounts for Medicaid collections and third-party collections from the total budget, and the remainder (largest share) is the ECI contract, which is funded with agency appropriations. The contracts also include targets for enrolled children and the number of service hours. Recent contracts have included minimum performance targets below the level for which funds were appropriated. Rider 8, Reporting on Early Childhood Intervention, has been modified to require more data related to contracts. See Section 5, Rider Highlights.

## Section 3

- Maintenance of Effort (MOE) Requirements in ECI and Vocational Rehabilitation (VR) Programs.** IDEA Part C Federal Funds require that state expenditures on the ECI program equal (at a minimum) state expenditures from the most recent preceding year for which complete data is available. The introduced bill includes funding to meet the MOE requirement from two years prior (e.g., expenditures in FY 2015 become the FY 2017 MOE requirement). Funds available to meet the MOE includes both expenditures at DARS and approximately \$7.7 million per fiscal year reflected at the Health and Human Services Commission related to certain therapies received by Medicaid-eligible children.

The Federal Vocational Rehabilitation Grants to States require that state expenditures equal (at a minimum) state expenditures from the fiscal year two years prior. The introduced bill meets the MOE requirement.

- Comprehensive Rehabilitation Services (CRS).** The introduced bill includes \$44.6 million for the biennium in GR-D Comprehensive Rehabilitation Fund Account No. 107 from estimated revenue and ending balance. To align funding with the Biennial Revenue Estimate and a statutory maximum available balance of \$1.5 million per fiscal year (anything above is swept to General Revenue), an increase of \$7.5 million in General Revenue Funds (with a like decrease in GR-D Fund 107) will be required to maintain base level funding. With the FY 2015 fund balance appropriated, recommendations also remove the unexpended balance (UB) authority from the previous biennium in Rider 20. UB authority within the biennium remains in the rider. See Section 5, Rider Highlights.
- Autism Services.** Special Provisions Sec. 57(a), 83<sup>rd</sup> Legislature, made \$2.4 million (General Revenue Funds) in additional funding contingent on an effort by DARS to develop a plan to serve more children in the Autism Program, which the agency completed in July of 2014. New program rules were effective September 1, 2014, and the program now provides two levels of applied behavioral analysis (ABA): comprehensive and focused. The two ABA treatment services differ in the ages served, the number of service hours, and the maximum lifetime services per child. See Section 3, Performance Measure Highlights. The number of children receiving autism services per year was 295 in FY 2014 (original program) and 253 in FY 2015 (comprehensive plus focused); totals increase to 411 per year in 2016-17. Funding for 2016-17 also includes \$0.3 million for piloting alternative treatment models.
- Full-time Equivalent (FTE) Cap and Disability Determination Services (DDS).** The introduced bill lowers the agency's FTE cap to more accurately align with filled positions. The entire reduction of 158.2 FTEs from the FY 2015 level is reflected in the Disability Determination Services (DDS) strategy. The cap had historically included unbudgeted FTEs for DDS in anticipation of the 2011 federal hiring freeze being lifted. The Social Security Administration (SSA) recently authorized an additional 82 positions in FY 2014 and 50 in FY 2015, and these are reflected in the 2016 and 2017 FTE levels. The hiring freeze has not ended, but the agency is now authorized to maintain currently filled positions.

### Section 3

7. **Waiting Lists.** Independent Living (IL) Services-General and Comprehensive Rehabilitation Services (CRS) currently have waiting lists. The agency has indicated that 46 individuals are currently on the CRS waiting list. The IL-General waiting list is projected to be 178 by the end of FY 2015. The introduced bill does not include funding to address waiting lists. See Section 6, Items Not Included in Recommendations, Items #6 and #7.
8. **Sunset Review.** The five health and human services agencies are under Sunset review during the 84<sup>th</sup> Legislative Session. In the event that the agency is not continued, a contingency rider (Rider 24) directs funds appropriated for FY 2016 to be used for expenditures relating to the phase-out of the agency's operations. See Section 5, Rider Highlights.
9. **Capital Budget.** The agency initiated two capital projects relating to IT enhancements for case management-related software (TxROCS and ReHabWorks) in the 2014-15 biennium. The projects were funded by transfers from other projects as authorized by Art. IX, Sec. 14.03, Limitation on Expenditures – Capital Budget. The introduced bill includes a reduction of \$0.1 million in General Revenue Funds and \$1.2 million in Federal Funds for these projects. Base level funding is maintained for building maintenance at the Criss Cole Rehabilitation Center.
10. **Data Center Consolidation.** The introduced bill includes an increase of \$1.5 million in General Revenue Funds and \$4.6 million in All Funds over the 2014-15 base to maintain current obligations for Data Center Consolidation Services (DCS).

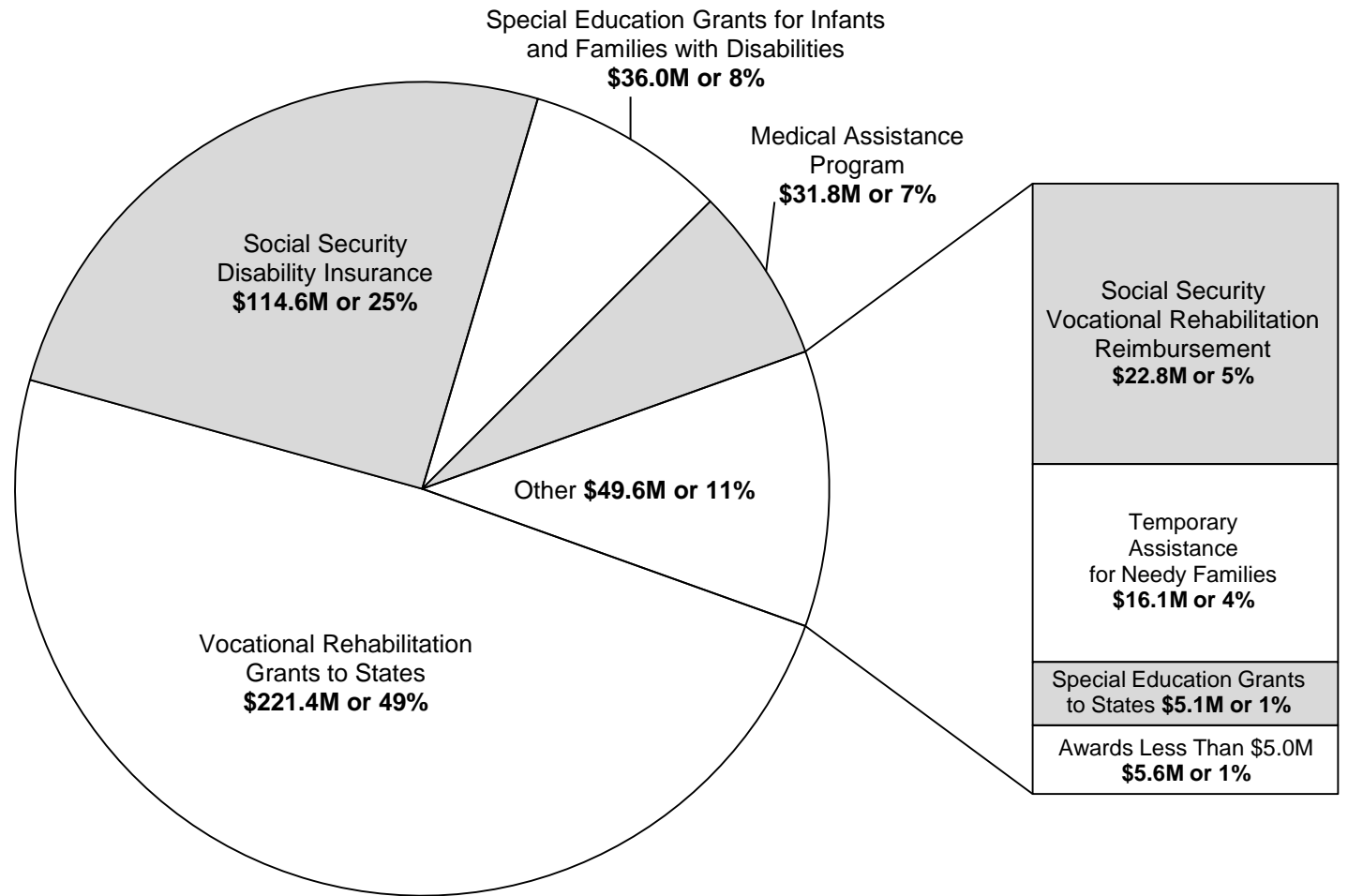
Section 3

**Department of Assistive and Rehabilitative Services  
Performance Measure Highlights - House**

	Expended 2013	Estimated 2014	Budgeted 2015	Recommended 2016	Recommended 2017
These measures reflect the original Autism program and were reported in ABEST in FY 2013 and 2014 based on 82R and 83R GAA targets, measure definitions, and original program rules.					
• <i>Average Monthly Number of Children Receiving Autism Services</i>	142	167	NA	NA	NA
• <i>Number of Children Receiving Autism Services Per Year</i>	199	295	NA	NA	NA
• <i>Average Monthly Cost Per Child Receiving Autism Services</i>	\$1,923.77	\$1,812.00	NA	NA	NA
Values for the measures below are agency estimates based on the rule changes in the Autism program. The new Autism program components differ from the original program by ages served, service intensity, and maximum months of service, therefore new measures were developed as of FY 2015. The distribution of children between comprehensive and focused in FY 2016 has been projected to reflect an even split of funding between the two treatment services.					
• <i>Average Monthly Number of Children Receiving Comprehensive Autism Services</i>	NA	NA	178	49	49
• <i>Number of Children Receiving Comprehensive Autism Services Per Year</i>	NA	NA	181	52	52
• <i>Average Monthly Cost Per Child Receiving Comprehensive Autism Services</i>	NA	NA	\$1,735.31	\$3,597.50	\$3,597.50
• <i>Average Monthly Number of Children Receiving Focused Autism Services</i>	NA	NA	21	173	173
• <i>Number of Children Receiving Focused Autism Services Per Year</i>	NA	NA	72	359	359
• <i>Average Monthly Cost Per Child Receiving Focused Autism Services</i>	NA	NA	\$362.21	\$521.09	\$521.09

**Section 3**

**Department of Assistive and Rehabilitative Services**  
*Summary of Federal Funds (Estimated 2014) - House*  
**TOTAL = \$453.3M**



Note: Amounts and percentages shown may sum greater/less than actual total due to rounding.

**Section 3**

**Department of Assistive and Rehabilitative Services  
Significant Federal Funds Changes - House**

CFDA No.	Program Name	2014-15 Base	2016-17 Recommended	Recommended Over/(Under) Base	Comments
84.126.000	Rehabilitation Services Vocational	\$83,612,205	\$85,111,012	\$1,498,807	
84.126.001	Vocational Rehabilitation Grants to States	\$362,442,632	\$370,975,256	\$8,532,624	Additional carryforward used to replace Social Security Vocational Rehabilitation Reimbursement.
84.181.000	Special Education Grants for Infants and Families with Disabilities	\$94,539,880	\$103,490,500	\$8,950,620	See Selected and Fiscal Policy Issue #2(b).
84.265.000	Rehabilitation Training State Vocational	\$626,882	\$0	(\$626,882)	Grant ended in FY 2015.
93.778.003	Medical Assistance Program 50%	\$8,741,294	\$11,029,842	\$2,288,548	Increased use of General Revenue match in ECI forecast. See Selected and Fiscal Policy Issue #2.
93.778.013	XIX Medical Assistance Program-TCM	\$20,185,228	\$24,887,115	\$4,701,887	
93.778.018	XIX Medical Assistance Program - Specialized Skills Training	\$34,650,305	\$38,824,712	\$4,174,407	
96.000.003	Social Security Vocational Rehabilitation Reimbursement	\$41,731,603	\$34,404,551	(\$7,327,052)	Reallocation for payment of employee benefits.
96.001.000	Social Security Disability Insurance	\$237,485,239	\$243,553,203	\$6,067,964	Increase in projected number of disability determinations.

**Section 4**

**Department of Assistive and Rehabilitative Services  
Performance Review and Policy Report Highlights - House**

Reports & Recommendations	Savings/ (Cost)	Gain/ (Loss)	Fund Type	Included in Introduced Bill	Action Required During Session
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**NO RELATED RECOMMENDATIONS**

## Section 5

### Department of Assistive and Rehabilitative Services Rider Highlights - House

#### Deleted Riders (original rider number)

9. **Funding for Early Childhood Intervention (ECI) Services at the Department of Assistive and Rehabilitative Services.** Rider originated with legacy agency and is no longer needed; Special Provisions Sec. 10 directs requests to exceed.
13. **Appropriation: Unexpended Balances in Interagency Contracts for Administrative Fees.** Consolidated into new rider (see New Rider 15 below).
14. **Appropriation: Unexpended Balances in Summer Camp Program.** Consolidated into new rider (see New Rider 15 below).
15. **Unexpended Balances for the Board of Evaluation of Interpreters (BEI) Program.** Consolidated into new rider (see New Rider 15 below).
19. **Appropriation of Federal Medicaid Receipts.** Rider originated with legacy agency and is no longer needed; Special Provisions Sec.10 directs transfers.
22. **GR-Dedicated Business Enterprise Program Account No. 492.** Informational rider originating with legacy agency that identifies, by number, revenue codes that track to the account.
27. **Disability Determination Services Federally Funded Full-time Equivalents.** Rider no longer needed. FTE cap reduced to reflect filled positions.
28. **Report on Changes to Improve Cost-Effectiveness of Family Cost Share Provisions.** Rider no longer needed. One-time report submitted December 2014.
30. **Data Collection and Reporting on Centers for Independent Living.** Rider no longer needed. One-time report submitted February 2014.
31. **Early Childhood Intervention Family Cost Share.** Provisions of the rider have been implemented. Rules promulgated September 2014.

#### Modified Riders (new rider number)

8. **Reporting on Early Childhood Intervention.** Modified to avoid duplication with data submission requirements in Special Provisions Sec. 13, Caseload and Expenditure Reporting Requirements, and to require data on the ECI contract process.



## Section 5

20. **GR-Dedicated Comprehensive Rehabilitation Account No. 107.** Modified to remove unexpended balance authority across biennia. Estimated ending balance for FY 2015 is included in the recommended amount for FY 2016. See Selected Fiscal and Policy Issue #4.

### New Riders

11. **Limitation on Federal Funds Appropriations for Early Childhood Intervention Services.** Requires written approval from LBB and Governor to exceed appropriated amounts of Special Education Grants for Infants and Families with Disabilities (IDEA Part C) Federal Funds in Strategy A.1.1, ECI Services. See Selected Fiscal and Policy Issue #2(b).
15. **Appropriation: Unexpended Balances – Deaf and Hard of Hearing Services.** Consolidates original riders 13, 14, 15, which provide UB authority to certain funding items in Strategy B.2.2, Education, Training & Certification – Deaf.
24. **Sunset Contingency.** The agency is under Sunset review.

**Section 6**

**Assistive and Rehabilitative Services, Department of  
Items not Included in Recommendations - House**

<b>Agency Exceptional Items - in Agency Priority Order</b>	<b>2016-17 Biennial Total</b>	
	<b>GR &amp; GR- Dedicated</b>	<b>All Funds</b>
1. Fund ECI Caseload FY 16 / FY 17 Forecasted Growth (Fund HHSC Forecasted Service Hours Increase and Part C Federal Funds Shortfall)	\$ 13,996,961	\$ 13,996,961
2. Maintain Comprehensive Rehabilitation Services Funding	\$ 9,402,456	\$ 9,402,456
3. Support Texans with Autism (2.0, 2.0 FTEs)	\$ 7,600,000	\$ 7,600,000
a. Expand Focused Autism Services	\$ 3,850,000	\$ 3,850,000
b. Pilot Innovative Treatment Projects	\$ 1,800,000	\$ 1,800,000
c. Create Office of Autism Services	\$ 1,550,000	\$ 1,550,000
d. Enhance the Autism Program Database	\$ 400,000	\$ 400,000
4. Invest in Independence and Blindness Prevention (18.0, 18.0 FTEs)	\$ 5,311,913	\$ 5,405,040
a. Expand Children's Blindness Services	\$ 1,713,481	\$ 1,806,608
b. Increase Services in Independent Living - Blind Program	\$ 1,338,000	\$ 1,338,000
c. Expand the Blindness Education, Screening and Treatment (BEST) Program	\$ 2,060,432	\$ 2,060,432
d. Enhance the BEST Program Database	\$ 200,000	\$ 200,000

**Section 6**

**Assistive and Rehabilitative Services, Department of  
Items not Included in Recommendations - House**

	<b>2016-17 Biennial Total</b>	
	<b>GR &amp; GR- Dedicated</b>	<b>All Funds</b>
<b>Agency Exceptional Items - in Agency Priority Order</b>		
5. Ensure Communication Access for People who are Deaf	\$ 1,590,000	\$ 2,490,000
a. Expand Resource Specialist Services	\$ 1,000,000	\$ 1,000,000
b. Develop New Specialized Telecommunications Assistance Program (STAP) Database	\$ -	\$ 900,000
c. Enhance the Board for Evaluation of Interpreters (BEI) Registry Database	\$ 200,000	\$ 200,000
d. Develop, Enhance, and Revise BEI Testing Materials	\$ 390,000	\$ 390,000
6. Reduce the Independent Living Services-General Waiting List	\$ 2,517,667	\$ 2,517,667
7. Reduce the Comprehensive Rehabilitation Services Waiting List	\$ 4,672,128	\$ 4,672,128
8. Capital Projects	\$ 100,000	\$ 3,831,805
a. RehabWorks (case management system)	\$ -	\$ 2,997,805
b. TxROCs (quality assurance for case management)	\$ 100,000	\$ 200,000
c. Criss Cole Rehabilitation Center	\$ -	\$ 634,000
<b>Total, Items Not Included in the Recommendations</b>	<b>\$ 45,191,125</b>	<b>\$ 49,916,057</b>

**Section 6**

**Assistive and Rehabilitative Services, Department of  
Items not Included in Recommendations - House**

**Agency Exceptional Items - in Agency Priority Order**

<b>2016-17 Biennial Total</b>	
<b>GR &amp; GR- Dedicated</b>	<b>All Funds</b>

**Rider Requests Not Included:**

1. Rider 11, *Limitation on Federal Funds Appropriations for Early Childhood Intervention Services*: request to specify that limitation refers to final expenditures, for cash flow purposes.
2. Rider 17, *Appropriation of Donations: Blindness Education, Screening and Treatment*: request to remove \$40,000 limit on UB authority.
3. Rider 20, *GR-Dedicated Comprehensive Rehabilitation Account No. 107*: remove \$1.5 million limit on UB authority across biennia.
4. **New**: *Appropriation: Unexpended Balances in Respite Care for Families*. Would provide UB authority within the biennium in Strategy A.1.2, ECI Respite Services.
5. **New**: *Appropriation: Unexpended Balances in Autism*. Would provide UB authority within the biennium in Strategy A.3.1, Autism.Services.

**Section 7**

**Assistive and Rehabilitative Services, Department of  
Summary of 10 Percent Biennial Base Reduction Options - House**

Priority	Item	Description/Impact	Biennial Reduction Amounts					Included in Intro Bill?
			GR and GR-Dedicated	All Funds	FTEs	Potential Revenue Loss	Reduction as % of Program GR/GR-D Total	
1	<b>Comprehensive Rehabilitation Services</b>	The reduction would result in an estimated 207 fewer consumers receiving services over the biennium for traumatic brain or spinal cord injuries and a higher number of consumers placed on a waiting list for longer periods of time.	\$5,500,000	\$5,500,000		\$0	11.11%	No
2	<b>Vocational Rehabilitation - General</b>	The reduction would result in an estimated 4,951 fewer consumers receiving services over the biennium. Because the VR Program is federally funded, any General Revenue (GR) reduction would also impact the agency's ability to draw Federal Funds and earn indirect cost recoveries, which will result in the need to eliminate indirect FTEs. GR reductions will also impact the agency's ability to meet federal MOE requirements. The agency will utilize previously matched federal carryforward funds to minimize the impact on consumers served and staffing levels.	\$3,363,486	\$3,363,486		\$0	3.81%	No
3	<b>Vocational Rehabilitation - Blind</b>	The reduction would result in 846 fewer consumers receiving services over the biennium. Because the VR Program is federally funded, any General Revenue (GR) reduction would also impact the agency's ability to draw Federal Funds and earn indirect cost recoveries, which will result in the need to eliminate indirect FTEs. GR reductions will also impact the agency's ability to meet federal MOE requirements. The agency will utilize previously matched federal carryforward funds to minimize the impact on consumers served and staffing levels.	\$840,872	\$840,872		\$0	5.11%	No

**Section 7**

**Assistive and Rehabilitative Services, Department of  
Summary of 10 Percent Biennial Base Reduction Options - House**

Priority	Item	Description/Impact	Biennial Reduction Amounts				Reduction as % of Program GR/GR-D Total	Included in Intro Bill?
			GR and GR-Dedicated	All Funds	FTEs	Potential Revenue Loss		
4	<b>Program Support</b>	The budget reduction in the Vocational Rehabilitation direct strategies would result in a reduction in the indirect administration strategies. The agency is in the process of building administrative infrastructure needed to improve management and monitoring of programs. This includes improved contract management, quality assurance oversight of consumer cases, and mechanisms to ensure appropriate staff accountability. A \$586,342 budget reduction per year would require a FTE reduction of 7 and could negatively impact the agency's progress on this initiative.	\$0	\$0	7.0	\$0	NA	No
5	<b>Information Technology Program Support</b>	The budget reduction in the Vocational Rehabilitation direct strategies would result in a reduction in the indirect administration strategies. The agency is in the process of building administrative infrastructure needed to improve its management and monitoring of its programs. This includes identifying and eliminating redundancies and developing automated tools that provide ongoing financial and program performance data for management oversight. A \$250,963 budget reduction per year would require a FTE reduction of two (2) and could negatively impact the agency's progress on this initiative.	\$0	\$0	2.0	\$0	NA	No
6	<b>Early Childhood Intervention (ECI) Services</b>	The budget reduction in the Early Childhood Intervention (ECI) program would result in a reduction in the average monthly number of children served of approximately 670 during the biennia. With the decreased funding, it is possible that eligibility criteria would have to be narrowed to ensure all eligible children could be served. General Revenue reductions will also impact the agency's ability to meet federal MOE requirements.	\$275,583	\$275,583		\$0	0.44%	No
7	<b>Autism Program</b>	The reduction would result in a reduction in the average monthly number of children served of three (3) during the biennium. Although the Autism program is one of the agency's smaller programs, it is meeting the needs of a growing population with autism, as the incidence rate is estimated to be 1 in 68. Because the cost per child of the comprehensive services currently delivered are high in comparison to other DARS programs, the proposed reduction will impact a relatively few number of children.	\$250,000	\$250,000		\$0	2.78%	No

**Section 7**

**Assistive and Rehabilitative Services, Department of  
Summary of 10 Percent Biennial Base Reduction Options - House**

Priority	Item	Description/Impact	Biennial Reduction Amounts				Reduction as % of Program GR/GR-D Total	Included in Intro Bill?
			GR and GR-Dedicated	All Funds	FTEs	Potential Revenue Loss		
8	<b>Comprehensive Rehabilitation Services</b>	See Item 1	\$5,500,000	\$5,500,000		\$0	11.11%	No
9	<b>Vocational Rehabilitation - General</b>	See Item 2	\$3,363,486	\$3,363,486		\$0	3.81%	No
10	<b>Vocational Rehabilitation - Blind</b>	See Item 3	\$840,872	\$840,872		\$0	5.11%	No
11	<b>Program Support</b>	See Item 4	\$0	\$0	6.0	\$0	NA	No
12	<b>Information Technology Program Support</b>	See Item 5	\$0	\$0	3.0	\$0	NA	No
13	<b>Early Childhood Intervention (ECI) Services</b>	See Item 6	\$275,583	\$275,583		\$0	0.44%	No
14	<b>Autism Program</b>	See Item 7	\$250,000	\$250,000		\$0	2.78%	No
<b>TOTAL, 10% Reduction Options</b>			<b>\$20,459,882</b>	<b>\$20,459,882</b>	<b>18.0</b>	<b>\$0</b>		

**Section 7**

**Assistive and Rehabilitative Services, Department of  
Summary of 10 Percent Biennial Base Reduction Options - House**

**Agency 10% Reduction Options by Category of Reduction**

