



# LEGISLATIVE BUDGET BOARD

## Public Safety Net Programs

**Pursuant to Senate Bill 1138,  
Eighty-seventh Legislature, Regular Session, 2021**

**SUBMITTED TO THE EIGHTY-EIGHTH TEXAS LEGISLATURE  
PREPARED BY LEGISLATIVE BUDGET BOARD STAFF**

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**FEBRUARY 2023**

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# CONTENTS

<b>PUBLIC SAFETY NET PROGRAMS .....</b>	<b>1</b>
<b>CHILD HEALTH PLAN PROGRAM.....</b>	<b>2</b>
<b>FINANCIAL ASSISTANCE AND SERVICES PROGRAM.....</b>	<b>4</b>
<b>MEDICAL ASSISTANCE PROGRAM .....</b>	<b>8</b>
<b>SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM .....</b>	<b>11</b>
<b>SPECIAL SUPPLEMENTAL NUTRITION PROGRAM     FOR WOMEN, INFANTS, AND CHILDREN .....</b>	<b>16</b>
<b>COMPREHENSIVE ENERGY ASSISTANCE PROGRAM .....</b>	<b>18</b>
<b>CHILD CARE SERVICES PROGRAM .....</b>	<b>20</b>
<b>CONCLUSION .....</b>	<b>22</b>

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# PUBLIC SAFETY NET PROGRAMS

Pursuant to Senate Bill 1138, Eighty-seventh Legislature, Regular Session, 2021, the Legislative Budget Board, in coordination with the Health and Human Services Commission and other applicable state agencies, was directed to conduct a study on safety net programs available in the state to assist in streamlining program eligibility requirements, resources, and benefits; improve outcomes for recipients enrolled in the programs; and reduce costs to the state.

This study reviews the following programs:

- Child Health Plan for Certain Low-income Children, the Texas Health and Safety Code, Chapter 62;
- Financial Assistance and Service Programs, the Texas Human Resources Code, Chapter 31;
- Medical Assistance Program, the Texas Human Resources Code, Chapter 32;
- Supplemental Nutrition Assistance Program, the Texas Human Resources Code, Chapter 33;
- federal Special Supplemental Nutrition Program for Women, Infants, and Children, the U.S. Code, Title 42, Section 1786;
- Comprehensive Energy Assistance Program, the U.S. Code, Title 42, Section 8621; and
- the Child Care Services program.

Several agencies in Texas administer these safety net programs, including the Health and Human Services Commission, the Texas Workforce Commission, the Texas Department of Agriculture, and the Texas Department of Housing and Community Affairs. The following sections summarize funding, benefits, the number and characteristics of recipients, and certain performance details for each program, as reported by the administering agencies.

### CHILD HEALTH PLAN PROGRAM

The Children’s Health Insurance Program (CHIP) is administered by the Health and Human Services Commission (HHSC). The program is supported primarily through federal funding and provides health insurance benefits for children who do not qualify for Medicaid based on household income, but do not have other health insurance. The program typically provides any covered and medically necessary services, including inpatient hospital services, durable medical equipment, nursing care services, case management, prescription drugs, dental services, and other services. The agency reports that an average of 664,644 unduplicated children have received services during each fiscal year from 2017 to 2021 for an average total cost of \$1,062.9 million each year.

To be eligible for the benefits in this program, the recipient must not qualify for Medicaid based on household income, but must lack health insurance. To qualify, a child must be:

- age 18 or younger;
- uninsured for at least 90 days; and
- living in a household with an income at or less than 201 percent of the federal poverty level (FPL).

The FPL is set by the U.S. Department of Health and Human Services based on family size, and the level is updated annually.

**Figure 1** shows the demographics of households served by CHIP, as reported by HHSC.

Program expenditures have increased by 27.0 percent from fiscal years 2017 to 2021. The primary factors contributing to cost growth include adjustments to provider

**FIGURE 1  
DEMOGRAPHICS OF TEXAS HOUSEHOLDS RECEIVING  
CHILDREN’S HEALTH INSURANCE PROGRAM BENEFITS  
FISCAL YEAR 2021**

METRIC	AVERAGE
Average Household Income of Recipients	\$34,184
Number of Unemployed Recipients	29,823
Number of Partially Employed Recipients	N/A
Number of Employed Recipients	227,370
Number of Married Recipients	246,857
Number of Unmarried Recipients	74,023
Average Number of Dependents in Recipient Household	1.7
Percentage of Recipients Who Became Ineligible Due to Income	20.0%
Number of Individuals with Incomplete Benefit Applications	31,933
Reapplication Rate of Former Recipients	34.7%
Median Time Between Initial Application and Approval of Benefits	9 months

**NOTES:**

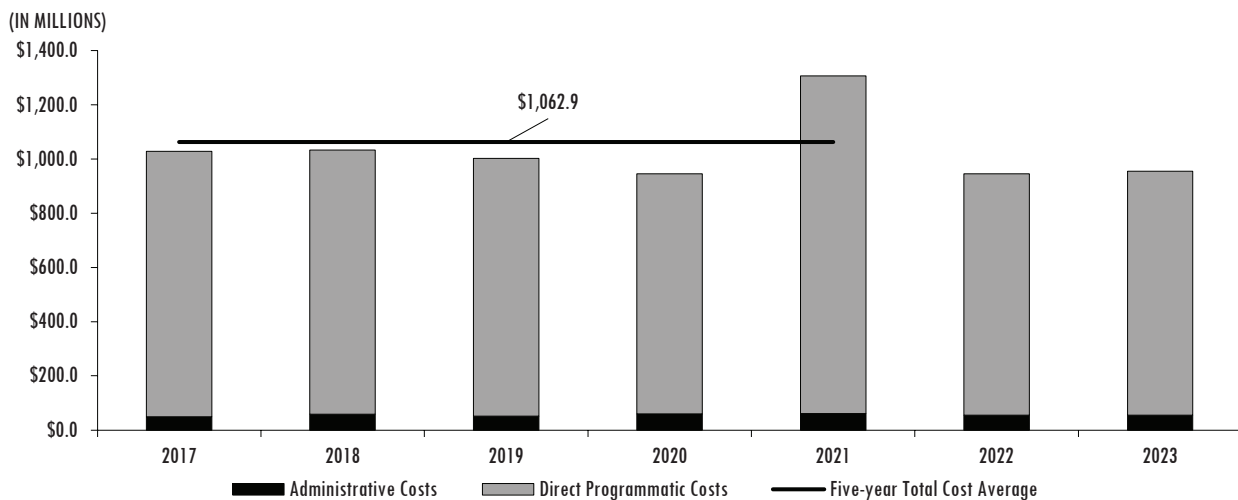
(1) N/A=The agency does not track some metrics and could not provide this data.

(2) Amounts do not total as some recipients do not provide certain demographic data to the agency.

SOURCE: Health and Human Services Commission.

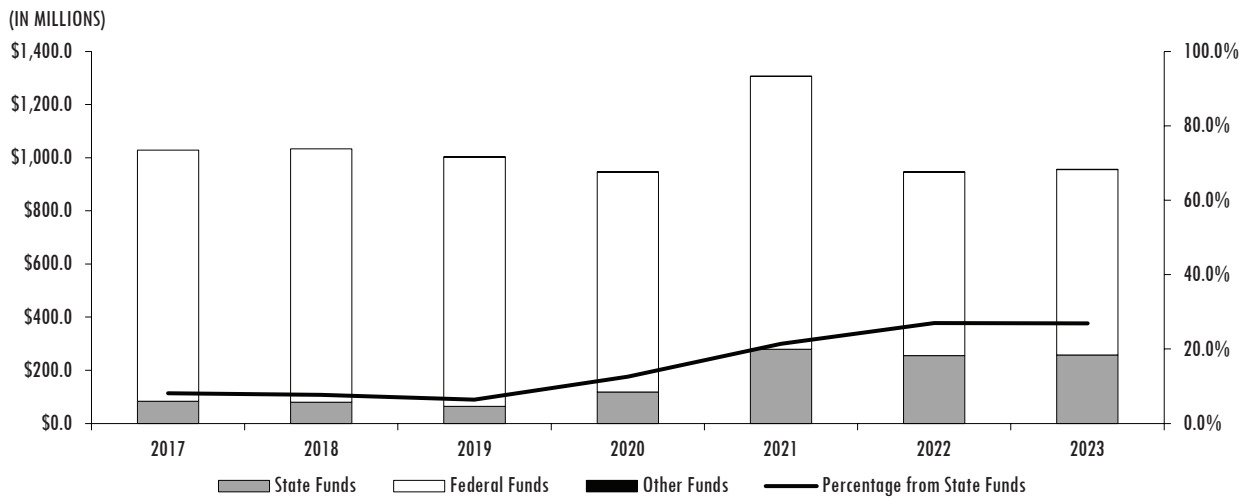
reimbursement rates, growth in healthcare costs, utilization of services by eligible participants, and the acuity or relative health of the participants in the program. **Figure 2** shows the administrative and programmatic expenditures from fiscal years 2017 to 2021 and appropriations for fiscal years 2022 and 2023, compared to the five-year average from

**FIGURE 2  
CHILDREN’S HEALTH INSURANCE PROGRAM EXPENDITURES, FISCAL YEARS 2017 TO 2023**



NOTE: Amounts for fiscal years 2017 to 2021 are expenditures; amounts for fiscal years 2022 and 2023 are appropriations.  
SOURCES: Legislative Budget Board; Health and Human Services Commission.

**FIGURE 3**  
**CHILDREN'S HEALTH INSURANCE PROGRAM FUNDING BREAKDOWN, FISCAL YEARS 2017 TO 2023**



NOTE: Amounts for fiscal years 2017 to 2021 are expenditures; amounts for fiscal years 2022 and 2023 are appropriations.  
 SOURCES: Legislative Budget Board; Health and Human Services Commission.

**FIGURE 4**  
**CHILDREN'S HEALTH INSURANCE PROGRAM COST AND NUMBER OF UNDUPLICATED CHILDREN SERVED**  
**FISCAL YEARS 2017 TO 2021**

METRIC	2017	2018	2019	2020	2021
Children Served	771,665	783,185	740,572	611,171	416,627
Cost of Direct Program Benefits per Child	\$64.00	\$61.10	\$64.70	\$66.10	\$112.50
<b>Total Cost of Program per Child</b>	<b>\$67.21</b>	<b>\$64.79</b>	<b>\$68.15</b>	<b>\$70.53</b>	<b>\$118.04</b>

SOURCE: Health and Human Services Commission.

fiscal years 2017 to 2021. **Figure 3** shows the funding breakdown for the same period.

**Figure 4** shows the total children served, the cost of direct benefits provided per child, and the total cost of CHIP per child from fiscal years 2017 to 2021.

## FINANCIAL ASSISTANCE AND SERVICES PROGRAM

HHSC and the Texas Workforce Commission (TWC) administer the Temporary Assistance for Needy Families (TANF) program, pursuant to the Texas Human Resources Code, Chapter 31. HHSC administers the benefits assistance portion of the program, and TWC administers employment and training activities within the program.

### BENEFITS ASSISTANCE

The TANF program at HHSC provides various cash assistance payments to eligible participants. Although the majority of the program is supported through state funds, the state expenditures in the TANF cash assistance program are used to meet the federal maintenance of effort for the statewide TANF grant, which in turn funds various programs across HHSC, TWC, the Department of Family and Protective Services, and the Texas Education Agency. The monthly cash payments provided in the benefits assistance program help families pay for essential items such as food, clothing, housing, and other essentials. The agency reports that an average of 105,933 unduplicated recipients in the TANF Basic program have received services during each fiscal year from 2017 to 2021 for an average total cost of \$59.4 million each year.

General eligibility for cash assistance is based on maximum income limits, but the specific level of benefit is dependent on the particular cash assistance program and the characteristics of the participating household, including a requirement to verify identity and confirm a status as a U.S. citizen, U.S. qualified non-citizen, or Texas resident. In addition, if a child’s parent or relative receives assistance, that recipient also must meet the following criteria:

- train for employment or seek employment;
- maintain current employment;
- avoid abusing alcohol or drugs;
- follow any relevant child support rules;
- attend parenting skills classes;
- vaccinate the child; and
- ensure that the child is attending school.

**Figure 5** shows the demographics of households served by TANF benefits assistance, as reported by HHSC.

**FIGURE 5  
DEMOGRAPHICS OF TEXAS HOUSEHOLDS RECEIVING  
TEMPORARY ASSISTANCE FOR NEEDY FAMILIES PROGRAM  
BENEFITS ASSISTANCE, FISCAL YEAR 2021**

METRIC	AVERAGE
Average Household Income of Recipients	\$434
Number of Unemployed Recipients	34,063
Number of Partially Employed Recipients	N/A
Number of Employed Recipients	4,052
Number of Married Recipients	12,237
Number of Unmarried Recipients	15,065
Average Number of Dependents in Recipient Household	2.0
Percentage of Recipients Who Became Ineligible Due to Income	23.9%
Number of Individuals with Incomplete Benefit Applications	44,074
Reapplication Rate of Former Recipients	20.2%
Median Time Between Initial Application and Approval of Benefits	27 months

**NOTES:**

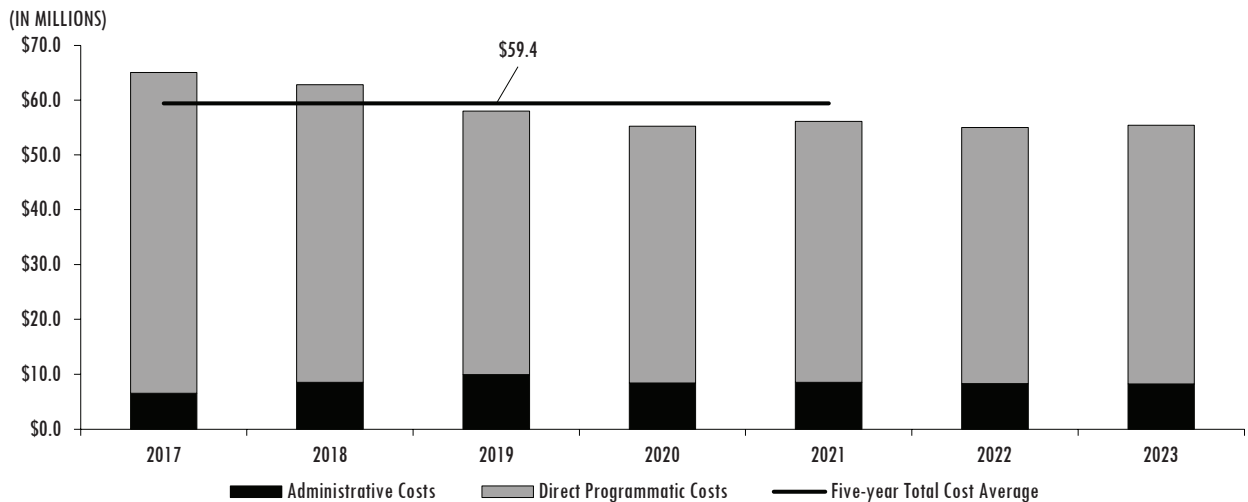
- (1) N/A=The agency does not track some metrics and could not provide this data.
- (2) Amounts do not total as some recipients do not provide certain demographic data to the agency.

SOURCE: Health and Human Services Commission.

Historically, program expenditures have varied slightly, decreasing by 13.7 percent from fiscal years 2017 to 2021, primarily due to decreasing caseloads since the state enacted full-family sanctions in September 2003 and since the enactment of the federal Deficit Reduction Act of 2005, which changed the work requirements within the program. **Figure 6** shows the administrative and programmatic expenditures from fiscal years 2017 to 2021 and appropriations for fiscal years 2022 and 2023, compared to the five-year average from fiscal years 2017 to 2021. **Figure 7** shows the funding breakdown for the same period.

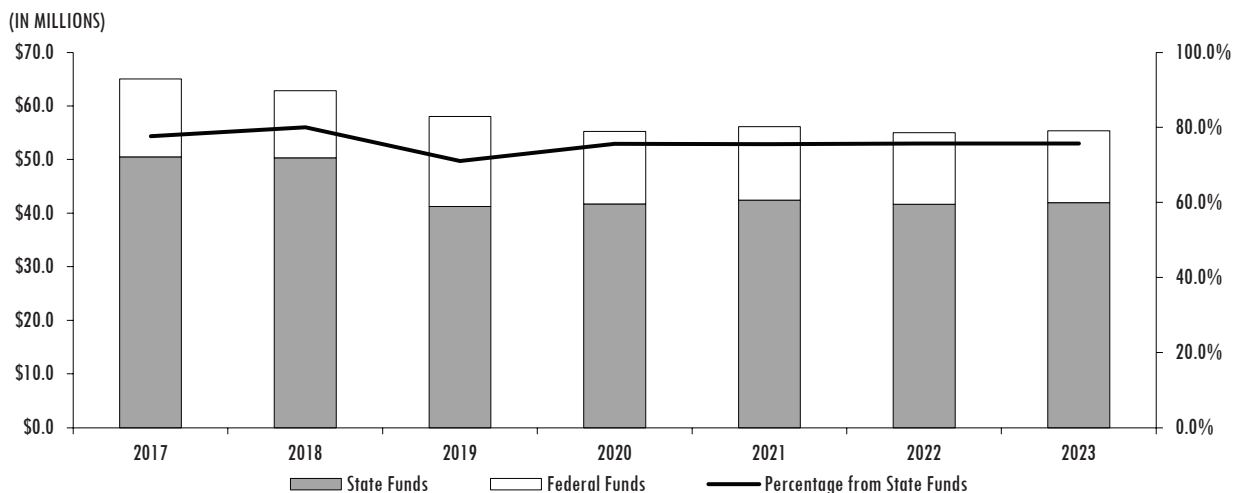
**Figure 8** shows the total recipients served and the total cost of the TANF benefits assistance program per recipient from fiscal years 2017 to 2021.

**FIGURE 6**  
**TEMPORARY ASSISTANCE FOR NEEDY FAMILIES PROGRAM BENEFITS ASSISTANCE EXPENDITURES**  
**FISCAL YEARS 2017 TO 2023**



NOTE: Amounts for fiscal years 2017 to 2021 are expenditures; amounts for fiscal years 2022 and 2023 are appropriations.  
 SOURCES: Legislative Budget Board; Health and Human Services Commission.

**FIGURE 7**  
**TEMPORARY ASSISTANCE FOR NEEDY FAMILIES PROGRAM BENEFITS ASSISTANCE FUNDING BREAKDOWN**  
**FISCAL YEARS 2017 TO 2023**



NOTE: Amounts for fiscal years 2017 to 2021 are expenditures; amounts for fiscal years 2022 and 2023 are appropriations.  
 SOURCES: Legislative Budget Board; Health and Human Services Commission.

**FIGURE 8**  
**TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF) PROGRAM BENEFITS ASSISTANCE**  
**COST AND NUMBER OF UNDUPLICATED RECIPIENTS SERVED, FISCAL YEARS 2017 TO 2021**

METRIC	2017	2018	2019	2020	2021
TANF Basic Recipients Served	132,344	121,235	106,287	96,729	73,071
Cost of Direct Program Benefits per Recipient	\$74.30	\$75.70	\$77.20	\$80.50	\$99.50
<b>Total Cost of Program per Recipient</b>	<b>\$82.59</b>	<b>\$87.60</b>	<b>\$93.15</b>	<b>\$94.91</b>	<b>\$117.25</b>

SOURCE: Health and Human Services Commission.



**EMPLOYMENT AND TRAINING**

The TANF program at TWC provides employment and training services to eligible TANF participants. The program is supported primarily through federal funding, but some state funds expenditures at TWC count toward the federal requirement for maintenance of effort. Services to participants can include childcare, transportation assistance, work skills and job-readiness training, job placement support, qualifying work-related expenses, payment for job testing and training, and subsidized work experience. The agency reports that an average of 16,521 participants have received services during each fiscal year from 2017 to 2021 for an average total cost of \$87.0 million each year. Eligibility for participation in the TANF program is determined by HHSC.

Figure 9 shows the demographics of households served by TANF employment and training activities, as reported by TWC.

Historically, program expenditures have varied slightly, decreasing by 12.1 percent from fiscal years 2017 to 2021, primarily due to fluctuating federal funding levels. Similarly, the number of TANF participants that TWC has served has decreased, mainly during fiscal years 2020 and 2021 for reasons related to the COVID-19 public health emergency. However, the agency anticipates that service levels will return to pre-pandemic levels by fiscal year 2023. Figure 10 shows the administrative and programmatic expenditures from fiscal years 2017 to 2021 and appropriations for fiscal years

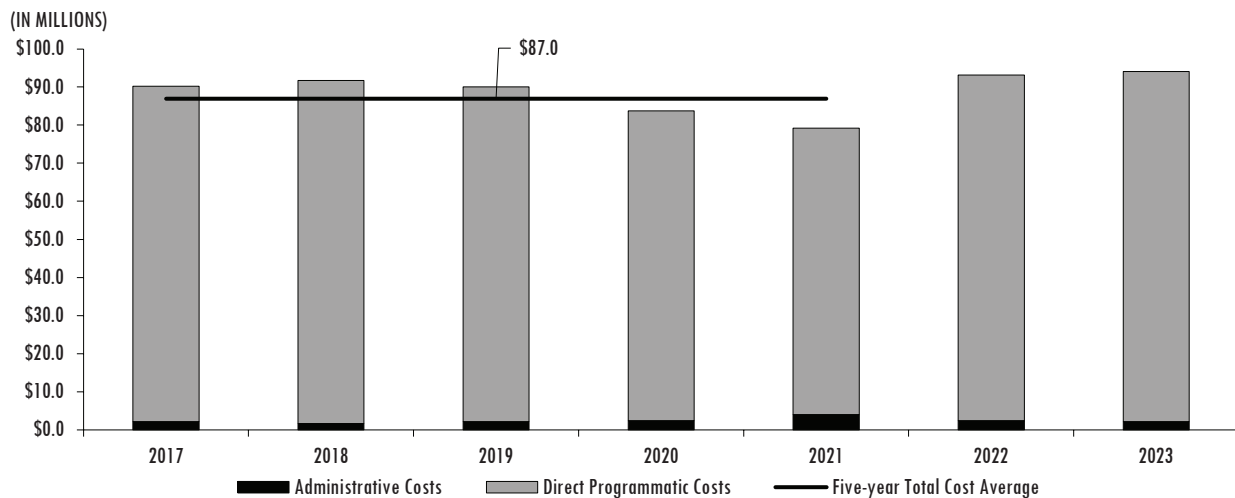
**FIGURE 9  
DEMOGRAPHICS OF TEXAS HOUSEHOLDS RECEIVING  
TEMPORARY ASSISTANCE FOR NEEDY FAMILIES PROGRAM  
EMPLOYMENT AND TRAINING SERVICES  
FISCAL YEAR 2021**

METRIC	AVERAGE
Average Household Income of Participants	N/A
Number of Unemployed Participants	4,076
Number of Partially Employed Participants	N/A
Number of Employed Participants	926
Number of Married Participants	430
Number of Unmarried Participants	4,193
Average Number of Dependents in Participant Household	1.8
Percentage of Participants Who Became Ineligible Due to Income	N/A
Number of Individuals with Incomplete Benefit Applications	N/A
Reapplication Rate of Former Participants	N/A
Time Between Initial Application and Approval of Benefits	N/A

NOTES:  
 (1) N/A=The agency does not track some metrics and could not provide this data.  
 (2) Amounts do not total as some recipients do not provide certain demographic data to the agency.  
 SOURCE: Texas Workforce Commission.

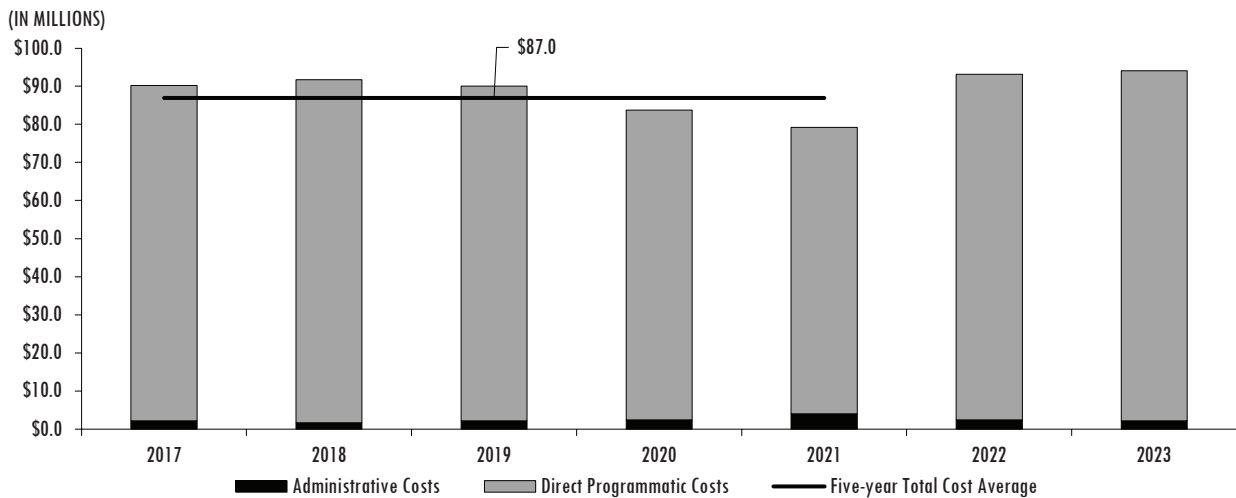
2022 and 2023, compared to the five-year average from fiscal years 2017 to 2021. Figure 11 shows the funding breakdown for the same period.

**FIGURE 10  
TEMPORARY ASSISTANCE FOR NEEDY FAMILIES PROGRAM EMPLOYMENT AND TRAINING SERVICES EXPENDITURES  
FISCAL YEARS 2017 TO 2023**



NOTE: Amounts for fiscal years 2017 to 2021 are expenditures; amounts for fiscal years 2022 and 2023 are appropriations.  
 SOURCES: Legislative Budget Board; Texas Workforce Commission.

**FIGURE 11**  
**TEMPORARY ASSISTANCE FOR NEEDY FAMILIES PROGRAM EMPLOYMENT AND TRAINING SERVICES FUNDING BREAKDOWN**  
**FISCAL YEARS 2017 TO 2023**



NOTE: Amounts for fiscal years 2017 to 2021 are expenditures; amounts for fiscal years 2022 and 2023 are appropriations.  
 SOURCES: Legislative Budget Board; Texas Workforce Commission.

**FIGURE 12**  
**TEMPORARY ASSISTANCE FOR NEEDY FAMILIES PROGRAM EMPLOYMENT AND TRAINING SERVICES**  
**COST AND NUMBER OF PARTICIPANTS SERVED**  
**FISCAL YEARS 2017 TO 2021**

METRIC	2017	2018	2019	2020	2021
Participants Served	25,181	22,315	18,977	11,928	4,206
Total Cost of Program per Participant	\$2,921.39	\$3,312.37	\$3,781.83	\$5,841.93	\$15,109.81

SOURCE: Texas Workforce Commission.

Figure 12 shows the total participants served and the total cost of the TANF employment and training activities at TWC per participant from fiscal years 2017 to 2021.

**MEDICAL ASSISTANCE PROGRAM**

HHSC administers the Medicaid program in Texas. The program is supported primarily through federal funding, and it provides healthcare and long-term services and support to low-income children and their families, pregnant women, former foster care youth, individuals with disabilities, and individuals age 65 and older. The program provides a range of medically necessary services, including inpatient and outpatient hospital services, laboratory and X-ray services, physician services, family-planning services, home health services, and transportation to medically necessary services.

Additional Medicaid programs authorized in the Texas Human Resources Code, Chapter 32, include the Medicaid Section 1115 Waiver Payments, Supplemental Payment Programs, and Directed Payments Programs. The Medicaid Section 1115 Waiver Payments program provides waiver-related payments that authorize the state to expand Medicaid managed care while preserving hospital funding, providing incentive payments for healthcare improvement, and directing additional funding to hospitals that serve large numbers of uninsured patients. The Supplemental Payment Program provides payments to healthcare providers that are separate from and in addition to Medicaid base payments. The Directed Payment Program provides federally authorized payments that enable the state to direct managed care organizations to make certain payments to healthcare providers. These programs are not included in the following analysis because funding of these programs is outside the legislative appropriations process.

In addition, other Medicaid programs not included in subsequent analysis because the programs are authorized outside of Chapter 32, include Healthy Texas Women, Early Childhood Intervention Services, Community Mental Health Services for Adults and Children, Youth Empowerment Services, State Supported Living Centers, Mental Health State Hospitals, and certain related regulation and certification activities.

Among programs that are authorized in Chapter 32 and are appropriated funding through the state appropriations process, the agency reports that an average of 5,461,152 unduplicated recipients have received services during each fiscal year from 2017 to 2021 for an average total cost of \$33,534.0 million each year.

To be eligible for the benefits in this program, an applicant must meet residency requirements by residing and intending to continue residing in Texas, having a valid Social Security

**FIGURE 13  
DEMOGRAPHICS OF TEXAS HOUSEHOLDS RECEIVING  
MEDICAID PROGRAM BENEFITS  
FISCAL YEAR 2021**

METRIC	AVERAGE
Average Household Income of Recipients	\$12,865
Number of Unemployed Recipients	1,753,361
Number of Partially Employed Recipients	N/A
Number of Employed Recipients	718,239
Number of Married Recipients	1,504,922
Number of Unmarried Recipients	1,055,378
Average Number of Dependents in Recipient Household	2.0
Percentage of Recipients Who Became Ineligible Due to Income	15.5%
Number of Individuals with Incomplete Benefit Applications	314,422
Reapplication Rate of Former Recipients	24.3%
Median Time Between Initial Application and Approval of Benefits	9 months

NOTES:

- (1) N/A=The agency does not track some metrics and could not provide this data.
- (2) Amounts do not total as some recipients do not provide certain demographic data to the agency.

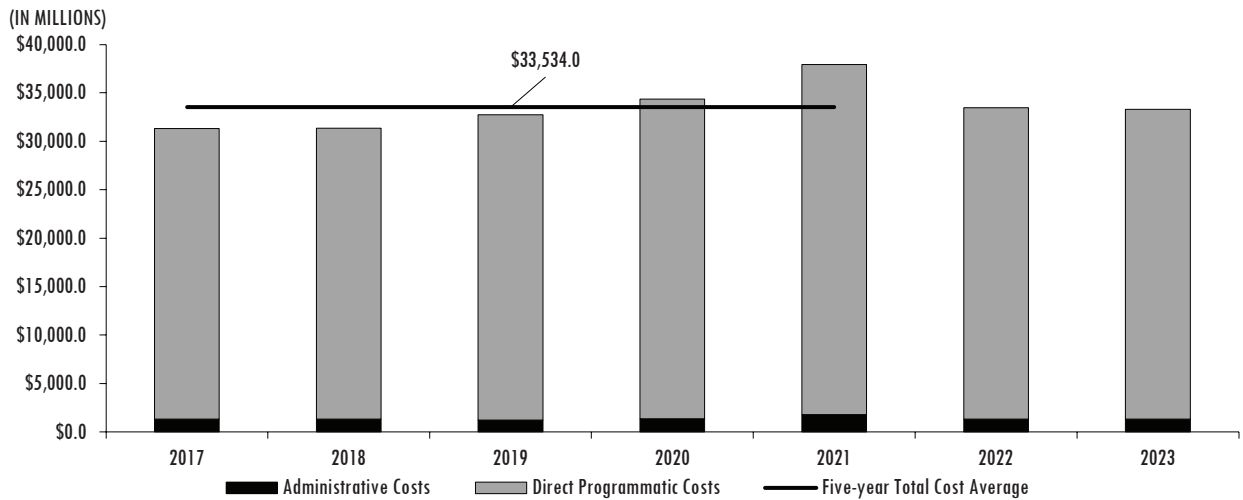
SOURCE: Health and Human Services Commission.

number, and being a U.S. citizen or meeting alien status requirements. Applicants also must meet financial requirements determined by income compared to the FPL. Income requirements vary based on a recipient’s eligibility group. For example, for an adult whose medical expenses exceed income, the maximum monthly income limit is 15 percent of the FPL, whereas for children ages six to 18, the maximum monthly income limit is 133 percent of FPL. Full eligibility requirements for all groups can be found through the HHSC website [YourTexasBenefits.com](http://YourTexasBenefits.com).

**Figure 13** shows the demographics of households served by the Medicaid program, as reported by HHSC.

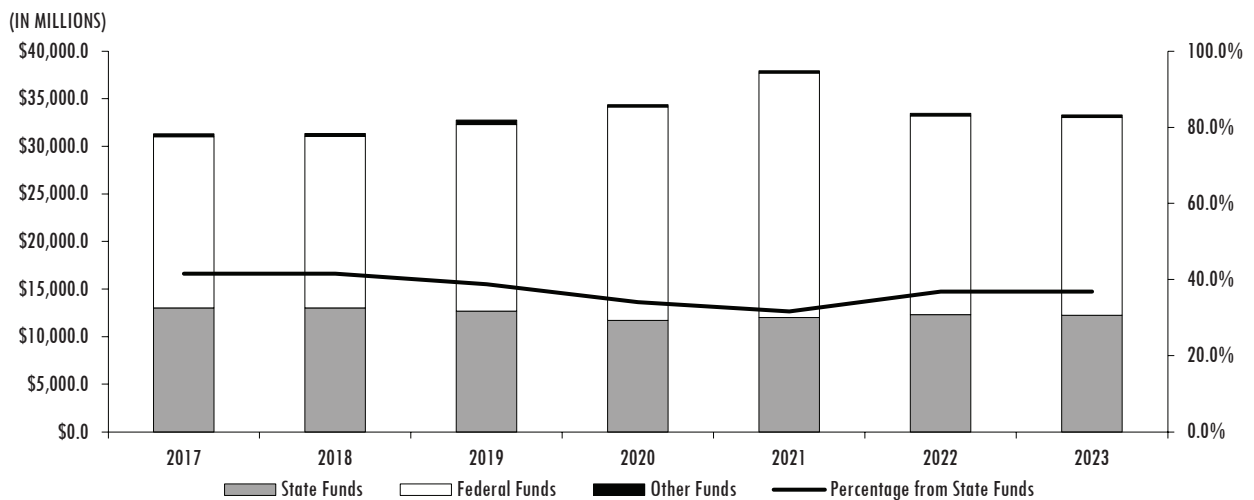
Program expenditures have increased by 21.2 percent from fiscal years 2017 to 2021. The main factors contributing to cost growth include adjustments to provider reimbursement rates, growth in healthcare costs, utilization of services of eligible participants, and the acuity or relative health of the participants in the program. In addition, for states to receive enhanced federal funding contributions during the COVID-19 public health emergency, states could not disenroll participants receiving

**FIGURE 14  
MEDICAID PROGRAM EXPENDITURES  
FISCAL YEARS 2017 TO 2023**



NOTE: Amounts for fiscal years 2017 to 2021 are expenditures; amounts for fiscal years 2022 and 2023 are appropriations.  
SOURCES: Legislative Budget Board; Health and Human Services Commission.

**FIGURE 15  
MEDICAID PROGRAM FUNDING BREAKDOWN  
FISCAL YEARS 2017 TO 2023**



NOTE: Amounts for fiscal years 2017 to 2021 are expenditures; amounts for fiscal years 2022 and 2023 are appropriations.  
SOURCES: Legislative Budget Board; Health and Human Services Commission.

Medicaid benefits. As a result, Medicaid caseloads were higher than they otherwise would have been during fiscal years 2020 and 2021. However, the federal Consolidated Appropriations Act of 2023 decoupled this requirement from the receipt of enhanced federal funding. States may begin disenrolling individuals who no longer qualify for Medicaid beginning April 2023, and HHSC anticipates

that caseloads and costs will return to pre-pandemic levels as a result of that action. **Figure 14** shows the administrative and programmatic expenditures from fiscal years 2017 to 2021 and appropriations for fiscal years 2022 and 2023, compared to the five-year average from fiscal years 2017 to 2021. **Figure 15** shows the funding breakdown for the same period.

**FIGURE 16**  
**MEDICAID PROGRAM COST AND NUMBER OF UNDUPLICATED RECIPIENTS SERVED**  
**FISCAL YEARS 2017 TO 2021**

METRIC	2017	2018	2019	2020	2021
Recipients Served	5,548,272	5,482,012	5,384,450	5,295,906	5,595,119
Cost of Direct Program Benefits per Recipient	\$304.40	\$306.90	\$339.50	\$350.00	\$330.50
<b>Total Cost of Program per Recipient</b>	<b>\$317.73</b>	<b>\$320.53</b>	<b>\$352.55</b>	<b>\$364.24</b>	<b>\$346.74</b>

SOURCE: Health and Human Services Commission.

Figure 16 shows the total recipients served, the cost of direct benefits provided per recipient, and the total cost of Medicaid per recipient from fiscal years 2017 to 2021.

## SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

Pursuant to the Texas Human Resources Code, Chapter 33, HHSC and TWC administer the Supplemental Nutrition Assistance Program (SNAP). HHSC administers the Food Assistance portion of the program, and TWC administers the Employment and Training portion. In addition, the Texas Department of Agriculture (TDA) received state funds to provide grants to organizations to incorporate nutrition education into programs for children.

### BENEFITS ASSISTANCE

SNAP Food Assistance is supported entirely through federal funding and provides financial assistance to help recipients buy certain food items or garden seeds from participating stores. The agency reports that an average of 5,236,757 unduplicated recipients have received services during each fiscal year from 2017 to 2021 for an average total cost of \$7,009.4 million each year. Eligibility for participation in the program is determined by the characteristics and income level of the participating household, including a requirement to verify identity and confirm status as a U.S. citizen, U.S. qualified non-citizen, or Texas resident. In addition, most participants from ages 16 to 59 either must be seeking employment or be enrolled in an approved work program to remain eligible for SNAP benefits. Full eligibility requirements for all groups can be found through the HHSC website [YourTexasBenefits.com](http://YourTexasBenefits.com).

**Figure 17** shows the demographics of households served by SNAP Food Assistance, as reported by HHSC.

Program expenditures have increased significantly during the COVID-19 public health emergency, increasing by 109.3 percent from fiscal years 2017 to 2021, due to the emergency-related supplemental benefits that were distributed beginning in April 2020. These additional benefits will end beginning in March 2023, and HHSC anticipates that costs will return to pre-pandemic levels in subsequent fiscal years.

Funds for administration of this program are appropriated to the agency through the legislative appropriations process and are represented in the agency's bill pattern. However, the funding for the cash assistance benefit is outside of the legislative appropriations process (off budget) and is not represented in the agency's bill pattern.

**Figure 18** shows the administrative and programmatic expenditures from fiscal years 2017 to 2021 and

**FIGURE 17**  
**DEMOGRAPHICS OF TEXAS HOUSEHOLDS RECEIVING**  
**SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM**  
**FOOD ASSISTANCE**  
**FISCAL YEAR 2021**

METRIC	AVERAGE
Average Household Income of Recipients	\$10,861
Number of Unemployed Recipients	2,243,745
Number of Partially Employed Recipients	70,133
Number of Employed Recipients	654,201
Number of Married Recipients	954,294
Number of Unmarried Recipients	1,176,347
Average Number of Dependents in Recipient Household	2.2
Percentage of Recipients Who Became Ineligible Due to Income	14.7%
Number of Individuals with Incomplete Benefit Applications	504,906
Reapplication Rate of Former Recipients	55.8%
Time Between Initial Application and Approval of Benefits	8 months

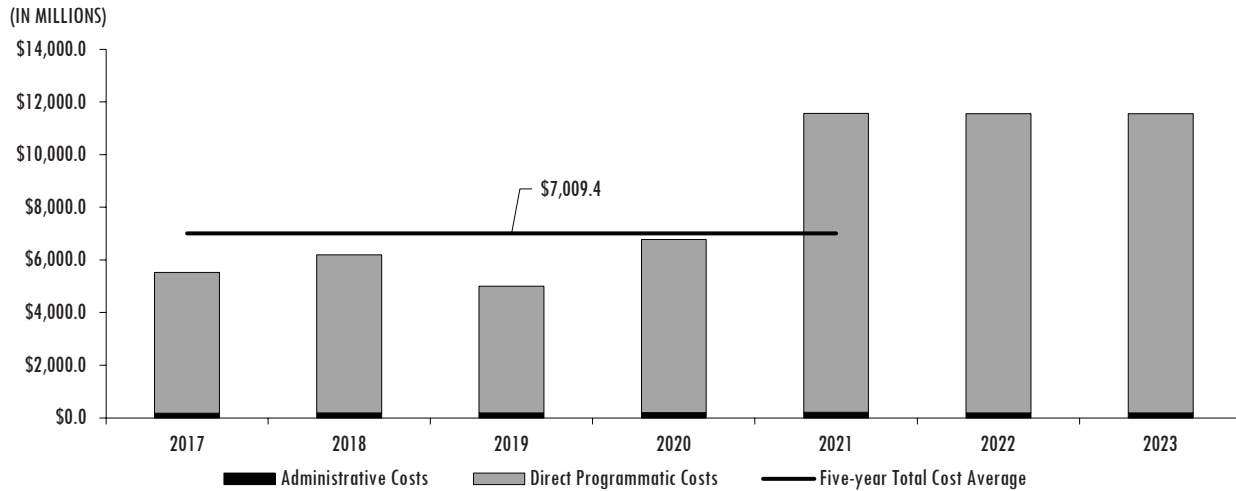
NOTE: Amounts do not total as some recipients do not provide certain demographic data to the agency.

SOURCE: Health and Human Services Commission.

appropriations for fiscal years 2022 and 2023, compared to the five-year average from fiscal years 2017 to 2021. **Figure 19** shows the funding breakdown for the same period including Federal Funds appropriated through the General Appropriations Act and those funds awarded to the agency off budget.

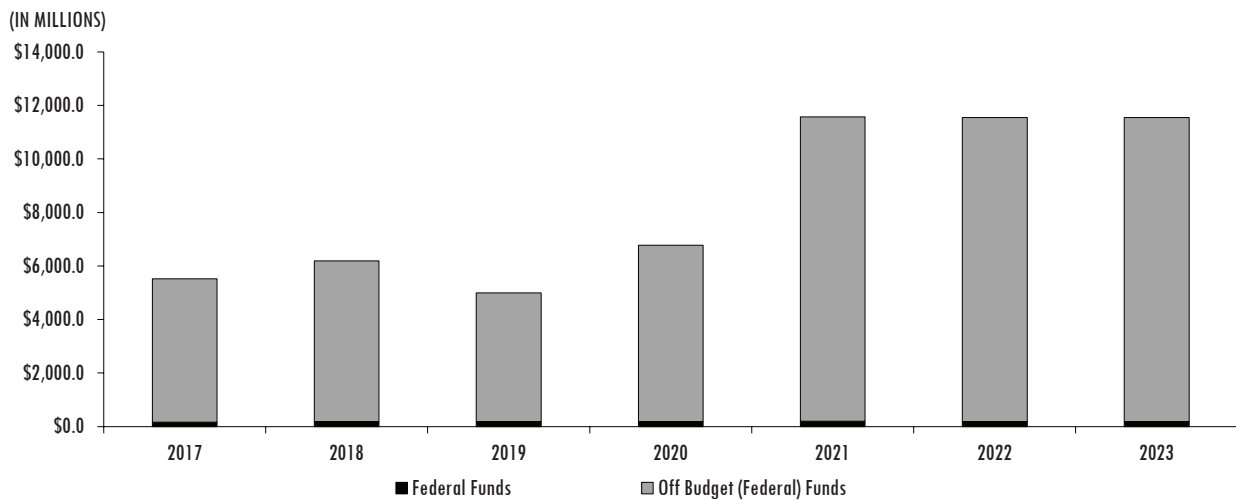
**Figure 20** shows the total number of recipients served and the total cost of the SNAP Food Assistance program per recipient from fiscal years 2017 to 2021.

**FIGURE 18**  
**SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM FOOD ASSISTANCE EXPENDITURES, FISCAL YEARS 2017 TO 2023**



NOTE: Amounts for fiscal years 2017 to 2021 are expenditures; amounts for fiscal years 2022 and 2023 are appropriations.  
 SOURCES: Legislative Budget Board; Health and Human Services Commission.

**FIGURE 19**  
**SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM FOOD ASSISTANCE FUNDING BREAKDOWN**  
**FISCAL YEARS 2017 TO 2023**



NOTE: Amounts for fiscal years 2017 to 2021 are expenditures; amounts for fiscal years 2022 and 2023 are appropriations.  
 SOURCES: Legislative Budget Board; Health and Human Services Commission.

**FIGURE 20**  
**SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM FOOD ASSISTANCE COST AND NUMBER OF UNDUPLICATED RECIPIENTS SERVED, FISCAL YEARS 2017 TO 2021**

METRIC	2017	2018	2019	2020	2021
Recipients Served	5,322,789	5,786,764	4,917,791	5,029,486	5,126,957
Cost of Direct Program Benefits per Recipient	\$115.30	\$129.00	\$114.00	\$154.20	\$271.40
<b>Total Cost of Program per Recipient</b>	<b>\$118.92</b>	<b>\$132.99</b>	<b>\$118.43</b>	<b>\$158.70</b>	<b>\$276.24</b>

SOURCE: Health and Human Services Commission.

**EMPLOYMENT AND TRAINING**

The SNAP Employment and Training program is supported primarily through federal funding and provides support services to SNAP participants such as transportation assistance, childcare, employment training, and reimbursement for qualifying work-related expenses. The agency reports that an average of 27,135 households have received services during each fiscal year from 2017 to 2021 for an average total cost of \$17.8 million each year. Eligibility for participation in the SNAP Employment and Training program is determined by HHSC.

**Figure 21** shows the demographics of households served by SNAP Employment and Training, as reported by TWC.

Program expenditures have remained fairly consistent, decreasing by 1.8 percent from fiscal years 2017 to 2021, but expenditures may vary in relation to federal funding levels. Although the number of SNAP participants served increased, mainly during fiscal years 2020 and 2021 in relation to the COVID-19 public health emergency, TWC reports that participation has begun returning to pre-pandemic levels in fiscal year 2022. **Figure 22** shows the administrative and programmatic expenditures from fiscal years 2017 to 2021 and appropriations for fiscal years 2022 and 2023, compared to the five-year average from fiscal years 2017 to 2021. **Figure 23** shows the funding breakdown for the same period.

**FIGURE 21  
DEMOGRAPHICS OF TEXAS HOUSEHOLDS RECEIVING  
SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM  
EMPLOYMENT AND TRAINING SERVICES  
FISCAL YEAR 2021**

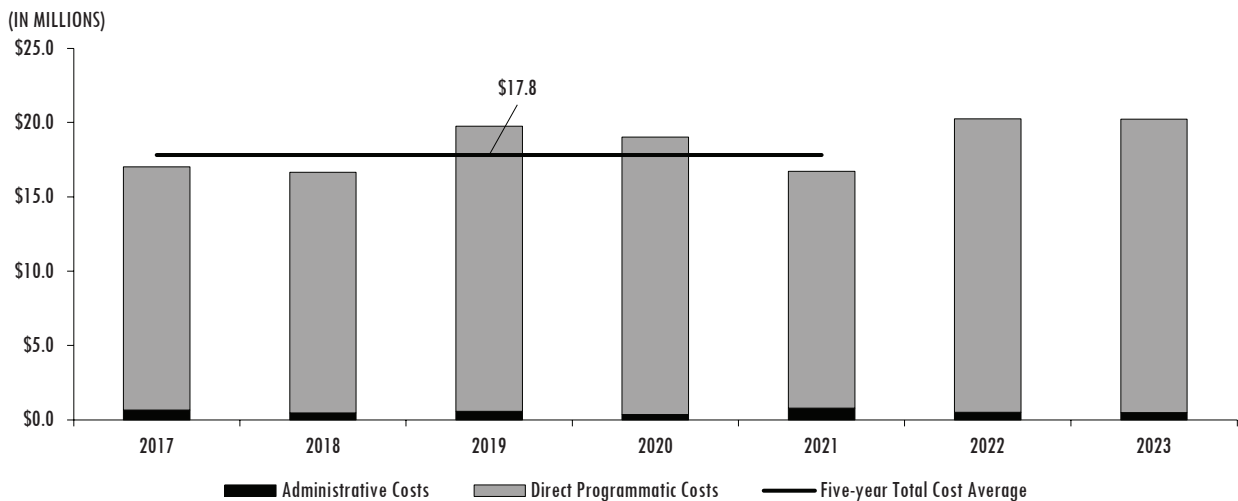
METRIC	AVERAGE
Average Household Income of Participants	N/A
Number of Unemployed Participants	10,973
Number of Partially Employed Participants	N/A
Number of Employed Participants	848
Number of Married Participant	583
Number of Unmarried Participant	5,874
Average Number of Dependents in Participant Household	N/A
Percentage of Participants Who Became Ineligible Due to Income	N/A
Number of Individuals with Incomplete Benefit Applications	N/A
Reapplication Rate of Former Participants	N/A
Time Between Initial Application and Approval of Benefits	N/A

NOTES:

- (1) N/A=The agency does not track some metrics and could not provide this data.
- (2) Amounts do not total as some recipients do not provide certain demographic data to the agency.

SOURCE: Texas Workforce Commission.

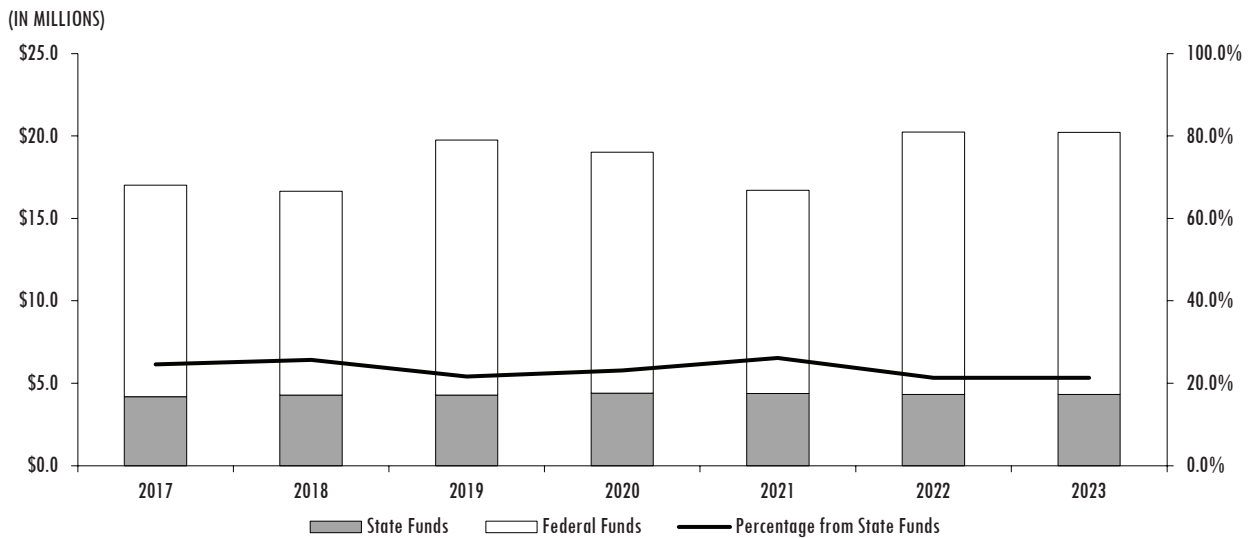
**FIGURE 22  
SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM EMPLOYMENT AND TRAINING EXPENDITURES  
FISCAL YEARS 2017 TO 2023**



NOTE: Amounts for fiscal years 2017 to 2021 are expenditures; amounts for fiscal years 2022 and 2023 are appropriations.  
SOURCES: Legislative Budget Board; Texas Workforce Commission.



**FIGURE 23**  
**SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM EMPLOYMENT AND TRAINING FUNDING BREAKDOWN**  
**FISCAL YEARS 2017 TO 2023**



NOTE: Amounts for fiscal years 2017 to 2021 are expenditures; amounts for fiscal years 2022 and 2023 are appropriations.  
 SOURCES: Legislative Budget Board; Texas Workforce Commission.

**FIGURE 24**  
**SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM EMPLOYMENT AND TRAINING**  
**COST AND NUMBER OF PARTICIPANTS SERVED**  
**FISCAL YEARS 2017 TO 2021**

METRIC	2017	2018	2019	2020	2021
Participants Served	36,659	31,302	35,778	20,120	11,814
<b>Total Cost of Program per Participant</b>	<b>\$426.40</b>	<b>\$500.95</b>	<b>\$500.57</b>	<b>\$922.49</b>	<b>\$1,528.00</b>

SOURCE: Texas Workforce Commission.

Figure 24 shows the total number of participants served and the total cost of the SNAP Employment and Training program per participant from fiscal years 2017 to 2021.

**EDUCATION GRANTS**

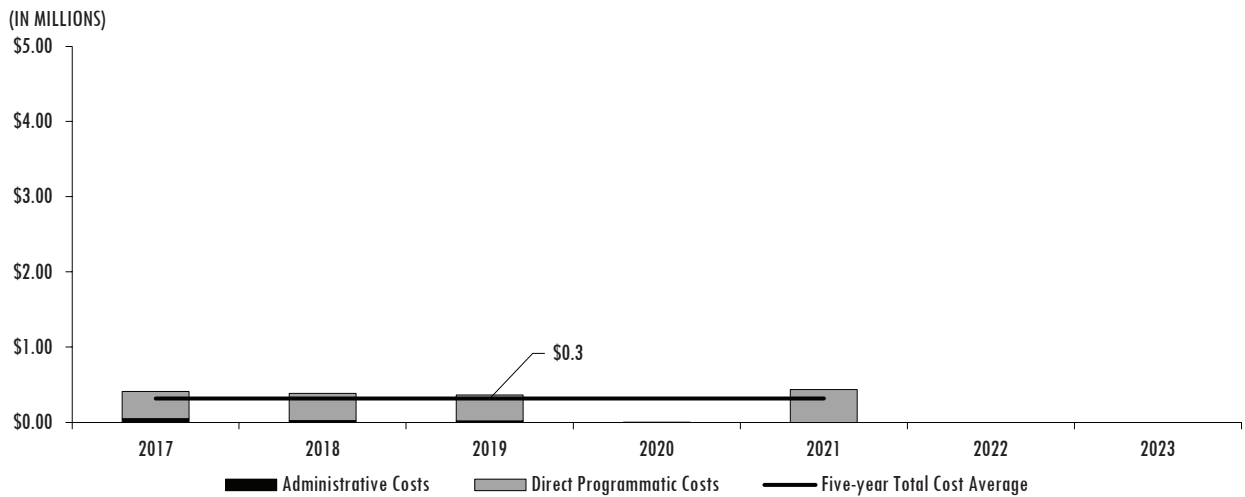
The Texas Human Resource Code, Section 33.028, authorizes TDA to operate the 3E’s of Healthy Living: Education, Exercise, and Eating Right program. The program is fully state-funded and has an objective to increase awareness of the importance of good nutrition, and to encourage children’s health and well-being through education, exercise, and nutrition. Funding was decreased in fiscal year 2020 due to the statewide five percent budget reduction required during the 2020–21 biennium.

Similarly, the program was not continued into the 2022–23 biennium, but from fiscal years 2017 to 2021, the agency reports that an average of 13 grants were distributed for an average total cost of \$0.3 million each year.

**Figure 25** shows the administrative and programmatic expenditures from fiscal years 2017 to 2021, compared to the five-year average for the period.

**Figure 26** shows the total grants awarded from fiscal years 2017 to 2021.

**FIGURE 25**  
**TEXAS DEPARTMENT OF AGRICULTURE 3E’S OF HEALTHY LIVING PROGRAM EXPENDITURES**  
**FISCAL YEARS 2017 TO 2023**



SOURCES: Legislative Budget Board; Texas Department of Agriculture.

**FIGURE 26**  
**3E’S OF HEALTHY LIVING PROGRAM GRANTS AWARDED, FISCAL YEARS 2017 TO 2021**

METRIC	2017	2018	2019	2020	2021
Grants Awarded	18	16	20	0	13

SOURCE: Texas Department of Agriculture.

**SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN**

HHSC administers the federal Special Supplemental Nutrition Program for Women, Infants, and Children (WIC). The program is supported primarily through federal funding and provides financial assistance that can be used at any authorized grocer to purchase approved items. WIC-approved food items are intended to supplement the nutritional needs of pregnant, breastfeeding and postpartum women, infants, and children. The agency reports that an average of 1,220,449 unduplicated recipients have received services during each fiscal year from 2017 to 2021 for an average total cost of \$759.1 million each year.

To be eligible for the benefits in this program, the recipient must meet the following four eligibility requirements:

- individuals who are pregnant, breastfeeding, postpartum, an infant up to age 12 months, or a child younger than age five;
- resident of Texas;

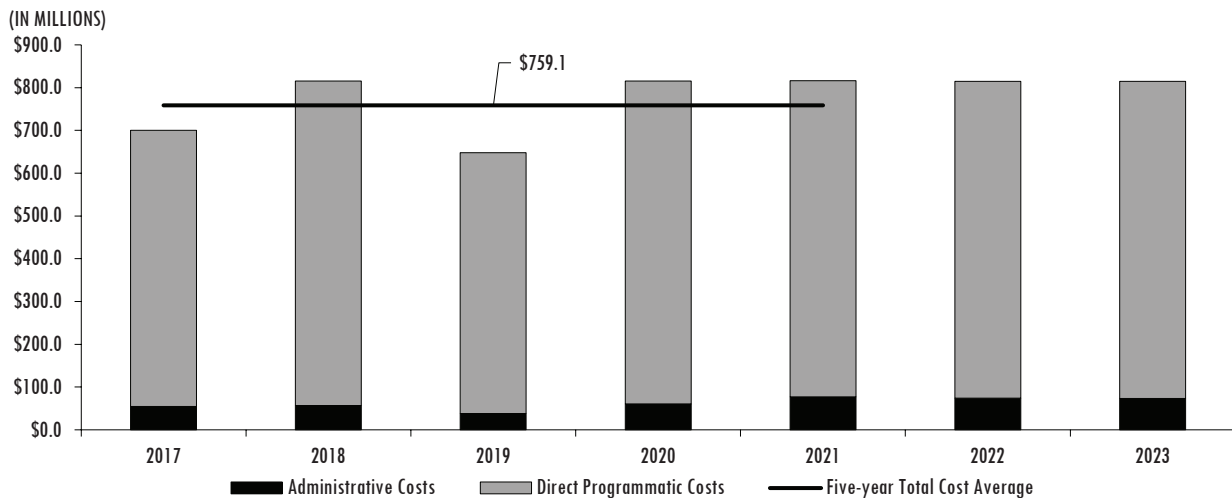
- earn an income at or less than 185 percent of the FPL, or adjunctively eligible through SNAP, TANF, or Medicaid; and
- have a documented medical or dietary risk.

The FPL is set by the U.S. Department of Health and Human Services based on family size, and the level is updated annually.

Program expenditures have increased by 16.6 percent from fiscal years 2017 to 2021 primarily related to increased federal funding levels. **Figure 27** shows administrative and programmatic expenditures from fiscal years 2017 to 2021 and appropriations for fiscal years 2022 and 2023, compared to the five-year average from fiscal years 2017 to 2021. **Figure 28** shows the funding breakdown of General Revenue Funds and other appropriated funds and Federal Funds for the same period.

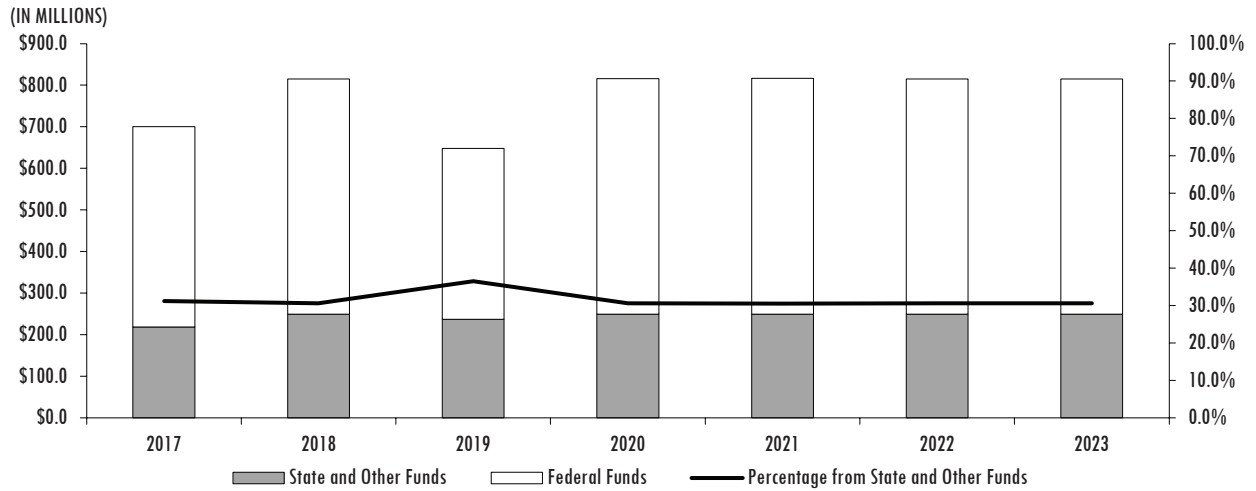
**Figure 29** shows the total recipients served, the cost of direct benefits provided per unduplicated recipient, and the total cost of the WIC program per recipient from fiscal years 2017 to 2021.

**FIGURE 27**  
**SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN PROGRAM EXPENDITURES**  
**FISCAL YEARS 2017 TO 2023**



NOTE: Amounts for fiscal years 2017 to 2021 are expenditures; amounts for fiscal years 2022 and 2023 are appropriations.  
 SOURCES: Legislative Budget Board; Health and Human Services Commission.

**FIGURE 28**  
**SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN PROGRAM FUNDING BREAKDOWN**  
**FISCAL YEARS 2017 TO 2023**



NOTE: Amounts for fiscal years 2017 to 2021 are expenditures; amounts for fiscal years 2022 and 2023 are appropriations.  
 SOURCES: Legislative Budget Board; Health and Human Services Commission.

**FIGURE 29**  
**SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN PROGRAM**  
**COST AND NUMBER OF UNDUPLICATED RECIPIENTS SERVED**  
**FISCAL YEARS 2017 TO 2021**

METRIC	2017	2018	2019	2020	2021
Recipients Served	11,503,728	8,942,448	8,347,512	8,058,336	8,016,000
Cost of Direct Program Benefits per Recipient	\$56.13	\$84.82	\$73.05	\$93.70	\$92.21
<b>Total Cost of Program per Recipient</b>	<b>\$60.87</b>	<b>\$91.15</b>	<b>\$77.64</b>	<b>\$101.19</b>	<b>\$101.84</b>

SOURCE: Health and Human Services Commission.

### COMPREHENSIVE ENERGY ASSISTANCE PROGRAM

Pursuant to the U.S. Code, Title 42, Section 8621, the Texas Department of Housing and Community Affairs (TDHCA) administers the Comprehensive Energy Assistance Program (CEAP). The program is supported entirely through federal funding and provides benefits to participant households in the form of utility assistance and repair of inoperable heating and cooling units. The agency reports that an average of 145,869 households have received services during each fiscal year from 2017 to 2021 for an average total cost of \$114.7 million each year.

To be eligible for the benefits in this program, the recipient must be a resident of Texas, and the household must earn less than 150 percent of the FPL. In addition, categorical eligibility exists for individuals who receive Supplemental Security Income from the Social Security Administration and from federal veterans programs that conduct income assessments. TDHCA reports that further priority is provided to households that include a vulnerable individual, require high energy consumption, or experience high energy burdens.

**Figure 30** shows the demographics of households served by CEAP, as reported by TDHCA.

Program expenditures have increased by 25.1 percent from fiscal years 2017 to 2021, but costs vary due to fluctuations in federal funding levels and increases in energy costs. The agency has expended an additional \$49.2 million in federal funding related to the COVID-19 pandemic during fiscal years 2020 and 2021. **Figure 31** shows the administrative and programmatic expenditures from fiscal years 2017 to 2021 and appropriations for fiscal years 2022 and 2023, compared to the five-year average from fiscal years 2017 to 2021.

**Figure 32** shows the total households served, the cost of direct benefits provided per household, and the total cost of the CEAP program per household from fiscal years 2017 to 2021.

**FIGURE 30  
DEMOGRAPHICS OF TEXAS HOUSEHOLDS RECEIVING  
COMPREHENSIVE ENERGY ASSISTANCE PROGRAM  
BENEFITS, FISCAL YEAR 2021**

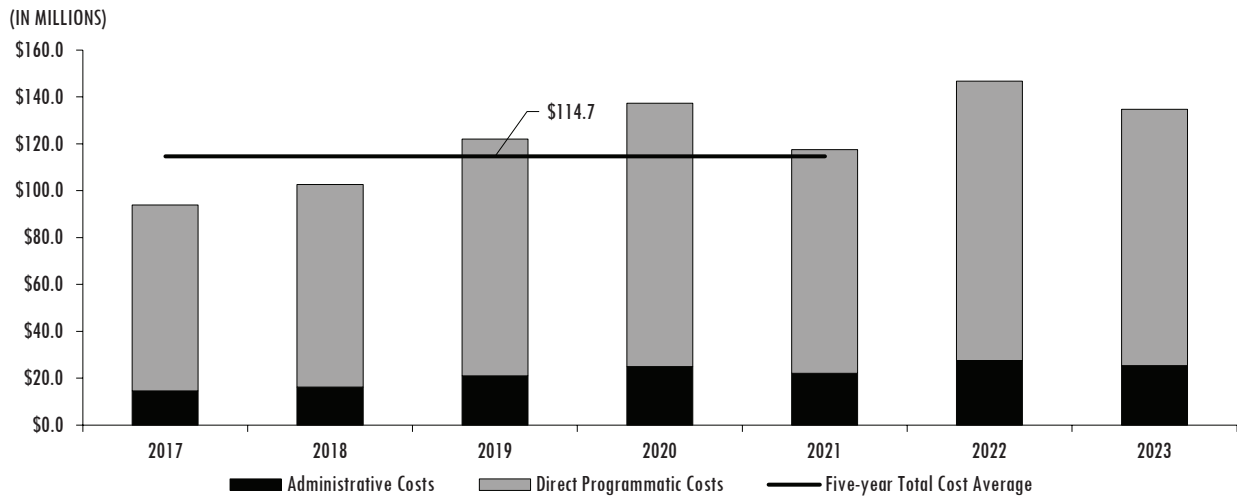
METRIC	AVERAGE
Average Household Income of Recipients	\$11,475
Number of Unemployed Recipients	N/A
Number of Partially Employed Recipients	N/A
Number of Employed Recipients	N/A
Number of Married Recipients	N/A
Number of Unmarried Recipients	N/A
Average Number of Dependents in Recipient Household	1.0
Percentage of Recipients Who Became Ineligible Due to Income	N/A
Number of Individuals with Incomplete Benefit Applications	N/A
Reapplication Rate of Former Recipients	N/A
Time Between Initial Application and Approval of Benefits	N/A

**NOTES:**

- (1) N/A=The agency does not track some metrics and could not provide this data.
- (2) Amounts do not total as some recipients do not provide certain demographic data to the agency.

SOURCE: Texas Department of Housing and Community Affairs.

**FIGURE 31  
COMPREHENSIVE ENERGY ASSISTANCE PROGRAM EXPENDITURES  
FISCAL YEARS 2017 TO 2023**



NOTE: Amounts for fiscal years 2017 to 2021 are expenditures; amounts for fiscal years 2022 and 2023 are appropriations.  
SOURCES: Legislative Budget Board; Texas Department of Housing and Community Affairs.

**FIGURE 32  
COMPREHENSIVE ENERGY ASSISTANCE PROGRAM COST AND NUMBER OF HOUSEHOLDS SERVED  
FISCAL YEARS 2017 TO 2021**

METRIC	2017	2018	2019	2020	2021
Households Served	33,531	151,008	158,184	159,960	126,661
Cost of Direct Program Benefits per Household	\$594.67	\$573.13	\$638.45	\$703.07	\$753.47
<b>Total Cost of Program per Household</b>	<b>\$703.63</b>	<b>\$679.86</b>	<b>\$771.21</b>	<b>\$858.71</b>	<b>\$927.78</b>

SOURCE: Texas Department of Housing and Community Affairs.

### CHILD CARE SERVICES PROGRAM

TWC administers the state’s Child Care Services Program. The program is supported primarily through federal funding and provides financial assistance for childcare services to eligible low-income families. The agency reports that an average of 177,533 children have received services during each fiscal year from 2017 to 2021 for an average total cost of \$830.4 million each year.

The amount of the financial subsidy varies based on the age of the child, the Local Area Workforce Board’s established daily childcare rate, the required parental copayment amount, and the type of childcare service provided. Pursuant to agency Rule No. 809.41, to be eligible for the benefits in this program, the child receiving services must meet the following criteria:

- be age 12 or younger or is a child with a disability age 18 or younger;
- be a U.S. citizen or legal immigrant as determined by applicable federal laws, regulations, and guidelines; and
- resides with (1) a family within the Local Area Workforce Board’s area whose income does not exceed 85 percent of the state median income, whose assets do not exceed \$1.0 million as certified by a family member, or is experiencing homelessness as defined in agency rule; (2) parents who require childcare while attending employment, including job searching or job training; or (3) an individual standing in loco parentis for the child while the child’s parent is on military deployment and the deployed parent’s income does not exceed the income limitations.

**Figure 33** shows the demographics of households served by the Child Care Services Program, as reported by TWC.

Program expenditures have increased by 46.6 percent from fiscal years 2017 to 2021, primarily due to fluctuations in federal funding levels, including the agency’s expenditure of an additional \$328.9 million in federal funding related to the COVID-19 pandemic provided during fiscal years 2020 and 2021 to assist during the public health emergency. **Figure 34** shows the administrative and programmatic expenditures from fiscal years 2017 to 2021 and appropriations for fiscal years 2022 and 2023, compared to the five-year average from fiscal years 2017 to 2021. **Figure 35** shows the funding breakdown for the same period.

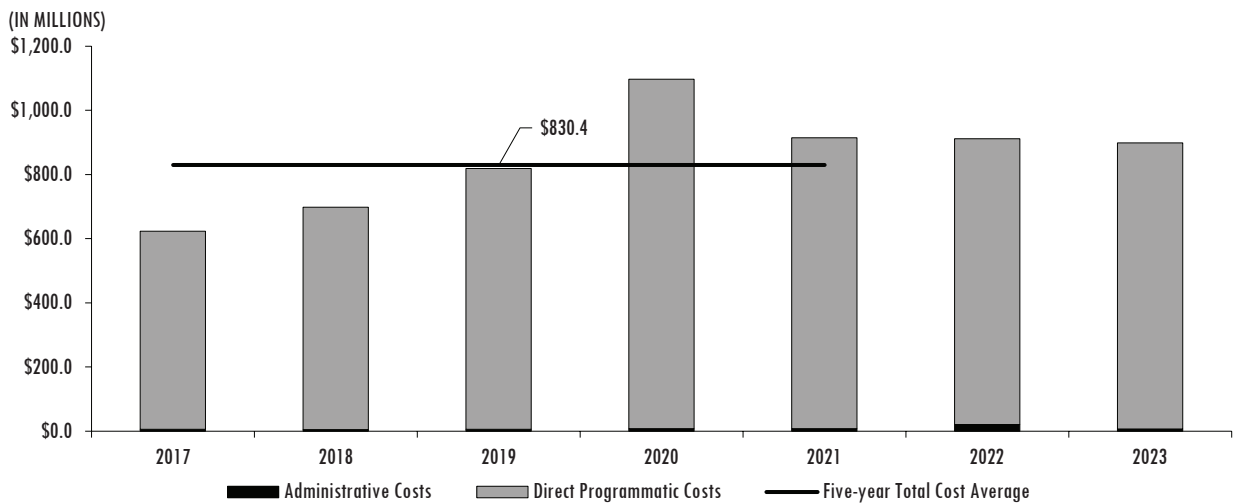
**FIGURE 33  
DEMOGRAPHICS OF TEXAS HOUSEHOLDS RECEIVING  
CHILD CARE SERVICES PROGRAM ASSISTANCE  
FISCAL YEAR 2021**

METRIC	AVERAGE
Average Household Income of Recipients	\$41,061
Number of Unemployed Recipients	12,048
Number of Partially Employed Recipients	N/A
Number of Employed Recipients	76,748
Number of Married Recipients	12,015
Number of Unmarried Recipients	75,421
Average Number of Dependents in Recipient Household	2.3
Percentage of Recipients Who Became Ineligible Due to Income	N/A
Number of Individuals with Incomplete Benefit Applications	N/A
Reapplication Rate of Former Recipients	N/A
Time Between Initial Application and Approval of Benefits	N/A

NOTES:  
 (1) N/A=The agency does not track some metrics and could not provide this data.  
 (2) Amounts do not total as some recipients do not provide certain demographic data to the agency.  
 SOURCE: Texas Workforce Commission.

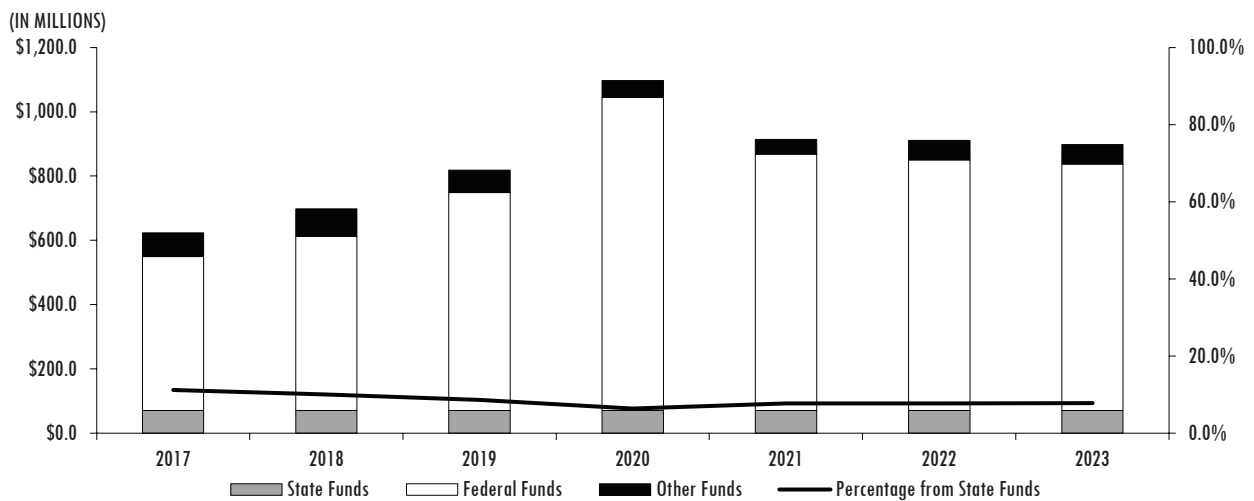
**Figure 36** shows the total children served, the cost of direct benefits provided per child, and the total cost of the Child Care Services program per child from fiscal years 2017 to 2021.

**FIGURE 34**  
**CHILD CARE SERVICES PROGRAM EXPENDITURES, FISCAL YEARS 2017 TO 2023**



NOTE: Amounts for fiscal years 2017 to 2021 are expenditures; amounts for fiscal years 2022 and 2023 are appropriations.  
SOURCES: Legislative Budget Board; Texas Workforce Commission.

**FIGURE 35**  
**CHILD CARE SERVICES PROGRAM FUNDING BREAKDOWN, FISCAL YEARS 2017 TO 2023**



NOTE: Amounts for fiscal years 2017 to 2021 are expenditures; amounts for fiscal years 2022 and 2023 are appropriations.  
SOURCES: Legislative Budget Board; Texas Workforce Commission.

**FIGURE 36**  
**CHILD CARE SERVICES PROGRAM COST AND NUMBER OF CHILDREN RECIPIENTS SERVED**  
**FISCAL YEARS 2017 TO 2021**

METRIC	2017	2018	2019	2020	2021
Children Served	157,357	166,802	201,540	182,304	179,662
Cost of Direct Program Benefits per Child	\$2,642.67	\$2,815.14	\$2,997.39	\$3,754.36	\$3,403.43
<b>Total Cost of Program per Child</b>	<b>\$3,072.60</b>	<b>\$3,254.04</b>	<b>\$3,362.78</b>	<b>\$4,242.00</b>	<b>\$3,872.78</b>

SOURCE: Texas Workforce Commission.



## CONCLUSION

### MINIMIZING DUPLICATION AND MAXIMIZING EFFICIENCY

Overall, the programs included in this report are administered by the state agency that has an aligning mission. Health services and benefit assistance are provided through HHSC, employment services through TWC, energy assistance through TDHCA, and nutrition grants through TDA. Although programs provided through TANF and SNAP are administered by more than one agency, administering the employment and training services through TWC enables participants to access additional support services such as federal Workforce Innovation and Opportunity Act funds and childcare funds through one service provider in Local Area Workforce Boards. Furthermore, although participants may be co-enrolled in these programs to maximize support benefits, local board policies prevent any duplication of services.

In addition, the integrated eligibility and enrollment process at HHSC enables the agency to screen potential recipients for their eligibility in Medicaid, CHIP, TANF, and SNAP programs at one time to ensure that a recipient is receiving the full potential benefit and that the state is not duplicating services. For example, the agency would not enroll an individual to receive both CHIP and Medicaid services simultaneously. In addition, for those recipients enrolled in Medicaid, the U.S. Code of Federal Regulations, Title 42, Subpart D, and the Texas Human Resources Code, Section 32.04242, require that the Medicaid program is a payer of last resort, meaning Medicaid can pay only for items and services that otherwise are not covered.

Currently, WIC is the only HHSC-administered program summarized in this report that has a separate application and certification process. The separate process is used due to the differing eligibility requirements and receipt of the corresponding benefit as a prescription food package instead of benefits dollars. However, the agency could consider the cost benefit analysis of expanding its integrated eligibility and enrollment process to include this program.

Finally, although TDHCA identified potential duplication of services with the CEAP program and the Texas Rent Relief program, a recipient likely would not be eligible for both benefits during the same month. In addition, the Texas Rent Relief program is intended to be a temporary program fully funded by the federal government to assist during the COVID-19 pandemic; therefore, any potential duplication would be time-limited.

### IMPROVING OUTCOMES

As reported in TWC's 2024–25 biennial Legislative Appropriations Request, the match requirement for the federal Mandatory Child Care portion of the Child Care Development Block Grant was increased by approximately \$52.0 million per year beginning in fiscal year 2021. To draw down these funds, TWC is requesting an additional \$35.0 million in General Revenue Funds for fiscal year 2025. If the agency receives this appropriation, it anticipates the total \$87.0 million in All Funds would enable Local Area Workforce Boards to serve an additional 13,183 children that otherwise would be placed on a waitlist.

### LOWERING COSTS

The programs included in this report have several different funding structures and funding implications. For example, two of the programs, SNAP Food Assistance and CEAP, are fully federally funded, Medicaid is an entitlement program, and the state funds utilized in both TANF programs meet maintenance-of-effort requirements that assist the state in drawing down federal dollars beyond the federal funding in those two programs. As such, any decrease in state funds in the TANF program would proportionally decrease the approximate \$484.0 million in TANF block grant funds that the state receives each fiscal year. Furthermore, the Public Consulting Group published a TANF Efficiency Audit for State Fiscal Years 2018 to 2021 and stated that “overarchingly, the [TANF] programs were operated efficiently and effectively, with little duplication and often very lean budgets.”

In addition, for programs such as Medicaid, CHIP, and WIC that provide an array of services that may last for varying lengths of time, an average cost per unduplicated recipient provides a fair summary of general program expenditures but may not be the most accurate indication of cost per individual served. Additional performance measures related to the programs are reported by agencies and published in the Legislative Budget Board's biennial Legislative Budget Estimates at the beginning of each legislative session.

However, to continue a focus on cost savings, the Legislature can continue to include cost-containment directives in the General Appropriations Act to direct agencies to find and implement cost savings. For example, the Eighty-seventh Legislature, General Appropriations Act, 2022–23 Biennium, HHSC, Rider 24, Health and Human Services Cost Containment, directs the agency to “develop and implement cost containment initiatives to achieve savings

of at least \$350,000,000 in General Revenue Funds.” Similar directives are included in the bill patterns for the State Office of Risk Management, Office of Court Administration, Texas Department of Criminal Justice, and Department of Public Safety.

In addition, cost efficiencies could be realized through the continued appropriations for the Office of Inspector General (OIG) at HHSC. The Inspector General reported in a public hearing on February 10, 2023, that, in fiscal year 2022, the OIG recovered nearly half a billion dollars in fraud waste and abuse in the state’s health and human services programs, meaning that for every \$1.00 that is appropriated for the OIG, it returns \$6.21 in All Funds.

