

Section 1

Aging and Disability Services, Department of  
Summary of Recommendations - Senate

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Jon Weizenbaum, Commissioner

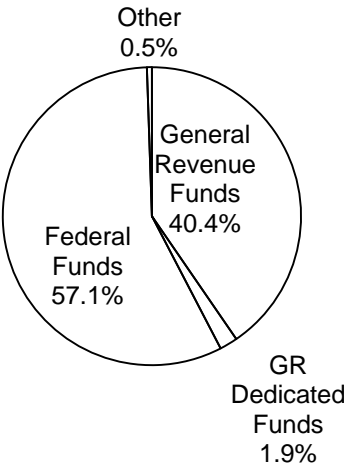
Bryan Hadley, LBB Analyst

Method of Financing	2014-15 Base	2016-17 Recommended	Biennial Change	% Change
General Revenue Funds	\$4,592,875,366	\$3,366,390,965	(\$1,226,484,401)	(26.7%)
GR Dedicated Funds	\$131,389,403	\$162,389,403	\$31,000,000	23.6%
Total GR-Related Funds	\$4,724,264,769	\$3,528,780,368	(\$1,195,484,401)	(25.3%)
Federal Funds	\$6,818,712,142	\$4,754,429,436	(\$2,064,282,706)	(30.3%)
Other	\$70,876,060	\$44,960,428	(\$25,915,632)	(36.6%)
All Funds	\$11,613,852,971	\$8,328,170,232	(\$3,285,682,739)	(28.3%)

	FY 2015 Budgeted	FY 2017 Recommended	Biennial Change	% Change
FTEs	16,968.2	16,739.1	(229.1)	(1.4%)

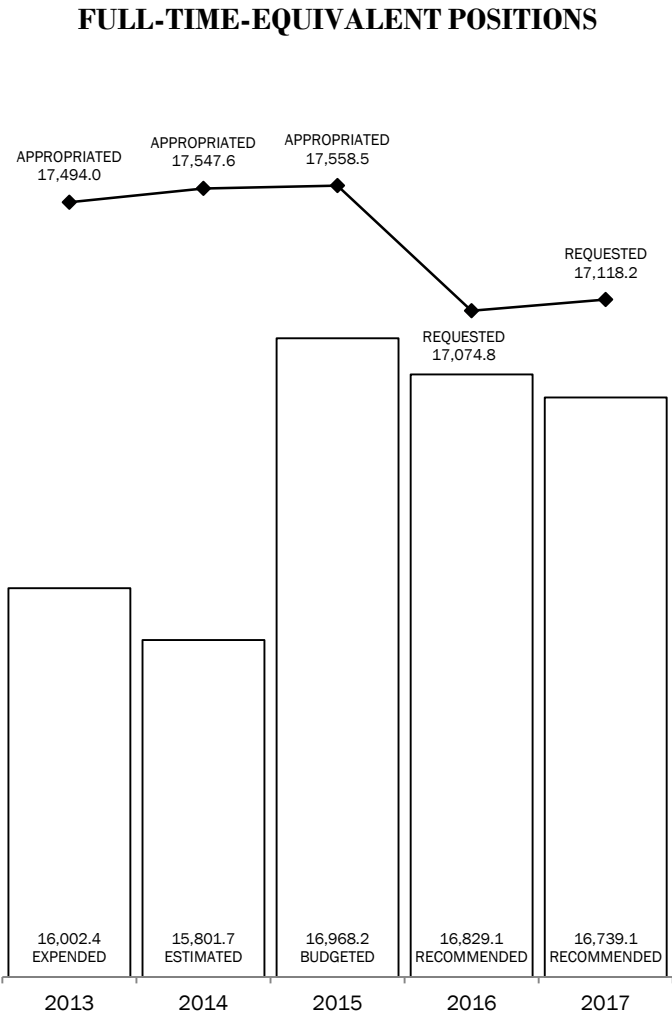
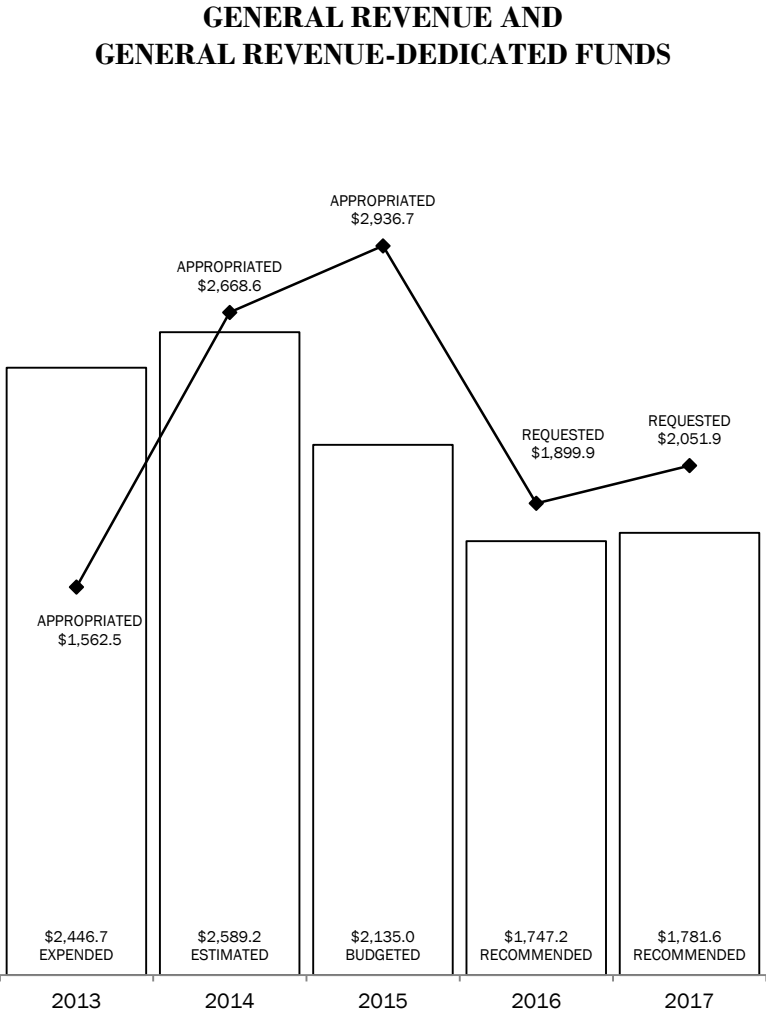
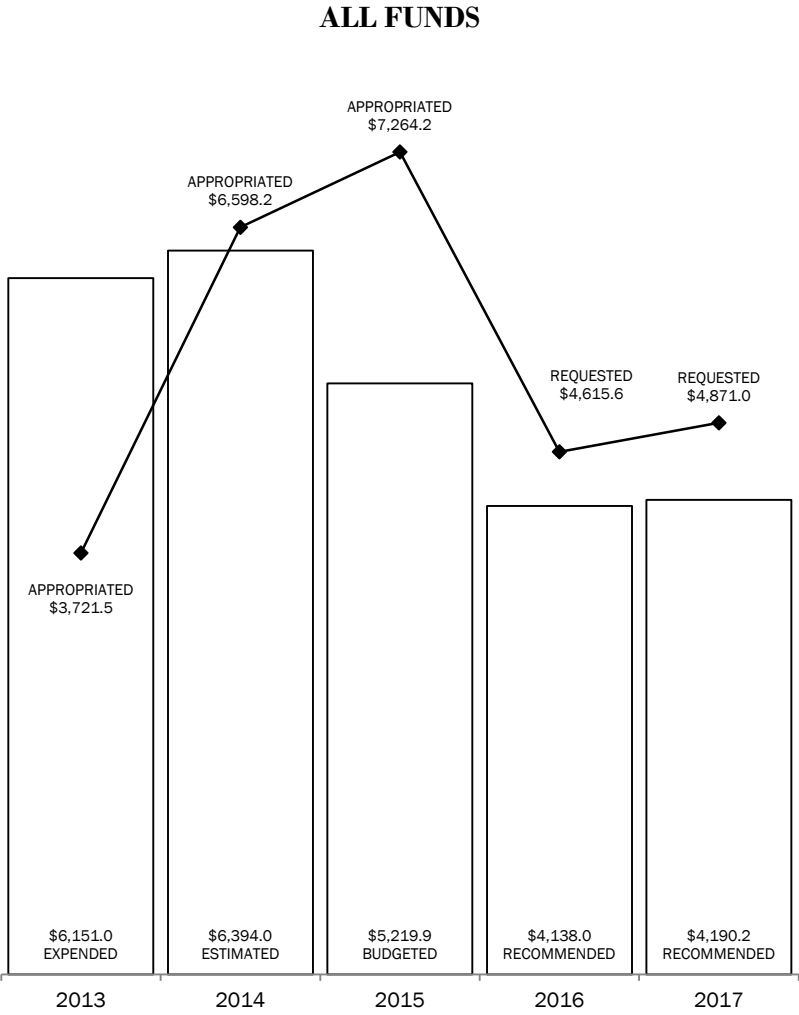
The bill pattern for this agency (2016-17 Recommended) represents an estimated 99.9% of the agency's estimated total available funds for the 2016-17 biennium.

RECOMMENDED FUNDING  
BY METHOD OF FINANCING



Section 1  
Aging and Disability Services, Department of  
2016-2017 BIENNIUM  
IN MILLIONS

TOTAL= \$8,328.2 MILLION



Section 2

Aging and Disability 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
INTAKE, ACCESS, & ELIGIBILITY A.1.1	\$506,296,258	\$506,296,258	\$0	0.0%	
GUARDIANSHIP A.1.2	\$15,239,446	\$15,239,446	\$0	0.0%	
PRIMARY HOME CARE A.2.1	\$111,032,221	\$29,071,128	(\$81,961,093)	(73.8%)	Reduction due to STAR+PLUS expansion (most clients now receiving services at HHSC) partially offset by increase due to caseload and cost growth (utilization and maintaining fiscal year 2015 attendant care wage increase) for clients still receiving services at DADS.
COMMUNITY ATTENDANT SERVICES A.2.2	\$1,140,934,596	\$1,266,081,310	\$125,146,714	11.0%	Increase due to caseload and cost growth (utilization and maintaining fiscal year 2015 attendant care wage increase).
DAY ACTIVITY & HEALTH SERVICES A.2.3	\$17,826,238	\$14,659,920	(\$3,166,318)	(17.8%)	Reduction due to STAR+PLUS expansion (most clients now receiving services at HHSC) partially offset by increase due to caseload and cost growth (utilization and maintaining fiscal year 2015 attendant care wage increase) for clients still receiving services at DADS.
COMMUNITY-BASED ALTERNATIVES A.3.1	\$153,478,359	\$0	(\$153,478,359)	(100.0%)	Reduction due to STAR+PLUS expansion.
HOME AND COMMUNITY-BASED SERVICES A.3.2	\$1,808,756,562	\$2,002,259,402	\$193,502,840	10.7%	Increase due to caseload growth and an increase in the proportion of clients receiving residential services.
COMMUNITY LIVING ASSISTANCE (CLASS) A.3.3	\$429,129,043	\$477,414,844	\$48,285,801	11.3%	Increase due to caseload growth.
DEAF-BLIND MULTIPLE DISABILITIES A.3.4	\$18,119,585	\$25,343,207	\$7,223,622	39.9%	Increase due to caseload growth.
MEDICALLY DEPENDENT CHILDREN PGM A.3.5	\$79,145,061	\$86,004,287	\$6,859,226	8.7%	Increase due to caseload growth and maintaining fiscal year 2015 attendant care wage increase.
TEXAS HOME LIVING WAIVER A.3.6	\$113,318,103	\$162,796,762	\$49,478,659	43.7%	Increase due to caseload growth.
NON-MEDICAID SERVICES A.4.1	\$307,535,375	\$307,535,375	\$0	0.0%	
ID COMMUNITY SERVICES A.4.2	\$68,803,840	\$68,803,840	\$0	0.0%	
PROMOTING INDEPENDENCE PLAN A.4.3	\$8,323,074	\$8,323,074	\$0	0.0%	
IN-HOME AND FAMILY SUPPORT A.4.4	\$9,979,814	\$9,979,814	\$0	0.0%	
ALL-INCLUSIVE CARE - ELDERLY (PACE) A.5.1	\$74,310,032	\$78,224,468	\$3,914,436	5.3%	Increase due to caseload growth.
NURSING FACILITY PAYMENTS A.6.1	\$3,557,587,533	\$260,453,017	(\$3,297,134,516)	(92.7%)	Reduction due to nursing facility carve-in to STAR+PLUS (most clients now receiving services at HHSC) partially offset by increase due to maintaining fiscal year 2015 nursing facility rate increase for clients still receiving services at DADS.

Section 2

Aging and Disability 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
MEDICARE SKILLED NURSING FACILITY A.6.2	\$257,369,949	\$136,321,225	(\$121,048,724)	(47.0%)	Reduction due to nursing facility carve-in to STAR+PLUS (most clients now receiving services at HHSC) partially offset by increase due to rates, which are tied to the federal Medicare inpatient hospital deductible and projected to increase each calendar year.
HOSPICE A.6.3	\$482,645,526	\$495,641,173	\$12,995,647	2.7%	Increase due to maintaining fiscal year 2015 nursing facility rate increase partially offset by caseload decline.
PROMOTING INDEPENDENCE SERVICES A.6.4	\$138,307,489	\$111,836,776	(\$26,470,713)	(19.1%)	Reduction due to STAR+PLUS expansion (CBA clients now receiving services at HHSC) and decline in MDCP clients partially offset by increase to maintain fiscal year 2015 attendant care wage increase.
INTERMEDIATE CARE FACILITIES - IID A.7.1	\$564,106,438	\$562,536,640	(\$1,569,798)	(0.3%)	Reduction due to decline in caseload.
STATE SUPPORTED LIVING CENTERS A.8.1	\$1,355,744,941	\$1,347,664,444	(\$8,080,497)	(0.6%)	Reduction due to decline in census partially offset by increase for vehicle replacement.
CAPITAL REPAIRS AND RENOVATIONS A.9.1	\$49,533,020	\$704,371	(\$48,828,649)	(98.6%)	Decline due to 2014-15 General Revenue (\$23 million) and GO Bond proceeds (\$25.8 million) not included for 2016-17. These were one-time funds for capital repairs.
<b>Total, Goal A, LONG-TERM SERVICES AND SUPPORTS</b>	<b>\$11,267,522,503</b>	<b>\$7,973,190,781</b>	<b>(\$3,294,331,722)</b>	<b>(29.2%)</b>	
FACILITY/COMMUNITY-BASED REGULATION B.1.1	\$139,399,584	\$139,399,584	\$0	0.0%	
CREDENTIALING/CERTIFICATION B.1.2	\$2,654,732	\$2,654,732	\$0	0.0%	
LTC QUALITY OUTREACH B.1.3	\$10,399,852	\$10,399,852	\$0	0.0%	
<b>Total, Goal B, REGULATION, CERTIFICATION, OUTREACH</b>	<b>\$152,454,168</b>	<b>\$152,454,168</b>	<b>\$0</b>	<b>0.0%</b>	
CENTRAL ADMINISTRATION C.1.1	\$74,162,523	\$74,162,523	\$0	0.0%	
IT PROGRAM SUPPORT C.1.2	\$119,713,777	\$128,362,760	\$8,648,983	7.2%	Increase due to funding completion of Medicaid Management Information System (MMIS) upgrade begun in FY2014 (\$0.4 million in General Revenue; \$3.6 million in All Funds), maintaining data center costs (\$1.9 in General Revenue; \$4.5 million in All Funds), and Server Consolidation (\$0.3 million in General Revenue; \$0.6 million in All Funds).
<b>Total, Goal C, INDIRECT ADMINISTRATION</b>	<b>\$193,876,300</b>	<b>\$202,525,283</b>	<b>\$8,648,983</b>	<b>4.5%</b>	
<b>Grand Total, All Strategies</b>	<b>\$11,613,852,971</b>	<b>\$8,328,170,232</b>	<b>(\$3,285,682,739)</b>	<b>(28.3%)</b>	

Section 2

Aging and Disability 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
<b>INTAKE, ACCESS, &amp; ELIGIBILITY A.1.1</b>	<b>\$506,296,258</b>	<b>\$506,296,258</b>	<b>\$0</b>	<b>0.0%</b>	
GENERAL REVENUE FUNDS	\$250,161,918	\$250,161,918	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$252,402,707	\$252,402,707	\$0	0.0%	
OTHER FUNDS	\$3,731,633	\$3,731,633	\$0	0.0%	
<b>GUARDIANSHIP A.1.2</b>	<b>\$15,239,446</b>	<b>\$15,239,446</b>	<b>\$0</b>	<b>0.0%</b>	
GENERAL REVENUE FUNDS	\$1,249,000	\$1,249,000	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$13,990,446	\$13,990,446	\$0	0.0%	
OTHER FUNDS	\$0	\$0	\$0	0.0%	
<b>PRIMARY HOME CARE A.2.1</b>	<b>\$111,032,221</b>	<b>\$29,071,128</b>	<b>(\$81,961,093)</b>	<b>(73.8%)</b>	
GENERAL REVENUE FUNDS	\$43,697,575	\$12,462,735	(\$31,234,840)	(71.5%)	Reduction due to STAR+PLUS expansion (most clients now receiving services at HHSC) partially offset by increase due to caseload and cost growth (utilization and maintaining fiscal year 2015 attendant care wage increase) for clients still receiving services at DADS, less favorable Federal Medical Assistance Percentage (FMAP), and loss of Balancing Incentive Program (BIP) enhanced match.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$67,334,646	\$16,608,393	(\$50,726,253)	(75.3%)	Reduction due to STAR+PLUS expansion (most clients now receiving services at HHSC), less favorable FMAP, and loss of BIP enhanced match. Reduction is partially offset by increase due to caseload and cost growth (utilization and maintaining fiscal year 2015 attendant care wage increase) for clients still receiving services at DADS.
OTHER FUNDS	\$0	\$0	\$0	0.0%	
<b>COMMUNITY ATTENDANT SERVICES A.2.2</b>	<b>\$1,140,934,596</b>	<b>\$1,266,081,310</b>	<b>\$125,146,714</b>	<b>11.0%</b>	
GENERAL REVENUE FUNDS	\$451,836,434	\$526,719,019	\$74,882,585	16.6%	Increase due to caseload and cost growth (utilization and maintaining fiscal year 2015 attendant care wage increase), less favorable FMAP, and loss of BIP enhanced match. Increase is partially offset by General Revenue- Dedicated for General Revenue MOF swap.

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Aging and Disability 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
GR DEDICATED	\$0	\$16,000,000	\$16,000,000	100.0%	Increase from appropriating balance and revenue from General Revenue- Dedicated Account 5109, Medicaid Estate Recovery.
FEDERAL FUNDS	\$689,098,162	\$723,362,291	\$34,264,129	5.0%	Increase due to caseload and cost (utilization and maintaining fiscal year 2015 attendant care wage increase) growth. Increase is partially offset by reduction due to less favorable FMAP and loss of BIP enhanced match.
OTHER FUNDS	\$0	\$0	\$0	0.0%	
<b>DAY ACTIVITY &amp; HEALTH SERVICES A.2.3</b>	<b>\$17,826,238</b>	<b>\$14,659,920</b>	<b>(\$3,166,318)</b>	<b>(17.8%)</b>	
GENERAL REVENUE FUNDS	\$7,042,814	\$6,282,092	(\$760,722)	(10.8%)	Reduction due to STAR+PLUS expansion (most clients now receiving services at HHSC) partially offset by increase due to caseload and cost (utilization and maintaining fiscal year 2015 attendant care wage increase) growth for clients still receiving services at DADS, less favorable FMAP, and loss of BIP enhanced match.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$10,783,424	\$8,377,828	(\$2,405,596)	(22.3%)	Reduction due to STAR+PLUS expansion (most clients now receiving services at HHSC), less favorable FMAP, and loss of BIP enhanced match. Reduction is partially offset by increase due to caseload and cost (utilization and maintaining fiscal year 2015 attendant care wage increase) growth for clients still receiving services at DADS.
OTHER FUNDS	\$0	\$0	\$0	0.0%	
<b>COMMUNITY-BASED ALTERNATIVES A.3.1</b>	<b>\$153,478,359</b>	<b>\$0</b>	<b>(\$153,478,359)</b>	<b>(100.0%)</b>	
GENERAL REVENUE FUNDS	\$60,334,407	\$0	(\$60,334,407)	(100.0%)	Reduction due to STAR+PLUS expansion.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$93,143,952	\$0	(\$93,143,952)	(100.0%)	Reduction due to STAR+PLUS expansion.
OTHER FUNDS	\$0	\$0	\$0	0.0%	
<b>HOME AND COMMUNITY-BASED SERVICES A.3.2</b>	<b>\$1,808,756,562</b>	<b>\$2,002,259,402</b>	<b>\$193,502,840</b>	<b>10.7%</b>	
GENERAL REVENUE FUNDS	\$707,236,938	\$849,386,564	\$142,149,626	20.1%	Increase due to caseload growth and an increase in the proportion of clients receiving residential services, less favorable FMAP, and loss of BIP and Money Follows the Person (MFP) enhanced matches. Increase is partially offset by a reduction for Community First Choice (CFC) enhanced match.
GR DEDICATED	\$0	\$0	\$0	0.0%	

Section 2

Aging and Disability 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
FEDERAL FUNDS	\$1,101,519,624	\$1,152,872,838	\$51,353,214	4.7%	Increase due to caseload growth, an increase in the proportion of clients receiving residential services, and CFC enhanced match. Increase is partially offset by a reduction for less favorable FMAP and loss of BIP and MFP enhanced matches.
OTHER FUNDS	\$0	\$0	\$0	0.0%	
<b>COMMUNITY LIVING ASSISTANCE (CLASS) A.3.3</b>	<b>\$429,129,043</b>	<b>\$477,414,844</b>	<b>\$48,285,801</b>	<b>11.3%</b>	
GENERAL REVENUE FUNDS	\$165,619,939	\$186,441,832	\$20,821,893	12.6%	Increase due to caseload growth, less favorable FMAP, and loss of BIP enhanced match. Increase is partially offset by a reduction for CFC enhanced match.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$263,509,104	\$290,973,012	\$27,463,908	10.4%	Increase due to caseload growth and CFC enhanced match. Increase is partially offset by a reduction for less favorable FMAP and loss of BIP enhanced match.
OTHER FUNDS	\$0	\$0	\$0	0.0%	
<b>DEAF-BLIND MULTIPLE DISABILITIES A.3.4</b>	<b>\$18,119,585</b>	<b>\$25,343,207</b>	<b>\$7,223,622</b>	<b>39.9%</b>	
GENERAL REVENUE FUNDS	\$7,047,663	\$10,236,052	\$3,188,389	45.2%	Increase due to caseload growth, less favorable FMAP, and loss of BIP enhanced match. Increase is partially offset by a reduction for CFC enhanced match.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$11,071,922	\$15,107,155	\$4,035,233	36.4%	Increase due to caseload growth and CFC enhanced match. Increase is partially offset by a reduction for less favorable FMAP and loss of BIP enhanced match.
OTHER FUNDS	\$0	\$0	\$0	0.0%	
<b>MEDICALLY DEPENDENT CHILDREN PGM A.3.5</b>	<b>\$79,145,061</b>	<b>\$86,004,287</b>	<b>\$6,859,226</b>	<b>8.7%</b>	
GENERAL REVENUE FUNDS	\$31,327,810	\$36,860,936	\$5,533,126	17.7%	Increase due to caseload growth, less favorable FMAP, loss of BIP enhanced match, and maintaining fiscal year 2015 attendant care wage increase.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$47,817,251	\$49,143,351	\$1,326,100	2.8%	Increase due to caseload growth and maintaining fiscal year 2015 attendant care wage increase. Increase is partially offset by a reduction for less favorable FMAP and loss of BIP enhanced match.
OTHER FUNDS	\$0	\$0	\$0	0.0%	
<b>TEXAS HOME LIVING WAIVER A.3.6</b>	<b>\$113,318,103</b>	<b>\$162,796,762</b>	<b>\$49,478,659</b>	<b>43.7%</b>	
GENERAL REVENUE FUNDS	\$44,378,155	\$67,262,931	\$22,884,776	51.6%	Increase due to caseload growth, less favorable FMAP, and loss of BIP enhanced match. Increase is partially offset by a reduction for CFC enhanced match.

Section 2

Aging and Disability 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
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$68,939,948	\$95,533,831	\$26,593,883	38.6%	Increase due to caseload growth and CFC enhanced match. Increase is partially offset by a reduction for less favorable FMAP and loss of BIP enhanced match.
OTHER FUNDS	\$0	\$0	\$0	0.0%	
<b>NON-MEDICAID SERVICES A.4.1</b>	<b>\$307,535,375</b>	<b>\$307,535,375</b>	<b>\$0</b>	<b>0.0%</b>	
GENERAL REVENUE FUNDS	\$36,742,213	\$50,043,293	\$13,301,080	36.2%	Increase in General Revenue to maintain service levels following a projected decline in federal Social Service Block Grant (SSBG) funds.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$270,793,162	\$257,492,082	(\$13,301,080)	(4.9%)	
OTHER FUNDS	\$0	\$0	\$0	0.0%	
<b>ID COMMUNITY SERVICES A.4.2</b>	<b>\$68,803,840</b>	<b>\$68,803,840</b>	<b>\$0</b>	<b>0.0%</b>	
GENERAL REVENUE FUNDS	\$68,797,840	\$68,797,840	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$0	\$0	\$0	0.0%	
OTHER FUNDS	\$6,000	\$6,000	\$0	0.0%	
<b>PROMOTING INDEPENDENCE PLAN A.4.3</b>	<b>\$8,323,074</b>	<b>\$8,323,074</b>	<b>\$0</b>	<b>0.0%</b>	
GENERAL REVENUE FUNDS	\$5,427,396	\$5,427,396	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$2,895,678	\$2,895,678	\$0	0.0%	
OTHER FUNDS	\$0	\$0	\$0	0.0%	
<b>IN-HOME AND FAMILY SUPPORT A.4.4</b>	<b>\$9,979,814</b>	<b>\$9,979,814</b>	<b>\$0</b>	<b>0.0%</b>	
GENERAL REVENUE FUNDS	\$9,979,814	\$9,979,814	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$0	\$0	\$0	0.0%	
OTHER FUNDS	\$0	\$0	\$0	0.0%	
<b>ALL-INCLUSIVE CARE - ELDERLY (PACE) A.5.1</b>	<b>\$74,310,032</b>	<b>\$78,224,468</b>	<b>\$3,914,436</b>	<b>5.3%</b>	
GENERAL REVENUE FUNDS	\$29,414,732	\$33,522,444	\$4,107,712	14.0%	Increase due to caseload growth, less favorable FMAP, and loss of BIP enhanced match.



Section 2

Aging and Disability 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
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$44,895,300	\$44,702,024	(\$193,276)	(0.4%)	Reduction due to less favorable FMAP and loss of BIP enhanced match partially offset by increase due to caseload growth.
OTHER FUNDS	\$0	\$0	\$0	0.0%	
<b>NURSING FACILITY PAYMENTS A.6.1</b>	<b>\$3,557,587,533</b>	<b>\$260,453,017</b>	<b>(\$3,297,134,516)</b>	<b>(92.7%)</b>	
GENERAL REVENUE FUNDS	\$1,480,939,673	\$117,276,228	(\$1,363,663,445)	(92.1%)	Reduction due to nursing facility carve-in to STAR+PLUS (most clients now receiving services at HHSC) partially offset by increase due to maintaining fiscal year 2015 nursing facility rate increase for clients still receiving services at DADS and less favorable FMAP.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$2,076,647,860	\$143,176,789	(\$1,933,471,071)	(93.1%)	Reduction due to nursing facility carve-in to STAR+PLUS (most clients now receiving services at HHSC) and less favorable FMAP partially offset by increase due to maintaining fiscal year 2015 nursing facility rate increase for clients still receiving services at DADS.
OTHER FUNDS	\$0	\$0	\$0	0.0%	
<b>MEDICARE SKILLED NURSING FACILITY A.6.2</b>	<b>\$257,369,949</b>	<b>\$136,321,225</b>	<b>(\$121,048,724)</b>	<b>(47.0%)</b>	
GENERAL REVENUE FUNDS	\$106,860,239	\$58,478,774	(\$48,381,465)	(45.3%)	Reduction due to nursing facility carve-in to STAR+PLUS (most clients now receiving services at HHSC) partially offset by increase due to rates, which are tied to the federal Medicare inpatient hospital deductible and projected to increase each calendar year, and less favorable FMAP.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$150,509,710	\$77,842,451	(\$72,667,259)	(48.3%)	Reduction due to nursing facility carve-in to STAR+PLUS (most clients now receiving services at HHSC) and less favorable FMAP partially offset by increase due to rates, which are tied to the federal Medicare inpatient hospital deductible and projected to increase each calendar year.
OTHER FUNDS	\$0	\$0	\$0	0.0%	
<b>HOSPICE A.6.3</b>	<b>\$482,645,526</b>	<b>\$495,641,173</b>	<b>\$12,995,647</b>	<b>2.7%</b>	
GENERAL REVENUE FUNDS	\$200,699,173	\$212,607,643	\$11,908,470	5.9%	Increase due to maintaining fiscal year 2015 nursing facility rate increase and less favorable FMAP partially offset by caseload decline.
GR DEDICATED	\$0	\$0	\$0	0.0%	

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Aging and Disability 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
FEDERAL FUNDS	\$281,946,353	\$283,033,530	\$1,087,177	0.4%	Increase due to maintaining fiscal year 2015 nursing facility rate increase partially offset by less favorable FMAP and caseload decline.
OTHER FUNDS	\$0	\$0	\$0	0.0%	
<b>PROMOTING INDEPENDENCE SERVICES A.6.4</b>	<b>\$138,307,489</b>	<b>\$111,836,776</b>	<b>(\$26,470,713)</b>	<b>(19.1%)</b>	
GENERAL REVENUE FUNDS	\$53,717,246	\$46,950,981	(\$6,766,265)	(12.6%)	Reduction due to STAR+PLUS expansion (CBA clients now receiving services at HHSC), decline in MDCP clients, and CFC enhanced match. Reduction is partially offset by increase for less favorable FMAP, loss of BIP and MFP enhanced matches, and maintaining fiscal year 2015 attendant care wage increase.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$84,590,243	\$64,885,795	(\$19,704,448)	(23.3%)	Reduction due to STAR+PLUS expansion (CBA clients now receiving services at HHSC), decline in MDCP clients, less favorable FMAP, and loss of BIP and MFP enhanced matches. Reduction is partially offset by increase for CFC enhanced match and maintaining fiscal year 2015 attendant care wage increase.
OTHER FUNDS	\$0	\$0	\$0	0.0%	
<b>INTERMEDIATE CARE FACILITIES - IID A.7.1</b>	<b>\$564,106,438</b>	<b>\$562,536,640</b>	<b>(\$1,569,798)</b>	<b>(0.3%)</b>	
GENERAL REVENUE FUNDS	\$124,591,574	\$131,231,947	\$6,640,373	5.3%	Increase for less favorable FMAP partially offset by a reduction due to decline in caseload.
GR DEDICATED	\$110,000,000	\$110,000,000	\$0	0.0%	
FEDERAL FUNDS	\$329,337,648	\$321,127,477	(\$8,210,171)	(2.5%)	Reductions reflects forecasted decline in caseload and less favorable FMAP.
OTHER FUNDS	\$177,216	\$177,216	\$0	0.0%	
<b>STATE SUPPORTED LIVING CENTERS A.8.1</b>	<b>\$1,355,744,941</b>	<b>\$1,347,664,444</b>	<b>(\$8,080,497)</b>	<b>(0.6%)</b>	
GENERAL REVENUE FUNDS	\$568,792,202	\$583,480,653	\$14,688,451	2.6%	Increase for less favorable FMAP and vehicle replacement partially offset by a reduction due to decline in census.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$749,686,634	\$727,107,371	(\$22,579,263)	(3.0%)	Reduction for less favorable FMAP and decline in census.
OTHER FUNDS	\$37,266,105	\$37,076,420	(\$189,685)	(0.5%)	Reduction due to decline in census.
<b>CAPITAL REPAIRS AND RENOVATIONS A.9.1</b>	<b>\$49,533,020</b>	<b>\$704,371</b>	<b>(\$48,828,649)</b>	<b>(98.6%)</b>	
GENERAL REVENUE FUNDS	\$23,124,766	\$124,766	(\$23,000,000)	(99.5%)	Reduction due to one-time funding for capital repairs not included for 2016-17.

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Aging and Disability 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
GR DEDICATED	\$579,605	\$579,605	\$0	0.0%	
FEDERAL FUNDS	\$0	\$0	\$0	0.0%	
OTHER FUNDS	\$25,828,649	\$0	(\$25,828,649)	(100.0%)	Reduction due to 2014-15 GO Bond proceeds not included for 2016-17.
<b>Total, Goal A, LONG-TERM SERVICES AND SUPPORTS</b>	<b>\$11,267,522,503</b>	<b>\$7,973,190,781</b>	<b>(\$3,294,331,722)</b>	<b>(29.2%)</b>	
GENERAL REVENUE FUNDS	\$4,479,019,521	\$3,264,984,858	(\$1,214,034,663)	(27.1%)	
GR DEDICATED	\$110,579,605	\$126,579,605	\$16,000,000	14.5%	
FEDERAL FUNDS	\$6,610,913,774	\$4,540,635,049	(\$2,070,278,725)	(31.3%)	
OTHER FUNDS	\$67,009,603	\$40,991,269	(\$26,018,334)	(38.8%)	
<b>FACILITY/COMMUNITY-BASED REGULATION B.1.1</b>	<b>\$139,399,584</b>	<b>\$139,399,584</b>	<b>\$0</b>	<b>0.0%</b>	
GENERAL REVENUE FUNDS	\$24,810,773	\$9,810,773	(\$15,000,000)	(60.5%)	Reduction due to method of finance swap with General Revenue- Dedicated account 5018, Home Health Services.
GR DEDICATED	\$20,809,798	\$35,809,798	\$15,000,000	72.1%	Increase due to method of finance swap between General Revenue funds and General Revenue- Dedicated account 5018, Home Health Services.
FEDERAL FUNDS	\$93,779,013	\$93,779,013	\$0	0.0%	
OTHER FUNDS	\$0	\$0	\$0	0.0%	
<b>CREDENTIALING/CERTIFICATION B.1.2</b>	<b>\$2,654,732</b>	<b>\$2,654,732</b>	<b>\$0</b>	<b>0.0%</b>	
GENERAL REVENUE FUNDS	\$1,814,620	\$1,814,620	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$840,112	\$840,112	\$0	0.0%	
OTHER FUNDS	\$0	\$0	\$0	0.0%	
<b>LTC QUALITY OUTREACH B.1.3</b>	<b>\$10,399,852</b>	<b>\$10,399,852</b>	<b>\$0</b>	<b>0.0%</b>	
GENERAL REVENUE FUNDS	\$4,078,729	\$4,078,729	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$6,321,123	\$6,321,123	\$0	0.0%	
OTHER FUNDS	\$0	\$0	\$0	0.0%	
<b>Total, Goal B, REGULATION, CERTIFICATION, OUTREACH</b>	<b>\$152,454,168</b>	<b>\$152,454,168</b>	<b>\$0</b>	<b>0.0%</b>	
GENERAL REVENUE FUNDS	\$30,704,122	\$15,704,122	(\$15,000,000)	(48.9%)	
GR DEDICATED	\$20,809,798	\$35,809,798	\$15,000,000	72.1%	

Section 2

Aging and Disability 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
FEDERAL FUNDS	\$100,940,248	\$100,940,248	\$0	0.0%	
OTHER FUNDS	\$0	\$0	\$0	0.0%	
<b>CENTRAL ADMINISTRATION C.1.1</b>	<b>\$74,162,523</b>	<b>\$74,162,523</b>	<b>\$0</b>	<b>0.0%</b>	
GENERAL REVENUE FUNDS	\$31,638,753	\$31,638,753	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$39,825,896	\$39,825,896	\$0	0.0%	
OTHER FUNDS	\$2,697,874	\$2,697,874	\$0	0.0%	
<b>IT PROGRAM SUPPORT C.1.2</b>	<b>\$119,713,777</b>	<b>\$128,362,760</b>	<b>\$8,648,983</b>	<b>7.2%</b>	Increase due to funding completion of Medicaid Management Information System
GENERAL REVENUE FUNDS	\$51,512,970	\$54,063,232	\$2,550,262	5.0%	(MMIS) upgrade begun in FY2014 (\$0.4 million in General Revenue; \$3.6 million
GR DEDICATED	\$0	\$0	\$0	0.0%	in All Funds), maintaining data center costs (\$1.9 in General Revenue; \$4.5
FEDERAL FUNDS	\$67,032,224	\$73,028,243	\$5,996,019	8.9%	million in All Funds), and Server Consolidation (\$0.3 million in General Revenue;
OTHER FUNDS	\$1,168,583	\$1,271,285	\$102,702	8.8%	\$0.6 million in All Funds).
<b>Total, Goal C, INDIRECT ADMINISTRATION</b>	<b>\$193,876,300</b>	<b>\$202,525,283</b>	<b>\$8,648,983</b>	<b>4.5%</b>	
GENERAL REVENUE FUNDS	\$83,151,723	\$85,701,985	\$2,550,262	3.1%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$106,858,120	\$112,854,139	\$5,996,019	5.6%	
OTHER FUNDS	\$3,866,457	\$3,969,159	\$102,702	2.7%	
<b>Grand Total, All Agency</b>	<b>\$11,613,852,971</b>	<b>\$8,328,170,232</b>	<b>(\$3,285,682,739)</b>	<b>(28.3%)</b>	
GENERAL REVENUE FUNDS	\$4,592,875,366	\$3,366,390,965	(\$1,226,484,401)	(26.7%)	
GR DEDICATED	\$131,389,403	\$162,389,403	\$31,000,000	23.6%	
FEDERAL FUNDS	\$6,818,712,142	\$4,754,429,436	(\$2,064,282,706)	(30.3%)	
OTHER FUNDS	\$70,876,060	\$44,960,428	(\$25,915,632)	(36.6%)	

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### Department of Aging and Disability Services Selected Fiscal and Policy Issues- Senate

1. Surplus in Fiscal Years 2014-15
  - Based on LBB caseload and cost assumptions, the General Revenue surplus in Medicaid at the Department of Aging and Disability Services (DADS) is \$142.3 million. It is assumed these funds will be transferred to the Health and Human Services Commission (HHSC) to help meet supplemental needs in the Medicaid program.
2. Managed Care Expansions
  - Pursuant to Senate Bill 7, Eighty-third Legislature, Regular Session, the STAR+PLUS program expanded statewide in September 2014 and nursing facility services are anticipated to be carved into STAR+PLUS in March 2015. These two managed care expansions result in long-term-care services previously provided at DADS being provided at HHSC. DADS strategies affected by the STAR+PLUS expansion or nursing facility carve-in include A.2.1. Primary Home Care, A.2.3. Day Activity & Health Services, A.3.1. Community-based Alternatives, A.6.1. Nursing Facility Payments, A.6.2. Medicare Skilled Nursing Facility, and A.6.4. Promoting Independence Services. 2016-17 projected expenditures at DADS for clients who will receive these long-term-care services through HHSC decline by approximately \$3.7 billion in All Funds, including \$1.5 billion in General Revenue Funds, from the 2014-15 expenditure level. Certain clients served or services provided in these strategies will remain at DADS.
3. Medicaid Client Services Strategies Remaining at DADS (See **Supplemental Schedule 1**)
  - In addition to the clients and services remaining at DADS in strategies affected by managed care expansions, DADS will continue providing Medicaid community care entitlement and waiver services and institutional services in strategies A.2.2. Community Attendant Services, A.3.2. Home and Community-based Services, A.3.3. Community Living and Support Services, A.3.4. Deaf-Blind Multiple Disabilities, A.3.5. Medically Dependent Children Program, A.3.6. Texas Home Living Waiver, A.5.1. All-inclusive Care – Elderly (PACE), A.6.3. Hospice, A.7.1. Intermediate Care Facilities-IID, and A.8.1. State Supported Living Centers. Estimated expenditures for all Medicaid clients and services remaining at DADS are projected to increase by approximately \$458.2 million in All Funds, including \$341.3 million in General Revenue-related Funds, over the 2014-15 levels.
    - **Caseload Growth** accounts for \$150.1 million of the increase in General Revenue-related Funds.
    - **Cost Adjustments** account for \$35.6 million of the increase in General Revenue-related Funds. Cost is held to 2015 with the exception of rates for Medicare Co-Pay Skilled Nursing Facility services, which are tied to the Medicare inpatient hospital deductible and funded at the projected federal level. The increase in General Revenue-related Funds is related to growth in those rates, maintaining higher fiscal year 2015 costs in both years of the 2016-17 biennium, and to a higher proportion of clients receiving residential services (which are higher cost) in the Home and Community-based Services waiver. Higher fiscal year 2015 costs include rate increases for attendant care wage increases and nursing facility services, increased utilization of some services, and increased rates for Medicare Co-pay Skilled Nursing Facility services.
      - The recommendations do not include cost growth for fiscal years 2016-17, which is estimated to be \$39.5 million in All Funds, including \$17.0 million in General Revenue Funds.
    - An assumed less favorable **Federal Medical Assistance Percentage (FMAP)** in fiscal years 2016 and 2017 accounts for \$91.6

## Section 3

- million of the increase in General Revenue-related funds (and results in a like decrease in Federal Funds).
- Changes in the availability of **enhanced federal matches** account for a net \$58.2 million of the increase in General Revenue-related Funds (and an equal decline in Federal Funds). See item 4 for details.
- Other adjustments include leap year, which results in an extra day of DADS Medicaid services in fiscal year 2016, at an estimated cost of \$3.1 million in General Revenue-related Funds; vehicle replacement for State Supported Living Centers (SSLCs, cost of \$3.0 million); and a reduction of \$0.4 million for Master Lease Purchase Program (MLPP) payments per Texas Public Finance Authority's updated estimates.

### 4. Enhanced Matches

- The **Balancing Incentive Program** provides participating states an additional two percent federal match for qualifying community long-term-care services for federal fiscal years 2013 to 2015. Only one month of state fiscal year 2016 is eligible for this enhanced match. The loss of this enhanced match results in an estimated increase of \$73.8 million in General Revenue-related Funds and an equal decrease in Federal Funds compared to 2014-15.
- The **Money Follows the Person** demonstration provides an enhanced federal match for services provided to certain persons transitioning from institutional services to community-based services for a period of one year post-relocation. The enhanced match results in a 50 percent reduction in the state's share of expenditures under FMAP. The Eighty-third Legislature provided funding in 2014-15 for 760 persons moving from Intermediate Care Facilities for Persons with Intellectual and Developmental Disabilities (ICFs/IID) and nursing homes into Home and Community-based Services (HCS) waiver slots. Recommendations do not assume new waiver slots for this population in 2016-17. Additionally there has been a decline in the number of persons qualifying for the enhanced match in strategy A.6.4. Promoting Independence Services. Combined, these two factors are expected to result in an increase of \$5.7 million in General Revenue-related Funds and an equal decrease in Federal Funds compared to 2014-15.
- These losses are offset by an estimated \$21.3 million in increased Federal Funds (and reduced demand for General Revenue-related Funds) from a new enhanced match associated with the **Community First Choice** (CFC) program. CFC provides an additional six percent federal match for certain attendant and habilitation services. While the program has not yet received federal approval, recommendations assume it will be implemented March 1, 2015. Implementation is now expected to occur June 1, 2015.

### 5. State Supported Living Centers (SSLCs)

- Recommendations increase SSLC appropriations by \$14.7 million in General Revenue Funds and decrease them by \$22.6 million in Federal Funds, a net decrease of \$8.1 million in All Funds. This reduction is included in item #3 above.
- The reduction assumes that a portion of SSLC expenditures are variable costs and should be reduced proportionately as the census decreases. The average monthly SSLC census has declined by 31 percent from fiscal year 2004 to fiscal year 2014. Recommendations assume a system-wide census decline of approximately 6 percent in each of fiscal years 2015, 2016, and 2017. Recommendations assume 10 percent of fiscal year 2015 budgeted expenditures are variable and reduce that portion of expenditures by the projected caseload decline in each of fiscal years 2016 and 2017. There is an additional reduction for MLPP payments and an increase for vehicle replacement.
- Annual expenditures per resident are projected to increase over fiscal year 2015 levels by 6.1 percent in fiscal year 2016 and 12.7 percent in fiscal year 2017. See **Supplemental Schedule 3**.

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- Recommendations do not assume closure of any SSLCs in fiscal years 2016-17. Closing one or more SSLCs would have complex short- and long-term fiscal implications. Cost savings, cost transfers, and revenue generation would vary depending on the campus(es) identified for closure. For instance, there may be an initial cost from placing clients in alternative settings while the SSLC continues to operate. The amount of revenue to the state from SSLC property sales will vary depending on the amount of outstanding debt at a campus and whether the property has any deed restrictions.

### 6. Department of Justice Settlement Agreement

- In 2009, the state of Texas and the U.S. Department of Justice entered into a settlement agreement regarding services provided to individuals with intellectual disabilities in state-operated facilities as well as the transition of such individuals to the most integrated setting appropriate to meet their needs and preferences. Under the terms of the agreement, independent monitoring reviews are conducted semiannually at each SSLC to determine compliance within each of 20 substantive sections of improvement listed in the settlement agreement. The agency continues to provide updates on each center's overall compliance ratings and individual campus initiatives to improve compliance with particular sections of the agreement.

### 7. Social Services Block Grant (SSBG)

- Recommendations include an increase of \$13.3 million in General Revenue to maintain service levels in Strategy A.4.1, Non-Medicaid Services, following a projected decline in SSBG Funds from 2014-15 levels. Services funded by SSBG in this strategy include home-delivered meals and other non-Medicaid community services.

### 8. General Revenue Dedicated (GRD) Funds (method-of-finance swap)

- Recommendations include \$31 million in General Revenue–Dedicated Funds in place of General Revenue Funds:
  - \$15.0 million from General Revenue Dedicated Account 5018, Home Health Services, in strategy B.1.1, Facility/Community-Based Regulation; and
  - \$16.0 million from General Revenue Dedicated Account 5109, Medicaid Estate Recovery, in A.2.2, Community Attendant Services.

### 9. Data Center Consolidation:

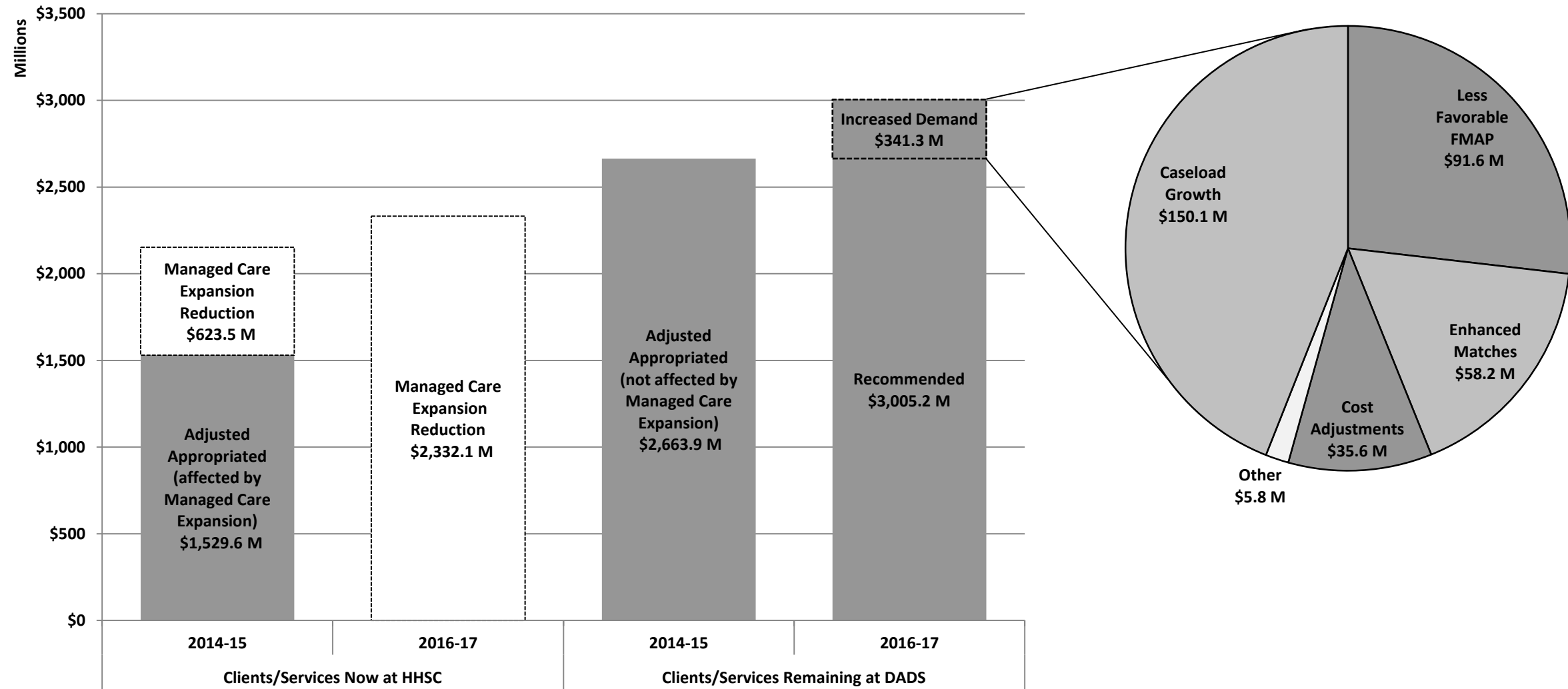
- **Maintain Current Services.** Recommendations include an increase of \$1.9 million in General Revenue and \$4.5 million in All Funds for maintaining Data Center Services.
- **Server Consolidation.** Recommendations include an increase of \$0.3 million in General Revenue and \$0.6 million All Funds to fund the remediation of certain agency applications. These are applications that need either re-writing or some other upgrade before they are compatible with the Data Center. State funded IT and program staff will work with contracted staff to ensure the databases and associated application and batch processes can be remediated within the 2016-17 biennium. Work will include nine database upgrades, data conversion and migration and Stored Procedure migration and deployments.

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10. Vehicle Replacement
  - Recommendations include an increase of \$3.0 million in General Revenue to replace 110 vehicles at SSLCs that either have over 150,000 miles or are more than 20 years old.
11. Capital Repairs and Renovations
  - Recommendations include a \$48.8 million decline in All Funds, including General Revenue (\$23.0 million) and GO Bond proceeds (\$25.8 million), not included for 2016-17. These were one-time funds for capital repairs.
12. Community Care Waivers
  - A schedule showing waiver program activity in fiscal years 2013 and 2014, projected waiver enrollment for fiscal year 2015, and recommendations for fiscal years 2016-17 is included. See **Supplemental Schedule 2**.



Department of Aging and Disability Services: Supplemental Schedule 1  
Biennial Comparison of General Revenue-Related Funding for Medicaid Client Services Strategies



Notes:

(1) 2014-15 Adjusted Appropriated assumes a transfer to the Health and Human Services Commission (HHSC) of surplus General Revenue Funds, estimated to be \$142.3 million.

(2) Most services from A.2.1. Primary Home Care, A.2.3. Day Activity and Health Services, A.3.1. Community-based Alternatives, A.6.1. Nursing Facility Payments, A.6.2. Medicare Skilled Nursing Facility, and A.6.4. Promoting Independence Services will be provided at HHSC pursuant to statewide STAR+PLUS (implemented September 2014) and nursing facility carve-in to STAR+PLUS (assumed to be implemented March 2015). Certain clients in these strategies will continue to receive services at the Department of Aging and Disability Services (DADS) and some services will continue to be provided at DADS for all clients in nursing facilities. **Managed Care Expansion Reductions (white columns) are an estimate of the reductions at DADS due to statewide STAR+PLUS and nursing facility carve-in. Grey columns reflect expenditures occurring at DADS, including those prior to statewide STAR+PLUS and nursing facility carve-in.**

(3) Other adjustments include funding an additional day of services associated with leap year in fiscal year 2016 (\$3.1 million increase), vehicle replacement (\$3.0 million increase), and for Master Lease Purchase Program payments per Texas Public Finance Authority's updated estimates (\$0.4 million decrease).

**Department of Aging and Disability Services: Supplemental Schedule 2**  
**Community Care Waivers**

A.3.1. Community-based Alternatives (CBA)  
A.3.2. Home and Community-based Services (HCS)  
A.3.3. Community Living and Support Services (CLASS)  
A.3.4. Deaf Blind Multiple Disabilities (DBMD)  
A.3.5. Medically Dependent Children Program (MDCP)  
A.3.6. Texas Home Living (TxHmL)  
**TOTAL**  
**TOTAL (excluding CBA)**

August 2013		
Total Appropriated	Actual	Actual Above/ (Below) Appropriated
9,816	9,799	(17)
20,795	20,333	(462)
4,655	4,639	(16)
150	153	3
2,404	2,313	(91)
5,738	4,786	(952)
<b>43,558</b>	<b>42,023</b>	<b>(1,535)</b>
<b>33,742</b>	<b>32,224</b>	<b>(1,518)</b>

<== Entering the 2014-15 biennium, DADS was well below the August 2013 appropriated level.

A.3.1. Community-based Alternatives (CBA)  
A.3.2. Home and Community-based Services (HCS)  
A.3.3. Community Living and Support Services (CLASS)  
A.3.4. Deaf Blind Multiple Disabilities (DBMD)  
A.3.5. Medically Dependent Children Program (MDCP)  
A.3.6. Texas Home Living (TxHmL)  
**TOTAL**  
**TOTAL (excluding CBA)**

August 2014		
Total Appropriated	Projected	Projected Above/ (Below) Appropriated
10,128	9,755	(373)
21,981	21,149	(832)
5,011	4,715	(296)
205	171	(34)
2,464	2,250	(214)
7,238	5,460	(1,778)
<b>47,027</b>	<b>43,500</b>	<b>(3,527)</b>
<b>36,899</b>	<b>33,745</b>	<b>(3,154)</b>

FY2014	
August 2014 Appropriated above August 2013	Slots Filled
312	(44)
1,186	816
356	76
55	18
60	(63)
1,500	674
<b>3,469</b>	<b>1,477</b>
<b>3,157</b>	<b>1,521</b>

During fiscal year 2014, DADS filled 1,584 of 3,097 appropriated slots in four of the waivers (HCS, CLASS, DBMD, and TxHmL). In the two remaining waivers (CBA and MDCP), the number of slots filled declined by 107 despite appropriations for an additional 372 slots. In total, less than half of the newly appropriated slots were filled in fiscal year 2014. With the 1,535 unfilled slots from fiscal year 2013, the total number of unfilled slots at the end of fiscal year 2014 is estimated to be 3,527 (greater than the total slots appropriated for the fiscal year).

A.3.2. Home and Community-based Services (HCS)  
A.3.3. Community Living and Support Services (CLASS)  
A.3.4. Deaf Blind Multiple Disabilities (DBMD)  
A.3.5. Medically Dependent Children Program (MDCP)  
A.3.6. Texas Home Living (TxHmL)  
**TOTAL**

August 2015		
Total Appropriated	Projected	Projected Above/ (Below) Appropriated
23,396	22,271	(1,125)
5,367	5,039	(328)
255	213	(42)
2,524	2,386	(138)
8,738	7,100	(1,638)
<b>40,280</b>	<b>37,009</b>	<b>(3,271)</b>

FY2015	
August 2015 Appropriated above August 2014	Slots Filled
1,415	1,122
356	324
50	42
60	136
1,500	1,640
<b>3,381</b>	<b>3,264</b>

August 2016 and August 2017 Recommended
23,396
5,367
255
2,524
8,738
<b>40,280</b>

Recommendations assume the agency will not reach the August 2015 appropriated level until August 2016. This increases surplus funding available to transfer to HHSC to address the Medicaid shortfall in fiscal year 2015 and reduces recommended funding levels for fiscal year 2016, compared to assuming the August 2015 targets will be reached in that month. Revisions to DADS Rider 7 direct the agency to request to transfer funding from other strategies if they are able to achieve the August 2015 target sooner.

### State Supported Living Centers Expenditures/Budgeted and Census: Supplemental Schedule 3

Expended/Budgeted (in millions)				
<u>FY</u>	<u>All Funds</u>	<u>GR-R</u>	<u>Census</u>	<u>Avg Mo Cost</u>
2005	\$407.7	\$154.5	4,977	\$6,827
2006	\$442.5	\$170.6	4,933	\$7,594
2007	\$462.0	\$182.9	4,909	\$7,844
2008	\$519.8	\$206.9	4,834	\$8,784
2009	\$593.6	\$173.5	4,627	\$10,690
2010	\$637.9	\$231.3	4,337	\$12,325
2011	\$661.9	\$255.2	4,071	\$13,546
2012	\$665.4	\$283.3	3,880	\$14,290
2013	\$661.9	\$274.3	3,649	\$15,113
2014	\$676.9	\$282.0	3,441	\$16,395
2015	\$678.8	\$286.8	3,245	\$17,435
2016	\$676.0	\$292.0	3,047	\$18,490
2017	\$671.6	\$291.4	2,849	\$19,645

Sources: 2005-2012 even-numbered year expended/budgeted amounts are from agency operating budgets; 2005-2012 odd-numbered year expended/budgeted amounts are from Fiscal Size Up; 2013-17 expenditures and census amounts are from the LBB BOR forecast (without cost growth).

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Department of Aging and Disability Services  
FTE Highlights- Senate

Full-Time-Equivalent Positions	Expended 2013	Estimated 2014	Budgeted 2015	Recommended 2016	Recommended 2017
Cap	17,494.0	17,547.6	17,558.5	16,829.1	16,739.1
Actual/Budgeted	16,002.4	15,801.7	16,968.2	NA	NA
Schedule of Exempt Positions (Cap)					
Commissioner	\$163,200	\$200,000	\$200,000	\$200,000	\$200,000

FTEs recommended for FY 2016-17 reflect a reduction from the agency's request. They generally reflect an average of FY 2014 and FY 2015 estimated/budgeted levels, with a separate adjustment to State Supported Living Center FTEs to conform with the overall reduction in expenditures which reflects the projected census decline.

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Department of Aging and Disability Services  
Performance Measure Highlights- Senate

		Expended 2013	Estimated 2014	Budgeted 2015	Recommended 2016	Recommended 2017
•	Average Number of Individuals Served Per Month: Medicaid Non-waiver Community Services and Supports	60,977	62,322	53,971	56,188	58,407
Measure Explanation: This measure reports the monthly average unduplicated number of individuals who, based upon approved-to-pay claims, received one or more of the following Medicaid-funded non-waiver Community Services and Supports: Primary Home Care, Community Attendant Services (CAS) (formerly called Frail Elderly), or Day Activity and Health Services (DAHS) Title XIX.						
•	Average Number of Clients Served Per Month: Waivers	41,461	42,923	35,514	38,781	40,280
Measure Explanation: This measure reports the total monthly average number of Community Services and Supports Medicaid waiver individuals served. See output measures 1 under the following strategies for more detail: Community-Based Alternatives (CBA) Waiver –1.3.1; Home and Community-Based Services (HCS) Waiver –1.3.2; Community Living Assistance and Support Services (CLASS) Waiver –1.3.3; Deaf-blind Waiver – 1.3.4; Medically Dependent Children Program (MDCP) –1.3.5; and Texas Home Living Waiver –1.3.6.						
•	Number of Persons Receiving Services End of Year: Waivers	41,995	43,500	37,009	40,280	40,280
Measure Explanation: This measure reports the total number of Community Services and Supports Medicaid waiver individuals being served at the end of the fiscal year. See output measures 1 under the following strategies for more detail: Community-Based Alternatives (CBA) Waiver –1.3.1; Home and Community-Based Services (HCS) Waiver –1.3.2; Community Living Assistance and Support Services (CLASS) Waiver –1.3.3; Deaf-blind Waiver – 1.3.4; Medically Dependent Children Program (MDCP) –1.3.5; and Texas Home Living Waiver –1.3.6. The decline in 2015 is attributable to the STAR+PLUS expansion.						

Section 3

Department of Aging and Disability Services  
Performance Measure Highlights- Senate

	Expended 2013	Estimated 2014	Budgeted 2015	Recommended 2016	Recommended 2017
<ul style="list-style-type: none"><li>Average Number of Individuals Served Per Month: Primary Home Care</li></ul> <p><i>Measure Explanation: This measure reports the monthly average number of individuals who, based upon approved-to-pay claims, received Medicaid-funded non-waiver Community Services and Supports, Primary Home Care. The decline in 2015 is attributable to the STAR+PLUS expansion.</i></p>	11,127	11,019	1,218	1,254	1,292
<ul style="list-style-type: none"><li>Average Number of Individuals Served Per Month: Community Attendant Services</li></ul> <p><i>Measure Explanation: This measure reports the monthly average number of individuals who, based upon approved-to-pay claims, received the Medicaid-funded non-waiver Community Services and Supports, Community Attendant Services (CAS) (formerly referred to as Frail Elderly).</i></p>	47,964	49,503	51,620	53,767	55,913
<ul style="list-style-type: none"><li>Average Number of Individuals Served Per Month: Day Activity and Health Services</li></ul> <p><i>Measure Explanation: This measure reports the average monthly number of individuals who received Day Activity and Health Services funded by Medicaid (Title XIX). Day Activity and Health Services include personal care, nursing services, physical rehabilitation, nutrition, transportation, and support services to individuals in adult day care facilities licensed by DADS' Regulatory. The decline in 2015 is attributable to the STAR+PLUS expansion.</i></p>	1,886	1,800	1,133	1,167	1,202
<ul style="list-style-type: none"><li>Average Monthly Cost Per Individual Served: Medicaid Community-based Alternatives (CBA) Waiver</li></ul> <p><i>Measure Explanation: This measure reports the monthly average unduplicated number of individuals who, based upon approved-to-pay claims, received one or more services under the Community-Based Alternatives (CBA) waiver. The decline in 2015 is attributable to the STAR+PLUS expansion.</i></p>	9,562	9,846	NA	NA	NA
<ul style="list-style-type: none"><li>Average Number of Individuals Served Per Month: Home and Community Based Services (HCS)</li></ul> <p><i>Measure Explanation: This measure captures the unduplicated count of priority population eligible individuals who receive Home and Community-Based Services waiver (HCS) funded services on a monthly basis.</i></p>	20,171	20,689	21,757	22,880	23,396

Section 3

Department of Aging and Disability Services  
Performance Measure Highlights- Senate

	Expended 2013	Estimated 2014	Budgeted 2015	Recommended 2016	Recommended 2017
<ul style="list-style-type: none"><li>Average Number of Individuals Served Per Month: Medicaid Related Conditions Waiver (CLASS)  <i>Measure Explanation: This measure reports the monthly average unduplicated number of individuals who, based upon approved-to-pay claims by month of service, received services under the Medicaid Related Conditions waiver (CLASS).</i></li></ul>	4,668	4,634	4,891	5,216	5,367
<ul style="list-style-type: none"><li>Average Number of Individuals Served Per Month: Medicaid Deaf-blind with Multiple Disabilities Waiver  <i>Measure Explanation: This measure reports the monthly average unduplicated number of individuals who, based upon approved-to-pay claims, received one or more services under the Deaf-blind with Multiple Disabilities Waiver.</i></li></ul>	151	157	194	236	255
<ul style="list-style-type: none"><li>Average Number of Individuals Served Per Month: Medically Dependent Children Program  <i>Measure Explanation: This measure reports the monthly average unduplicated number of individuals who received one or more services under the Medically Dependent Children Program (MDCP) Waiver.</i></li></ul>	2,280	2,291	2,323	2,461	2,524
<ul style="list-style-type: none"><li>Average Number of Individuals Served Per Month: Texas Home Living Waiver  <i>Measure Explanation: This measure captures the unduplicated count of priority population eligible individuals who receive Texas Home Living (TxHmL) Waiver funded services on a monthly basis.</i></li></ul>	4,629	5,306	6,349	7,988	8,738
<ul style="list-style-type: none"><li>Average Monthly Number of Individuals with Intellectual Disability (ID) Receiving Community Services  <i>Measure Explanation: This measure captures the unduplicated count of priority population eligible adults and children whose services are funded with the Department of Aging and Disability Services (DADS) appropriation authority funds and who receive ID community services. ID community services include vocational services, training services, respite services, specialized therapies and excludes residential services. Quarterly and year-to-date performance is stated as the average of the months in the reporting period.</i></li></ul>	2,389	5,798	5,798	5,798	5,798

Section 3

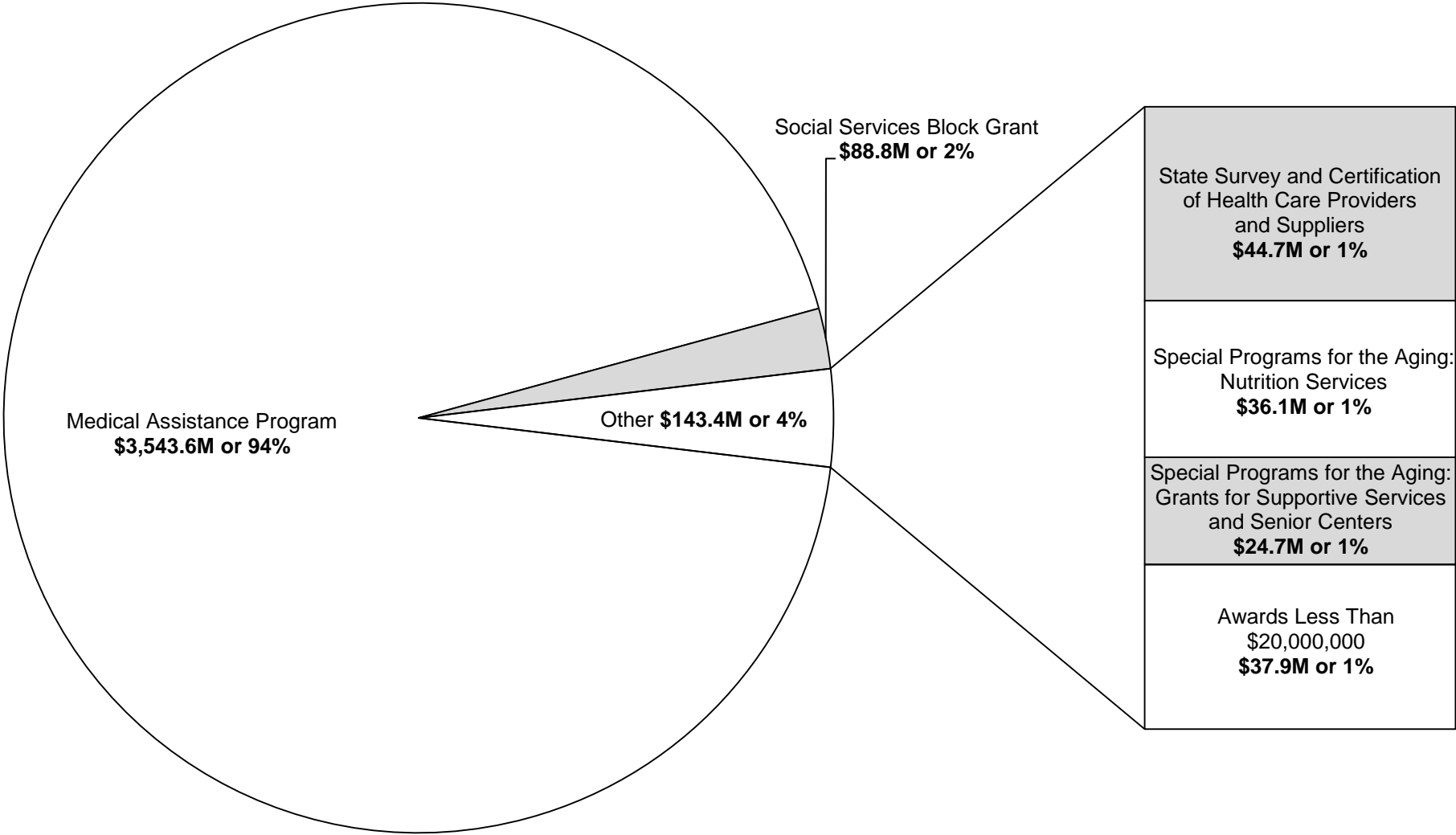
Department of Aging and Disability Services  
Performance Measure Highlights- Senate

	Expended 2013	Estimated 2014	Budgeted 2015	Recommended 2016	Recommended 2017
<ul style="list-style-type: none"><li>Average Number of Recipients Per Month: Program for All Inclusive Care (PACE)</li></ul> <p><i>Measure Explanation: This measure reports the monthly average number of individuals who are enrolled in a Program for All Inclusive Care For the Elderly (PACE) managed care model.</i></p>	1,046	1,070	1,109	1,146	1,146
<ul style="list-style-type: none"><li>Net Nursing Facility Cost Per Medicaid Resident Per Month</li></ul> <p><i>Measure Explanation: This measure reports the average daily Medicaid rate (payment) for providing nursing facility care.</i></p>	\$3,269.34	\$3,379.49	\$3,484.32	\$3,633.96	\$3,683.41
<ul style="list-style-type: none"><li>Average Number of Individuals Served Through Promoting Independence Per Month</li></ul> <p><i>Measure Explanation: This measure reports the number of individuals who are successfully moved from a nursing facility into long-term services and supports waiver services provided in the community, and paid for by the State of Texas. Individuals must be residing in a Texas nursing facility immediately prior to transitioning, and their nursing home stay must have been eligible for reimbursement by Medicaid (80th Texas Legislature, Rider 14: Promoting Independence). The decline in 2015 is attributable to the STAR+PLUS expansion.</i></p>	5,221	4,902	3,164	3,164	3,164
<ul style="list-style-type: none"><li>Average Monthly Number of State Supported Living Center (SSLC) Campus Residents</li></ul> <p><i>Measure Explanation: This measure provides the number of individuals enrolled in State Supported Living Center campus residential services each month on average. The recommended funding reduction will not affect the census given that the program is an entitlement. It is assumed the reduction will be achieved through operational efficiencies.</i></p>	3,649	3,441	3,245	3,047	2,849



Section 3

Department of Aging and Disability Services  
Summary of Federal Funds (Estimated 2014)- Senate  
TOTAL = \$3,775.8M



Section 3

Department of Aging and Disability Services Significant Federal Funds Changes- Senate					
CFDA No.	Program Name	2014-15 Base	2016-17 Recommended	Recommended Over/(Under) Base	Comments
93.044.000	Special Programs for the Aging: Grants for Supportive Services and Senior Centers	\$48,994,788	\$48,994,789	\$1	
93.052.000	National Family Caregiver Support Program	\$17,690,759	\$17,690,760	\$1	
93.667.000	Social Services Block Grant	\$177,680,547	\$164,379,466	(\$13,301,081)	
93.778.000	Medical Assistance Program	\$6,220,429,131	\$4,163,843,439	(\$2,056,585,692)	
93.778.003	Medical Assistance Program 50%	\$92,248,981	\$92,227,183	(\$21,798)	
93.778.004	XIX Medical Assistance Program Administration @ 75%	\$39,802,556	\$42,306,665	\$2,504,109	
93.778.005	XIX Medical Assistance Program @ 90%	\$6,300,000	\$9,450,000	\$3,150,000	
93.779.000	Health Care Financing Research, Demonstrations & Evaluations	\$4,210,570	\$4,210,571	\$1	
93.791.000	Money Follows the Person Rebalancing Demonstration	\$8,120,372	\$8,099,169	(\$21,203)	
94.011.000	Foster Grandparent Program	\$3,797,727	\$3,790,683	(\$7,044)	

Section 4

Department of Aging and Disability Services  
Performance Review and Policy Report Highlights- Senate

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

**Section 5**

**Department of Aging and Disability Services  
Rider Highlights- Senate**

Deleted Riders (original number)

- 4. **Nursing Home Program Provisions.** The provisions already exist in statute and/or the Administrative Code.
- 13. **Survey of Nursing Facility Residents.** The report is no longer needed.
- 26. **Limits for Waivers and Other Programs.** Consolidated with revised Rider 6 (new number) Limitation: Medicaid Transfer Authority.
- 30. **Implementing a Person-centered Care Pilot Project for Nursing Facilities.** Pilot project is complete.
- 31. **Intellectual Disability Community Services: Limitations.** Consolidated with revised Rider 6 (new number) Limitation: Medicaid Transfer Authority.
- 32. **Contingency for Standard Assessment Tool.** Rider was contingent on legislation passed during the 83<sup>rd</sup> Legislative Session; report anticipated February 1, 2015.
- 34. **Services under a 1915(c) Waiver.** Promoting Independence initiative accomplishes intent of rider.
- 35. **Services under HCS Waiver Program.** Promoting Independence initiative accomplishes intent of rider.
- 38. **Reporting on Nursing Facility Licensure.** The report is no longer needed; report was submitted on August 31, 2014.
- 39. **State Supported Living Center Long-term Plan.** This report is expected in December 2014.
- 40. **Contingency for Nursing Facility Rate Increases.** Was contingent on legislation passed during the 83<sup>Rd</sup> Legislative Session; rate increases are assumed to continue in FY 2016-17.

Section 5

Revised (new number)

- 7. **Limitation: Medicaid Transfer Authority.** Merged existing rider 9 with transfer limitation provisions of riders 26 and 31.
- 22. **Appropriation: Quality Assurance Fee.** Changes approval period (approved unless disapproved) from 15 business days to 30 business days.
- 28. **State Supported Living Center Oversight.** Updated rider because initial report was received; continues DOJ agreement compliance, staffing and budgeting reporting requirements. Changed monthly reporting of monthly expenditure data to quarterly reporting of monthly expenditure data.

New (new number)

- 30. **Sunset Contingency.** The agency is under Sunset review.

Section 6

Aging and Disability Services, Department of  
Agency Exceptional Items Not Included

		2016-17 Biennial Total	
		GR & GR-Dedicated	All Funds
1. <b>Restore baseline Funding</b>		\$ 21,155,242	\$ 44,930,424
<i>a. Targeted Case Management</i>		\$ 14,874,572	\$ 34,676,704
<i>b. Non-Medicaid</i>		\$ 1,817,215	\$ 1,817,215
<i>c. 1% Pay Increase</i>		\$ 1,614,664	\$ 2,738,924
<i>d. Data Center Consolidation (DCS)</i>		\$ 2,848,791	\$ 5,697,581
2. <b>Cost Trends-</b>	Client-related increases in cost and acuity.	\$ 22,346,495	\$ 52,090,247
3. <b>Reducing Community Waiver Program Interest Lists (39.8, 110.9 FTEs)-</b>	Would result in an increase of 15,145 slots for community-based services.	\$ 305,933,598	\$ 725,718,937
4. <b>Promoting Independence (9.4, 19.1)-</b>	Would fund community waiver slots for individuals moving out of or diverting from an ICF/IID and for kids aging out of foster care.	\$ 32,008,539	\$ 86,575,623
<i>a. Movement from large to medium ICFs (500 HSC slots)</i>		\$ 9,168,207	\$ 33,599,207
<i>b. Children aging out of foster care (216 HCS slots)</i>		\$ 6,159,637	\$ 14,283,927
<i>c. Prevention of institutionalization / crisis (400 HCS slots)</i>		\$ 11,771,026	\$ 27,299,700
<i>d. Movement of individuals with IDD from state hospitals (120 HCS slots)</i>		\$ 3,546,047	\$ 8,224,313
<i>e. 25 DFPS children transitioning from Gen Res Operations Facilities</i>		\$ 687,208	\$ 1,593,431
<i>f. 100 StarPlus Slots</i>		\$ 676,417	\$ 1,575,045
5. <b>Enhancing Community IDD Services for Persons w/ Complex Medical and/or Behavioral Needs (6.0, 6.0)-</b>	Would fund crisis respite and behavioral intervention programs for individuals with complex medical or mental health issues related to IDD.	\$ 36,925,382	\$ 49,967,754
<i>a. Funding for crisis respite and behaviorial intervention programs</i>		\$ 27,475,417	\$ 27,950,834
<i>b. Increased rate add-on for ICF &amp; HCS providers</i>		\$ 5,936,555	\$ 13,826,200
<i>c. Intensive service coordination for SSLC residents transitioning to the community</i>		\$ 3,513,409	\$ 8,190,720

Section 6

Aging and Disability Services, Department of  
Agency Exceptional Items Not Included

		2016-17 Biennial Total	
		GR & GR- Dedicated	All Funds
<b>6. Complying with Federal PASRR Requirements (25.6, 35.6)-</b>	Would fund community waiver slots and specialized services and intensive care coordination to eligible individuals in nursing facilities and community settings.	<b>\$ 40,463,478</b>	<b>\$ 114,788,027</b>
<i>a. HCS transition slots for persons with IDD moving from nursing facilities (700 HCS slots)</i>		\$ 13,598,288	\$ 48,929,861
<i>Nursing facility offset (HHSC)</i>		(\$13,726,515)	(\$31,962,686)
<i>b. HCS diversion slots for persons with IDD diverted from nursing facility admission(600 HCS slots)</i>		\$ 18,170,526	\$ 42,146,812
<i>Nursing facility offset (HHSC)</i>		(\$11,825,037)	(\$27,535,050)
<i>c. Intensive service coordination for nursing facility residents transitioning to the community</i>		\$ 13,106,082	\$ 30,499,200
<i>d. Increased utilization of specialized services by persons with IDD in nursing facilities</i>		\$ 21,140,135	\$ 52,709,890
<b>7. Protecting Vulnerable Texans (23.0, 33.0)</b>		<b>\$ 21,156,798</b>	<b>\$ 41,780,718</b>
<i>a. Expanding Long-Term Care Ombudsman services for assisted living facilities</i>		\$ 1,948,520	\$ 1,948,520
<i>b. Increase staffing for the Guardianship Services program (staff &amp; contracts)</i>		\$ 1,675,026	\$ 1,675,026
<i>c. Expansion of the Texas Lifespan Respite Care Program</i>		\$ 2,000,000	\$ 2,000,000
<i>d. Increase the annual cost cap on HCS dental services similar to other waivers</i>		\$ 8,287,486	\$ 19,320,400
<i>e. Installation of required fire sprinkler systems in 4-bed HCS homes</i>		\$ 5,902,303	\$ 13,793,651
<i>f. Increased oversight of DADS-regulated entities</i>		\$ 1,386,793	\$ 3,043,121
<b>8. Maintaining/Improving SSLC Operations</b>		<b>\$ 8,191,179</b>	<b>\$ 109,031,197</b>
<i>a. Implementation of an outcome-based quality improvement program at SSLCs</i>		\$ 3,036,843	\$ 7,079,714
<i>b. Replacement of vehicles at SSLCs</i>		\$ 3,044,009	\$ 3,044,009
<i>c. Bond funding for capital improvements to buildings and infrastructure at SSLCs</i>		-	\$ 93,987,724
<i>d. Reclassification for Qualified Intellectual Disabilities Professionals</i>		\$ 2,110,327	\$ 4,919,750

Section 6

Aging and Disability Services, Department of  
Agency Exceptional Items Not Included

	2016-17 Biennial Total			
	GR & GR-Dedicated		All Funds	
9. <b>ADRC Structural Enhancements: Specialized Resource Navigation for Veterans-</b> Would fund the development of a Veterans Resource Navigation Specialist at each of the 22 Aging and Disability Resource Centers.	\$	2,200,000	\$	2,200,000
<b>Total DADS Exceptional Requests</b>	<b>\$</b>	<b>490,424,041</b>	<b>\$</b>	<b>1,227,082,927</b>



Section 7

Aging and Disability 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	Admin. Operating Expenditures	DADS will reduce FTEs in Central Administration and IT Support by 5% (29 FTEs).	\$4,218,784	\$4,218,784	29.0	\$0	5%	No
2	Other Program Support	5% reduction to number of individuals served; 1,560 individuals in Non-Medicaid services, 117 in IDD Community, and 302 in In Home and Family Support.	\$12,582,838	\$12,582,838		\$0	11%	No
3	Rate Reduction	2.66% rate reduction in services provided in strategies A.2.1., Primary Home Care; A.2.2., Community Attendant Services; A.2.3., Day Activity and Health Services; A.3.2., Home and Community-based Services; A.3.3., Community Living Assistance and Support Services; A.3.4., Deaf-Blind Multiple Disabilities; A.3.5., Medically Dependent Children Program; A.3.6., Texas Home Living Waiver; A.6.1., Nursing facility Payments; A.6.3., Hospice; A.6.4., Promoting Independence Services; and A.7.1., ICF/IID.	\$59,843,231	\$59,843,231		\$0	3%	No
4	Rate Reduction	3.4% rate reduction in services provided in strategies A.2.1., Primary Home Care; A.2.2., Community Attendant Services; A.2.3., Day Activity and Health Services; A.3.2., Home and Community-based Services; A.3.3., Community Living Assistance and Support Services; A.3.4., Deaf-Blind Multiple Disabilities; A.3.5., Medically Dependent Children Program; A.3.6., Texas Home Living Waiver; A.6.1., Nursing Facility Payments; A.6.3., Hospice; A.6.4., Promoting Independence Services; A.7.1., ICF/IID	\$76,644,852	\$76,644,852		\$0	3%	No
TOTAL, 10% Reduction Options			\$153,289,705	\$153,289,705	29.0	\$0		

Aging and Disability Services, Department of  
Summary of 10 Percent Biennial Base Reduction Options- Senate  
Agency 10% Reduction Options by Category of Reduction

