

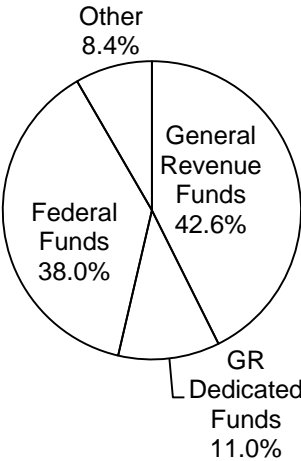
Section 1

Method of Financing	2014-15 Base	2016-17 Recommended	Biennial Change	% Change
General Revenue Funds	\$2,593,643,428	\$2,600,572,087	\$6,928,659	0.3%
GR Dedicated Funds	\$987,024,630	\$671,296,472	(\$315,728,158)	(32.0%)
Total GR-Related Funds	\$3,580,668,058	\$3,271,868,559	(\$308,799,499)	(8.6%)
Federal Funds	\$2,372,217,231	\$2,318,041,794	(\$54,175,437)	(2.3%)
Other	\$551,574,638	\$510,117,826	(\$41,456,812)	(7.5%)
All Funds	\$6,504,459,927	\$6,100,028,179	(\$404,431,748)	(6.2%)

	FY 2015 Budgeted	FY 2017 Recommended	Biennial Change	% Change
FTEs	12,299.0	12,299.0	0.0	0.0%

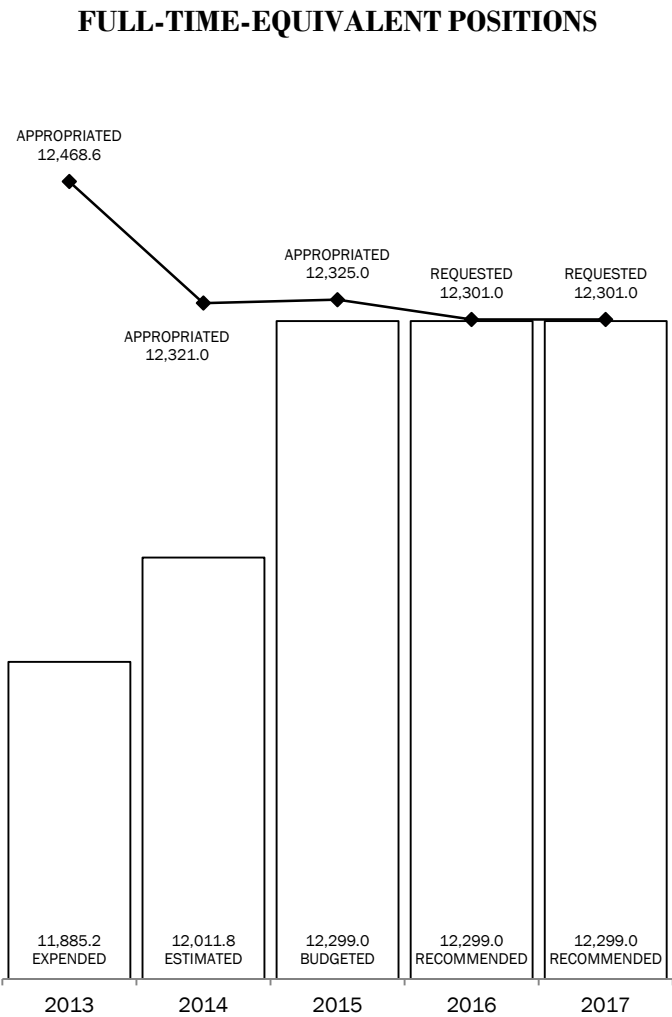
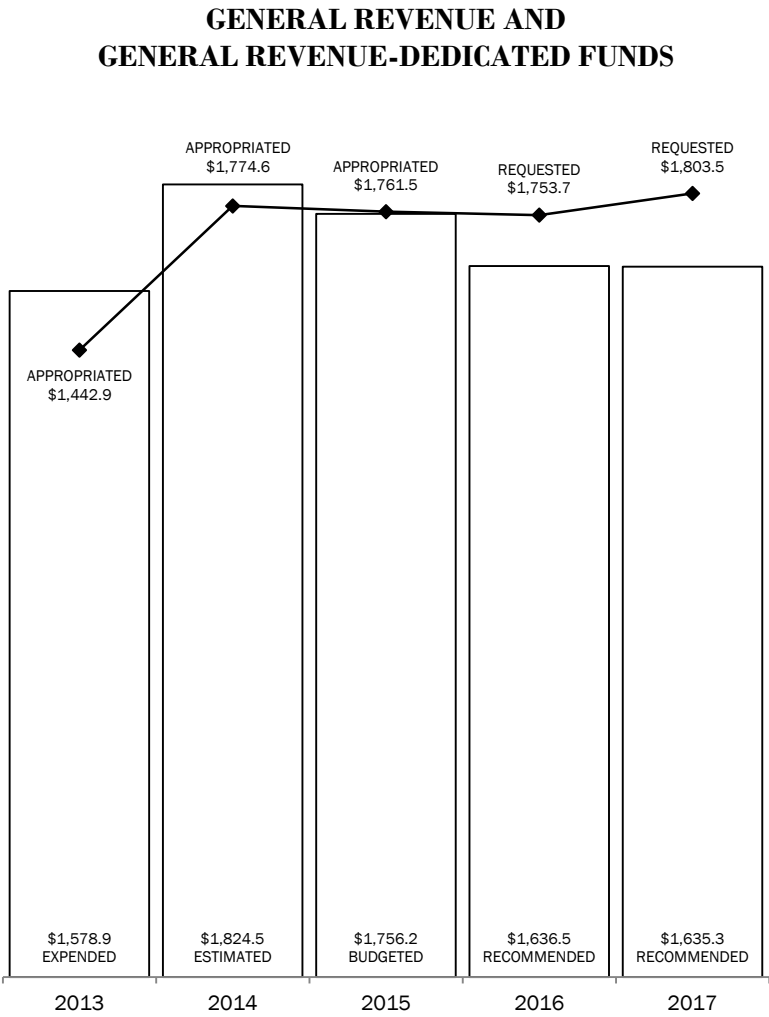
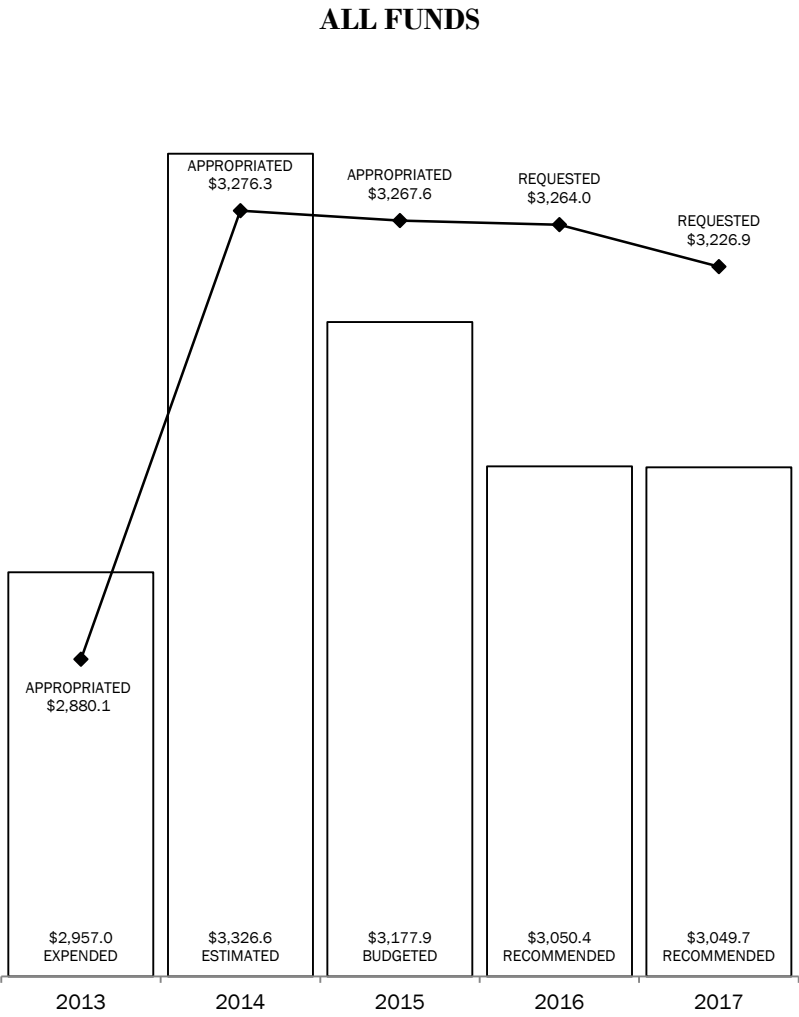
The bill pattern for this agency (2016-17 Recommended) represents an estimated 100% of the agency's estimated total available funds for the 2016-17 biennium.

RECOMMENDED FUNDING
BY METHOD OF FINANCING



Section 1
State Health Services, Department of
2016-2017 BIENNIUM
IN MILLIONS

TOTAL= \$6,100.0 MILLION



Section 2

State Health Services, Department of
Summary of Recommendations - Senate, By Method of Finance -- ALL FUNDS

Strategy/Goal	2014-15 Base	2016-17 Recommended	Biennial Change	% Change	Comments (Optional)
PUBLIC HEALTH PREP. & COORD. SVCS A.1.1	\$155,005,713	\$138,763,767	(\$16,241,946)	(10.5%)	•Decrease in Bioterrorism Hospital Preparedness Program and Public Health Emergency Preparedness Federal Funds.
HEALTH DATA AND ANALYSIS A.1.2	\$60,764,515	\$54,072,732	(\$6,691,783)	(11.0%)	•Increase in General Revenue, transferred from strategy A.3.1, Chronic Disease Prevention, for preventable hospitalizations. •Decrease in General Obligation Bonds, Federal Funds, and interagency contracts with various agencies for registries and studies.
IMMUNIZE CHILDREN & ADULTS IN TEXAS A.2.1	\$191,625,779	\$190,098,137	(\$1,527,642)	(0.8%)	•Decrease in Federal Funds for immunizations.
HIV/STD PREVENTION A.2.2	\$391,507,107	\$382,857,324	(\$8,649,783)	(2.2%)	•Decrease in Federal Funds, in the HIV Care Formula Grant. •Decrease in General Revenue transferred to strategies A.2.3, Infectious Disease, and A.2.4, TB Surveillance and Prevention, to replace Other Funds - DSHS Public Health Medicaid Reimbursements Account 709, due to one-time lab fee revenue. The reduction does not impact the agency's maintenance of effort required for the HIV Ryan White Federal Funds.
INFECTIOUS DISEASE PREV/EPI/SURV A.2.3	\$42,189,524	\$43,397,695	\$1,208,171	2.9%	•Increase in General Revenue transferred from strategy A.2.2, HIV/STD Prevention, to annualize the fiscal year 2014 amounts and align programs for new strategy A.2.4, TB Surveillance and Prevention.
TB SURVEILLANCE & PREVENTION A.2.4	\$56,122,982	\$56,330,598	\$207,616	0.4%	•Increase in General Revenue transferred from strategy A.2.2, HIV/STD Prevention, to annualize the fiscal year 2014 amounts and align programs for this new strategy. •Increase in Federal Funds for tuberculosis. •Decrease in Other Funds - DSHS Public Health Medicaid Reimbursements Account 709, due to one-time lab fee revenue.
CHRONIC DISEASE PREVENTION A.3.1	\$32,222,459	\$18,568,808	(\$13,653,651)	(42.4%)	•Decrease in General Revenue, transferred to A.1.2, Health Data and Analysis, for preventable hospitalizations. •Decrease in Federal Funds from the Affordable Care Act Community Transformation Grant.

Section 2

State Health Services, Department of
Summary of Recommendations - Senate, By Method of Finance -- ALL FUNDS

Strategy/Goal	2014-15 Base	2016-17 Recommended	Biennial Change	% Change	Comments (Optional)
REDUCE USE OF TOBACCO PRODUCTS A.3.2	\$30,795,462	\$17,743,090	(\$13,052,372)	(42.4%)	•Decrease in General Revenue-Dedicated Permanent Fund for Health and Tobacco Education and Enforcement due to decreased earnings. •Decrease in Other Funds - DSHS Public Health Medicaid Reimbursements Account 709, due to one-time lab fee revenue used to offset the decreased tobacco fund earnings in fiscal years 2014-2015. See Selected Fiscal and Policy Issue #6.
ABSTINENCE EDUCATION A.3.3	\$10,939,693	\$10,489,094	(\$450,599)	(4.1%)	•Decrease in Federal Funds for Abstinence Education.
KIDNEY HEALTH CARE A.3.4	\$38,675,407	\$38,675,407	\$0	0.0%	
CHILDREN WITH SPECIAL NEEDS A.3.5	\$81,551,569	\$82,642,510	\$1,090,941	1.3%	•Increase in Federal Funds for Title V, Maternal and Child Health Services Block Grant.
EPILEPSY SERVICES A.3.6	\$3,872,620	\$3,875,622	\$3,002	0.1%	
HEMOPHILIA SERVICES A.3.7	\$649,956	\$646,954	(\$3,002)	(0.5%)	
LABORATORY SERVICES A.4.1	\$109,277,970	\$109,097,669	(\$180,301)	(0.2%)	
Total, Goal A, PREPAREDNESS AND PREVENTION	\$1,205,200,756	\$1,147,259,407	(\$57,941,349)	(4.8%)	
PROVIDE WIC SERVICES B.1.1	\$1,606,084,468	\$1,633,717,859	\$27,633,391	1.7%	•Increase in the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) Federal Funds.
WOMEN & CHILDREN'S HEALTH SERVICES B.1.2	\$156,890,231	\$154,436,584	(\$2,453,647)	(1.6%)	•Decrease in Federal Funds for Title V, Maternal and Child Health Services Block Grant and the National Breast and Cervical Cancer Program.
FAMILY PLANNING SERVICES B.1.3	\$43,150,668	\$42,828,653	(\$322,015)	(0.7%)	
COMMUNITY PRIMARY CARE SERVICES B.1.4	\$126,905,777	\$126,832,597	(\$73,180)	(0.1%)	
MENTAL HEALTH SVCS-ADULTS B.2.1	\$630,206,210	\$612,307,197	(\$17,899,013)	(2.8%)	•Decrease in General Revenue and Medicaid Federal Funds due to the carving in of behavioral health into managed care in fiscal year 2015. •Increase in General Revenue for Home & Community Based Services rental assistance. •Increase in General Revenue to fund anticipated 2016-17 waitlist. See Selected Fiscal and Policy Issue #2.

Section 2

State Health Services, Department of
Summary of Recommendations - Senate, By Method of Finance -- ALL FUNDS

Strategy/Goal	2014-15 Base	2016-17 Recommended	Biennial Change	% Change	Comments (Optional)
MENTAL HEALTH SVCS-CHILDREN B.2.2	\$193,285,333	\$185,263,499	(\$8,021,834)	(4.2%)	•Decrease in General Revenue and Medicaid Federal Funds due to the carving in of behavioral health into managed care in fiscal year 2015. See Selected Fiscal and Policy Issue #2.
COMMUNITY MENTAL HEALTH CRISIS SVCS B.2.3	\$221,871,623	\$240,536,622	\$18,664,999	8.4%	•Increase in General Revenue to expand crisis services. •Increase in General Revenue for continuation of the jail-based competency restoration program.
NORTHSTAR BEHAV HLTH WAIVER B.2.4	\$242,063,398	\$233,842,324	(\$8,221,074)	(3.4%)	•Recommendations align funding with LBB-forecasted caseload growth. See Selected Fiscal and Policy Issue #4.
SUBSTANCE ABUSE PREV/INTERV/TREAT B.2.5	\$307,850,746	\$300,022,153	(\$7,828,593)	(2.5%)	•Decrease in Federal Funds in the Substance Abuse Prevention and Treatment Block Grant.
EMS AND TRAUMA CARE SYSTEMS B.3.1	\$433,879,350	\$133,249,047	(\$300,630,303)	(69.3%)	•Increase of \$0.6 million in General Revenue to offset an anticipated decrease in earnings in account General Revenue-Dedicated 5046, Permanent Fund for EMS and Trauma Care. •Decrease of \$300.0 million in General Revenue-Dedicated 5111, Trauma Funds, due to a one-time appropriation of trauma funds to be transferred to HHSC for Medicaid expenses. See Selected Fiscal and Policy Issue #1 and #6.
INDIGENT HEALTH CARE REIMBURSEMENT B.3.2	\$9,809,765	\$9,809,765	\$0	0.0%	
COUNTY INDIGENT HEALTH CARE SVCS B.3.3	\$4,353,180	\$4,372,889	\$19,709	0.5%	
Total, Goal B, COMMUNITY HEALTH SERVICES	\$3,976,350,749	\$3,677,219,189	(\$299,131,560)	(7.5%)	
TX CENTER FOR INFECTIOUS DISEASE C.1.1	\$24,802,111	\$24,801,754	(\$357)	(0.0%)	
RIO GRANDE STATE OUTPATIENT CLINIC C.1.2	\$8,421,491	\$8,473,821	\$52,330	0.6%	

Section 2

State Health Services, Department of
Summary of Recommendations - Senate, By Method of Finance -- ALL FUNDS

Strategy/Goal	2014-15 Base	2016-17 Recommended	Biennial Change	% Change	Comments (Optional)
MENTAL HEALTH STATE HOSPITALS C.1.3	\$853,400,114	\$837,185,021	(\$16,215,093)	(1.9%)	•Increase in General Revenue for vehicle replacement and the purchase of 14 additional beds at the University of Texas Health Science Center in Tyler. •Decrease in Other Funds - DSHS Public Health Medicaid Reimbursements Account 709, for lab fee revenue. •Decrease in Appropriated Receipts from NorthSTAR due to the decrease in civil beds available for community patients. •Decrease due to one-time General Revenue funds for the renovation of the Victory Field campus. See Selected Fiscal and Policy Issues #3 and #7 and Section 3c State Hospitals Average Daily Census.
MENTAL HEALTH COMMUNITY HOSPITALS C.2.1	\$157,646,977	\$159,943,241	\$2,296,264	1.5%	•Increase in Other Funds - DSHS Public Health Medicaid Reimbursements Account 709, for lab fee revenue to annualize the FY15 amount. •Decrease in General Revenue to transfer funds to C.1.3, Mental Health State Hospitals, to purchase 14 beds at University of Texas Health Science Center in Tyler.
Total, Goal C, HOSPITAL FACILITIES AND SERVICES	\$1,044,270,693	\$1,030,403,837	(\$13,866,856)	(1.3%)	
FOOD (MEAT) AND DRUG SAFETY D.1.1	\$53,747,230	\$51,235,672	(\$2,511,558)	(4.7%)	•Decrease in Federal Funds for Cooperative Agreements with States for Intrastate Meat and Poultry Inspection.
ENVIRONMENTAL HEALTH D.1.2	\$16,536,479	\$16,505,377	(\$31,102)	(0.2%)	
RADIATION CONTROL D.1.3	\$18,229,907	\$18,181,023	(\$48,884)	(0.3%)	
HEALTH CARE PROFESSIONALS D.1.4	\$16,363,093	\$16,353,032	(\$10,061)	(0.1%)	
HEALTH CARE FACILITIES D.1.5	\$20,586,437	\$19,398,936	(\$1,187,501)	(5.8%)	•Decrease in Federal Funds for State Survey and Certification of Health Care Providers and Suppliers.
TEXAS.GOV D.1.6	\$2,313,734	\$2,313,734	\$0	0.0%	
Total, Goal D, CONSUMER PROTECTION SERVICES	\$127,776,880	\$123,987,774	(\$3,789,106)	(3.0%)	
CENTRAL ADMINISTRATION E.1.1	\$37,088,284	\$36,476,456	(\$611,828)	(1.6%)	

Section 2

State Health Services, Department of
Summary of Recommendations - Senate, By Method of Finance -- ALL FUNDS

Strategy/Goal	2014-15 Base	2016-17 Recommended	Biennial Change	% Change	Comments (Optional)
IT PROGRAM SUPPORT E.1.2	\$40,252,016	\$44,823,454	\$4,571,438	11.4%	•Increase in General Revenue to fund current obligations and application remediation for data center consolidation. See Selected Fiscal and Policy Issue #5.
OTHER SUPPORT SERVICES E.1.3	\$13,854,178	\$12,967,711	(\$886,467)	(6.4%)	•Decrease in interagency contracts with non-enterprise state agencies for the HHS Consolidated Print Shop.
REGIONAL ADMINISTRATION E.1.4	\$3,102,247	\$3,118,069	\$15,822	0.5%	
Total, Goal E, INDIRECT ADMINISTRATION	\$94,296,725	\$97,385,690	\$3,088,965	3.3%	
LABORATORY (AUSTIN) BOND DEBT F.1.1	\$5,745,000	\$4,911,125	(\$833,875)	(14.5%)	•Decrease in General Revenue-Dedicated funds due to the decreasing cost of bond debt service.
REPAIR & RENOVATION: MH FACILITIES F.1.2	\$37,831,784	\$5,749,817	(\$32,081,967)	(84.8%)	•Decrease in General Revenue and General Obligation Bond Proceeds due to one-time funding for the repair of state hospitals. See Selected Fiscal and Policy Issue #3. •Decrease in General Revenue due to lower payments for the Master Lease Purchase Program.
Total, Goal F, CAPITAL ITEMS	\$43,576,784	\$10,660,942	(\$32,915,842)	(75.5%)	
OFFICE VIOLENT SEX OFFENDER MGMT G.1.1	\$12,987,340	\$13,111,340	\$124,000	1.0%	•Increase in Appropriated Receipts from client collections to pay for the cost of the 24/7 GPS ankle monitoring. Previously these funds were not available to the agency. See Selected Fiscal and Policy Issue #10.
Total, Goal G, OFFICE VIOLENT SEX OFFENDER MGMT	\$12,987,340	\$13,111,340	\$124,000	1.0%	
Grand Total, All Strategies	\$6,504,459,927	\$6,100,028,179	(\$404,431,748)	(6.2%)	

Section 2

State Health Services, Department of
Summary of Recommendations - Senate, By Method of Finance -- Supplemental

Strategy/Fund Type/Goal	2014-15 Base	2016-17 Recommended	Biennial Change	% Change	Comments (Optional)
Total, Goal A, PREPAREDNESS AND PREVENTION	\$1,205,200,756	\$1,147,259,407	(\$57,941,349)	(4.8%)	
GENERAL REVENUE FUNDS	\$422,447,608	\$427,253,453	\$4,805,845	1.1%	•Increase of \$4.8 million in reallocated General Revenue to offset a decrease in General Revenue-Dedicated funds from reduced earnings on the permanent tobacco funds. The reallocated General Revenue was from Goal F, and was originally appropriated for the renovation of state hospitals. See Selected Fiscal and Policy Issues #3 and #6.
GR DEDICATED	\$61,350,140	\$49,390,738	(\$11,959,402)	(19.5%)	•Decrease of \$12.0 million in General Revenue-Dedicated funds from reduced earnings on the permanent tobacco funds. See Selected Fiscal and Policy Issue #6.
FEDERAL FUNDS	\$511,801,942	\$474,310,954	(\$37,490,988)	(7.3%)	•Decrease of \$11.8 million in Federal Funds for the Affordable Care Act Community Transformation Grant. •Decrease of \$10.6 million in Federal Funds for the Bioterrorism Hospital Preparedness Program. •Decrease of \$5.0 million in other Federal Funds. •Decrease of \$4.7 million in Federal Funds for the HIV Care Formula Grants. •Decrease of \$4.5 million in Federal Funds for the Public Health Emergency Preparedness. •Decrease of \$0.9 million in Federal Funds for the Immunization Grants.

Section 2

State Health Services, Department of
Summary of Recommendations - Senate, By Method of Finance -- Supplemental

Strategy/Fund Type/Goal	2014-15 Base	2016-17 Recommended	Biennial Change	% Change	Comments (Optional)
OTHER FUNDS	\$209,601,066	\$196,304,262	(\$13,296,804)	(6.3%)	<ul style="list-style-type: none">•Decrease of \$4.5 million in Other Funds - DSHS Public Health Medicaid Reimbursements Account 709, due to one-time lab fee revenue used to offset decreased earnings in account General Revenue-Dedicated 5046, Permanent Fund for EMS and Trauma Care, in fiscal years 2014-15.•Decrease of \$2.8 million in Interagency Contracts due to the end of contracts with Cancer Prevention & Research Institute of Texas (CPRIT), the Texas Department of Emergency Management, and the Texas Commission on Environmental Quality.•Decrease of \$6.0 million in Bond Proceeds in Health Data and Analysis. <p>See Selected Fiscal and Policy Issues #6.</p>
Total, Goal B, COMMUNITY HEALTH SERVICES	\$3,976,350,749	\$3,677,219,189	(\$299,131,560)	(7.5%)	
GENERAL REVENUE FUNDS	\$1,207,330,378	\$1,229,413,930	\$22,083,552	1.8%	<ul style="list-style-type: none">•Decrease of \$1.9 million in General Revenue to align funding with LBB-forecasted Medicaid caseload growth.•Increase of \$4.6 million in reallocated General Revenue to offset an anticipated decrease in earnings in account General Revenue-Dedicated 5046, Permanent Fund for EMS and Trauma Care. The reallocated General Revenue was from Goal F, and was originally appropriated for the renovation of state hospitals.•Increase of \$0.1 million in General Revenue Match for Medicaid due to a less favorable FMAP in fiscal years 2016-17.•Decrease of \$26.0 million in General Revenue Match for Medicaid due to the carving in of behavioral health into Medicaid Managed Care.•Increase of \$12.0 million in additional funds for Home & Community Based Services.•Increase of \$14.5 million to fund the anticipated FY2016-17 waitlist.•Increase of \$18.4 million to expand crisis services.•Increase of \$0.4 million for continuation of the jail-based competency restoration program. <p>See Selected Fiscal and Policy Issues #2, #4 and #8.</p>

Section 2

State Health Services, Department of
Summary of Recommendations - Senate, By Method of Finance -- Supplemental

Strategy/Fund Type/Goal	2014-15 Base	2016-17 Recommended	Biennial Change	% Change	Comments (Optional)
GR DEDICATED	\$881,718,402	\$578,783,521	(\$302,934,881)	(34.4%)	•Decrease of \$300.0 million in General Revenue-Dedicated 5111, Trauma Funds, due to a one-time appropriation of trauma funds to be transferred to HHSC for Medicaid expenses. •Decrease of \$2.9 million in account General Revenue-Dedicated 5046, Permanent Fund for EMS and Trauma Care due to anticipated decreased earning.
FEDERAL FUNDS	\$1,769,547,448	\$1,756,000,664	(\$13,546,784)	(0.8%)	•Decrease of \$37.5 million in Medicaid Federal Funds due to the carving in of behavioral health into Medicaid Managed Care. •Increase of \$27.6 million in WIC federal grants. •Increase of \$16.0 million in Home and Community Based Services funded at FMAP. •Decrease of \$10.5 million in Federal Fund Block Grants for Prevention and Treatment of Substance Abuse. •Decrease of \$2.4 million in Federal Funds for Title V, Maternal and Child Health Services Block Grant and the National Breast and Cervical Cancer Program. •Decrease of \$2.2 million in Federal Funds Temporary Assistance for Needy Families (TANF) to Title XX. •Decrease of \$4.5 million in Medicaid Federal Funds (due to a less favorable FMAP in fiscal years 2016-17) and in other Federal Funds. See Selected Fiscal and Policy Issues #4 and #8.
OTHER FUNDS	\$117,754,521	\$113,021,074	(\$4,733,447)	(4.0%)	•Decrease of \$2.3 million in Other Funds - DSHS Public Health Medicaid Reimbursements Account 709, due to one-time lab fee revenue used to offset decreased earnings in account General Revenue-Dedicated 5046, Permanent Fund for EMS and Trauma Care, in FY2014-15. •Decrease of \$2.4 million in Mental Health - Appropriated Receipts due to Dallas County no longer contributing local match to DSHS for NorthSTAR. See Selected Fiscal and Policy Issues #6 and Section 3c, State Hospitals Average Daily Census.
Total, Goal C, HOSPITAL FACILITIES AND SERVICES	\$1,044,270,693	\$1,030,403,837	(\$13,866,856)	(1.3%)	

Section 2

State Health Services, Department of
Summary of Recommendations - Senate, By Method of Finance -- Supplemental

Strategy/Fund Type/Goal	2014-15 Base	2016-17 Recommended	Biennial Change	% Change	Comments (Optional)
GENERAL REVENUE FUNDS	\$802,855,050	\$799,016,022	(\$3,839,028)	(0.5%)	•Net decrease of \$3.8 million in General Revenue due to one-time funding (\$4.4 million) for the renovation of the Victory Field campus. Within Goal C, \$0.5 million in General Revenue was reallocated for vehicle replacement. See Selected Fiscal and Policy Issues #3 and #7.
GR DEDICATED	\$2,770,000	\$2,770,000	\$0	0.0%	
FEDERAL FUNDS	\$38,449,285	\$38,810,407	\$361,122	0.9%	•Increase of \$2.2 million in TANF to Title XX funds used at the State Hospitals. •Decrease of \$1.8 million in Medicaid Federal Funds.
OTHER FUNDS	\$200,196,358	\$189,807,408	(\$10,388,950)	(5.2%)	•Increase of \$2.8 million in Mental Health Collections for Patient Support and Maintenance from third party insurance collections. •Decrease of \$12.8 million in Appropriated Receipts from NorthSTAR due to the decrease in civil beds available for community patients. The state hospitals have an increasing population of forensic patients. •Decrease of \$0.5 million in Other Funds - DSHS Public Health Medicaid Reimbursements Account 709, due to one-time lab fee revenue.
Total, Goal D, CONSUMER PROTECTION SERVICES	\$127,776,880	\$123,987,774	(\$3,789,106)	(3.0%)	
GENERAL REVENUE FUNDS	\$65,972,011	\$66,006,575	\$34,564	0.1%	
GR DEDICATED	\$32,796,201	\$32,796,201	\$0	0.0%	
FEDERAL FUNDS	\$25,735,377	\$22,395,164	(\$3,340,213)	(13.0%)	•Decrease of \$1.3 million in Federal Funds for Cooperative Agreements with States for Intrastate Meat and Poultry Inspection. •Decrease of \$1.0 million in Federal Funds for the State Survey and Certification of Health Care Providers and Suppliers for Medicare. •Decrease of \$0.8 million in Federal Funds for the National Death Index Tissue Residue Inspections. •Decrease of \$0.2 million in other Federal Funds.
OTHER FUNDS	\$3,273,291	\$2,789,834	(\$483,457)	(14.8%)	•Decrease of \$0.5 million in Interagency Contracts due to the completion of a contract with the Texas Commission on Environmental Quality to conduct a study on human health risks in prioritized bodies of water.
Total, Goal E, INDIRECT ADMINISTRATION	\$94,296,725	\$97,385,690	\$3,088,965	3.3%	

Section 2

State Health Services, Department of
Summary of Recommendations - Senate, By Method of Finance -- Supplemental

Strategy/Fund Type/Goal	2014-15 Base	2016-17 Recommended	Biennial Change	% Change	Comments (Optional)
GENERAL REVENUE FUNDS	\$55,892,744	\$60,144,950	\$4,252,206	7.6%	•Increase of \$4.2 million in reallocated General Revenue in one-time General Revenue from Goal F to fund current obligations and application remediation for data center consolidation.
					See Selected Fiscal and Policy Issues #3 and #5.
GR DEDICATED	\$2,644,887	\$2,644,887	\$0	0.0%	
FEDERAL FUNDS	\$26,683,179	\$26,524,605	(\$158,574)	(0.6%)	
OTHER FUNDS	\$9,075,915	\$8,071,248	(\$1,004,667)	(11.1%)	•Decrease of \$1.0 million in Interagency Contracts with non-enterprise state agencies for the HHS Consolidated Print Shop.
Total, Goal F, CAPITAL ITEMS	\$43,576,784	\$10,660,942	(\$32,915,842)	(75.5%)	
GENERAL REVENUE FUNDS	\$26,158,297	\$5,749,817	(\$20,408,480)	(78.0%)	•Decrease of \$6.3 million in General Revenue due to one-time funding for the repair and renovation of state hospitals, reallocation of \$4.2 million in General Revenue to Goal E for data center consolidation, and an offset of decreased tobacco fund earnings in the amounts of \$4.9 million in General Revenue to Goal A and \$4.6 million in General Revenue to Goal B. •Decrease of \$0.4 million in General Revenue and a decline in payments for the Master Lease Purchase Program.
GR DEDICATED	\$5,745,000	\$4,911,125	(\$833,875)	(14.5%)	•Decrease of \$0.8 million in General Revenue -Dedicated Account 8026, Health Department Laboratory Financing Fees, due to the decrease in the cost of bond debt service.
FEDERAL FUNDS	\$0	\$0	\$0	0.0%	
OTHER FUNDS	\$11,673,487	\$0	(\$11,673,487)	(100.0%)	•Decrease of \$11.7 million in General Obligation Bond Proceeds due to one-time funding for the repair and renovation of state hospitals.
					See Selected Fiscal and Policy Issues #3.

Section 2

State Health Services, Department of
Summary of Recommendations - Senate, By Method of Finance -- Supplemental

Strategy/Fund Type/Goal	2014-15 Base	2016-17 Recommended	Biennial Change	% Change	Comments (Optional)
Total, Goal G, OFFICE VIOLENT SEX OFFENDER MGMT	\$12,987,340	\$13,111,340	\$124,000	1.0%	
GENERAL REVENUE FUNDS	\$12,987,340	\$12,987,340	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$0	\$0	\$0	0.0%	
OTHER FUNDS	\$0	\$124,000	\$124,000	100.0%	•Increase in Appropriated Receipts from client collections to pay for the cost of the 24/7 GPS ankle monitoring. Previously these funds were not available to the agency.
					See Selected Fiscal and Policy Issue #10.
Grand Total, All Agency	\$6,504,459,927	\$6,100,028,179	(\$404,431,748)	(6.2%)	
GENERAL REVENUE FUNDS	\$2,593,643,428	\$2,600,572,087	\$6,928,659	0.3%	
GR DEDICATED	\$987,024,630	\$671,296,472	(\$315,728,158)	(32.0%)	
FEDERAL FUNDS	\$2,372,217,231	\$2,318,041,794	(\$54,175,437)	(2.3%)	
OTHER FUNDS	\$551,574,638	\$510,117,826	(\$41,456,812)	(7.5%)	

Section 3

Department of State Health Services
Selected Fiscal and Policy Issues - Senate

1. **Trauma Funds.** Recommendations decrease appropriations to Department of State Health Services (DSHS) by \$300.0 million in General Revenue-Dedicated Account 5111, Trauma Funds due to a one-time appropriation by the 83rd Legislature of trauma funds to be transferred to the Health and Human Services Commission (HHSC) for Medicaid expenses. This amount was reduced from the DSHS General Revenue Related limit and is not included in the recommendations.

Recommendations include \$115.0 million over the biennium in General Revenue-Dedicated Account 5111, Trauma Funds for uncompensated trauma care provided by designated trauma facilities and those actively pursuing trauma designations.

The 83rd Legislature appropriated \$2.25 million per year in General Revenue-Dedicated Account 5111, Trauma Funds, to the Higher Education Coordinating Board (HECB) to increase trauma fellowships. The estimated ending balance in fiscal year 2017 is \$100.2 million.

General Revenue Dedicated 5111, Designated Trauma Facility and EMS

	FY16	FY17
Beginning balance	\$14.7	\$57.4
Revenue	\$102.5	\$102.5
Recommended Appropriations	\$59.8	\$59.8
Estimated Fund Balance	\$57.4	\$100.2

Source: LBB and Biennial Revenue Estimate 2016-17

2. **Behavioral Health.**

Carve In of Behavioral Health Services in Medicaid Managed Care. Senate Bill 58, 83rd Legislature, Regular Session, requires HHSC to integrate behavioral health services in Medicaid managed care in fiscal year 2015. On September 1, 2014, DSHS transferred \$26.0 million in General Revenue Match for Medicaid to HHSC. The funds were from the Mental Health Services for Adult and Children strategies. The recommendations annualize the fiscal year 2015 General Revenue Match for Medicaid in those strategies, for a reduction of \$26.0 million in General Revenue Match for Medicaid and a decrease of \$37.5 million in Medicaid Federal Funds.

Mental Health Services for Adults. Recommendations include an increase of \$12.0 million in General Revenue and \$28.0 million in All Funds for the 1915(i) Home & Community Based Services waiver, which provides rental assistance and an increase of \$14.5 million in General Revenue to provide services to clients on the 2016-17 waiting list.

Community Mental Health Crisis Services. Recommendations include an increase of \$18.4 million in General Revenue funds to expand crisis services and an increase of \$0.4 million in General Revenue funds for continuation of the jail-based competency restoration program.

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3. **One-time funding reduction: State Hospital Facilities.** In fiscal years 2014-15, DSHS expended \$24.4 million in General Revenue and \$11.8 million in Other Funds - General Obligation Bond Proceeds for the one-time repair and renovation of state hospitals and the renovation of the Victory Field campus. Recommendations decrease appropriations by \$10.2 million in General Revenue and \$11.7 million in Other Funds - General Obligation Bond Proceeds and reallocates \$4.2 million in General Revenue for data center consolidation increased costs, \$9.5 million in General Revenue to offset decreased permanent tobacco fund earnings, and \$0.5 million in General Revenue for vehicle replacement.

DSHS has requested additional funding for repair of facilities as an exceptional item.
(See Section 6, Items not Included in Recommendations, Exceptional Items 2a and 2b)

4. **NorthSTAR Caseload.** Recommendations align funding with LBB Medicaid caseload forecast.

Additionally, recommendations decrease appropriations by \$2.4 million in Other Funds: Mental Health – Appropriated Receipts due to Dallas County no longer contributing local match to DSHS for NorthSTAR. Dallas County is using the funds for the 1115 Waiver.

5. **Data Center Consolidation:**

- **Maintain Current Services.** Recommendations fund the Data Center Consolidation Services (DCS) project cost increases by reallocating \$3.6 million in General Revenue in one-time funding for state hospital renovations. Recommendations include capital budget authority. The recommendations include the increased contract rate.
- **Server Consolidation.** Recommendations fund DCS server application remediation and transformation in fiscal year 2016 by reallocating \$603,200 in General Revenue in one-time funding for state hospital renovations. Recommendations include capital budget authority. DSHS, in consultation with the Department of Information Resources (DIR), has identified 6 projects that require application remediation and transformation prior to the servers being consolidated. Contracted capacity for server consolidation is scheduled to be complete by the end of fiscal year 2016. If the project is postponed past fiscal year 2016, server consolidation would require additional funding. If the applications are unable to be consolidated to the DCS servers, DSHS will continue to be invoiced higher charges under non-consolidated rates.

6. **Certain Tobacco Settlement Funds Decrease in Earnings.** Recommendations include \$19.1 million in General Revenue-Dedicated funds over the biennium from the earnings on three permanent tobacco funds: General Revenue-Dedicated Account No. 5044 Permanent Fund for Health and Tobacco Education and Enforcement, General Revenue-Dedicated Account No. 5045, Permanent Fund for Children and Public Health, and General Revenue-Dedicated Account No. 5046, Permanent Fund for EMS and Trauma Care. This is \$14.9 million below the fiscal years 2014-15 base expenditures.

In the 2014-15 biennium, the earnings on the three accounts were \$32.0 million below the Comptroller's Biennial Revenue Estimate. Per Rider 30, appropriations from these accounts to DSHS are estimated. In the 2014-15 biennium, DSHS funded the shortfall for these three programs with non-recurring revenue and balances remaining in the accounts. Neither funding source is available in fiscal years 2016-17.

The Texas Safekeeping Trust Company is estimating even further decreases in earnings in the 2016-17 biennium due to appropriating the

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corpus to CPRIT to pay principal or interest for bonds.

Recommendations reallocate one-time funding for state hospital renovations in the amount of \$9.5 million in General Revenue over the biennium to replace the reduction in earnings to General Revenue-Dedicated Account No. 5045, Permanent Fund for Children and Public Health, and General Revenue-Dedicated Account No. 5046, Permanent Fund for EMS and Trauma Care. These funds will provide funding to local health departments and regional advisory councils for trauma system development and grants to EMS providers for equipment and non-disposable supplies. Recommendations do not fund the shortfall in revenue to the tobacco program.

General Revenue – Dedicated Fund	Balance as of 8/31/2014	FY2015 Estimated Expenditures	2016-17 Estimated Debt Service Requirement for CPRIT Debt	Projected Remaining Balance at End of FY 2017
Corpus Amounts				
Permanent Fund for Health and Tobacco Education and Enforcement No. 5044	\$135.3	\$18.4	\$94.7	\$22.2
Permanent Fund for Children and Public Health No. 5045	\$67.6	\$9.2	\$47.3	\$11.1
Permanent Fund for Emergency Medical Services and Trauma Care No. 5046	\$67.6	\$9.2	\$47.3	\$11.1
Total	\$270.5	\$36.8	\$189.3	\$44.4

Sources: LBB, TPFA and Texas Treasury Safekeeping Trust
(See Section 5, Deleted Rider #35, and Section 6 Items not Included in Recommendations, Exceptional Item 1a)

7. **Vehicle Replacement.** Recommendations reallocate one-time funding for state hospital renovations by \$0.5 million in General Revenue for the replacement of fourteen vehicles. Additionally, recommendations include \$2.0 million in General Revenue within the base request to replace 70 vehicles. In total, the recommendations include the replacement of 84 vehicles with over 150,000 miles or over 20 years old. Fifty-eight of the vehicles are used at the state hospitals.
(See Section 6, Items not Included in Recommendations, Exceptional Item 1c)

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8. **Federal Medical Assistance Percentage (FMAP).** Federal participation rates for state-administered programs are less favorable in fiscal years 2016-17 than in fiscal years 2014-15. The new FMAP percentages are: 57.21% for FY16, and 57.00% for FY17.

Additional Policy Considerations.

9. **Family Planning.** Recommendations continue the 2014-15 biennium amount of \$37.8 million in General Revenue funds for Family Planning.
10. **Office of Violent Sex Offender Management (OVSOM).** The 82nd Legislature created OVSOM as an independent agency administratively attached to DSHS. Appropriations for OVSOM are in strategy G.1.1. of the DSHS bill pattern.

Based on the current caseload, OVSOM's funding supports a per diem rate of \$58 per bed. However, the agency anticipates that rate increasing in the 2016-17 biennium due to contracting issues, and consequently the agency has included funding in its exceptional item to provide for a \$75 per diem.

Sexually violent predators are required to pay for the cost of the 24/7 GPS ankle monitoring. This is appropriated to the agency as Appropriated Receipts. Beginning in fiscal year 2015, this will generate approximately \$62,000 for the agency.
(See Section 5, Rider #61)

11. **Sunset Review.** The five Health and Human Services agencies are under Sunset review during the 84th Legislative Session. In the event that the agency is not continued, the funds appropriated for fiscal year 2016, or as much thereof as may be necessary, are to be used to provide for the phase out of the agency operations.
(See Section 5, New Rider #74)

Behavioral Health Funding - Senate
(in millions)

	FY14-15		FY16-17		FY16-17		Status
	Base (Actual in FY14 and Estimated in FY15)		Recommendations		DSHS Exceptional Item		
	GR-Related	All Funds	GR-Related	All Funds	GR-Related	All Funds	
83R & 84R Behavioral Health Expansion							
School-based training on prevention/early identification	\$5.0	\$5.0	\$5.0	\$5.0			All Local Mental Health Authorities (LMHAs) and NorthSTAR are participating as either a direct contractor or as a member of a collaboration. Based on plans submitted by the LMHAs and NorthSTAR it is expected that 476 LMHA staff/contractors and 12,295 educators will be trained in fiscal year 2014.
Public awareness campaign	\$1.6	\$1.6	\$1.6	\$1.6			Campaign launched June 9, 2014, with the first community conversation event in Fort Worth and an online media buy and website (speakyourmind.org/hablameteeschucho.org). Sixteen Community Conversations were held across the state. DSHS is partnering with 2-1-1 as a resource for people seeking local mental health resources and services. 2-1-1 has experienced a 60%-70% increase in related calls since the launch of the campaign (100 calls/day).
Crisis Services (Exceptional item 6a)	\$25.0	\$25.0	\$43.4	\$43.4	\$12.9	\$12.9	19 new and expanded sites/projects are open and operational in 16 Local Mental Health Authority (LMHA) service areas. Senate Bill 2 adds \$18.4 million to crisis funding.
Community Mental Health Treatment Services for youth and adults	\$20.0	\$20.0	\$20.0	\$20.0			Adult Services: In February 2013, there were 5,321 adults on the waiting list. As of July 31, 2014, 332 adults were on the waiting list, with only one on the waiting list before September 1, 2013 that has not received services. Child Services: In February 2013, there were 194 children on the waiting list. As of July 31, 2014, there were 6 children on the waiting list and all children currently waiting sought services after September 1, 2013

Behavioral Health Funding - Senate
(in millions)

	FY14-15		FY16-17		FY16-17		Status
	Base (Actual in FY14 and Estimated in FY15)		Recommendations		DSHS Exceptional Item		
	GR-Related	All Funds	GR-Related	All Funds	GR-Related	All Funds	
YES Waiver	\$24.4	\$58.6	\$24.4	\$58.6			387 clients were enrolled in the program as of August 1, 2014. 456 clients have been served since September 1, 2013. YES was implemented in Travis, Bexar, and Tarrant counties prior to September 1, 2013. This program has ramped up in FY14-15. YES has been expanded to Harris, Cameron, Hidalgo, and Willacy counties. Plans include expansion to Williamson and McLennan counties in early fiscal year 2015. DSHS and NorthSTAR staff are developing a plan to implement YES in the NorthSTAR area.
Collaborative Projects (public/private partnerships)	\$25.0	\$25.0	\$25.0	\$25.0			Projects will include over \$23.5 million in private matching funds. 5 awardees were announced May 16, 2014: MHMR Tarrant County, Austin Travis County Integral Care, Coalition for the Homeless Houston/Harris County, City of Dallas (The Bridge), and Haven for Hope (San Antonio). The contracts for two of the sites (Tarrant and Haven for Hope) have been executed. Contracts have been mailed to the remaining three entities (ATCIC, Dallas, Houston).

Behavioral Health Funding - Senate
(in millions)

	FY14-15		FY16-17		FY16-17		Status
	Base (Actual in FY14 and Estimated in FY15)		Recommendations		DSHS Exceptional Item		
	GR-Related	All Funds	GR-Related	All Funds	GR-Related	All Funds	
Projected Costs for Underserved at LMHAs	\$17.0	\$17.0	\$17.0	\$17.0			Adult Services Surge: As of July 31, 2014, the average monthly number of adults served using surge and waitlist dollars was 57,145, an increase of 5,332 from the baseline. Adult Services Underserved: As of July 31, 2014, 821 adults were underserved, down from 862 in June of 2014. The number of underserved continues to steadily decrease. Child Services Surge: As of July 31, 2014, the average monthly number of children served using surge and waitlist dollars was approximately 14,325, an increase of 935 from the baseline. Child Services Underserved: MHSA staff is providing technical assistance to LMHAs to reduce the number of underserved children. As of July 31, 2014, 93 children were underserved, down from 97 in June of 2014. NorthSTAR Surge: The increase in this funding corresponds with a decrease in funding from Dallas County. Money was allocated and included into the contract. NorthSTAR continues to serve all eligible clients who present for services NorthSTAR Underserved: Money for NorthSTAR has been put into the contract. Current units of service are up slightly.
NorthSTAR	\$6.0	\$6.0	\$6.0	\$6.0			Fully implemented in fiscal year 2014.
Veteran's Mental Health	\$4.0	\$4.0	\$4.0	\$4.0			An interagency agreement between DSHS and the Texas Veterans Commission has been executed, creating the Mental Health Grants Program. In fiscal year 2014, the grants program is expected to fund \$1.55 million in projects. Fifteen Additional program staff have been hired.
Harris County Contracted Beds	\$2.4	\$2.4	\$2.4	\$2.4			Funding for 6 additional beds was added on September 1, 2013. Harris County implemented an assessment/screening to identify appropriate candidates. The facility is maintaining occupancy rate close to 100%, with an average length of stay of 30 days.

Behavioral Health Funding - Senate

(in millions)

	FY14-15		FY16-17		FY16-17		Status
	Base (Actual in FY14 and Estimated in FY15)		Recommendations		DSHS Exceptional Item		
	GR-Related	All Funds	GR-Related	All Funds	GR-Related	All Funds	
Harris County Jail Diversion Pilot Program	\$10.0	\$10.0	\$10.0	\$10.0			A contract was executed in December 2013. Harris County has developed a work plan, which was incorporated into the contract in June 2014. The contract was amended in July 2014 to add funding for the project in fiscal year 2015. New training sessions and a program launch occurred during July and August of 2014. The program has begun screening and recruiting patients.
Contingency for SB 1475, Jail-Based Competency Restoration	\$3.1	\$3.1	\$3.5	\$3.5			This is still an open procurement - no awards have been made, and the agency is evaluating whether it will be necessary to re-bid for 2016-17.
Patient Safety Initiative (SB 152)	\$1.3	\$1.3	\$1.3	\$1.3			All direct care staff are trained in all the topics in SB 152 as of September 1, 2014. The information management system is in place. The onsite fingerprinting initiative for all 11 state hospital facilities was completed on February 28, 2014. Over 9,000 employees, volunteers, and contractors were printed from December 9, 2013 to February 2014.
State Hospital Resident Stipends	\$2.0	\$2.0	\$2.0	\$2.0			5 medical schools, 7 state hospitals, and 3 mental health authorities are participating. The equivalent of 19 FTEs will rotate through the training sites. Contracts have been developed for all sites. Psychiatric residency rotations can vary in duration from a single month to a year depending on the training program.
Mental Health for Children - Wait List	\$2.1	\$2.1	\$2.1	\$2.1			All 194 clients on the waitlist during the 83rd Legislative Session have been served. 17 clients are expected to be on the waitlist at the end of FY2015.
Mental Health Adults - Wait List	\$46.1	\$46.1	\$60.6	\$60.6			All 5,321 clients on the waitlist during the 83rd Legislative Session have been served. 909 clients are expected to be on the waitlist at the end of FY2015.
							Agency projects 2002 clients to be on the waitlist over the FY2016-17 biennium, and Senate Bill 2 includes \$14.5 million to address this.
Substance abuse capacity expansion	\$4.9	\$4.9	\$4.9	\$4.9			DSHS is serving an average of 9,648 clients per month.
Substance abuse provider rate increase	\$10.7	\$10.7	\$10.7	\$10.7			The rate increase has been fully implemented. The HHSC rate setting hearing was held on July 17, 2013 and the rates were approved.

Behavioral Health Funding - Senate
(in millions)

	FY14-15		FY16-17		FY16-17		Status
	Base (Actual in FY14 and Estimated in FY15)		Recommendations		DSHS Exceptional Item		
	GR-Related	All Funds	GR-Related	All Funds	GR-Related	All Funds	
Substance abuse set aside slots for DFPS	\$10.1	\$10.1	\$10.1	\$10.1			As of July 31, 2014, DSHS served 2,547 more DFPS clients than in the same period of fiscal year 2013. The goal is to serve 3,000 additional DFPS clients in fiscal year 2015. Since December 2013, DSHS has trained over 2,840 DFPS caseworkers.
Behavioral health - Oxford House	\$1.1	\$1.1	\$1.1	\$1.1			36 houses with 731 residents have been opened. The target for fiscal year 2014 was 25 houses and 350 residents. Houses will continue to be opened in targeted areas of the state Of note, a house has been opened that will house men with their children, which is a first of its kind in Texas.
Behavioral health - Relinquishment slots (Exceptional Item 6c)	\$2.1	\$2.1	\$2.1	\$2.1	\$4.8	\$4.8	Fourteen children were served in fiscal year 14. Twenty children are on the waiting list for residential treatment center services and others are pending assessment to determine eligibility. Seven referred children have been able to remain in their homes due to wraparound and increased community services from the LMHAs. The LMHAs and NorthSTAR offered outpatient services to help those families waiting for admission, and are partnering closely with families who accepted assistance.
Behavioral health - Rental Assistance (1915i Home and Community Based Services)	\$20.0	\$24.8	\$32.0	\$52.8			Adult Services: 1,667 individuals have been served. LMHAs have met and exceeded their targets for numbers served in fiscal year 2014. NorthSTAR: NorthSTAR is on track to exceed the target of clients served. The State Plan Amendment was submitted to CMS on July 22, 2014. CMS has 90 days to approve, deny, or request more time (October 20, 2014). Recovery management has been added as a service and will be independently contracted from other HBCS-AMH services per CMS recommendation. This program did experience a ramp up, with more funds expended in fiscal year 2015 than in fiscal year 2014. Senate Bill 2 includes an increase of \$12.0 million in General Revenue and \$28.0 million in All Funds for additional services.

Behavioral Health Funding - Senate
(in millions)

	FY14-15		FY16-17		FY16-17		Status
	Base (Actual in FY14 and Estimated in FY15)		Recommendations		DSHS Exceptional Item		
	GR-Related	All Funds	GR-Related	All Funds	GR-Related	All Funds	
Bonds for State Hospitals	\$0.0	\$10.0	\$0.0	\$0.0	\$0.0	\$88.6	Various construction projects in different stages with completion projected in fiscal year 2016.
Psychiatric Nursing Assistants (PNA)	\$14.8	\$14.8	\$14.8	\$14.8			The increase has been implemented. DSHS continues to assess whether this increase has decreased PNA turnover.
HHSC enterprise - State Hospital Laundry Facility Equipment	\$0.3	\$0.3	\$0.0	\$0.0			Capital Project began in fiscal year 2014. Unexpended balances to be requested to transfer to fiscal year 15.
Victory Fields renovation	\$4.4	\$4.4	\$0.0	\$0.0			Bidding and contract is estimated to be completed by February 1, 2015. Construction is estimated to be 16 months with a completion around June 23, 2016.
Total - Behavioral Health Expansion	\$263.4	\$312.4	\$304.0	\$359.1	\$17.7	\$106.3	

84R Behavioral Health Exceptional Items in addition to Expansion Items - Senate
(in millions)

	FY16-17		FY16-17	
	Recommendations		DSHS Exceptional Item	
	GR-Related	All Funds	GR-Related	All Funds
EI 1c Replace Vehicles	\$2.5	\$2.5	\$3.5	\$3.5
EI 2a Modernization of the Public Mental Health System			\$94.3	\$94.3
EI 2b, Life and Safety Issues at State Hospitals			\$0.0	\$88.6
EI 2c State Hospitals: Patient Transition Support into Communities			\$2.5	\$2.5
EI 2d State Hospitals: Electronic Medical Record System			\$12.0	\$12.0
EI 5a Substance Abuse: Prevention Programs			\$27.9	\$27.9
EI 5b Substance Abuse: Neonatal Abstinence Syndrome			\$17.0	\$17.0
EI 6a MH: Crisis Service Expansion and Enhancement			\$12.9	\$12.9
EI 6b MH: Mental Health Services in Nursing Homes and Alternatives to Long Term Care			\$26.5	\$39.0
EI 6c MH: Relinquishment Prevention (20 slots)			\$4.8	\$4.8
EI 6d MH: Development and Expansion of Recovery-Focused Clubhouses			\$2.5	\$2.5
EI 6e MH: IT Improvements for Clinical Management Behavioral Health Services (CMBHS) System			\$5.1	\$6.1
Subtotal - Behavioral Health Exceptional Items	\$2.5	\$2.5	\$209.0	\$311.2
Subtotal - Behavioral Health Expansion Items	\$304.0	\$359.1	\$17.7	\$106.3
Total - Behavioral Health	\$306.5	\$361.6	\$226.7	\$417.4

**Department of State Health Services
State Hospitals Average Daily Census**

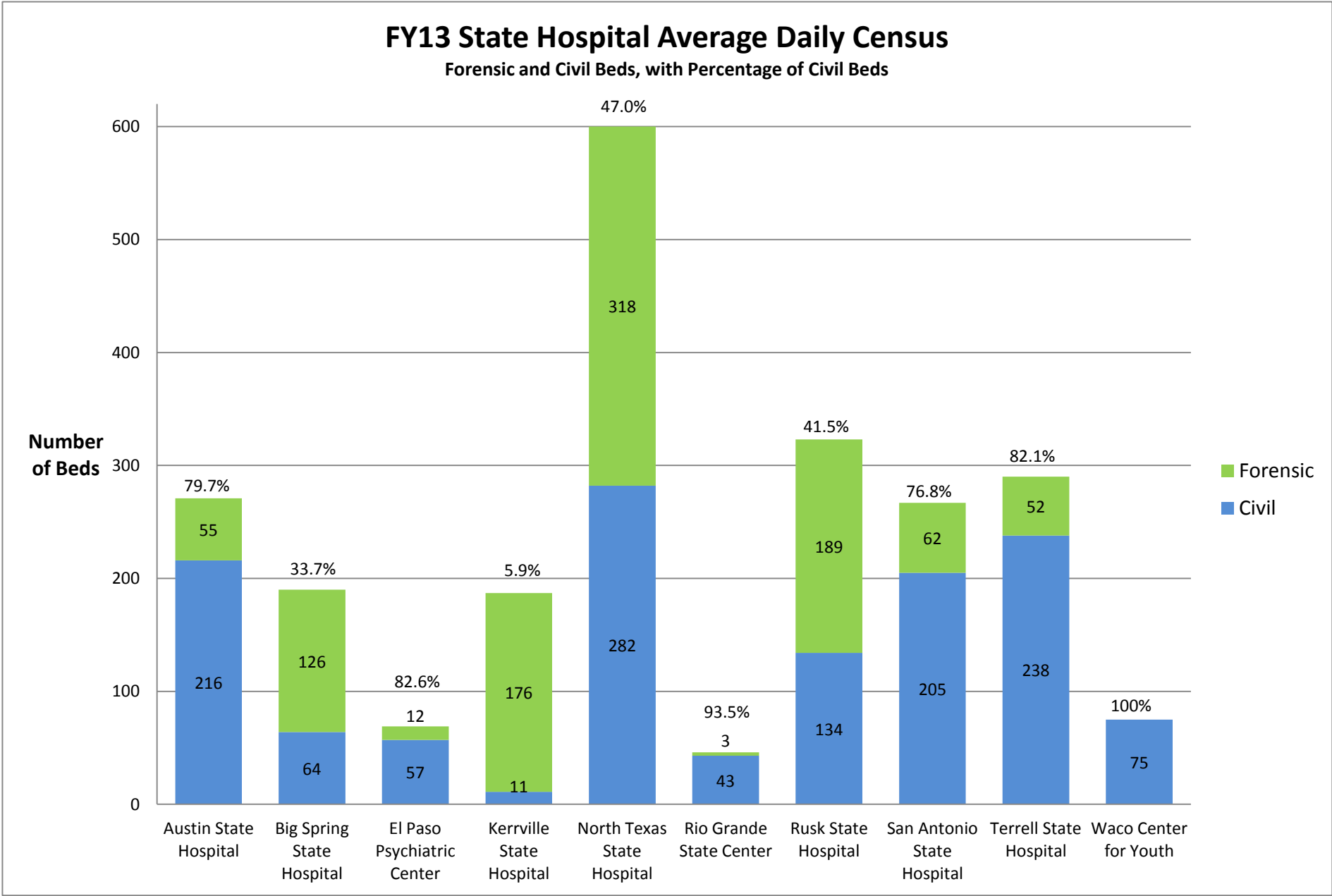
Recommendations include a decrease of \$12.8 million in Mental Health Appropriated Receipts due to a decrease in NorthSTAR clients receiving treatment in the state hospitals because of a decreased capacity for civil patients. In fiscal year 2012, a forensic capacity lawsuit (Taylor vs. Lakey) found that forensic patients must wait no longer than 21 days to be placed in a state mental health facility. To meet this increased demand, DSHS expanded the number of forensic beds within the state hospitals and contracted with community hospitals for civil beds.

Admissions to state hospitals can occur voluntarily or involuntarily and include civil and forensic commitments. Generally, a civil patient is either self referred or referred by a community source to the local mental health authority (LMHA), which then screens the patient and refers the patient to the state hospital if needed. Civil patients may have third party insurance to fund the cost of the inpatient treatment.

A forensic patient is a patient that has been committed by a court for inpatient competency restoration or has been found not guilty of a criminal offense by reason of insanity. Forensic patients’ inpatient costs are funded by the state.

Civil patients average length of stay is 42 days, and initial restoration commitments (the shortest type of forensic commitment) length of stay is an average of 118 days. The resulting longer length of stay means that fewer patients per year receive services and the proportion of forensic patients increases over time.

In fiscal year 2011, the average daily census of the state hospitals was 66% civil patients. In fiscal year 2013, this decreased to 57%. The proportion of civil patients is expected to decrease further in fiscal years 2016-17. On the next page is a chart of the types of beds available at each state hospital.



Source: Department of State Health Services

Section 3d

Department of State Health Services
Performance Measure Highlights - Senate

	Expended 2013	Estimated 2014	Budgeted 2015	Recommended 2016	Recommended 2017
<ul style="list-style-type: none">Average Monthly Number of Adults Receiving Community Mental Health Services <p>Measure Explanation: Increase in fiscal year 14 due to mental health expansion funded by the 83rd Legislature. Decrease in fiscal years 15-17 due to the carve in of behavioral health services in Medicaid Managed Care.</p>	51,774	59,849	56,634	56,873	56,964
<ul style="list-style-type: none">Average Monthly Number of Children Receiving Community Mental Health Services <p>Measure Explanation: Increase in fiscal year 14 due to mental health expansion funded by the 83rd Legislature. Decrease in fiscal years 15-17 due to the carve in of behavioral health services in Medicaid Managed Care.</p>	13,395	15,105	12,221	12,221	12,221
<ul style="list-style-type: none">Average Daily Census of State Mental Health Facilities <p>Measure Explanation: Recommendations continue the same level of funding for state hospital beds.</p>	2,310	2,263	2,376	2,376	2,376
<ul style="list-style-type: none">Average Monthly Caseload of Children with Special Health Care Needs Clients Receiving Health Care Benefits <p>Measure Explanation: The 83rd Legislature partially funded the wait list in fiscal years 2014 and 2015.</p>	978	1,022	1,173	1,173	1,173
<ul style="list-style-type: none">Number of Primary Health Care Eligible Patients Provided Primary Care Services <p>Measure Explanation: The 83rd Legislature expanded primary health care for women in fiscal years 2014-15. Fiscal year 2014 includes ramp up for the program due to the contractors' initial difficulty determining under which program a client could receive services (DSHS Family Planning or DSHS Expanded Primary Health Care). Recommendations continue the increased level of funding.</p>	70,810	221,470	250,334	250,000	250,000
<ul style="list-style-type: none">Number of Sex Offenders Provided Treatment and Supervision <p>Measure Explanation: The increase in clients is due to additional sex offenders committed to the program each year.</p>	181	174	232	253	253

Section 3e

Department of State Health Services
FTE Highlights - Senate

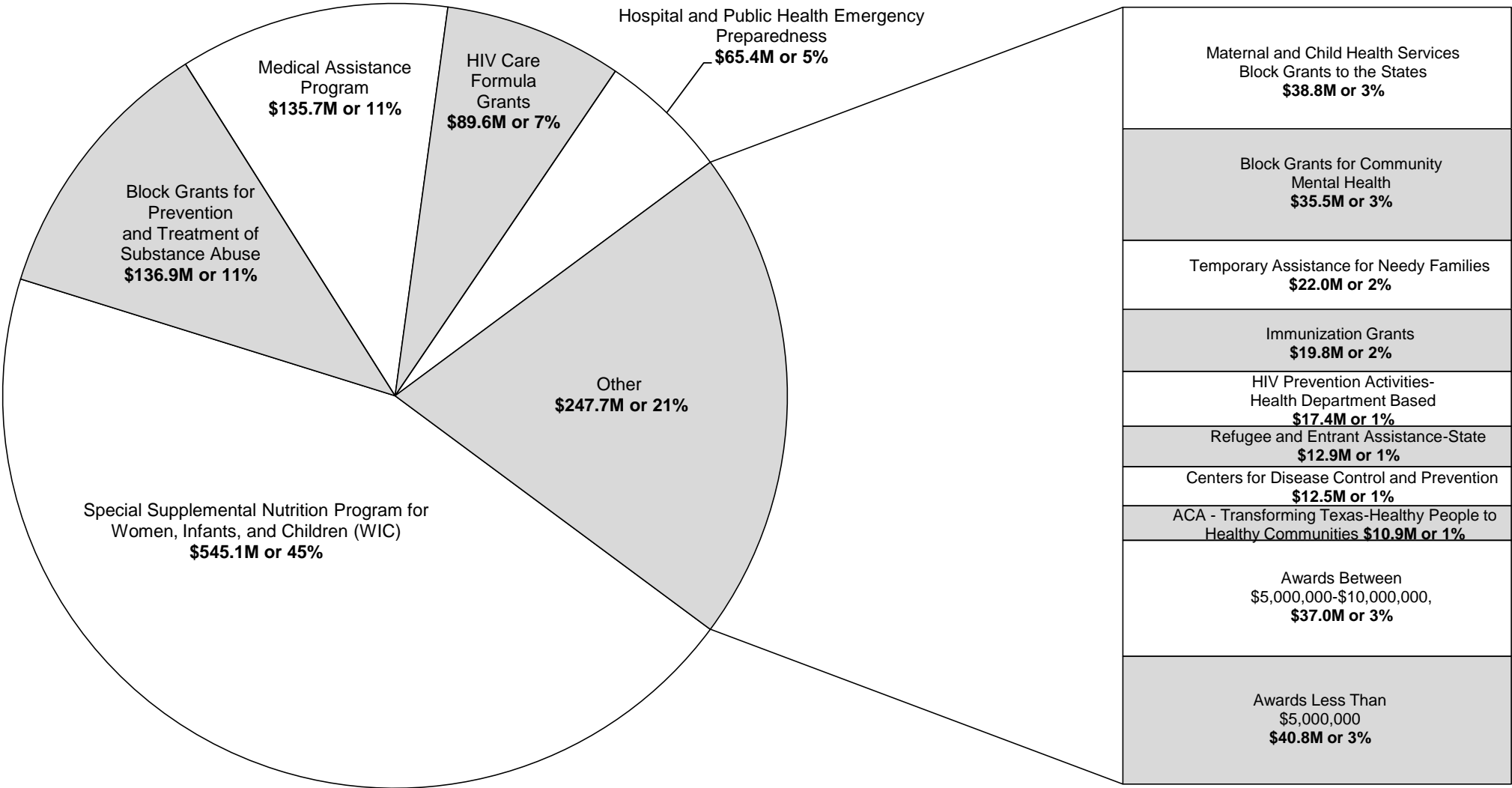
Full-Time-Equivalent Positions	Expended 2013	Estimated 2014	Budgeted 2015	Recommended 2016	Recommended 2017
Cap	12,471.1	12,295.0	12,299.0	12,299.0	12,299.0
Actual/Budgeted	11,885.2	12,011.8	12,299.0	NA	NA
Sixty-four percent of the FTEs are allocated to the State Hospitals.					
Schedule of Exempt Positions (Cap)					
Commissioner, Group 7	\$183,750	\$210,000	\$210,000	\$183,750	\$183,750

The agency is not requesting any changes to its Exempt Position.

Recommendations for 2016-17 include deleting old rider #98, Exempt Salary for the Commissioner of Department of State Health Services. See Section 5, Rider Highlights.

State Auditor's Office Report 14-705, *Executive Compensation at State Agencies*, indicates a market average of \$269,281 and a recommended salary range of \$210,000-\$292,500 for the Commissioner position at the Department of State Health Services. The report also recommends changing the position classification from Group 7 to Group 8.

Department of State Health Services
Summary of Federal Funds (Estimated 2014)- Senate
TOTAL = \$1,220.4M



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

Section 3f

State Health Services, Department of
Significant Federal Funds Changes - Senate

CFDA No.	Program Name	2014-15 Base	2016-17 Recommended	Recommended Over/(Under) Base	Comments
10.475.000	Coop-Agreements w/States Intrastate Meat & Poultry Inspection	\$9,399,798	\$8,119,648	(\$1,280,150)	
10.557.001	Special Supplemental Nutrition Program (WIC)	\$1,106,034,824	\$1,134,090,154	\$28,055,330	
10.557.013	WIC Breastfeeding Peer Counseling	\$14,262,796	\$15,829,620	\$1,566,824	
10.579.000	Child Nutrition Discretionary Grants	\$1,412,158	\$12,294	(\$1,399,864)	
93.074.001	National Bioterrorism Hospital Preparedness Program	\$41,477,340	\$30,839,088	(\$10,638,252)	
93.074.002	Public Health Emergency Preparedness	\$74,178,739	\$69,595,978	(\$4,582,761)	
93.243.000	Projects of Regional and National Significance	\$3,939,201	\$2,584,696	(\$1,354,505)	
93.283.022	National Breast and Cervical Cancer Program	\$5,918,478	\$0	(\$5,918,478)	
93.531.000	ACA - Transforming Texas-Healthy People to Healthy Communities	\$11,816,604	\$0	(\$11,816,604)	
93.752.001	Texas Cancer Prevention and Control	\$7,286,914	\$12,491,850	\$5,204,936	
93.757.001	State Public Health To Prevent & Control and Promote School Health	\$1,550,672	\$2,880,744	\$1,330,072	
93.778.000	Medical Assistance Program	\$190,577,827	\$165,301,242	(\$25,276,585)	
93.778.005	XIX Medical Assistance Program @ 90%	\$10,301,670	\$8,240,502	(\$2,061,168)	
93.917.000	HIV Care Formula Grants	\$174,500,525	\$169,835,102	(\$4,665,423)	
93.958.000	Block Grants for Community Mental Health	\$69,543,475	\$68,047,670	(\$1,495,805)	
93.959.000	Block Grants for Prevention and Treatment of Substance Abuse	\$263,275,202	\$252,750,184	(\$10,525,018)	
93.994.000	Maternal and Child Health Services Block Grants to the States	\$75,344,393	\$73,154,276	(\$2,190,117)	

Section 4

Texas Department of State Health Services
Performance Review and Policy Report Highlights - Senate

Reports & Recommendations	Savings/ (Cost)	Gain/ (Loss)	Fund Type	Included in Introduced Bill	Action Required During Session
Align Graduate Medical Education Funding to Meet State Health Care Needs, p. 139					
<i>These recommendations would cost \$59.4 million in All Funds for the 2016-17 biennium. Other recommendations in this report would affect the budget of the Texas Higher Education Coordinating Board. These recommendations would increase the number of residency slots and improve how the state's funding mechanisms contribute to the types and location of doctors to better meet the needs of the state.</i>					
1. Increase appropriations to the Department of State Health Services (DSHS), add FTEs, and include a rider in the 2016-17 General Appropriations Bill to direct the Health Professions Resource Center at the agency to conduct research about the appropriate mix of primary care to specialty physicians to meet current and future needs of the state, to identify shortages of special or sub specialty physicians and their geographic location in the state, and other physician workforce issues.	(\$500,000)		All Funds		Increase Appropriations to Registries, Info & Vital Records Strategy, Add FTEs, and Adopt Rider
Reduce Reliance on General Revenue-Dedicated Accounts for Certification					
This report fulfills House Bill 7, Eighty-third Legislature, 2013, requirements relating to the reduction of reliance on available dedicated revenue for certification of the General Appropriations Act. The report provides an overview of the issue and includes recommendations and options to reduce reliance on General Revenue-Dedicated Accounts, including dedicated revenue appropriated to the Texas Department of State Health Services.					

Section 5

**Department of State Health Services
Rider Highlights - Senate**

Deleted Riders (original number)

- 4. **Notification of Intent to Utilize Additional Federal SAPT Block Grant Funds.** Provisions are duplicative of Rider 5, Other Reporting Requirements.

- 6. **Mental Health Community Hospital Medicaid Services.** Similar provisions are located in Health and Human Services Commission (HHSC) Rider 36, Hospital Uncompensated Care and HHSC Rider 43, Local Reporting on DSH, Uncompensated Care, Delivery System Reform Incentive Payment, and Indigent Care Expenditures.

- 7. **Performance Contracts.** Provisions are obsolete. With the expanded use of private beds, the agency has contracted directly with some hospitals to secure additional beds.

- 20. **Trauma Formula Distribution.** Provisions are duplicative of statute (Health and Safety Code §773.122(c) and §780.004(d)) and rule (TAC 157.130-131)

- 31. **Performance of Licensing Entities.** Provisions are duplicative of performance measures.

- 35. **Informational Listing – Permanent Funds and Endowments.** Provisions are informational only. The balance in the permanent fund has decreased as the Cancer Prevention and Research Institute of Texas (CPRIT) has used the corpus of the account for bond debt.

- 51. **Pandemic Flu Preparedness.** Rider is obsolete. Texas may rely on the national stockpile of antiviral in a pandemic flu emergency.

- 58. **Behavioral Health Data Collection and Reporting.** Rider was a Government Effectiveness and Efficiency Report recommendation during the 82nd Legislature, Regular Session. Provisions of the rider were fulfilled when the report was submitted in February 2015.

- 64. **Expand Physician Trauma Fellowships Slots.** The funds were transferred to the Higher Education Coordinating Board in fiscal year 2014.

- 66. **Outpatient Competency Restoration Pilot Programs.** Provisions have been implemented and the funding is included in the recommendations.

- 69. **Epilepsy Services.** The informational rider provided the amount of funds appropriated for epilepsy services. During strategic planning for the 84th Legislature, Regular Session, Epilepsy Services was added as a new stand alone strategy.

Section 5

- 72. **Contingency for Trauma Fellowships.** HB 7, 83rd Legislature, Regular Session, was enacted and this contingency was fulfilled.
- 73. **Contingency for Trauma Registry Funds.** Legislation did not pass to enact this contingency.
- 74. **Contingency for Senate Bill 1475.** SB 1475, 83rd Legislature, Regular Session, was enacted and the pilot program has begun. The funds are included in the recommendations.
- 76. **Administration of Third Party Insurance Exchange Savings and Revenue Gains.** Provisions of the rider have been implemented.
- 83. **State Hospital System Long-Term Plan.** Provisions of the rider have been completed. The report will be received prior to session.
- 84. **Mental Health Children: Prevention and Early Identification Services.** Provisions of the rider have been implemented. The funds are included in the recommendations.
- 85. **Mental Health Program Allocation.** Provisions of the rider have been implemented. The funds are included in the recommendations.
- 87. **State Hospital Oversight – Staffing.** Provisions of the rider have been completed. The one-time report was completed.
- 88. **The University of Texas Harris County Psychiatric Center.** Provisions of the rider have been implemented. The funds are included in the recommendations.
- 91. **Contingency for Family Planning Services.** The contingency was not implemented. Unexpended balance authority is provided in Art. IX, Sec. 14.05.
- 92. **Community Mental Health Services Wait List funding.** Provisions of the rider have been implemented. The funds are included in the recommendations.
- 94. **Study and Report on Birthing Centers.** The one-time report was completed.
- 96. **Family Planning Pharmaceutical Pricing.** Provisions of the rider have been implemented, and the pricing issue has been resolved via collaboration with HIV/STD.
- 98. **Exempt Salary for the Commissioner of Department of State Health Services.** The individual occupying the position of Commissioner has changed.

Section 5

Modified Riders (New Numbers)

- 9. **Mental Health Appropriation Transfer Between Fiscal Years.** Clarified the relationship between this transfer rider and the transfer provisions in Art. IX, Section 14.01.
- 11. **Unexpended Construction Balances.** Modified the rider to standardize the time-clock language in all riders requiring legislative approval.
- 22. **Reimbursement of Advisory Committee Members.** Updated advisory committee names and deleted advisory committees whose statutory authority has expired.
- 25. **Unexpended Balances – Preparedness and Prevention, and Consumer Protection Services.** Modified the rider to standardize the time-clock language in all riders requiring legislative approval.
- 33. **Children with Special Health Care Needs.** Amended the rider to align with amended performance measure names.
- 40. **Estimated Appropriation: Perpetual Care Account.** Clarified the approval process for the agency the estimated funds.
- 41. **Unexpended Balances – Community Mental Health Crisis Services.** Modified the rider to standardize the time-clock language in all riders requiring legislative approval.
- 45. **Limitation: Expenditure and Transfer of Additional Public Health Medicaid Reimbursements.** Clarified the relationship between this rider and the transfer provisions in Art. IX, Section 14.01.
- 52. **Federally Funded Capital Projects.** Clarified the relationship between this rider and the capital budget provisions in Art. IX, Section 14.03, and modified the rider to standardized the time-clock language.
- 60. **Third Party Health Insurance Exchange Reporting Requirement.** Deleted contingency language due to the enactment of Senate Bill 1057 which requires the agency to distribute attestations forms to clients who may be eligible for the health insurance exchange.
- 61. **Administrative Attachment: Office of Violent Sex Offender Management.** Added language stating the agency’s FTE cap and unexpended balance authority within the biennium.
- 63. **Mental Health Appropriations and the 1115 Medicaid Transformation Waiver.** Deleted the specific dollar amount and changed the report to an annual requirement.

Section 5

- 65. **Home and Community-Based Services.** Expands the 1915(i) waiver program to divert populations from jails & emergency rooms.
- 67. **Mental Health Program for Veterans.** Deleted the program description and added a reference to statutory authority for the program. Statute includes the program description.
- 70. **Healthy Community Collaboratives.** Deleted the grant program description and added a reference to the statutory authority for the program. Statute includes the program description.
- 73. **Texas Council on Cardiovascular Disease and Stroke.** Updated the list of organizations involved in the projects.

New Riders

- 74. **Sunset Contingency.** The agency is under Sunset review.
- 75. **Transfer from the Cancer Prevention and Research Institute of Texas for the Cancer Registry.** Added an informational rider stating the transfer from CPRIT to DSHS for the cancer registry.
- 76. **Jail-Based Competency Restoration Pilot Program.** Added in place of the deleted rider #74, Contingency for Senate Bill 1475, to continue the pilot program and include a quarterly progress reporting requirement.
- 77. **Mental Health Program Allocation.** Provides direction to use \$18.5 million in General Revenue Funds to address equity issue.
- 78. **Contingency for Behavioral Health Funds.** Makes expenditure of fiscal year 2017 General Revenue-related behavioral health funds contingent on satisfying requirements of Article IX, Sec. 10.04, Statewide Behavioral Health Strategic Plan and Coordinated Expenditures.
- 79. **Breast and Cervical Cancer Services Program.** Requires funds for the breast and cervical cancer program to be allocated using a specific methodology.

Section 6

State Health Services, Department of
Items not Included in Recommendations - Senate

	2016-17 Biennial Total			
	GR & GR-Dedicated		All Funds	
Agency Exceptional Items - In Agency Priority Order				
1. To Maintain FY15 service levels	\$	46,681,332	\$	46,681,332
a) Tobacco Prevention and Cessation	\$	10,696,324	\$	10,696,324
b) Hospital Cost Increases	\$	24,416,103	\$	24,416,103
c) State Hospital Patient Transport (136 vehicles)	\$	3,510,314	\$	3,510,314
d) NorthSTAR indigent caseload and health insurance fee	\$	8,058,591	\$	8,058,591
2. Maintain and Improve the State Hospital System	\$	108,808,068	\$	197,403,308
a) Modernization of the Public Mental Health System	\$	94,300,000	\$	94,300,000
b) Life and Safety Issues at State Hospitals	\$	-	\$	88,595,240
c) Patient Transition Support into Communities	\$	2,467,273	\$	2,467,273
d) Hospital Electronic Medical Records and IT Improvements	\$	12,040,795	\$	12,040,795
3. Ensure Preparedness for Infectious Disease & Disaster Responses	\$	30,399,840	\$	30,399,840
a) Ebola/Other Infectious Diseases	\$	25,399,840	\$	25,399,840
b) Local Preparedness for Hazardous Chemical Events - GRD5020	\$	5,000,000	\$	5,000,000
4. Enhance Expanded Primary Health Care Program	\$	20,000,000	\$	20,000,000
a) Enhance Expanded Primary Health Care Program	\$	20,000,000	\$	20,000,000
5. Enhance Substance Abuse Services	\$	44,884,389	\$	44,884,389
a) Substance Abuse Prevention	\$	27,880,342	\$	27,880,342
b) Neonatal Abstinence Syndrome	\$	17,004,047	\$	17,004,047
6. Community Mental Health Initiatives	\$	51,810,453	\$	65,384,916
a) Crisis Services	\$	12,870,168	\$	12,870,168

Section 6

State Health Services, Department of
Items not Included in Recommendations - Senate

2016-17 Biennial Total			
	GR & GR- Dedicated		All Funds
b) Mental Health Services in Nursing Homes and Alternatives to Long Term Care	\$ 26,483,575	\$	39,046,138
c) DFPS Relinquishment slots (20)	\$ 4,805,604	\$	4,805,604
d) Development and Expansion of Recovery-Focused Clubhouses.	\$ 2,548,226	\$	2,548,226
e) IT Improvements for Behavioral Health Services (CMBHS) System.	\$ 5,102,880	\$	6,114,780
7. Fund Waiting Lists	\$ 11,018,927	\$	11,018,927
a) Fund waiting lists (CSHCN) - 535 clients	\$ 11,018,927	\$	11,018,927
8. STD Prevention and Treatment	\$ 6,124,996	\$	6,124,996
a) Program expansion.	\$ 6,124,996	\$	6,124,996
9. Improve Prevention of Chronic Diseases	\$ 26,054,055	\$	26,054,055
a) Pediatric Asthma Management	\$ 3,750,000	\$	3,750,000
b) Adult Potentially Preventable Hospitalizations (PPH)	\$ 3,407,355	\$	3,407,355
c) Diabetes Prevention and Control	\$ 7,646,700	\$	7,646,700
d) Expanded Tobacco Prevention Services	\$ 11,250,000	\$	11,250,000
10. Improve Mobile Technology	\$ 6,200,000	\$	6,200,000
a) Improve Mobile Technology (Seat Management)	\$ 6,200,000	\$	6,200,000
11. Replace Vital Records System (TxEVER)	\$ 14,124,618	\$	14,124,618
a) Replace Vital Records System (TxEVER) using GRD funds	\$ 14,124,618	\$	14,124,618
Subtotal, Department of State Health Services Exceptional Items	\$ 366,106,678	\$	468,276,381

Section 6

State Health Services, Department of
Items not Included in Recommendations - Senate

	2016-17 Biennial Total	
	GR & GR-Dedicated	All Funds
Rider Requests not included in the Recommendations (new rider number)		
1. Rider 4, Other Reporting Requirements. Requested deletion of section c, Substance Abuse Prevention and Treatment Block Grant Maintenance of Effort Calculation.	\$ -	\$ -
2. Rider 10, Limitation: Transfer Authority. Requested deletion of this rider and requested two new riders to continue two provisions of Rider 13: c) Cost Pools and d) Cash Management.	\$ -	\$ -
3. Rider 40, Revolving Account for the Consolidated HHS Print Shop. Requested UB authority.	\$ -	\$ -
4. Rider 51, Federal Funded Capital Projects. Requested authority to increase an existing capital budget item or create a capital budget item if federal funding has a higher matching rate than anticipated.	\$ -	\$ -
5. Rider 56, Third Party Health Insurance Exchange Reporting Requirement. Requested deletion.	\$ -	\$ -
6. Rider 58, Mental Health Outcomes and Accountability. Requested UB authority.	\$ -	\$ -
7. Rider 64, Home and Community Based Services. Requested deletion of this rider and a new rider to combine the provisions of four mental health riders.	\$ -	\$ -
8. Rider 65, Mental Health Program for Veterans. Requested deletion of this rider and a new rider to combine the provisions of four mental health riders.	\$ -	\$ -
9. Rider 70, Harris County Jail Diversion Pilot Program. Requested deletion of this rider and a new rider to combine the provisions of four mental health riders.	\$ -	\$ -

Section 6

State Health Services, Department of
Items not Included in Recommendations - Senate

	2016-17 Biennial Total			
	GR & GR-Dedicated		All Funds	
10. Rider 74 (old), Contingency for Senate Bill 1475. Recommendations delete this rider. Agency requested deletion of this rider related to a jail-based restoration of competency program and a new rider to combine the provisions of four mental health riders.	\$	-	\$	-
11. Rider 91 (old), Family Planning Services. Recommendations delete this rider. Agency requested to retain unexpended balance authority.	\$	-	\$	-
12. Requested a new rider which combined the provisions of: Rider 74 (old) Contingency for Senate Bill 1475, Rider 64 Home and Community Based Services, Rider 65 Mental Health Program for Veterans, and Rider 70 Harris County Jail Diversion Pilot Program.	\$	-	\$	-
13. NEW Rider request, UB Authority for Rebate Revenues.	\$	-	\$	-
14. NEW Rider request, UB Authority for Residency Program.	\$	-	\$	-
15. NEW Rider request, Texas Electronic Vital Events Registrar.	\$	-	\$	-
Total, Department of State Health Services - Items Not Included in the Recommendations	\$	366,106,678	\$	468,276,381

Section 6

State Health Services, Department of
Items not Included in Recommendations - Senate

OVSOM (Office of Violent Sex Offender Management)

Agency Exceptional Items - In Agency Priority Order

- 1. Client per diem rate increase and caseload growth (2.0, 2.0 FTEs)**

- a) Per diem rate increase

- b) Caseload increase - includes 2 FTEs

- c) Health and Human Services Commission administrative support

- ## 2. Special Needs Mental Health

- a) Services contracted with Local Mental Health Authorities

- ### 3. Health Care

- a) Medical Services, Preventive Health Services, Pharmacy Services and Dental Services

Subtotal, Office of Violent Sex Offender Management - Exceptional Items

Rider Requests not included in the Recommendations (new rider number)

- 1. Article IX, Sec. 10.04. Statewide Behavioral Health Strategic Plan and Coordinated Expenditures.**

Request a modification to involve agency governing boards in the approval process of the five year strategic plan submitted by the coordinating council, and to change OVSOM funding amounts for FY2016-17 to \$0. If OVSOM's Exceptional Item 2(a) is funded, OVSOM requests that this amount be inserted in place of \$0.

Total, Office of Violent Sex Offender Management - Items Not Included in the Recommendations

2016-17 Biennial Total			
GR & GR-Dedicated		All Funds	
\$	11,431,598	\$	11,431,598
\$	6,305,740	\$	6,305,740
\$	4,912,090	\$	4,912,090
\$	213,768	\$	213,768
\$	309,922	\$	309,922
\$	309,922	\$	309,922
\$	1,924,703	\$	1,924,703
\$	1,924,703	\$	1,924,703
\$	13,666,223	\$	13,666,223
\$	-	\$	-
\$	13,666,223	\$	13,666,223

State Health Services, Department of
Summary of 10 Percent Biennial Base Reduction Options - Senate

Biennial Reduction Amounts								
Priority	Item	Description/Impact	GR and GR-Dedicated	All Funds	FTEs	Potential Revenue Loss	Reduction as % of Program GR/GR-D Total	Included in Intro Bill?
1	Vehicles	The agency received one-time funding for vehicle replacements last session. DSHS has requested vehicles replacement as an exceptional item.	\$2,018,235	\$2,018,235		\$0	100%	No
2	Administration	The reduction will impact administrative functions supporting agency programs and operations.	\$750,000	\$750,000		\$0	5%	No
3	Information Technology Support	Existing DSHS applications lack compliance with the federal and state mandated accessibility standards and regulations (HHS Policy, TX Gov't Code 2054, Subchapter M, TAC 206, TAC 213, Section 508 of the Rehab Act of 1973). This reduction will decrease the number of contracted staff that support accessibility remediation efforts, accessibility training to agency IT staff tasked with system maintenance responsibilities, and the number of applications planned (thirteen) for remediation.	\$1,000,000	\$1,000,000		\$0	2%	No
4	Reduce HIV to MOE level - offset with rebates	The reduction will cause the HIV program to reduce the amount of HIV medication-on-hand. *Note - GR allocation in the amount of \$52.4 million is required for the FY16 Ryan White Match and HIV MOE.	\$4,098,550	\$4,098,550		\$0	4%	No
5	Reduce Indigent Health Care Reimbursement (UTMB)	The reduction will eliminate all funding to be transferred to the University of Texas Medical Branch at Galveston for reimbursement of unpaid health care services to indigent patients. This reduction may affect UTMB's ability to provide the same level of indigent care.	\$9,809,765	\$9,809,765		\$0	100%	No
6	Close Rio Grande Center-Outpatient	The reduction will close the outpatient primary care facility. Current number of outpatient visits is 37,593.	\$6,319,584	\$6,319,584	68.0	\$0	96%	No
7	De-Regulation of Selected Licenses	This reflects the Sunset recommendations.	\$2,450,896	\$2,450,896	6.3	\$3,602,546	4%	No
8	County Indigent	This reduction will reduce the amount of funding available for reimbursement to counties for indigent health care services.	\$97,274	\$97,274		\$0	8%	No
9	EMS/Trauma	The reduction will decrease the reimbursement of uncompensated trauma care.	\$12,382,453	\$12,382,453		\$0	9%	No
10	Kidney Health Care	The reduction will eliminate the program benefit which provides partial reimbursement of transportation costs to dialysis and medical services of \$0.13 per roundtrip mile. The number of kidney health clients provided services will be reduced by 7,807.	\$12,900,000	\$12,900,000	2.6	\$0	34%	No

State Health Services, Department of
Summary of 10 Percent Biennial Base Reduction Options - Senate

Biennial Reduction Amounts								
Priority	Item	Description/Impact	GR and GR-Dedicated	All Funds	FTEs	Potential Revenue Loss	Reduction as % of Program GR/GR-D Total	Included in Intro Bill?
11	State Hospital Facility Repairs	In HB 1025, Section 47, 83rd Legislative Session, the agency was appropriated \$20 million in General Revenue to renovate and repair state hospitals. The agency has an excaptional item for \$88.6 million in General Obligation Bonds for additional renovations and repairs to state hospitals.	\$5,000,000	\$5,000,000		\$0	25%	Yes. HB 1025, the supplemental bill, appropriated \$20 million for one-time state hospital renovations. All of this funding is reallocated for other purposes.
12	Adult Mental Health	The reduction will decrease the average monthly number of adults receiving community mental health services by 11,518. In FY14, the average monthly number of adults served was 57,588.	\$38,127,240	\$38,127,240		\$0	7%	No
13	Children Mental Health	The reduction will decrease the average monthly number of children receiving community mental health services will be reduced by 2,481. In FY14, the average monthly number of adults served was 12,403.	\$9,030,410	\$9,030,410		\$0	7%	No
14	Crisis Services	The reduction will decrease the number of persons receiving crisis residential services per year by 4,329. In FY14, the number of persons receiving crisis residential services per year was 21,647. The reduction will also decrease the number of persons receiving crisis outpatient services per year by 11,974. In FY14, the number of persons receiving crisis outpatient services per year was 59,870.	\$21,800,000	\$21,800,000		\$0	10%	No
15	NorthSTAR	The reduction would reduce the benefits provided through the capitated managed care model.	\$5,631,115	\$5,631,115		\$0	7%	No
16	State Hospitals	The reduction will decrease the number of state hospital beds by 130. In FY14, the average daily census of state hospital facilities was 2,376. The reduced number of beds will increase the number of days clients have to wait to be admitted and may increase length of stay in emergency rooms and county jails.	\$45,587,312	\$45,587,312	425.0	\$0	7%	No
17	Family Planning	The reduction will decrease the number of clients served annually by 12,097.	\$3,765,889	\$3,765,889		\$0	10%	No

State Health Services, Department of
Summary of 10 Percent Biennial Base Reduction Options - Senate

Biennial Reduction Amounts								
Priority	Item	Description/Impact	GR and GR-Dedicated	All Funds	FTEs	Potential Revenue Loss	Reduction as % of Program GR/GR-D Total	Included in Intro Bill?
18	Primary Health Care	The reduction will decrease the number of clients served annually by 21,899.	\$12,581,141	\$12,581,141	3.0	\$0	10%	No
19	Women and Children	The reduction will decrease the number of women provided prenatal services by 8,257 annually and the number of women receiving breast and cervical cancer screenings by 1,818 annually.	\$3,881,698	\$3,881,698		\$0	21%	No
20	Immunizations - Adults	The reduction will decrease adult safety net vaccines in the following amounts: Hepatitis A 1,000 ; Hepatitis B 5,217 ; Hepatitis B-Hepatitis A 8,200; HPV 3,624; MMR (Measles/mumps/rubella) 6,280; Pneumococcal 2,704; Tetanus/diphtheria 3,868; Tetanus/diphtheria/pertussis 16,694; Flu 3,000.	\$6,053,077	\$6,053,077		\$0	8%	No
21	Chronic Diseases	The reduction will eliminate the Prevent Type 2 Diabetes Campaign and the program support for the Texas Diabetes Council's Medical Professional Advisory Subcommittee. The reduction will eliminate the printing of the Alzheimer's Disease Program reports and state plans. The Texas Healthy Communities program will provide reduced services. Funding will be limited to reimbursing Council members for travel to quarterly meetings. The Community and Worksite Wellness/Obesity program will eliminate all services other than a state mandated annual wellness conference and provision of technical assistance to partner organizations and programs.	\$737,445	\$737,445		\$0	6%	No
22	Tuberculosis	The reduction will decrease the amount of the 31 local health department contracts and reduce blood tests by 15,511 per year. The remaining reductions will further impact the purchasing of TB medication and contracts to the local health departments will be necessary.	\$1,551,119	\$1,551,119		\$0	4%	No
23	Children with Special Health Care Needs	The reduction will eliminate the health care benefits for the Children with Special Health Care Needs Clientsover the age of 21 with diagnosis of Cystic Fibrosis. Reduction of 444 clients.	\$2,400,000	\$2,400,000		\$0	4%	No
24	EMS/Trauma	The reduction will decrease the reimbursement of uncompensated trauma care.	\$12,382,453	\$12,382,453		\$0	9%	No

State Health Services, Department of
Summary of 10 Percent Biennial Base Reduction Options - Senate

Biennial Reduction Amounts								
Priority	Item	Description/Impact	GR and GR-Dedicated	All Funds	FTEs	Potential Revenue Loss	Reduction as % of Program GR/GR-D Total	Included in Intro Bill?
25	State Hospitals	The reduction will decrease the number of state hospital beds by 130. In FY14, the average daily census of state hospital facilities was 2,376. The reduced number of beds will increase the number of days clients have to wait to be admitted and may increase length of stay in emergency rooms and county jails.	\$45,587,312	\$45,587,312	425.0	\$0	7%	No
26	Office of Sex Offender Management	The reduction will result in the Office of Violent Sex Offender Management (OVSOM) being unable to provide the current level of supervision and monitoring of the sexually violent offenders and possibly be in violation of the court order. The court orders for the Sexually Violent Offenders require the SVPs to reside in a residential setting. The ability to maintain and recruit qualified and licensed sex offender treatment providers will be hindered. OVSOM will not pay HHSC the required HHSC oversight cost per employee of \$6,671.	\$1,293,151	\$1,293,151		\$0	10%	No
TOTAL, 10% Reduction Options			\$267,236,119	\$267,236,119	929.9	\$3,602,546		

State Health Services, Department of
Summary of 10 Percent Biennial Base Reduction Options - Senate
Agency 10% Reduction Options by Category of Reduction

