

Section 1

Assistive and Rehabilitative Services, Department of
Summary of Recommendations - Senate

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Debra Wanser, Commissioner

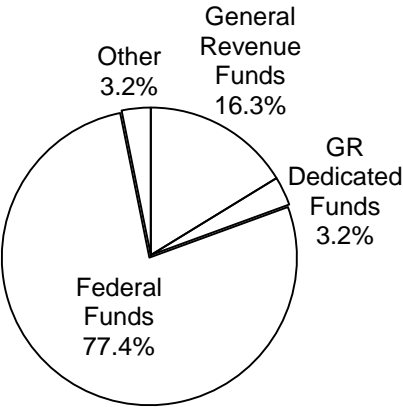
Valerie Crawford, LBB Analyst

Method of Financing	2012-13 Base	2014-15 Recommended	Biennial Change	% Change
General Revenue Funds	\$202,008,307	\$201,753,517	(\$254,790)	(0.1%)
GR Dedicated Funds	\$39,036,167	\$39,374,732	\$338,565	0.9%
Total GR-Related Funds	\$241,044,474	\$241,128,249	\$83,775	0.0%
Federal Funds	\$956,520,119	\$960,816,753	\$4,296,634	0.4%
Other	\$38,015,560	\$39,366,554	\$1,350,994	3.6%
All Funds	\$1,235,580,153	\$1,241,311,556	\$5,731,403	0.5%

	FY 2013 Budgeted	FY 2015 Recommended	Biennial Change	% Change
FTEs	3,209.5	3,209.5	0.0	0.0%

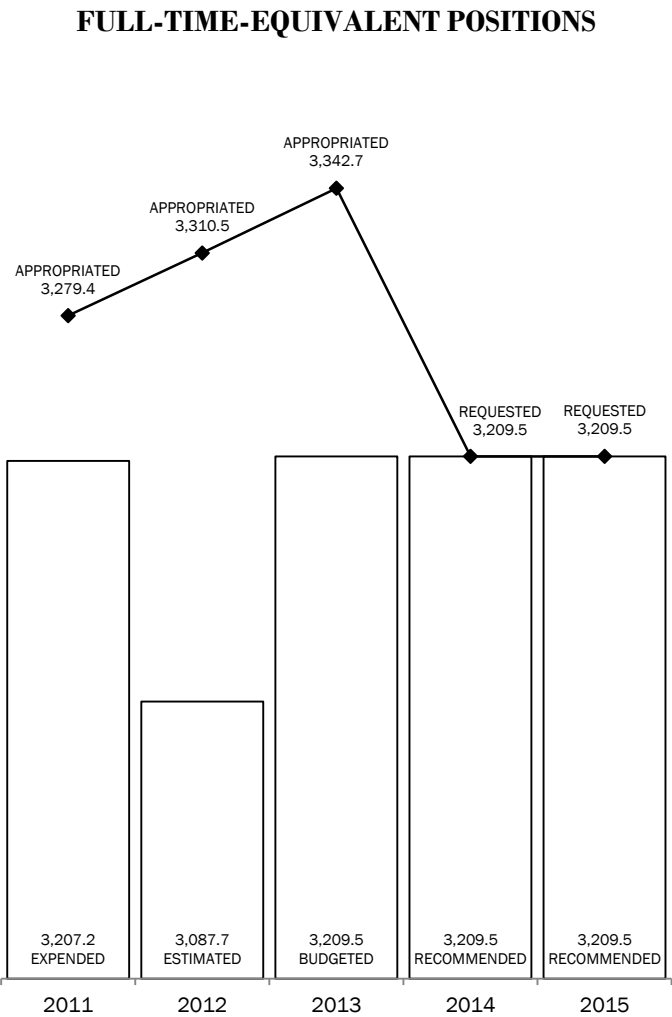
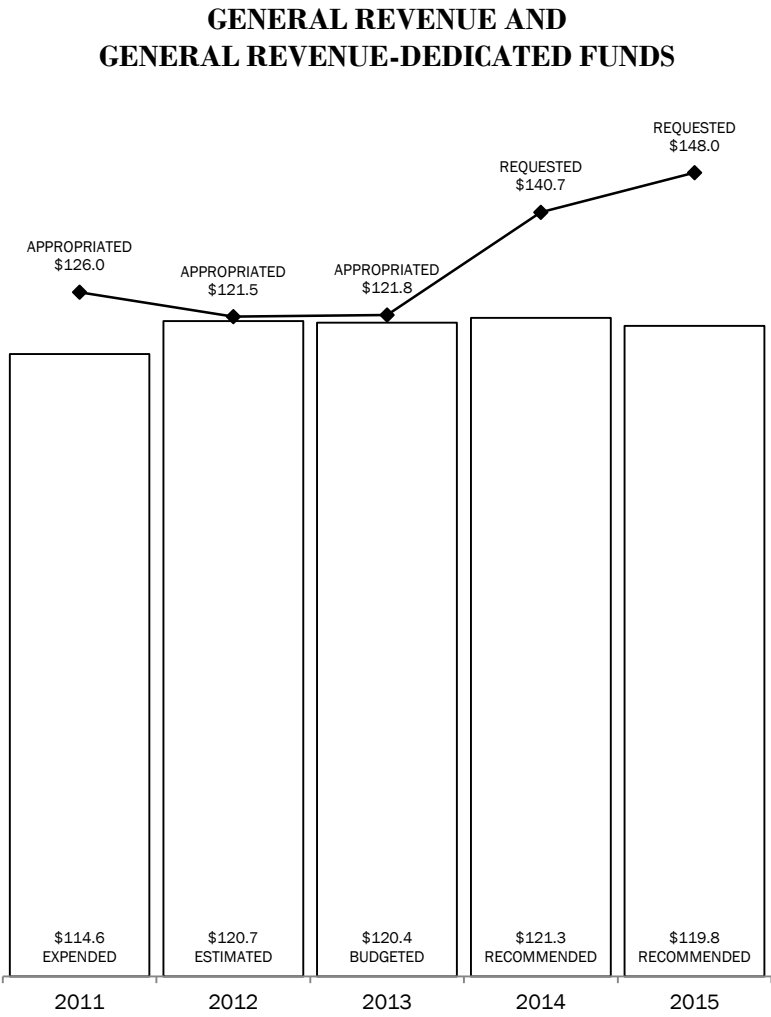
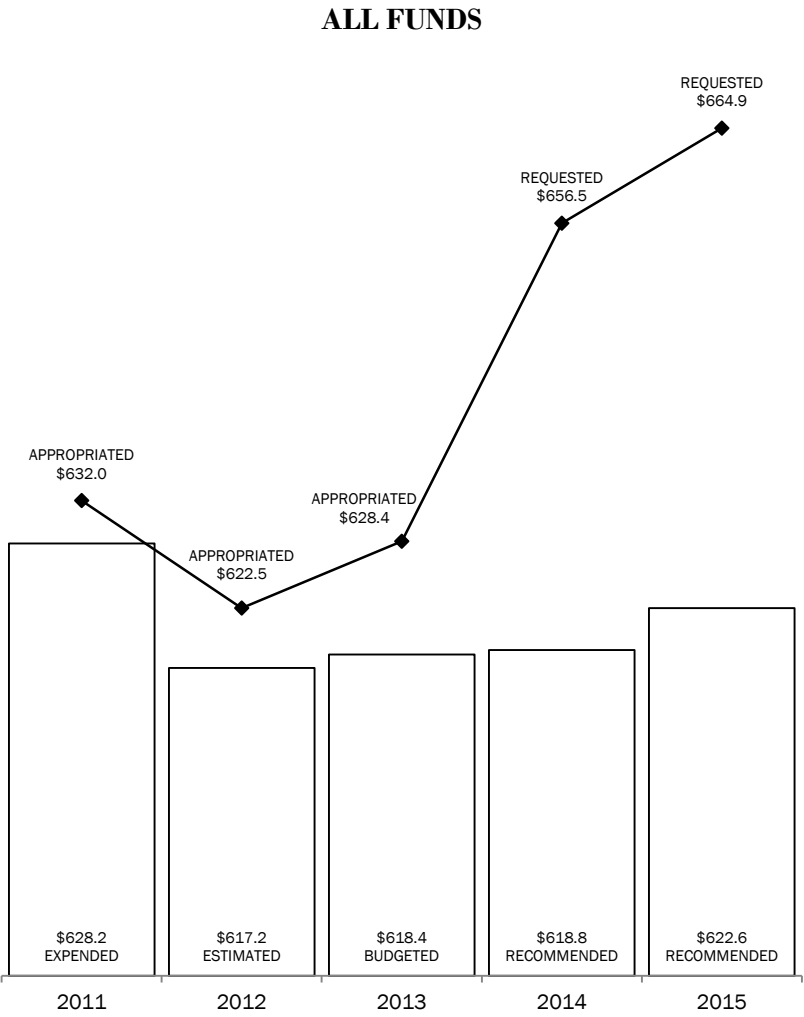
The bill pattern for this agency (2014-15 Recommended) represents an estimated 100% of the agency's estimated total available funds for the 2014-15 biennium.

RECOMMENDED FUNDING
BY METHOD OF FINANCING



Section 1
Assistive and Rehabilitative Services, Department of
2014-2015 BIENNIUM
IN MILLIONS

TOTAL= \$1,241.3 MILLION



Section 2

Assistive and Rehabilitative Services, Department of
Summary of Recommendations - Senate, By Method of Finance -- Supplemental by Goal

Strategy/Fund Type/Goal	2012-13 Base	2014-15 Recommended	Biennial Change	% Change	Comments
Total, Goal A, CHILDREN WITH DISABILITIES	\$290,123,584	\$313,506,760	\$23,383,176	8.1%	
GENERAL REVENUE FUNDS	\$65,818,464	\$65,818,464	\$0	0.0%	• Increase in Medicaid General Revenue (match) offset by a decrease in General Revenue for ECI (non-match) in 2014-15 in the ECI program, for no net change in General Revenue over the 2012-13 base. See Selected Fiscal and Policy Issue #1.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$191,305,720	\$214,688,896	\$23,383,176	12.2%	• Increase in Federal Funds (Medicaid, IDEA Part C, and TANF) to meet projected caseload forecast. See Selected Fiscal and Policy Issue #1.
OTHER FUNDS	\$32,999,400	\$32,999,400	\$0	0.0%	
Total, Goal B, PERSONS WITH DISABILITIES	\$636,708,027	\$620,644,272	(\$16,063,755)	(2.5%)	
GENERAL REVENUE FUNDS	\$126,236,964	\$125,564,245	(\$672,719)	(0.5%)	• MOF swap between General Revenue Funds (\$2.2 million decrease) and General Revenue-Dedicated Comprehensive Rehabilitation Account 107. See Selected Fiscal and Policy Issue #3. • Increase in General Revenue Funds to fund Data Center Services current obligations (\$1.5 million increase)
GR DEDICATED	\$39,036,167	\$39,374,732	\$338,565	0.9%	• MOF swap between General Revenue Funds and General Revenue-Dedicated Comprehensive Rehabilitation Account 107 (\$2.2 million increase). See Selected Fiscal and Policy Issue #3. • Reclassified portion of General Revenue-Dedicated Account No. 492 (Business Enterprises of Texas Program) to Appropriated Receipts (\$1.8 million decrease). See Selected Fiscal and Policy Issue #5.
FEDERAL FUNDS	\$466,474,801	\$449,393,305	(\$17,081,496)	(3.7%)	• Decrease to VR Grants to States of \$19.4 million. Less carryforward available in 2014-15 than in 2012-13. Offset primarily by increase of \$3.6 million to Social Security Vocational Rehabilitation (SSVR) Reimbursement.
OTHER FUNDS	\$4,960,095	\$6,311,990	\$1,351,895	27.3%	• Net increase from reclassification of General Revenue-Dedicated Account No. 492 (Business Enterprises of Texas Program) to Appropriated Receipts (increase of \$1.8 million) and \$0.4 million decrease in Interagency Contracts.

Section 2

Assistive and Rehabilitative Services, Department of
Summary of Recommendations - Senate, By Method of Finance -- Supplemental by Goal

Strategy/Fund Type/Goal	2012-13 Base	2014-15 Recommended	Biennial Change	% Change	Comments
Total, Goal C, DISABILITY DETERMINATION	\$262,563,278	\$261,033,056	(\$1,530,222)	(0.6%)	
GENERAL REVENUE FUNDS	\$0	\$0	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$262,563,278	\$261,033,056	(\$1,530,222)	(0.6%)	• Maintained FY 2013 decrease in Social Security Disability Insurance Grant.
OTHER FUNDS	\$0	\$0	\$0	0.0%	
Total, Goal D, PROGRAM SUPPORT	\$46,185,264	\$46,127,468	(\$57,796)	(0.1%)	
GENERAL REVENUE FUNDS	\$9,952,879	\$10,370,808	\$417,929	4.2%	Increase in General Revenue Funds to fund Data Center Services current obligations.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$36,176,320	\$35,701,496	(\$474,824)	(1.3%)	• Net decrease in VR Grants to States related to indirect rate and decreases to program funding. Partially offset by increases in SSVR Reimbursement and Social Security Disability Insurance Grant.
OTHER FUNDS	\$56,065	\$55,164	(\$901)	(1.6%)	
Grand Total, All Agency	\$1,235,580,153	\$1,241,311,556	\$5,731,403	0.5%	
GENERAL REVENUE FUNDS	\$202,008,307	\$201,753,517	(\$254,790)	(0.1%)	
GR DEDICATED	\$39,036,167	\$39,374,732	\$338,565	0.9%	
FEDERAL FUNDS	\$956,520,119	\$960,816,753	\$4,296,634	0.4%	
OTHER FUNDS	\$38,015,560	\$39,366,554	\$1,350,994	3.6%	

Section 2

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

Strategy/Goal	2012-13 Base	2014-15 Recommended	Biennial Change	% Change	Comments
ECI SERVICES A.1.1	\$270,222,362	\$293,642,553	\$23,420,191	8.7%	• Increase in Medicaid funding and certain Federal Funds for projected caseload increases. The increase in Medicaid General Revenue (match) is offset by a decrease in General Revenue for ECI (non-match) in 2014-15 for no net change in General Revenue over the 2012-13 base. See Selected Fiscal and Policy Issue #1.
ECI RESPITE SERVICES A.1.2	\$800,000	\$800,000	\$0	0.0%	
ENSURE QUALITY ECI SERVICES A.1.3	\$3,122,466	\$3,122,466	\$0	0.0%	
HABILITATIVE SERVICES FOR CHILDREN A.2.1	\$9,378,756	\$9,341,741	(\$37,015)	(0.4%)	• Decrease in Medicaid Federal Funds due to less favorable FMAP.
AUTISM PROGRAM A.3.1	\$6,600,000	\$6,600,000	\$0	0.0%	
Total, Goal A, CHILDREN WITH DISABILITIES	\$290,123,584	\$313,506,760	\$23,383,176	8.1%	
INDEPENDENT LIVING SERVICES - BLIND B.1.1	\$6,397,720	\$6,772,531	\$374,811	5.9%	• Increase in Federal Funds primarily for Social Security Vocational Rehabilitation (SSVR) Reimbursement.
BLINDNESS EDUCATION B.1.2	\$801,486	\$801,486	\$0	0.0%	
VOCATIONAL REHABILITATION - BLIND B.1.3	\$98,363,124	\$96,956,728	(\$1,406,396)	(1.4%)	• Increase in General Revenue Funds (\$0.3 million) to fund Data Center Services current obligations. • Decrease in Federal Funds (\$1.7 million) primarily for SSVR Reimbursement and Vocational Rehabilitation (VR) Grants to States.
BUSINESS ENTERPRISES OF TEXAS B.1.4	\$4,470,070	\$4,492,016	\$21,946	0.5%	• Increase in Federal Funds (VR Grants to States). Strategy funding includes a reclassification from General Revenue-Dedicated Funds to Other Funds. See Selected Fiscal and Policy Issue #5.
BUSN ENTERPRISES OF TEX TRUST FUND B.1.5	\$1,616,872	\$1,616,872	\$0	0.0%	
CONTRACT SERVICES - DEAF B.2.1	\$4,814,446	\$4,814,446	\$0	0.0%	
EDUC, TRAINING, CERTIFICATION-DEAF B.2.2	\$2,383,250	\$2,050,604	(\$332,646)	(14.0%)	• Decrease in Other Funds. Primarily a decrease in Interagency Contracts - unexpended balances from previous biennium are not available.

Section 2

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

Strategy/Goal	2012-13 Base	2014-15 Recommended	Biennial Change	% Change	Comments
TELEPHONE ACCESS ASSISTANCE B.2.3	\$1,950,819	\$1,950,819	\$0	0.0%	
VOCATIONAL REHABILITATION - GENERAL B.3.1	\$448,263,020	\$432,609,056	(\$15,653,964)	(3.5%)	<ul style="list-style-type: none">• Increase in General Revenue Funds (\$1.2 million) to fund Data Center Services current obligations.• Decrease in Federal Funds (\$16.9 million primarily for VR Grants to States). Less carryforward available in 2014-15 than in 2012-13.
INDEPENDENT LIVING CENTERS B.3.2	\$5,378,566	\$5,378,566	\$0	0.0%	
INDEPENDENT LIVING SERVICE - GEN B.3.3	\$14,822,334	\$15,754,828	\$932,494	6.3%	<ul style="list-style-type: none">• Increase of \$1.1 million in Federal Funds (SSVR Reimbursement) slightly offset by \$0.2 million decrease in Federal Funds (Independent Living Grant).
COMPREHENSIVE REHABILITATION B.3.4	\$47,446,320	\$47,446,320	\$0	0.0%	<ul style="list-style-type: none">• MOF swap between General Revenue Funds and General Revenue-Dedicated Comprehensive Rehabilitation Account 107. See Selected Fiscal and Policy Issue #3.
Total, Goal B, PERSONS WITH DISABILITIES	\$636,708,027	\$620,644,272	(\$16,063,755)	(2.5%)	
DISABILITY DETERMINATION SVCS (DDS) C.1.1	\$262,563,278	\$261,033,056	(\$1,530,222)	(0.6%)	<ul style="list-style-type: none">• Decrease in Federal Funds (Social Security Disability Insurance Grant). Funding for the program is 100% Federal Funds.
Total, Goal C, DISABILITY DETERMINATION	\$262,563,278	\$261,033,056	(\$1,530,222)	(0.6%)	
CENTRAL PROGRAM SUPPORT D.1.1	\$23,964,896	\$24,215,303	\$250,407	1.0%	<ul style="list-style-type: none">• Net increase in Federal Funds.
REGIONAL PROGRAM SUPPORT D.1.2	\$1,550,258	\$1,550,258	\$0	0.0%	
OTHER PROGRAM SUPPORT D.1.3	\$10,905,954	\$10,028,904	(\$877,050)	(8.0%)	<ul style="list-style-type: none">• Decrease in Federal Funds associated with program funding decreases.
IT PROGRAM SUPPORT D.1.4	\$9,764,156	\$10,333,003	\$568,847	5.8%	<ul style="list-style-type: none">• Increase in General Revenue Funds (\$0.4 million) to fund Data Center Services current obligations; net increase in Federal Funds (\$0.2 million).
Total, Goal D, PROGRAM SUPPORT	\$46,185,264	\$46,127,468	(\$57,796)	(0.1%)	
Grand Total, All Strategies	\$1,235,580,153	\$1,241,311,556	\$5,731,403	0.5%	

Section 2

Assistive and Rehabilitative Services, Department of
Summary of Recommendations - Senate, By Method of Finance -- Supplemental by Strategy

Strategy/Fund Type/Goal	2012-13 Base	2014-15 Recommended	Biennial Change	% Change	Comments
ECI SERVICES A.1.1	\$270,222,362	\$293,642,553	\$23,420,191	8.7%	
GENERAL REVENUE FUNDS	\$49,745,408	\$49,745,408	\$0	0.0%	• Increase in Medicaid General Revenue (match) offset by a decrease in General Revenue for ECI (non-match) in 2014-15, for no net change in General Revenue over the 2012-13 base. See Selected Fiscal and Policy Issue #1.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$187,480,750	\$210,900,941	\$23,420,191	12.5%	• Increase in Federal Funds (Medicaid, IDEA Part C, and TANF) to meet projected caseload forecast. See Selected Fiscal and Policy Issue #1.
					• Increase in TANF Federal Funds. See Selected Fiscal and Policy Issue #1
OTHER FUNDS	\$32,996,204	\$32,996,204	\$0	0.0%	
ECI RESPITE SERVICES A.1.2	\$800,000	\$800,000	\$0	0.0%	
GENERAL REVENUE FUNDS	\$800,000	\$800,000	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$0	\$0	\$0	0.0%	
OTHER FUNDS	\$0	\$0	\$0	0.0%	
ENSURE QUALITY ECI SERVICES A.1.3	\$3,122,466	\$3,122,466	\$0	0.0%	
GENERAL REVENUE FUNDS	\$0	\$0	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$3,122,466	\$3,122,466	\$0	0.0%	
OTHER FUNDS	\$0	\$0	\$0	0.0%	

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Assistive and Rehabilitative Services, Department of
Summary of Recommendations - Senate, By Method of Finance -- Supplemental by Strategy

Strategy/Fund Type/Goal	2012-13 Base	2014-15 Recommended	Biennial Change	% Change	Comments
HABILITATIVE SERVICES FOR CHILDREN A.2.1	\$9,378,756	\$9,341,741	(\$37,015)	(0.4%)	
GENERAL REVENUE FUNDS	\$8,673,056	\$8,673,056	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$702,504	\$665,489	(\$37,015)	(5.3%)	• Decrease in Medicaid Federal Funds due to less favorable FMAP.
OTHER FUNDS	\$3,196	\$3,196	\$0	0.0%	
AUTISM PROGRAM A.3.1	\$6,600,000	\$6,600,000	\$0	0.0%	
GENERAL REVENUE FUNDS	\$6,600,000	\$6,600,000	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$0	\$0	\$0	0.0%	
OTHER FUNDS	\$0	\$0	\$0	0.0%	
Total, Goal A, CHILDREN WITH DISABILITIES	\$290,123,584	\$313,506,760	\$23,383,176	8.1%	
GENERAL REVENUE FUNDS	\$65,818,464	\$65,818,464	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$191,305,720	\$214,688,896	\$23,383,176	12.2%	
OTHER FUNDS	\$32,999,400	\$32,999,400	\$0	0.0%	
INDEPENDENT LIVING SERVICES - BLIND B.1.1	\$6,397,720	\$6,772,531	\$374,811	5.9%	
GENERAL REVENUE FUNDS	\$1,163,759	\$1,163,759	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$5,230,118	\$5,605,184	\$375,066	7.2%	• Increase in Social Security Vocational Rehabilitation (SSVR) Reimbursement.
OTHER FUNDS	\$3,843	\$3,588	(\$255)	(6.6%)	

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Assistive and Rehabilitative Services, Department of
Summary of Recommendations - Senate, By Method of Finance -- Supplemental by Strategy

Strategy/Fund Type/Goal	2012-13 Base	2014-15 Recommended	Biennial Change	% Change	Comments
BLINDNESS EDUCATION B.1.2	\$801,486	\$801,486	\$0	0.0%	
GENERAL REVENUE FUNDS	\$801,486	\$801,486	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$0	\$0	\$0	0.0%	
OTHER FUNDS	\$0	\$0	\$0	0.0%	
VOCATIONAL REHABILITATION - BLIND B.1.3	\$98,363,124	\$96,956,728	(\$1,406,396)	(1.4%)	
GENERAL REVENUE FUNDS	\$16,128,465	\$16,427,950	\$299,485	1.9%	• Increase in General Revenue Funds to fund Data Center Services current obligations.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$82,212,761	\$80,510,975	(\$1,701,786)	(2.1%)	• Decrease primarily in SSVR Reimbursement and Vocational Rehabilitation (VR) Grants to States.
OTHER FUNDS	\$21,898	\$17,803	(\$4,095)	(18.7%)	
BUSINESS ENTERPRISES OF TEXAS B.1.4	\$4,470,070	\$4,492,016	\$21,946	0.5%	
GENERAL REVENUE FUNDS	\$0	\$0	\$0	0.0%	
GR DEDICATED	\$3,169,934	\$1,333,316	(\$1,836,618)	(57.9%)	• Reclassified portion of General Revenue-Dedicated Account No. 492 (Business Enterprises of Texas Program) to Appropriated Receipts. See Selected Fiscal and Policy Issue #5.
FEDERAL FUNDS	\$1,266,978	\$1,288,924	\$21,946	1.7%	
OTHER FUNDS	\$33,158	\$1,869,776	\$1,836,618	5,539.0%	• Reclassified portion of General Revenue-Dedicated Account No. 492 (Business Enterprises of Texas Program) to Appropriated Receipts. See Selected Fiscal and Policy Issue #5.

Section 2

Assistive and Rehabilitative Services, Department of
Summary of Recommendations - Senate, By Method of Finance -- Supplemental by Strategy

Strategy/Fund Type/Goal	2012-13 Base	2014-15 Recommended	Biennial Change	% Change	Comments
BUSN ENTERPRISES OF TEX TRUST FUND B.1.5	\$1,616,872	\$1,616,872	\$0	0.0%	
GENERAL REVENUE FUNDS	\$0	\$0	\$0	0.0%	
GR DEDICATED	\$1,616,872	\$1,616,872	\$0	0.0%	
FEDERAL FUNDS	\$0	\$0	\$0	0.0%	
OTHER FUNDS	\$0	\$0	\$0	0.0%	
CONTRACT SERVICES - DEAF B.2.1	\$4,814,446	\$4,814,446	\$0	0.0%	
GENERAL REVENUE FUNDS	\$2,081,626	\$1,921,626	(\$160,000)	(7.7%)	• General Revenue transfer in baseline request to Strategy B.2.2. due to an increase in clients in B.2.1. who could qualify for federally-funded VR services.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$2,732,592	\$2,892,820	\$160,228	5.9%	• Maintained FY 2013 increase in VR Grants to States.
OTHER FUNDS	\$228	\$0	(\$228)	(100.0%)	
EDUC, TRAINING, CERTIFICATION-DEAF B.2.2	\$2,383,250	\$2,050,604	(\$332,646)	(14.0%)	
GENERAL REVENUE FUNDS	\$530,054	\$690,054	\$160,000	30.2%	• General Revenue transfer in baseline request from Strategy B.2.1. to offset decrease in Interagency Contracts.
GR DEDICATED	\$40,000	\$40,000	\$0	0.0%	
FEDERAL FUNDS	\$100,000	\$100,000	\$0	0.0%	
OTHER FUNDS	\$1,713,196	\$1,220,550	(\$492,646)	(28.8%)	• Primarily a decrease in Interagency Contracts - unexpended balances from previous biennium are not available.

Section 2

Assistive and Rehabilitative Services, Department of
Summary of Recommendations - Senate, By Method of Finance -- Supplemental by Strategy

Strategy/Fund Type/Goal	2012-13 Base	2014-15 Recommended	Biennial Change	% Change	Comments
TELEPHONE ACCESS ASSISTANCE B.2.3	\$1,950,819	\$1,950,819	\$0	0.0%	
GENERAL REVENUE FUNDS	\$0	\$0	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$0	\$0	\$0	0.0%	
OTHER FUNDS	\$1,950,819	\$1,950,819	\$0	0.0%	
VOCATIONAL REHABILITATION - GENERAL B.3.1	\$448,263,020	\$432,609,056	(\$15,653,964)	(3.5%)	
GENERAL REVENUE FUNDS	\$87,194,438	\$88,397,417	\$1,202,979	1.4%	Increase in General Revenue Funds to fund Data Center Services current obligations.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$360,074,877	\$343,199,144	(\$16,875,733)	(4.7%)	• Decrease to VR Grants to States. Less carryforward available in 2014-15 than in 2012-13.
OTHER FUNDS	\$993,705	\$1,012,495	\$18,790	1.9%	
INDEPENDENT LIVING CENTERS B.3.2	\$5,378,566	\$5,378,566	\$0	0.0%	
GENERAL REVENUE FUNDS	\$2,500,000	\$2,500,000	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$2,878,566	\$2,878,566	\$0	0.0%	
OTHER FUNDS	\$0	\$0	\$0	0.0%	

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Assistive and Rehabilitative Services, Department of
Summary of Recommendations - Senate, By Method of Finance -- Supplemental by Strategy

Strategy/Fund Type/Goal	2012-13 Base	2014-15 Recommended	Biennial Change	% Change	Comments
INDEPENDENT LIVING SERVICE - GEN B.3.3	\$14,822,334	\$15,754,828	\$932,494	6.3%	
GENERAL REVENUE FUNDS	\$2,837,136	\$2,837,136	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$11,978,909	\$12,917,692	\$938,783	7.8%	• Maintained FY 2013 increase in SSVR Reimbursement.
OTHER FUNDS	\$6,289	\$0	(\$6,289)	(100.0%)	
 COMPREHENSIVE REHABILITATION B.3.4	 \$47,446,320	 \$47,446,320	 \$0	 0.0%	
GENERAL REVENUE FUNDS	\$13,000,000	\$10,824,817	(\$2,175,183)	(16.7%)	• MOF swap between General Revenue Funds and General Revenue-Dedicated Comprehensive Rehabilitation Account 107. See Selected Fiscal and Policy Issue #3.
GR DEDICATED	\$34,209,361	\$36,384,544	\$2,175,183	6.4%	
FEDERAL FUNDS	\$0	\$0	\$0	0.0%	
OTHER FUNDS	\$236,959	\$236,959	\$0	0.0%	
 Total, Goal B, PERSONS WITH DISABILITIES	 \$636,708,027	 \$620,644,272	 (\$16,063,755)	 (2.5%)	
GENERAL REVENUE FUNDS	\$126,236,964	\$125,564,245	(\$672,719)	(0.5%)	
GR DEDICATED	\$39,036,167	\$39,374,732	\$338,565	0.9%	
FEDERAL FUNDS	\$466,474,801	\$449,393,305	(\$17,081,496)	(3.7%)	
OTHER FUNDS	\$4,960,095	\$6,311,990	\$1,351,895	27.3%	

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Assistive and Rehabilitative Services, Department of
Summary of Recommendations - Senate, By Method of Finance -- Supplemental by Strategy

Strategy/Fund Type/Goal	2012-13 Base	2014-15 Recommended	Biennial Change	% Change	Comments
DISABILITY DETERMINATION SVCS (DDS) C.1.1	\$262,563,278	\$261,033,056	(\$1,530,222)	(0.6%)	
GENERAL REVENUE FUNDS	\$0	\$0	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$262,563,278	\$261,033,056	(\$1,530,222)	(0.6%)	• Maintained FY 2013 decrease in Social Security Disability Insurance Grant.
OTHER FUNDS	\$0	\$0	\$0	0.0%	
Total, Goal C, DISABILITY DETERMINATION	\$262,563,278	\$261,033,056	(\$1,530,222)	(0.6%)	
GENERAL REVENUE FUNDS	\$0	\$0	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$262,563,278	\$261,033,056	(\$1,530,222)	(0.6%)	
OTHER FUNDS	\$0	\$0	\$0	0.0%	
CENTRAL PROGRAM SUPPORT D.1.1	\$23,964,896	\$24,215,303	\$250,407	1.0%	
GENERAL REVENUE FUNDS	\$5,643,267	\$5,643,267	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$18,318,404	\$18,569,712	\$251,308	1.4%	• Decreases in VR Grants to States related to indirect rate offset by increases in SSVR Reimbursement and Social Security Disability Insurance Grant.
OTHER FUNDS	\$3,225	\$2,324	(\$901)	(27.9%)	
REGIONAL PROGRAM SUPPORT D.1.2	\$1,550,258	\$1,550,258	\$0	0.0%	
GENERAL REVENUE FUNDS	\$628,252	\$628,252	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$922,006	\$922,006	\$0	0.0%	
OTHER FUNDS	\$0	\$0	\$0	0.0%	

Section 2

Assistive and Rehabilitative Services, Department of
Summary of Recommendations - Senate, By Method of Finance -- Supplemental by Strategy

Strategy/Fund Type/Goal	2012-13 Base	2014-15 Recommended	Biennial Change	% Change	Comments
OTHER PROGRAM SUPPORT D.1.3	\$10,905,954	\$10,028,904	(\$877,050)	(8.0%)	
GENERAL REVENUE FUNDS	\$1,906,312	\$1,906,312	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$8,964,016	\$8,086,966	(\$877,050)	(9.8%)	• Decrease in Federal Funds associated with program funding decreases.
OTHER FUNDS	\$35,626	\$35,626	\$0	0.0%	
IT PROGRAM SUPPORT D.1.4	\$9,764,156	\$10,333,003	\$568,847	5.8%	
GENERAL REVENUE FUNDS	\$1,775,048	\$2,192,977	\$417,929	23.5%	Increase in General Revenue Funds to fund Data Center Services current obligations.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$7,971,894	\$8,122,812	\$150,918	1.9%	• Decreases in VR Grants to States related to indirect rate offset by increases in SSVR Reimbursement and Social Security Disability Insurance Grant.
OTHER FUNDS	\$17,214	\$17,214	\$0	0.0%	
Total, Goal D, PROGRAM SUPPORT	\$46,185,264	\$46,127,468	(\$57,796)	(0.1%)	
GENERAL REVENUE FUNDS	\$9,952,879	\$10,370,808	\$417,929	4.2%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$36,176,320	\$35,701,496	(\$474,824)	(1.3%)	
OTHER FUNDS	\$56,065	\$55,164	(\$901)	(1.6%)	
Grand Total, All Agency	\$1,235,580,153	\$1,241,311,556	\$5,731,403	0.5%	
GENERAL REVENUE FUNDS	\$202,008,307	\$201,753,517	(\$254,790)	(0.1%)	
GR DEDICATED	\$39,036,167	\$39,374,732	\$338,565	0.9%	
FEDERAL FUNDS	\$956,520,119	\$960,816,753	\$4,296,634	0.4%	
OTHER FUNDS	\$38,015,560	\$39,366,554	\$1,350,994	3.6%	

Section 3

Department of Assistive and Rehabilitative Services Selected Fiscal and Policy Issues

1. **Early Childhood Intervention (ECI) Program.** Recommendations include LBB forecasted amounts for total expenditures, average monthly caseload, and average monthly cost per child. Caseloads declined in FY 2012 and FY 2013 due to the narrowing of eligibility requirements; caseload growth of 5.6% per fiscal year is forecast for the 2014-15 biennium. The forecast holds average cost flat at the FY 2011 level for fiscal years 2012 through 2015. FMAP assumptions are slightly less favorable in FY 2014-15 (\$0.5 million more in General Revenue Funds). See Supplemental Schedule #1: ECI Forecast Comparison.

The LBB estimate of ECI program expenditures for the 2012-13 biennium is \$270.2 million in All Funds, \$16.8 million less than the DARS estimate, and a decrease of \$51.9 million from 2012-13 appropriated amounts. Recommendations for the 2014-15 biennium include an increase of \$23.4 million in All Funds over the 2012-13 biennium for anticipated caseload growth. This includes a TANF Federal Funds increase of \$5.8 million.

2. **Maintenance of Effort (MOE) Requirements in ECI and Vocational Rehabilitation (VR) Programs.** Special Education Grants for Infants and Families with Disabilities, known as Individuals with Disabilities Education Act (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 Federal Vocational Rehabilitation Grants to States require that state expenditures equal (at a minimum) state expenditures from the fiscal year two years prior.

- a. ECI MOE. Estimated expenditures for FY 2013 do not meet the requirement for the IDEA Part C federal grant by approximately \$1.9 million in state funds. DARS indicates there will be flexibility in this requirement due to the policy changes in the current biennium that have reduced the number of children served.

Funding for the 2014-15 biennium meets the MOE requirement, as calculated to align with the DARS policy applied in the Legislative Appropriations Request (LAR) of expenditures from two years prior. Funds available to meet the MOE includes both expenditures at DARS and approximately \$7.0 million per fiscal year related to certain therapies received by Medicaid-eligible children, which were rolled into managed care in FY 2012 at the Health and Human Services Commission. FY 2011 expenditures were adjusted in the LAR to reflect this transfer.

- b. VR MOE. Funding for the 2014-15 biennium meets the MOE requirement. If unmet, the Federal VR grant would be reduced by the amount that state expenditures fall below the requirement.

Section 3

3. **Comprehensive Rehabilitation Services (CRS).** Services are primarily funded by GR-Dedicated Comprehensive Rehabilitation Account 107, which receives an allocation from court costs assessed on misdemeanor and felony convictions. House Bill 442 (Eighty-second Legislature, 2011) increased the percent of the allocation from 5.3218 percent of total collections to 9.8218 percent. This resulted in an increase to DARS of approximately \$13.0 million for the 2012-13 biennium above appropriated amounts. The agency effectively eliminated the waiting list for services in FY 2012. Funding for 2014-15 replaces \$2.2 million in General Revenue Funds with a like amount in GR-Dedicated Account 107 (maintaining the FY 2013 level of GR-Dedicated) for no net biennial increase to the strategy.
4. **Disability Determination Services (DDS).** Recommendations maintain the FY 2013 cap for full-time-equivalent (FTE) positions. The positions were not filled in FY 2013 due to a federal hiring freeze. The Social Security Administration (SSA) reports a continued increase in disability claims.
5. **Biennial Revenue Estimate (BRE) Funding Reclassification.** The Comptroller's costing of the 2012-13 appropriations bill included a reclassification of GR-Dedicated Business Enterprise Program Account No. 492 amounts collected with revenue code 3747 (Rental – Other) to Other Funds (Appropriated Receipts). Recommendations include a reduction of \$0.9 million per fiscal year in GR-D and a like increase in Other Funds in Strategy B.1.4, Business Enterprises of Texas (BET) to reflect this reclassification.

Supplemental Schedule #1: ECI Forecast Comparison

Average Monthly Number of Children Served in Comprehensive Services

	FY 2011	FY 2012	FY 2013	Trend	FY 2014	Trend	FY 2015	Trend
Legislative Budget Estimate (LBE)	30,492	25,039	25,094	0.2%	26,498	5.6%	27,981	5.6%
2012-13 GAA		27,784	27,784					
LBE above/(below) GAA		(2,745)	(2,690)					

Average Monthly Cost per Child: Comprehensive Services/State and Federal Expenditures

	FY 2011	FY 2012	FY 2013	Trend	FY 2014	Trend	FY 2015	Trend
DARS average monthly cost, including revised Exceptional Item #1*	\$449.17	\$471.65	\$463.51	-1.7%	\$479.82	3.5%	\$479.82	0.0%
LBE**	\$449.17	\$449.17	\$449.17	0.0%	\$449.17	0.0%	\$449.17	0.0%
LBE above/(below) DARS	\$0.00	(\$22.48)	(\$14.34)		(\$30.65)		(\$30.65)	
2012-13 GAA		\$484.00	\$484.00	12-13 GAA reflects delivery of therapy services to Medicaid children at DARS; 14-15 LBE reflects them at HHSC.				
DARS above/(below) GAA		(\$12.35)	(\$20.49)					
LBE above/(below) GAA		(\$34.83)	(\$34.83)					

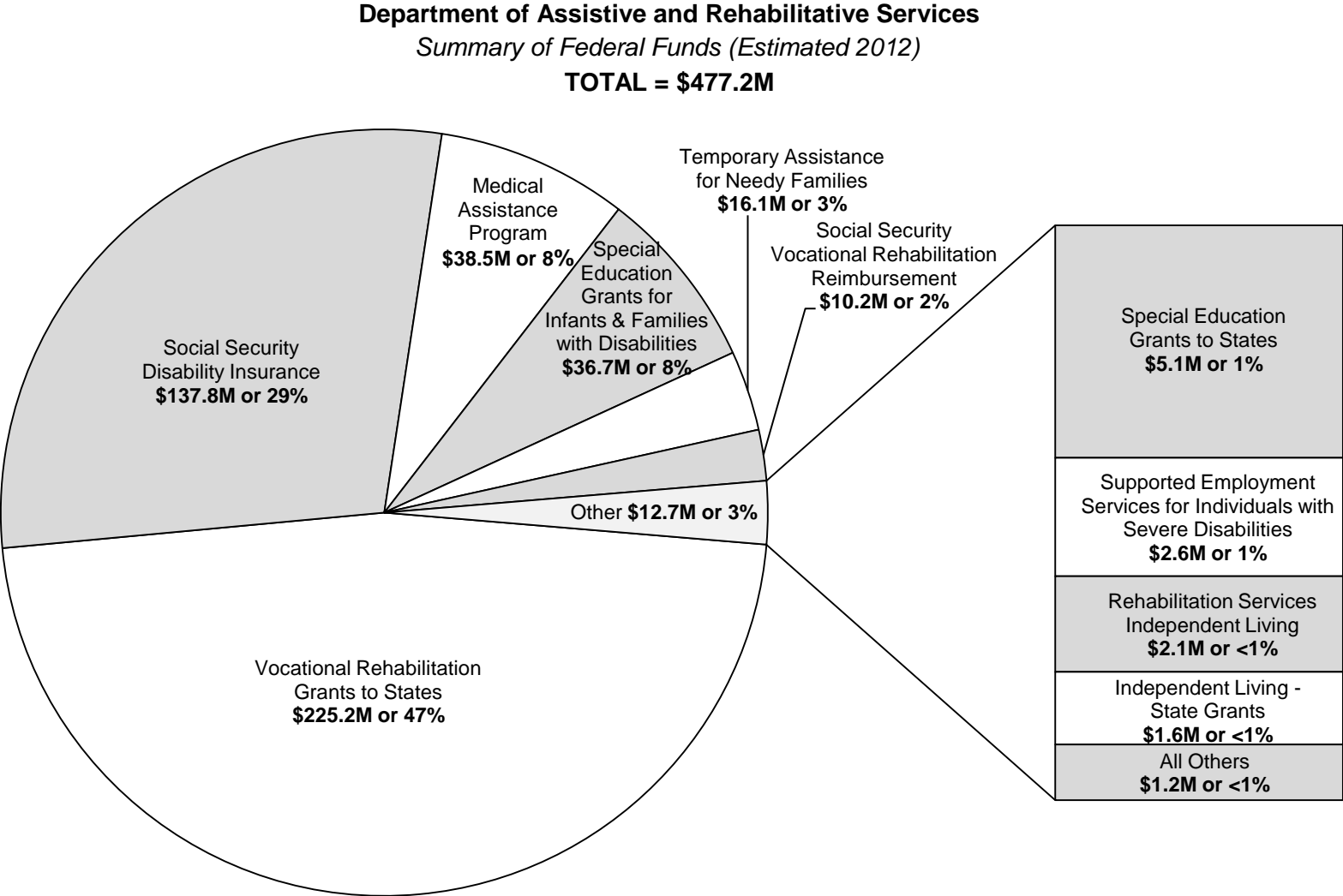
* Exceptional Item #1 would maintain ECI service levels at agency projected FY 2013 level of 2.9 hours per child (average monthly) .

** FY 2011 reflects DARS estimate of average cost, which assumes transfer of therapies to HHSC.

All Funds Total for A.1.1, ECI Services (in millions)

	FY 2011	FY 2012	FY 2013	Trend	FY 2014	Trend	FY 2015	Trend
Strategy total including revised Exceptional Item #1	\$ 164.4	\$ 135.0	\$ 135.3	0.2%	\$ 152.6	12.8%	\$ 161.1	5.6%
Strategy Total in LBE	\$ 164.4	\$ 135.0	\$ 135.3	0.2%	\$ 142.8	5.6%	\$ 150.8	5.6%
Increase in Funding	\$ -	\$ -	\$ -		\$ 9.7		\$ 10.3	
2012-13 GAA		\$ 161.1	\$ 161.1	12-13 GAA reflects delivery of therapy services to Medicaid children at DARS; 14-15 LBE reflects them at HHSC.				
LBE above/(below) GAA		\$ (26.1)	\$ (25.8)					

Section 3



Note: Amounts shown may sum greater/less than actual totals due to rounding.

Section 3

Department of Assistive and Rehabilitative Services					
Significant Federal Funds Changes					
CFDA No.	Program Name	2012-13 Base	2014-15 Recommended	Recommended Over/(Under) Base	Comments
84.126.000	Rehabilitation Services Vocational	\$83,856,832	\$82,793,797	(\$1,063,035)	Carryforward was available in 2012-13 due to ARRA funds from 2010-11 but not in 2014-15. Reflects agency request.
84.126.001	Vocational Rehabilitation Grants to States	\$369,787,355	\$351,455,304	(\$18,332,051)	
84.169.000	Independent Living - State Grants	\$770,459	\$555,161	(\$215,298)	
84.169.001	Independent Living State Grants - Rehabilitation	\$2,442,648	\$2,230,583	(\$212,065)	
84.177.000	Rehabilitation Services Independent Living	\$3,917,516	\$3,435,511	(\$482,005)	
84.181.000	Special Education Grants for Infants & Families with Disabilities	\$82,175,026	\$95,547,594	\$13,372,568	IDEA Part C funds in ECI program. Recommended funding includes caseload growth.
84.187.000	Supported Employment Services for Individuals with Severe Disabilities	\$4,624,809	\$4,140,908	(\$483,901)	2012-13 had carryforward that is no longer available. Reflects agency request.
93.558.000	Temporary Assistance for Needy Families	\$26,411,722	\$32,205,584	\$5,793,862	LBB forecast reflects a decrease in 2012-13 expenditures of TANF funds but regular allotment used in FY 2014-15.
93.778.003	Medical Assistance Program 50%	\$13,960,137	\$15,170,218	\$1,210,081	Recommended funding includes caseload growth in the ECI program.
93.778.013	XIX Medical Assistance Program-TCM	\$24,111,156	\$25,500,936	\$1,389,780	
93.778.018	XIX Medical Assistance Program - Specialized Skills Training	\$37,001,118	\$38,655,017	\$1,653,899	
96.000.003	Social Security Vocational Rehabilitation Reimbursement	\$22,574,696	\$26,177,146	\$3,602,450	Reflects agency request.
96.001.000	Social Security Disability Insurance	\$272,099,789	\$270,920,158	(\$1,179,631)	Reflects agency request.

Section 3

Department of Assistive and Rehabilitative Services
FTE Highlights

Full-Time-Equivalent Positions	Expended 2011	Estimated 2012	Budgeted 2013	Recommended 2014	Recommended 2015
Cap	3,278.4	3,305.5	3,337.7	3,209.5	3,209.5
Actual/Budgeted	3,207.2	3,087.7	3,209.5	NA	NA

Section 3

Department of Assistive and Rehabilitative Services
Performance Measure Highlights

	Expended 2011	Estimated 2012	Budgeted 2013	Recommended 2014	Recommended 2015
<ul style="list-style-type: none">Average Monthly Number of Children Served in Comprehensive Services (ECI) <p>Measure Explanation: This measure reflects the monthly average of children who receive comprehensive intervention services (unduplicated by month) in ECI programs. DARS narrowed eligibility requirements at the beginning of FY 2012 in response to the 2012-13 decrease in overall funding compared to the previous biennium.</p>	30,492	25,039	25,094	26,498	27,981
<ul style="list-style-type: none">Average Monthly Cost Per Child: Comprehensive Services/State and Federal <p>Measure Explanation: This measure reflects the monthly average of state and federal expenditures per child (monthly average) for ECI services.</p>	449.17	449.17	449.17	449.17	449.17
<ul style="list-style-type: none">Average Monthly Number of Hours of Service Delivered Per Child Per Month <p>Measure Explanation: This measure reflects the number of hours (average monthly) of ECI services based on the average monthly number of children. The change in eligibility criteria resulted in a higher proportion of children served who have more specialized needs.</p>	2.3	2.7	2.9	2.9	2.9
<ul style="list-style-type: none">Number of People Receiving Comprehensive Services (End-of-Year) (CRS) <p>Measure Explanation: This measure reflects the unduplicated number of people receiving services in the Comprehensive Rehabilitation Services Program at the end of the fiscal year. Funding increased in FY 2012 due to legislation which increased the allocation of court cost collections to the program.</p>	488	1,008	1,066	1,066	1,066
<ul style="list-style-type: none">Number of Consumers Served (VR-Blind) <p>Measure Explanation: This measure reflects the number of blind and visually impaired consumers served in the Vocational Rehabilitation Program.</p>	10,426	10,486	10,400	10,353	10,121
<ul style="list-style-type: none">Number of Consumers Served (VR-General) <p>Measure Explanation: This measure reflects the number of consumers served in the Vocational Rehabilitation Program who are not blind or visually impaired.</p>	87,904	83,930	87,904	84,388	84,388

Section 4

Department of Assistive and Rehabilitative Services (DARS)
Performance Review and Policy Report Highlights

Reports & Recommendations	Report Page	Savings/ (Cost)	Gain/ (Loss)	Fund Type	Included in Introduced Bill	Action Required During Session
Improve the Cost-Effectiveness of Family Cost Share Provisions in the Early Childhood Intervention Program	261					
1. Include a rider that directs DARS to submit a report on changes implemented to improve the cost-effectiveness of family cost share provisions in the Early Childhood Intervention program to the LBB and the Governor by December 1, 2014.					Rider 28	

Section 5

Department of Assistive and Rehabilitative Services Rider Highlights

Deleted Riders (original rider number)

- 26. **Caseload and Expenditure Reporting Requirements.** Special Provisions Sec. 13, Caseload and Expenditure Reporting Requirements, as modified for the Introduced Bill removes need for rider in agency bill pattern.
- 29. **Out of State Travel Cap Exemption.** Rider no longer needed. Exempted certain FTEs from Art IX, Sec. 5.08, Limitation on Travel Expenditures, which has been deleted from the Introduced Bill.
- 30. **Appropriation Transfer between Fiscal Years.** Rider no longer needed. Authorized transfers in ECI strategy due to timing of the reduction in caseloads beginning in FY 2012.

Modified Riders (original rider number)

(various) Several riders have been modified to standardize language and formatting across the bill pattern. Also included are modifications for increased clarity.

- 5. **Notification of Federal Funds Distribution.** Added requirement to include effect on MOE requirements when notifying LBB and Governor of redirection of General Revenue funds to obtain additional Federal Funds.
- 7. **Maintenance of Effort (MOE) and Matching Funds Reporting Requirement.** Clarified that expenditures at HHSC for ECI therapies for Medicaid-eligible children are to be included in the MOE calculation.
- 22. **GR-Dedicated Business Enterprise Program Account No. 492.** Modified to reflect current revenue codes.
- 23. **Appropriation: Subrogation Receipts.** Removed details on amounts appropriated since they are included in strategies above.
- 24. **GR-Dedicated Comprehensive Rehabilitation Account No. 107.** Removed reference to employee benefits appropriated elsewhere; rider restricts use of funds to direct services only.

New Riders

- 28. **Report on Changes to Improve Cost-Effectiveness of Family Cost Share Provisions.** Requires the agency to report on implemented changes. Also see Section 4, Performance Review and Policy Reports Highlights.
- 29. **Blind Endowment Trust Fund Reporting.** Requires the agency to submit an annual report detailing donations to the fund and the purpose specified by each donor. The rider is proposed to gain more information on a growing balance in the fund.

Section 6

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

Agency Exceptional Items - In Agency Priority Order

		2014-15 Biennial Total	
		GR & GR-Dedicated	All Funds
1. Maintain ECI Service Levels at FY 2013 Average Monthly Hours per Child (2.9 hours)	\$	10,825,925	\$ 20,038,100
2. Expand Autism Services to Unserved Areas	\$	4,751,198	\$ 4,751,198
3. Expand Centers for Independent Living to Unserved Areas	\$	1,980,882	\$ 1,980,882
4. Improve Access to Interpreter Services for the Deaf	\$	1,292,604	\$ 1,292,604
5. Improve Access to Deaf and Hard of Hearing Services	\$	840,000	\$ 840,000
Total, Items Not Included in the Recommendations		\$ 19,690,609	\$ 28,902,784