

**Department of State Health Services
Summary of Recommendations - Senate**

Section 1

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Method of Financing	2016-17 Base	2018-19 Recommended	Biennial Change (\$)	Biennial Change (%)
General Revenue Funds	\$1,987,176,355	\$441,953,105	(\$1,545,223,250)	(77.8%)
GR Dedicated Funds	\$875,537,966	\$424,595,160	(\$450,942,806)	(51.5%)
Total GR-Related Funds	\$2,862,714,321	\$866,548,265	(\$1,996,166,056)	(69.7%)
Federal Funds	\$2,163,230,777	\$529,315,748	(\$1,633,915,029)	(75.5%)
Other	\$591,410,190	\$268,068,516	(\$323,341,674)	(54.7%)
All Funds	\$5,617,355,288	\$1,663,932,529	(\$3,953,422,759)	(70.4%)

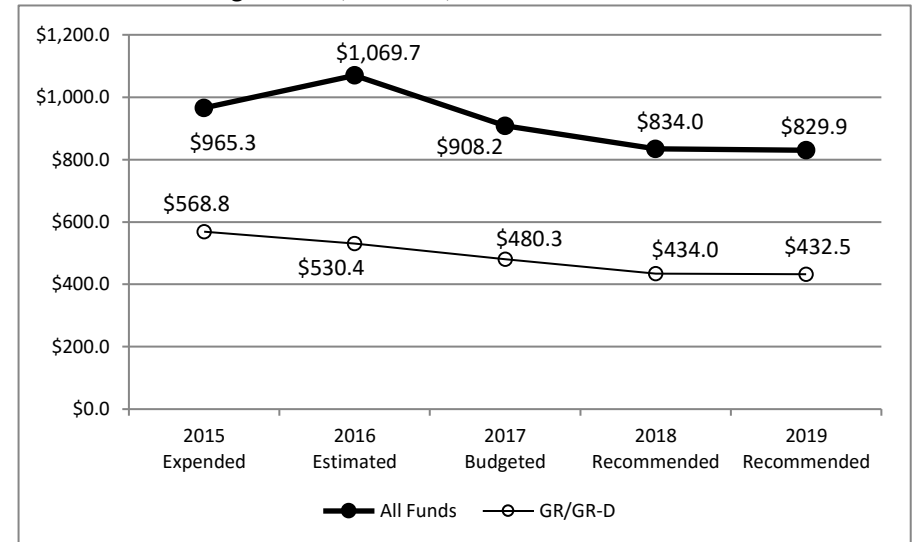
	FY 2017 Budgeted	FY 2019 Recommended	Biennial Change	Percent Change
FTEs	11,669.0	2,986.3	(8,682.7)	(74.4%)

Agency Budget and Policy Issues and/or Highlights

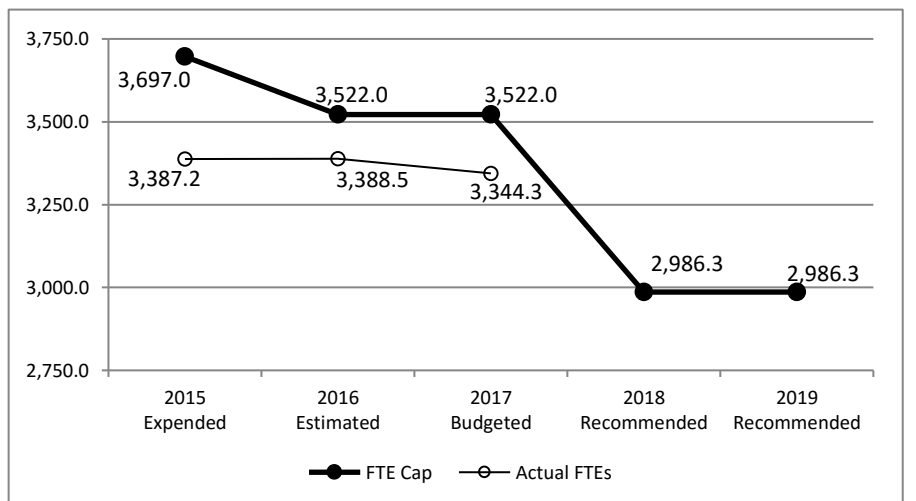
- The Department of State Health Services (DSHS) is under Strategic Fiscal Review (SFR) for the Eighty-fifth Legislative Session.
- Of the total decrease for the agency, \$1,907.2 million in General Revenue-Related funds, and \$3,794.4 million in All Funds is attributable to transfers to the Health and Human Services Commission (HHSC) pursuant to Senate Bill 200, Eighty-fourth Legislature, 2015 (see Selected Fiscal and Policy Issue 2, Health and Human Services System Consolidation). The remaining decrease of \$88.9 million in General Revenue-Related funds, and \$159.1 million in All Funds is a net reduction for programs staying at DSHS.

The bill pattern for this agency (2018-19 Recommended) represents an estimated 100% of the agency's estimated total available funds for the 2018-19 biennium.

Historical Funding Levels (Millions) - Recast*



Historical Full-Time-Equivalent Employees (FTEs) - Recast*



*Does not include recast of programs/strategies being split between DSHS and HHSC as exact amounts could not be determined by DSHS and HHSC.

Department of State Health Services
Summary of Funding Changes and Recommendations - Senate

Section 2

Funding Changes and Recommendations for the 2018-19 Biennium compared to the 2016-17 Base Spending Level (in millions)		General Revenue	GR-Dedicated	Federal Funds	Other Funds	All Funds	Strategy in Appendix A	Detail in SFR Appendix 6
SIGNIFICANT Funding Changes and Recommendations (each issue is explained in Section 3 and additional details are provided in Appendix A and SFR Appendices, when applicable):								
A)	Health and Human Services System Consolidation Pursuant to Senate Bill 200, Eighty-fourth Legislature, 2015	(\$1,456.8)	(\$450.5)	(\$1,550.3)	(\$336.8)	(\$3,794.4)	27 Strategies	6ab, 6ag
B)	Federal Refugee Assistance Funding	\$0.0	\$0.0	(\$37.7)	\$0.0	(\$37.7)	A.2.3, All Strategies in Goal E	6r, 6ai, 6aj, 6ak, 6al
C)	Adjustment to Salaries, Wages, and Other Personnel Costs Due to Reduction of FTE Cap	(\$24.9)	(\$1.4)	\$0.0	\$0.0	(\$26.3)	20 Strategies	39 Programs
D)	Indirect Administration Costs	(\$10.9)	(\$0.5)	(\$6.3)	(\$0.6)	(\$18.3)	All Strategies in Goal E	6ai, 6aj, 6ak, 6al
E)	Tobacco Settlement Funds - Decreased Interest Earnings	\$0.0	(\$10.9)	\$0.0	\$0.0	(\$10.9)	A.1.1, A.3.2, B.2.1, D.1.1.	6f, 6g, 6l, 6m, 6ac, 6ah
F)	Capital Budget Items	(\$9.4)	\$0.0	\$0.0	(\$0.4)	(\$9.8)	13 Strategies	22 Programs
G)	Transfer of Regulation of Certain Professions to TDLR Pursuant to Senate Bill 202, Eighty-fourth Legislature, 2015	(\$2.4)	\$0.0	(\$1.4)	\$0.0	(\$3.8)	C.1.2, C.1.4., All Strategies in Goal E	6o, 6ag, 6ai, 6aj, 6ak, 6al
H)	Comptroller of Public Accounts Salary Transfer Clawback <i>(Note: This is an additional amount taken after the 2016-17 base was adjusted to reflect actual 2016 expenditures)</i>	(\$0.2)	(\$0.1)	(\$0.1)	\$0.0	(\$0.4)	20 Strategies	39 Programs
I)	Travel Reimbursement for Certain Advisory Committees	(\$0.1)	\$0.0	\$0.0	\$0.0	(\$0.1)	A.1.1, A.1.5, A.3.1, B.1.1.	6g, 6v, 6y, 6ae
J)	Public Health Service Fees - MOF Swap Due to Anticipated Increased Revenue from Private Pay Newborn Screening Kits	(\$13.9)	\$13.9	\$0.0	\$0.0	\$0.0	A.4.1, B.1.2.	6b
K)	GO Bond Proceeds Transferred from CPRIT for Benefits for Cancer Registry FTEs	\$0.0	\$0.0	\$0.0	\$1.0	\$1.0	A.1.3.	6x
L)	Tobacco Settlement Funds - General Revenue MOF Swap	\$5.5	\$0.0	\$0.0	\$0.0	\$5.5	A.1.1, B.2.1	6f, 6g, 6l, 6m
M)	Public Health Medicaid Reimbursements for Newborn Screenings	\$0.0	\$0.0	\$0.0	\$23.3	\$23.3	A.4.1.	6b

Department of State Health Services
Summary of Funding Changes and Recommendations - Senate

Section 2

Funding Changes and Recommendations for the 2018-19 Biennium compared to the 2016-17 Base Spending Level (in millions)		General Revenue	GR-Dedicated	Federal Funds	Other Funds	All Funds	Strategy in Appendix A	Detail in SFR Appendix 6
OTHER Funding Changes and Recommendations (these issues are not addressed in Section 3 but details are provided in Appendix A and SFR appendices, when applicable):								
N)	Agency-Identified Items for Four Percent General Revenue-Related Reduction (<i>Note: MOF break-out based on LBB staff analysis</i>)	(\$23.1)	(\$0.8)	\$0.0	\$0.0	(\$23.9)	10 Strategies	12 Programs
O)	Estimated Federal Funds Collections	\$0.0	\$0.0	(\$19.4)	\$0.0	(\$19.4)	19 Strategies	29 Programs
P)	One-time Emergency Preparedness Funding Related to the Ebola Virus	\$0.0	\$0.0	(\$16.0)	\$0.0	(\$16.0)	A.1.1.	6f, 6g
Q)	Estimated Decrease in Vendor Drug Rebates Due to Changes in the Federal Program	\$0.0	\$0.0	\$0.0	(\$5.8)	(\$5.8)	A.2.2.	6p
R)	Estimated Appropriated Receipt Collection for Vital Records	\$0.0	\$0.0	\$0.0	(\$3.5)	(\$3.5)	A.1.2.	6a
S)	Earned Federal Funds Collection	(\$3.3)	\$0.0	\$0.0	\$0.0	(\$3.3)	20 Strategies	29 Programs
T)	Payoff of Revenue Bond Debt Service for the State Laboratory	\$0.0	(\$2.7)	\$0.0	\$0.0	(\$2.7)	A.4.2.	N/A
U)	PC Replacement - Transition Agency to 6-Year PC Replacement Cycle	(\$1.8)	\$0.0	(\$0.2)	\$0.0	(\$2.0)	D.1.1.	6ah
V)	One-time Appropriation in 2016-17 from the Perpetual Care Account for Radiation Remediation	\$0.0	(\$1.6)	\$0.0	\$0.0	(\$1.6)	C.1.3.	6n
W)	Anticipated Completion of Delivery System Reform Incentive Payment (DSRIP) Project	\$0.0	\$0.0	(\$1.5)	\$0.0	(\$1.5)	A.2.4.	6h, 6i, 6j
X)	Projected Decreased Needs for Texas.Gov Due to Transfer of Certain Regulatory Functions to HHSC, TDLR and TMB	(\$0.5)	(\$0.4)	\$0.0	\$0.0	(\$0.9)	C.1.5.	6am
Y)	Adjustments to Interagency Contracts	\$0.0	\$0.0	\$0.0	(\$0.9)	(\$0.9)	6 Strategies	8 Programs
Z)	Other Misc. Adjustments	\$0.7	\$0.0	(\$1.0)	\$0.4	\$0.1	Multiple Strategies	Multiple Programs
AA)	Public Health Services Fees - MOF Swap, Redirection of GR-D Previously Used for Laboratory Bond Debt Service	(\$4.1)	\$4.1	\$0.0	\$0.0	\$0.0	A.4.1.	6b
TOTAL SIGNIFICANT & OTHER Funding Changes and Recommendations (in millions)		(\$1,545.2)	(\$450.9)	(\$1,633.9)	(\$323.3)	(\$3,953.3)	As Listed	As Listed
SIGNIFICANT & OTHER Funding Increases		\$5.5	\$18.0	\$0.0	\$24.3	\$29.8	As Listed	As Listed
SIGNIFICANT & OTHER Funding Decreases		(\$1,550.7)	(\$468.9)	(\$1,633.9)	(\$347.6)	(\$3,983.1)	As Listed	As Listed

NOTE: Totals may not sum due to rounding.

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

1. **Strategic Fiscal Review Overview.** The Department of State Health Services (DSHS) was subject to Strategic Fiscal Review (SFR). Below is a summary of the Legislative Budget Board's (LBB) analysis of the agency's submissions:

- **Mission Statement:** To improve the health, safety, and well-being of Texans through good stewardship of public resources, and a focus on core public health functions.
- **Enabling Authority:** Texas Health and Safety Code Ch. 12
- **Total Number of Programs:** 39

See SFR appendices for more detailed information.

2. **Health and Human Services System Consolidation.** The Eighty-fourth Legislature, 2015, passed Senate Bill 200, relating to the continuation and functions of the Health and Human Services Commission and the provision of health and human services. The bill reorganized the health and human services system by consolidating many functions previously at DSHS, the Department of Aging and Disability Services (DADS), and the Department of Assistive and Rehabilitative Services (DARS) at the Health and Human Services Commission (HHSC). Once consolidation is complete, DSHS primary focus will be on core public health functions. Highlights of the consolidation include:

- Transfer of abstinence education, kidney health care, hemophilia and epilepsy services, women's health programs (Healthy Texas Women and breast and cervical cancer screenings), mental health services (adults, children and crisis), substance abuse services, indigent health care, mental health community hospitals, and the Texas Civil Commitment Office (TCCO) from DSHS to HHSC on September 1, 2016. This included \$708.8 million in General Revenue, and \$1,177.4 million in All Funds and 539.0 FTEs in fiscal year 2017.
- Transfer of the Office of Border Affairs from HHSC to DSHS on September 1, 2016. This included \$740,635 in General Revenue and 8.0 FTEs in fiscal year 2017.
- Planned transfer of the Special Supplemental Nutrition Program for Women, Infants and Children (WIC), facilities (mental health state hospitals, the Texas Center for Infectious Disease and the Rio Grande State Center Outpatient Clinic) and certain regulatory functions (health care facilities and certain health care professionals) from DSHS to HHSC on September 1, 2017. This includes an estimated \$732.4 million in General Revenue, and \$2,590.2 million in All Funds and 8,425.2 FTEs in fiscal year 2018.
- Transfer of certain administrative functions over several years. This includes \$16.3 million in General Revenue, and \$27.5 million in All Funds.

On January 9th, the Department of State Health Services informed the LBB that the Texas Center for Infectious Disease (TCID) would remain at DSHS instead of transferring to HHSC with other state-operated institutions pursuant to SB 200.

Health and Safety Code Sec. 531.02041 requires the executive commissioner to submit a report to the Transition Legislative Oversight Committee (TLOC) detailing any substantial organizational changes to the initial Transition Plan. A revised plan, indicating TCID remaining at DSHS, has not been submitted to TLOC. Therefore, current recommendations align with the August 2016 Health and Human Services System Transition Plan, which transfers TCID to HHSC.

3. **Tobacco Settlement Funds.** Historically, DSHS received appropriations from General Revenue-Dedicated Accounts No. 5044, No. 5045, and No. 5046. The balances of these accounts consist of interest earnings on funds received by the State in a settlement against the tobacco industry. When initially established, funds from the corpus of each account was not appropriated, only interest earnings. However, Article 28 of Senate Bill 1, Eighty-second Legislature, First Called Session, 2011, expanded the permissible uses of the public endowments of these accounts to include payment of the principal or the interest on a bond issued on behalf of the Cancer Prevention and Research Institute of Texas (CPRIT).

During fiscal year 2016, interest earnings were \$5.9 million below the Biennial Revenue Estimate (BRE), and \$12.8 million less than earnings in fiscal year 2015. Between fiscal year 2014 and fiscal year 2015, interest earnings declined approximately 70 percent. Between fiscal year 2015 and fiscal year 2016, interest earnings declined approximately 68.9 percent. These declines are primarily due to the appropriation of the corpus of these accounts for CPRIT bond debt service.

General Revenue – Dedicated Fund Interest Earnings (in millions)	FY 2015 Interest Earnings	FY 2016 Interest Earnings	FY 2016 Estimated Interest Earnings (BRE)	FY 2016 Interest Earnings Over/(Under) FY 2015 Earnings	FY 2016 Interest Earnings Over/(Under) BRE
Permanent Fund for Health and Tobacco Education and Enforcement No. 5044	\$9.3	\$2.9	\$4.8	(\$6.4)	(\$1.9)
Permanent Fund for Child and Public Health No. 5045	\$4.7	\$1.4	\$2.4	(\$3.2)	(\$1.0)
Permanent Fund for Emergency Medical Services and Trauma Care No. 5046	\$4.7	\$1.4	\$4.4	(\$3.2)	(\$3.0)
Total	\$18.6	\$5.8	\$11.7	(\$12.8)	(\$5.9)

Notes:

- 1) Based on Revenue Object Code 3873 – Interest on Investments, Obligations and Securities – Operating Revenue – Operating Grants and Contributions.
- 2) Amounts shown in millions.
- 3) Amounts may not sum due to rounding.

Sources: LBB and CPA 2015 Biennial Revenue Estimated (BRE).

Recommendations assume the corpus of the accounts will be depleted during fiscal year 2018, therefore, no interest earnings will be available for appropriation in fiscal year 2019. Recommendations also include an increase in General Revenue in Strategy A.1.1 Public Health Preparedness and Coordinated Services (\$2.7 million) and B.2.1 EMS and Trauma Care Systems (\$2.8 million) to maintain 2016-17 funding levels for these programs for the biennium. Recommendations reflect decreases in funding for Strategy A.3.2 Reducing Tobacco Use Products Statewide (\$5.4 million) and D.1.1 Agency Wide Information Technology Projects (\$42,022).

DSHS 2018-19 Requested Appropriations from Tobacco Settlement Funds								
	A.1.1. Public Health Preparedness and Coordinated Services		A.3.2. Reducing the Use of Tobacco Products Statewide		B.2.1. Emergency Medical Services and Trauma Care		D.1.1. Agency Wide Information Technology Projects	
	2018	2019	2018	2019	2018	2019	2018	2019
Permanent Fund for Health and Tobacco Education and Enforcement No. 5044			\$2,835,219	\$2,835,219			\$20,475	\$20,475
Permanent Fund for Children and Public Health No. 5045	\$1,441,927	\$1,441,927					\$536	\$536
Permanent Fund for Emergency Medical Services and Trauma Care No. 5046					\$1,427,858	\$1,427,857		
Total	\$1,441,927	\$1,441,927	\$2,835,219	\$2,835,219	\$1,427,858	\$1,427,857	\$21,011	\$21,011

2018-19 Recommended Funding from Tobacco Settlement Funds								
	A.1.1. Public Health Preparedness and Coordinated Services		A.3.2. Reducing the Use of Tobacco Products Statewide		B.2.1. Emergency Medical Services and Trauma Care		D.1.1. Agency Wide Information Technology Projects	
	2018	2019	2018	2019	2018	2019	2018	2019
Permanent Fund for Health and Tobacco Education and Enforcement No. 5044			\$279,098	\$0			\$0	\$0
Permanent Fund for Children and Public Health No. 5045	\$139,551	\$0					\$0	\$0
Permanent Fund for Emergency Medical Services and Trauma Care No. 5046	\$0	\$0			\$139,551	\$0		
GR Increase to Maintain 2016-17 Funding Level	\$1,302,376	\$1,441,927			\$1,288,307	\$1,427,857		
Total	\$1,441,927	\$1,441,927	\$0	\$0	\$1,427,858	\$1,427,857	\$0	\$0

Recommendations assume the corpus of the funds will be depleted during the 2018-19 biennium with appropriations for the CPRIT-related bond debt service need of \$98.2 million from the corpus balance in fiscal year 2018.

Due to spending down the corpus, interest earnings are expected to be \$558,200 in fiscal year 2018, or approximately 70 percent less than amounts earned in the 2016-17 biennium. See Supplemental Schedule 1 for more information about the Tobacco Settlement Funds and CPRIT bond debt service.

The Biennial Revenue Estimate (BRE) for the 2018-19 biennium estimates \$8.6 million in interest earnings will be available for appropriation to DSHS from the following General Revenue-Dedicated Accounts:

- Account No. 5044: \$2,014,000 in fiscal year 2018 and \$2,101,000 in fiscal year 2019
- Account No. 5045: \$1,103,000 in fiscal year 2018 and \$1,142,000 in fiscal year 2019
- Account No. 5046: \$1,110,000 in fiscal year 2018 and \$1,152,000 in fiscal year 2019

Available revenue is \$8.1 million above funding recommendations.

Source: Comptroller of Public Accounts Biennial Revenue Estimate, 2018-19

4. **Trauma Funds.** Recommendations include \$330.9 million for the 2018-19 biennium in estimated revenue from General Revenue-Dedicated Account No. 5111, Designated Trauma Facility and EMS, to provide funding to designated trauma facilities, county and regional emergency medical services and trauma care systems. This reflects a slight increase, \$0.7 million, over 2016-17 appropriated amounts from Account No. 5111 due to an adjustment to the 2016-17 base related to the Comptroller of Public Accounts salary clawback. Funding assumes an Interagency Contract (IAC) totaling \$301.7 million with HHSC to provide add-on payments for trauma, rural, and safety-net hospitals.

	2016-17 Biennium	Transfers to HHSC	Balance at DSHS
Funding for uncompensated trauma care	\$115,016,333	\$(88,533,180)	\$26,483,153
Special Provision 32, Contingency for HB 7 and Use of Trauma Fund Receipts (2016-17 GAA)	\$67,152,938	\$(64,466,820)	\$2,686,118
Subtotal	\$182,169,271	\$(153,000,000)	\$29,169,271
Special Provision 58, Payments to Rural Hospital Providers (2016-17 GAA)	\$20,000,000	\$(20,000,000)	—
Special Provision 59, Contingency for HB 7 and Safety-Net Hospitals (2016-17 GAA)	\$128,693,999	\$(128,693,999)	—
Total	\$330,863,270	\$(301,693,999)	\$29,169,271

	2018-19 Recommended	Transfers to HHSC	Balance at DSHS
Funding for uncompensated trauma care	\$115,090,596	\$(88,533,180)	\$26,557,416
Special Provision 22, Use of Trauma Fund Receipts (2018-19 Senate Bill 1)	\$67,152,938	\$(64,466,820)	\$2,686,118
Subtotal	\$182,243,534	\$(153,000,000)	\$29,243,534
Special Provision 23, Payments to Rural Hospital Providers (2018-19 Senate Bill 1)	\$20,000,000	\$(20,000,00)	—
Special Provision 24, Safety-Net Hospitals (2018-19 Senate Bill 1)	\$128,693,999	\$(128,693,999)	—
Total	\$330,937,533	\$(301,693,999)	\$29,243,534

Recommendations do not include funding from Account No. 5111 to the Higher Education Coordinating Board for graduate medical education and nursing education programs.

The January 2017 Biennial Revenue Estimate (BRE) projects \$232.4 million in trauma funds from Account No. 5111 will be available for appropriation during the 2018-19 biennium. Available revenue is \$9.9 million below funding recommendations.

Source: Comptroller of Public Accounts Biennial Revenue Estimate, 2018-19

5. **Public Health Medicaid Reimbursements.** Recommendations reflect a decrease of \$87.6 million in Public Health Medicaid Reimbursements, primarily to reflect direct appropriation of \$120.7 million to HHSC for mental health state and community hospitals, which transferred to HHSC pursuant to SB 200.

Public Health Medicaid Reimbursements (Account No. 709)				
	DSHS			HHSC
	2016-17 Appropriated	2016-17 Estimated/Budgeted	2018-19 Recommended	2018-19 Recommended
A.2.1. Immunize Children and Adults in Texas	\$683,372	\$638,372	\$683,372	
A.4.1. Laboratory Services – for IAC with HHSC for Medicaid state share reimbursement for newborn screenings	\$57,424,450	\$35,489,773	\$57,424,450	
A.4.1. Laboratory Services – DSHS Retain	\$39,161,483	\$39,161,483	\$40,552,066	
A.4.1. Laboratory Services Subtotal	\$96,585,933	\$74,651,256	\$97,976,516	
C.1.3. Mental Health State Hospitals	\$100,487,772	\$100,487,772		\$100,487,772
C.2.1. Mental Health Community Hospitals	\$20,241,400	\$10,120,700		\$20,241,400
D.1.1. Agency Wide IT Projects		\$93,694	\$93,160	
E.1.1. Central Administration	\$1,344,570	\$1,060,578	\$733,870	
Total	\$219,343,047	\$187,097,372	\$99,486,918	\$120,729,172

6. **Newborn Screening Rate Increase.** In the June 3, 2016 edition of the Texas Register, DSHS proposed changes to 25 Texas Administrative Code Section 73.54 and 73.55. Among the proposed changes was an increase in the rate for private-pay newborn screenings from \$33.60 to \$55.24. DSHS estimated the increased rate would generate approximately \$6.1 million in revenue each year, to be deposited to General Revenue-Dedicate Account No. 524, Public Health Services Fees.

DSHS did not include this increase in their revenue estimate in the agency's LAR. Recommendations include \$13.9 million of this increased revenue over the biennium and decrease General Revenue by a like amount in the following strategies: \$11.3 million in A.4.1, Laboratory Services, and \$2.6 million in B.1.2, Community Primary Care Services. Recommendations include a total of \$44.7 million over the biennium from Account No. 524.

The Biennial Revenue Estimate (BRE) for the 2018-19 biennium estimates \$50.5 million in revenue will be available for appropriation to DSHS from Account No. 524. Available revenue is \$5.8 million above funding recommendations.

Source: Comptroller of Public Accounts Biennial Revenue Estimate, 2018-19

7. **Transfer from the Cancer Prevention and Research Institute of Texas.** Recommendations reflect continuation of \$3.0 million each fiscal year for the Cancer Registry out of General Obligation Bond Proceeds appropriated to CPRIT. Continued funding for the Cancer Registry would provide salary and benefits for 29.0 of the registry's 56.0 FTEs (52 percent). The bond proceeds represent 56 percent of the registry's funding. Additionally, the funds allow DSHS to meet a \$1.1 million per year Maintenance of Effort requirement, which is needed in order to pull down \$1.9 million per year in federal funds for the registry.

8. **Texas Civil Commitment Office Administrative Attachment.** Pursuant to Senate Bill 200, Eighty-fourth Legislature, 2015, the Texas Civil Commitment Office (TCCO) was transferred from DSHS to HHSC on September 1, 2016. However, Texas Government Code § 420A.011 administratively attaches TCCO to DSHS. The Eighty-fifth Legislature should consider a change to the statute to reflect TCCO's administrative attachment to HHSC.
9. **Program Transfers to the Texas Department of Licensing and Regulation.** Senate Bill 202, Eighty-fourth Legislature, 2015, transferred the regulation of several occupations from DSHS to the Texas Department of Licensing and Regulation (TDLR) in 2 phases. In Phase I, which is to be completed by August 31, 2017, the regulation of athletic trainers, dietitians, fitters and dispensers of hearing instruments, midwives, orthotists and prosthetists, speech-language pathologists and audiologist, and dyslexia therapists and practitioners will transfer to TDLR. In Phase II, which is to be completed by August 31, 2019, regulation of code enforcement officers, laser hair removal, massage therapists, mold assessors and remediators, offender education providers, and sanitarians will transfer to TDLR. TDLR would need an estimated \$1.8 million per fiscal year to regulate the programs transferred in Phase II. Recommendations include reducing appropriations at DSHS by \$1.8 in General Revenue per fiscal year and increasing General Revenue appropriations at TDLR by a like amount. Recommendations also include a decrease of 30.8 FTEs at DSHS and an increase in the FTE cap at TDLR by 25.0.
10. **Refugee Assistance Funding.** In a letter to the Federal Office of Refugee Resettlement dated September 21, 2016, the Health and Human Services Commission confirmed that if the state plan amendment related to the participation in the Refugee Resettlement Program was not approved, the state would exit the program with services ending January 31, 2017. To reflect this exit, 2018-19 recommendations decrease DSHS appropriations by \$37.7 million in Federal Funds from the 2016-17 base and 5.0 FTEs related to the Refugee Health program. The program currently provides eligible clients with culturally and linguistically appropriate comprehensive health assessments, including follow-up and referrals for health conditions identified in the assessment process

While the response of the Federal Office of Refugee Resettlement has not been finalized, it is anticipated that the federal grant will be awarded to a non-profit to provide these services in the absence of the state.

11. **Indirect Administration Costs.** Recommendations provide \$44.4 million in All Funds (\$27.6 million in General Revenue-Related funds) and 90.0 FTEs for indirect administration functions including accounting, budgeting and executive offices. Recommendations include a decrease of \$18.3 million in All Funds (\$11.4 million in General Revenue-Related funds) for indirect administration. Recommendations include \$10.6 million in All Funds per fiscal year to support an Interagency Contract (IAC) for legal, internal audit, and information technology support services at HHSC. See tables below for expenditures, requested amounts, and recommendations for indirect administration.

Note: While four strategies fall under Goal E: Indirect Administration in the agency's budget structure (E.1.1. Central Administration; E.1.2. Information Technology Program Support; E.1.3. Other Support Services; and E.1.4. Regional Administration), DSHS identified six indirect administration programs as part of Strategic Fiscal Review (Central Administration; Information Technology Program Support; Other Support Services; Regional Administration; Texas.Gov; and Agency Wide Information Technology Projects).

	Exp. 2015	Est. 2016	Bud. 2017	Req. 2018	Req. 2019	Rec. 2018	Rec. 2019
Indirect Expenditures	\$41,212,772	\$48,005,013	\$43,714,140	\$43,308,773	\$43,308,766	\$22,206,111	\$22,206,109
Total Expenditures	\$3,141,779,865	\$3,430,581,141	\$2,186,774,147	\$839,778,031	\$816,436,147	\$833,988,402	\$829,944,127
Indirect Cost as % of Total Cost	1.31%	1.40%	2.00%	5.16%	5.30%	2.66%	2.68%
Indirect Cost per Direct FTE	\$3,551	\$4,145	\$3,846	\$14,362	\$14,362	\$7,667	\$7,667

	Exp. 2015	Est. 2016	Bud. 2017	Req. 2018	Req. 2019	Rec. 2018	Rec. 2019
Indirect FTEs	327.1	338.9	269.6	215.5	215.5	90.0	90.0
Total FTEs	11,932.7	11,933.5	11,669.0	3,231.0	3,231.0	2,986.3	2,986.3
Indirect FTEs as % of Total FTEs	2.74%	2.84%	2.31%	6.67%	6.67%	3.0%	3.0%

12. **Comptroller of Public Accounts (CPA) Salary Transfer Clawback.** Pursuant to Article IX, Sec. 18.02 of the 2016-17 General Appropriations Act, the Comptroller of Public Accounts (CPA) was appropriated funds to be transferred to agencies to support a 2.5 percent salary increase for employees as of September 1, 2015 to offset the increase in the member contribution rate to the Employment Retirement System. As the agency's base included projected amounts higher than amounts needed for the salary increase, the CPA implemented a clawback of excess funds. Recommendations remove the excess salary transfer appropriations of \$2.1 million in All Funds (\$0.8 million in General Revenue) from the 2016-17 base and reduce appropriations by \$0.3 million in All Funds (\$0.2 million in General Revenue) in the 2018-19 biennium to reflect actual fiscal year 2016 salary transfers from the CPA and projected fiscal year 2017 salary transfers, adjusted for projected turnover.
13. **Salaries, Wages and Other Personnel Costs.** Recommendations include a reduction of \$26.3 million in All Funds (\$24.9 million in General Revenue) for salaries, wages, and other personnel costs and mirrors a reduction of 93.2 FTEs based on average vacancy rate during fiscal year 2016. Based on the DSHS Legislative Appropriations Request, it is unclear if the agency lapsed funding related to these vacant positions at the end of fiscal year 2016, or if the funds were expended for another purpose.
14. **Capital Budget.** The Legislature Budget Board staff identified instances where DSHS was not in compliance with limitations and rules related to the agency's capital budget expenditures during the 2016-17 biennium. Additionally, DSHS established several new projects during the interim that were not presented to the Eighty-fourth Legislature for consideration. Some of these new projects, such as modification of the Texas Electronic Registry (TER), may have been completed in response to the findings of the Sunset Advisory Commissions (in this case, the need to strengthen the security of vital statistics).

Recommendations include adding additional reporting requirements related to capital budget expenditures to the agency's Monthly Financial Report.

15. **Advisory Committees.** Due to the inconsistencies in the agency's LAR regarding travel reimbursement for the committees listed below, recommendations do not include funding for this purpose and do not include adding any of the committees to Rider 29, Reimbursement of Advisory Committee Members, which details which committee members may receive travel reimbursement.

- Sickie Cell Advisory Committee
- Statewide Health Coordinating Council
- Texas Council on Alzheimer's Disease and Related Disorders
- Texas Council on Cardiovascular Disease and Stroke
- Texas Diabetes Council

16. **Maternal Mortality Data and Reporting.**

A) Maternal Mortality and Morbidity Task Force Findings. In July, the Maternal Mortality and Morbidity Task Force and DSHS submitted a joint report addressing maternal mortality and morbidity in Texas. Key findings include:

- Black women bear the greatest risk for maternal death. Although only 11.4 percent of all births in Texas were to Black women, they accounted for 28.8 percent of all maternal deaths in the study.
- Cardiac events, overdose by licit or illicit prescription drugs, and hypertensive disorders are the leading causes of maternal death in Texas. Cardiac events (20.6 percent of deaths) and hypertension/eclampsia (11.1 percent) were ranked first and third most common causes of maternal death, which is consistent with medical literature. However, overdose by ingestion of drugs emerged as the second leading cause of maternal death in 2011-2012 (11.6 percent). Homicide/suicide accounted for 12.7 percent of deaths. (Note: Research shows women are at increased likelihood of domestic violence from intimate partners during pregnancy, and suicide may be linked to postpartum depression). Hemorrhage and sepsis each accounted for 9 percent of deaths.
- A majority of maternal deaths occur more than 42 days after delivery. Eligibility for Medicaid for Pregnant Women expires at 60 days postpartum. Close to 60 percent of maternal deaths in 2011-2012 occurred after 42 days post-delivery. Case review of these deaths will determine whether they were pregnancy-related, -associated, or neither. The task force is recommending increased staffing to facilitate case reviews. The report does not specify if this increased staffing should be at DSHS or within the task force.
- Data quality issues related to the death certificate make it difficult to identify a maternal or "obstetric" death. The task force has thus far only completed full reviews of 11 deaths and find that deaths are frequently coded incorrectly or inconsistently. Since 2006, Texas death certificates indicate obstetric complications through two mechanisms: the ICD-10 coding (a World Health Organization system of medical classification) and a pregnancy signifier. The task force matched death certificates with birth certificates and fetal death records to attempt to determine if the death was obstetric. However, they also noted that "For 2011-2012, there were 189 maternal deaths identified, of which only 79 had "obstetric" coded as the cause of death. Conversely, 181 total deaths in 2011-2012 were coded as "obstetric", when the narrative on the death certificate did not indicate pregnancy." This indicates that some deaths are improperly coded as being obstetric, while other deaths with pregnancy-related causes are not being captured in the data. The finding could suggest a need for improved training and instructions for individuals who fill out death certificates.
- The task force reviewed cases of maternal death and observed that mental health and substance use disorders play a significant role in maternal death, and also found repeated missed opportunities to screen for and refer women to treatment for mental health and substance use disorders.

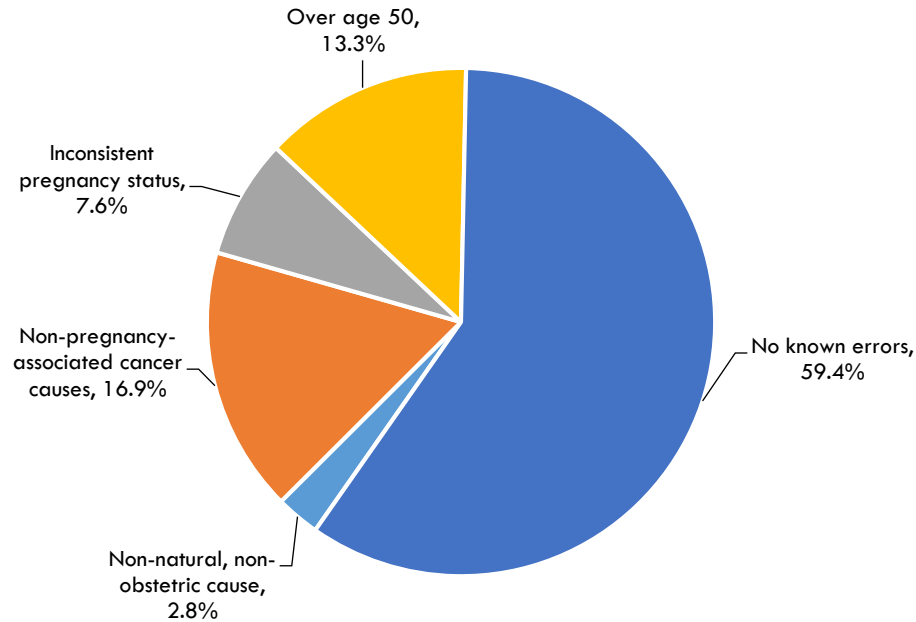
The report included the following recommendations:

- Increase access to health services during the year after delivery and throughout the interconception period to improve continuity of care, enable effective care transitions, promote safe birth spacing, reduce maternal morbidity, and reduce the cost of care in the Medicaid program.
- Increase provider and community awareness of health inequities and implement programs that increase the ability of women to self-advocate.
- Increase screening for and referral to behavioral health services.
- Increase staffing resources in support of the task force.

- Promote best practices for improving the quality of maternal death reporting and investigation.
- Improve the quality of death certificate data.

Source: Maternal Mortality and Morbidity Task Force and Department of State Health Services Joint Biennial Report (July 2016)

B) Recommendations. As noted above, the Task Force had difficulty quantifying maternal mortality due to data inconsistencies. Two of the six recommendations from the Task Force address data quality, indicating this is of considerable importance for the future work of the Task Force. Of note, the Task Force found the following inconsistencies among 259 death certificates from 2011-2012 on which the cause of death was reported to be of direct obstetric cause:



Review of The Texas Handbook on Death Registration found that medical certifiers are currently provided the following instruction for completing the section relating to pregnancy on a death certificate:

38. IF FEMALE:

If decedent is male select "NOT APPLICABLE" in TER [Texas Electronic Registrar]. If the decedent's sex cannot be determined, select "UNKNOWN IF PREGNANT WITHIN PAST YEAR" in TER.

Revising the handbook to provide more instruction about how to appropriately answer this question may improve data quality for future analysis.

Sources: Maternal Mortality and Morbidity Task Force and Department of State Health Services Joint Biennial Report (July 2016) and the Texas Handbook on Death Registration (2016).

C) Maryland Population Research Center Study. A separate report published by the Maryland Population Research Center, "Recent Increases in the U.S. Maternal Mortality Rate: Disentangling Trends from Measurement Issues," found that Texas maternal mortality doubled between calendar years 2010 and 2011, noting: "Communications with vital statistics personnel in Texas and at the National Center for Health Statistics did not identify any data processing or coding changes that would account for this rapid increase. There were some changes in the provision of women's health services in Texas from 2011 to 2015, including the closing of several women's health clinics. Still, in the absence of war, natural disaster, or severe economic upheaval, the doubling of a mortality rate within a 2-year period in a state with almost 400,000 annual births seems unlikely."

Source: MacDorman, M.F., Declercq, E., Cabral, H., & Morton, C. (2016). Recent increase in the U.S. maternal mortality rate: Disentangling trends from measurement issues. *Obstetrics & Gynecology*, 128(3), 445-455

Note: While both studies assessed maternal mortality in Texas during similar timeframes, the results of the two are not comparable. The Task Force report indicated the number of maternal deaths during calendar years 2011-2012 (189 total) and reported shared characteristics between deaths (ethnicity of mother, cause of death, etc.). The Task Force report also assessed the quality of maternal mortality data. The Maryland Population Research Center study, however, attempted to determine a maternal mortality rate (33.0 per 100,000 live births in 2011).

17. **Earned Federal Funds.** Recommendations reduce the projected Earned Federal Funds (EFF) for DSHS in fiscal years 2018 and 2019 to reflect the historical trend of decreasing EFF over time and transfer of \$0.8 million of EFF per fiscal year to HHSC pursuant to SB 200 (see table below). Earned Federal Funds are dollars received in connection with a federal program, but by governing agreement are not required to be spent on federal programming. The most common examples of EFF are 1) interagency contracts paid from another agency's federal funds; 2) depository interest earned on federal funds; and 3) sale of fixed assets purchased with federal funds. The reduction at DSHS reflects the decline of these eligible sources of EFF available at the department. Agencies are provided General Revenue and are required to collect EFF at the level established in Article IX, Sec. 13.11, Definition, Appropriation, Reporting and Audit of Earned Federal Funds, or return General Revenue to the treasury in the amount equal to that not collected.

Fiscal Year	EFF
2014	\$5,550,000
2015	\$5,550,000
2016, estimated	\$2,256,116
2017, projected	\$1,669,526
2018, recommended	\$1,443,914
2019, recommended	\$1,443,914

18. **Reporting Requirements and Compliance.** To assist in legislative oversight, the 2016-17 GAA contains several reporting requirements in the DSHS bill pattern, Article II Special Provisions, and Article IX General Provisions. See **Supplemental Schedule 2: DSHS Reporting Requirements** for more details.

Department of State Health Services
Supplemental Schedule 1: Overview of Tobacco Settlement Funds - Senate

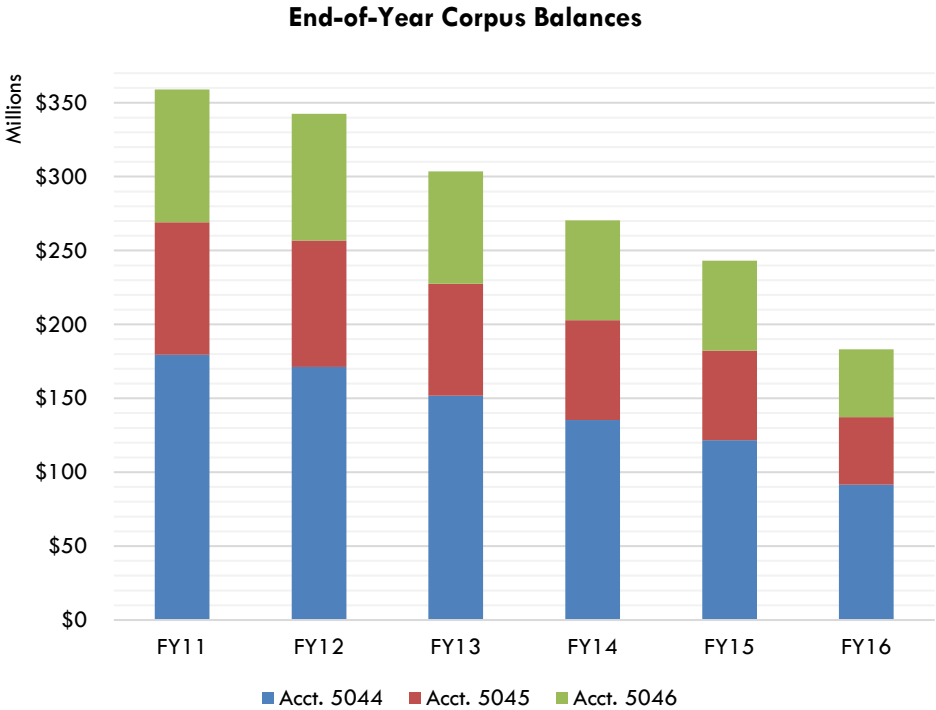
Background: In 1996, Texas filed a federal lawsuit against the tobacco industry for violating conspiracy, racketeering, consumer protection, and other provisions of state and federal law. In the settlement, the tobacco industry agreed to pay the state \$15 billion over 25 years. Actual payments by the industry are subject to adjustment formulas related to tobacco sales, inflation, and industry profitability. The Seventy-sixth Legislature, 1999 and Seventy-seventh Legislature, 2001 used \$1.5 billion of tobacco settlement funds to create permanent endowments for health and human services and higher education and created sources of ongoing program funding out of interest earnings. The Permanent Public Health Fund is a collection of funds whose corpus amounts consist of deposits from the initial settlement as detailed in Art. IX Sec. 10.03(b), Informational Listing on Use of Tobacco Settlement Receipts. The legislature may appropriate funding out of estimated available earnings of the funds. As per General Appropriations Act (2016-17 Biennium), Article II, Department of State Health Services (DSHS) Rider 28, Estimated Appropriation and Unexpended Balance: Permanent Tobacco Funds, in the event that investment returns are less than appropriations, there is no provision for additional funds to make up the difference.

Article 28 of Senate Bill 1, Eighty-second Legislature, First Called Session, 2011 expanded the permissible uses of the public endowments in the Permanent Fund for Health and Tobacco Education and Enforcement (Account 5044), the Permanent Fund for Children and Public Health (Account 5045), and the Permanent Fund for EMS and Trauma Care (Account 5046) to pay the principal of or the interest on a bond issued on behalf of the Cancer Prevention and Research Institute of Texas (CPRIT).

Corpus: Since the passage of Senate Bill 1, the corpus balances of accounts 5044, 5045 and 5046 have been steadily declining. When they were first established, the funds had a total of \$400 million in their endowment. At the end of fiscal year 2016, only \$183.1 million of that amount remained, representing just 46 percent of the original endowment. The graph to the right shows end-of-year corpus balances for each of these funds since fiscal year 2011.

End-of-Year (EOY) Corpus Balances				
	Acct. 5044	Acct. 5045	Acct. 5046	Total
Initial Endowment	\$200,000,000	\$100,000,000	\$100,000,000	\$400,000,000
FY11	\$179,473,604	\$89,737,145	\$89,737,127	\$358,947,876
FY12	\$171,212,492	\$85,606,582	\$85,606,564	\$342,425,638
FY13	\$151,745,210	\$75,872,950	\$75,872,931	\$303,491,091
FY14	\$135,263,396	\$67,632,064	\$67,632,044	\$270,527,504
FY15	\$121,576,818	\$60,788,746	\$60,788,728	\$243,154,292
FY16	\$91,552,530	\$45,776,591	\$45,776,573	\$183,105,694

Source: Texas Treasury Safekeeping Trust Company – Summary of Assets Under Management.



The table below shows the calculation of the estimated end-of-year corpus balances for fiscal year 2017 based on anticipated need for CPRIT bond debt service.

	Acct. 5044	Acct. 5045	Acct. 5046	Total
FY16 EOY Corpus Balance	\$91,552,530	\$45,776,591	\$45,776,573	\$183,105,694
FY17 Estimated CPRIT Bond Debt Need	\$46,550,467	\$23,275,233	\$23,275,234	\$93,100,934
FY17 Estimated EOY Corpus Balance	\$45,002,063	\$22,501,358	\$22,501,339	\$90,004,760

Note: The estimated end-of-year corpus balances for fiscal year 2017 do not take in to consideration any potential investment losses.

The corpus balances of the accounts are estimated to be spent by the end of fiscal year 2018. The table below shows the calculation of estimated additional General Revenue need for CPRIT bond debt service due to the depletion of the corpus balances of the accounts.

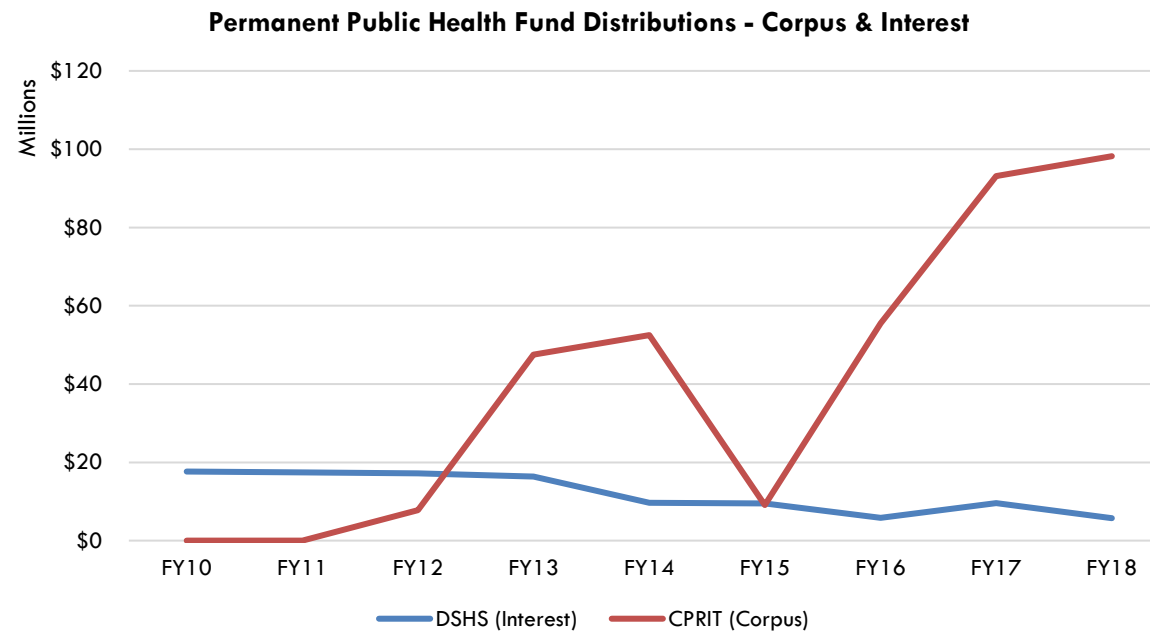
	Acct. 5044	Acct. 5045	Acct. 5046	Total
FY17 Estimated EOY Corpus Balance	\$45,002,063	\$22,501,358	\$22,501,339	\$90,004,760
FY18 Estimated CPRIT Bond Debt Need	\$49,102,657	\$24,551,313	\$24,551,295	\$98,205,265
FY18 Estimated Additional GR Need	\$4,100,594	\$2,049,955	\$2,049,956	\$8,200,505

Note: The estimated General Revenue need above does not include \$121.4 million in General Revenue already estimated to be needed to cover the costs of CPRIT bond debt service in fiscal year 2018.

Due to the depletion of the corpus balances of these accounts, all CPRIT bond debt service from fiscal year 2019 forward will have to be funded by General Revenue or another method of finance.

Interest Earnings: Due, in part, to the spending of the corpus balances of these accounts, interest earnings, which have historically been appropriated to DSHS, have been declining. In fiscal year 2011 (the year before the corpus balances were spent on CPRIT bond debt service), \$17.4 million in interest earning was distributed to DSHS. In fiscal year 2016, only \$5.8 million was. This represents a 67 percent decrease from fiscal year 2011. The graph to the right summarizes distributions to DSHS (interest earnings) and CPRIT (corpus).

Sources: Texas Safekeeping Trust Company – Summary of Assets Under Management and Texas Public Finance Authority.



Permanent Public Health Fund Distributions - Corpus & Interest										
	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	Rec FY18	Rec FY19
Department of State Health Services (Distribution of Interest Earnings)										
Acct. 5044	\$8,820,700	\$8,718,643	\$8,587,438	\$8,188,390	\$4,836,846	\$4,744,838	\$2,893,309	\$4,774,838	\$279,620	\$0
Acct. 5045	\$4,410,357	\$4,359,331	\$4,293,731	\$4,094,209	\$2,418,437	\$2,387,434	\$1,446,670	\$2,387,434	\$139,551	\$0
Acct. 5046	\$4,410,356	\$4,359,331	\$4,293,731	\$4,094,208	\$2,418,437	\$2,387,434	\$1,446,669	\$2,387,434	\$139,551	\$0
<i>Subtotal</i>	<i>\$17,641,413</i>	<i>\$17,437,305</i>	<i>\$17,174,900</i>	<i>\$16,376,807</i>	<i>\$9,673,720</i>	<i>\$9,519,706</i>	<i>\$5,786,648</i>	<i>\$9,549,706</i>	<i>\$558,200</i>	<i>\$0</i>
Cancer Research and Prevention Institute (Distribution of Corpus Balances)										
Acct. 5044	\$0	\$0	\$3,907,938	\$23,743,750	\$26,268,265	\$4,540,858	\$27,742,119	\$46,550,467	\$45,002,063	\$0
Acct. 5045	\$0	\$0	\$1,953,969	\$11,871,875	\$13,134,132	\$2,270,429	\$13,871,059	\$23,275,233	\$22,501,358	\$0
Acct. 5046	\$0	\$0	\$1,953,969	\$11,871,875	\$13,134,132	\$2,270,429	\$13,871,059	\$23,275,234	\$22,501,339	\$0
<i>Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$7,815,876</i>	<i>\$47,487,500</i>	<i>\$52,536,529</i>	<i>\$9,081,716</i>	<i>\$55,484,237</i>	<i>\$93,100,934</i>	<i>\$90,004,760</i>	<i>\$0</i>
Total	\$17,641,413	\$17,437,305	\$24,990,776	\$63,864,307	\$62,210,249	\$18,601,422	\$61,270,885	\$102,650,640	\$90,562,960	\$0

Note: Amounts shown for CPRIT bond debt service represent actual distributions, not appropriated amounts.

Sources: Texas Safekeeping Trust Company – Summary of Assets Under Management and Texas Public Finance Authority.

Department of State Health Services
Supplemental Schedule 2: Reporting Requirements - Senate

Citation of Reporting Requirement	Required Report Content	Required Biennial Frequency	Due Date(s)	Late in 2016-17?
Rider Reports				
Rider 4, Other Reporting Requirements	Copies of each report submitted to the federal government relating to the Maternal and Child Health Block Grant, the Special Supplemental Food Program for Women, Infants, and Children, and the Substance Abuse Treatment and Prevention Block Grant.	Varies	Varies	?
	Substance Abuse Prevention and Treatment (SAPT) Maintenance of Effort Calculation.	2	Sep. 1, 2015 Sep. 1, 2016	Yes
	Monthly Financial Report (MFR).	24	No date specified	Yes
Rider 8, Unexpended Construction Balances	Actual expenditures for fiscal years 2014 and 2015 on construction, repair, and renovation of mental health state hospitals.	1	Sep. 1, 2015	Yes
	Actual expenditures by project/mental health state hospital for the previous six months.	4	Sep. 1, 2015 March 1, 2016 Sep. 1, 2016 March 1, 2017	No
	<i>Note: Mental health state hospitals transfer to HHSC on Sep. 1, 2017.</i>			
Rider 12, Appropriations Limited to Revenue Collections	Review of all fee schedules within the agency's authority.	2	Jan. 1, 2016 Jan. 1, 2017	No
Rider 13, Revolving Fund Services: Canteen Services and Sheltered Workshops	Information on revenues, balances, contracts, and profits related to canteen services and sheltered workshops in mental health state hospitals. <i>Note: Mental health state hospitals transfer to HHSC on Sep. 1, 2017.</i>	4	Varies - Reported in Operating Budget, LAR, and Annual Financial Report	Yes
Rider 25, Performance Reporting for Texas Center for Infectious Disease and Rio Grande State Center	Information regarding facility performance, including: revenue collections, by payer mix; direct and non-direct patient care expenditures; number of inpatient patients served on a monthly basis, by type of service provided; and number of outpatient patients served on a monthly basis, by type of service provided. <i>Note: TCID and the Rio Grande State Center transfer to HHSC on Sep. 1, 2017.</i>	2	Dec. 1, 2015 Dec. 1, 2016	Yes

Citation of Reporting Requirement	Required Report Content	Required Biennial Frequency	Due Date(s)	Late in 2016-17?
Rider 31, Children with Special Health Care Needs	Demographics of clients served by the program, including income levels, insured status, and citizenship.	2	Dec. 1, 2015 Dec. 1, 2016	Yes
	Caseload and prescription drug data, and related expenditure data specific to forecast projections for the 36-month period beginning with the first month after the report is due and expenditure amount for at least the preceding 36 months.	8	End of each fiscal quarter (no date specified)	Yes
	<i>Note: The health care services portion of the CSHCN program transferred to HHSC on Sep. 1, 2016.</i>			
Rider 35, Mentally Ill Offender Screening	Efforts to facilitate the exchange of information between agencies pursuant to Health and Safety Code Sec. 614.017. The report shall include: the manner in which information is exchanged between agencies; the frequency with which information is exchanged; the type of information most frequently exchanged; and the agencies most frequently involved in the exchange of information.	2	Sep. 1, 2015 Sep. 1, 2016	No
	<i>Note: Community-based mental health services transferred to HHSC on Sep. 1, 2016. Remaining mental health services transfer to HHSC on Sep. 1, 2017.</i>			
Rider 46, Limitation: Reclassification of General Revenue Associated with Maintenance of Effort	Annual reports associated with Maintenance of Effort (MOE) requirements for the Community Mental Health Services, Maternal and Child Health Services, and Substance Abuse Treatment and Prevention block grants.	6	Varies	?
	<i>Note: The Community Mental Health Services Block Grant transferred to HHSC on Sep. 1, 2016. The majority of the Substance Abuse Treatment and Prevention Block Grant transferred to HHSC on Sep. 1, 2016; the remainder of the grant will transfer to HHSC on Sep. 1, 2017.</i>			
Rider 53, Funding for Abstinence Sexual Education	Contractor compliance issues related to components A-H of Section 510(b)(2) of the Social Security Act (42 U.S.C. Section 710(b)).	2	Dec. 1, 2015 Dec. 1, 2016	Yes
	<i>Note: Abstinence education transferred to HHSC on Sep. 1, 2016.</i>			
Rider 59, Mental Health Appropriations and the 1115 Medicaid Transformation Waiver	Efforts to leverage federal funds through the 1115 transformation waiver or other federal matching opportunities.	2	Dec. 1, 2015 Dec. 1, 2016	Yes
	<i>Note: Community-based mental health services transferred to HHSC on Sep. 1, 2016. Remaining mental health services transfer to HHSC on Sep. 1, 2017.</i>			

Citation of Reporting Requirement	Required Report Content	Required Biennial Frequency	Due Date(s)	Late in 2016-17?
Rider 61, Home and Community-Based Services	Information about the projected expansion of the 1915(i) waiver program, including: an estimate of the total population served; projected costs, including average monthly cost per recipient; and potential cost-sharing opportunities with local entities that benefit from lower jail and emergency room admissions. <i>Note: Community-based mental health services transferred to HHSC on Sep. 1, 2016. Remaining mental health services transfer to HHSC on Sep. 1, 2017.</i>	1	Dec. 1, 2015	Yes
Rider 62, Mental Health Program for Veterans	Description of the activities of the program in the preceding year, including: a description of how the program is operated; the number of veterans served; the number of peers and volunteer coordinators trained; a summary of the contracts issued and services provided through those contracts; and recommendations for program improvements. <i>Note: Community-based mental health services transferred to HHSC on Sep. 1, 2016. Remaining mental health services transfer to HHSC on Sep. 1, 2017.</i>	2	Dec. 1, 2015 Dec. 1, 2016	Yes
Rider 64, Health Community Collaboratives	Amount and type of expenditure and progress of the project.	1	Dec. 1, 2016	Yes
Rider 65, Collection of Emergency Room Data	Potentially preventable emergency room visits, including potentially preventable mental health and substance abuse emergency room visits.	1	Dec. 31, 2016	No
Rider 70, Jail-Based Competency Restoration Pilot Program	Interim progress reports. <i>Note: Community-based mental health services transferred to HHSC on Sep. 1, 2016. Remaining mental health services transfer to HHSC on Sep. 1, 2017.</i>	8	No later than 15 days after the end of each fiscal quarter	Yes
Rider 73, Mental Health Peer Support Re-entry Pilot	Projected program information including an estimate of the total population to be served and client outcome measures.	1	Dec. 1, 2015	No
	Status report on the above factors. <i>Note: Community-based mental health services transferred to HHSC on Sep. 1, 2016. Remaining mental health services transfer to HHSC on Sep. 1, 2017.</i>	1	Dec. 1, 2016	Yes

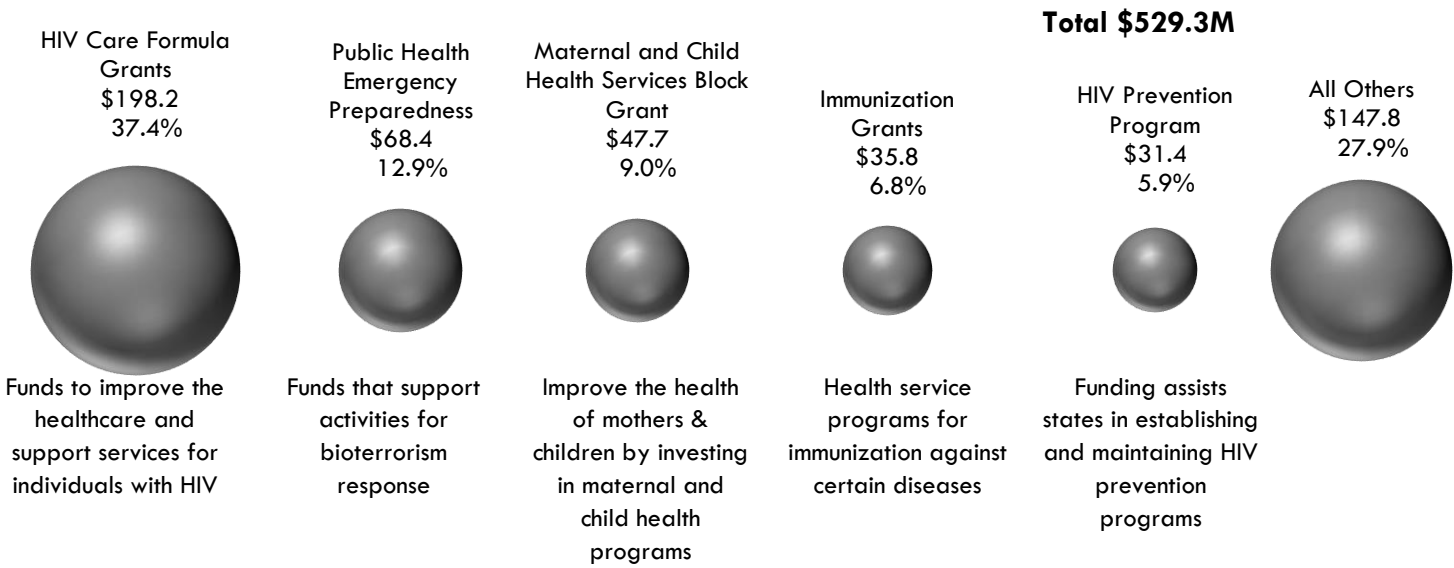
Citation of Reporting Requirement	Required Report Content	Required Biennial Frequency	Due Date(s)	Late in 2016-17?
Rider 80, Community-Based Crisis and Treatment Facilities Review	Summary of activities related to the review, and recommendations for any changes to statutes or regulatory requirements needed to ensure the safe, effective, and efficient treatment of persons with mental health disorders, substance abuse disorders, or co-occurring mental health and substance abuse disorders in community settings. <i>Note: Community-based mental health services transferred to HHSC on Sep. 1, 2016. Remaining mental health services transfer to HHSC on Sep. 1, 2017.</i>	1	Dec. 1, 2016	Yes
Rider 81, Public Health System Inventory and Action Plan	Comprehensive inventory of the roles, responsibilities, and capacity relating to public health services delivered by DSHS and local health entities and authorities.	1	Nov. 30, 2016	Yes
Rider 82, Behavioral Health Services Provider Contracts Review	Findings relating to a review conducted to identify improvements to performance measurement, contract processing, and payment mechanisms for behavioral health services contracts with DSHS, including: identification of performance measures and other requirements not necessary by a state or federal requirement that could be eliminated from contracts; review of the metrics and methodology associated with the withholding of allocations made under DSHS Rider 58, Mental Health Outcomes and Accountability; consideration of performance measures and contracting strategies similar to those used for managed care organizations; consideration of best practices in performance measurement and contracting, including incentive payments and financial sanctions that are aligned with models used by HHSC for purchasing health care services; and a proposal for a publically available web-based dashboard to compare performance of behavioral health service providers contracted with DSHS. <i>Note: Community-based mental health services transferred to HHSC on Sep. 1, 2016. Remaining mental health services transfer to HHSC on Sep. 1, 2017.</i>	1	Dec. 1, 2016	Yes
Rider 85, Transition of the NorthSTAR Behavioral Health Services Model	Progress of North Texas Behavioral Health Authority (NTBHA) and the Local Mental Health Authority (LMHA) serving Collin County, separately, as they transition from the current NorthSTAR model to the new models.	1	May 1, 2016	No
	NTBHA's and Collin County's plans to access additional funds, which may include local funds, Medicaid funds, and other sources, in addition to a projection of funds anticipated in fiscal year 2018 and fiscal year 2019. <i>Note: NorthSTAR transferred to HHSC on Sep. 1, 2019.</i>	1	March 1, 2017	—

Citation of Reporting Requirement	Required Report Content	Required Biennial Frequency	Due Date(s)	Late in 2016-17?
Rider 86, State Hospital System Improvement	Evaluation of the benefits of a university health related institution or institutions operating a state hospital, to include: administrative, legal, and financial considerations as well as a timeline for the transition and a progress report on the expansion of efforts to increase academic partnerships.	1	Sep. 1, 2016	No
Special Provision 45, Early Elective Deliveries	Evaluation of the effectiveness of strategies to reduce early elective deliveries. Affected Agencies: DSHS and HHSC	1	Dec. 1, 2016	Yes
Special Provision 49, Enterprise Staff Retention Report	Effectiveness of staff retention efforts undertaken by certain Article II agencies. Affected Agencies: DADS, DSHS, and HHSC	1	Dec. 1, 2016	No
Special Provision 52, Cost of Preadmission Screening and Resident Review (PASRR)	Costs of complying with Preadmission Screening and Resident Review federal requirements. Affected Agencies: DADS and DSHS	1	Dec. 1, 2016	Yes
Special Provision 54, Postpartum Depression Screening and Treatment Report	Screening and treatment of postpartum depression, including recommendations to increase utilization of the screening and treatment within the Medicaid program, to increase the treatment of postpartum depression provided by local mental health authorities, and to increase continuity of care. In conjunction with HHSC.	1	Oct. 1, 2016	No
Statute Requirements				
Health and Safety Code Sec. 103.013(e)-103.013(g)	Report on the Implementation of the State Diabetes Plan	1	Nov. 1, 2016	Yes
Health and Safety Code Sec. 161.0074	Immunization Registry and Rate Information	1	Sep. 30, 2016	Yes
Health and Safety Code Sec. 534.068(a),(f)	Local Mental Health Authority Audit Report	2	Annually (no date specified)	Yes
Health and Safety Code Sec. 104.026	Report on Cost Data to Implement the State Health Plan	1	Nov. 1, 2016	Yes

Notes:

- 1) List does not include reports required of all agencies or reports contingent on specific events.
- 2) Reports listed “—” have submission deadlines after January 1, 2016.
- 3) Reports listed “?” have deadlines set by the federal government; submission dates unconfirmed

Department of State Health Services
Summary of Federal Funds (2018 - 19) - Senate

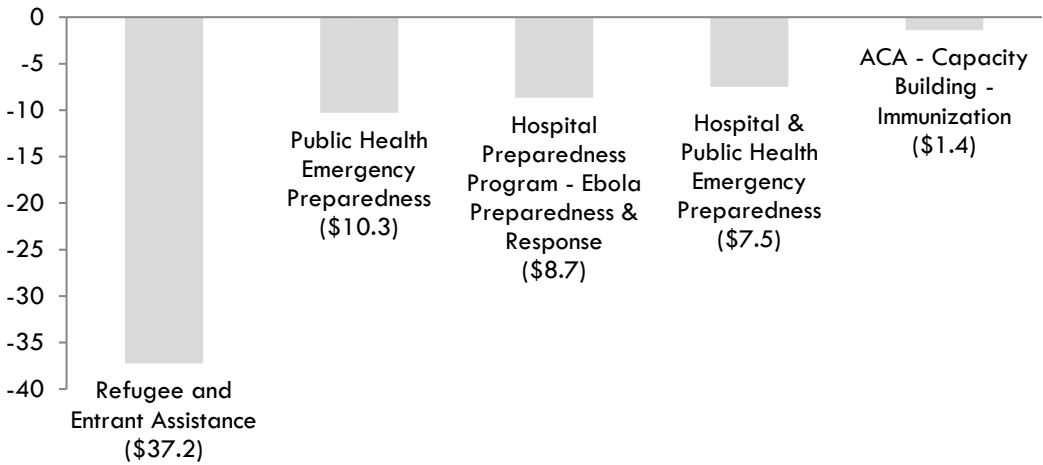


Selected Federal Fiscal and Policy Issues

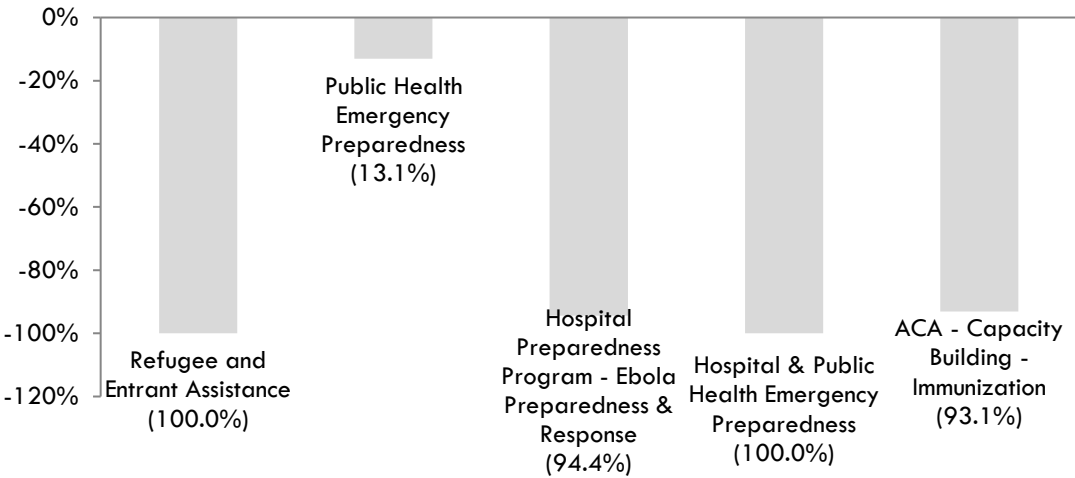
1. In a letter to the Federal Office of Refugee Resettlement dated September 21, 2016, the Health and Human Services Commission confirmed that if the state plan amendment related to the participation in the Refugee Resettlement Program was not approved, the state would exit the program with services ending January 31, 2017. To reflect this exit, 2018-19 recommendations decrease DSHS appropriations by \$37.7 million in Federal Funds and 5.0 FTEs related to the Refugee Health program.
2. Significant federal funds, including those related to WIC, abstinence education, and mental health and substance abuse treatment, will transfer to HHSC pursuant to Senate Bill 200, Eighty-fourth Legislature, 2015.

Programs with Significant Federal Funding Changes from 2016 - 17

Program-by Amount



Program-by Percentage



Summary of Total Costs (in millions) and Time Frames reported to the Quality Assurance Team*

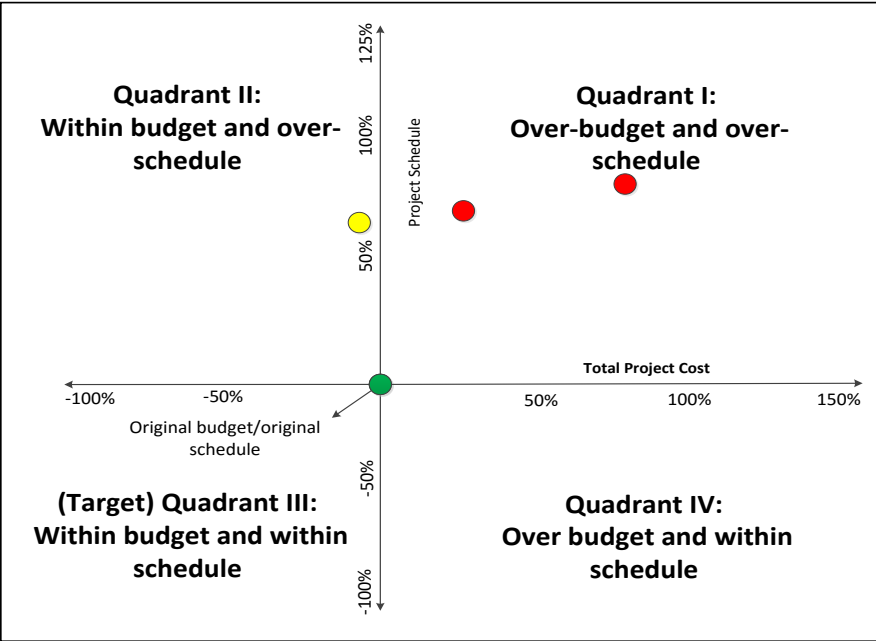
Project Name	Original Projected Costs	Current Projected Costs	Difference in Costs	Expenditures to Date	Original Timeline in Months	Current Timeline in Months	Difference in Time	% Complete	
1 Immunization Tracking Registry Replacement	\$4.3	\$7.9	\$3.6	\$5.2	33	59	26	86%	●
2 Linking Data for Health Information Quality	\$2.0	\$2.0	\$0.0	\$0.9	23	23	0	61%	●
3 Tuberculosis, HIV and STD Integrated Systems	\$5.0	\$6.2	\$1.2	\$3.0	28	46	18	56%	●
4 Texas Electronic Vital Events Registrar	\$16.5	\$16.5	\$0.0	\$3.1	34	34	0	30%	●
5 Application Remediation for Data Center Consolidation	\$0.1	\$0.1	\$0.0	\$0.2	8	14	6	80%	●
Project Totals (5)	\$27.9	\$32.7	\$4.8	\$12.4					

Notes:

- 1 The Immunization Tracking Registry Replacement project is 84.0 percent over-budget and 75.0 percent behind schedule. Both increases were due to significant changes in the Centers for Disease Control and Prevention (CDC) standards that drive the ImmTrac Replacement project goals and objectives. In August 2015, DSHS executed a contract amendment for \$2.5 million.
- 2 The Tuberculosis, HIV and STD Integrated Systems project is 23.0 percent over-budget and 63.0 percent behind schedule. The duration increased due to delays caused by underestimating the system complexity and scope and staff changes. The increase in costs were due to vendor costs increases for additional reports, workflows, print templates requested by the agency.

*Note: These figures reflect all project costs (Capital and Informational) and timelines from self-reported monitoring reports that are sent to the Quality Assurance Team (QAT) for review. QAT includes representatives from the Legislative Budget Board, the State Auditor’s Office, and the Department of Information Resources.

Major Information Resources Projects



Legend

- Project is within budget and within schedule
- Project exceeds budget OR schedule
- Project is over budget and behind schedule

Significant Project Highlights

QAT Budget Highlights (in millions)

Project Name	2016-17 Base	2018-19 Requested	2018-19 Recommended
1 ImmTrac Replacement	\$0.1	\$0.0	\$0.0
2 Linking Data for Health	\$2.0	\$0.0	\$0.0
3 TB/HIV/STD	\$1.3	\$4.3	\$4.3
4 Texas Electronic Vital Events Registrar	\$14.1	\$2.5	\$2.5
5 Application Remediation	\$0.1	\$0.0	\$0.0
Total	\$17.6	\$6.8	\$6.8

* Note: Requested amounts for 2018-19 include all baseline and exceptional item funding requested by the agency. Recommended amounts for 2018-19 include baseline funding only.

- 1 Immunization Tracking Registry Replacement**

The project, authorized to begin in fiscal year 2012 for a duration of 33 months, was appropriated \$4.5 million in All Funds for project development. The project is expected to be completed in May 2017.

ImmTrac records include data on immunizations provided to children and adults on a routine basis and during declared disasters. The project will implement a version of the Wisconsin Immunization Registry (WIR) in order to resolve current maintainability issues, for state and federal requirements, and support use of Electronic Health Records.
- 2 Linking Data for Health Information Quality**

The project, authorized to begin in fiscal year 2016 for a duration of 23 months, was appropriated \$2.0 million in All Funds for project development. The project is expected to be completed in September 2017.

Once implemented, the system will increase the timeliness and ability to share and link data across Emergency Medical Services (EMS) and Hospital data providers. Data reporting and analytics will be a key deliverable providing the Injury Program the ability to link and analyze Hospital Discharge Data, Vital Statistics Death Data, EMS data, Hospital Injury data, Texas Department of Transportation crash records, and rehabilitation data for traumatic brain injuries (TBI), spinal cord injuries (SCI) to provide key indicators with the goal of improving outcomes for patients treated by EMS and hospitals.
- 3 Tuberculosis, HIV and STD Integrated Systems**

The project, authorized through a Biennial Operating Plan amendment, in fiscal year 2014 for a duration of 28 months, was appropriated \$2.9 million in All Funds. In fiscal year 2016 DSHS was appropriated \$1.3 million in All Funds to complete the project. The project is expected to be completed in December 2017.

An assessment project for the TB/HIV/STD integrated systems was conducted during the 2012-13 biennium to gather requirements, identify the gaps relative to existing systems, and determine the feasibility and costs associated with the implementation. DSHS is consolidating six multiple systems into a single system to resolve numerous operational issues allowing for improved disease surveillance, streamlining required reporting to the Centers for Disease Control and Prevention (CDC) and to provide enhanced disease case management.

The estimated project cost increased due to additional reporting, workflows, print templates, and vendor costs for implementation. The finish date of the project was extended due changes to the scope of the project; and technical challenges.

4 Texas Electronic Vital Events Registrar

The project, authorized to begin in fiscal year 2016 for a duration of 34 months, was appropriated \$14.1 million in All Funds for project development.

Eighty-second Legislature, Regular Session, 2011, General Appropriations Act, 2012-13 Biennium, DSHS, Rider 72, Evaluate Security of Birth Records, established a workgroup charged with the assessment of the security of vital records. The workgroup's final report "Strengthening the Texas Birth Record Information System" consists of 30 recommendations, 15 of which address the security and effectiveness of the State's vital record information system.

5 Application Remediation for Data Center Consolidation

The project, authorized to begin in fiscal year 2016 for a duration of eight months, was appropriated \$0.1 million in General Revenue for project development.

This project will remediate non-consolidated applications to current technology stacks and subsequently migrate to appropriate Data Center Services (DCS) environment either the legacy State Data Center or the DCS Amazon Web Services.

In December 2016, the agency reported that the project schedule was adjusted to allow Amazon Web Services (AWS) to stabilize the production environment, obtain Security Certification which includes network security as well as application, data and host security. The new project close date is February 28, 2017.

Note:

Eighty-fourth Legislature, General Appropriations Act 2016-17 Biennium, Article IX, Section 9.09(d) requires, in accordance with § 2054.003, Government Code any application remediation project related to the Data Center Services program shall be considered a major information resources project.

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

Modification of Existing Riders (new number)

2. **Capital Budget.** Recommendations include deletion of references to several capital budget projects transferring to HHSC pursuant to Senate Bill 200, Eighty-fourth Legislature, 2015.
3. **Laboratory Funding.** Recommendations including modifying text to reflect updated debt service requirements and identify revenue target for fiscal year 2018.
4. **Appropriations Limited to Revenue Collections.** Recommendations include deleting references to accounts and revenue objects which transferred (pursuant to SB 200) or TDLR (pursuant to Senate Bill 202, Eighty-fourth Legislature, 2015) and those that are no longer active. Additionally, the requirement that DSHS review the agency's fee schedule annually and submit a report to LBB and the Governor was moved to Rider 30: Other Reporting Requirements.
5. **Exemption from Article IX, Sec. 8.02(e), Reimbursements and Payments.** Recommendations include modifying rider to clarify authority, which allows DSHS to deposit reimbursements to any appropriation, not just to the appropriation from which it was made.
7. **Administration of Public Health Funds.** Recommendations include deletion of reference to the Permanent Hospital Fund for Capital Improvements and the Texas Center for Infectious Disease due to transfer of the fund to HHSC pursuant to SB 200.
10. **Limitation: Reclassification of General Revenue Associated with Maintenance of Effort.** Recommendations include deletion of references to grants that are transferring to HHSC pursuant to SB 200.
12. **Collection of Emergency Room Data.** Recommendations include adding the Statewide Behavioral Health Coordinating Council to the list of report recipients.
17. **Estimated Appropriation and Unexpended Balance: Permanent Tobacco Funds.** Recommendations include deletion of reference to the Permanent Hospital Fund for Capital Improvements and the Texas Center for Infectious Disease due to transfer of the fund to HHSC pursuant to SB 200.
18. **Appropriation: Contingent Revenue.** Recommendations include deleting references accounts and revenue object codes which have transferred HHSC (pursuant to SB 200) or TDLR (pursuant to SB 202). Recommendations include deletion of Account 524, Public Health Services Fee, to limit appropriations.
24. **Unexpended Balances: Credit Card and Electronic Services Related Fees.** Recommendations include adding maintenance and ongoing operating expenses related to TxEver as allowable uses for funds collected under Revenue Object 3879 and deposited to General Revenue-Dedicated Account 19, Vital Statistics.
28. **Reimbursement of Advisory Committee Members.** Recommendations include updates to reflect the committees which currently provide travel reimbursement to members. Additionally, recommendations include deletion of reference to the Council for Advising and Planning for the Prevention and Treatment of Mental and Substance Abuse Disorders because it transferred to HHSC pursuant to SB 200.

New Riders

Recommendations include no new riders.

Deleted Riders (original number)

- 16. **Accounting of Support Costs.** Recommendations delete rider because the agency doesn't utilize separate accounts for support costs.
- 21. **Reimbursement of Advisory Council Members.** Recommendations delete rider because the advisory council was abolished by SB 200.
- 43. **Limitation: Expenditure and Transfer of Additional Public Health Medicaid Reimbursements.** Recommendations delete rider from DSHS bill pattern and move to Article II, Special Provisions. See current Article II, Special Provisions Sec. 21, Limitation: Expenditure and Transfer of Public Health Medicaid Reimbursements.
- 44. **Use of Appropriated Funds for Reports on School based Health Centers.** Recommendations delete rider.
- 48. **Food Manufacturers Licensing Report.** Recommendations delete rider.
- 52. **Available Earnings from the Permanent Fund for Health and Tobacco Education and Enforcement in Excess of the Biennial Revenue Estimate.** Recommendations delete rider and assume the corpus of the accounts will be expended during fiscal year 2018.
- 56. **End State Renal Disease Prevention Program.** Recommendations delete rider due to removal of all funding for this program by DSHS as part of the 4 percent General Revenue-Related reduction.
- 68. **Sunset Contingency.** Recommendations delete rider because it is no longer necessary.
- 77. **Funding for Infectious Diseases including Ebola.** Recommendations delete rider due to one-time federal Ebola funding.
- 79. **Community Planning Grants for Hazardous Chemical Events.** Recommendations delete rider due to the transfer of the program to the Texas Commission on Environmental Quality (TCEQ) pursuant to House Bill 942, Eighty-fourth Legislature, 2015.
- 81. **Public Health System Inventory and Action Plan.** Recommendations delete rider because the agency is anticipating to complete the task before the end of November, 2016.

Riders Recommended to be Transferred to HHSC or Deleted Pursuant to SB 200* (original number)

- 3. **Client Services.** See current HHSC Rider 43, Client Services.
- 5. **Transfers of Appropriation – State Owned Hospitals.** See current HHSC Rider 136, Transfer of Appropriation – State Owned Hospitals.
- 6. **Disposition of Construction Appropriation.** See current HHSC Rider 87, Disposition of Construction Appropriation Related to Intellectual Disability.
- 8. **Unexpended Construction Balances.** See current HHSC Rider 137, Unexpended Construction Balances.
- 9. **Mental Health Appropriation Transfer Between Fiscal Years.** See current HHSC Rider 138, Mental Health Appropriation Transfer Between Fiscal Years.
- 13. **Revolving Fund Services: Canteen Services and Sheltered Workshops.** See current HHSC Rider 115, Revolving Fund Services: Canteen Services and Sheltered Workshops.

17. **Appropriation: WIC (Special Supplemental Nutrition Program for Women, Infants, and Children) Rebates.** Rider not continued.
18. **State Health Care Facility Provisions.** See current HHSC Rider 90, State Health Care Facility Provisions.
22. **Medical Treatment.** See current HHSC Rider 62, Medical Treatments.
24. **State Health Programs Drug Manufacturer Rebates.** See current HHSC Rider 107, Vendor Drug Rebates and Report.
25. **Performance Reporting for Texas Center for Infectious Disease and Rio Grande State Center.** See current HHSC Rider 91, Performance Reporting for Texas Center for Infectious Disease and Rio Grande State Center.
27. **State Owned Multicategorical Teaching Hospital Account.** See current HHSC Rider 140, State Owned Multicategorical Teaching Hospital Account.
30. **Transfer for Health Professions Council.** See current HHSC Rider 168, Transfer for Health Professions Council.
31. **Children with Special Health Care Needs.** See current HHSC Rider 73, Children with Special Health Care Needs (CSHCN).
33. **Medically Fragile Children.** See current HHSC Rider 74, Medically Fragile Children.
35. **Mentally Ill Offender Screening.** See current HHSC Rider 44, Mentally Ill Offender Screening.
39. **Unexpended Balances – Community Mental Health Crisis Services.** See current HHSC Rider 131, Unexpended Balance Authority within the Biennium for Eligibility Determination Services and Community Mental Health Crisis Services.
40. **County Indigent Health Care.** See current HHSC Rider 75, County Indigent Health Care.
41. **Revolving Account for the Consolidated Health and Human Services Print Shop.** See current HHSC Rider 152, Revolving Account for the Consolidated Health and Human Services Print Shop.
47. **Unexpended Balances – General Obligation Bond Proceeds.** See current HHSC Rider 137, Unexpended Construction Balances.
51. **Parkland Senior Care Center.** See current HHSC Rider 76, Parkland Senior Care Project.
53. **Funding for Abstinence Sexual Education.** See current HHSC Rider 51, Funding for Abstinence Sexual Education.
54. **Texas Center for Infectious Disease Services and Billing.** See current HHSC Rider 92, Texas Center for Infectious Disease Services and Billing.
55. **Local Service Area Planning.** See current HHSC Rider 45, Local Service Area Planning.
57. **Administrative Attachment: Texas Civil Commitment Office.** See current HHSC Rider 103, Administrative Attachment: Texas Civil Commitment Office.
58. **Mental Health Outcomes and Accountability.** See current HHSC Rider 46, Mental Health Outcomes and Accountability.
59. **Mental Health Appropriations and the 1115 Medicaid Transformation Waiver.** See current HHSC Rider 47, Mental Health Appropriations and the 1115 Medicaid Transformation Waiver
60. **1915(c) Youth Empowerment Services Waiver Expansion.** Rider not continued.
61. **Home and Community Based Services.** Rider not continued.

- 62. **Mental Health Programs for Veterans.** Rider not continued.
- 63. **Primary Health Care Program.** See current HHSC Rider 52, Primary Health Care Program: Providers.
- 64. **Healthy Community Collaboratives.** See current HHSC Rider 48, Healthy Community Collaboratives.
- 66. **Harris County Jail Diversion Pilot Program.** Rider not continued.
- 70. **Jail-Based Competency Restoration Pilot Program.** Rider not continued.
- 71. **Increased Access to Community Mental Health Services.** Rider not continued.
- 72. **Breast and Cervical Cancer Services Program.** See current HHSC Rider 53, Breast and Cervical Cancer Services Program: Providers.
- 73. **Mental Health Peer Support Re-entry Pilot.** See current HHSC Rider 49, Mental Health Peer Support Re-entry Pilot.
- 74. **University of Texas Harris County Psychiatric Center Long-term Bed Pilot.** Rider not continued.
- 76. **Prohibition on Use of Appropriations for the Private Operation of a State Hospital.** See current HHSC Rider 93, Prohibition on Use of Appropriations for the Private Operation of a State Hospital.
- 80. **Community-Based Crisis and Treatment Facilities Review.** Rider not continued.
- 82. **Behavioral Health Services Provider Contracts Review.** Rider not continued.
- 84. **Contingency for Behavioral Health Funds.** See current HHSC Rider 42, Contingency for Behavioral Health Funds.
- 85. **Transition of the NorthSTAR Behavioral Health Services Model.** Rider not continued.
- 86. **State Hospital System Improvements.** Rider not continued.
- 87. **University of Texas Harris County Psychiatric Center Rates.** Rider not continued.

** Note – Recommended rider modifications related to riders transferring from DSHS to HHSC are not reflected here. Please refer to the HHSC Summary of Recommendations packet for details about any modifications related to these riders.*

Department of State Health Services
Items Not Included in Recommendations - Senate

Section 5

		2018-19 Biennial Total					
		GR & GR-D	All Funds	FTEs	Information Technology Involved?	Contracting Involved?	Estimated Continued Cost 2020-21
Agency Exceptional Items - In Agency Priority Order							
1)	Ensure Basic Public Health Capacity - This request involves funding to: recruit providers, manage vaccine inventory, and provide immunizations to children and adults; investigate and respond to incidence of infectious disease throughout the state; testing for infectious disease at the DSHS Public Health Laboratory; investigate, treat, and provide medications for tuberculosis; respond to public health emergency response situations; continue all health registry functions; analyze and report disease trends and the health status of Texans; support state and community activities to prevent or mitigate the impact of chronic diseases on the health care system; maintain EMS compliance activities and training; maintain inspectors in the Radiation Control program; process vital records and adoption paperwork timely; ensure agency operations to support effective, efficient, and accountable management of public health resources.	\$51,343,607	\$51,343,607	219.8	Yes	Yes	\$50,130,182
2)	Strengthen the State Public Health Laboratory - This request targets recruitment and retention of staff, mitigating the cost of public health testing, and building infrastructure.	\$15,500,000	\$15,500,000	2.0	Yes	Yes	\$14,489,342
3)	Prevent and Control Infectious Diseases - This request specifically targets front-line public health interventions for infectious diseases such as tuberculosis, HIV, STDs, vaccine preventable diseases, food and waterborne diseases, and zoonotic diseases, such as rabies.	\$19,500,000	\$19,500,000	42.0	No	Yes	\$19,246,826
4)	Secure and Preserve Vital Records - This request would fund a four-year project which would allow DSHS to shore up the security and efficiency of the vital records office.	\$1,946,981	\$1,946,981	0.0	No	Yes	\$1,910,263
TOTAL Items Not Included in Recommendations		\$88,290,588	\$88,290,588	263.8	\$83,866,350		

**Department of State Health Services
Appendices**

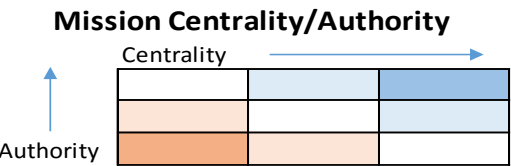
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Department of State Health Services
Strategic Fiscal Review: Appendix 1-- Program Funding - Senate

Department of State Health Services

To improve the health, safety, and well-being of Texans through good stewardship of public resources, and a focus on core public health functions.

Total Budget				2018-19 Recommendations
	Strategy	Budget, Ordered by Mission Centrality and Authority	Agency Ranking	
100%				\$1,662,036,279
	5.1.2 IT Program Support	Information Technology Program Support		\$21,799,348
	4.1.1 Agency Wide IT Projects	Agency Wide Information Technology Projects		\$25,591,179
	5.1.1 Central Administration	Central Administration		\$16,622,193
	5.1.3 Other Support Services	Other Support Services		\$3,718,250
	5.1.4 Regional Administration	Regional Administration		\$1,805,807
	3.1.5 Texas.Gov	Texas.Gov		\$1,400,000
	3.1.4 Health Care Professionals	Health Care Professionals	33	\$0
	1.2.1 Immunize Children & Adults In Texas	Immunize Adults	19	\$16,933,064
	1.2.3 Infectious Disease Prevention/Epidemiology/Surveillance	Refugee Health and Hansen's	18	\$274,618
	1.2.4 TB Surveillance & Prevention	TB Testing and Supplies	10	\$7,045,682
	1.2.4 TB Surveillance & Prevention	TB Prevention and Control	9	\$42,403,822
	1.2.4 TB Surveillance & Prevention	TB Medications	8	\$5,900,088
	1.3.1 Chronic Disease Prevention	Chronic Disease Prevention	31	\$16,486,631
	1.3.1 Chronic Disease Prevention	Health Promotion	30	\$2,221,384
	2.1.1 Women & Children's Health Services	Regional Program Support	26	\$37,599,128
	1.1.3 Health Registries	Health Registries	24	\$27,598,668
	1.3.3 Children With Special Needs	Family Support Services	21	\$12,196,848
	1.3.3 Children With Special Needs	Case Management	20	\$7,935,590
	3.1.2 Environmental Health	Environmental Health	15	\$12,938,187
	1.2.3 Infectious Disease Prevention/Epidemiology/Surveillance	Zoonosis	11	\$10,363,987
	2.1.2 Community Primary Care Services	Texas Primary Care Office (TPCO)	32	\$3,427,089
	1.2.2 HIV/STD Prevention	HIV/STD Prevention and Surveillance	27	\$22,469,670
	2.1.1 Women & Children's Health Services	Population Based Services	25	\$62,327,402
	1.1.5 Health Data & Statistics	Texas Health Care Information Center	23	\$1,169,788
	1.1.5 Health Data & Statistics	Health Data	22	\$6,453,292
75%	1.2.2 HIV/STD Prevention	HIV/STD Services	17	\$163,705,814
	1.2.2 HIV/STD Prevention	HIV/STD Medications	16	\$211,416,422
	1.1.1 Public Health Preparedness & Coordinated Services	Public Health Preparedness	7	\$102,157,621
50%				




Program functions transferred to HHSC, TDLR and TMB.

Refugee Health services no longer provided after Jan. 31, 2017.

2018-19 Agency Total Request
\$1,654,317,928
\$40,143,483
\$27,651,700
\$36,327,725
\$7,023,930
\$3,122,401
\$2,349,112
\$2,608,594
\$17,286,110
\$45,414,330
\$7,164,272
\$68,006,095
\$14,837,123
\$21,605,792
\$2,232,076
\$38,148,675
\$30,999,554
\$12,385,098
\$8,103,116
\$13,817,437
\$10,497,604
\$3,489,341
\$23,081,788
\$63,238,375
\$1,278,046
\$7,028,802
\$163,791,814
\$212,919,206
\$103,445,269

Department of State Health Services
Strategic Fiscal Review: Appendix 1-- Program Funding - Senate

 0%	1.1.1 Public Health Preparedness & Coordinated Services	Regional and Local Health Services	6	\$28,722,112	\$37,255,161
	1.2.1 Immunize Children & Adults In Texas	Immunize Children	5	\$162,670,627	\$166,489,825
	3.1.1 Food (Meat) & Drug Safety	Food (Meat) and Drug Safety	4	\$50,152,435	\$50,718,165
	1.4.1 Laboratory Services	Laboratory Services	2	\$140,756,159	\$257,127,347
	1.1.2 Vital Statistics	Vital Statistics	1	\$30,075,334	\$35,523,303
	1.3.2 Reduce Use of Tobacco Products	Tobacco Prevention Education	29	\$16,215,294	\$27,846,440
	1.1.4 Border Health & Colonias	Border Health and Colonias	28	\$4,256,755	\$4,492,041
	3.1.3 Radiation Control	Radiation Control	14	\$18,367,453	\$18,848,921
	2.2.1 EMS & Trauma Care Systems	Emergency Medical Services (EMS)	13	\$184,764,488	\$28,995,339
	2.2.1 EMS & Trauma Care Systems	Trauma Care System	12	\$167,260,420	\$23,724,053
	1.2.3 Infectious Disease Prevention/Epidemiology/Surveillance	Emerging Acute Infectious Diseases	3	\$14,833,630	\$15,300,465

Note: Recommended amounts for 2018-19 do not include funding for bond debt service for the Austin Laboratory (\$1.9 million in fiscal year 2018). The debt service was not included in SFR. Including the bond debt service, total 2018-19 recommendations are \$1.6 billion.

Department of State Health Services
Strategic Fiscal Review Appendix 2 Program Listing -- Services and Administration - Senate
(Includes Programs from All Funding Sources - Both Inside and Outside the State Treasury)

Agency Submission		LBB Staff Review and Analysis								
Agency Ranking	Program Name	Year Implemented	State Authority	Federal Authority	Authority	Mission Centrality	State Service	Service Area	Significant Audit and/or Report Findings	Contracts for Outsourced Services ¹⁰
1	Vital Statistics	1903	Admin Code, Statute *	No Federal Requirement	Strong	Moderate	Health Care - Disease Prevention, Treatment & Research	Statewide	Qualified ¹	Yes
2	Laboratory Services	1927	Admin Code, Statute *	No Federal Requirement	Moderate	Strong	Health Care - Disease Prevention, Treatment & Research	Statewide	Qualified ²	Partial
3	Emerging Acute Infectious Diseases	2007	Admin Code, Statute *	No Federal Requirement	Strong	Strong	Health Care - Disease Prevention, Treatment & Research	Statewide	N/A	Yes
4	Food (Meat) and Drug Safety	1872	Admin Code, Statute *	No Federal Requirement	Moderate	Strong	Business & Workforce Development & Regulation	Statewide	N/A	Partial
5	Immunize Children	1927	Admin Code, Statute *	Other, Public Law *	Moderate	Strong	Health Care - Disease Prevention, Treatment & Research	Statewide	Qualified ³	No
6	Regional and Local Health Services	2006	Admin Code, Statute *	Public Law *	Moderate	Strong	Health Care - Disease Prevention, Treatment & Research	Statewide	No	Partial
7	Public Health Preparedness	2002	Admin Code, Statute *	Public Law *	Moderate	Strong	Health Care - Disease Prevention, Treatment & Research	Statewide	Qualified ³	Partial
8	TB Medications	1989	Admin Code, Statute *	No Federal Requirement	Weak	Moderate	Health Care - Disease Prevention, Treatment & Research	Statewide	N/A	Yes
9	TB Prevention and Control	1989	Admin Code, Statute *	No Federal Requirement	Weak	Moderate	Health Care - Disease Prevention, Treatment & Research	Statewide	Qualified ⁴	Yes
10	TB Testing and Supplies	1989	Admin Code, Statute *	No Federal Requirement	Weak	Moderate	Health Care - Disease Prevention, Treatment & Research	Statewide	N/A	No
11	Zoonosis	1975	Admin Code, Statute *	No Federal Requirement	Moderate	Moderate	Health Care - Disease Prevention, Treatment & Research	Statewide	N/A	Partial

Department of State Health Services
Strategic Fiscal Review Appendix 2 Program Listing -- Services and Administration - Senate
(Includes Programs from All Funding Sources - Both Inside and Outside the State Treasury)

Agency Submission		LBB Staff Review and Analysis								
Agency Ranking	Program Name	Year Implemented	State Authority	Federal Authority	Authority	Mission Centrality	State Service	Service Area	Significant Audit and/or Report Findings	Contracts for Outsourced Services ¹⁰
12	Trauma Care System	1989	Admin Code, Statute *	No Federal Requirement	Strong	Strong	Health Care - Acute Care Services	Statewide	N/A	No
13	Emergency Medical Services (EMS)	1970	Admin Code, Statute *	No Federal Requirement	Strong	Strong	Health Care - Acute Care Services	Statewide	No	No
14	Radiation Control	1963	Admin Code, Statute *	No Federal Requirement	Strong	Strong	Business & Workforce Development & Regulation	Statewide	Qualified ⁵	N/A
15	Environmental Health	1933	Admin Code, Statute *	No Federal Requirement	Moderate	Moderate	Business & Workforce Development & Regulation	Statewide	N/A	Partial
16	HIV/STD Medications	1975	Admin Code, Statute *	Other, Public Law *	Strong	Moderate	Health Care - Disease Prevention, Treatment & Research	Statewide	Qualified ⁶	N/A
17	HIV/STD Services	1975	Statute *	Other, Public Law *	Strong	Moderate	Health Care - Disease Prevention, Treatment & Research	Statewide	No	Partial
18	Refugee Health and Hansen's	1989	Admin Code, Statute *	Other, Public Law *	Weak	Moderate	Health Care - Disease Prevention, Treatment & Research	Statewide	Qualified ^{6 7}	Yes
19	Immunize Adults	2009	Admin Code, Statute *	Other, Public Law *	Weak	Moderate	Health Care - Disease Prevention, Treatment & Research	Statewide	Qualified ³	Partial
20	Case Management	1933	Admin Code, Statute *	Other, Public Law *	Strong	Weak	Health Care - Acute Care Services	Statewide	N/A	N/A
21	Family Support Services	1933	Admin Code, Statute *	Other, Public Law *	Strong	Weak	Health Care - Acute Care Services	Statewide	N/A	Yes
22	Health Data	1940	Admin Code, Statute *	Other, Public Law *	Moderate	Strong	Health Care - Disease Prevention, Treatment & Research	Statewide	Qualified ³	N/A
23	Texas Health Care Information Center	1995	Admin Code, Statute *	No Federal Requirement	Moderate	Strong	Health Care - Disease Prevention, Treatment & Research	Statewide	N/A	N/A
24	Health Registries	1989	Admin Code, Statute *	Other, Public Law *	Moderate	Moderate	Health Care - Disease Prevention, Treatment & Research	Statewide	N/A	Partial

Department of State Health Services
Strategic Fiscal Review Appendix 2 Program Listing -- Services and Administration - Senate
(Includes Programs from All Funding Sources - Both Inside and Outside the State Treasury)

Agency Submission		LBB Staff Review and Analysis								
Agency Ranking	Program Name	Year Implemented	State Authority	Federal Authority	Authority	Mission Centrality	State Service	Service Area	Significant Audit and/or Report Findings	Contracts for Outsourced Services ¹⁰
25	Population Based Services	1963	Admin Code, Statute *	Other, Public Law *	Moderate	Strong	Health Care - Acute Care Services	Statewide	N/A	Partial
26	Regional Program Support	1963	Admin Code, Statute *	Other, Public Law *	Moderate	Moderate	Health Care - Acute Care Services	Statewide	N/A	N/A
27	HIV/STD Prevention and Surveillance	1975	Admin Code, Statute *	Other, Public Law *	Strong	Moderate	Health Care - Disease Prevention, Treatment & Research	Statewide	N/A	Yes
28	Border Health and Colonias	1991	Statute *	Other, Public Law *	Strong	Strong	Health Care - Disease Prevention, Treatment & Research	Regional	N/A	N/A
29	Tobacco Prevention Education	1991	Admin Code, Statute *	Public Law *	Strong	Strong	Health Care - Disease Prevention, Treatment & Research	Statewide	N/A	No
30	Health Promotion	2004	Admin Code, Statute *	No Federal Requirement	Moderate	Moderate	Health Care - Disease Prevention, Treatment & Research	Statewide	Yes ⁸	Partial
31	Chronic Disease Prevention	1983	Admin Code, Statute *	No Federal Requirement	Moderate	Moderate	Health Care - Disease Prevention, Treatment & Research	Statewide	Yes ⁸	Partial
32	Texas Primary Care Office (TPCO)	1985	Admin Code, Statute *	Other, Public Law *	Strong	Moderate	Service Eligibility & Coordination	Statewide	N/A	N/A
33	Health Care Professionals	1966	Admin Code, Statute *	No Federal Requirement	Moderate	Weak	Business & Workforce Development & Regulation	Statewide	No	N/A

Department of State Health Services
Strategic Fiscal Review Appendix 2 Program Listing -- Services and Administration - Senate
(Includes Programs from All Funding Sources - Both Inside and Outside the State Treasury)

Agency Submission		LBB Staff Review and Analysis								
Agency Ranking	Program Name	Year Implemented	State Authority	Federal Authority	Authority	Mission Centrality	State Service	Service Area	Significant Audit and/or Report Findings	Contracts for Outsourced Services ¹⁰
Indirect Administration Programs										
	Agency Wide Information Technology Projects	2018	Admin Code, Other, Statute	No Federal Requirement			State Government Administration & Support	Statewide	N/A	N/A
	Central Administration	1879	Statute	No Federal Requirement			State Government Administration & Support	Statewide	Qualified ²	Partial
	Information Technology Program Support	1981	Admin Code, Other, Statute	Other, Public Law			State Government Administration & Support	Statewide	Qualified ⁹	Partial
	Other Support Services	1879	No State Requirement	No Federal Requirement			State Government Administration & Support	Statewide	N/A	No
	Regional Administration	1970	Statute	No Federal Requirement			State Government Administration & Support	Statewide	N/A	N/A
	Texas.Gov	2007	Statute	No Federal Requirement			Business & Workforce Development & Regulation	Statewide	N/A	N/A

* One or more activities within the program has no state or federal authority.

- Notes:**
1. The agency did not report any audits related to the Vital Statistics program. However, a 2015 internal audit (Follow-up Audit of Internal and External Audits of the Vital Statistics Unit Since 2004) had several significant findings. It is unclear what DSHS has done to address the recommendations. Note - LBB was only aware of this audit and its findings because DSHS listed it among the audits of the Central Administration program. Additionally, in August of this year, 2 officials in the Vital Statistics Unit were terminated after it was discovered that a book containing about 500 birth records was lost. According to reports, the book had been lost several years before. It is unclear what, if anything, DSHS has done in response to this incident to improve program performance.
 2. Agency submitted multiple reports with significant findings. Agency reported varying levels of implementation across reports. No further details about implementation were provided by agency.
 3. Agency submitted report(s) with significant findings. Per agency, recommendations are "incomplete/ongoing - on target." No further details about implementation were provided by agency.
 4. Agency submitted report(s) with significant findings. Per agency, recommendations are "fully implemented; ongoing." No further details about implementation were provided by agency.
 5. The agency did not report any audits related to the Radiation Control program. A report released on July 15, 2016 by the US Government Accountability Office (GAO) (Nuclear Security: NRC Has Enhanced the Controls of Dangerous Radioactive Materials, but Vulnerabilities Remain) indicated they found flaws related to the control of category 3 quantities of radioactive materials. GAO investigators set up fictitious companies in 3 states and then attempted to gain Nuclear Regulatory Commission (NRC) licenses and purchase radioactive materials. While their attempts failed in 2 states, in the third the group was not only able to gain the license and purchase radioactive materials, they then altered it and gained more radioactive material than the initial license allowed. While the GAO report does not indicate which states were involved in the investigation, reports from the Texas Tribune (In Dirty Bomb Prevention, Texas Fails a Crucial Test - Aug. 4, 2016) and the Center for Public Integrity/The Washington Post (A Secret Group Easily Bought the Raw Ingredients for a Dirty Bomb - Here in America - Aug. 4, 2016) suggest the state in which the investigators were able to gain the license and the materials was Texas.
 6. Agency submitted report(s) with significant findings. Per agency, recommendations are "ongoing." No further details about implementation were provided by agency.
 7. Agency submitted report(s) with significant findings. Per agency, recommendations have been "fully implemented." No further details about implementation were provided by agency.
 8. Agency submitted report(s) with significant findings. Recommendations have been implemented. Agency provided details about how each recommendation had been implemented.
 9. Agency submitted report(s) with significant findings. Per agency, recommendations have been "fully implemented; substantially implemented." No further details about implementation were provided by agency.
 10. Contracts for outsources services - "NA" indicates the agency did not report any contracts associated with the program.

Department of State Health Services
Strategic Fiscal Review Appendix 3: Program Listing -- Fiscal - Senate
(Includes Programs from All Funding Sources - Both Inside and Outside the State Treasury)

Agency Submission				LBB Staff Review and Analysis							
Agency Ranking	Program Name	2012-13 Expended	2014-15 Expended	2016-17 Est / Budg	2017 FTEs Budg	2018-19 Recommended	2019 FTEs Rec.	Percent Change from Base	FTEs Change from Base	Revenue Supported?	Appropriate Use of Constitutional and GR-Dedicated Funds?
1	Vital Statistics	\$ 15,857,421	\$ 20,224,672	\$ 35,872,395	128.6	\$ 30,075,334	117.7	-16.2%	-10.9	Yes	Compliant
2	Laboratory Services	\$ 78,232,889	\$ 101,088,207	\$ 121,020,793	370.5	\$ 140,756,159	357.6	16.3%	-12.9	Yes	Compliant
3	Emerging Acute Infectious Diseases	\$ 9,215,377	\$ 9,292,199	\$ 19,182,458	52.9	\$ 14,833,630	52.9	-22.7%	0.0	Yes	Compliant
4	Food (Meat) and Drug Safety	\$ 43,360,063	\$ 48,479,567	\$ 50,305,429	380.8	\$ 50,152,435	377.9	-0.3%	-2.9	Yes	Compliant
5	Immunize Children	\$ 138,459,702	\$ 149,479,625	\$ 167,360,402	232.7	\$ 162,670,627	220.6	-2.8%	-12.1	Yes	Compliant
6	Regional and Local Health Services	\$ 32,416,581	\$ 33,552,957	\$ 29,069,313	90.8	\$ 28,722,112	90.8	-1.2%	0.0	Yes	Compliant
7	Public Health Preparedness	\$ 126,176,108	\$ 105,925,829	\$ 131,667,086	163.2	\$ 102,157,621	163.2	-22.4%	0.0	No	Compliant
8	TB Medications	\$ 5,200,510	\$ 5,692,049	\$ 5,999,278	0.0	\$ 5,900,088	0.0	-1.7%	0.0	No	N/A
9	TB Prevention and Control	\$ 33,843,019	\$ 35,769,529	\$ 44,791,343	92.4	\$ 42,403,822	85.5	-5.3%	-6.9	Yes	N/A
10	TB Testing and Supplies	\$ 7,167,003	\$ 7,590,814	\$ 7,163,089	37.5	\$ 7,045,682	34.7	-1.6%	-2.8	No	N/A
11	Zoonosis	\$ 8,053,007	\$ 8,071,731	\$ 11,105,475	23.2	\$ 10,363,987	23.2	-6.7%	0.0	Yes	Compliant
12	Trauma Care System	\$ 131,865,667	\$ 202,139,299	\$ 167,474,453	35.1	\$ 167,260,420	33.5	-0.1%	-1.6	Yes	Compliant
13	Emergency Medical Services (EMS)	\$ 145,633,641	\$ 222,284,152	\$ 185,023,988	37.9	\$ 184,764,488	36.1	-0.1%	-1.8	Yes	Compliant
14	Radiation Control	\$ 17,739,495	\$ 18,268,298	\$ 20,361,947	143.1	\$ 18,367,453	139.1	-9.8%	-4.0	Yes	Compliant
15	Environmental Health	\$ 12,874,780	\$ 15,516,018	\$ 14,960,765	108.1	\$ 12,938,187	92.6	-13.5%	-15.5	Yes	Compliant
16	HIV/STD Medications	\$ 208,657,539	\$ 224,943,724	\$ 232,706,285	33.9	\$ 211,416,422	33.9	-9.1%	0.0	Yes	N/A
17	HIV/STD Services	\$ 125,134,534	\$ 126,010,473	\$ 151,513,792	92.6	\$ 163,705,814	92.6	8.0%	0.0	Yes	N/A
18	Refugee Health and Hansen's	\$ 17,576,588	\$ 24,120,594	\$ 37,881,703	6.3	\$ 274,618	1.3	-99.3%	-5.0	No	N/A
19	Immunize Adults	\$ 9,637,761	\$ 18,310,873	\$ 23,814,881	37.2	\$ 16,933,064	35.3	-28.9%	-1.9	No	N/A
20	Case Management	\$ 7,787,138	\$ 8,029,645	\$ 8,025,628	71.9	\$ 7,935,590	69.9	-1.1%	-2.0	Yes	N/A
21	Family Support Services	\$ 11,790,280	\$ 11,822,531	\$ 12,238,122	11.3	\$ 12,196,848	11.0	-0.3%	-0.3	No	N/A
22	Health Data	\$ 7,413,494	\$ 8,637,454	\$ 8,148,477	72.3	\$ 6,453,292	66.2	-20.8%	-6.1	No	N/A
23	Texas Health Care Information Center	\$ 664,316	\$ 658,157	\$ 1,326,905	10.3	\$ 1,169,788	9.4	-11.8%	-0.9	No	N/A
24	Health Registries	\$ 29,716,314	\$ 25,516,542	\$ 27,554,229	148.1	\$ 27,598,668	135.5	0.2%	-12.6	Yes	Compliant
25	Population Based Services	\$ 49,645,527	\$ 50,742,409	\$ 66,428,896	123.2	\$ 62,327,402	122.6	-6.2%	-0.6	Yes	N/A
26	Regional Program Support	\$ 51,808,391	\$ 53,632,266	\$ 47,812,289	304.6	\$ 37,599,128	303.1	-21.4%	-1.5	No	N/A
27	HIV/STD Prevention and Surveillance	\$ 32,128,900	\$ 27,747,880	\$ 23,837,312	84.4	\$ 22,469,670	84.4	-5.7%	0.0	Yes	N/A
28	Border Health and Colonias	\$ 2,303,485	\$ 2,254,556	\$ 3,492,756	25.7	\$ 4,256,755	23.5	21.9%	-2.2	Yes	N/A

Department of State Health Services
Strategic Fiscal Review Appendix 3: Program Listing -- Fiscal - Senate
(Includes Programs from All Funding Sources - Both Inside and Outside the State Treasury)

Agency Submission				LBB Staff Review and Analysis							
Agency Ranking	Program Name	2012-13 Expended	2014-15 Expended	2016-17 Est / Budg	2017 FTEs Budg	2018-19 Recommended	2019 FTEs Rec.	Percent Change from Base	FTEs Change from Base	Revenue Supported?	Appropriate Use of Constitutional and GR-Dedicated Funds?
29	Tobacco Prevention Education	\$ 17,305,975	\$ 26,709,207	\$ 24,065,068	14.2	\$ 16,215,294	13.7	-32.6%	-0.5	No	Compliant
30	Health Promotion	\$ 1,695,571	\$ 1,691,676	\$ 2,201,777	7.2	\$ 2,221,384	6.9	0.9%	-0.3	No	N/A
31	Chronic Disease Prevention	\$ 28,672,549	\$ 27,194,426	\$ 24,516,092	47.9	\$ 16,486,631	46.2	-32.8%	-1.7	Yes	Compliant
32	Texas Primary Care Office (TPCO)	\$ 26,585,697	\$ 116,595,451	\$ 80,556,471	15.6	\$ 3,427,089	15.4	-95.7%	-0.2	Yes	Compliant
33	Health Care Professionals	\$ 10,466,776	\$ 10,578,764	\$ 7,629,870	71.2	\$ -	0.0	-100.0%	-71.2	Yes	N/A
Indirect Administration Programs											
	Agency Wide Information Technology Projects	\$ 22,801,845	\$ 32,026,433	\$ 50,488,260	0.0	\$ 25,591,179	0.0	-49.3%	0.0	No	Qualified
	Central Administration	\$ 32,862,999	\$ 33,545,678	\$ 38,718,842	195.2	\$ 16,622,193	61.4	-57.1%	-133.8	Yes	Qualified
	Information Technology Program Support	\$ 27,390,531	\$ 32,457,566	\$ 39,930,479	44.0	\$ 21,799,348	16.5	-45.4%	-27.5	No	Qualified
	Other Support Services	\$ 15,795,383	\$ 13,498,106	\$ 9,963,443	24.5	\$ 3,718,250	9.6	-62.7%	-14.9	No	Qualified
	Regional Administration	\$ 2,821,553	\$ 3,051,431	\$ 3,106,389	5.9	\$ 1,805,807	2.5	-41.9%	-3.4	No	Qualified
	Texas.Gov	\$ 2,093,867	\$ 1,643,912	\$ 2,359,612	0.0	\$ 1,400,000	0.0	-40.7%	0.0	No	Qualified
Total		\$ 1,548,852,276	\$ 1,864,794,700	\$ 1,939,675,792	3,344.3	\$ 1,662,036,279	2,986.3	-14.3%	-358.0		

	2016-17 Est/Budg	2018-19 Recommended
Inside the Treasury	\$ 1,973,267,002	\$ 1,662,036,279
Total	\$ 1,973,267,002	\$ 1,662,036,279

Notes: **Qualified** indicates that the agency may be using the funds for the purpose(s) intended or for similar purposes which are not specifically authorized by the constitution or statute, or that there may be conflicts within authorizing laws.
Revenue Supported includes fees, tuition set asides and donations.

Department of State Health Services
Strategic Fiscal Review Appendix 4: Assessments of Mission Centrality and Authority - Senate
(Includes Programs from All Funding Sources - Both Inside and Outside the State Treasury)

Mission centrality is a judgment of how directly connected a program is to the core mission and goals of the agency, as identified in statute, agency strategic plans, or other documents.
Authority is an assessment of how strong and explicit the legal basis is for the existence of the program and the way in which the agency is administering it.

MISSION CENTRALITY

		MISSION CENTRALITY		
		Weak	Moderate	Strong
A U T H O R I T Y	Strong	Case Management (20) Family Support Services (21)	Vital Statistics (1) HIV/STD Medications (16) HIV/STD Services (17) HIV/STD Prevention and Surveillance (27) Texas Primary Care Office (TPCO) (32)	Emerging Acute Infectious Diseases (3) Trauma Care System (12) Emergency Medical Services (EMS) (13) Radiation Control (14) Border Health and Colonias (28) Tobacco Prevention Education (29)
	Moderate		Zoonosis (11) Environmental Health (15) Health Registries (24) Regional Program Support (26) Health Promotion (30) Chronic Disease Prevention (31)	Laboratory Services (2) Food (Meat) and Drug Safety (4) Immunize Children (5) Regional and Local Health Services (6) Public Health Preparedness (7) Health Data (22) Texas Health Care Information Center (23) Population Based Services (25)
	Weak		TB Medications (8) TB Prevention and Control (9) TB Testing and Supplies (10) Refugee Health and Hansen's (18) Immunize Adults (19)	

Notes: Agency program rankings included after the program name. The matrix does not include Indirect Administration programs or the Health Care Professionals program (ranked 33).

Department of State Health Services
Strategic Fiscal Review Appendix 5: Constitutional, General Revenue Dedicated Accounts, and Funds Outside the Treasury - Senate
(Includes Programs from All Funding Sources - Both Inside and Outside the State Treasury)

1	Account No: 19	Account Type: GR DEDICATED
	Account Name: Vital Statistics Account	
	Legal Cite(s): 25 Texas Administrative Code § 181.22 - establishes fee amounts. Health and Safety Code § 191.0045 - establishes revenue source. Health and Safety Code § 191.005 - establishes account.	
	Authorized Use: To defray expenses incurred in the administration and enforcement of the Vital Statistics Act.	
	Revenue Source: Fees charged for searching, preparing and issuing copies and certified copies of birth, death, marriage, divorce, annulment and other records.	

Ranking:	Program Name	2016-17 Est/Budg	2018-19 Recommended	In Compliance with Authorized Use?
1	Vital Statistics	\$ 8,562,449	\$ 7,810,718	Yes
	Information Technology Program Support	\$ 2,728	\$ 1,930	Qualified
	Agency Wide Information Technology Projects	\$ 63,150	\$ 64,050	Qualified
	Other Support Services	\$ 632,009	\$ 446,919	Qualified
Total		\$ 9,260,336	\$ 8,323,617	

Notes/Comments:	Fiscal Year 2016 End-of-Year Cash Balance: \$21,498,995 Fiscal Year 2018 Estimated Revenue: \$3,776,000 Fiscal Year 2019 Estimated Revenue: \$3,776,000 Source: Comptroller of Public Accounts; Biennial Revenue Estimate, 2018-19
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Department of State Health Services
Strategic Fiscal Review Appendix 5: Constitutional, General Revenue Dedicated Accounts, and Funds Outside the Treasury - Senate
(Includes Programs from All Funding Sources - Both Inside and Outside the State Treasury)

2	Account No:	129	Account Type:	GR DEDICATED
	Account Name:	Hospital Licensing Acct		
	Legal Cite(s):	25 Texas Administrative Code § 133.26 - establishes fee amounts. Health and Safety Code § 241.025 - establishes revenue source.		
	Authorized Use:	Administration and enforcement of the Texas Hospital Licensing Law.		
	Revenue Source:	Fees collected from hospitals related to issuances and renewal of licenses.		

Ranking:	Program Name	2016-17 Est/Budg	2018-19 Recommended	In Compliance with Authorized Use?
	Agency Wide Information Technology Projects	\$ 6,219	\$ -	Qualified
	Central Administration	\$ 169,255	\$ -	Qualified
	Texas.Gov	\$ 10,500	\$ -	Qualified
Total		\$ 185,974	\$ -	

Notes/Comments:	This account will transfer to the Health and Human Services Commission on Sep. 1, 2017 along with regulation of health care facilities pursuant to Senate Bill 200, Eighty-fourth Legislature, 2015.
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Department of State Health Services
Strategic Fiscal Review Appendix 5: Constitutional, General Revenue Dedicated Accounts, and Funds Outside the Treasury - Senate
(Includes Programs from All Funding Sources - Both Inside and Outside the State Treasury)

3	Account No: 341	Account Type: GR DEDICATED
	Account Name: Food and Drug Fee Account	
	Legal Cite(s): 25 Texas Administrative Code § 229.372 - establishes fee amounts. Health and Safety Code § 12.0111 - establishes the Department's ability to collect fees for issuing or renewing licenses. Health and Safety Code § 437.0125 - establishes revenue source, account, and uses.	
	Authorized Use: No less than 50 percent shall be used to inspect facilities and to enforce and administer Health and Safety Code Chapter 437 - Regulation of Food Service Establishments, Retail Food Stores, Mobile Food Units, and Roadside Food Vendors.	
	Revenue Source: Fees charged for 1) filing, renewing, or amending a permit; and 2) an inspection performed to enforce Health and Safety Code Chapter 437 or a rule adopted under the chapter.	

Ranking:	Program Name	2016-17 Est/Budg	2018-19 Recommended	In Compliance with Authorized Use?
4	Food (Meat) and Drug Safety	\$ 3,309,693	\$ 3,309,558	Yes
	Agency Wide Information Technology Projects	\$ 9,469	\$ 9,604	Qualified
	Central Administration	\$ 161,632	\$ 114,296	Qualified
	Texas.Gov	\$ 146,162	\$ 87,108	Qualified
Total		\$ 3,626,956	\$ 3,520,566	

Notes/Comments:	Fiscal Year 2016 End-of-Year Cash Balance: \$13,745,969 Fiscal Year 2018 Estimated Revenue: \$2,770,000 Fiscal Year 2019 Estimated Revenue: \$2,770,000 Source: Comptroller of Public Accounts; Biennial Revenue Estimate, 2018-19
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Department of State Health Services
Strategic Fiscal Review Appendix 5: Constitutional, General Revenue Dedicated Accounts, and Funds Outside the Treasury - Senate
(Includes Programs from All Funding Sources - Both Inside and Outside the State Treasury)

4	Account No: 512	Account Type: GR DEDICATED
	Account Name: Bureau of Emergency Management	
	Legal Cite(s): 25 Texas Administrative Code § 157.11 - establishes fee amounts. Health and Safety Code § 12.0111 - establishes the Department's ability to collect fees for issuing or renewing licenses. Health and Safety Code § 773.050(c) - establishes revenue source. Health and Safety Code §§ 773.054 - 773.057 - establishes revenue source. Health and Safety Code § 773.05711 - establishes revenue source. Health and Safety Code § 773.0572 - establishes revenue source. Health and Safety Code § 773.059 - establishes revenue source. Health and Safety Code § 773.060 - establishes account and uses. Health and Safety Code § 773.0611 - establishes revenue source. Health and Safety Code § 773.070 - establishes the Department's ability to collect fees for issuing and renewing licenses. Health and Safety Code § 773.116 - establishes revenue source. Health and Safety Code § 773.147 - establishes revenue source.	
	Authorized Use: To administer the Emergency Health Care Act.	
	Revenue Source: Fees collected under the Emergency Health Care Act.	

Ranking:	Program Name	2016-17 Est/Budg	2018-19 Recommended	In Compliance with Authorized Use?
12	Trauma Care System	\$ 287,340	\$ 287,340	Yes
13	Emergency Medical Services (EMS)	\$ 4,256,333	\$ 4,256,333	Yes
	Central Administration	\$ 103,831	\$ 73,423	Qualified
	Texas.Gov	\$ 185,833	\$ 110,751	Qualified
Total		\$ 4,833,337	\$ 4,727,847	

Notes/Comments:	Fiscal Year 2016 End-of-Year Cash Balance: \$6,343,364 Fiscal Year 2018 Estimated Revenue: \$2,440,000 Fiscal Year 2019 Estimated Revenue: \$2,440,000 Source: Comptroller of Public Accounts; Biennial Revenue Estimate, 2018-19
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Department of State Health Services
Strategic Fiscal Review Appendix 5: Constitutional, General Revenue Dedicated Accounts, and Funds Outside the Treasury - Senate
(Includes Programs from All Funding Sources - Both Inside and Outside the State Treasury)

5	Account No: 524	Account Type: GR DEDICATED
	Account Name: Public Health Services Fees	
	Legal Cite(s): 25 Texas Admin Code § 73.41 25 Texas Admin Code § 73.52 - establishes fee amounts. 25 Texas Admin Code §§ 73.54 - 73.55 - establishes fee amounts. Health and Safety Code § 12.0122 - establishes revenue source. Health and Safety Code § 12.032 - establishes revenue source. Health and Safety Code § 12.035 - establishes the account.	
	Authorized Use: Defray administrative costs incurred by providing public health services.	
	Revenue Source: Fees collected for public health services and the sale of laboratory services.	

Ranking:	Program Name	2016-17 Est/Budg	2018-19 Recommended	In Compliance with Authorized Use?
2	Laboratory Services	\$ 25,785,817	\$ 41,102,807	Yes
32	Texas Primary Care Office (TPCO)	\$ 179,456	\$ 2,819,777	Yes
	Information Technology Program Support	\$ 1,263	\$ 893	Qualified
	Agency Wide Information Technology Projects	\$ 536,338	\$ 543,978	Qualified
	Other Support Services	\$ 252,028	\$ 178,220	Qualified
	Regional Administration	\$ 70,040	\$ 26,900	Qualified
Total		\$ 26,824,942	\$ 44,672,575	

Notes/Comments:	Fiscal Year 2016 End-of-Year Cash Balance: \$2,840,500 Fiscal Year 2018 Estimated Revenue: \$25,249,000 Fiscal Year 2019 Estimated Revenue: \$25,249,000 Source: Comptroller of Public Accounts; Biennial Revenue Estimate, 2018-19
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Department of State Health Services
Strategic Fiscal Review Appendix 5: Constitutional, General Revenue Dedicated Accounts, and Funds Outside the Treasury - Senate
(Includes Programs from All Funding Sources - Both Inside and Outside the State Treasury)

6	Account No: 5007	Account Type: GR DEDICATED
	Account Name: Commission on State Emergency Communications	
	Legal Cite(s): 12 Texas Administrative Code §§ 255.1 - 255.4 - establishes revenue source. Health and Safety Code § 771.072 - establishes revenue source and uses. Health and Safety Code § 771.007 - establishes revenue source.	
	Authorized Use: Allocations to regional planning commissions and grants to poison control centers.	
	Revenue Source: 9-1-1 equalization surcharge imposed on consumers receiving intrastate long-distance services and associated late fees.	

Ranking:	Program Name	2016-17 Est/Budg	2018-19 Recommended	In Compliance with Authorized Use?
12	Trauma Care System	\$ 1,756,846	\$ 1,756,846	Yes
13	Emergency Medical Services (EMS)	\$ 1,890,137	\$ 1,890,137	Yes
Total		\$ 3,646,983	\$ 3,646,983	

Notes/Comments:	Fiscal Year 2016 End-of-Year Cash Balance: \$38,420,252 Fiscal Year 2018 Estimated Revenue: \$19,850,000 Fiscal Year 2019 Estimated Revenue: \$19,850,000 Source: Comptroller of Public Accounts; Biennial Revenue Estimate, 2018-19
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Department of State Health Services
Strategic Fiscal Review Appendix 5: Constitutional, General Revenue Dedicated Accounts, and Funds Outside the Treasury - Senate
(Includes Programs from All Funding Sources - Both Inside and Outside the State Treasury)

7	Account No: 5017	Account Type: GR DEDICATED
	Account Name: Asbestos Removal Licensure	
	Legal Cite(s): Occupations Code § 1954.056(a) - establishes revenue source. Occupations Code § 1954.056(e) - establishes account and uses. Occupations Code § 1954.105(a)(2) - establishes revenue source. Occupations Code § 1954.108(a) - establishes revenue source. Occupations Code § 1954.109(2) - establishes revenue source. Occupations Code §§ 1954.203 - 1954.204 - establishes revenue source.	
	Authorized Use: Administration and enforcement of Chapter 1954 - Asbestos Health Protection. No more than 25 percent may be used on administration.	
	Revenue Source: Fees charged for issuing or renewing a license.	

Ranking:	Program Name	2016-17 Est/Budg	2018-19 Recommended	In Compliance with Authorized Use?
15	Environmental Health	\$ 6,044,244	\$ 5,271,353	Yes
	Information Technology Program Support	\$ 771	\$ 545	Qualified
	Agency Wide Information Technology Projects	\$ 82,654	\$ 50,885	Qualified
	Central Administration	\$ 142,710	\$ 100,916	Qualified
	Texas.Gov	\$ 308,868	\$ 184,076	Qualified
Total		\$ 6,579,247	\$ 5,607,775	

Notes/Comments:	Fiscal Year 2016 End-of-Year Cash Balance: \$27,109,300 Fiscal Year 2018 Estimated Revenue: \$3,929,000 Fiscal Year 2019 Estimated Revenue: \$3,929,000 Source: Comptroller of Public Accounts; Biennial Revenue Estimate, 2018-19
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Department of State Health Services
Strategic Fiscal Review Appendix 5: Constitutional, General Revenue Dedicated Accounts, and Funds Outside the Treasury - Senate
(Includes Programs from All Funding Sources - Both Inside and Outside the State Treasury)

8	Account No: 5020	Account Type: GR DEDICATED
	Account Name: Workplace Chemicals List	
	Legal Cite(s): Health and Safety Code § 505.016 - establishes revenue source and uses.	
	Authorized Use: An amount not to exceed 15 percent of the fees collected under Chapter 505 (Manufacturing Facility Community Right-to-Know Act) and this chapter, or 15 percent of the amount of fees paid by the state and its political subdivisions under this chapter, whichever is greater, may be used by DSHS to administer Chapter 502 (Hazard Communication Act).	
	Revenue Source: Fees charged to facility operators for the filing of tier two forms.	

Ranking:	Program Name	2016-17 Est/Budg	2018-19 Recommended	In Compliance with Authorized Use?
15	Environmental Health	\$ 247,855	\$ 247,855	Yes
	Central Administration	\$ 142,710	\$ 100,916	Qualified
Total		\$ 390,565	\$ 348,771	

Notes/Comments:	Fiscal Year 2016 End-of-Year Cash Balance: \$5,776,897 Fiscal Year 2018 Estimated Revenue: \$1,290,000 Fiscal Year 2019 Estimated Revenue: \$1,340,000 Source: Comptroller of Public Accounts; Biennial Revenue Estimate, 2018-19
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Department of State Health Services
Strategic Fiscal Review Appendix 5: Constitutional, General Revenue Dedicated Accounts, and Funds Outside the Treasury - Senate
(Includes Programs from All Funding Sources - Both Inside and Outside the State Treasury)

9	Account No: 5021	Account Type: GR DEDICATED
	Account Name: Certification of Mammography Systems	
	Legal Cite(s): Health and Safety Code § 401.427 - establishes revenue source and uses.	
	Authorized Use: Administration of Texas Health and Safety Code Subchapter I - Certification of Mammography Systems	
	Revenue Source: Fees charged to certification holders.	

Ranking:	Program Name	2016-17 Est/Budg	2018-19 Recommended	In Compliance with Authorized Use?
14	Radiation Control	\$ 2,240,887	\$ 2,240,433	Yes
	Central Administration	\$ 108,410	\$ 76,662	Qualified
	Texas.Gov	\$ 17,227	\$ 10,267	Qualified
Total		\$ 2,366,524	\$ 2,327,362	

Notes/Comments:	Fiscal Year 2016 End-of-Year Cash Balance: \$3,958,546 Fiscal Year 2018 Estimated Revenue: \$1,437,000 Fiscal Year 2019 Estimated Revenue: \$1,437,000 Source: Comptroller of Public Accounts; Biennial Revenue Estimate, 2018-19
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Department of State Health Services
Strategic Fiscal Review Appendix 5: Constitutional, General Revenue Dedicated Accounts, and Funds Outside the Treasury - Senate
(Includes Programs from All Funding Sources - Both Inside and Outside the State Treasury)

10

Account No:	5022	Account Type:	GR DEDICATED	
Account Name:	Oyster Sales			
Legal Cite(s):	Health and Safety Code § 12.0111 - establishes the Department's ability to collect fees for issuing or renewing licenses. Health and Safety Code § 436.103 - establishes revenue source and uses.			
Authorized Use:	Oyster-related activities, including: 1) collecting bay water and shellfish meat samples; 2) contracting for sample analysis for classification and opening or closing of oyster harvesting areas; 3) marking the boundaries of areas that are designed open or closed under the subchapter; 4) studying oyster diseases and other concerns affecting the availability of oysters for harvest; 5) studying and analyzing organisms that may be associated with human illness and that can be transmitted through the consumption of oysters; 6) contributing to the support of the oyster shell recovery and replacement program; other oyster-related activities authorized or required by this chapter.			
Revenue Source:	Fees on oyster sales.			

Ranking:	Program Name	2016-17 Est/Budg	2018-19 Recommended	In Compliance with Authorized Use?
4	Food (Meat) and Drug Safety	\$ 504,000	\$ 504,000	Yes
Total		\$ 504,000	\$ 504,000	

Notes/Comments:	Fiscal Year 2016 End-of-Year Cash Balance: \$705,405 Fiscal Year 2018 Estimated Revenue: \$109,000 Fiscal Year 2019 Estimated Revenue: \$109,000 Source: Comptroller of Public Accounts; Biennial Revenue Estimate, 2018-19
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Department of State Health Services
Strategic Fiscal Review Appendix 5: Constitutional, General Revenue Dedicated Accounts, and Funds Outside the Treasury - Senate
(Includes Programs from All Funding Sources - Both Inside and Outside the State Treasury)

11	Account No: 5024	Account Type: GR DEDICATED
	Account Name: Food and Drug Registration	
	Legal Cite(s): 25 Texas Administrative Code § 229.306* Health and Safety Code § 12.0111 - establishes the Department's ability to collect fees for issuing or renewing licenses. Health and Safety Code § 431.204 - establishes revenue source and use. Health and Safety Code § 431.224 - establishes revenue source and use. Health and Safety Code § 431.241 - established revenue source. Health and Safety Code § 431.276 - establishes revenue source and use. Health and Safety Code § 431.409 - established revenue source.	
	Authorized Use: Defray costs related to administering licensing programs for wholesale distributors of nonprescription drugs; food manufacturers, food wholesalers, and warehouse operators; and device distributors and manufacturers.	
	Revenue Source: Fees collected from whole distributors of nonprescription drugs, food manufacturers, food wholesalers, and warehouse operators and device distributors and manufacturers for license issuance/renewal, license amendments and inspections.	

Ranking:	Program Name	2016-17 Est/Budg	2018-19 Recommended	In Compliance with Authorized Use?
4	Food (Meat) and Drug Safety	\$ 11,924,251	\$ 11,903,449	Yes
	Information Technology Program Support	\$ 771	\$ 545	Qualified
	Agency Wide Information Technology Projects	\$ 150,354	\$ 152,496	Qualified
	Other Support Services	\$ 820,533	\$ 112,102	Qualified
	Texas.Gov	\$ 387,542	\$ 230,964	Qualified
Total		\$ 13,283,451	\$ 12,399,556	

Notes/Comments:	Fiscal Year 2016 End-of-Year Cash Balance: \$34,286,805 Fiscal Year 2018 Estimated Revenue: \$8,836,000 Fiscal Year 2019 Estimated Revenue: \$8,836,000 Source: Comptroller of Public Accounts; Biennial Revenue Estimate, 2018-19
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Department of State Health Services
Strategic Fiscal Review Appendix 5: Constitutional, General Revenue Dedicated Accounts, and Funds Outside the Treasury - Senate
(Includes Programs from All Funding Sources - Both Inside and Outside the State Treasury)

12	Account No:	5032	Account Type:	GR DEDICATED	
	Account Name:	Animal Friendly Plates			
	Legal Cite(s):	NA			
	Authorized Use:	Grants to eligible organizations that sterilize animals at minimal or no cost and for administration.			
	Revenue Source:	License plate fees, gifts, grants, donations and legislative appropriations.			

Ranking:	Program Name	2016-17 Est/Budg	2018-19 Recommended	In Compliance with Authorized Use?
		\$ -	\$ -	
Total		\$ -	\$ -	

Notes/Comments:	House Bill 7, Eighty-third Legislature, 2013, abolished General Revenue-Dedicated specialty license plate accounts created under Transportation Code, Subchapter G and changed deposit of license plate revenue to the License Plate Trust Fund (Account No. 0802). Revenue deposit changed Sep. 1, 2013 and account abolished Sep. 30, 2013.
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Department of State Health Services
Strategic Fiscal Review Appendix 5: Constitutional, General Revenue Dedicated Accounts, and Funds Outside the Treasury - Senate
(Includes Programs from All Funding Sources - Both Inside and Outside the State Treasury)

13	Account No: 5044	Account Type: GR DEDICATED
	Account Name: Permanent Fund for Health and Tobacco Education and Enforcement	
	Legal Cite(s): Government Code § 403.105 - establishes account, revenue source and use.	
	Authorized Use: 1) Programs to reduce the use of cigarettes and tobacco products in the state, including: a) smoking cessation programs; b) enforcement of Subchapter H, K, and N, Chapter 161, Health and Safety Code, or other laws relating to distribution of cigarettes or tobacco products to minors or use of cigarettes or tobacco products by minors; c) public awareness programs relating to use of cigarettes and tobacco products, including general educational programs and programs directed toward youth; and d) specific programs for communities traditionally targeted, by advertising and other means, by companies that sell cigarettes or tobacco products; and 2) The provision of preventive medical and dental services to children in the medical assistance program under Chapter 32, Human Resources Code.	
	Revenue Source: 1) Money transferred to the fund at the direction of the legislature; 2) Gifts and grants to the fund; and 3) The available earnings of the fund determined in accordance with § 403.1068.	

Ranking:	Program Name	2016-17 Est/Budg	2018-19 Recommended	In Compliance with Authorized Use?
29	Tobacco Prevention Education	\$ 5,671,013	\$ 279,098	Yes
	Agency Wide Information Technology Projects	\$ 40,375	\$ -	Qualified
Total		\$ 5,711,388	\$ 279,098	

Notes/Comments:	Fiscal Year 2016 End-of-Year Cash Balance: \$5,386,392 Fiscal Year 2018 Estimated Revenue: \$62,044,000 Fiscal Year 2019 Estimated Revenue: \$73,944,000 Source: Comptroller of Public Accounts; Biennial Revenue Estimate, 2018-19
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Department of State Health Services
Strategic Fiscal Review Appendix 5: Constitutional, General Revenue Dedicated Accounts, and Funds Outside the Treasury - Senate
(Includes Programs from All Funding Sources - Both Inside and Outside the State Treasury)

14	Account No: 5045	Account Type: GR DEDICATED
	Account Name: Permanent Fund for Children and Public Health	
	Legal Cite(s): Government Code § 403.1055 - establishes account, revenue source and uses.	
	Authorized Use: 1) Develop and demonstrate cost-effective prevention and intervention strategies for improving health outcomes for children and the public; 2) Provide grants to local communities to address specific public health priorities, including sickle cell anemia, diabetes, high blood pressure, cancer, heart attack, stroke, keloid tissue and scarring, and respiratory disease; 3) Provide grants to local communities for essential public health services as defined in the Health and Safety Code; and 4) Provide grants to schools of public health located in Texas.	
	Revenue Source: 1) Money transferred to the fund at the direction of the legislature; 2) Gifts and grants contributed to the fund; and 3) The available earnings of the fund determined in accordance with § 403.1068.	

Ranking:	Program Name	2016-17 Est/Budg	2018-19 Recommended	In Compliance with Authorized Use?
6	Regional and Local Health Services	\$ 2,883,472	\$ 139,551	Yes
	Agency Wide Information Technology Projects	\$ 1,057	\$ -	Qualified
Total		\$ 2,884,529	\$ 139,551	

Notes/Comments:	Fiscal year 2016 End-of-Year Cash Balance: \$2,732,657 Fiscal Year 2018 Estimated Revenue: \$31,118,000 Fiscal Year 2019 Estimated Revenue: \$37,063,000 Source: Comptroller of Public Accounts; Biennial Revenue Estimate, 2018-19
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Department of State Health Services
Strategic Fiscal Review Appendix 5: Constitutional, General Revenue Dedicated Accounts, and Funds Outside the Treasury - Senate
(Includes Programs from All Funding Sources - Both Inside and Outside the State Treasury)

15	Account No: 5046	Account Type: GR DEDICATED
	Account Name: Permanent Fund for Emergency Medical Services and Trauma Care	
	Legal Cite(s): Government Code § 403.106 - establishes account, revenue source and uses.	
	Authorized Use: Programs to provide emergency medical services and trauma care.	
	Revenue Source: 1) Money transferred to the fund at the direction of the legislature; 2) Gifts and grants contributed to the fund; and 3) The available earnings of the fund determined in accordance with § 403.1068.	

Ranking:	Program Name	2016-17 Est/Budg	2018-19 Recommended	In Compliance with Authorized Use?
12	Trauma Care System	\$ 1,457,689	\$ 71,233	Yes
13	Emergency Medical Services (EMS)	\$ 1,398,026	\$ 68,318	Yes
Total		\$ 2,855,715	\$ 139,551	

Notes/Comments:	Fiscal Year 2016 End-of-Year Cash Balance: \$2,948,754 Fiscal Year 2018 Estimated Revenue: \$31,125,000 Fiscal Year 2019 Estimated Revenue: \$37,073,000 Source: Comptroller of Public Accounts; Biennial Revenue Estimate, 2018-19
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Department of State Health Services
Strategic Fiscal Review Appendix 5: Constitutional, General Revenue Dedicated Accounts, and Funds Outside the Treasury - Senate
(Includes Programs from All Funding Sources - Both Inside and Outside the State Treasury)

16	Account No: 5096	Account Type: GR DEDICATED
	Account Name: Perpetual Care Fund	
	Legal Cite(s): Health and Safety Code § 401.109 - establishes revenue source. Health and Safety Code § 401.301 - established revenue source. Health and Safety Code § 401.303 - establishes revenue source and use. Health and Safety Code § 401.305 - establishes account, revenue source and use. Health and Safety Code § 401.307 - establishes account cap.	
	Authorized Use: Storage, maintenance, and distribution of mammography medical records or the decontamination, decommissioning, stabilization, reclamation, maintenance, surveillance, control, storage, and disposal of radioactive substances for the protection of the public health and safety and the environment under this chapter and for refunds under section 401.303.	
	Revenue Source: Fees and administrative penalties relating to radioactive waste under Health and Safety Code Ch. 401.	

Ranking:	Program Name	2016-17 Est/Budg	2018-19 Recommended	In Compliance with Authorized Use?
14	Radiation Control	\$ 1,600,000	\$ -	Yes
Total		\$ 1,600,000	\$ -	

Notes/Comments:	Fiscal Year 2016 End-of-Year Cash Balance: \$3,889,209 Fiscal Year 2018 Estimated Revenue: \$604,000 Fiscal Year 2019 Estimated Revenue: \$604,000 Source: Comptroller of Public Accounts; Biennial Revenue Estimate, 2018-19
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Department of State Health Services
Strategic Fiscal Review Appendix 5: Constitutional, General Revenue Dedicated Accounts, and Funds Outside the Treasury - Senate
(Includes Programs from All Funding Sources - Both Inside and Outside the State Treasury)

17	Account No: 5108	Account Type: GR DEDICATED
	Account Name: EMS, Trauma Facilities, Trauma Care Systems	
	Legal Cite(s): Code of Criminal Procedure § 102.0185 - establishes revenue source. Health and Safety Code § 773.006 - establishes account. Health and Safety Code § 773.122 - establishes uses.	
	Authorized Use: Fund county and regional emergency medical services, designated trauma facilities, and trauma care systems.	
	Revenue Source: \$100 fee collected from individuals convicted of intoxication-related offences (Chapter 49, Penal Code).	

Ranking:	Program Name	2016-17 Est/Budg	2018-19 Recommended	In Compliance with Authorized Use?
12	Trauma Care System	\$ 2,314,540	\$ 2,314,540	Yes
13	Emergency Medical Services (EMS)	\$ 2,454,065	\$ 2,454,065	Yes
Total		\$ 4,768,605	\$ 4,768,605	

Notes/Comments:	Fiscal Year 2016 End-of-Year Cash Balance: \$18,856,491 Fiscal Year 2018 Estimated Revenue: \$3,765,000 Fiscal Year 2019 Estimated Revenue: \$3,765,000 Source: Comptroller of Public Accounts; Biennial Revenue Estimate, 2018-19
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Department of State Health Services
Strategic Fiscal Review Appendix 5: Constitutional, General Revenue Dedicated Accounts, and Funds Outside the Treasury - Senate
(Includes Programs from All Funding Sources - Both Inside and Outside the State Treasury)

18	Account No: 5111	Account Type: GR DEDICATED
	Account Name: Trauma Facility and EMS	
	Legal Cite(s): Health and Safety Code § 780.002 - establishes revenue source. Health and Safety Code § 780.003 - establishes account and uses. Health and Safety Code § 780.004 - establishes uses. Transportation Code § 542.4031(2) - establishes revenue source. Transportation Code § 542.406(c)(1) - establishes revenue source. Transportation Code § 707.008(1) - establishes revenue source.	
	Authorized Use: Fund designated trauma facilities, county and regional emergency medical services, and trauma care systems.	
	Revenue Source: 1) 49.5 percent of funds collected under the Driver Responsibility Program (DPR); 2) 33 percent of additional court fines for persons convicted of traffic related offenses; and 3) 50% of civil or administrative penalties and late payment penalties collected by a local authority for violation under a photographic traffic signal enforcement system.	

Ranking:	Program Name	2016-17 Est/Budg	2018-19 Recommended	In Compliance with Authorized Use?
12	Trauma Care System	\$ 158,820,732	\$ 158,820,732	Yes
13	Emergency Medical Services (EMS)	\$ 172,116,801	\$ 172,116,801	Yes
Total		\$ 330,937,533	\$ 330,937,533	

Notes/Comments:	Fiscal Year 2016 End-of-Year Cash Balance: \$60,775,234 Fiscal Year 2018 Estimated Revenue: \$116,212,000 Fiscal Year 2019 Estimated Revenue: \$116,212,000 Source: Comptroller of Public Accounts; Biennial Revenue Estimate, 2018-19
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Department of State Health Services
Strategic Fiscal Review Appendix 5: Constitutional, General Revenue Dedicated Accounts, and Funds Outside the Treasury - Senate
(Includes Programs from All Funding Sources - Both Inside and Outside the State Treasury)

19

Account No:	5117	Account Type:	GR DEDICATED	
Account Name:	March Of Dimes Plates			
Legal Cite(s):	NA			
Authorized Use:	Birth Defects Registry.			
Revenue Source:	Fees collected for the sale of specialty license plates that include the words "March of Dimes"			

Ranking:	Program Name	2016-17 Est/Budg	2018-19 Recommended	In Compliance with Authorized Use?
		\$ -	\$ -	
Total		\$ -	\$ -	

Notes/Comments:	House Bill 7, Eighty-third Legislature, 2013, abolished General Revenue-Dedicated specialty license plate accounts created under Transportation Code, Subchapter G and changed deposit of license plate revenue to the License Plate Trust Fund (Account No. 0802). Revenue deposit changed Sep. 1, 2013 and account abolished Sep. 30, 2013.
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Department of State Health Services
Strategic Fiscal Review Appendix 5: Constitutional, General Revenue Dedicated Accounts, and Funds Outside the Treasury - Senate
(Includes Programs from All Funding Sources - Both Inside and Outside the State Treasury)

20	Account No: 5125	Account Type: GR DEDICATED
	Account Name: Childhood Immunization	
	Legal Cite(s): 25 Texas Administrative Code § 181.22 Health and Safety Code § 192.0021 - establishes revenue source and uses. Health and Safety Code § 194.005 - establishes revenue source and uses.	
	Authorized Use: Provide grants to fund childhood immunizations and related education programs and administering Texas Health and Safety Code § 192.0021 and § 194.005.	
	Revenue Source: Fees collected from the sale of heirloom birth certificates and heirloom wedding anniversary certificates.	

Ranking:	Program Name	2016-17 Est/Budg	2018-19 Recommended	In Compliance with Authorized Use?
5	Immunize Children	\$ 155,520	\$ 155,520	Yes
Total		\$ 155,520	\$ 155,520	

Notes/Comments:	Fiscal Year 2016 End-of-Year Cash Balance: \$200,307 Fiscal Year 2018 Estimated Revenue: \$46,000 Fiscal Year 2019 Estimated Revenue: \$46,000 Source: Comptroller of Public Accounts; Biennial Revenue Estimate, 2018-19
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Department of State Health Services
Strategic Fiscal Review Appendix 5: Constitutional, General Revenue Dedicated Accounts, and Funds Outside the Treasury - Senate
(Includes Programs from All Funding Sources - Both Inside and Outside the State Treasury)

21	Account No:	8140	Account Type:	GR DEDICATED
	Account Name:	Permanent Fund for Health and Tobacco Education and Enforcement - Medicaid Match		
	Legal Cite(s):	Government Code § 403.105 - establishes account, revenue source and use.		
	Authorized Use:	1) Programs to reduce the use of cigarettes and tobacco products in the state, including: a) smoking cessation programs; b) enforcement of Subchapter H, K, and N, Chapter 161, Health and Safety Code, or other laws relating to distribution of cigarettes or tobacco products to minors or use of cigarettes or tobacco products by minors; c) public awareness programs relating to use of cigarettes and tobacco products, including general educational programs and programs directed toward youth; and d) specific programs for communities traditionally targeted, by advertising and other means, by companies that sell cigarettes or tobacco products; and 2) The provision of preventive medical and dental services to children in the medical assistance program under Human Resources Code Chapter 32.		
	Revenue Source:			

Ranking:	Program Name	2016-17 Est/Budg	2018-19 Recommended	In Compliance with Authorized Use?
29	Tobacco Prevention Education	\$ 200,000	\$ 200,000	Yes
Total		\$ 200,000	\$ 200,000	

Notes/Comments:	
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Department of State Health Services
Strategic Fiscal Review Appendix 5: Constitutional, General Revenue Dedicated Accounts, and Funds Outside the Treasury - Senate
(Includes Programs from All Funding Sources - Both Inside and Outside the State Treasury)

22	Account No: 802	Account Type: OTHER FUNDS
	Account Name: License Plate Trust Fund	
	Legal Cite(s): Transportation Code § 504.605 - establishes Animal Friendly license plates. Transportation Code § 504.651 - establishes March of Dimes license plates.	
	Authorized Use: Revenue from March of Dimes License Plates - Birth Defects Registry Revenue from Animal Friendly License Plates - Grants to organizations that sterilize animals at minimal or not cost and for administration.	
	Revenue Source: Specialty license plate fees and related revenue.	

Ranking:	Program Name	2016-17 Est/Budg	2018-19 Recommended	In Compliance with Authorized Use?
11	Zoonosis	\$ 700,000	\$ 700,000	Yes
31	Chronic Disease Prevention	\$ 12,000	\$ 12,000	Yes
Total		\$ 712,000	\$ 712,000	

Notes/Comments:	Fiscal Year 2016 End-of-Year Cash Balance: \$3,532,655 Source: Comptroller of Public Accounts
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	2016-17 Est/Budg	2018-19 Recommended
Inside the Treasury	\$ 421,327,605	\$ 423,410,910
Total	\$ 421,327,605	\$ 423,410,910

Department of State Health Services
Strategic Fiscal Review Appendix 6a: Program Summary - Senate

Program: Vital Statistics

Agency
Ranking

1 out of 33

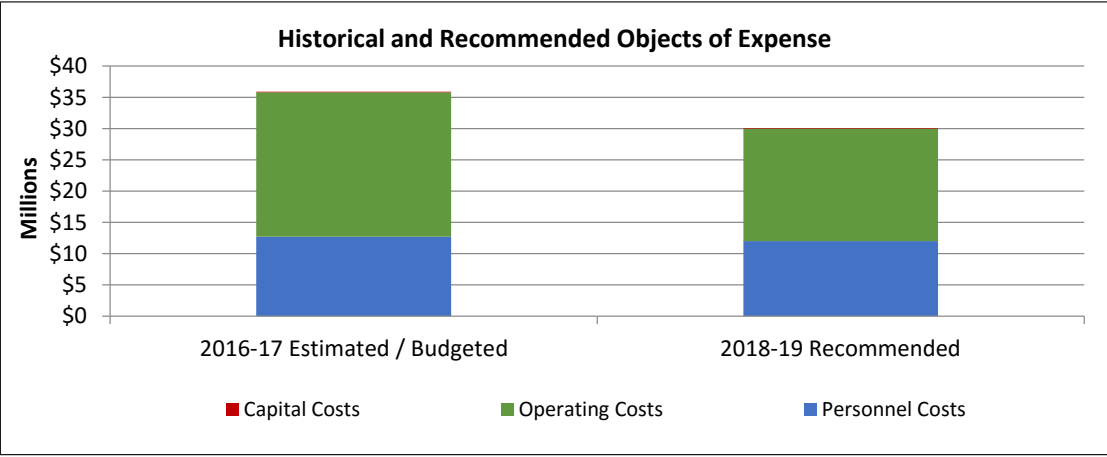
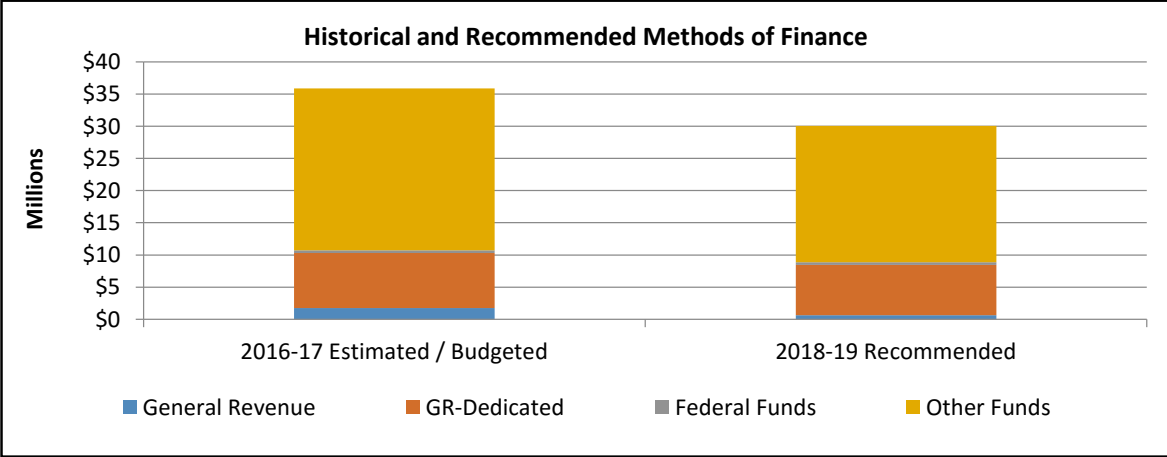
Collects, protects and provides access to vital records and vital records data to improve health and well-being in Texas. The Vital Statistics Unit (VSU) maintains vital records for the State, including birth and death certificates, marriage applications and divorce records, and manages a Voluntary Central Adoption Registry (CAR) and Paternity Registry.

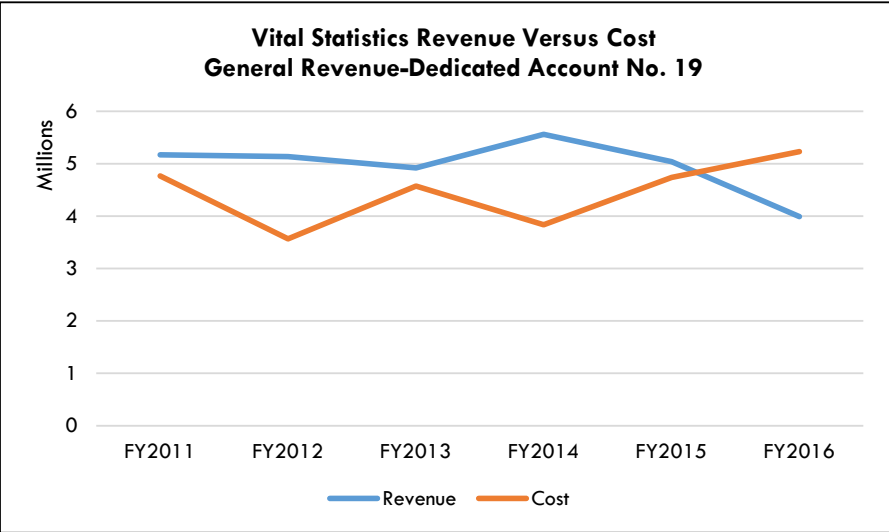
Legal Authority: 25 Texas Administrative Code Chapter 181;
Health and Safety Code Chapters 191 - 195; and Section 1001.0711

Year Implemented	1903	Performance and/or		Revenue Supported	Yes
Authority	Strong	Operational Issues	No	Appropriate Use of Constitutional and	
Centrality	Moderate	Outsourced Services	Yes	General Revenue-Dedicated Funds	Compliant
Service Area	Statewide	State Service(s)	Health Care - Disease Prevention, Treatment & Research		

Major Activities	2016-17 Estimated / Budgeted	2017 FTEs	2018-19 Recommended	2019 FTEs	% of Total
State Registrar	\$ 16,005,790	8.7	\$ 10,580,051	8.0	35.2%
Request Processing	\$ 11,011,160	70.3	\$ 10,620,360	64.3	35.3%
Direct Administration	\$ 4,794,631	12.0	\$ 4,581,438	11.0	15.2%
Vital Registration	\$ 4,060,814	37.6	\$ 4,293,485	34.4	14.3%
Total	\$ 35,872,395	128.6	\$ 30,075,334	117.7	100.0%

	2018-19 Recommended	% of Total
Funds Inside the State Treasury	\$ 30,075,334	100%
Total	\$ 30,075,334	100.0%





Source: Department of State Health Services Fiscal Year 2016 Fee Resource Manual.

Summary of Recommendations and Fiscal and Policy Issues

- DSHS did not identify any statutory changes for program improvement or enhancement opportunities for this program. Additionally, DSHS did not identify any audits or reports related to this program; the agency did, however, assign a 2015 follow-up audit of the Vital Statistics Unit (VSU) to the Central Administration program. LBB staff were unable to find a copy of this audit. Included in the findings, as reported by DSHS in SFR, were:

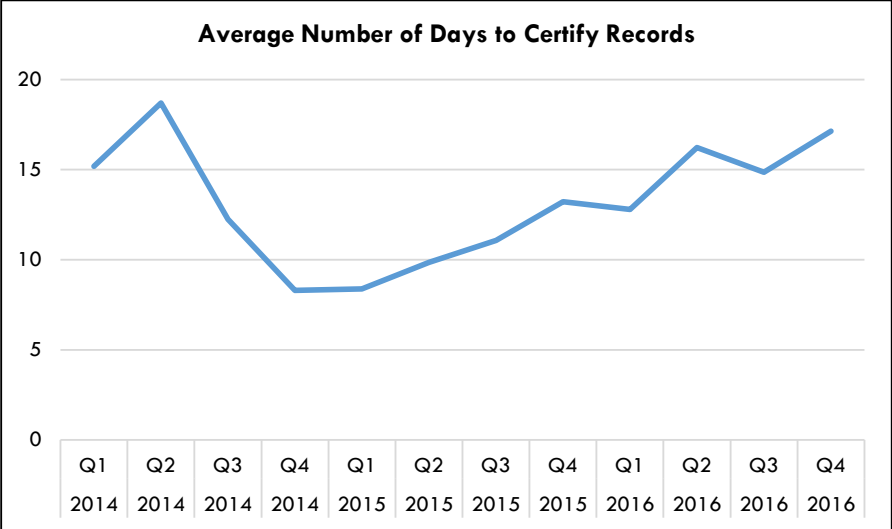
 - Although a policy was established to assign responsibility for performing inventory checks, no one independent of the inventory process was reviewing the inventory reports before they were submitted to management. Errors were found in these reports. The errors were not noted or corrected during the review process or prior to being sent to management.
 - There was no process to ensure that paper records at local registrars were notated as deceased.
 - Not all Local Registrars had received a risk assessment. Of those who did, different risk assessment tools were used. Additionally, self-assessments created for Local Registrars to complete were only voluntary and only 25.0 percent had completed one.
 - Texas Electronic Registry (TER) access was not always deactivated or updated for users with inappropriate access to the system.
 - Not all employees had signed and renewed confidentiality and computer use agreements.
 - Documentation procedures for the destruction of birth certificate paper were not used.

DSHS reported varying levels of implementation of recommendations but did not report implementation status for individual recommendations.

- In August of 2016, two officials from VSU were terminated after it was discovered that a book containing roughly 500 birth certificates was missing. The book is believed to have gone missing in 2012 or 2013. Although VSU leadership was reportedly aware the volume was lost at that time, VSU did not notify the people impacted or the Social Security Administration. Loss of the records puts some 1,500 people at risk for identity theft. Credit monitoring is being offered to those affected.

Recommended Statutory Changes for Program Improvement

- DSHS did not identify any statutory changes which would lead to program improvement.



Source: Department of State Health Services actual performance measures, 2014 through 2016, as reported by the agency in ABEST.

Enhancement Opportunities

- 1 DSHS did not identify any enhancement opportunities for this program.
- 2 Identified by LBB Staff: DSHS should develop protocols to deal with lost/missing vital records. This recommendation is in response to the loss of roughly 500 birth certificates discussed in Summary of Recommendations and Fiscal and Policy Issues above. It is unclear if, since this incident, VSU has established such protocols.
- 3 Identified by LBB Staff: Revise instructions for completion of death certificates to clarify how the question related to pregnancy should be completed. This recommendation is in response to the July 2016 report by the Maternal Mortality and Morbidity Task Force. The Task Force had difficulties quantifying maternal mortality due to inconsistencies found in the death certificates examined. For more information about the report and LBB staff recommendations, see Section 3: Selected Fiscal and Policy Issues number 14: Maternal Mortality Data and Reporting.

Challenges to Operation of Program

- 1 Identified by DSHS: Increases in requests to amend vital records to add or change parent names since the Supreme Court ruling in Obergefell v. Hodges. Note: The fee to amend a birth record is currently \$15. The fee for a new birth record based on adoption, legitimation, or paternity is \$25. DSHS did not provide data to show an increased demand for vital record amendments since the Court's ruling.
- 2 Identified by LBB Staff: Should voter identification rules be reinstated, there is potential for increased demand for certificated copies of birth certificates. A individual can use a certified copy of their birth certificate as a secondary identity document to obtain a Texas driver license or identification card.

Department of State Health Services
Strategic Fiscal Review Appendix 6b: Program Summary - Senate

Program: Laboratory Services

Agency Ranking

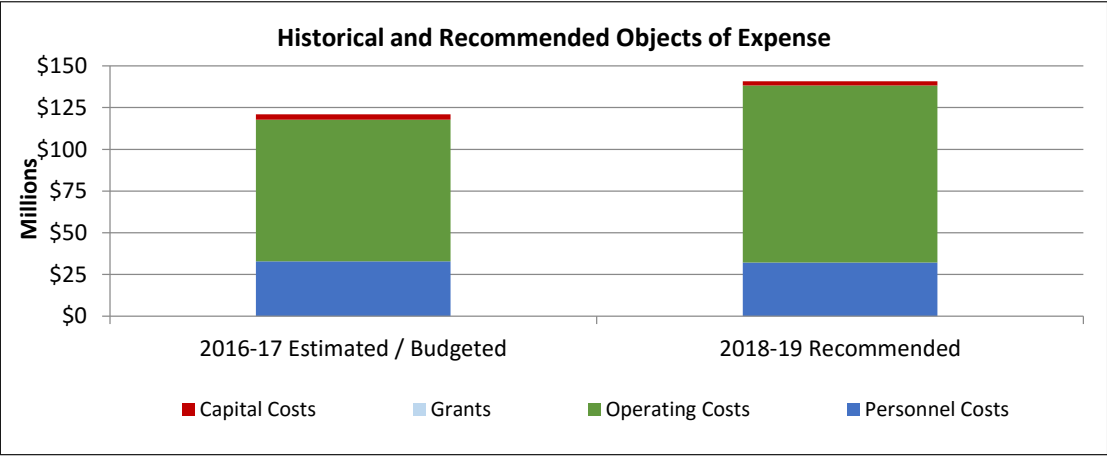
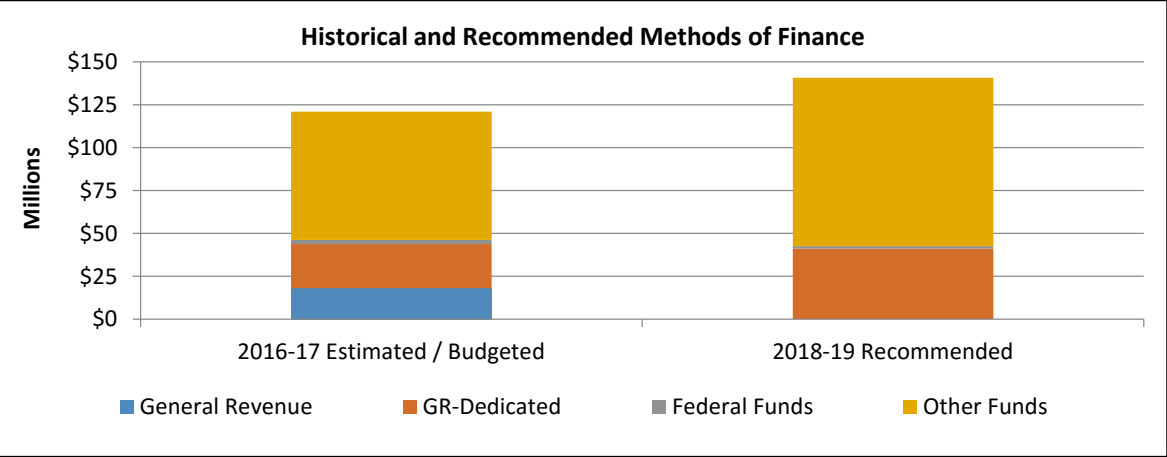
2 out of 33

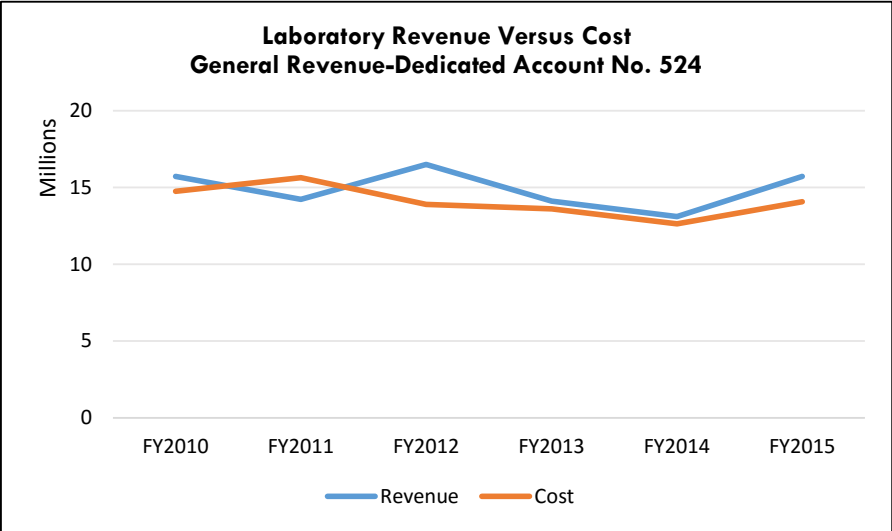
Provides comprehensive laboratory services to improve the public health and well-being of the citizens of Texas by providing analysis of human, animal, and environmental specimens and samples; responds to biological and chemical threats; and professional consultation. The laboratory has branches focusing on biochemistry and genetics, environmental sciences, microbiological sciences and emergency preparedness and response.

Legal Authority:	25 Texas Administrative Code Chapter 73; Texas Health and Safety Code Chapters 12, 33, 161, 435, and 826				
Year Implemented	1927	Performance and/or		Revenue Supported	Yes
Authority	Moderate	Operational Issues	No	Appropriate Use of Constitutional and	
Centrality	Strong	Outsourced Services	Partial	General Revenue-Dedicated Funds	Compliant
Service Area	Statewide	State Service(s)	Health Care - Disease Prevention, Treatment & Research		

Major Activities	2016-17 Estimated / Budgeted	2017 FTEs	2018-19 Recommended	2019 FTEs	% of Total
Testing Services	\$ 66,017,793	261.3	\$ 80,622,035	252.2	57.3%
Direct Administration	\$ 43,870,467	18.8	\$ 56,090,828	18.1	39.8%
Support for Testing Services	\$ 11,132,533	90.4	\$ 4,043,296	87.3	2.9%
Total	\$ 121,020,793	370.5	\$ 140,756,159	357.6	100.0%

	2018-19 Recommended	% of Total
Funds Inside the State Treasury	\$ 140,756,159	100%
Total	\$ 140,756,159	100.0%

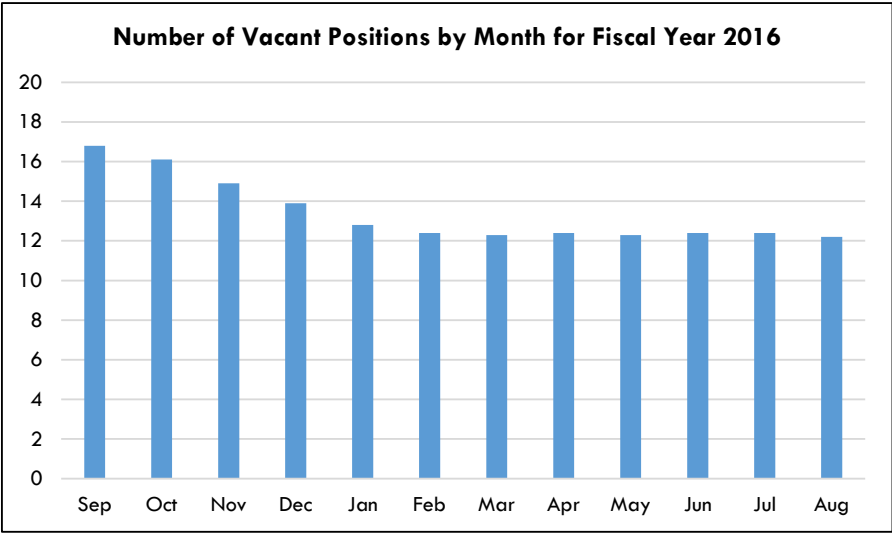




Source: Department of State Health Services Fiscal Year 2015 Fee Resource Manual.

Summary of Recommendations and Fiscal and Policy Issues

- DSHS operates two laboratories. The main lab, in Austin, contains numerous branches, including:
 - Biochemistry and Genetics Branch, which includes two groups:
 - Newborn Screening Group.* This group screens each baby born in Texas for disorders that cause intellectual disability or death in seemingly normal newborns. This includes hypothyroidism and multiple genetic disorders, such as Cystic Fibrosis, Severe Combined Immunodeficiency and Congenital Adrenal Hyperplasia.
 - Clinical Chemistry Group.* This group tests blood and plasma specimens for lead, syphilis, diabetes and more.
 - Emergency Preparedness Branch, which includes two groups:
 - Biological Threat Response Group.* Performs rapid testing of environmental and clinical samples; provides surge capacity for state Laboratory Response Network (LRN) laboratories; and trains staff in regional sentinel LRN laboratories.
 - Chemical Threat Response Group.* Screens for cyanide and volatile organic compounds, toxic metals, and nerve agents; performs toxicology and chemical screening of unknown substances; and presents training for chemical threat exposure recognition and testing.
 - Environmental Sciences Branch, which includes three groups:
 - Inorganic and Nuclear Chemistry Group.* Tests drinking water and environmental samples for radionuclides; tests drinking water for minerals, salts, and physical properties; analyzes meat and food products; and operates a mobile laboratory for radiological analyses.
 - Organic Chemistry Group.* Tests drinking water samples for organic chemicals.
 - Metals Analysis Group.* Analyzes drinking water, environmental samples, consumer products and food for metal content.
 - Microbiological Sciences Branch, which includes four groups:
 - Public Health Bacteriology Group.* Tests for bacteria and parasites that are associated with diseases. This includes clinical bacteriology (E. coli, MRSA, and other disease-causing bacteria); consumer microbiology; and medical parasitology (malaria, Schistosomiasis, etc.).
 - Mycobacteriology Mycology Group.* Includes the Tuberculosis Clinical Laboratory, Tuberculosis Reference Laboratory, and Mycology Laboratory.
 - Molecular and Serological Analysis Group.* Tests human, animal, and surveillance specimens for presence of antibodies from exposure to infectious diseases including HIV; syphilis; Hepatitis A, B, and C; West Nile; and St. Louis Encephalitis.
 - Medical Virology Group.* Identifies numerous viruses such as influenza, Adenovirus, and Rabies.
- The South Texas Laboratory (STL) in Harlingen serves 10 Texas regions with more than 70 clinics. The Lab contains several sections including: Clinical Laboratory; Mycobacteriology Section; TB Section; Public Health Serology Section; Consumer Microbiology; and Emergency Preparedness Section.
- During fiscal year 2016, Strategy A.4.1 Laboratory Services consistently had at least 10.0 vacant FTE positions. According to DSHS, the labs experience frequent turnover. The agency says individuals join the Lab to gain experience then leave for higher-paying positions in other laboratories.



Source: Department of State Health Services Monthly Financial Reports (MFR) , Sep. 2015 through Aug. 2016.

3 Newborns with galactosemia cannot properly digest a certain type of sugar and must avoid milk products to prevent organ damage or death. Rapid identification of this condition therefore requires timely screening and identification. To identify these types of conditions, Texas screens all newborns for certain conditions. The U.S. Advisory Committee on Heritable Diseases in Newborns and Children recommends that screening results are reported to physicians within seven days of birth. In the fall of 2016, only 55.1 percent of samples processed in Texas were reported within seven days. However, DSHS reports that resource constrains will prevent it from meeting the 95.0 percent compliance target established by the U.S. Advisory Committee. To ensure that samples are received timely at the lab, DSHS would need an additional \$1.1 million per year to complete its recent partial expansion of courier service to hospitals. Additionally, in the fall of 2016, DSHS reported-out only 33.6 percent of samples within the recommended three-day window. To ensure that specimens testing is completed within three days, DSHS would need an additional \$2.8 million to \$3.2 million per year to expand staffing from six to seven days per week. Additional resources may be also necessary for staff retention, IT infrastructure, and vendor support.

Recommended Statutory Changes for Program Improvement

1 DSHS did not identify any statutory changes which would lead to program improvement.

Enhancement Opportunities

1 Identified by DSHS: Funding to maintain existing building infrastructure and maintenance; address employee retention for laboratory personnel; and supplement laboratory testing for TB and molecular testing services.

Challenges to Operation of Program

- 1** Identified by DSHS: FDA oversight of laboratory developed tests. Revised Common Rule regulating use of residual human specimens.
Note: DSHS did not specify how this poses a challenge to program operation.
- 2** Identified by LBB staff: CDC changes to the list of disorders required or suggested for inclusion in newborn screening panel increases demand on the lab.
- 3** Identified by LBB staff: All newborns in Texas are tested for numerous disorders twice through the newborn screening panel conducted by the Lab. Changes in birth rate from year to year increases or decreases demand/burden on the Lab.
- 4** Identified by LBB Staff: Disease outbreaks, such as Ebola and Zika, which increase demand on the Lab.

Department of State Health Services
Strategic Fiscal Review Appendix 6c: Program Summary - Senate

Program: Emerging Acute Infectious Diseases

Agency
Ranking

3 out of 33

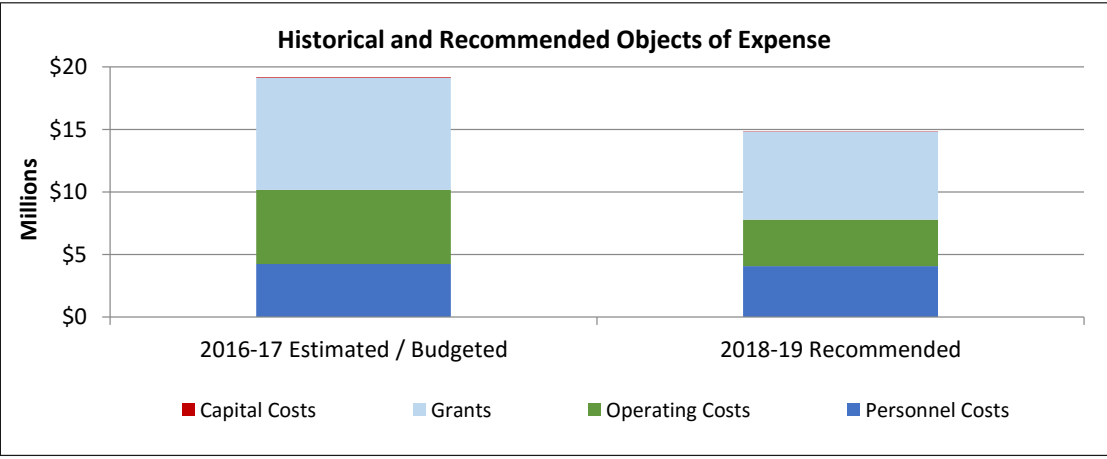
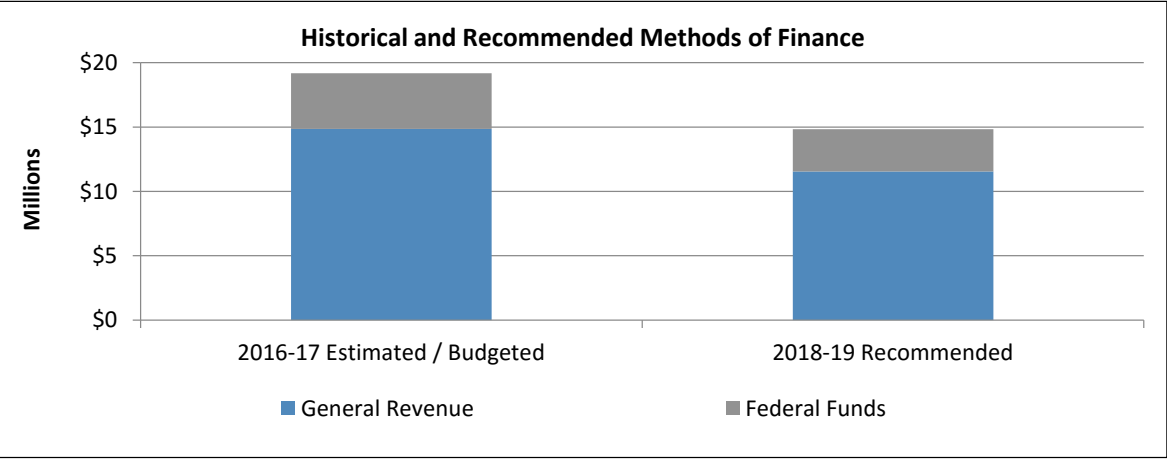
Conducts surveillance on infectious diseases (respiratory, blood borne, foodborne, and healthcare associated infections) to prevent and control the spread of disease. Publicly reports data for healthcare safety events and consults on infection prevention and outbreak investigation.

Legal Authority: 25 Texas Administrative Code Chapters 97 and 200;
Health and Safety Code Chapters 81, 94, 98, and 100

Year Implemented	2007	Performance and/or		Revenue Supported	Yes
Authority	Strong	Operational Issues	N/A	Appropriate Use of Constitutional and	
Centrality	Strong	Outsourced Services	Yes	General Revenue-Dedicated Funds	Compliant
Service Area	Statewide	State Service(s)	Health Care - Disease Prevention, Treatment & Research		

Major Activities	2016-17 Estimated / Budgeted	2017 FTEs	2018-19 Recommended	2019 FTEs	% of Total
Conduct Surveillance; Investigate and	\$ 13,020,510	31.7	\$ 10,451,693	31.7	70.5%
Report Health Care Associated Infections	\$ 3,770,998	9.7	\$ 2,735,727	9.7	18.4%
Direct Administration	\$ 2,390,950	11.5	\$ 1,646,210	11.5	11.1%
Total	\$ 19,182,458	52.9	\$ 14,833,630	52.9	100.0%

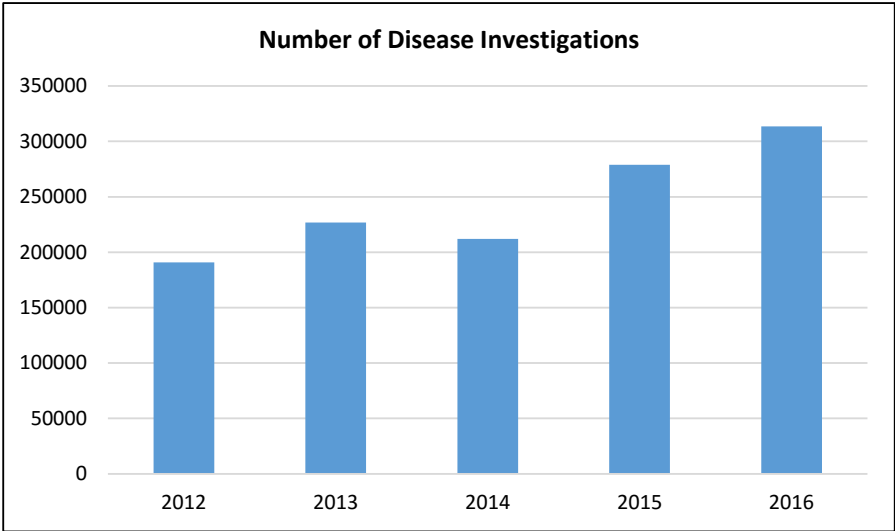
	2018-19 Recommended	% of Total
Funds Inside the State Treasury	\$ 14,833,630	100%
Total	\$ 14,833,630	100.0%



Program: Emerging Acute Infectious Diseases

Agency
Ranking

3 out of 33



Source: Department of State Health Services actual performance measures, 2012 through 2016, as reported by the agency in ABEST.

Summary of Recommendations and Fiscal and Policy Issues

- 1 The Emerging Acute Infectious Diseases program conducts surveillance on infectious diseases including respiratory, blood borne, foodborne, and healthcare associated infections to prevent the spread of disease. The program has expanded as the state's population has increased and new diseases have emerged.

Recommended Statutory Changes for Program Improvement

- 1 Identified by DSHS: Amendments to Sections 81.305, 81.306, and 81.307 of the Health and Safety Code regarding required reporting of contaminated sharps injuries occurring in governmental entities and registering sharps safety devices are now obsolete. There is now more comprehensive statutory language in the Health and Safety Code, Chapter 98, which provides better quality data.

Enhancement Opportunities

- 1 DSHS did not identify any enhancement opportunities for this program.

Challenges to Operation of Program

- 1 Identified by DSHS: The CDC has ongoing initiatives related to multiple infectious diseases, most recently Ebola and Zika. Beginning in 2013, the Epidemiology and Laboratory Capacity cooperative agreement has significantly increased funding for health care associated infections prevention. DSHS indicated that delays in receiving CDC grant funding and the lag in start times of grant activities pose challenges to program operation. The agency also noted that many of the grant components require extensive internal coordination and additional contracts with private vendors and other governmental agencies.

Department of State Health Services
Strategic Fiscal Review Appendix 6d: Program Summary - Senate

Program: Food (Meat) and Drug Safety

Agency Ranking 4 out of 33

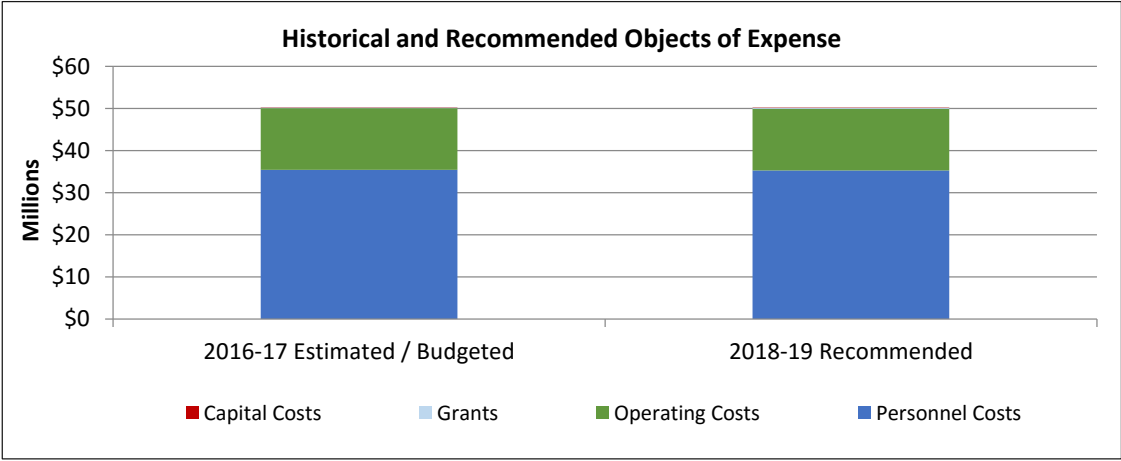
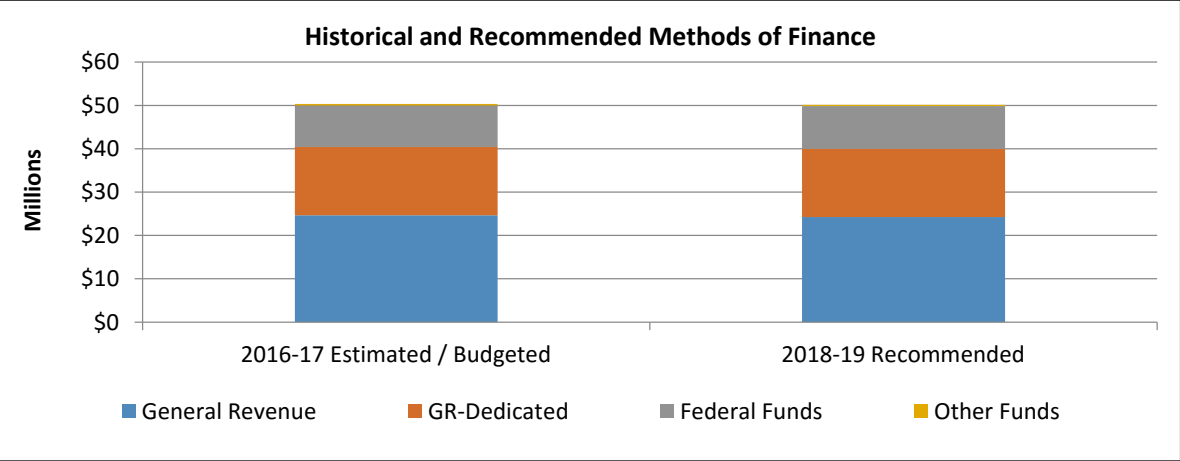
Monitors and mitigates public health threats through licensing, inspecting, and regulating food and drug manufacturers, processors, wholesale distributors, milk and dairy producers, tattoo and body piercing studios, and medical device manufacturers.

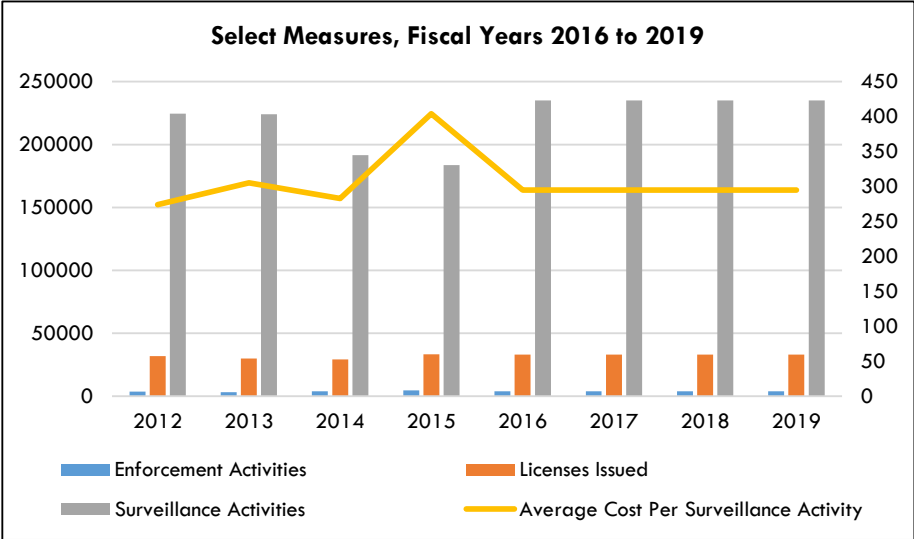
Legal Authority: 25 Texas Administrative Code Chapters 217, 221, 228, 229, 230, 231, and 241; and Sections 1.551-1.553; Health and Safety Code Chapters 144, 146, 431 - 433, 435-438, 440, 481, 483, and 486

Year Implemented	1872	Performance and/or		Revenue Supported	Yes
Authority	Moderate	Operational Issues	N/A	Appropriate Use of Constitutional and	
Centrality	Strong	Outsourced Services	Partial	General Revenue-Dedicated Funds	Compliant
Service Area	Statewide	State Service(s)	Business & Workforce Development & Regulation		

Major Activities	2016-17 Estimated / Budgeted	2017 FTEs	2018-19 Recommended	2019 FTEs	% of Total
Food, Drug and Medical Device	\$ 22,799,187	183.3	\$ 22,497,580	181.9	44.9%
Meat Safety	\$ 15,226,491	144.8	\$ 15,437,743	143.7	30.8%
Direct Administration	\$ 7,884,062	13.8	\$ 7,873,388	13.7	15.7%
Food Service Establishments	\$ 3,089,457	26.3	\$ 3,050,619	26.1	6.1%
All Other Activities	\$ 1,306,232	12.6	\$ 1,293,105	12.5	2.6%
Total	\$ 50,305,429	380.8	\$ 50,152,435	377.9	100.0%

	2018-19 Recommended	% of Total
Funds Inside the State Treasury	\$ 50,152,435	100%
Total	\$ 50,152,435	100.0%





Source: Department of State Health Services actual performance measures, 2012 through 2019, as reported by agency in ABEST as part of SFR.

Summary of Recommendations and Fiscal and Policy Issues

- 1 The Food (Meat) and Drug Safety program protects the Texas population from unnecessary morbidity and mortality due to misbranded or adulterated food and drug products. The program addresses foodborne disease outbreaks, and the potential impacts of water pollution on animal and plant food sources. These factors contribute to the recall of products found to be hazardous for human consumption. The program has evolved over time to address Texas’ growing population, federal mandates, and the number of businesses engaged in food or drug-related activity. According to the agency, there is no local health equivalent for the public health services provided by the program.
- 2 Program performance is measured in a variety of ways, including the percentage of inspected entities in compliance with applicable statutes and rules, which was 93.4 percent in fiscal year 2015. During this same period, 4,618 disciplinary actions were also taken as part of 266,453 surveillance activities, which includes investigations, inspections and sampling of products. The average cost per surveillance activity has ranged from about \$270 to \$400 since fiscal year 2012.
- 3 A 2015 review conducted by the federal United States Department of Agriculture on the state’s meat and poultry inspection program found that all laws, regulations and programs had been implemented in a manner at least equal to the federal inspection program for all review components.
- 4 One of the areas regulated by this program (Narcotics Treatment Facilities) will be transferred to HHSC pursuant to Senate Bill 200, Eighty-fourth Legislature, 2015 on September 1, 2017.

Recommended Statutory Changes for Program Improvement

- 1 DSHS did not identify any statutory changes which would lead to program improvement.

Enhancement Opportunities

- 1 DSHS did not identify any enhancement opportunities for this program.

Challenges to Operation of Program

- 1 Identified by DSHS: The Food, Drug and Cosmetic Act and the United States Department of Agriculture.
 Note : DSHS did not specify how this poses a challenge to program operation.
- 2 Identified by DSHS: Population growth, turnover of food service workers, the lack of trained sanitarians, and decreases in local funding for community food sanitation services all contribute to a proportional increase of DSHS’ responsibility to deliver inspectional services to the public.

Funding Alternatives

- LBB staff identified General Revenue-Dedicated Food and Drug Registration Account No. 5024, which is currently used to fund a portion of this program, as a potential method of finance in place of General Revenue Funds. Revenue deposited to the GR-D account consists of fees related to the licensing and inspection of food manufacturers, wholesale distributors, and warehouse operators. Fees for regulating device distributors and manufacturers, wholesale distribution of prescription and nonprescription drugs and tanning facilities are also deposited to the account, which contained a balance of \$34.3 million available for certification at the end of fiscal year 2016. Reducing General Revenue appropriations in Strategy C.1.1, Food (Meat) and Drug Safety, by \$10.6 million in the 2018-19 biennium, and substituting Food Drug Registration Account funds by a like amount, could fund the remainder of eligible activity occurring in this strategy.

Department of State Health Services
Strategic Fiscal Review Appendix 6e: Program Summary - Senate

Program: Immunize Children

Agency Ranking
5 out of 33

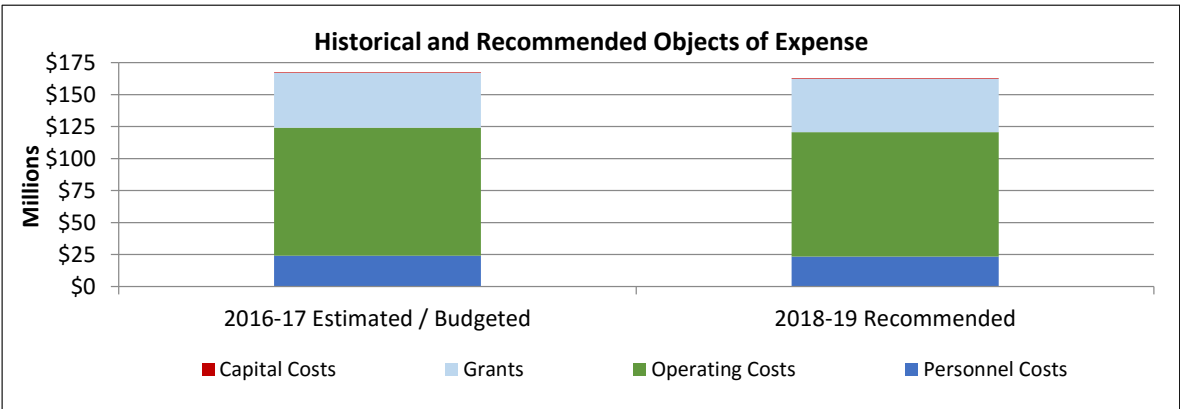
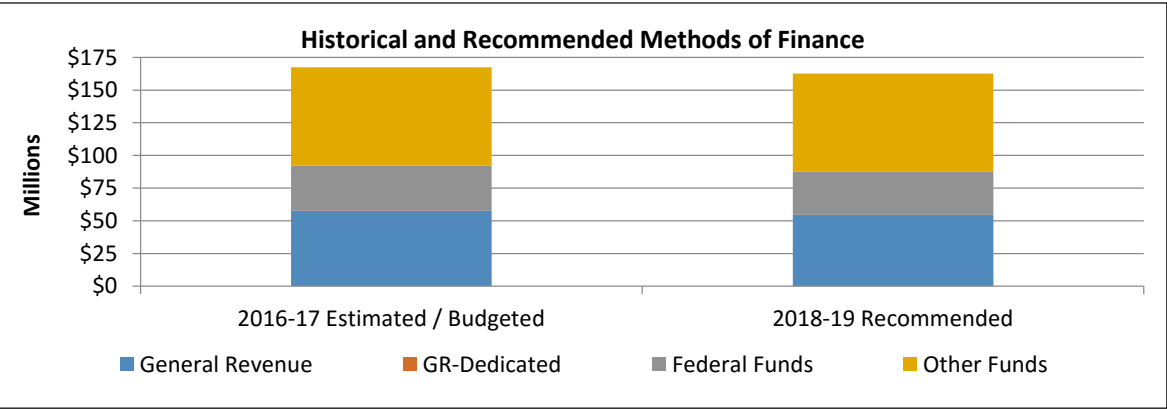
Provides immunization services to prevent, reduce and eliminate vaccine-preventable diseases in children, with emphasis on children under 36 months of age. Includes management of Immunization Registry; quality assurance for providers; education and partnerships; and epidemiology and surveillance.

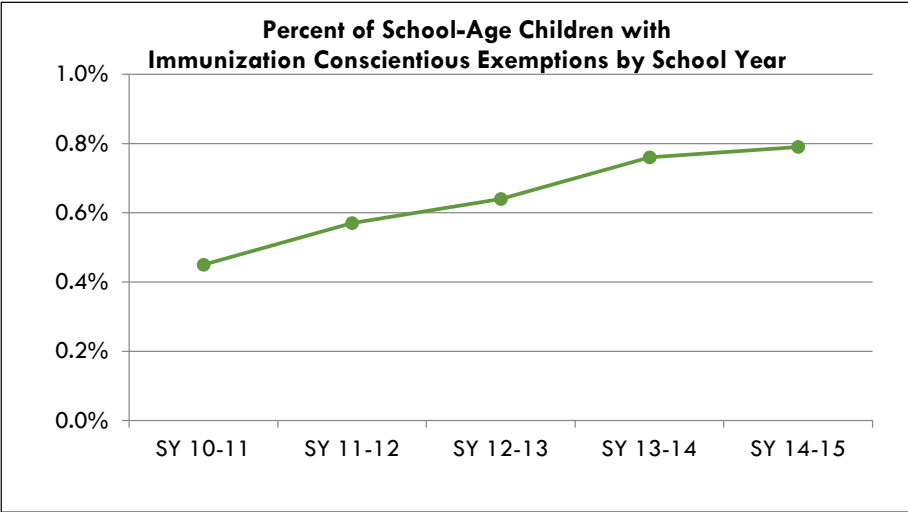
Legal Authority: 25 Texas Administrative Code Chapters 97 and 100;
 Education Code Sections 38.001-38.0025;
 Health and Safety Code Sections 81.023 and 161.0001-161.0109;
 42 United States Code Sections 300aa(1)-300aa(6)

Year Implemented	1927	Performance and/or		Revenue Supported	Yes
Authority	Moderate	Operational Issues	No	Appropriate Use of Constitutional and	
Centrality	Strong	Outsourced Services	No	General Revenue-Dedicated Funds	Compliant
Service Area	Statewide	State Service(s)	Health Care - Disease Prevention, Treatment & Research		

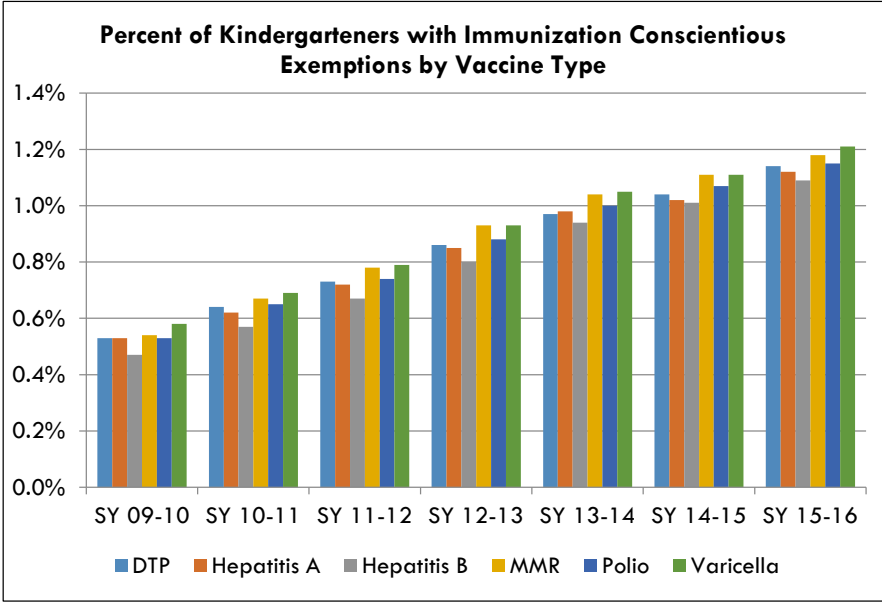
Major Activities	2016-17 Estimated / Budgeted	2017 FTEs	2018-19 Recommended	2019 FTEs	% of Total
Texas Vaccines for Children Program	\$ 96,639,292	35.4	\$ 93,933,187	33.6	57.7%
Conduct Educational, Promotional and	\$ 40,145,050	0.0	\$ 39,320,238	0.0	24.2%
Surveillance of Vaccine Preventable	\$ 18,853,172	150.6	\$ 18,468,121	142.8	11.4%
Direct Administration	\$ 6,173,796	46.7	\$ 5,513,321	44.2	3.4%
All Other Activities	\$ 5,549,092	0.0	\$ 5,435,760	0.0	3.3%
Total	\$ 167,360,402	232.7	\$ 162,670,627	220.6	100.0%

	2018-19 Recommended	% of Total
Funds Inside the State Treasury	\$ 162,670,627	100%
Total	\$ 162,670,627	100.0%





Source: Department of State Health Services Conscientious Exemptions by School District, school years 2010-11 through 2014-15.



Source: Department of State Health Services Vaccination Coverage Levels in Texas Schools, Results of Annual Report of Immunization Status, school years 2010-2011 through 2014-15.

Summary of Recommendations and Fiscal and Policy Issues

- 1 Since 2003, a child's parent, legal guardian or a student 18 years of age or older has been able to obtain exclusion from immunizations normally required to attend school or day-care for non-medical reasons and non-religious reasons (sometimes referred to as "reasons of conscience"). A signed and notarized affidavit on a form provided by DSHS must be submitted to the school or childcare facility in order for the exemption to be in place. The affidavit is good for two years. In the years since this exemption was made available, the number of children granted such an exemption has steadily risen. The two charts to the left show this increase.

As the number of unvaccinated children increases, the chances of outbreaks of certain diseases, such as measles and pertussis ("whooping cough") increases. For example, in 2013 there was an outbreak of 21 cases of measles in the Fort Worth Area. Of the 21 people who contracted the illness, at least 16 were not vaccinated against the disease. Most, if not all, of the children affected were not in public school, which may have affected the scope of the outbreak.

Recommended Statutory Changes for Program Improvement

- 1 DSHS did not identify any statutory changes which would lead to program improvement.

Enhancement Opportunities

- 1 DSHS did not identify any enhancement opportunities for this program.

Challenges to Operation of Program

- 1 DSHS did not identify any challenges to program operation.
- 2 Identified by LBB staff: In recent years, the number of people choosing to not have their children vaccinated has increased. This is due, in part, to the belief that the risks related to immunizations outweigh the benefits. This includes the belief that immunizations cause autism. This is a hindrance to limiting the number of vaccine-preventable disease outbreaks that occur.

Department of State Health Services
Strategic Fiscal Review Appendix 6f: Program Summary - Senate

Program: Regional and Local Health Services

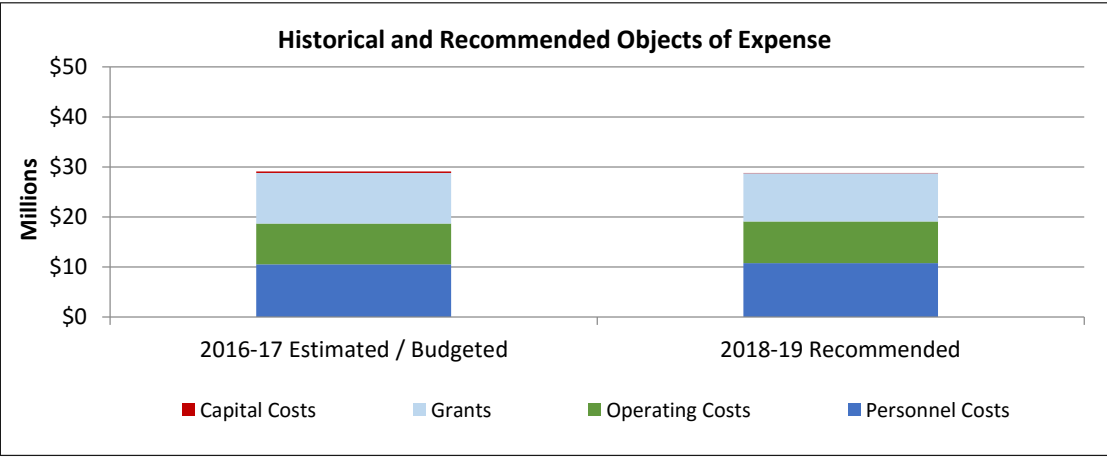
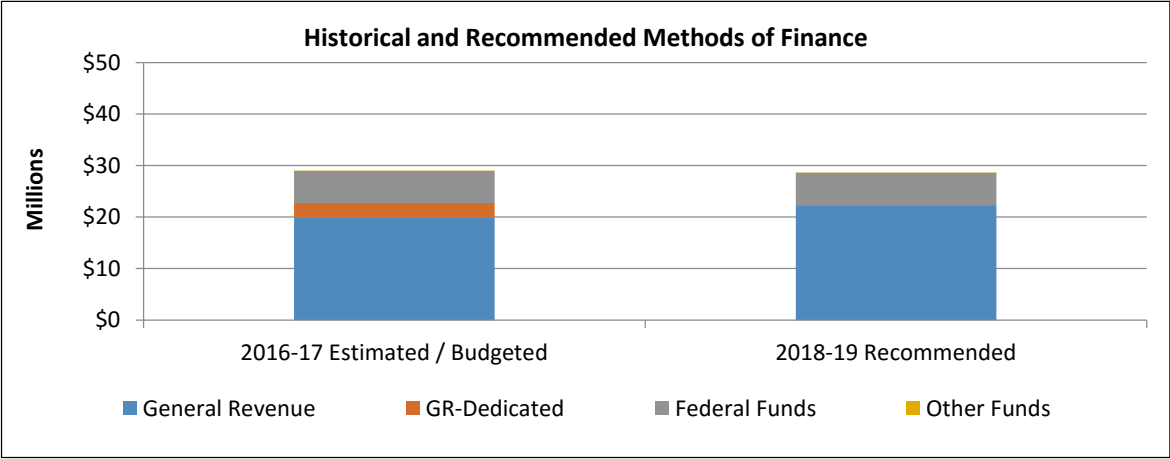
Agency Ranking 6 out of 33

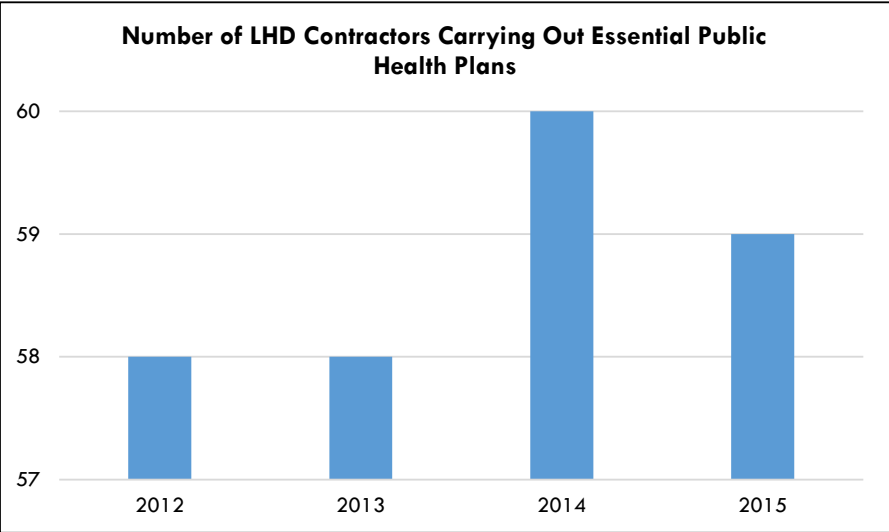
Provides public health services to communities across Texas where Local Health Departments don't exist or don't have the capacity to provide them. Provides funding to public health regions for disease prevention, syndromic surveillance, disaster response and protection against environmental hazards.

Legal Authority:	25 Texas Administrative Code Chapter 85 and 97; Health and Safety Code Chapter 81, 82, 87, 121, 161 and 1001				
Year Implemented	2006	Performance and/or		Revenue Supported	Yes
Authority	Moderate	Operational Issues	No	Appropriate Use of Constitutional and	
Centrality	Strong	Outsourced Services	Partial	General Revenue-Dedicated Funds	Compliant
Service Area	Statewide	State Service(s)	Health Care - Disease Prevention, Treatment & Research		

Major Activities	2016-17 Estimated / Budgeted	2017 FTEs	2018-19 Recommended	2019 FTEs	% of Total
Public Health Services and Local Health	\$ 14,717,428	72.0	\$ 13,799,343	72.0	48.0%
Direct Administration	\$ 9,388,523	17.9	\$ 9,872,316	17.9	34.4%
Preventive Health and Public Health	\$ 4,963,362	0.9	\$ 5,050,453	0.9	17.6%
Total	\$ 29,069,313	90.8	\$ 28,722,112	90.8	100.0%

	2018-19 Recommended	% of Total
Funds Inside the State Treasury	\$ 28,722,112	100%
Total	\$ 28,722,112	100.0%





Source: Department of State Health Services actual performance measures, 2012 through 2015, as reported by agency in ABEST as part of SFR.

Summary of Recommendations and Fiscal and Policy Issues

- 1 The Regional and Local Health Services (RLHS) program coordinates, standardizes, and provides regional public health services and assists local health departments across the state. RHLS provides health services to areas without a local health department or the capacity to provide services through eight DSHS health services regions. RHLS also provides strategic leadership and direction to ensure public health preparedness for bioterrorism, natural epidemics, and other public health threats and emergencies in Texas. Additionally, RHLS develops and coordinates the annual work plan, budget and reports for the federal Public Health and Health Services (PHHS) Block Grant to support the following programs:
 - Community and Clinical Preventive Services Program that includes the implementation and expansion of evidence-based strategies to reduce impact of chronic disease on Texas individuals, families, and communities;
 - Local Health Departments Program that includes the execution of contracts to 60 Local Health Departments across the state to support their provision of the ten essential public health services and ensure a coordinated delivery system between local health departments and DSHS health service regions;
 - Rape Prevention Program that includes a mandated allocation of funding to the Texas Office of the Attorney General to support statewide and community-based strategies for the primary prevention of sexual violence; and
 - Texas Healthy Communities Program to assist cities to assess their existing environments, implement changes in local environments and policies, and adopt priority public health practices to reduce risk factors for cardiovascular and other chronic diseases.
- 2 Under the RHLS program, DSHS measures the number of local health department contractors carrying out plans for essential public health services. DSHS estimates 58 contractors will be carrying out plans each fiscal year during the 2018-19 biennium.
- 3 Based on a recommendation made during the Sunset Advisory Commission’s review of DSHS, a rider was included in the 2016-17 General Appropriations Act requiring the agency to establish an inventory of public health services and use this to (1) establish statewide priorities for improving the public health system and (2) create a public health action plan with regional goals and strategies. This plan was submitted to the LBB in September 2016.

Recommended Statutory Changes for Program Improvement

- 1 Identified by DSHS: Senate Bill 969, Eighty-second Legislature, Regular Session, 2011, required DSHS to establish the Public Health Funding and Policy Committee to evaluate and improve public health system support of local health departments and the services they provide. DSHS provides oversight and administrative support to the committee. DSHS recommends changing the current requirements submission of a legislative report from annually to bi-annually.

Enhancement Opportunities

- 1 DSHS did not identify any enhancement opportunities for this program.

Challenges to Operation of Program

- 1 Identified by DSHS: The absence or closure of local health departments would add an additional burden on public health regional resources; resulting in limited ability to respond to disease outbreaks or public health emergencies.
- 2 Identified by DSHS: A review of pay across certain regional nursing classifications has revealed salary differences of staff who have remained in DSHS employment more than five years compared to those more recently employed. This is due to the difficulty of hiring licensed personnel in remote areas of the state as well as competition for these professionals in certain areas of the state.
- 3 Identified by DSHS: The regional and local health services division administers the DSHS award from the Center for Disease Control & Prevention U.S. PHHS Block Grant which funds: 1) Sixty local health departments to address public health needs through provision of essential services; 2) Continuation and expansion of priority activities developed through the Community Transformation Grant to reduce chronic diseases; and 3) Texas Healthy Communities Program to help cities assess environments, implement changes and adopt priority public health practices to reduce risk factors for chronic disease.

Note: DSHS did not specify how this poses a challenge to program operation.

Department of State Health Services
Strategic Fiscal Review Appendix 6g: Program Summary - Senate

Program: Public Health Preparedness

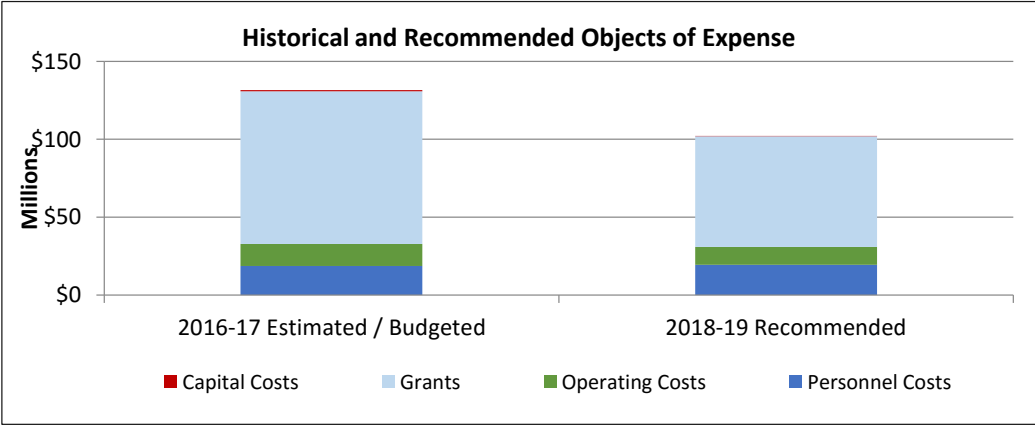
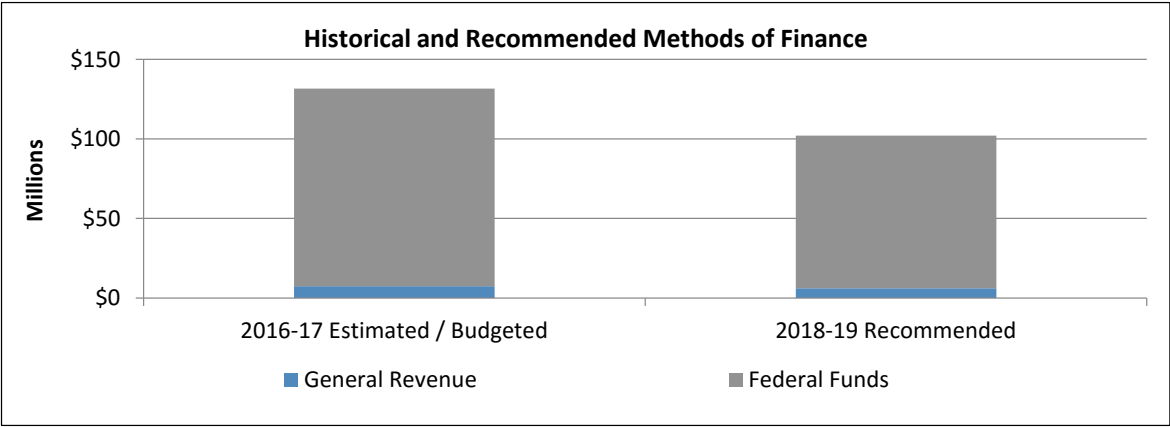
Agency Ranking 7 out of 33

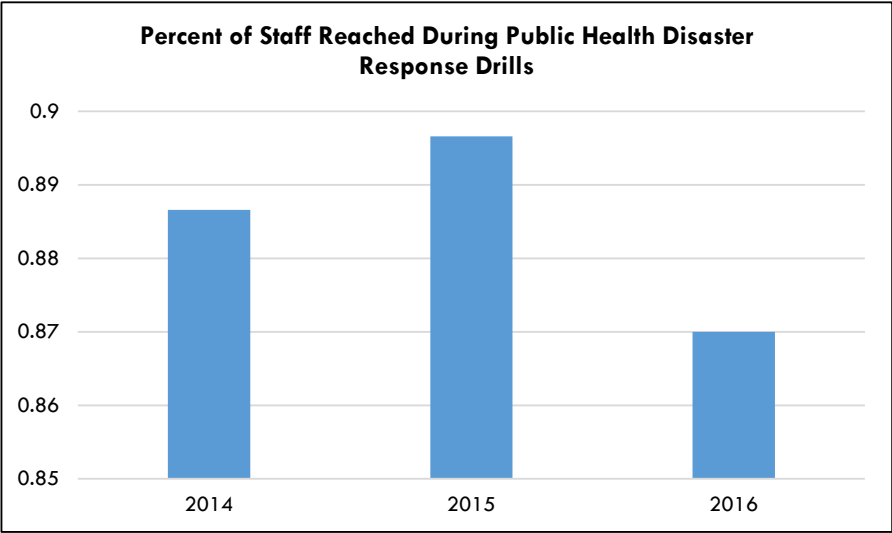
Coordinates state public health and healthcare systems preparedness programs and response activities. Provides oversight and management of the Public Health Emergency Preparedness (PHEP) and Hospital Preparedness Programs (HPP).

Legal Authority:	25 Texas Administrative Code Chapters 2, 85, and 97; Health and Safety Code Chapter 81, 121, and 161 United States Public Law 113-5		
Year Implemented	2002	Performance and/or	Revenue Supported
Authority	Moderate	Operational Issues	No
Centrality	Strong	Outsourced Services	Partial
Service Area	Statewide	State Service(s)	Health Care - Disease Prevention, Treatment & Research
			Appropriate Use of Constitutional and General Revenue-Dedicated Funds
			No Compliant

Major Activities	2016-17 Estimated / Budgeted	2017 FTEs	2018-19 Recommended	2019 FTEs	% of Total
Public Health Emergency Preparedness	\$ 89,900,406	122.9	\$ 70,096,125	122.9	68.6%
Healthcare Systems Preparedness	\$ 38,600,239	24.7	\$ 29,035,033	24.7	28.4%
Direct Administration	\$ 2,143,221	10.2	\$ 2,009,099	10.2	2.0%
Train Workforce; Maintain Secure	\$ 1,023,220	5.4	\$ 1,017,364	5.4	1.0%
Total	\$ 131,667,086	163.2	\$ 102,157,621	163.2	100.0%

	2018-19 Recommended	% of Total
Funds Inside the State Treasury	\$ 102,157,621	100%
Total	\$ 102,157,621	100.0%





Source: Department of State Health Services actual performance measures, as reported by the agency in ABEST.

Summary of Recommendations and Fiscal and Policy Issues

1 The Public Health Preparedness program is funded primarily with federal funds from the National Bioterrorism Hospital Preparedness program and the Public Health Emergency Preparedness program. DSHS staff utilize these funds to initiate and manage public health and medical responses to disasters, provide response and recovery assistance to local governments, and coordinate the delivery of federal response assets.

The Centers for Disease Control and Prevention (CDC) has identified 15 public health preparedness capabilities. These capabilities create national standards for public health preparedness and form the basis for DSHS activities, including bio-surveillance incident management, epidemiological investigation, and countermeasures and mitigation.

DSHS preparedness and response activities rely heavily upon collaborative partnerships with multiple disciplines across a variety of agencies and jurisdictions. These partnerships include local health departments, 566 hospitals, and 16 state agencies. The majority (69.0 percent) of funds are awarded as grants to local health departments and local advisory councils entities.

Funds are used to implement a variety of federally mandated programs, including disease reporting through the National Electronic Disease Surveillance System (NEDS), the Health Alert Network, and the National Syndromic Surveillance Program.

- 2 According to an internal audit report issued in April 2015, department oversight of preparedness grants awarded to sub-recipients and other DSHS divisions was not adequate to ensure that all activities in the work plan conformed to agency policy and were performed. Additionally, while grant activities were generally documented, the documentation was not always readily available and progress and completion information was not tracked at regular intervals. According to the agency's SFR submission, remediation of these findings as of November 2016 was "Incomplete/Ongoing – on target." This may be due to management response indicating that it would work to identify strategies for maintaining activities in the event of state/federal funding decreases on an ongoing basis.
- 3 DSHS expressed concerns in the April 2015 internal audit about the sufficiency of funds for preparedness activities. In Texas, preparedness funding levels had fallen 45.0 percent during the 10 years from 2004 to 2014, from \$102.4 million in 2004 to \$55.4 million in 2014.
- 4 According to the July 2015 Sunset Advisory Commission Staff Report, DSHS' "disjointed distribution of grant funding to local health departments has been a source of particular frustration, and DSHS has struggled to complete a recent Legislative directive to more strategically and efficiently allocate this funding." In 2013, the Legislature directed DSHS to rethink how it distributes funding, including developing updated funding formulas. DSHS chose to only target funding streams distributed exclusively to public health departments, which include updating funding formulas for just four programs — tuberculosis, preparedness, sexually-transmitted diseases, and immunizations." As of February 2016, DSHS had decided not to implement the Public Health Emergency Preparedness (PHEP) funding formula to allow time for further analysis of the impact on local health departments.

- 5
- U.S. Congress recently provided \$1.1 billion in emergency funding to combat the Zika virus nationally. This includes \$44.0 million to reimburse states through the Public Health Emergency Preparedness program for Zika response activities. In fiscal year 2016, Texas received \$1.5 million of \$25.0 million available to states, cities, and territories at risk for Zika outbreaks. Funds can be used to identify and investigate outbreaks, coordinate responses, connect impacted communities to services, and purchase preparedness resource such as screens and repellent.
- 6
- DSHS is currently finalizing the development of the statewide syndromic surveillance system (Texas Syndromic Surveillance or TxS2) based on federal funding associated with a national initiative. Syndromic surveillance utilizes trend analysis to establish a baseline and then uses algorithms to compare the current data to that baseline and issue alerts when aberrations are detected. DSHS indicated that the system is nearly operational and should be ready for pilot by January 2017.

Recommended Statutory Changes for Program Improvement

- 1
- Identified by DSHS: Senate Bill 969, Eighty-second Legislature, Regular Session, 2011 required DSHS to establish the Public Health Funding and Policy Committee to evaluate and improve public health system support of local health departments and the services they provide. The agency recommends changing the current requirement for submission of a legislative report from annually to bi-annually.

Enhancement Opportunities

- 1
- DSHS did not identify any enhancement opportunities for this program.

Challenges to Operation of Program

- 1
- Identified by DSHS: Administers the DSHS award from CDC's PHHS Block Grant which funds:

a) Sixty local health departments to address public health needs through provision of essential services;

b) Continuation and expansion of priority activities developed through the Community Transformation Grant to reduce chronic disease;

c) Texas Healthy Communities Program to help cities assess environments, implement changes, and adopt priority public health

d) CDC implemented disease reporting through National Electronic Disease Surveillances System.

Note: DSHS did not specify how this poses a challenge to program operation.

Department of State Health Services
Strategic Fiscal Review Appendix 6h: Program Summary - Senate

Program: TB Medications

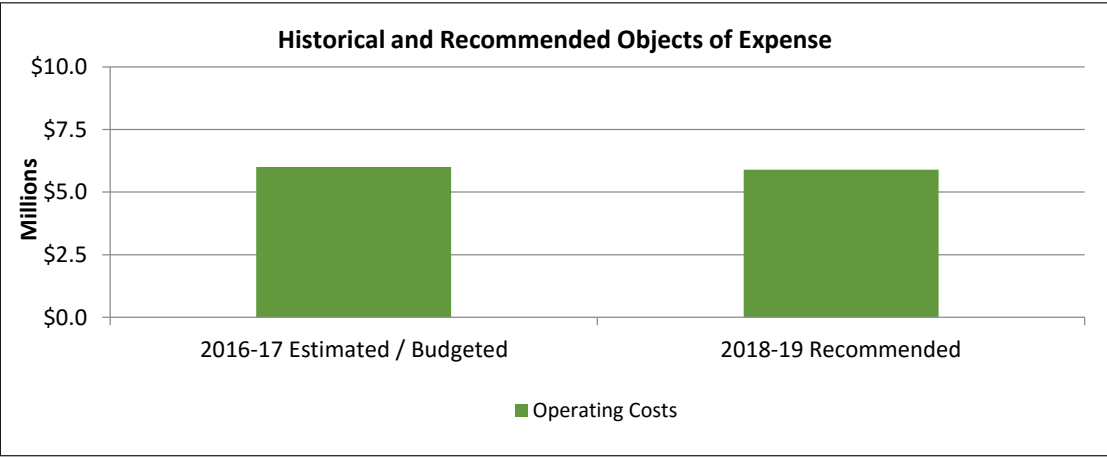
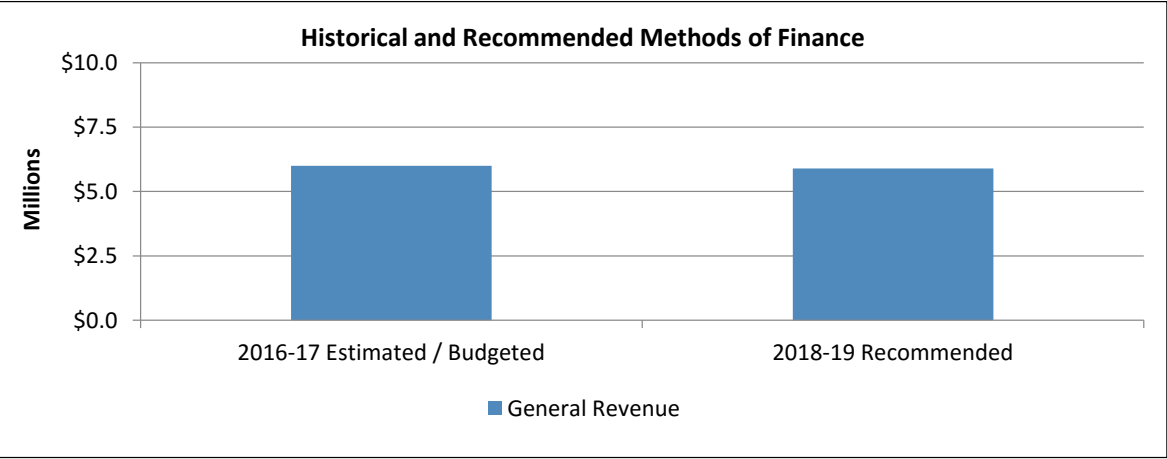
Agency Ranking 8 out of 33

Purchases medications to treat tuberculosis.

Legal Authority:	25 Texas Administrative Code Chapter 97				
Year Implemented	1989	Performance and/or		Revenue Supported	No
Authority	Weak	Operational Issues	N/A	Appropriate Use of Constitutional and	
Centrality	Moderate	Outsourced Services	Yes	General Revenue-Dedicated Funds	N/A
Service Area	Statewide	State Service(s)	Health Care - Disease Prevention, Treatment & Research		

Major Activities	2016-17 Estimated / Budgeted	2017 FTEs	2018-19 Recommended	2019 FTEs	% of Total
Provide Medications to Treat TB Infection	\$ 5,974,680	0.0	\$ 5,875,781	0.0	99.6%
Direct Administration	\$ 24,598	0.0	\$ 24,307	0.0	0.4%
Total	\$ 5,999,278	0.0	\$ 5,900,088	0.0	100.0%

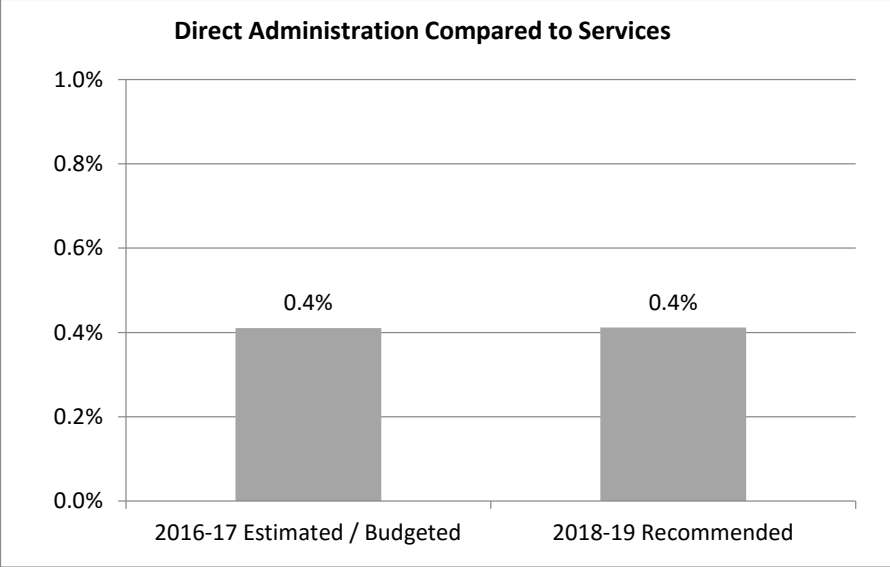
	2018-19 Recommended	% of Total
Funds Inside the State Treasury	\$ 5,900,088	100%
Total	\$ 5,900,088	100.0%



Program: TB Medications

Agency
Ranking

8 out of 33



Summary of Recommendations and Fiscal and Policy Issues

- 1 The Tuberculosis (TB) Meds program seeks to eliminate TB by coordinating the efforts of health departments, health care providers and communities to develop, implement and assure compliance with effective TB strategies, standards, and policies. DSHS purchases and distributes TB treatment medication to public health entities across the state. Treatment of TB requires a medication regimen of up to four drugs taken for a six to nine month period.
- 2 The agency did not report any performance measures or results for this program.

Recommended Statutory Changes for Program Improvement

- 1 DSHS did not identify any statutory changes which would lead to program improvement.

Enhancement Opportunities

- 1 DSHS did not identify any enhancement opportunities for this program.

Challenges to Operation of Program

- 1 Identified by DSHS: In DSHS' LAR it was stated that rising costs of medication and an increasing number of cases are a challenge to operating this program.

Department of State Health Services
Strategic Fiscal Review Appendix 6i: Program Summary - Senate

Program: TB Prevention and Control

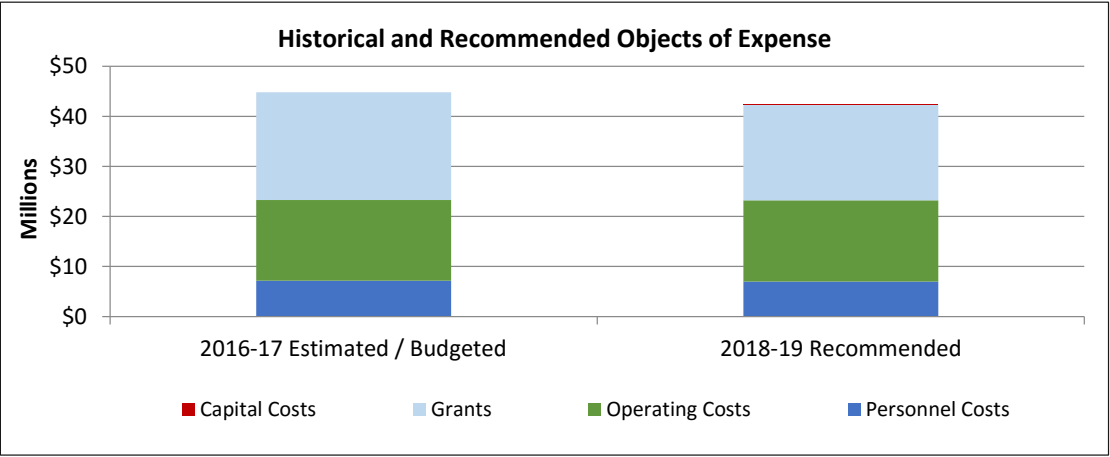
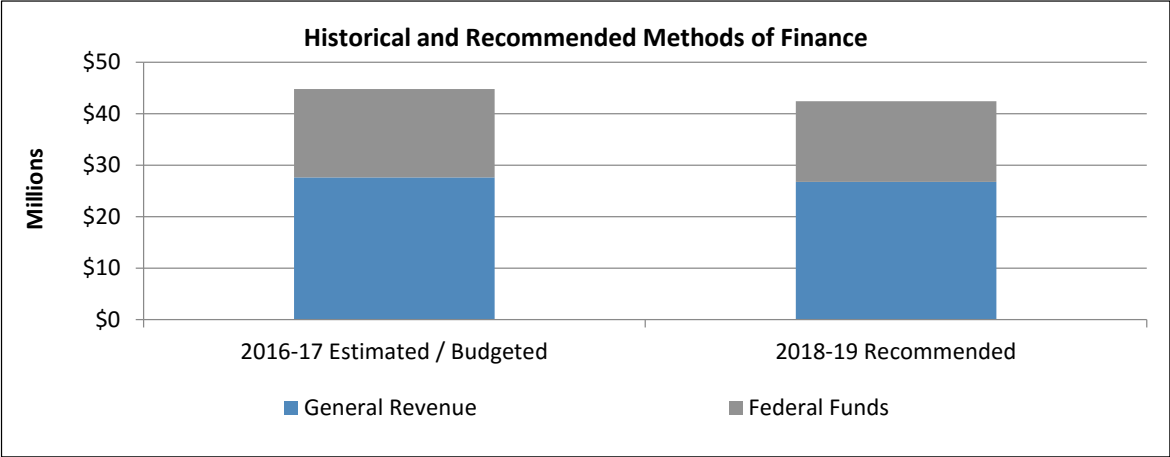
Agency Ranking
9 out of 33

Administers the TB program to support statewide public health response activities to eliminate TB as a public health threat.

Legal Authority:	25 Texas Administrative Code Chapter 97; Health and Safety Code Chapter 12, 31, 81, and 89			
Year Implemented	1989	Performance and/or		Revenue Supported Yes
Authority	Weak	Operational Issues	No	Appropriate Use of Constitutional and
Centrality	Moderate	Outsourced Services	Yes	General Revenue-Dedicated Funds N/A
Service Area	Statewide	State Service(s)	Health Care - Disease Prevention, Treatment & Research	

Major Activities	2016-17 Estimated / Budgeted	2017 FTEs	2018-19 Recommended	2019 FTEs	% of Total
Prevention and Control of Spread of TB	\$ 44,185,297	86.3	\$ 41,832,152	79.9	98.7%
Direct Administration	\$ 606,046	6.1	\$ 571,670	5.6	1.3%
Total	\$ 44,791,343	92.4	\$ 42,403,822	85.5	100.0%

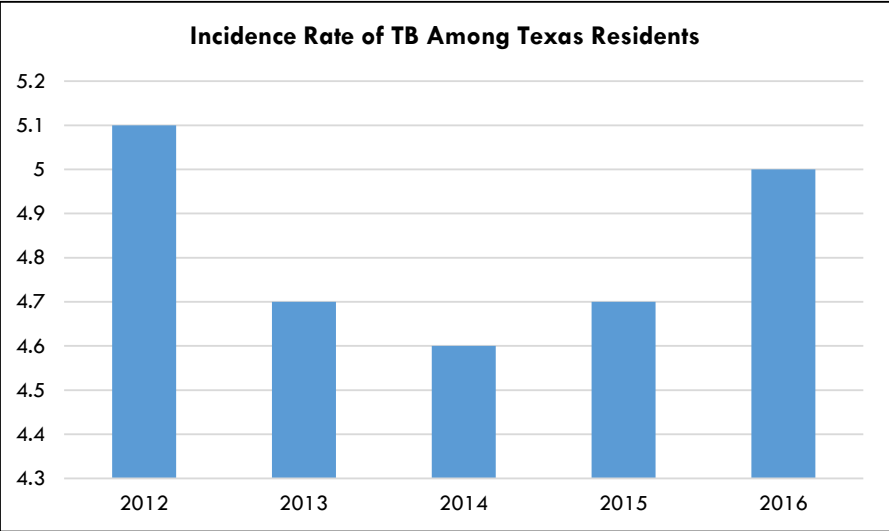
	2018-19 Recommended	% of Total
Funds Inside the State Treasury	\$ 42,403,822	100%
Total	\$ 42,403,822	100.0%



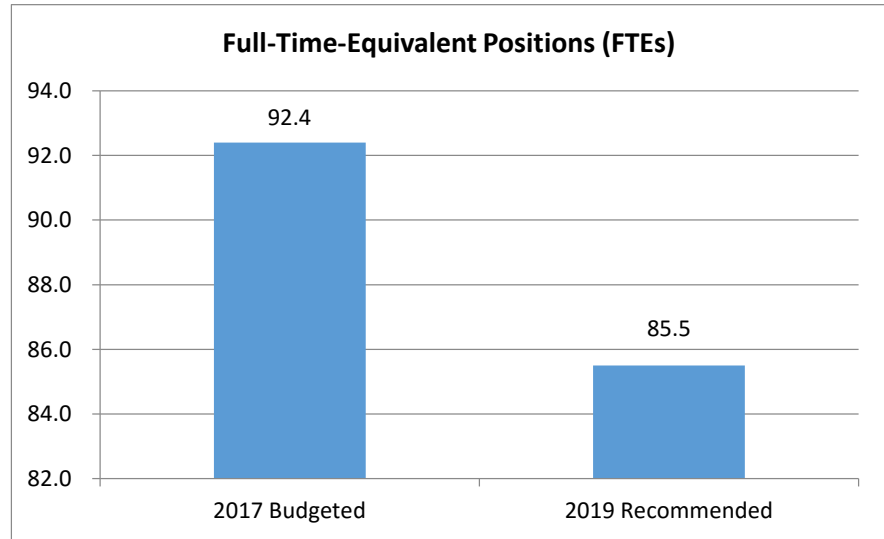
Program: TB Prevention and Control

Agency
Ranking

9 out of 33



Source: Department of State Health Services actual performance measures, 2012 through 2016, as reported by the agency in ABEST.



Summary of Recommendations and Fiscal and Policy Issues

- 1 The Tuberculosis (TB) Prevention and Control program seeks to eliminate TB in Texas as a public health threat by preventing, treating and controlling the spread of TB. The program does this by coordinating with local health departments. The agency collects, compiles and analyses tuberculosis screening activity reported by jails.
- 2 TB is commonly undiagnosed by health care providers. To increase the number of TB cases identified, this program seeks to educate health care providers on TB and how to recognize signs of the disease to know when testing is appropriate. The agency conducts investigations when new TB cases are reported to ensure others who have been in contact with the infected person have not contracted TB. In large scale cases the agency contracts with epidemiologists and nurses to assist in investigation and containment. The agency cited that in 2014, only half of the 5,533 individuals assumed to have been as risk of being exposed to TB were actually screened. Of screened individuals, one in three was diagnosed with TB.
- 3 The agency measures performance by the number of TB investigations conducted and the incidence rate among Texas residents. The agency reported 22,295 investigations in fiscal year 2015 and 1,334 cases of TB, a rate of 4.7 per 100,000 Texas residents. The population with the highest risk factor for contracting TB is foreign born residents.

Recommended Statutory Changes for Program Improvement

- 1 DSHS did not identify any statutory changes which would lead to program improvement.

Enhancement Opportunities

- 1 DSHS did not identify any enhancement opportunities for this program.

Challenges to Operation of Program

- 1 Identified by DSHS: Coordination with federal partners.
Note: DSHS did not specify how this poses a challenge to program operation.

Department of State Health Services
Strategic Fiscal Review Appendix 6j: Program Summary - Senate

Program: TB Testing and Supplies

Agency
Ranking

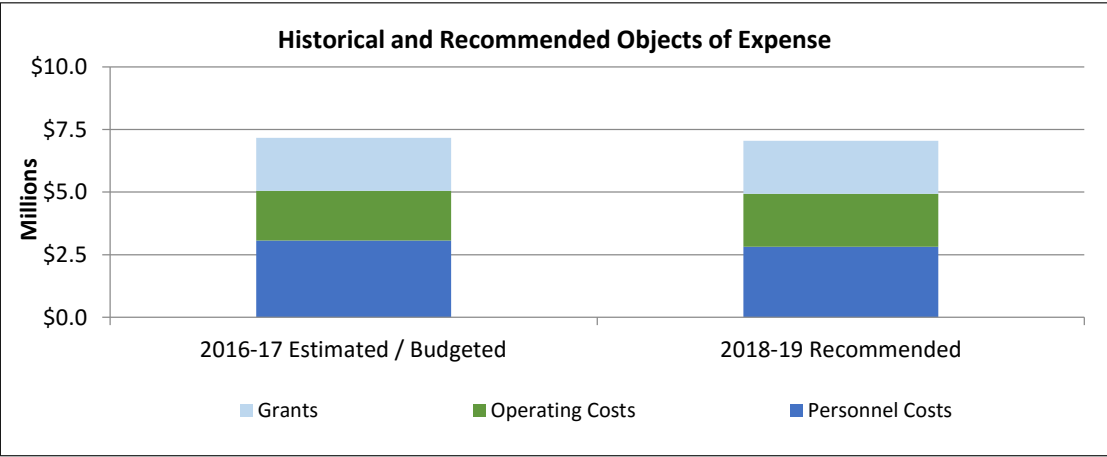
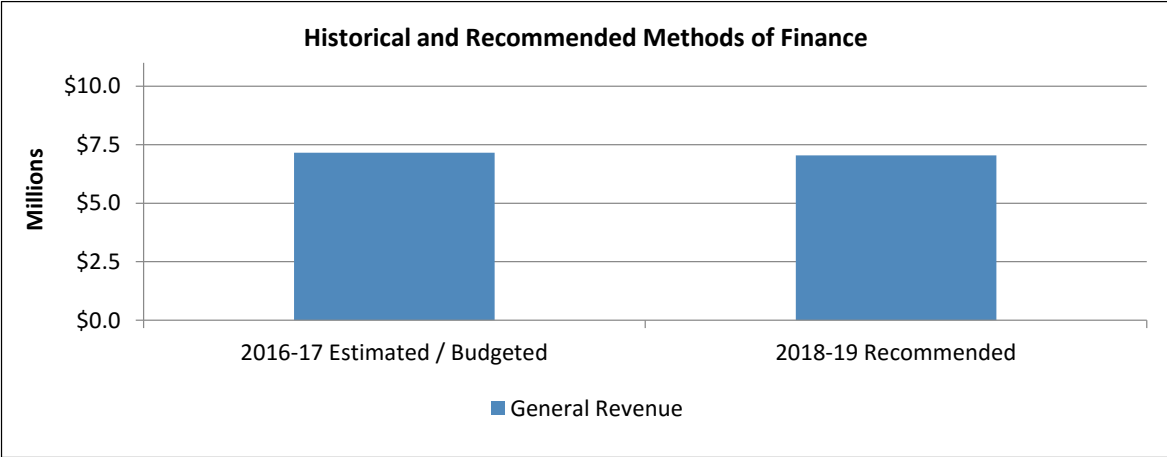
10 out of 33

Purchases tuberculosis testing supplies.

Legal Authority:	25 Texas Administrative Code Chapter 97				
Year Implemented	1989	Performance and/or		Revenue Supported	No
Authority	Weak	Operational Issues	N/A	Appropriate Use of Constitutional and	
Centrality	Moderate	Outsourced Services	No	General Revenue-Dedicated Funds	N/A
Service Area	Statewide	State Service(s)	Health Care - Disease Prevention, Treatment & Research		

Major Activities	2016-17 Estimated / Budgeted	2017 FTEs	2018-19 Recommended	2019 FTEs	% of Total
Tuberculin Skin Testing and Blood Assay	\$ 6,517,112	31.0	\$ 6,409,234	28.7	91.0%
Direct Administration	\$ 645,977	6.5	\$ 636,448	6.0	9.0%
Total	\$ 7,163,089	37.5	\$ 7,045,682	34.7	100.0%

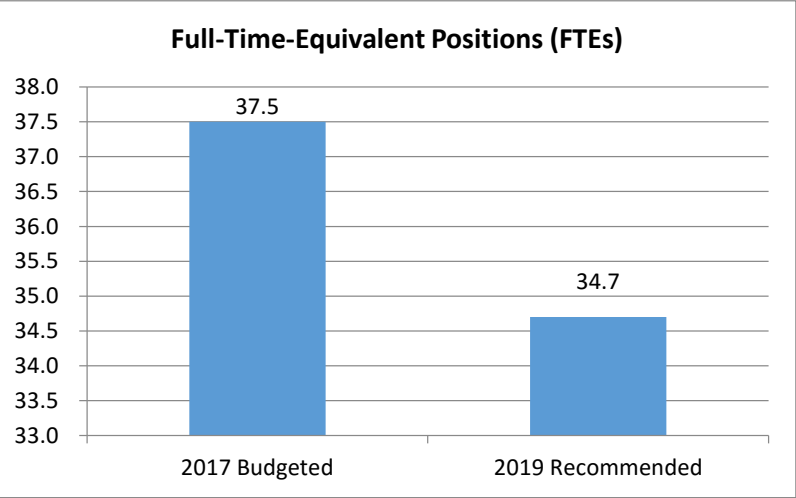
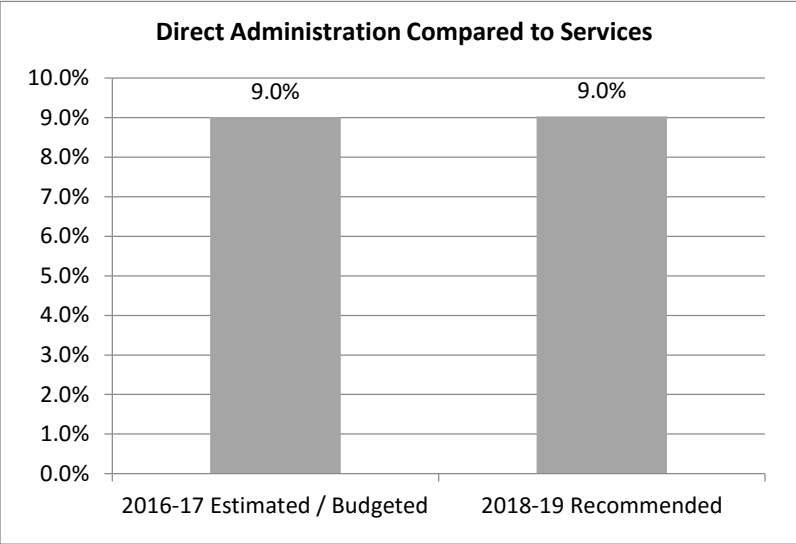
	2018-19 Recommended	% of Total
Funds Inside the State Treasury	\$ 7,045,682	100%
Total	\$ 7,045,682	100.0%



Program: TB Testing and Supplies

Agency
Ranking

10 out of 33



Summary of Recommendations and Fiscal and Policy Issues

- 1 The Tuberculosis (TB) Testing and Supplies program seeks to eliminate TB by coordinating efforts of health departments, health care providers and communities to develop, implement and assure compliance with effective TB strategies, standards, and policies. DSHS purchases and distributes TB skin testing supplies to local health providers. Program funds also provide for blood testing through the DSHS Laboratory and through a contractor who supports TB testing conducted by public health TB programs and jail facilities. In fiscal year 2016 the agency spent approximately \$1.7 million to support 33,836 tests at a cost of \$50 per test. The agency has indicated the cost of this service has decreased for fiscal year 2017 to \$45 per test.
- 2 The agency did not report any performance measures or results for this program.

Recommended Statutory Changes for Program Improvement

- 1 DSHS did not identify any statutory changes which would lead to program improvement.

Enhancement Opportunities

- 1 DSHS did not identify any enhancement opportunities for this program.

Challenges to Operation of Program

- 1 Identified by DSHS: Increasing cost of new testing technologies. Also, testing for latent TB and an increase in resistant TB.

Department of State Health Services
Strategic Fiscal Review Appendix 6k: Program Summary - Senate

Program: Zoonosis

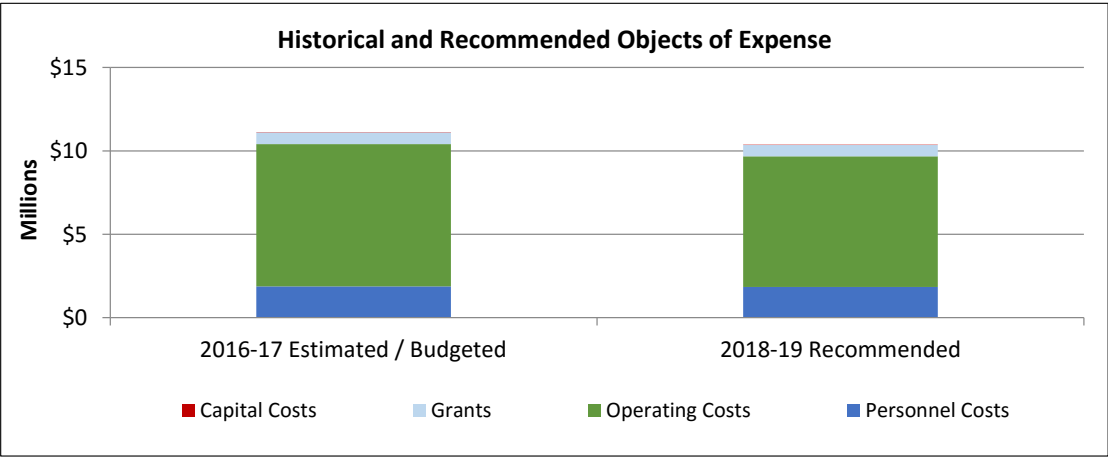
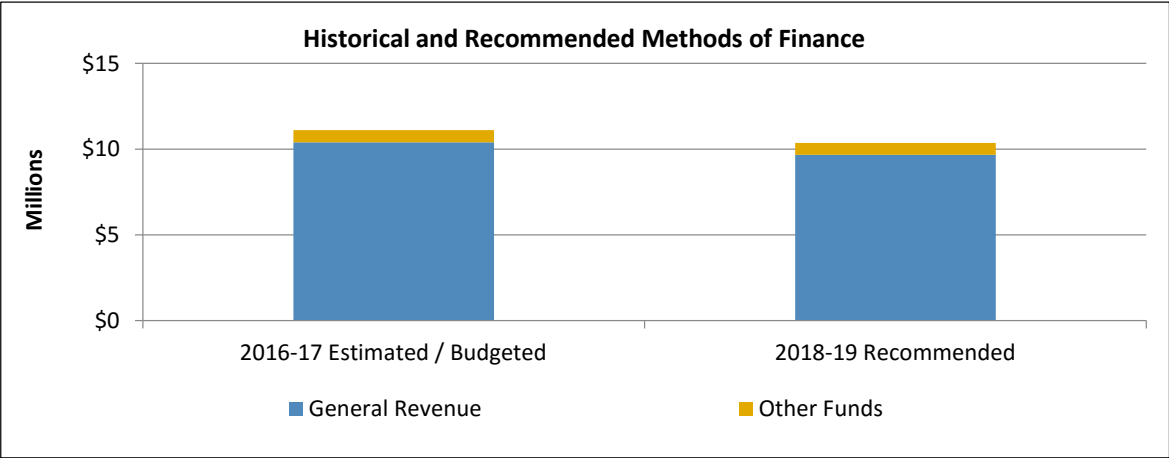
Agency Ranking 11 out of 33

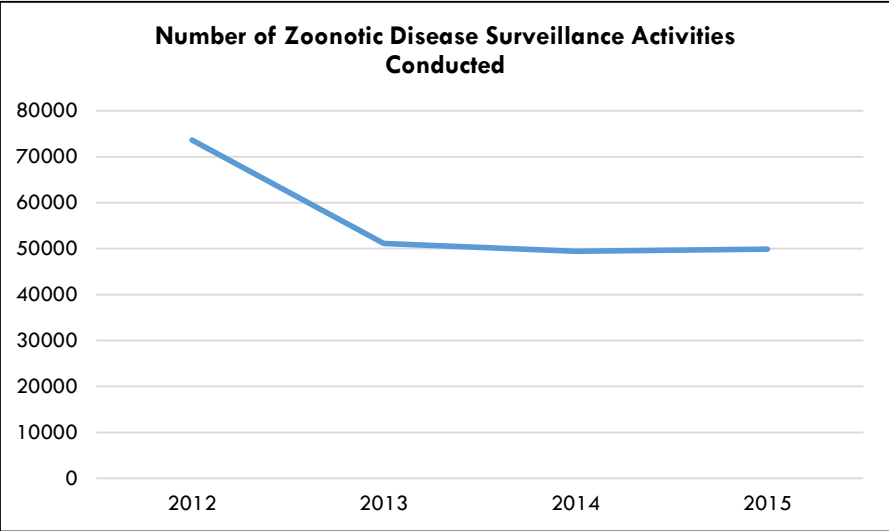
Conducts disease surveillance; investigates cases; distributes rabies biologicals; inspects rabies quarantine facilities; distributes oral rabies vaccine to wildlife; and trains animal control officers.

Legal Authority:	25 Texas Administrative Code Chapter 169; Health and Safety Code Chapters 81, 821-823, 826, 828, and 829				
Year Implemented	1975	Performance and/or		Revenue Supported	Yes
Authority	Moderate	Operational Issues	N/A	Appropriate Use of Constitutional and	
Centrality	Moderate	Outsourced Services	Partial	General Revenue-Dedicated Funds	Compliant
Service Area	Statewide	State Service(s)	Health Care - Disease Prevention, Treatment & Research		

Major Activities	2016-17 Estimated / Budgeted	2017 FTEs	2018-19 Recommended	2019 FTEs	% of Total
Zoonotic Disease Surveillance	\$ 8,665,581	18.5	\$ 7,955,149	18.5	76.8%
Oral Rabies Vaccination Program	\$ 1,736,594	4.7	\$ 1,714,490	4.7	16.5%
Animal Friendly Grants for Low to No-Cost	\$ 699,618	0.0	\$ 690,375	0.0	6.7%
Train & Facilitate Training of Animal Control	\$ 3,300	0.0	\$ 3,258	0.0	0.0%
All Other Activities	\$ 382	0.0	\$ 715	0.0	0.0%
Total	\$ 11,105,475	23.2	\$ 10,363,987	23.2	100.0%

	2018-19 Recommended	% of Total
Funds Inside the State Treasury	\$ 10,363,987	100%
Total	\$ 10,363,987	100.0%





Source: Department of State Health Services actual performance measures, 2012 through

Summary of Recommendations and Fiscal and Policy Issues

- 1 The Zoonosis program is primarily focused on public health and designed to reduce the incidence of animal diseases and vector-borne diseases infecting humans. The program aims to control the spread of emerging zoonotic diseases, such as West Nile disease, Zika, and chikungunya. The state also participates in the Oral Rabies Vaccination Program, a cooperative program with the federal government, to control rabies in wildlife. Both DSHS and the federal partners contribute resources for this program.
- 2 The Zoonosis program reduces incidence of zoonotic diseases by conducting disease surveillance, investigating cases, distributing rabies biologicals, inspecting rabies quarantine facilities, distributing oral rabies vaccine to wildlife, educational outreach pertaining to preventing diseases, training animal control officers, and providing grants to spay/neuter pets.
- 3 DSHS has several non-key measures pertaining to the program. The first is the number of zoonotic disease surveillance activities conducted. In fiscal year 2012 the agency conducted 77,636 activities; however, in fiscal year 2015, they conducted 49,882. The program also tracks the percent of certain epizootic zones from the mid-1990s that are free of certain types of rabies. This measure is consistently over 95.0 percent.

Recommended Statutory Changes for Program Improvement

- 1 DSHS did not identify any statutory changes which would lead to program improvement.

Enhancement Opportunities

- 1 DSHS did not identify any enhancement opportunities for this program.
- 2 Identified by LBB staff: Measures used to determine program effectiveness may be out of date, reducing the ability to determine program success in reducing diseases of current concern. The agency's metric for dog-coyote rabies variant could be removed as the epizootic zone has been free of rabies since 2007.

Challenges to Operation of Program

- 1 DSHS did not identify any challenges to program operation.

Department of State Health Services
Strategic Fiscal Review Appendix 6I: Program Summary - Senate

Program: Trauma Care System

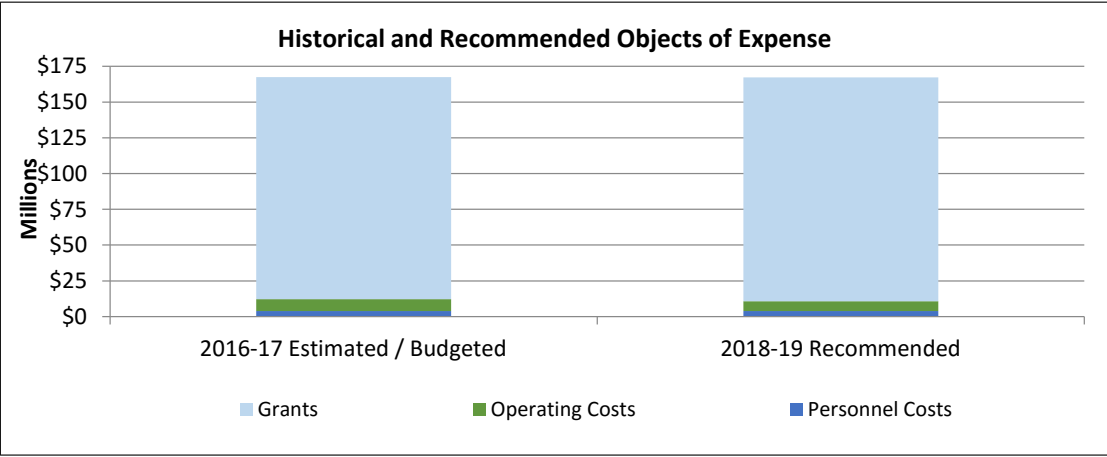
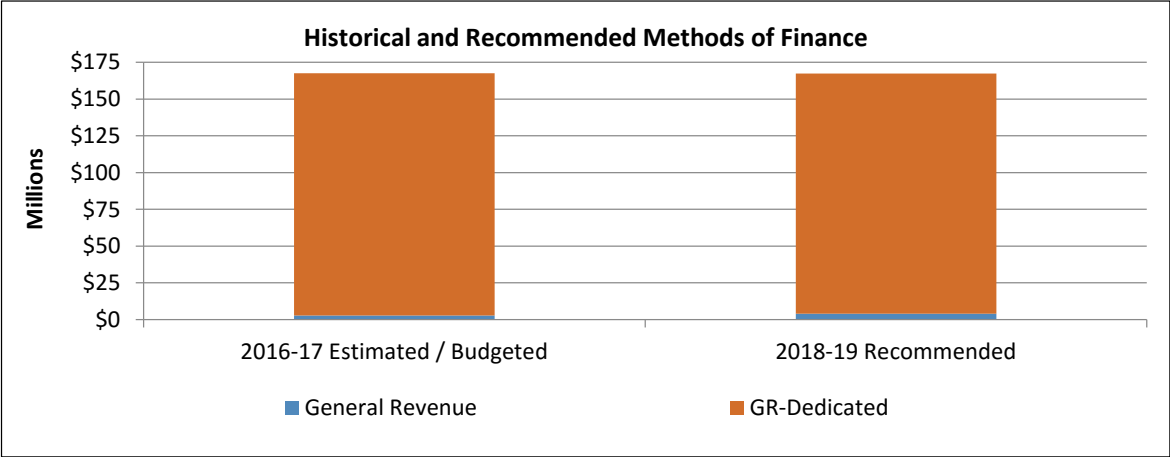
Agency Ranking 12 out of 33

A community-based fully-integrated statewide system that coordinates the delivery of emergency care in Texas and includes trauma, stroke, and neonatal designations.

Legal Authority:	25 Texas Administrative Code Chapter 157; Health and Safety Code Chapters 241, 773, and 780				
Year Implemented	1989	Performance and/or		Revenue Supported	Yes
Authority	Strong	Operational Issues	N/A	Appropriate Use of Constitutional and	
Centrality	Strong	Outsourced Services	No	General Revenue-Dedicated Funds	Compliant
Service Area	Statewide	State Service(s)	Health Care - Acute Care Services		

Major Activities	2016-17 Estimated / Budgeted	2017 FTEs	2018-19 Recommended	2019 FTEs	% of Total
System Development Implementation and	\$ 166,919,195	34.3	\$ 166,815,927	32.7	99.7%
Direct Administration	\$ 555,258	0.8	\$ 444,493	0.8	0.3%
Total	\$ 167,474,453	35.1	\$ 167,260,420	33.5	100.0%

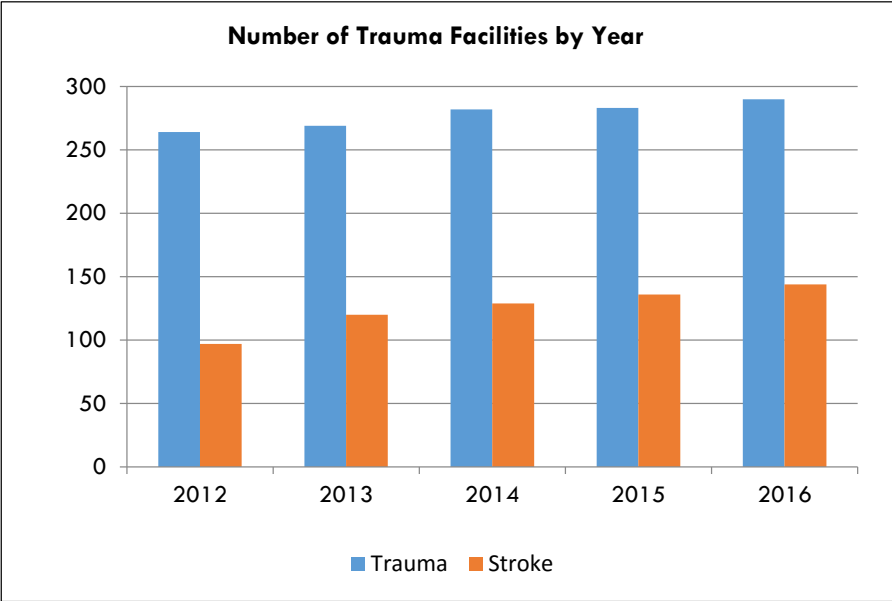
	2018-19 Recommended	% of Total
Funds Inside the State Treasury	\$ 167,260,420	100%
Total	\$ 167,260,420	100.0%



Program: Trauma Care System

Agency
Ranking

12 out of 33



Source: Department of State Health Services actual performance measures, 2012 through 2016, as reported by the agency in ABEST.

Summary of Recommendations and Fiscal and Policy Issues

- 1 The Omnibus Rural Health Care Rescue Act, House Bill 18, Seventy-first Legislature, Regular Session, 1989, directed the Bureau of Emergency Management of the Texas Department of Health to develop and implement a statewide emergency medical services (EMS) and trauma care system, designate trauma facilities, and develop a trauma registry to monitor the system and provide statewide cost and epidemiological statistics. No funding was provided at that time.
- Rules for implementation of the trauma system were adopted by the Texas Board of Health in January 1992. These rules divided the state into twenty-two regions called trauma service areas (TSAs), provided for the formation of a regional advisory council (RAC) in each region to develop and implement a regional trauma system plan, delineated the trauma facility designation process, and provided for the development of a state trauma registry.
- As of July 2016, the Texas trauma system included: 22 Trauma Service Areas; 282 designated trauma hospitals, 133 designated stroke hospitals; over 63,000 EMS personnel; nearly 800 EMS providers; and 4,700 EMS vehicles.

Recommended Statutory Changes for Program Improvement

- 1 DSHS did not identify any statutory changes which would lead to program improvement.

Enhancement Opportunities

- 1 DSHS did not identify any enhancement opportunities for this program.

Challenges to Operation of Program

- 1 DSHS did not identify any challenges to program operation.
- 2 Identified by LBB staff: Numerous rural areas of Texas pose a challenge to ensuring all Texans have fast, reliable, efficient access to medical care in an emergency due to proximity to trauma hospitals.
- 3 Identified by LBB staff: Decline in interest earnings on Tobacco Settlement Funds, due to depletion of the corpus of the funds, reduces a secondary funding sources for this program.

Department of State Health Services
Strategic Fiscal Review Appendix 6m: Program Summary - Senate

Program: Emergency Medical Services (EMS)

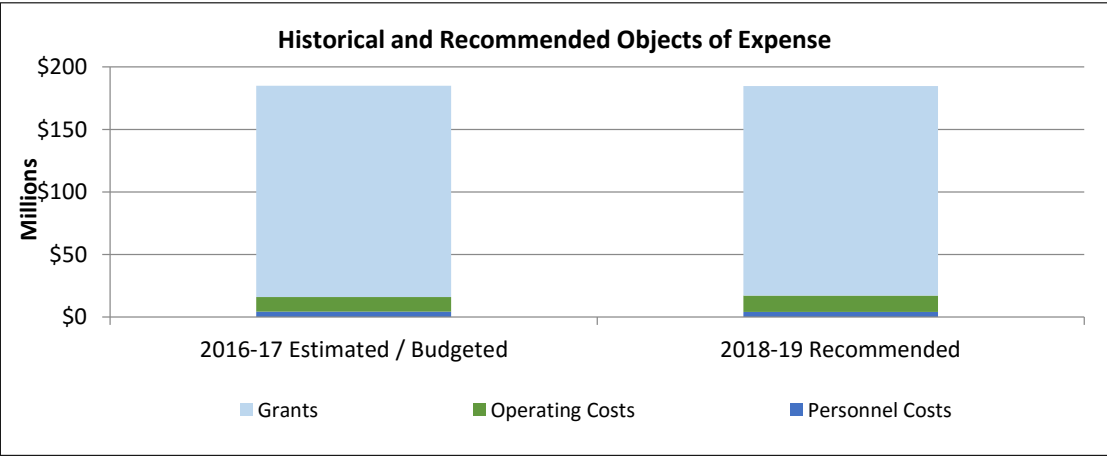
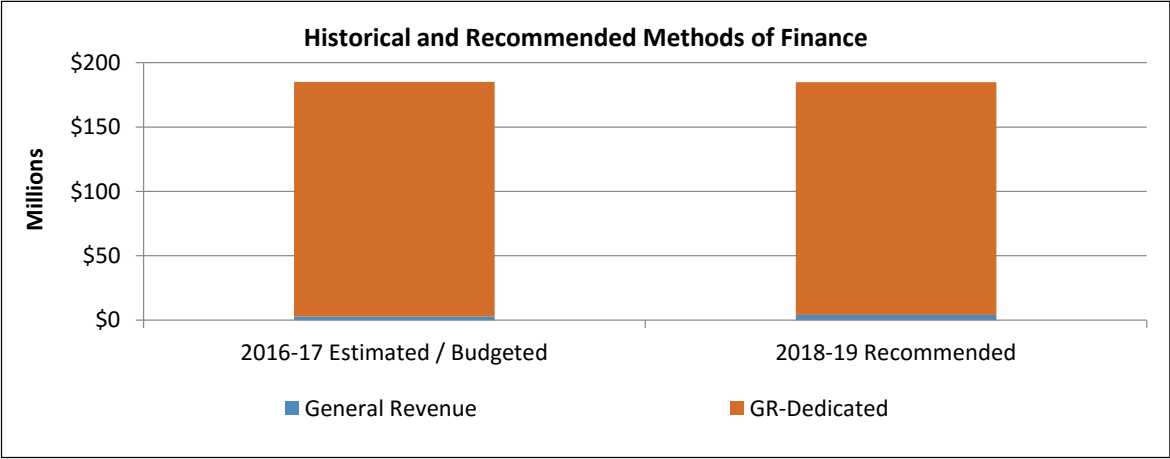
Agency Ranking 13 out of 33

Coordinates delivery of pre-hospital care in Texas; ensures care and transport are rendered to critically ill/injured patients; works collaboratively through Regional Advisory Councils to develop, implement and evaluate coordinated regional plans of care.

Legal Authority:	25 Texas Administrative Code Chapters 2 and 157; Health and Safety Code Chapters 773 and 780				
Year Implemented	1970	Performance and/or Authority	Strong	Revenue Supported	Yes
Centrality	Strong	Operational Issues	No	Appropriate Use of Constitutional and General Revenue-Dedicated Funds	Compliant
Service Area	Statewide	Outsourced Services	No		
		State Service(s)	Health Care - Acute Care Services		

Major Activities	2016-17 Estimated / Budgeted	2017 FTEs	2018-19 Recommended	2019 FTEs	% of Total
Providers, Personnel and Education	\$ 184,363,864	37.1	\$ 184,285,788	35.4	99.7%
Direct Administration	\$ 660,124	0.8	\$ 478,700	0.7	0.3%
Total	\$ 185,023,988	37.9	\$ 184,764,488	36.1	100.0%

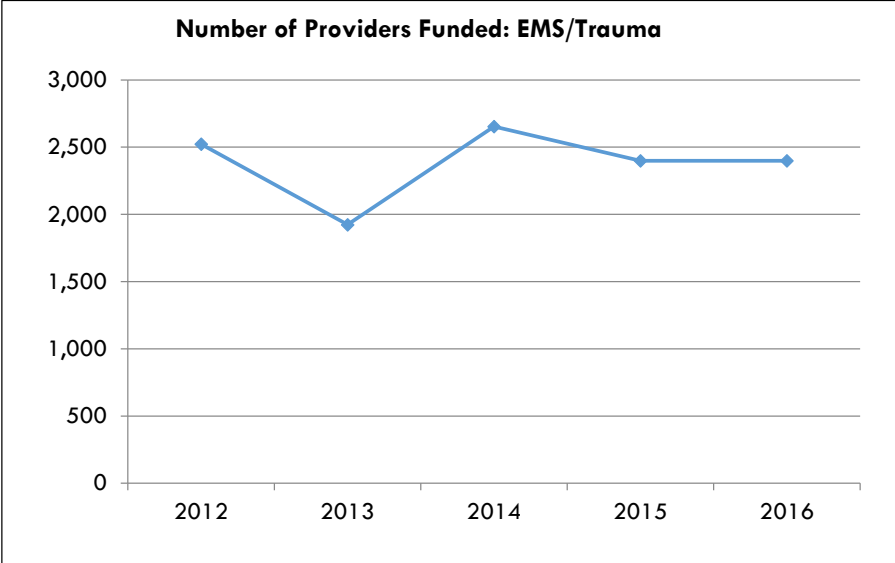
	2018-19 Recommended	% of Total
Funds Inside the State Treasury	\$ 184,764,488	100%
Total	\$ 184,764,488	100.0%



Program: Emergency Medical Services (EMS)

Agency
Ranking

13 out of 33



Source: Department of State Health Services actual performance measures, 2012 through 2016, as reported by the agency in ABEST.

Summary of Recommendations and Fiscal and Policy Issues

- 1 The Omnibus Rural Health Care Rescue Act, House Bill 18, Seventy-first Legislature, Regular Session, 1989, directed the Bureau of Emergency Management of the Texas Department of Health to develop and implement a statewide emergency medical services (EMS) and trauma care system, designate trauma facilities, and develop a trauma registry to monitor the system and provide statewide cost and epidemiological statistics. No funding was provided at that time.

Rules for implementation of the trauma system were adopted by the Texas Board of Health in January 1992. These rules divided the state into 22 regions called trauma service areas (TSAs), provided for the formation of a regional advisory council (RAC) in each region to develop and implement a regional trauma system plan, delineated the trauma facility designation process, and provided for the development of a state trauma registry.

As of July 2016, the Texas trauma system included: 22 Trauma Service Areas; 282 designated trauma hospitals, 133 designated stroke hospitals; over 63,000 EMS personnel; nearly 800 EMS providers; and 4,700 EMS vehicles.

Recommended Statutory Changes for Program Improvement

- 1 DSHS did not identify any statutory changes which would lead to program improvement.

Enhancement Opportunities

- 1 DSHS Identified: Greater technical assistance and support to frontier and rural EMS to include leadership development and educational and training opportunities to greater protect the health and safety of Texans residing in remote areas of the State.

Challenges to Operation of Program

- 1 DSHS Identified: Recognition of EMS Personnel Licensure Interstate Compact (REPLICA).
Note: DSHS did not provide any information about how this poses a challenge to the program.
- 2 DSHS Identified: Airline Deregulation Act of 1978 prohibits states from regulating certain aspects of air medical transportation.
Note: DSHS did not specify how this poses a challenge to the program.
- 3 DSHS Identified: Ryan White Act - (U.S. Code Title 42 Chapter 6A Sub Chapter XXIV Part G).
Note: DSHS did not provide any information about how this poses a challenge to the program.
- 4 Identified by LBB staff: Numerous rural areas of Texas pose a challenge to ensuring all Texans have fast, reliable, efficient access to medical care in an emergency due to proximity to trauma hospitals.
- 5 Identified by LBB staff: Decline in interest earnings on Tobacco Settlement Funds, due to depletion of the corpus of the funds, reduces a secondary funding sources for this program.
- 6 Identified by LBB staff: Radio interoperability, especially along the Texas-Mexico border.

Department of State Health Services
Strategic Fiscal Review Appendix 6n: Program Summary - Senate

Program: Radiation Control

Agency Ranking 14 out of 33

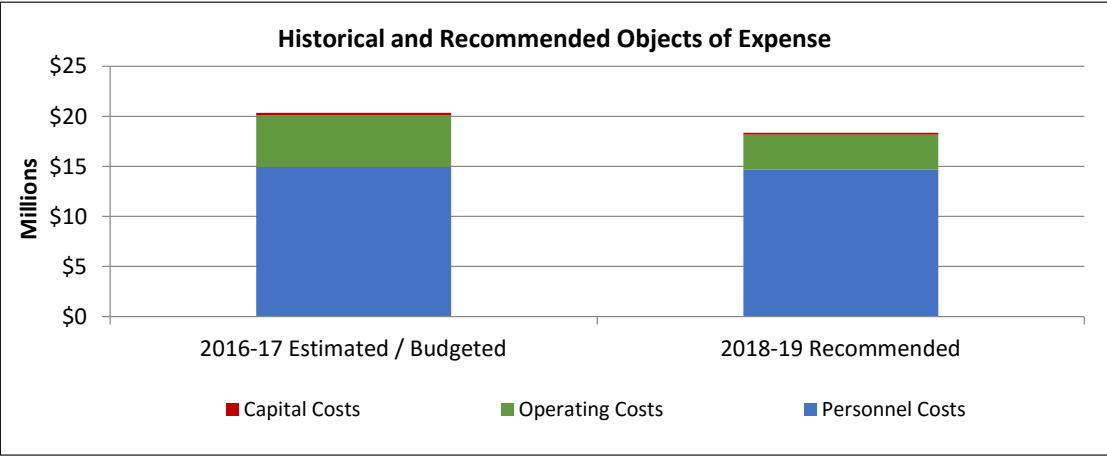
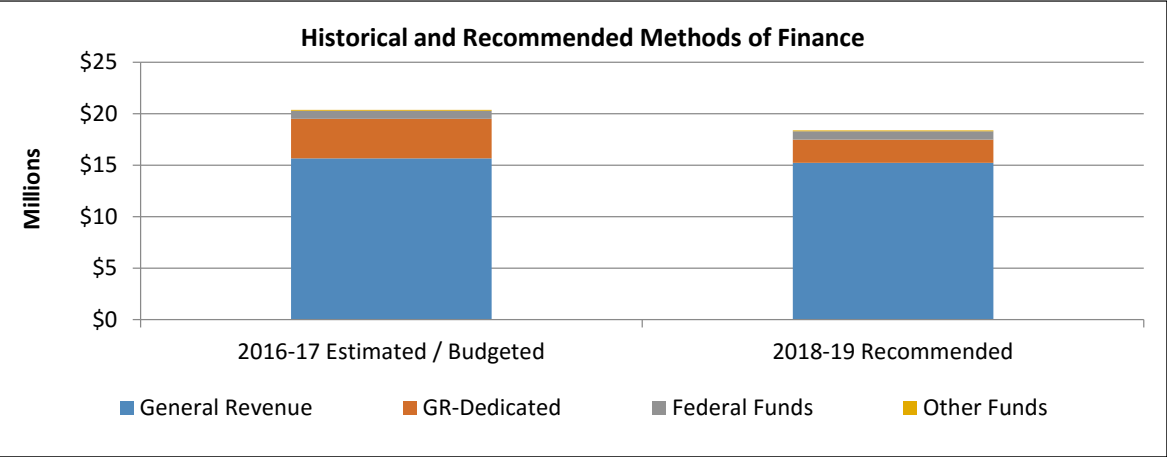
Monitors and mitigates public health threats through licensing, inspecting, and regulating all sources and users of radiation in the state.

Legal Authority: 25 Texas Administrative Code Chapter 289; and Section 1.551-1.553; Health and Safety Code Chapters 401, 501, and 503

Year Implemented	1963	Performance and/or		Revenue Supported	Yes
Authority	Strong	Operational Issues	N/A	Appropriate Use of Constitutional and	
Centrality	Strong	Outsourced Services	N/A	General Revenue-Dedicated Funds	Compliant
Service Area	Statewide	State Service(s)	Business & Workforce Development & Regulation		

Major Activities	2016-17 Estimated / Budgeted	2017 FTEs	2018-19 Recommended	2019 FTEs	% of Total
Radioactive Materials	\$ 15,352,268	123.1	\$ 13,593,590	119.7	74.0%
Direct Administration	\$ 3,320,777	7.0	\$ 3,127,688	6.8	17.0%
Mammography	\$ 1,688,902	13.0	\$ 1,646,175	12.6	9.0%
Total	\$ 20,361,947	143.1	\$ 18,367,453	139.1	100.0%

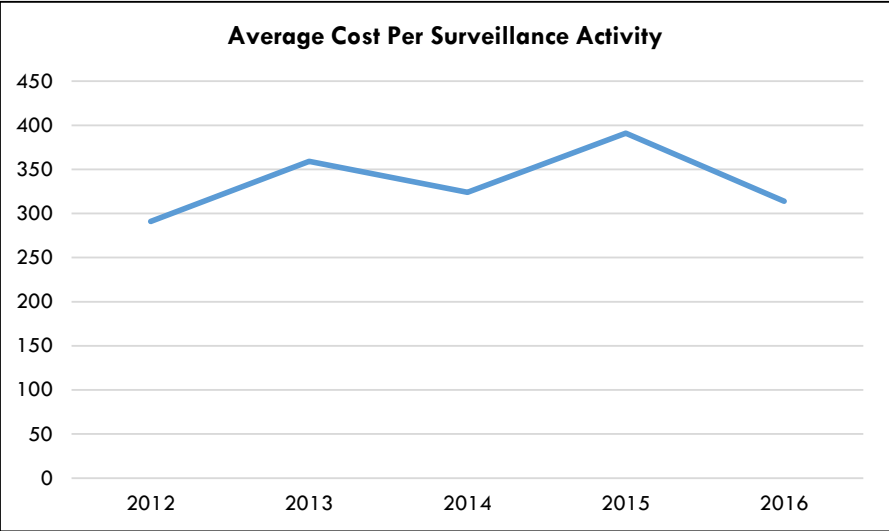
	2018-19 Recommended	% of Total
Funds Inside the State Treasury	\$ 18,367,453	100%
Total	\$ 18,367,453	100.0%



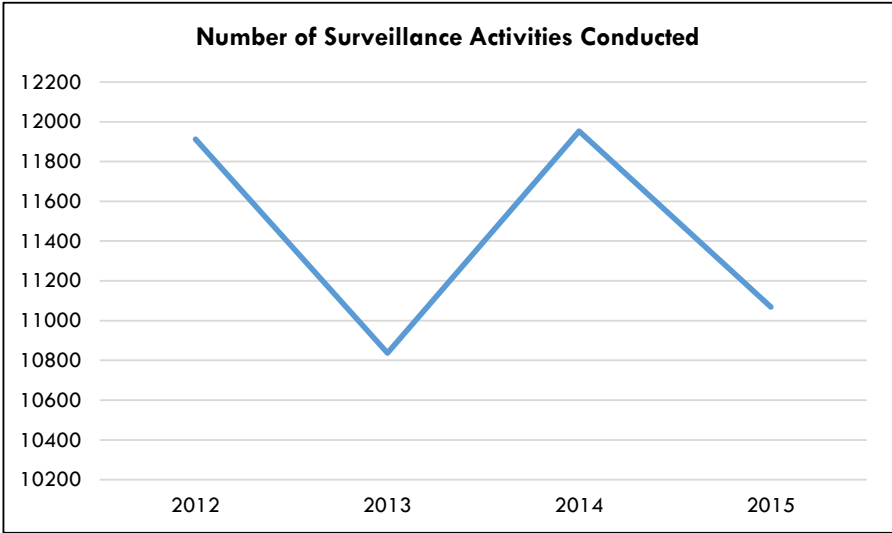
Program: Radiation Control

Agency
Ranking

14 out of 33



Source: Department of State Health Services actual performance measures, 2012 through 2016, as reported by the agency in ABEST.



Source: Department of State Health Services actual performance measures, 2012 through 2015, as reported by the agency in ABEST, as part of SFR.

Summary of Recommendations and Fiscal and Policy Issues

- 1 The Radiation Control program monitors facilities to verify compliance with radiation exposure standards, and collects environmental samples to determine the concentration of radioactive materials. The program is also responsible for radiological emergency response for the State of Texas and conducts joint emergency preparedness planning with nuclear power plants and radioactive waste storage facilities. Staff respond to incidents or complaints that involve sources of radiation or the unauthorized release of radioactive materials to the environment and participate in nuclear power plant emergency drills and exercises.
- 2 Overall, the utilization of radioactive material since 1963 has significantly expanded to encompass daily exposure to increasing numbers of individuals. The radiation program has expanded to ensure exposures are necessary and within acceptable limits. Technological advances and the increasing demands on health care have contributed to the use of radiation becoming more widely used; increasing the need for oversight to ensure the least amount of public exposure to radiation.

Recommended Statutory Changes for Program Improvement

- 1 DSHS did not identify any statutory changes which would lead to program improvement.

Enhancement Opportunities

- 1 DSHS did not identify any enhancement opportunities for this program.

Challenges to Operation of Program

- 1 Identified by DSHS: The Atomic Energy Act of 1954 presents challenges to the operations of the program. The agency must implement the U.S. Nuclear Regulatory Commission's (NRC) increased controls without additional resources or funding. Additionally, due to the continuing population growth in Texas, the number of individuals and entities that must be licensed and monitored for compliance in the Radiation Control Strategy is increasing without a concomitant increase in funding or staff.

Department of State Health Services
Strategic Fiscal Review Appendix 6a: Program Summary - Senate

Program: Environmental Health

Agency
Ranking 15 out of 33

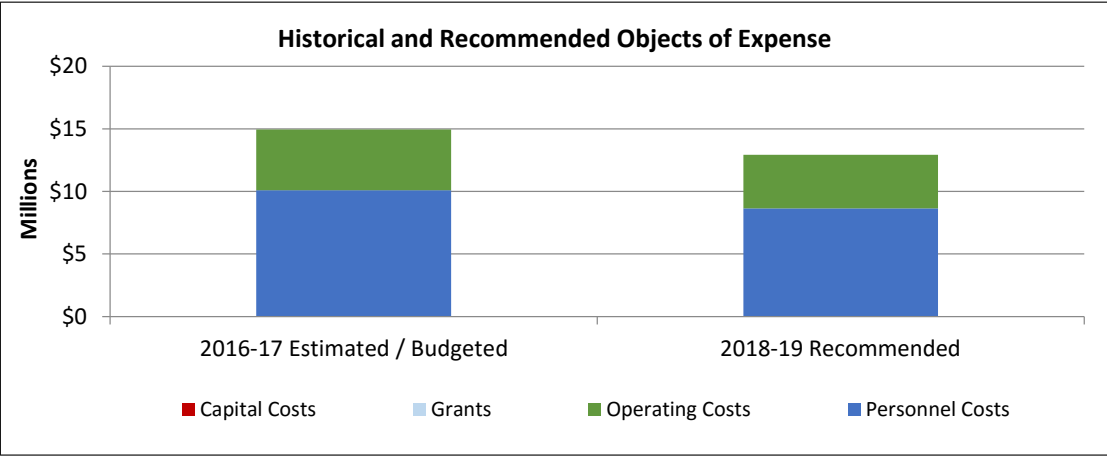
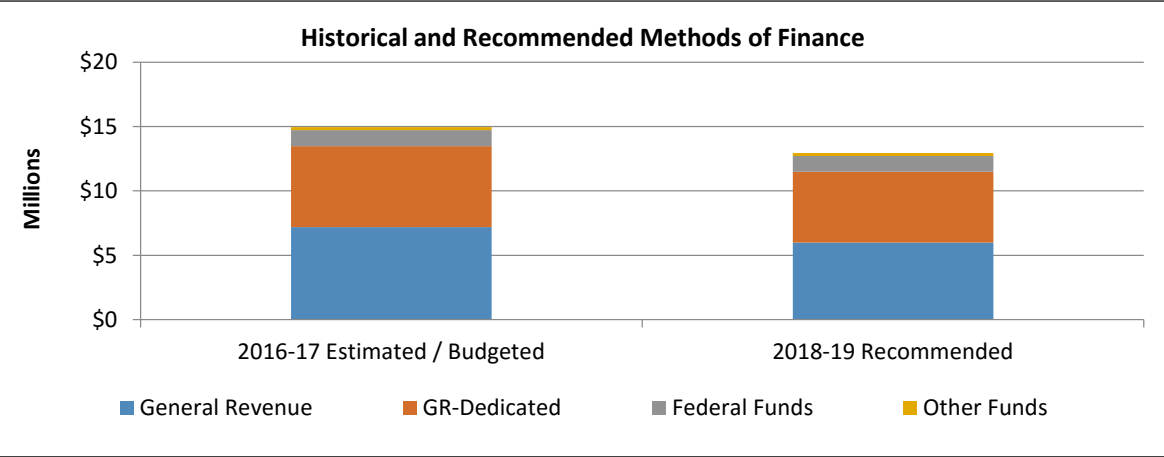
Monitors and mitigates public health threats through licensing, inspecting, and regulating consumer products, occupational and environmental health, and community sanitation.

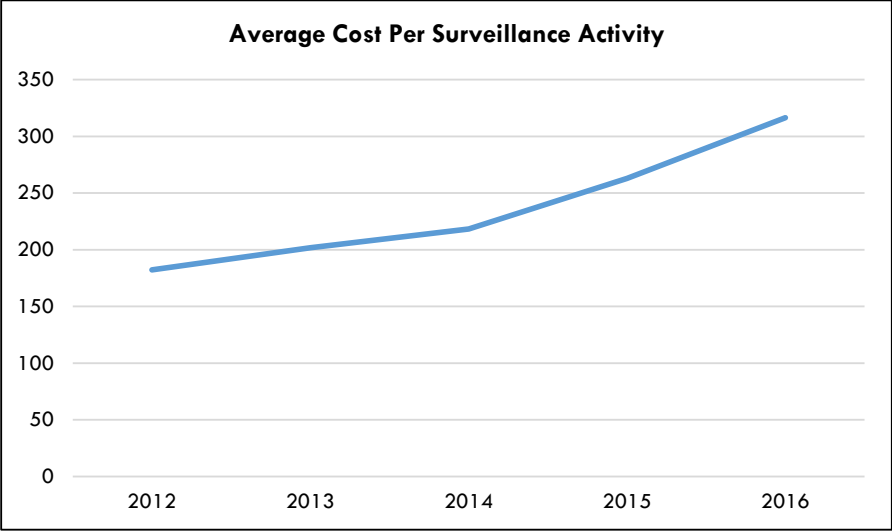
Legal Authority: 25 Texas Administrative Code Chapters 96, 265, and 295; and Sections 1.201-1.207, 1.131-1.137, 1.551-1.553, 1.601, 33.80, 37.331-37.339; Health and Safety Code Chapters 88, 141, 341, 343, 485, 501, 502, and 751; and Sections 81.301-81.307, 12.0111, and 12.0112

Year Implemented	1933	Performance and/or		Revenue Supported	Yes
Authority	Moderate	Operational Issues	N/A	Appropriate Use of Constitutional and	
Centrality	Moderate	Outsourced Services	Partial	General Revenue-Dedicated Funds	Compliant
Service Area	Statewide	State Service(s)	Business & Workforce Development & Regulation		

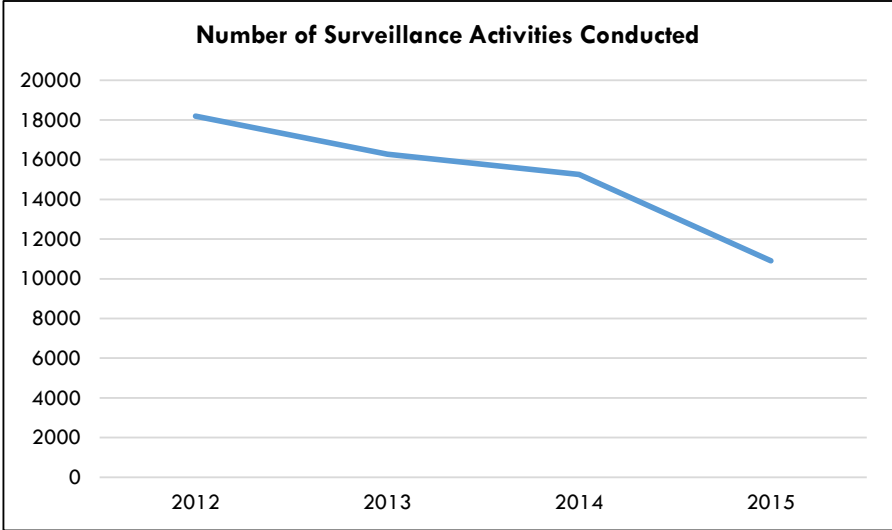
Major Activities	2016-17 Estimated / Budgeted	2017 FTEs	2018-19 Recommended	2019 FTEs	% of Total
Asbestos & Hazardous Products	\$ 9,552,419	98.1	\$ 7,991,092	83.4	61.8%
Direct Administration	\$ 4,953,270	6.0	\$ 4,520,750	5.5	34.9%
Youth Camps	\$ 455,076	4.0	\$ 426,345	3.7	3.3%
Total	\$ 14,960,765	108.1	\$ 12,938,187	92.6	100.0%

	2018-19 Recommended	% of Total
Funds Inside the State Treasury	\$ 12,938,187	100%
Total	\$ 12,938,187	100.0%





Source: Department of State Health Services actual performance measures, 2012 through 2016, as reported by the agency in ABEST.



Source: Department of State Health Services actual performance measures, 2012 through 2015, as reported by the agency in ABEST, as part of SFR.

Summary of Recommendations and Fiscal and Policy Issues

- 1 The program monitors conditions, facilities, and projects across the state by on-site inspection and product sampling protocols that both encourage diligence on the part of the producers and provide assurances to the public that products and processes are safe. Generally, there is no local health equivalent for the public health services this program provides. The agency reports that greater awareness and understanding of the health impact of construction materials, waste disposal practices, and use of chemical based products, has increased the need to formulate guidelines to protect public health.

Recommended Statutory Changes for Program Improvement

- 1 DSHS did not identify any statutory changes which would lead to program improvement.

Enhancement Opportunities

- 1 DSHS did not identify any enhancement opportunities for this program.

Challenges to Operation of Program

- 1 Identified by DSHS: Increased waste and refuse due to population growth creates challenges to maintaining sanitation, and the expansion of commercial and residential construction projects impacts the demand for services.
- 2 Identified by DSHS: The Resource Conservation and Recovery Act (RCRA) presents challenges to the operation of the program. The agency indicated that any changes to the RCRA requires DSHS to comply without concomitant increases in funding or staff.

Department of State Health Services
Strategic Fiscal Review Appendix 6p: Program Summary - Senate

Program: HIV/STD Medications

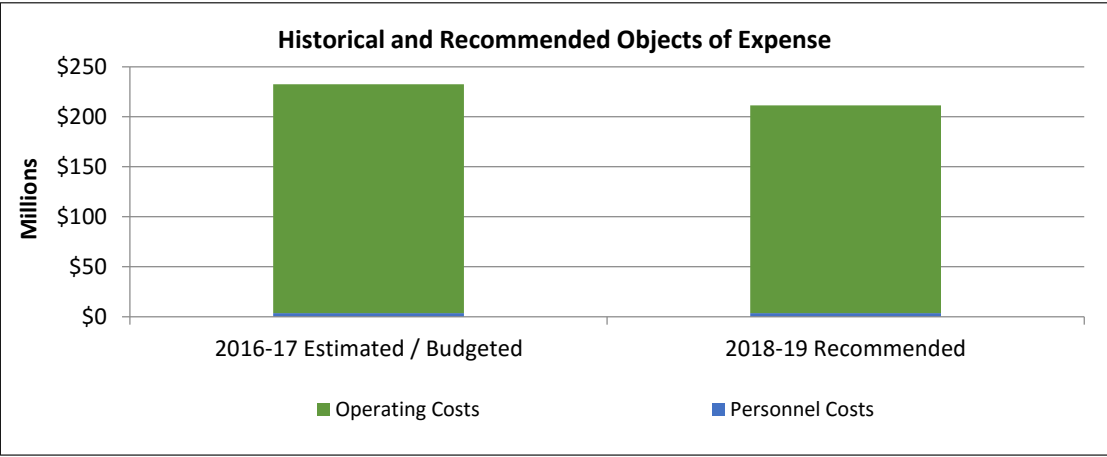
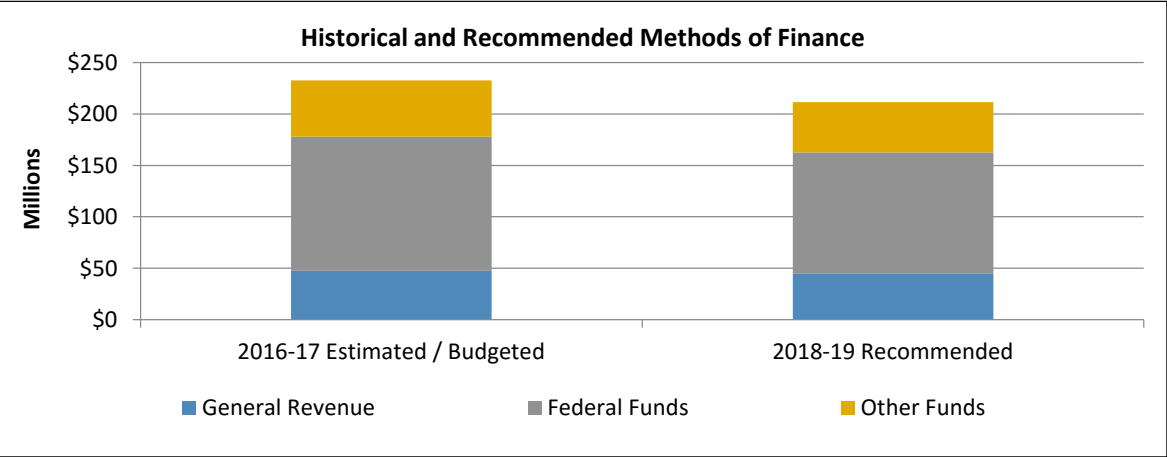
Agency Ranking 16 out of 33

Provides HIV medications to low-income, uninsured or underinsured Texas residents. Provides STD treatment medications to public health providers. Provides medications to treat STDs, such as syphilis, gonorrhea, and chlamydia, to prevent and control the spread of these STDs.

Legal Authority:	25 Texas Administrative Code Chapter 98; Health and Safety Code Chapters 81, 85, and 483; 42 United States Code Section 300ff		
Year Implemented	1975	Performance and/or	Revenue Supported Yes
Authority	Strong	Operational Issues No	Appropriate Use of Constitutional and
Centrality	Moderate	Outsourced Services N/A	General Revenue-Dedicated Funds N/A
Service Area	Statewide	State Service(s)	Health Care - Disease Prevention, Treatment & Research

Major Activities	2016-17 Estimated / Budgeted	2017 FTEs	2018-19 Recommended	2019 FTEs	% of Total
Provide Medication/Insurance Assistance to	\$ 230,526,232	29.3	\$ 210,304,884	29.3	99.5%
Direct Administration	\$ 2,180,053	4.6	\$ 1,111,538	4.6	0.5%
Total	\$ 232,706,285	33.9	\$ 211,416,422	33.9	100.0%

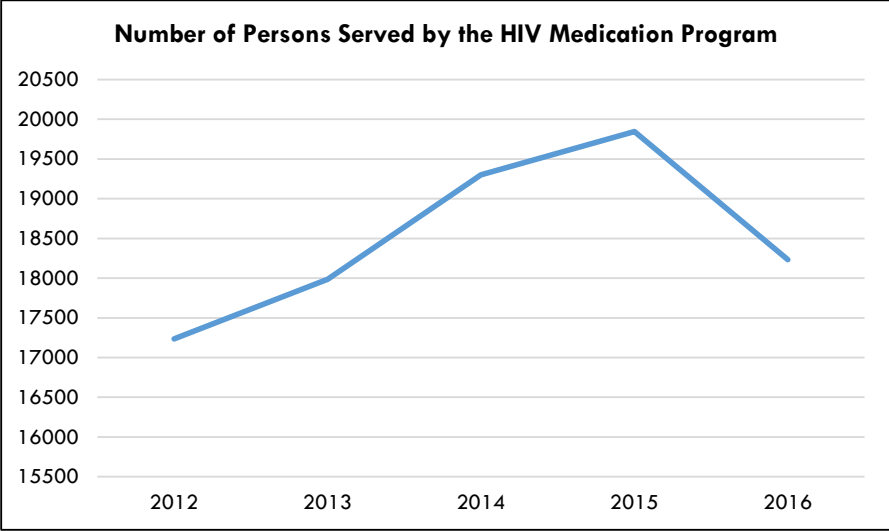
	2018-19 Recommended	% of Total
Funds Inside the State Treasury	\$ 211,416,422	100%
Total	\$ 211,416,422	100.0%



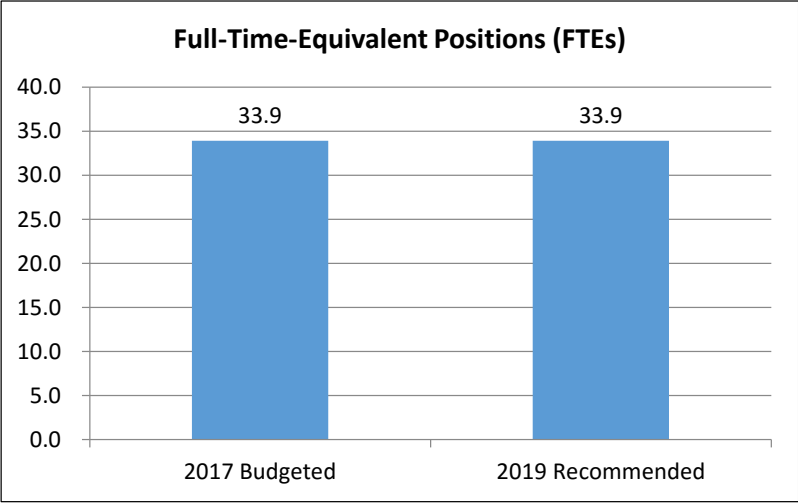
Program: HIV/STD Medications

Agency
Ranking

16 out of 33



Source: Department of State Health Services actual performance measures, 2012 through 2016, as reported by the agency in ABEST.



Summary of Recommendations and Fiscal and Policy Issues

- 1 The HIV/STD Medications Program provides or supports the provision of life extending medications to individuals with HIV and reduces the transmission of HIV. The program also provides STD medications to public health programs. The Texas HIV Medication Program provides medications for the treatment of HIV and related complications for clients who meet eligibility criteria through an application process. Approved clients receive medications through assigned pharmacies in their communities. The program is administered through partnerships with federal, city/county governmental entities, and nonprofit and private providers to administer the program.
- 2 According to the agency, funding requirements and data needs have been changed over the past several biennia. Beginning in 2009, Expedited Partner Therapy allows clinicians to provide gonorrhea/chlamydia medications to partner(s) without a requisite medical visit, when appropriate.
- 3 The agency’s performance measure for this program is the number of persons served by the program. Information reported by the agency indicates that from 2012 to 2015, the actual number of persons served by the program exceeded the projected number of persons each year.

Recommended Statutory Changes for Program Improvement

- 1 DSHS did not identify any statutory changes which would lead to program improvement.

Enhancement Opportunities

- 1 Identified by DSHS: A 2016 internal audit of federal HIV Care Formula Grants received by the program recommended the following: 1) improved reporting of match dollars and maintenance of effort expenditures; 2) better reconciliation and review of program earmarks to facilitate spending adjustments or waiver requests; 3) continued quality assurance monitoring for funding eligibility; and 4) implementation of a monthly process to identify applications nearing the 12 month recertification date.

Challenges to Operation of Program

- 1 Identified by DSHS: Federal maintenance of effort requirements mandate that federal funds must supplement existing state expenditures for HIV-related care and treatment services. Federal funds may not be used to offset specific HIV-related budget reductions by the state. This requirement necessitates detailed tracking and monitoring to ensure program funding complies with these requirements.
- 2 Identified by DSHS: Access to healthcare, operational issues in medication inventory management (see Enhancement Opportunities above), and increased risk in overrepresented communities make administering this program a challenge.
- 3 Identified by DSHS: FDA regulations and licensing requirements.

Department of State Health Services
Strategic Fiscal Review Appendix 6q: Program Summary - Senate

Program: HIV/STD Services

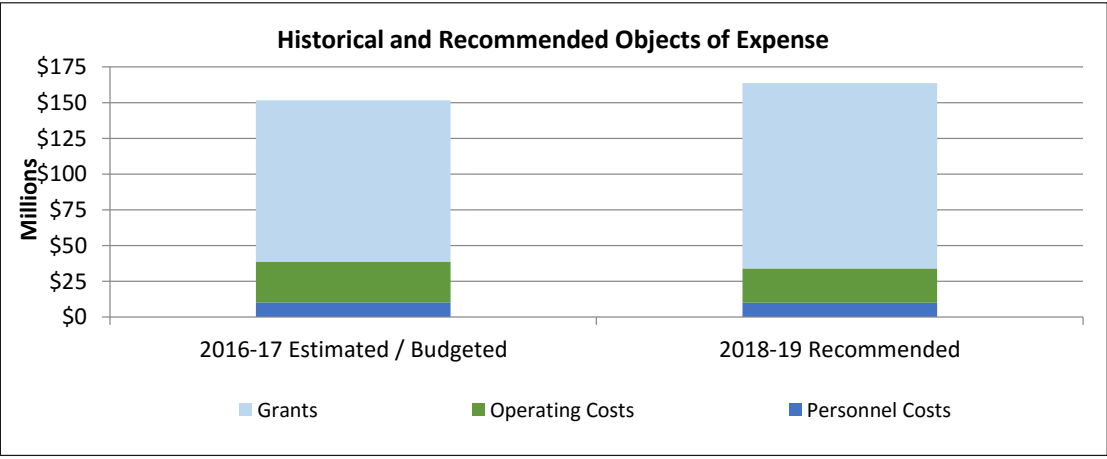
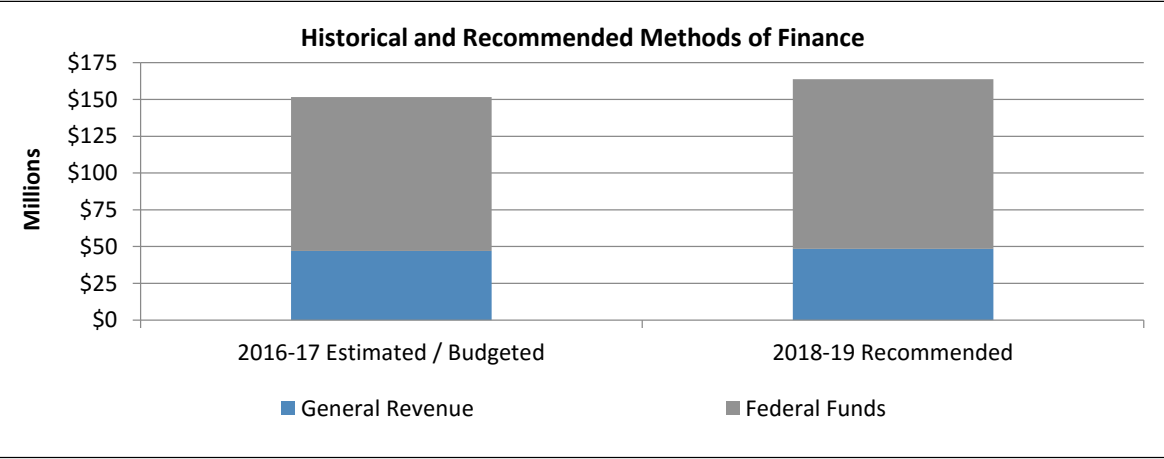
Agency Ranking 17 out of 33

Administers the HIV Care program to improve access to medical treatment and psychosocial support services for individuals with HIV. Provides testing and treatment of STDs to reduce complications of untreated infections and to reduce the transmission of the infection to others.

Legal Authority:	Health and Safety Code Chapters 81 and 85; United States Code Section 300ff			
Year Implemented	1975	Performance and/or		Revenue Supported Yes
Authority	Strong	Operational Issues	No	Appropriate Use of Constitutional and
Centrality	Moderate	Outsourced Services	Partial	General Revenue-Dedicated Funds N/A
Service Area	Statewide	State Service(s)	Health Care - Disease Prevention, Treatment & Research	

Major Activities	2016-17 Estimated / Budgeted	2017 FTEs	2018-19 Recommended	2019 FTEs	% of Total
HIV/STD Medical Care for Uninsured or	\$ 146,235,092	80.2	\$ 158,691,388	80.2	96.9%
Direct Administration	\$ 5,278,700	12.4	\$ 5,014,426	12.4	3.1%
Total	\$ 151,513,792	92.6	\$ 163,705,814	92.6	100.0%

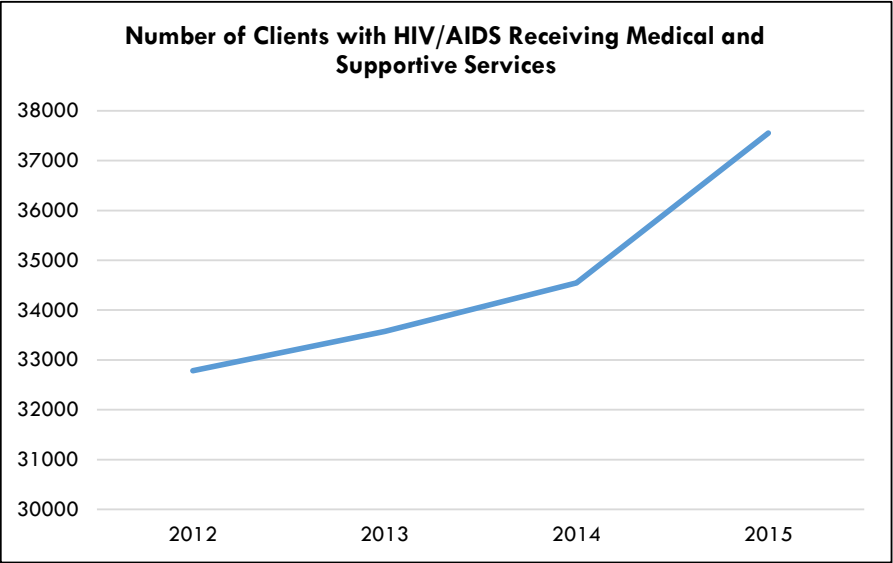
	2018-19 Recommended	% of Total
Funds Inside the State Treasury	\$ 163,705,814	100%
Total	\$ 163,705,814	100.0%



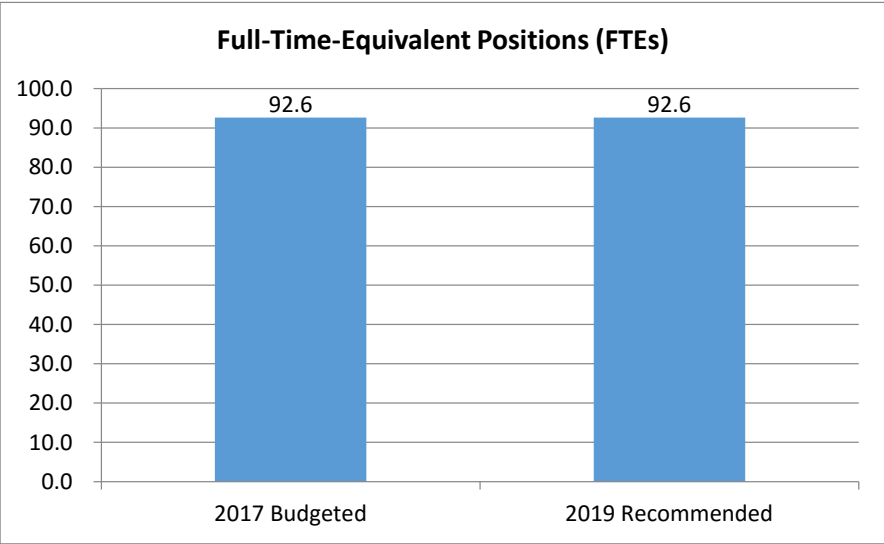
Program: HIV/STD Services

Agency
Ranking

17 out of 33



Source: Department of State Health Services, actual performance measures, 2012 through 2015, as reported by the agency in ABEST, as part of SFR.



Summary of Recommendations and Fiscal and Policy Issues

- 1 The HIV/STD Services program provides medical and psychosocial services for eligible persons living with HIV/AIDS in Texas. The program's activities include improving access to quality medical treatment, housing and psychosocial support services for HIV-infected Texas residents who are low-income, uninsured, or underinsured; providing housing support; and providing STD test kits and reagents for STD testing in regional and local health clinics and public health laboratories.
- 2 The program's performance measure is the number of clients with HIV/AIDS who receive medical and supportive services under the program. While the number of clients served in 2014 was anticipated to increase by approximately 31.0 percent over the number of persons served in 2013, the actual growth was closer to 3.0 percent. There was, however, an increase of approximately 12.0 percent in the actual number of persons served in 2015 over those served in 2013.

Recommended Statutory Changes for Program Improvement

- 1 DSHS did not identify any statutory changes which would lead to program improvement.

Enhancement Opportunities

- 1 DSHS did not identify any enhancement opportunities for this program.

Challenges to Operation of Program

- 1 Identified by DSHS: Capital needs in the form of integrated data system enhancement.
- 2 Identified by DSHS: In DSHS' LAR it was stated that the continued growth in HIV prevalence and increasing medical service costs may potentially limit the number of clients that can be served. There is an increased need for services with increased longevity.
- 3 Identified by DSHS: Need for more medical care providers and allocation of existing resources, and an increased risk for infection in overrepresented communities.
- 4 Identified by DSHS: The maintenance of effort (MOE) requirement ensures that federal funds are used to supplement, not supplant, existing state expenditures for HIV-related care and treatment services and prevent federal funds from being used to offset specific HIV-related budget reductions at the state level.

Department of State Health Services
Strategic Fiscal Review Appendix 6r: Program Summary - Senate

Program: Refugee Health and Hansen's

Agency
Ranking

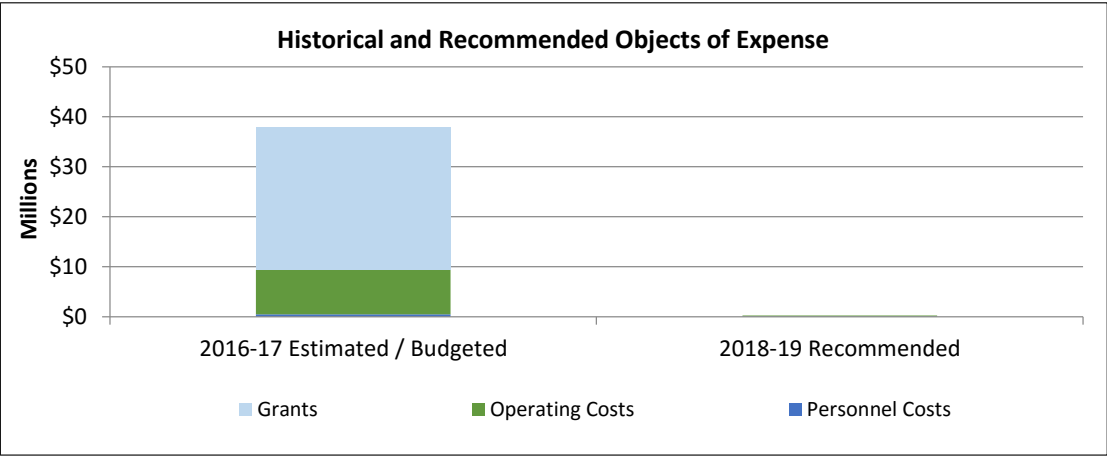
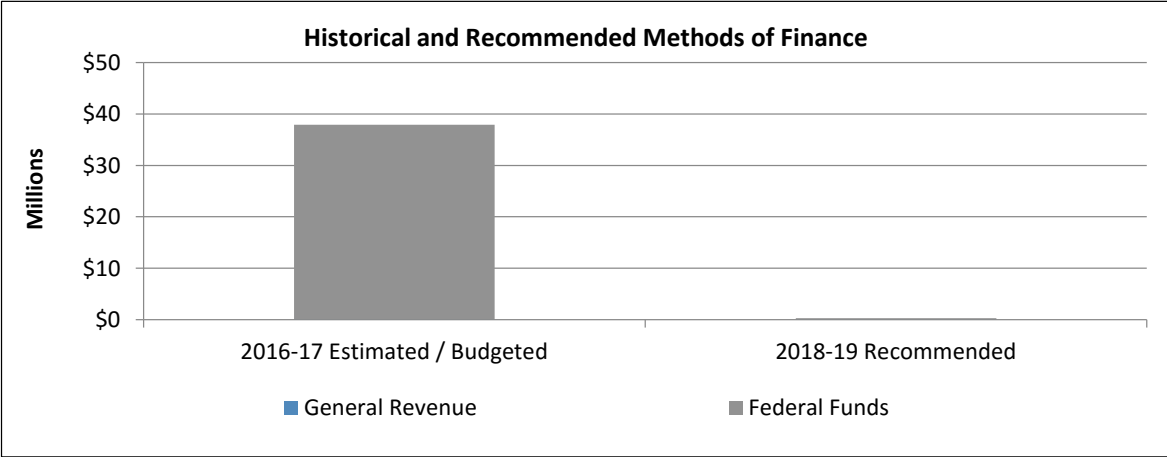
18 out of 33

Provides health assessments to individuals designated as refugees, parolees, asylees, international victims of human trafficking and persons with special immigrant visas. Administers Hansen's Disease program by supporting outpatient medical care services for diagnosis and treatment.

Legal Authority:	25 Texas Administrative Code Chapter 97; Health and Safety Code Chapter 12, 31, and 81; 45 Code of Federal Regulations Sections 400.5(f), 400.90, and 400.107				
Year Implemented	1989	Performance and/or	No		
Authority	Weak	Operational Issues	No		
Centrality	Moderate	Outsourced Services	Yes		
Service Area	Statewide	State Service(s)	Health Care - Disease Prevention, Treatment & Research		
		Revenue Supported	No		
		Appropriate Use of Constitutional and			
		General Revenue-Dedicated Funds	N/A		

Major Activities	2016-17 Estimated / Budgeted	2017 FTEs	2018-19 Recommended	2019 FTEs	% of Total
Administer the Refugee Health and	\$ 37,869,107	6.2	\$ 274,515	1.3	100.0%
Direct Administration	\$ 12,596	0.1	\$ 103	0.0	0.0%
Total	\$ 37,881,703	6.3	\$ 274,618	1.3	100.0%

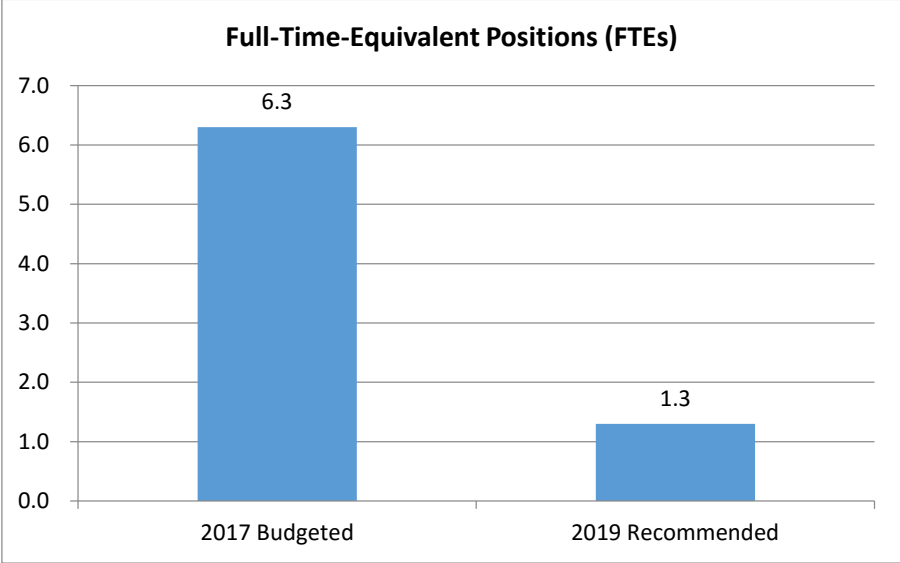
	2018-19 Recommended	% of Total
Funds Inside the State Treasury	\$ 274,618	100%
Total	\$ 274,618	100.0%



Program: Refugee Health and Hansen's

Agency
Ranking

18 out of 33



Summary of Recommendations and Fiscal and Policy Issues

- 1 Refugee Health and Hansen's are both sub-programs serving unique populations and with different activities. Because Texas withdrew from the federal refugee assistance program, the Refugee Health program will be discontinued as of January 31, 2017, and only Hansen's will remain in this program. Funding for the Refugee Health program is not included in recommendations for the 2018-19 biennium.
- 2 The federal National Hansen's Disease program contracts with DSHS to provide Hansen's Disease (HD) treatment for individuals in Texas. The contract funds four clinic sites in Texas. Persons with HD receive outpatient treatment, medications, and rehabilitative support. In 2015, there were 21 cases of HD in Texas, 11.2 percent of the cases in the United States. Any individual living in the United States may receive outpatient medical care for the diagnosis and treatment of HD and its complications. Contacts of these patients are also eligible for services to rule out or confirm the diagnosis of HD.
- 3 The agency did not report any performance measures or results for this program.

Recommended Statutory Changes for Program Improvement

- 1 DSHS did not identify any statutory changes which would lead to program improvement.

Enhancement Opportunities

- 1 DSHS did not identify any enhancement opportunities for this program.

Challenges to Operation of Program

- 1 Identified by DSHS: Refugee resettlement is a federal responsibility dictated by federal statutes.
Note: DSHS did not specify how this poses a challenge to program operation.

Department of State Health Services
Strategic Fiscal Review Appendix 6s: Program Summary - Senate

Program: Immunize Adults

Agency Ranking 19 out of 33

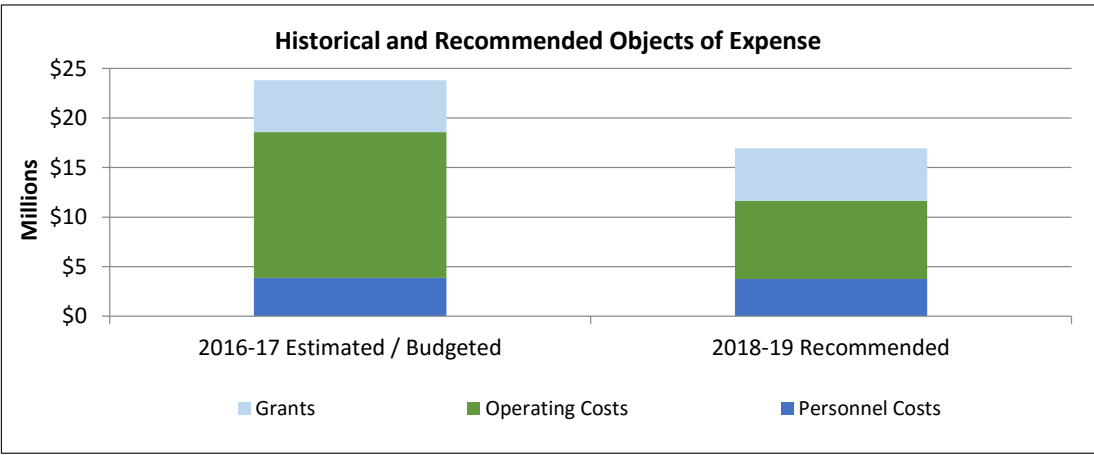
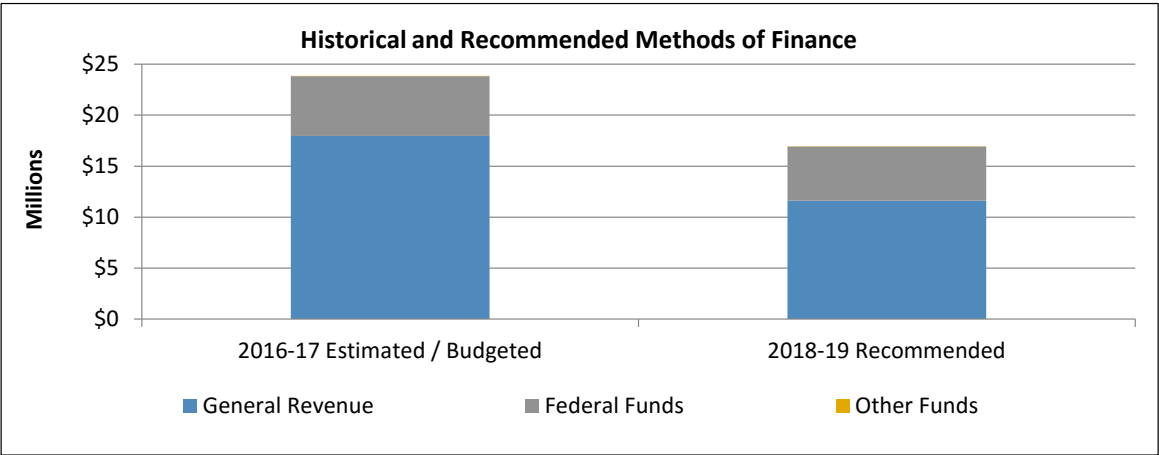
Provides immunization services to prevent, reduce and eliminate vaccine-preventable diseases in adults. Includes management of the Immunization Registry; quality assurance for providers; education and partnerships; and epidemiology and surveillance.

Legal Authority: 25 Texas Administrative Code Chapters 97 and 100; and Sections 1.701-1.704; Education Code Sections 38.001, 38.002, 38.0025, 51.9191, 51.9192, and 51.933; Health and Safety Code Sections 81.023 and 161.0001-161.0109; 42 United States Code Sections 300aa(1)-300aa(6)

Year Implemented	2009	Performance and/or		Revenue Supported	No
Authority	Weak	Operational Issues	No	Appropriate Use of Constitutional and	
Centrality	Moderate	Outsourced Services	Partial	General Revenue-Dedicated Funds	N/A
Service Area	Statewide	State Service(s)	Health Care - Disease Prevention, Treatment & Research		

Major Activities	2016-17 Estimated / Budgeted	2017 FTEs	2018-19 Recommended	2019 FTEs	% of Total
Adult Safety Net Program	\$ 23,625,886	36.2	\$ 16,749,585	34.3	98.9%
Direct Administration	\$ 188,995	1.0	\$ 183,479	1.0	1.1%
Total	\$ 23,814,881	37.2	\$ 16,933,064	35.3	100.0%

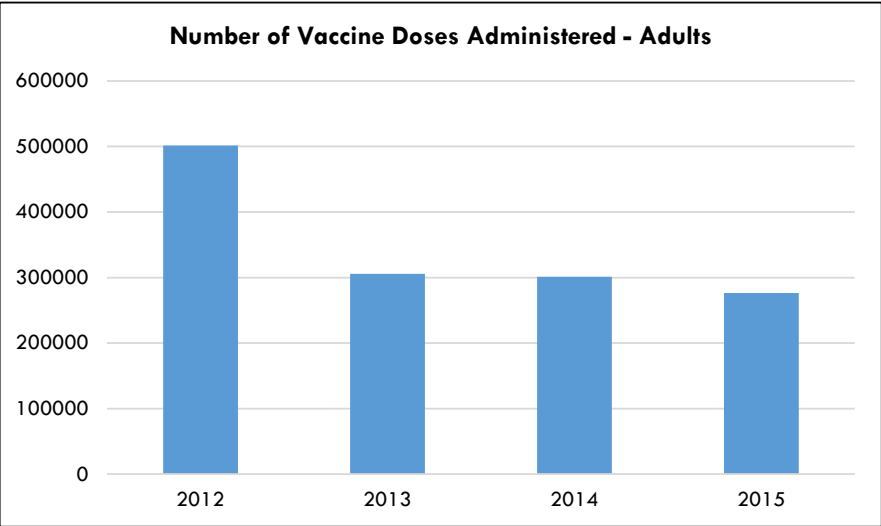
	2018-19 Recommended	% of Total
Funds Inside the State Treasury	\$ 16,933,064	100%
Total	\$ 16,933,064	100.0%



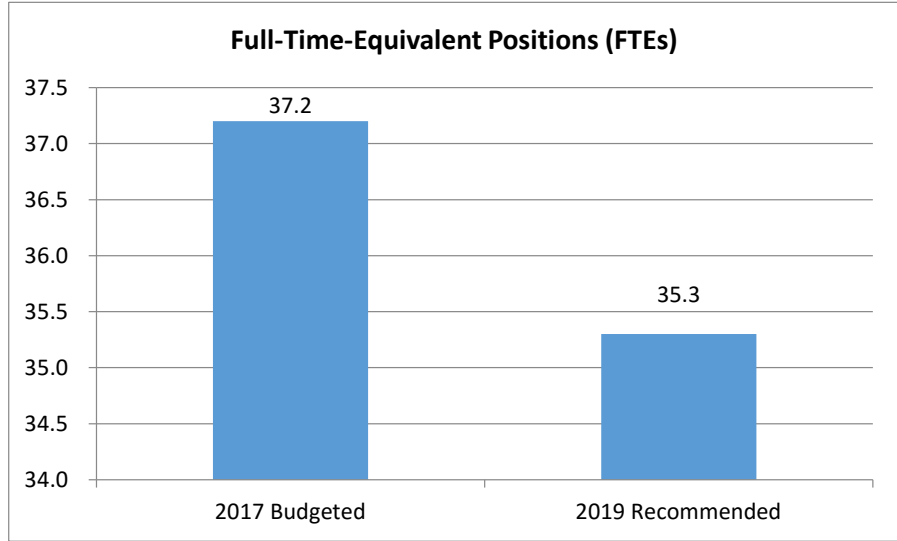
Program: Immunize Adults

Agency
Ranking

19 out of 33



Source: Department of State Health Services actual performance measures, 2012 through 2015, as reported by the agency in ABEST, as part of SFR.



Summary of Recommendations and Fiscal and Policy Issues

- 1 The Immunize Adults program provides immunization services to prevent, control, reduce, and eliminate vaccine-preventable diseases. The agency identified the Adult Safety Net (ASN) program, which supplies publicly-purchased vaccines at no cost to enrolled providers, as the only activity within this program. ASN increases access to vaccination services for uninsured adults. Services also include educating providers and the public; and assuring compliance with regulations for storing and handling vaccines by participating private providers, local health departments, or DSHS Health Service Region (HSR) clinics.
- 2 State funding for ASN increased during the 2014-15 biennium allowing more uninsured adults to receive immunizations through enrolled providers.
- 3 Immunization services and education are coordinated across HHS System programs such as Title V, HIV/STD, Breast and Cervical Cancer Services, Texas Health Steps, Community Preparedness, and Emerging and Acute Infectious Diseases.

Recommended Statutory Changes for Program Improvement

- 1 DSHS did not identify any statutory changes which would lead to program improvement.

Enhancement Opportunities

- 1 DSHS did not identify any enhancement opportunities for this program.

Challenges to Operation of Program

- 1 Identified by DSHS: DSHS indicates in their LAR that the development of new vaccines and combinations of vaccines result in increased costs of vaccines.
- 2 Identified by DSHS: DSHS indicates in their LAR that the numbers of private providers participating in vaccine administration has increased but more providers are needed.

Department of State Health Services
Strategic Fiscal Review Appendix 6t: Program Summary - Senate

Program: Case Management

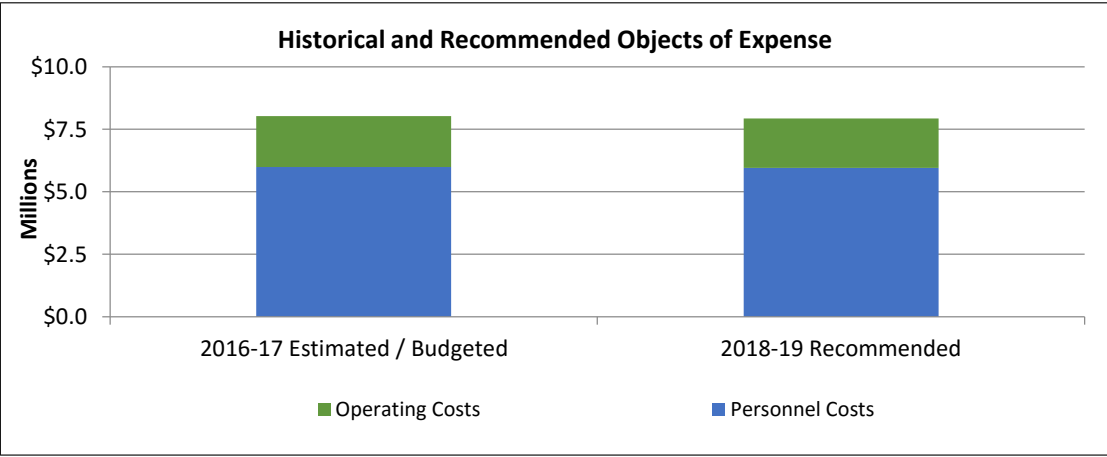
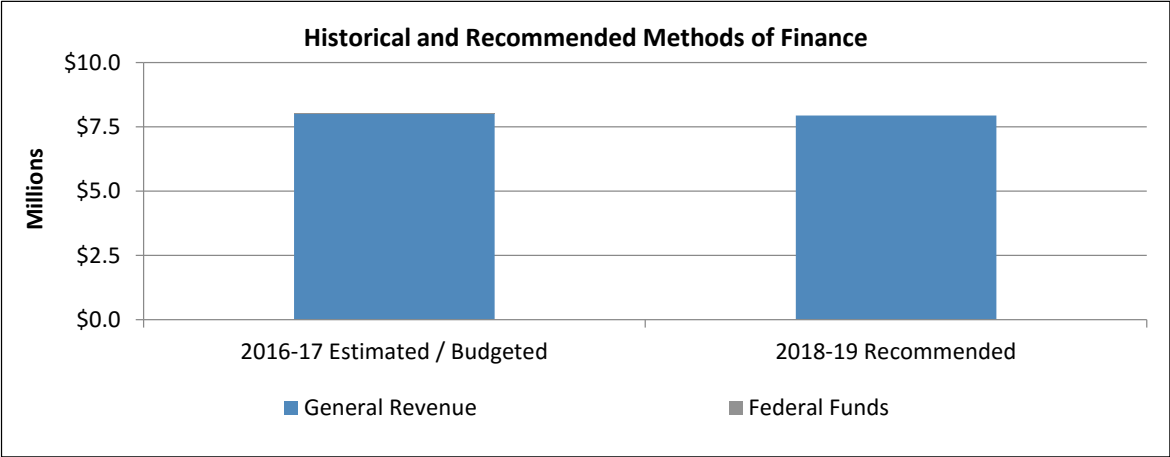
Agency Ranking 20 out of 33

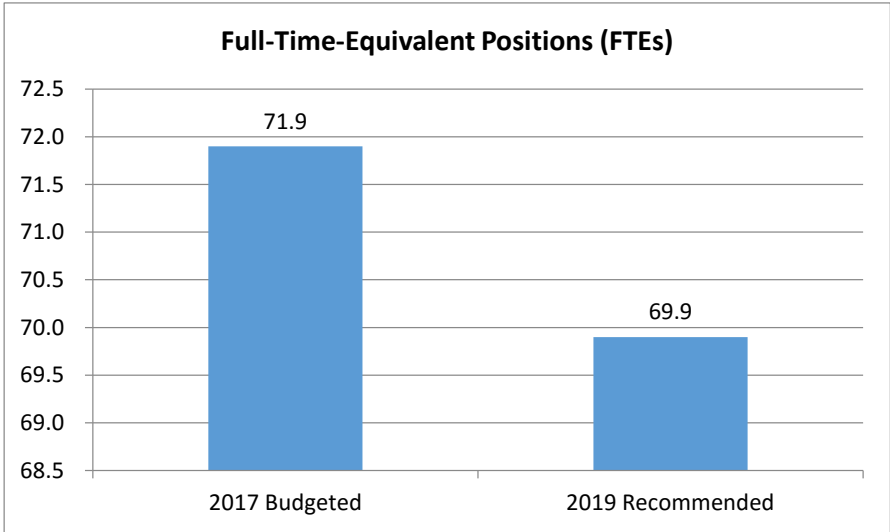
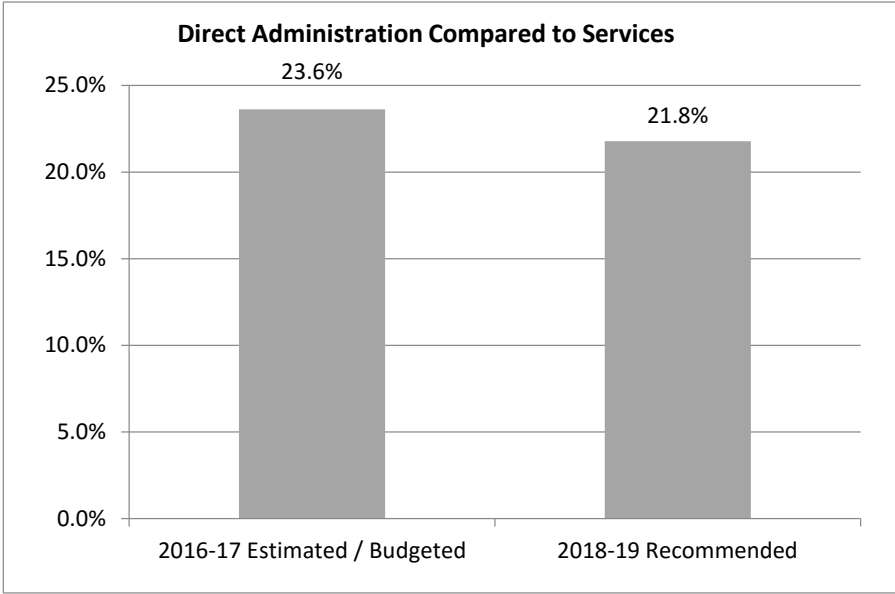
Supports the Children with Special Health Care Needs Services (CSHCN) Program administered by HHSC by providing eligibility determination and case management services, which includes information and referral, needs assessments, individual service plans, and coordination of services.

Legal Authority:	25 Texas Administrative Code Chapter 38; Health and Safety Code Chapter 35; 42 United States Code Sections 701-713			
Year Implemented	1933	Performance and/or		Revenue Supported Yes
Authority	Strong	Operational Issues	N/A	Appropriate Use of Constitutional and
Centrality	Weak	Outsourced Services	N/A	General Revenue-Dedicated Funds N/A
Service Area	Statewide	State Service(s)	Health Care - Acute Care Services	

Major Activities	2016-17 Estimated / Budgeted	2017 FTEs	2018-19 Recommended	2019 FTEs	% of Total
HHSC-CSHCN Medical	\$ 6,130,151	70.1	\$ 6,206,943	68.2	78.2%
Direct Administration	\$ 1,895,477	1.8	\$ 1,728,647	1.7	21.8%
Total	\$ 8,025,628	71.9	\$ 7,935,590	69.9	100.0%

	2018-19 Recommended	% of Total
Funds Inside the State Treasury	\$ 7,935,590	100%
Total	\$ 7,935,590	100.0%





Summary of Recommendations and Fiscal and Policy Issues

- 1 This program provides case management services to clients served by the Children with Special Health Care Needs (CSHCN) program. In fiscal year 2017 the medical services portion of the CSHCN program was transferred to HHSC pursuant to Senate Bill 200, Eighty-fourth Legislature, 2015. Case management and family support services for the CSHCN program remains at DSHS. Eligibility for the CSHCN program is on a non-entitlement basis and states have discretion on how to establish eligibility. Eligibility for the Texas CSHCN program is based on whether children in families that meet certain income requirements have a physical condition expected to last at least 12 months that limits major life activities. Adults with cystic fibrosis are also eligible for the program. The CSHCN program is a payer of last resort. As such, it will only pay for services not covered by another source of insurance. All applicants are required to also apply for Medicaid and CHIP eligibility to ensure that these programs pay for services before CSHCN.
- 2 Case management includes a needs assessment, individual service plans, the coordination of services, as well as the provision of information and referrals. Case management services are provided to both current CSHCN clients as well as clients on the CSHCN waitlist. Case managers also assess eligibility for family support services paid by CSHCN in the DSHS budget, including respite, childcare, and durable medical equipment.
- 3 The agency did not report any performance measures or results for this program.

Recommended Statutory Changes for Program Improvement

- 1 DSHS did not identify any statutory changes which would lead to program improvement.

Enhancement Opportunities

- 1 DSHS did not identify any enhancement opportunities for this program.

Challenges to Operation of Program

- 1 Identified by DSHS: In DSHS' LAR it was noted that the growing waitlist for CSHCN services has increased the needs of children requiring case management. Additionally, DSHS case management staff provide services for multiple programs, including to clients enrolled in Medicaid programs administered by HHSC for Personal Care Services and Community First Choice services. CSHCN case management caseloads are impacted by enrollment growth and changes to these programs and benefits.
- 2 Identified by DSHS: Title V of the Social Security Act.
Note: DSHS did not specify how Title V poses a challenge to program operation.

Department of State Health Services
Strategic Fiscal Review Appendix 6u: Program Summary - Senate

Program: Family Support Services

Agency
Ranking

21 out of 33

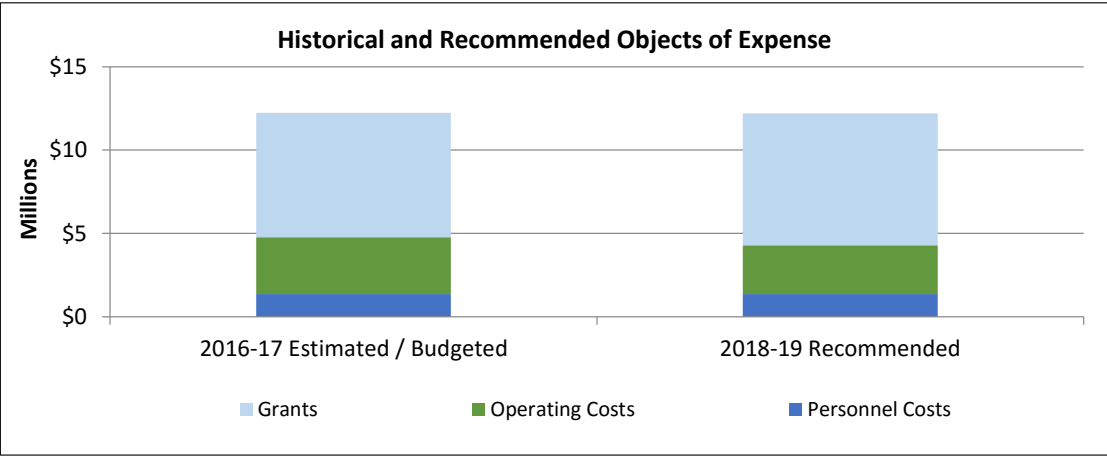
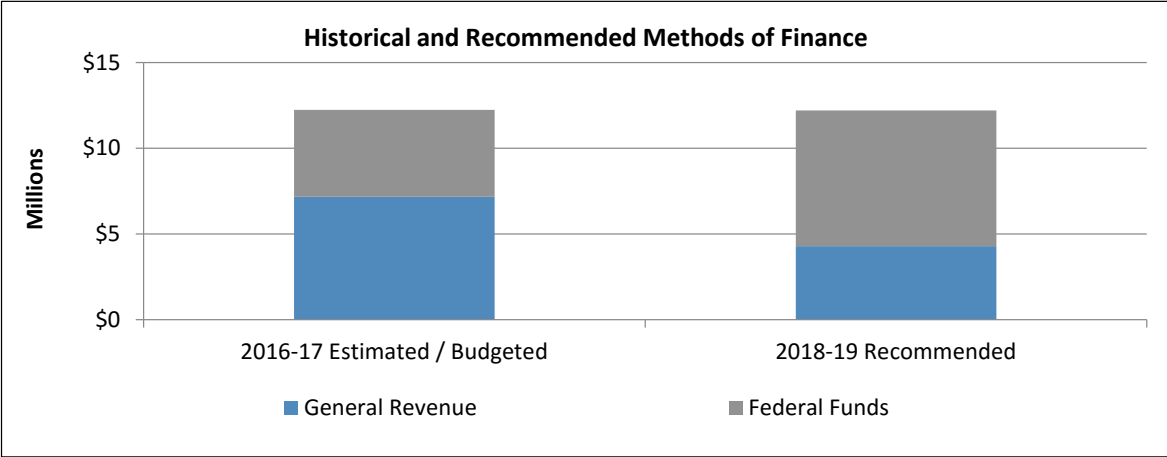
Supports the Children with Special Health Care Needs (CSHCN) program administered by HHSC by providing services to help families take care of special needs children in their own homes. Services include: respite care; help with specialized childcare costs; vehicle and home modifications.

Legal Authority: 25 Texas Administrative Code Chapter 38;
Health and Safety Code Chapter 35;
42 United States Code Sections 701-713

Year Implemented	1933	Performance and/or		Revenue Supported	No
Authority	Strong	Operational Issues	N/A	Appropriate Use of Constitutional and	
Centrality	Weak	Outsourced Services	Yes	General Revenue-Dedicated Funds	N/A
Service Area	Statewide	State Service(s)	Health Care - Acute Care Services		

Major Activities	2016-17 Estimated / Budgeted	2017 FTEs	2018-19 Recommended	2019 FTEs	% of Total
Title V Population-Based Public Health-	\$ 9,251,711	8.5	\$ 9,552,072	8.3	78.3%
Direct Administration	\$ 2,986,411	2.8	\$ 2,644,776	2.7	21.7%
Total	\$ 12,238,122	11.3	\$ 12,196,848	11.0	100.0%

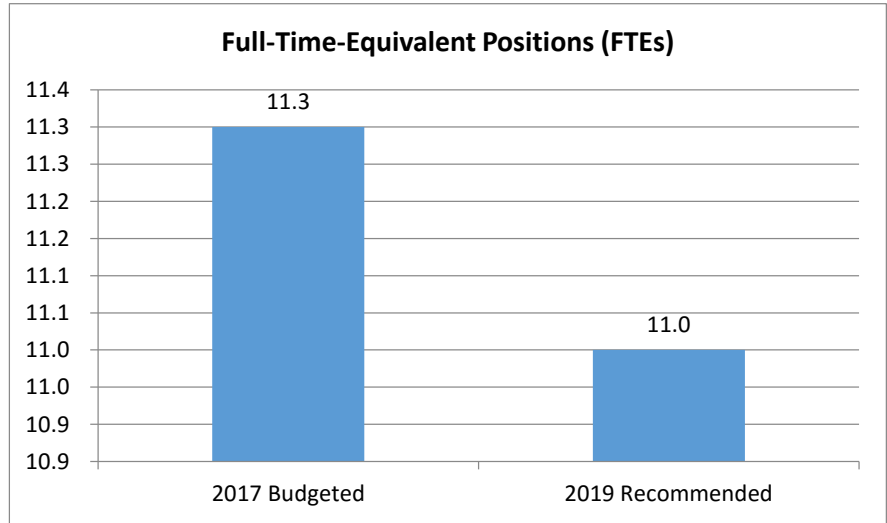
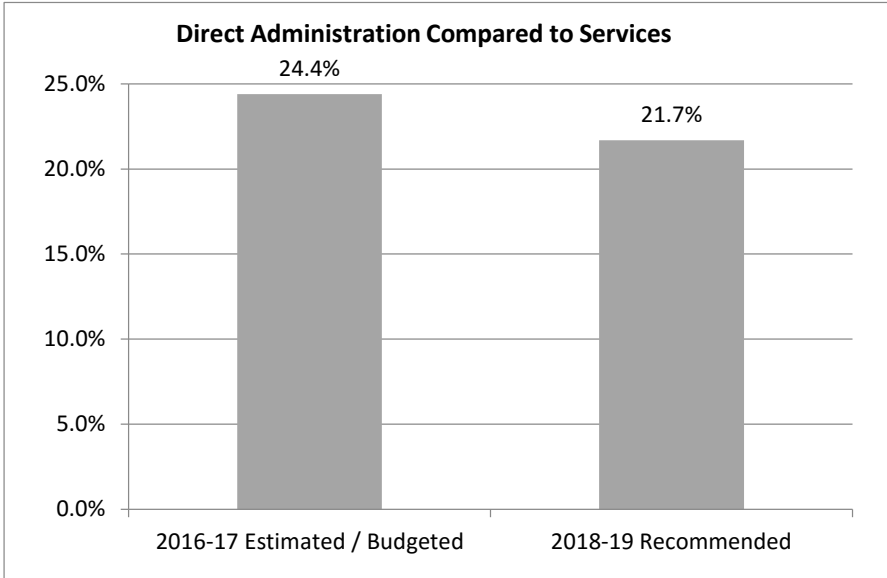
	2018-19 Recommended	% of Total
Funds Inside the State Treasury	\$ 12,196,848	100%
Total	\$ 12,196,848	100.0%



Program: Family Support Services

Agency
Ranking

21 out of 33



Summary of Recommendations and Fiscal and Policy Issues

- 1 Family Support Services (FSS) help families take care of Children with Special Health Care Needs (CSHCN) clients at home. Only current CSHCN Services Program clients can receive FSS. Services offered through the FSS program include help with specialized childcare costs, home and vehicle modifications such as wheelchair lifts, and special equipment not covered by a child’s insurance. The program also provides community and health professionals training and education. Public health infrastructure provided by the program is intended to help integrate or transition clients into the community.
- 2 The Family Support Services program is funded in part by federal Title V Population Based Public Health System funds. According to the agency, these funds are used to establish a resource infrastructure for children and youth with special healthcare needs, including population-based intra and inter-agency efforts to improve systems of care for these children at state, regional, and local levels.
- 3 The agency did not report any performance measures or results for this program.

Recommended Statutory Changes for Program Improvement

- 1 DSHS did not identify any statutory changes which would lead to program improvement.

Enhancement Opportunities

- 1 DSHS did not identify any enhancement opportunities for this program.
- 2 Identified by LBB staff: The Family Support Services program has no discrete program-level performance measures on which to evaluate its effectiveness and efficiency. Measures could help highlight program outcomes for clients and potential healthcare savings from transitioning or integrating clients into the community.

Challenges to Operation of Program

- 1 Identified by DSHS: In DSHS' LAR it was stated that under current DSHS rule, when a wait list exists for health care benefits, the program limits the authorization of select family support services to those requests that prevent an out-of-home placement and/or are cost-effective for the program.
- 2 Identified by DSHS: The agency's website indicates the program may have a waitlist due to limited funding.
- 3 Identified by DSHS: Title V of the Social Security Act
Note: DSHS did not specify how this poses a challenge to program operations.

Department of State Health Services
Strategic Fiscal Review Appendix 6v: Program Summary - Senate

Program: Health Data

Agency
Ranking

22 out of 33

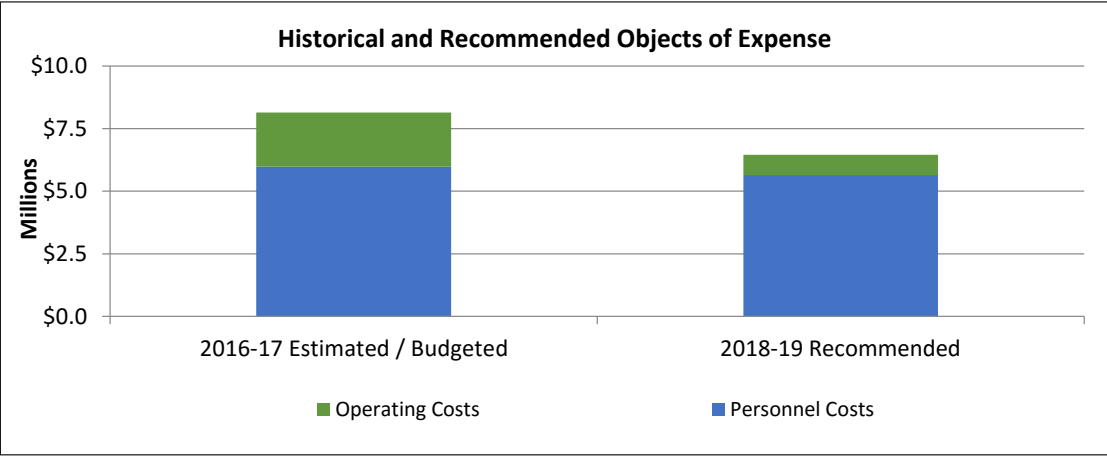
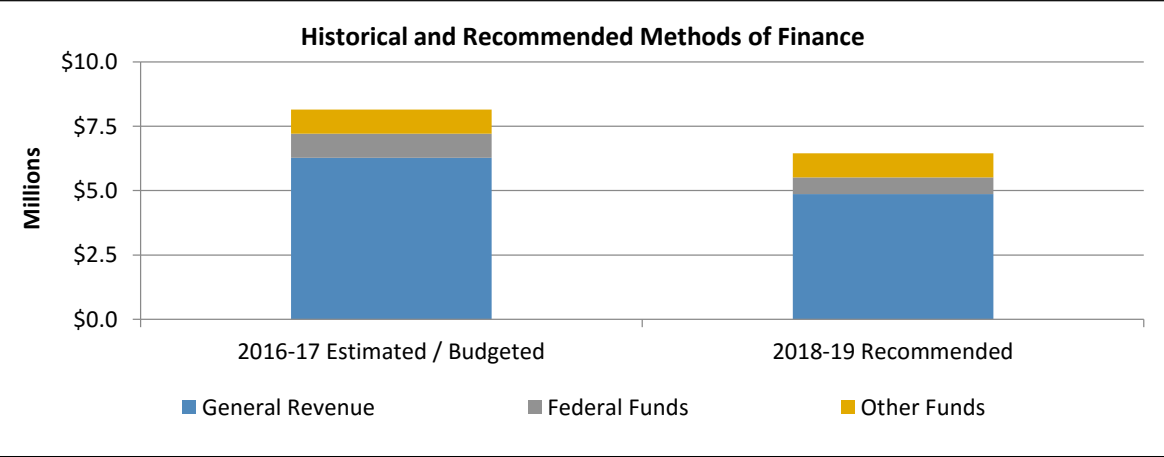
Collects, stores, analyzes and disseminates health data and information to improve public health in Texas.

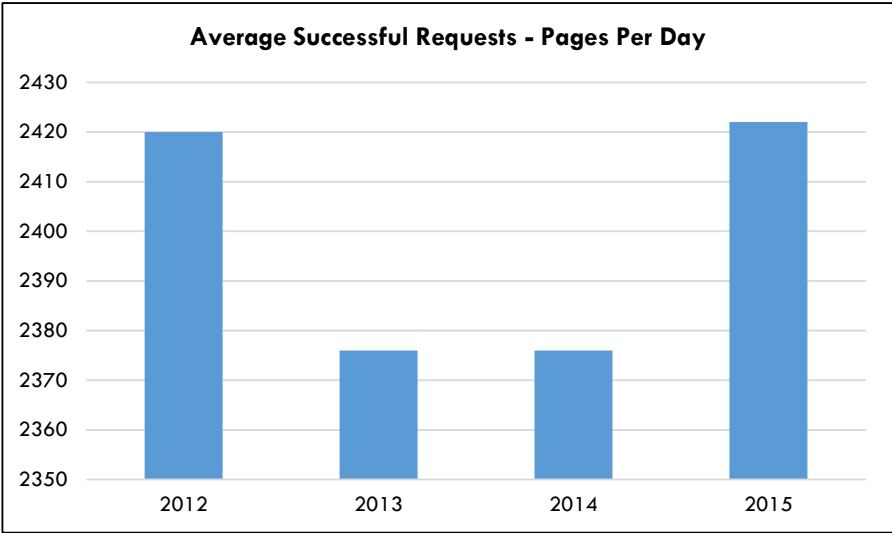
Legal Authority: 25 Texas Administrative Code Chapter 103; and Sections 13.11-13.19, 13.41, and 97.131-97.134;
Government Code Section 531.02013(2);
Health and Safety Code Chapters 104, 105, and 108; and Sections 121.024(3)-121.024(4); 161.007-161.009; 311.031-311.039; and 311.041-311.048

Year Implemented	1940	Performance and/or		Revenue Supported	No
Authority	Moderate	Operational Issues	No	Appropriate Use of Constitutional and	
Centrality	Strong	Outsourced Services	N/A	General Revenue-Dedicated Funds	N/A
Service Area	Statewide	State Service(s)	Health Care - Disease Prevention, Treatment & Research		

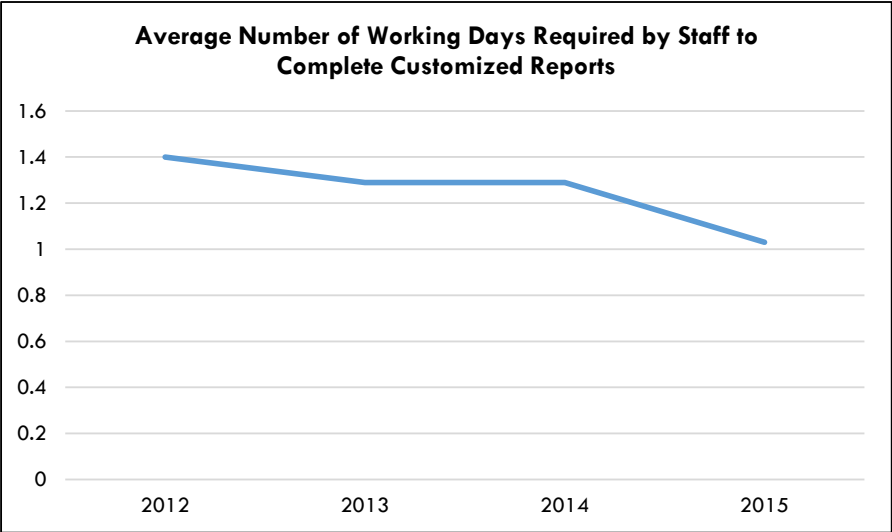
Major Activities	2016-17 Estimated / Budgeted	2017 FTEs	2018-19 Recommended	2019 FTEs	% of Total
Data Management, Linking and	\$ 5,260,608	50.3	\$ 4,058,617	46.0	62.9%
Data Collection, Analysis and	\$ 1,450,823	13.4	\$ 1,337,934	12.3	20.7%
Community Health Surveillance	\$ 1,143,445	6.9	\$ 757,685	6.3	11.7%
Direct Administration	\$ 293,601	1.7	\$ 299,056	1.6	4.6%
Total	\$ 8,148,477	72.3	\$ 6,453,292	66.2	100.0%

	2018-19 Recommended	% of Total
Funds Inside the State Treasury	\$ 6,453,292	100%
Total	\$ 6,453,292	100.0%





Source: Department of State Health Services actual performance measures, 2012 through 2015, as reported by the agency in ABEST as part of SFR.



Source: Department of State Health Services actual performance measures, 2012 through 2015, as reported by the agency in ABEST, as part of SFR.

Summary of Recommendations and Fiscal and Policy Issues

- The Health Data program collects and disseminates information, including through the Center for Health Statistics (CHS) and the Statewide Health Coordinating Council (SHCC).

CHS was established within the Health Data program to provide an access point for health-related data for Texas. DSHS’ objective is for CHS to be a source of information for assessment of community health and for public health planning. CHS data are used to support research, grant applications and policy development, and to provide rapid needs response to health emergencies. CHS supports the development and application of consistent standards for privacy and statistical validity.

SHCC is also included in the Health Data program. SHCC, with support from the Health Professions Resource Center, assesses access to health care services and facilities and makes recommendations to the governor and the legislature through the Texas State Health Plan. The Texas Center for Nursing Workforce Studies, under the governance of the SHCC, serves as a resource for nursing workforce information in Texas.
- According to the agency, the role and process of state and local public health agencies in data gathering and dissemination is transforming due to changes in the use of information systems, a national focus on program collaboration and service integration, and advances in technology allowing for faster reporting and more frequent and sophisticated data consumption. The program will likely experience demand for greater efficiency and performance for data timeliness and completion, and heightened expectations for more complex analytics and data visualization. To meet these expectations, CHS is re-focusing efforts from data stewardship and issuance to analytics and dissemination.
- The Health Data program has two non-key performance measures; the number of successful requests per day and the average number of working days required by staff to complete customized requests.

Recommended Statutory Changes for Program Improvement

- Identified by DSHS: The agency is currently evaluating data sharing issues and reports that statutory language may be needed to clearly define entities that can be provided vital event data.

Enhancement Opportunities

- Identified by DSHS: Creating interactive mapping applications for DSHS public health data would enhance the program.
- Identified by DSHS: With additional resources, the Behavioral Risk Factor Surveillance program would be able to maintain adequate sample sizes each year to provide prevalence rates for chronic diseases, health risk factors, and health practices at the region or county level.

Challenges to Operation of Program

- Identified by DSHS: Federal rules on Institutional Review Board (IRB) requirements impact what data can and cannot be released after approval of DSHS IRB.

Department of State Health Services
Strategic Fiscal Review Appendix 6w: Program Summary - Senate

Program: Texas Health Care Information Center (THCIC)

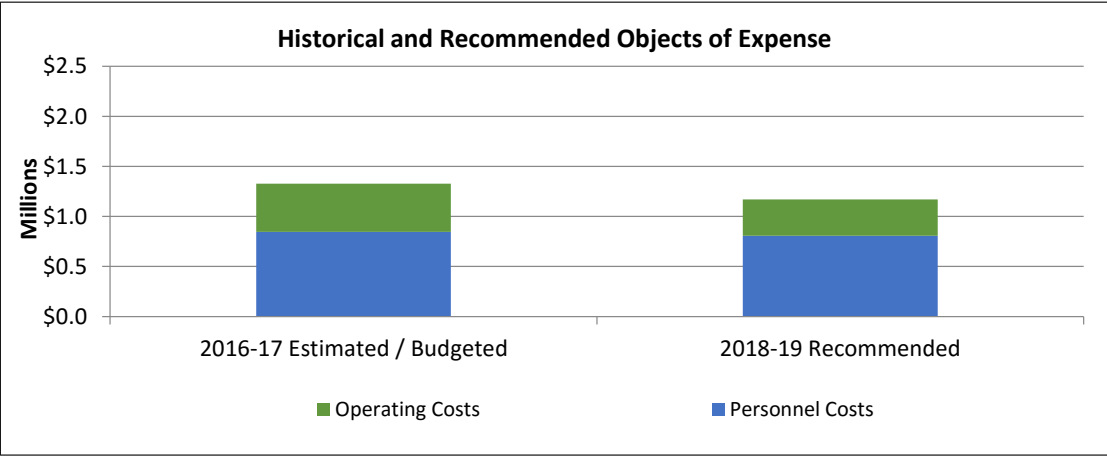
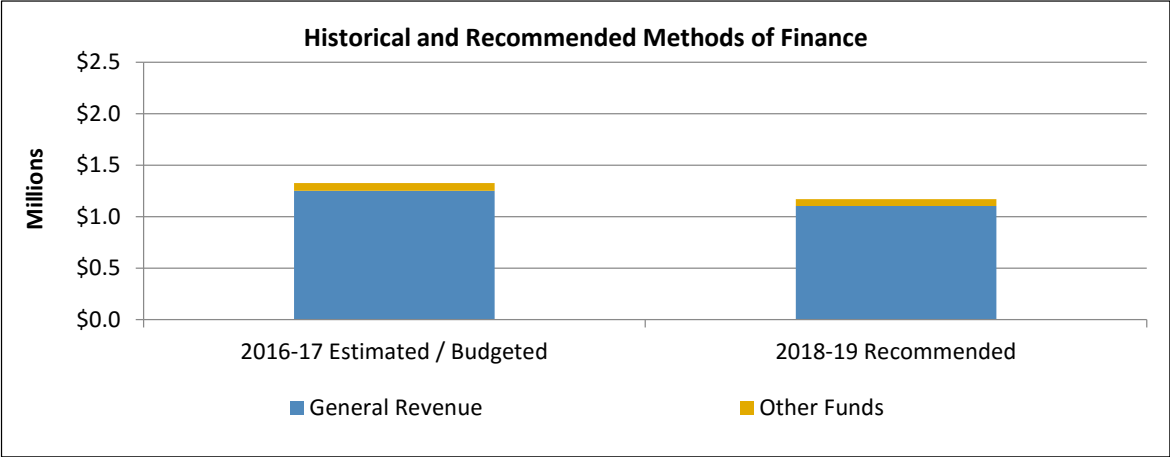
Agency Ranking
23 out of 33

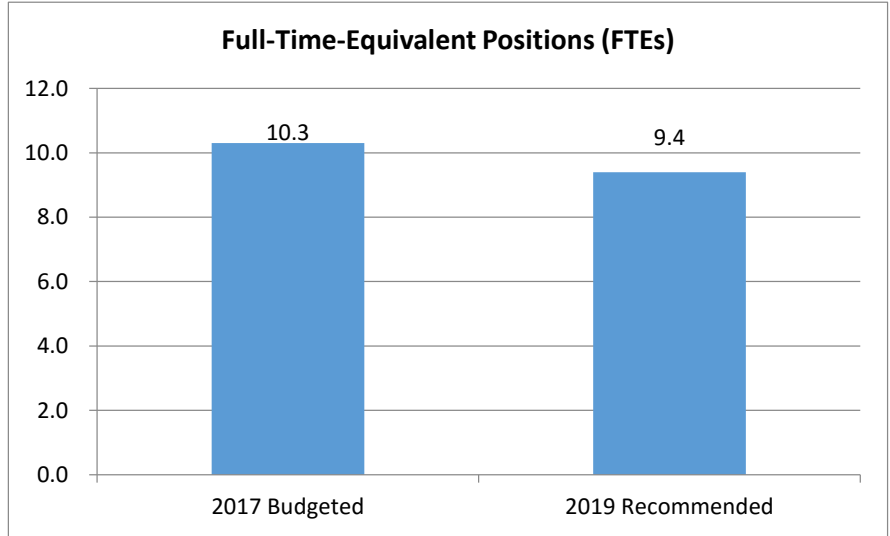
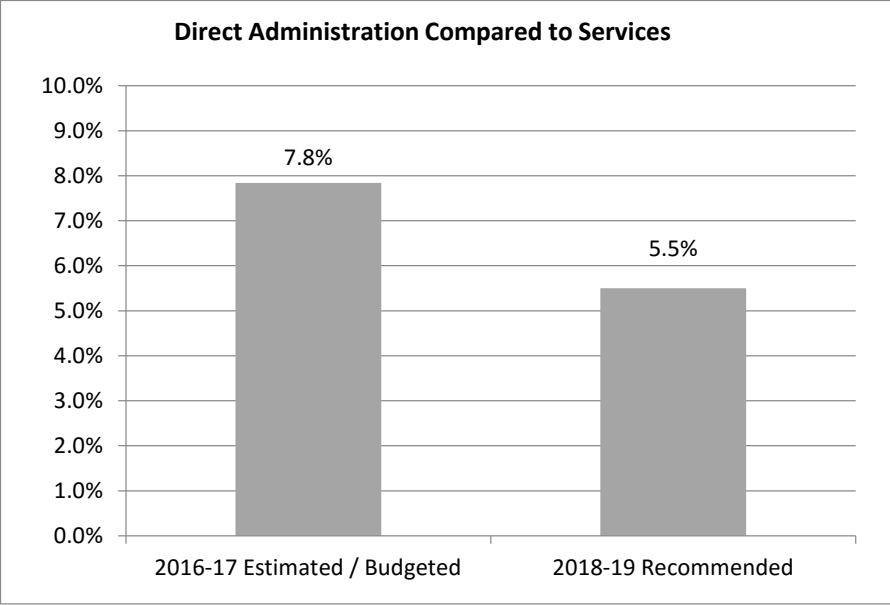
Collects data and reports on health care activity in hospitals and health maintenance organizations operating in Texas.

Legal Authority:	25 Texas Administrative Code Chapter 421; Health and Safety Code Chapter 108			Revenue Supported	No
Year Implemented	1995	Performance and/or		Appropriate Use of Constitutional and	
Authority	Moderate	Operational Issues	N/A	General Revenue-Dedicated Funds	N/A
Centrality	Strong	Outsourced Services	N/A		
Service Area	Statewide	State Service(s)	Health Care - Disease Prevention, Treatment & Research		

Major Activities	2016-17 Estimated / Budgeted	2017 FTEs	2018-19 Recommended	2019 FTEs	% of Total
Collection and Processing	\$ 1,187,487	9.8	\$ 1,070,845	9.0	91.5%
Direct Administration	\$ 104,058	0.2	\$ 64,356	0.1	5.5%
Healthcare Effectiveness Data and	\$ 35,360	0.3	\$ 34,587	0.3	3.0%
Total	\$ 1,326,905	10.3	\$ 1,169,788	9.4	100.0%

	2018-19 Recommended	% of Total
Funds Inside the State Treasury	\$ 1,169,788	100%
Total	\$ 1,169,788	100.0%





Summary of Recommendations and Fiscal and Policy Issues

- The Texas Health Care Information Center (THCIC) is part of DSHS’ Center for Health Statistics. THCIC was established to collect data and report on the quality of performance of hospitals and Health Maintenance Organizations (HMOs). Data collected includes inpatient and a subset of outpatient data as well as emergency department data. This is used by staff to produce annual reports on quality and the incidence of preventable hospitalizations and emergency visits. THCIC staff also provides online trainings on how to collect and submit data, transfers data from HMOs to the Office of Public Insurance Counsel, produces and markets data files, and creates customized research data files. This data is used by researchers to assist disease registries, identify utilization issues, access to care, disparity of care, trends in utilization, and information about lengths of stay as well as diseases and conditions being treated in outpatient settings and hospitals. This is intended to improve the cost and quality of health care by making information more available to consumers.
- Statute required the Sunset Advisory Commission (SAC) to determine whether THCIC was meeting legislative intent, maintaining privacy and security, and limiting the collection and retention of certain patient information to what was required to achieve statutory requirements during the 2014-15 review of DSHS. SAC staff determined THCIC appropriately handles data and should be continued. However, HHSC was also directed to develop a detailed data inventory and use this to improve data management and establish a streamlined, standards-based approach to managing and using system data.
- During the Sunset review, SAC staff reported the program has not met expectations to put the data to best use, including providing information to consumers. THCIC has been working with IT staff to address this by posting information.
- DSHS has two internal performance measures for the program, which collectively track the percentage of hospitals and ambulatory surgical centers (ASCs) that submit data to THCIC as required. No historical information was reported for these measures; however, 95.0 percent of hospitals and ASCs are expected to comply with reporting requirements during both years of the 2016-17 biennium. No other performance measures were reported for this program.
- Statute authorizes THCIC to charge a fee for providing data at an amount that will generate revenue sufficient for operations. DSHS reports that fee revenue for this program generated approximately \$1.1 million for the 2014-15 biennium.

Recommended Statutory Changes for Program Improvement

- Identified by DSHS: The agency is evaluating data sharing issues, and currently identifying statutory language that could be amended to improve access to data.

Enhancement Opportunities

- DSHS did not identify any enhancement opportunities for this program.

Challenges to Operation of Program

- Identified by DSHS: The Health Insurance Portability Accountability Act (HIPAA), privacy and confidentiality laws, and data release restrictions are a challenge to the program.

Department of State Health Services
Strategic Fiscal Review Appendix 6x: Program Summary - Senate

Program: Health Registries

Agency
Ranking

24 out of 33

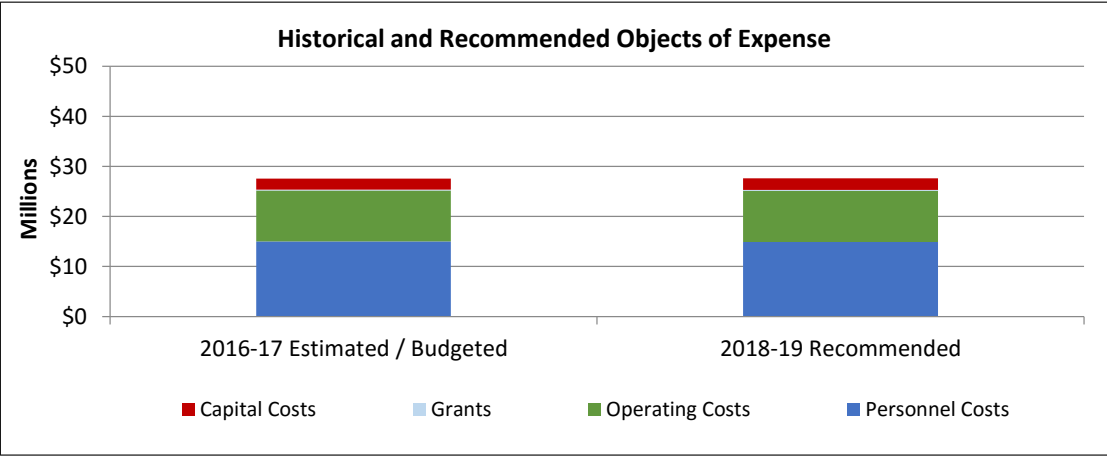
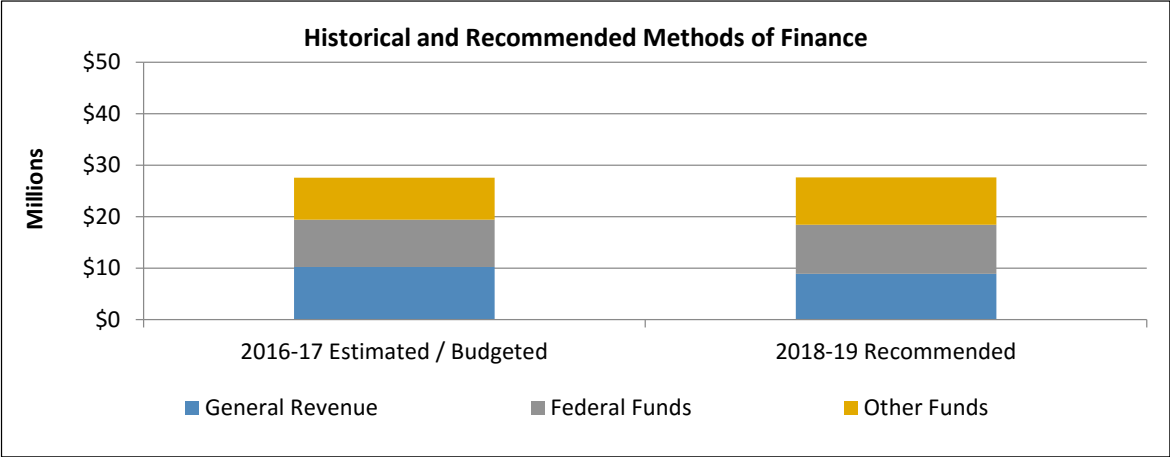
Conducts disease surveillance, investigates unusual occurrences of disease, assesses environmental exposures, and conducts population research studies.

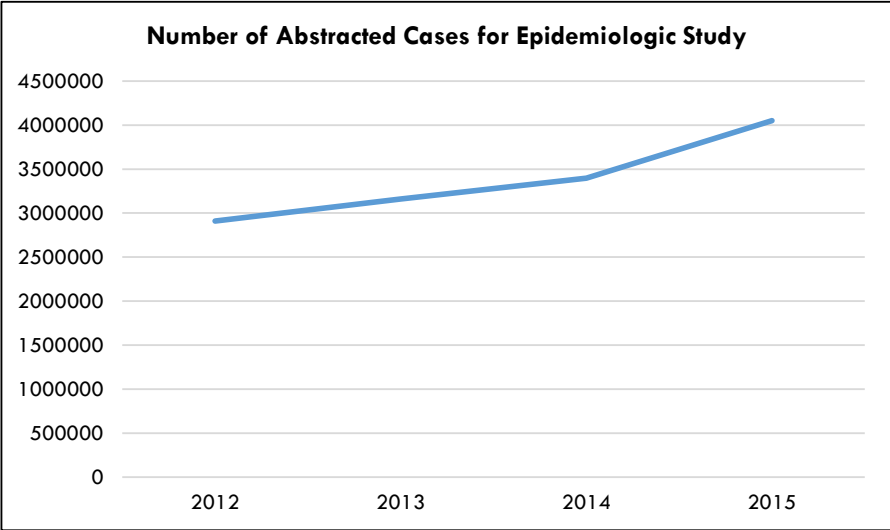
Legal Authority: 25 Texas Administrative Code Chapter 91, 99, and 100; and Sections 37.301-37.306, and 61.91; Health and Safety Code Chapters 427, 503, 773, 777, 82, 84, 87, 88, and 92; and Sections 81.041(d), 161.042, and 161.044

Year Implemented	1989	Performance and/or		Revenue Supported	Yes
Authority	Moderate	Operational Issues	N/A	Appropriate Use of Constitutional and	
Centrality	Moderate	Outsourced Services	Partial	General Revenue-Dedicated Funds	Compliant
Service Area	Statewide	State Service(s)	Health Care - Disease Prevention, Treatment & Research		

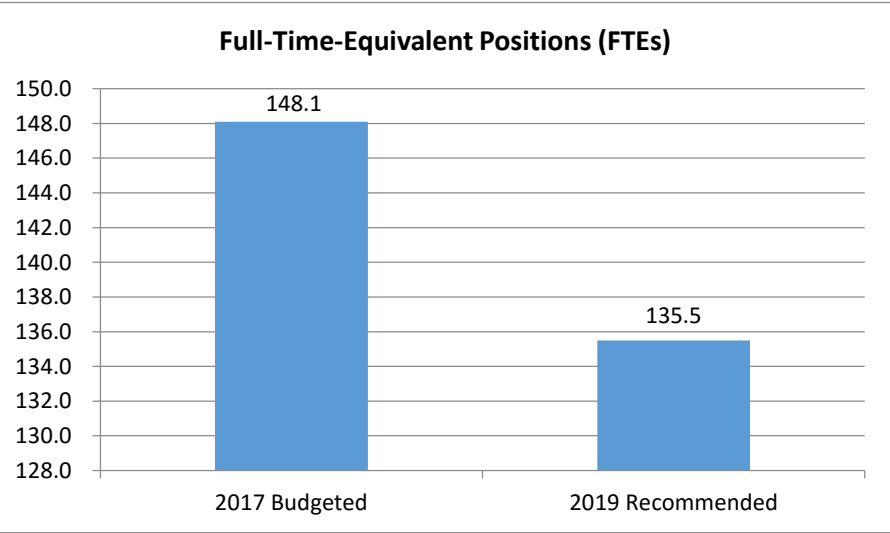
Major Activities	2016-17 Estimated / Budgeted	2017 FTEs	2018-19 Recommended	2019 FTEs	% of Total
Environmental/Injury Surveillance,	\$ 9,163,453	41.0	\$ 9,320,185	37.5	33.8%
Birth Defects Surveillance, Epidemiology	\$ 8,577,008	52.7	\$ 8,632,459	48.2	31.3%
Cancer Surveillance, Epidemiology and	\$ 8,317,027	49.4	\$ 8,537,501	45.2	30.9%
Direct Administration	\$ 1,496,741	5.0	\$ 1,108,523	4.6	4.0%
Total	\$ 27,554,229	148.1	\$ 27,598,668	135.5	100.0%

	2018-19 Recommended	% of Total
Funds Inside the State Treasury	\$ 27,598,668	100%
Total	\$ 27,598,668	100.0%





Source: Department of State Health Services actual performance measures, 2012 through 2015, as reported by the agency in ABEST as part of SFR.



Summary of Recommendations and Fiscal and Policy Issues

- 1 The Health Registries program includes the Birth Defects, Cancer, Child Lead, reportable injury, occupational conditions, Emergency Medical Services/Trauma registries, and other environmental epidemiology, toxicology and surveillance functions. The registries operate as active and/or passive data collection systems to monitor health status of communities and number of incidents, investigate clusters, respond to data requests, support outreach activities, and provide information on services. This program uses epidemiology and toxicology to monitor and investigate health risks to people in communities and to inform and educate communities on environmental health issues. Community assessments are coordinated with federal, state, and local partners and recommendations are made pertaining to environmental health issues.
- 2 DSHS reports the number of abstracted cases for epidemiologic study as a Health Registries program performance measure.

Recommended Statutory Changes for Program Improvement

- 1 DSHS did not identify any statutory changes which would lead to program improvement.

Enhancement Opportunities

- 1 DSHS did not identify any enhancement opportunities for this program.

Challenges to Operation of Program

- 1 Identified by DSHS: The program receives data in multiple formats from providers which compromises the agency's ability to ensure compliance with The Health Insurance Portability and Accountability Act (HIPPA)
- 2 Identified by DSHS: Complying with the data standards for the Texas Cancer Registry (TCR) that were established by the Texas Cancer Registry: Registries Amendment Act is a challenge due to increasing cancer caseloads, the size of the state, changes in the number and types of reporting requirements, changes in the delivery of treatment, and increased data needs by TCR customers. The agency indicates staff work overtime each year and utilize additional IT resources to process data and meet the national standards., Public Law 102-515 REGISTRIES (1998), and Blood Lead: Medicaid requirements for screening children for lead exposure.
- 3 Identified by DSHS: Texas Cancer Registry: Registries Amendment Act, Public Law 102-515 REGISTRIES (1998), and Outdated technologies for processing and analyzing data result in challenges in complying with Medicaid requirements for screening children for lead exposure and results in an inability to provide complete and accurate surveillance data, identify Medicaid enrolled children, and track and follow-up with children with elevated blood lead levels.

Department of State Health Services
Strategic Fiscal Review Appendix 6y: Program Summary - Senate

Program: Population Based Services

Agency Ranking 25 out of 33

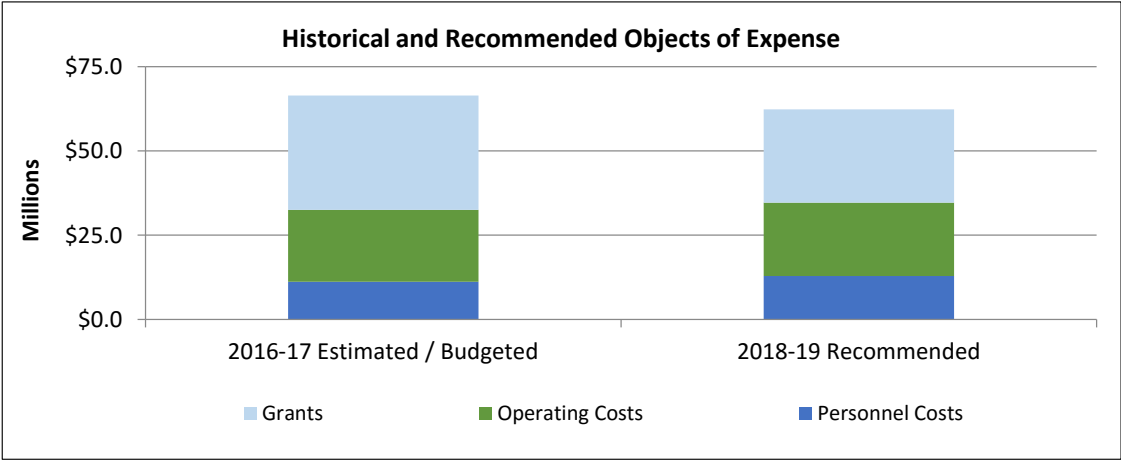
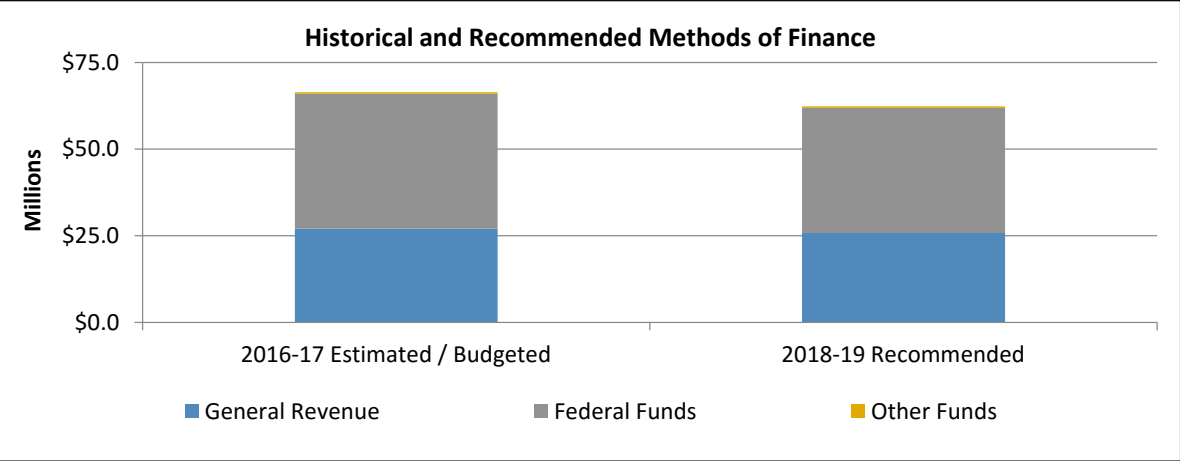
Provides population-based public health services via collaborative efforts with federal, state and community resources that implement best practices to improve health outcomes for expectant mothers and infants, children and adolescents, and children with special health care needs.

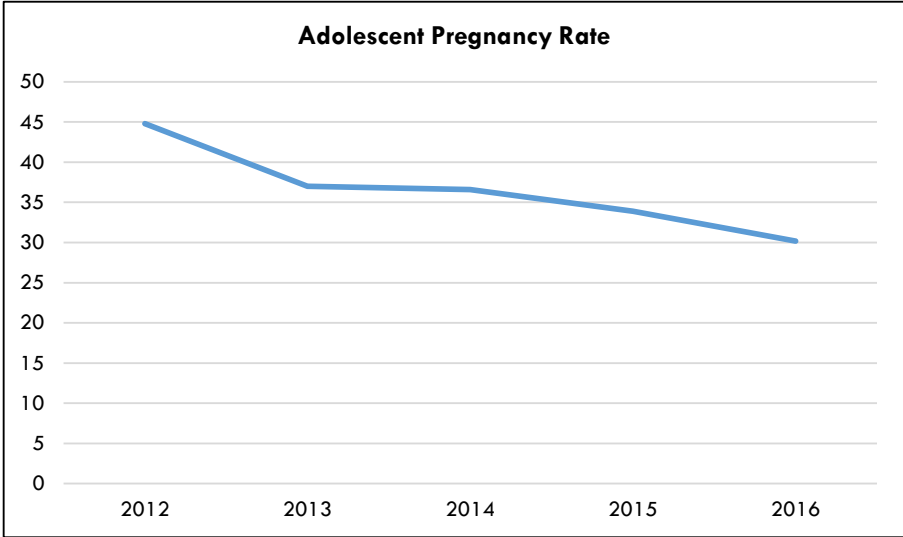
Legal Authority: 25 Texas Administrative Code Chapters 37 and 49;
 Health and Safety Code Chapters 33, 36, 37, 43, and 47;
 42 United States Code Sections 701-713

Year Implemented	1963	Performance and/or		Revenue Supported	Yes
Authority	Moderate	Operational Issues	N/A	Appropriate Use of Constitutional and	
Centrality	Strong	Outsourced Services	Partial	General Revenue-Dedicated Funds	N/A
Service Area	Statewide	State Service(s)	Health Care - Acute Care Services		

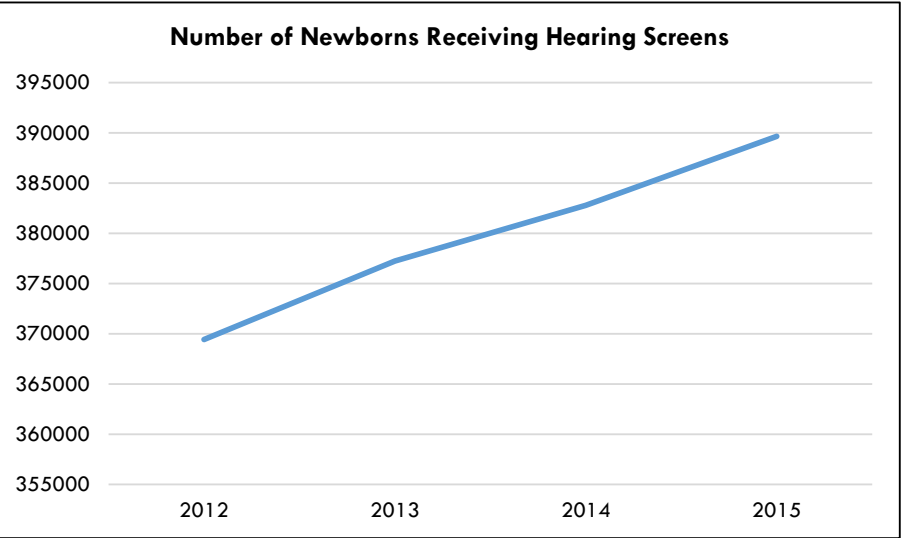
Major Activities	2016-17 Estimated / Budgeted	2017 FTEs	2018-19 Recommended	2019 FTEs	% of Total
Title V Maternal and Child Health Public	\$ 59,879,920	107.8	\$ 55,030,913	107.3	88.3%
Direct Administration	\$ 6,548,976	15.4	\$ 7,296,489	15.3	11.7%
Total	\$ 66,428,896	123.2	\$ 62,327,402	122.6	100.0%

	2018-19 Recommended	% of Total
Funds Inside the State Treasury	\$ 62,327,402	100%
Total	\$ 62,327,402	100.0%





Source: Department of State Health Services actual performance measures, 2012 through 2016, as reported by the agency in ABEST.



Source: Department of State Health Services actual performance measures, 2012 through 2015, as reported by the agency in ABEST, as part of SFR.

Summary of Recommendations and Fiscal and Policy Issues

- 1 The Population Based Services program consists of the development, implementation, and promotion of maternal and child public health initiatives designed to improve health outcomes for federally identified Social Security Act Title V populations in Texas. Initiatives are implemented through research and surveillance, promotion of best practices, statewide public health collaboration efforts, and strengthening of the public health infrastructure, while meeting specified national and state performance measures. The program also includes newborn blood spot and newborn hearing screening; statewide training of screeners and instructors that perform vision, hearing, and spinal screening for school-aged children; and oral health surveillance.
- 2 Title V national and state performance measures focus on well woman care, breastfeeding, safe sleep, developmental screening, child and adolescent injury prevention, smoking, childhood obesity, reduction in infant mortality disparities, and adolescent health care. Key measures reported by the agency include number of deaths per thousand live births; the agency reported the infant mortality rate in fiscal years 2014 and 2015 was 5.8 percent. Non-key measures include number of newborns receiving hearing screens; the agency reported approximately 382,000 and 390,000 screens in fiscal years 2014 and 2015, respectively. The agency
- 3 The federal Title V block grant requires a statewide comprehensive health needs assessment every five years with interim assessments annually. Based on disparities across multiple indicators and populations identified in the needs assessment, the state selected priority needs that became the foundation for additional performance measures. These were reported in the grant application and include community integration for Children with Special Health Care Needs, obesity across the life course, infant mortality disparities, and quality components of adolescent care.

Recommended Statutory Changes for Program Improvement

- 1 DSHS did not identify any statutory changes which would lead to program improvement.

Enhancement Opportunities

- 1 DSHS did not identify any enhancement opportunities for this program.

Challenges to Operation of Program

- 1 Identified by DSHS: Title V of the Social Security Act
Note: DSHS did not specify how this poses a challenge to program operation.

Department of State Health Services
Strategic Fiscal Review Appendix 6z: Program Summary - Senate

Program: Regional Program Support

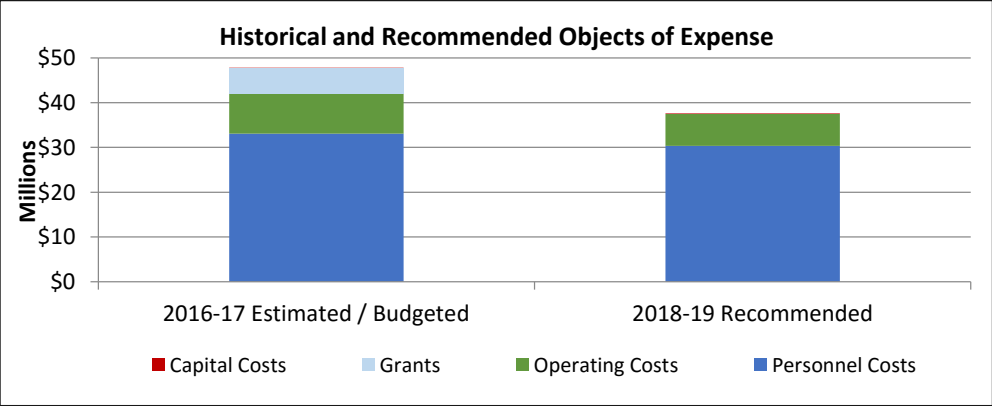
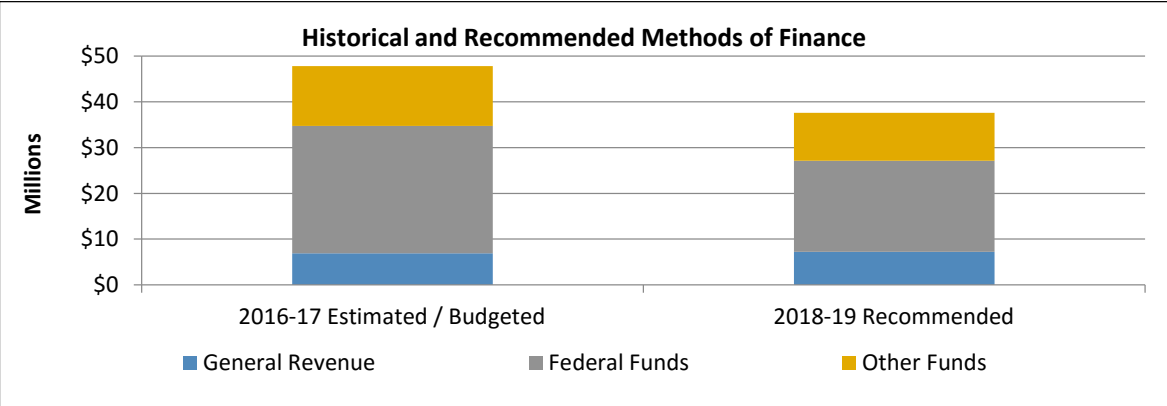
Agency Ranking 26 out of 33

Provides the following services: support to the Texas Health Steps Children's Medicaid program administered by HHSC; contract monitoring assistance to HHSC for Title V fee-for-service contracts; and support to DSHS Title V population-based public health initiatives.

Legal Authority:	25 Texas Administrative Code Chapters 37 and 49; Health and Safety Code Chapters 33, 35, 36, 37, 43, and 47; 42 United States Code Sections 701-713		
Year Implemented	1963	Performance and/or	Revenue Supported No
Authority	Moderate	Operational Issues N/A	Appropriate Use of Constitutional and
Centrality	Moderate	Outsourced Services N/A	General Revenue-Dedicated Funds N/A
Service Area	Statewide	State Service(s) Health Care - Acute Care Services	

Major Activities	2016-17 Estimated / Budgeted	2017 FTEs	2018-19 Recommended	2019 FTEs	% of Total
Texas Health Steps Children's Medicaid-	\$ 20,931,734	182.0	\$ 20,716,990	181.1	55.1%
HHSC Fee for Service Contract Monitoring	\$ 12,891,197	102.0	\$ 13,041,031	101.5	34.7%
Children Transfer to HHSC	\$ 10,205,660	0.0	\$ -	0.0	0.0%
Direct Administration	\$ 2,237,816	5.6	\$ 2,317,494	5.6	6.2%
All Other Activities	\$ 1,545,882	15.0	\$ 1,523,613	14.9	4.1%
Total	\$ 47,812,289	304.6	\$ 37,599,128	303.1	100.0%

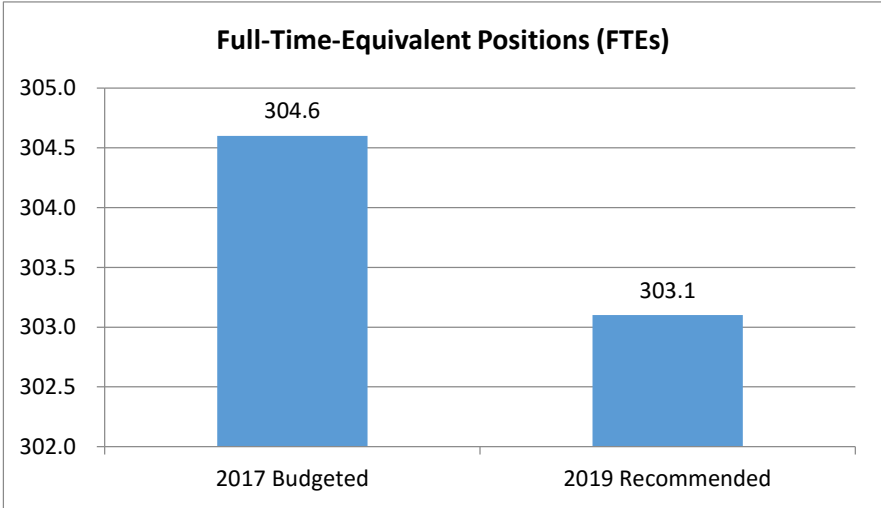
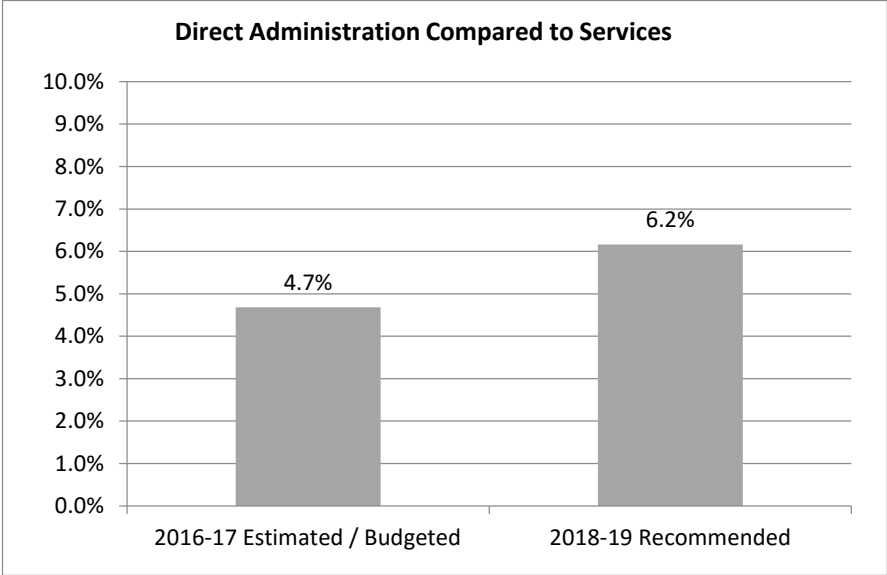
	2018-19 Recommended	% of Total
Funds Inside the State Treasury	\$ 37,599,128	100%
Total	\$ 37,599,128	100.0%



Program: Regional Program Support

Agency
Ranking

26 out of 33



Summary of Recommendations and Fiscal and Policy Issues

- 1 Regional Program Support staff serve as a connection between direct care services provided by the Texas Health Steps program and other health and social services programs. Additionally, they facilitate collaboration, education, and serve as information conduits for public health messaging at the local level.

The program also provides public health services to communities across Texas where local health departments do not exist or do not have the capacity to provide them. Funding supports public health region’s efforts to prevent disease epidemics, protect against environmental hazards, conduct syndromic surveillance, and disaster response.
- 2 The agency did not report any performance measures or results for this program. No audits or reports are identified by the agency for this program. The agency indicates it has implemented a re-organization plan including milestones showing completion of significant steps in the HHSC transformation process.

Recommended Statutory Changes for Program Improvement

- 1 DSHS did not identify any statutory changes which would lead to program improvement.

Enhancement Opportunities

- 1 DSHS did not identify any enhancement opportunities for this program.

Challenges to Operation of Program

- 1 Identified by DSHS: In DSHS' LAR it was stated that changes in demand for regional support resources available to clients and community stakeholders may be necessary based on changes in focus of health services.

Department of State Health Services
Strategic Fiscal Review Appendix 6aa: Program Summary - Senate

Program: HIV/STD Prevention and Surveillance

Agency
Ranking 27 out of 33

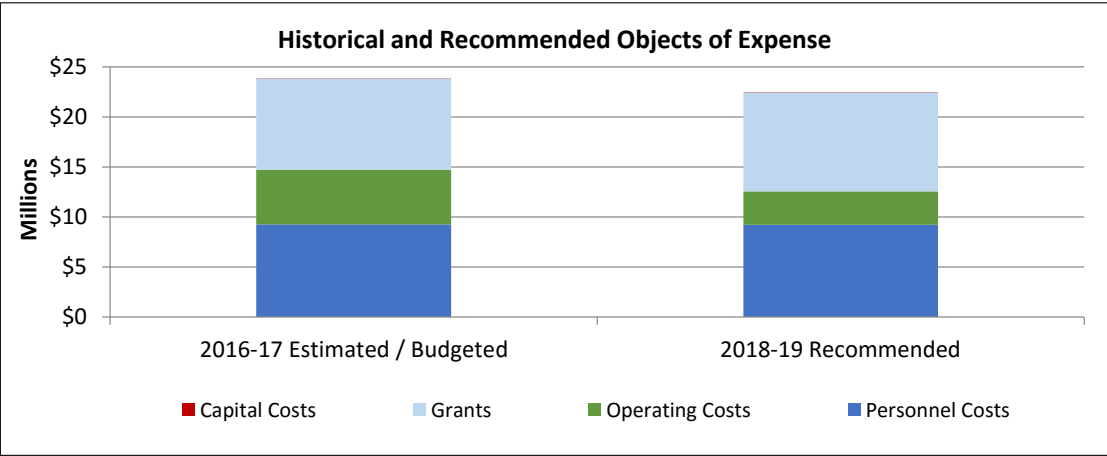
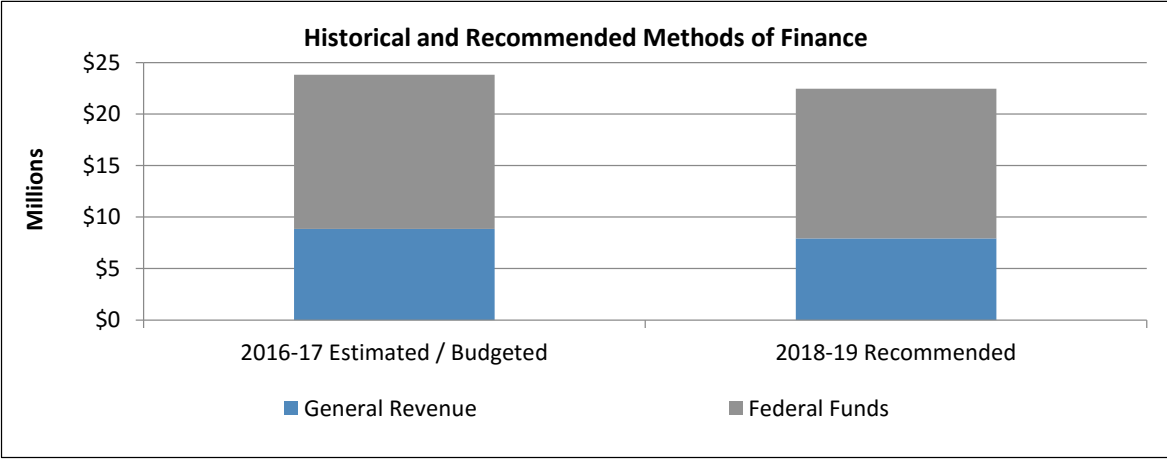
Provides grants to community organizations and local health departments for HIV/STD testing, referrals, linkage to medical care and other services. Provides funding for surveillance activities for HIV and STDs. Collects, manages, analyzes and disseminates HIV/STD surveillance data.

Legal Authority: 25 Texas Administrative Code Sections 97.131-97.134; Health and Safety Code Chapter 85; and Section 81.041

Year Implemented 1975 **Performance and/or** **Revenue Supported** Yes
Authority Strong **Operational Issues** N/A **Appropriate Use of Constitutional and**
Centrality Moderate **Outsourced Services** Yes **General Revenue-Dedicated Funds** N/A
Service Area Statewide **State Service(s)** Health Care - Disease Prevention, Treatment & Research

Major Activities	2016-17 Estimated / Budgeted	2017 FTEs	2018-19 Recommended	2019 FTEs	% of Total
HIV/STD Prevention/Surveillance Programs	\$ 21,962,290	77.1	\$ 21,146,170	77.1	94.1%
Direct Administration	\$ 1,875,022	7.3	\$ 1,323,500	7.3	5.9%
Total	\$ 23,837,312	84.4	\$ 22,469,670	84.4	100.0%

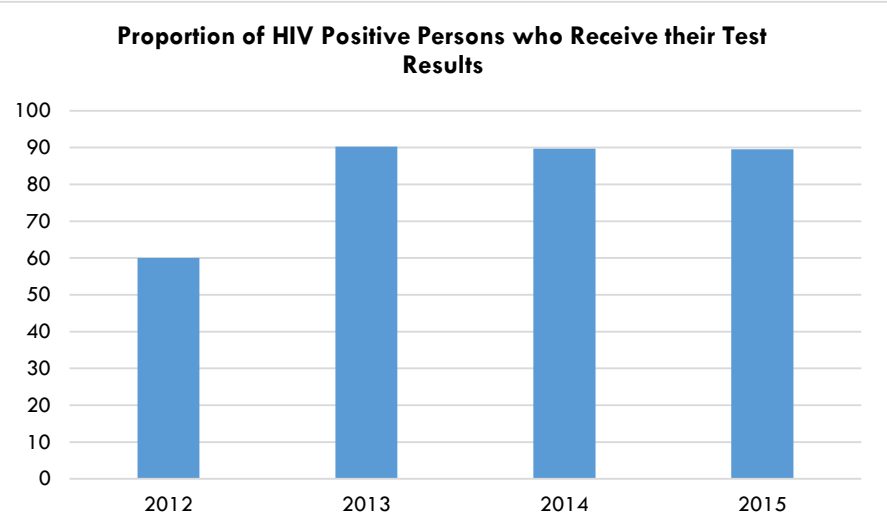
	2018-19 Recommended	% of Total
Funds Inside the State Treasury	\$ 22,469,670	100%
Total	\$ 22,469,670	100.0%



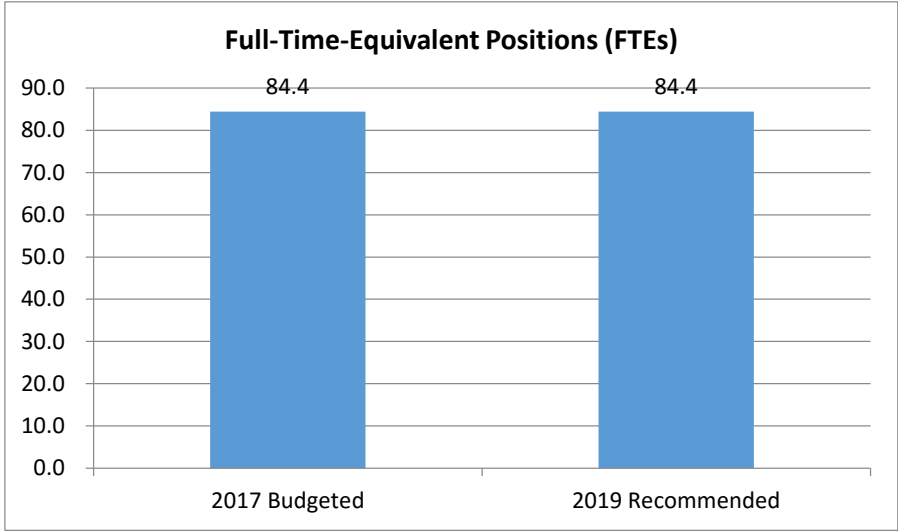
Program: HIV/STD Prevention and Surveillance

Agency
Ranking

27 out of 33



Source: Department of State Health Services, actual performance measures, 2012 through 2015, as reported by the agency in ABEST, as part of SFR.



Summary of Recommendations and Fiscal and Policy Issues

- 1 The HIV/STD Prevention and Surveillance Program administers federal funding for HIV/STD prevention by contracting with community based organizations and health departments for testing, referrals, linkage to medical care, and public health follow-up for persons at highest risk of acquiring HIV/STDs. Activities include disease surveillance, data gathering, and epidemiological analysis support of HIV/STD activities. The program provides information on recent infections to direct disease intervention, assures appropriate allocation of resources, and evaluates program effectiveness.
- 2 The agency’s performance measure for this program is the proportion of HIV positive persons who receive their test results. Information reported by the agency indicates that since 2012, the program did not meet performance targets.
- 3 During their review of the Department of State Health Services, the Sunset Advisory Commission (SAC) highlighted that when local jurisdictions exercise discretion to terminate certain public health services, including HIV/STD contact investigations, DSHS must undertake those services without additional funding. SAC cautioned that this may delay provision of services and place Texans at risk increased of disease transmission.

Recommended Statutory Changes for Program Improvement

- 1 Identified by DSHS: The agency is currently evaluating data sharing issues and statutory language that may be needed to clearly define entities that can be provided data.

Enhancement Opportunities

- 1 DSHS did not identify any enhancement opportunities for this program.

Challenges to Operation of Program

- 1 Identified by DSHS: While deaths from HIV have decreased, DSHS reports that in 2014 undiagnosed HIV cases, late diagnosis, and unavailability of HIV treatment hindered efforts to manage HIV cases in Texas. According to the agency, new cases and late diagnoses were more common among certain demographic groups.
- 2 Identified by DSHS: The current surveillance systems used by DSHS to track certain infections diseases, including HIV/STDs, is ineffective and inefficient. In addition, the system used by DSHS for collecting and reporting data on HIV testing requires manual data entry and reconciliation, which slows availability of data and increases the risk for human error in data entry.

Department of State Health Services
Strategic Fiscal Review Appendix 6ab: Program Summary - Senate

Program: Border Health and Colonias

Agency
Ranking

28 out of 33

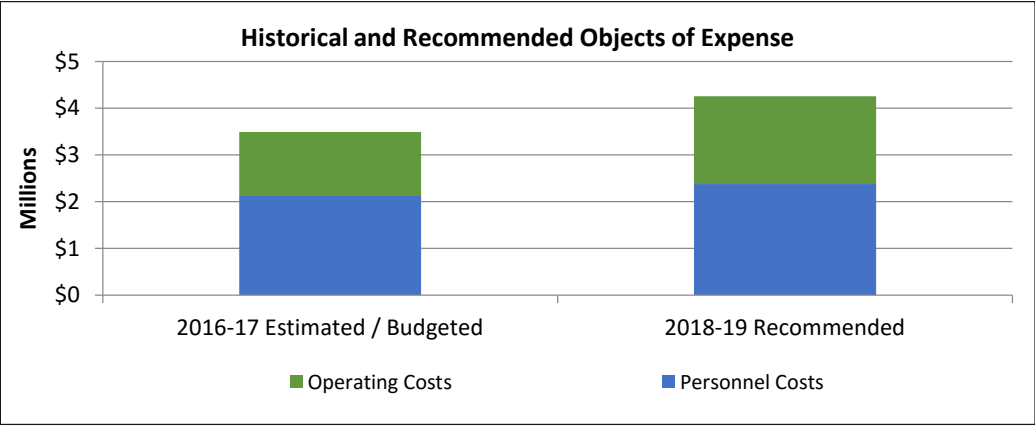
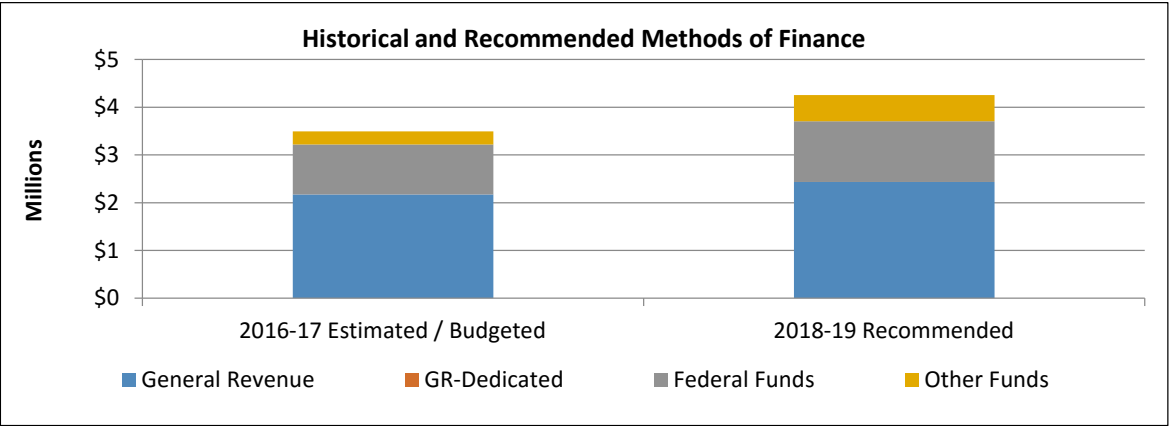
Coordinates and promotes health and environmental issues between Texas and Mexico through border and binational coordination, maintaining border health data and information, and community-based healthy border initiatives addressing measurable border health objectives.

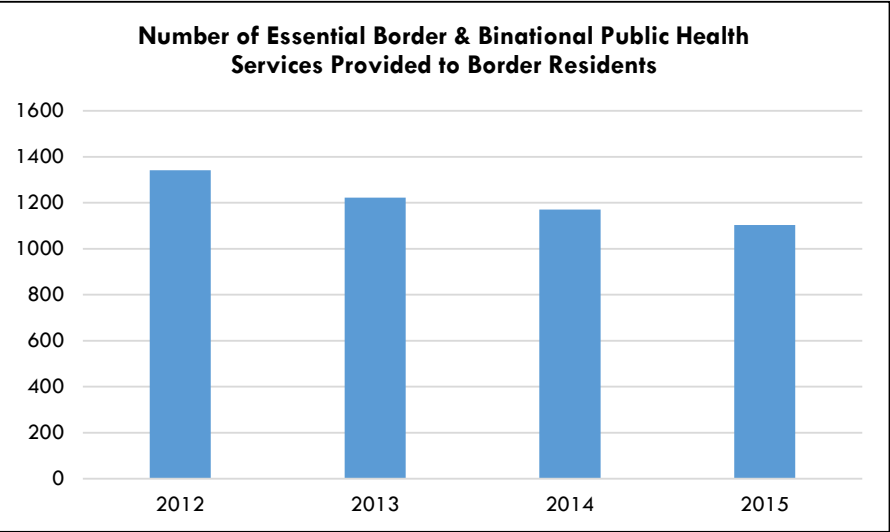
Legal Authority: Health and Safety Code Section 12.071;
22 United States Code 290n

Year Implemented	1991	Performance and/or		Revenue Supported	Yes
Authority	Strong	Operational Issues	N/A	Appropriate Use of Constitutional and	
Centrality	Strong	Outsourced Services	N/A	General Revenue-Dedicated Funds	N/A
Service Area	Regional	State Service(s)	Health Care - Disease Prevention, Treatment & Research		

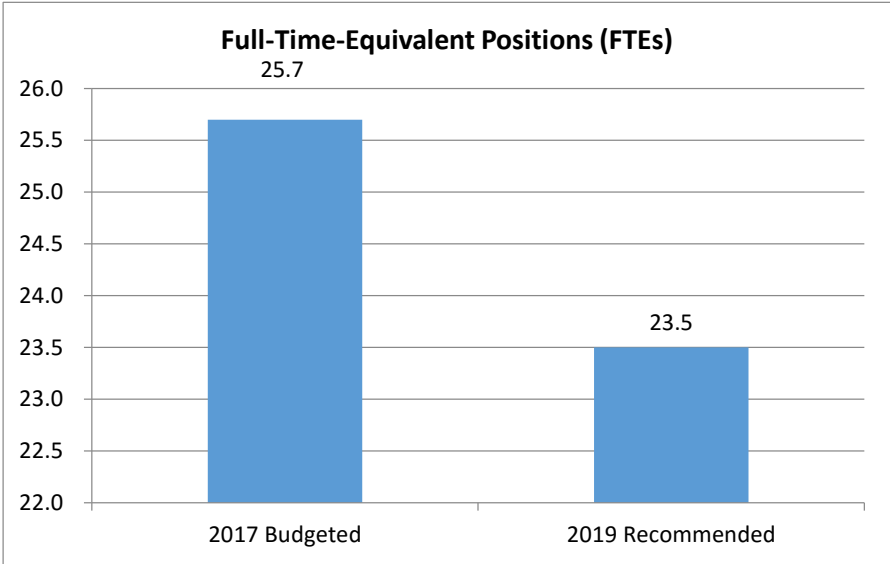
Major Activities	2016-17 Estimated / Budgeted	2017 FTEs	2018-19 Recommended	2019 FTEs	% of Total
Community Based Border Health Activities	\$ 2,585,951	20.2	\$ 3,281,392	18.5	77.1%
Direct Administration	\$ 387,769	2.8	\$ 366,321	2.6	8.6%
United States-Mexico Border Health	\$ 245,276	1.5	\$ 240,718	1.4	5.7%
Border Health Data	\$ 149,446	0.7	\$ 192,161	0.6	4.5%
All Other Activities	\$ 124,314	0.5	\$ 176,163	0.4	4.1%
Total	\$ 3,492,756	25.7	\$ 4,256,755	23.5	100.0%

	2018-19 Recommended	% of Total
Funds Inside the State Treasury	\$ 4,256,755	100%
Total	\$ 4,256,755	100.0%





Source: Department of State Health Services, actual performance measures, 2012 through 2015, as reported by the agency in ABEST as part of SFR.



Summary of Recommendations and Fiscal and Policy Issues

- The Border Health and Colonias program serves residents along the border and in 2,300 neighborhoods, called colonias, through public health prevention and education; improved infrastructure; and a culturally competent health workforce. Colonias, generally described as rural, isolated, unincorporated communities with insufficient provision of public utilities, often have poorly constructed housing that lack electricity, running water, sewage facilities, and other basic services, that may increase the risk for developing food and water-borne diseases. Challenging economic and demographic conditions, and the region’s relationship with Mexico, result in unique health and environmental conditions requiring special consideration.

The DSHS Office of Border Health (OBH) coordinates and promotes health and environmental issues between Texas and Mexico through: border and binational coordination; maintaining border health data and information; and community-based healthy border initiatives addressing measurable border health objectives. The Border Health and Colonias initiative is implemented through eight sister-city health councils, the US-Mexico Border Health Commission (BHC), the US-Mexico Border Governors Health Table, and the BHC Healthy Border 2020 program.
- In fiscal year 2017, the Office of Border Affairs (OBA) was transferred from HHSC to DSHS pursuant to Senate Bill 200, Eighty-fourth Legislature, 2015. This included a transfer of \$0.7 million in General Revenue and 8.0 FTEs from HHSC to DSHS. As of September 1, 2016, DSHS is in the implementation phase of consolidating the two offices into the Office of Border Services (OBS). OBS is developing a staffing and programmatic plan for fiscal year 2018. For fiscal year 2017, the OBS is implementing a temporary transitional plan that reduces duplication of services and allows legacy OBH and OBA staff to facilitate comprehensive coordination of activities and services. OBS will be fully unified by September 1, 2017.

Recommended Statutory Changes for Program Improvement

- DSHS did not identify any statutory changes which would lead to program improvement.

Enhancement Opportunities

- Identified by DSHS: Build the capacity of community health workers (promotoras) to provide health education and prevention services to border residents and persons living in colonias.
- Identified by DSHS: In DSHS’ LAR, the agency indicated field work is effective in addressing needs of residents, but increases in travel related costs could impact field work availability if travel funds are limited. Evaluating technology options for field work could address some travel challenges.

Challenges to Operation of Program

- Identified by DSHS: In DSHS’ LAR it was stated that this region is disproportionately affected by chronic and infectious diseases, TB and neural tube birth defects. Border community and colonia residents may experience limited access to various services due to a growing population in the region, transportation needs, poverty, and geographic isolation.
- Identified by DSHS: Public Law 103.400. October 22, 1994. 108 STAT. 4169, United States-Mexico Border Health Commission Act
Note: DSHS did not specify how this poses a challenge to program operation.

Department of State Health Services
Strategic Fiscal Review Appendix 6ac: Program Summary - Senate

Program: Tobacco Prevention Education

Agency Ranking 29 out of 33

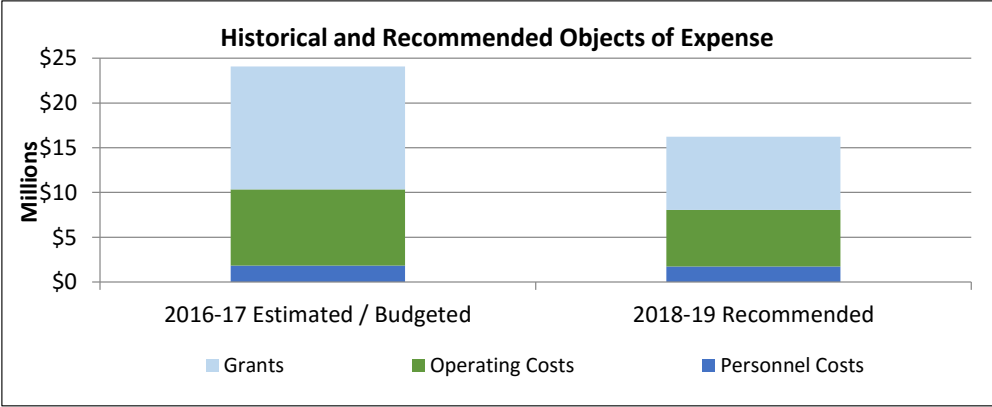
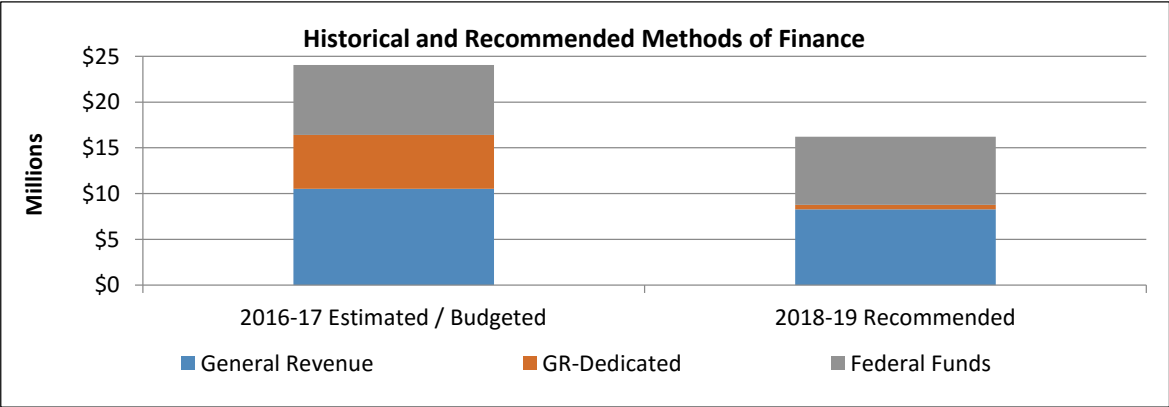
Conducts comprehensive tobacco prevention and control activities at various levels throughout the state, including community mobilization, and tobacco prevention education in schools and communities, and cessation activities through education and a statewide telephone counseling service.

Legal Authority: 25 Texas Administrative Code Chapters 101 and 102;
Government Code Section 403.105-402.1069;
Health and Safety Code Section 161.251-161.257;
United States Public Law 111-31

Year Implemented	1991	Performance and/or		Revenue Supported	No
Authority	Strong	Operational Issues	N/A	Appropriate Use of Constitutional and	
Centrality	Strong	Outsourced Services	No	General Revenue-Dedicated Funds	Compliant
Service Area	Statewide	State Service(s)	Health Care - Disease Prevention, Treatment & Research		

Major Activities	2016-17 Estimated / Budgeted	2017 FTEs	2018-19 Recommended	2019 FTEs	% of Total
Tobacco Cessation	\$ 7,359,705	3.4	\$ 3,870,500	3.3	23.9%
Tobacco Prevention	\$ 7,359,368	2.9	\$ 5,366,680	2.8	33.1%
Tobacco Enforcement	\$ 7,359,366	2.7	\$ 5,422,977	2.6	33.4%
Direct Administration	\$ 1,986,629	5.2	\$ 1,555,137	5.0	9.6%
Total	\$ 24,065,068	14.2	\$ 16,215,294	13.7	100.0%

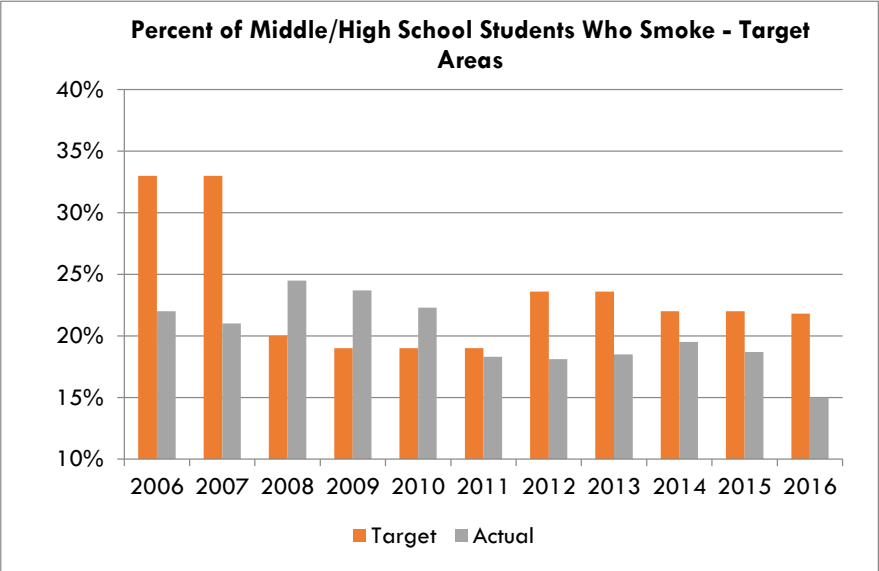
	2018-19 Recommended	% of Total
Funds Inside the State Treasury	\$ 16,215,294	100%
Total	\$ 16,215,294	100.0%



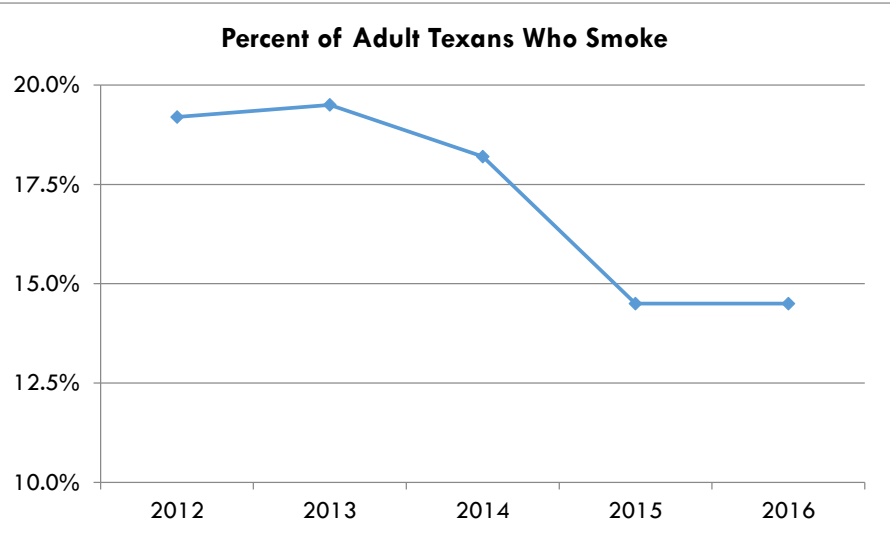
Program: Tobacco Prevention Education

Agency
Ranking

29 out of 33



Source: Department of State Health Services actual performance measures, 2006 through 2016, as reported by the agency in ABEST.



Source: Department of State Health Services actual performance measures, 2012 through 2016, as reported by the agency in ABEST.

Summary of Recommendations and Fiscal and Policy Issues

- 1 The mission of this program is to reduce the health and economic effects tobacco has on the citizens of Texas. Major goals are:
- 1) Prevent tobacco use among young people;
 - 2) Promote compliance and support adequate enforcement of federal, state and local tobacco laws;
 - 3) Increase cessation among young people and adults;
 - 4) Eliminate exposure to secondhand smoke;
 - 5) Reduce tobacco use among populations with the highest burden of tobacco-related health disparities; and
 - 6) Develop and maintain statewide capacity for comprehensive tobacco prevention and control.
- 2 Current prevention initiatives include:
- 1) Providing nine local tobacco control coordinators throughout the state through the Regional Partnership Program.
 - 2) Certifying instructors for the Texas Youth Tobacco Awareness program and maintaining a database of available educators
 - 3) Educating the public on the dangers of tobacco use and the Texas Tobacco Law through various media campaigns
 - 4) Collaborating with other state agencies and community organizations to create awareness and educate the public.
 - 5) Overseeing the Texas Tobacco Prevention and Control Coalition Program.
- 3 In the last several years, based on performance measure attainment reported by the agency, the percent of Texas who smoke has declined.

Recommended Statutory Changes for Program Improvement

- 1 DSHS did not identify any statutory changes which would lead to program improvement.

Enhancement Opportunities

- 1 DSHS Identified: Funding for continuation of tobacco coalitions in 12 counties; maintenance of statewide tobacco prevention outreach activities for youth and young adults; and continued provision of statewide tobacco cessation resources for Texans.

Challenges to Operation of Program

- 1 Identified by DSHS: CDC funding for tobacco implementation of best practices and funding for cessation services; CDC released Best Practices for Comprehensive Tobacco Programs in 1999 set standard for program services.
Note: DSHS did not specify how this poses a challenge to program operations.
- 2 Identified by LBB staff: Decline in interest earnings on Tobacco Settlement Funds, due to depletion of the corpus of the funds, reduces a secondary funding source for this program.

Department of State Health Services
Strategic Fiscal Review Appendix 6ad: Program Summary - Senate

Program: Health Promotion

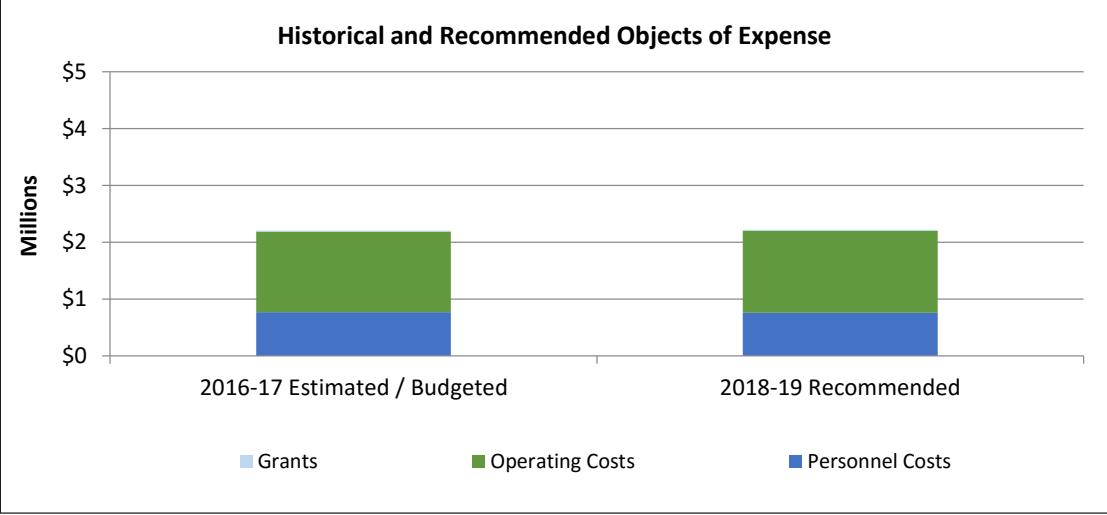
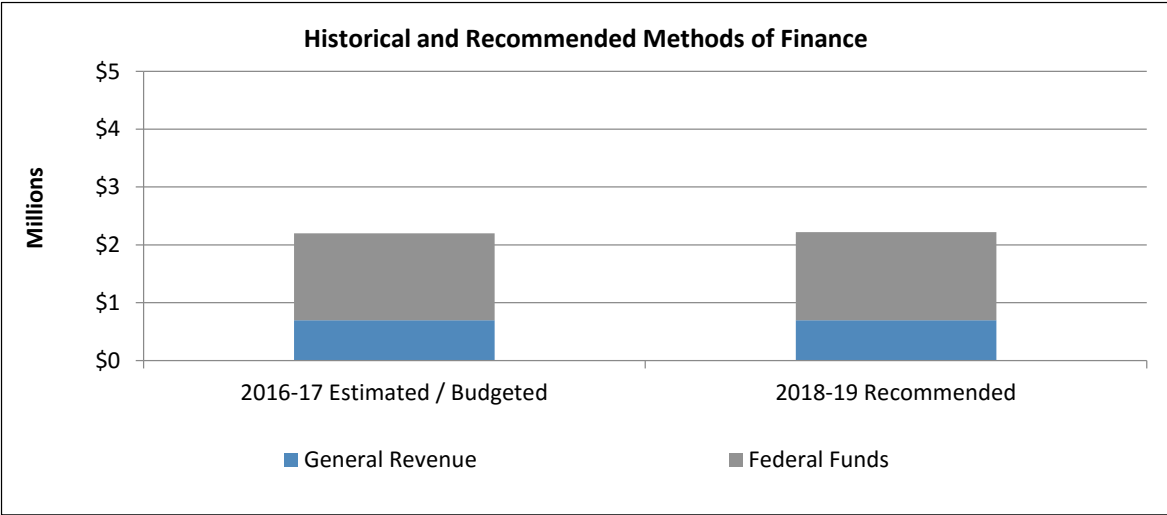
Agency Ranking 30 out of 33

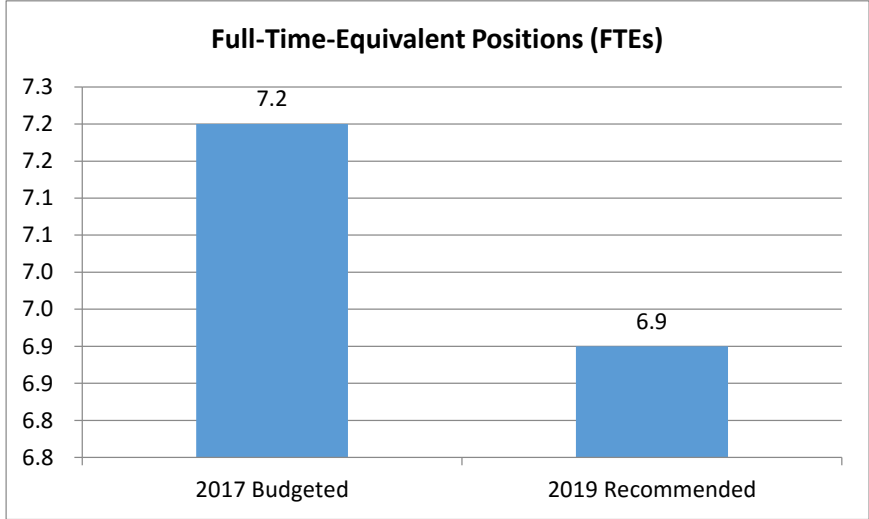
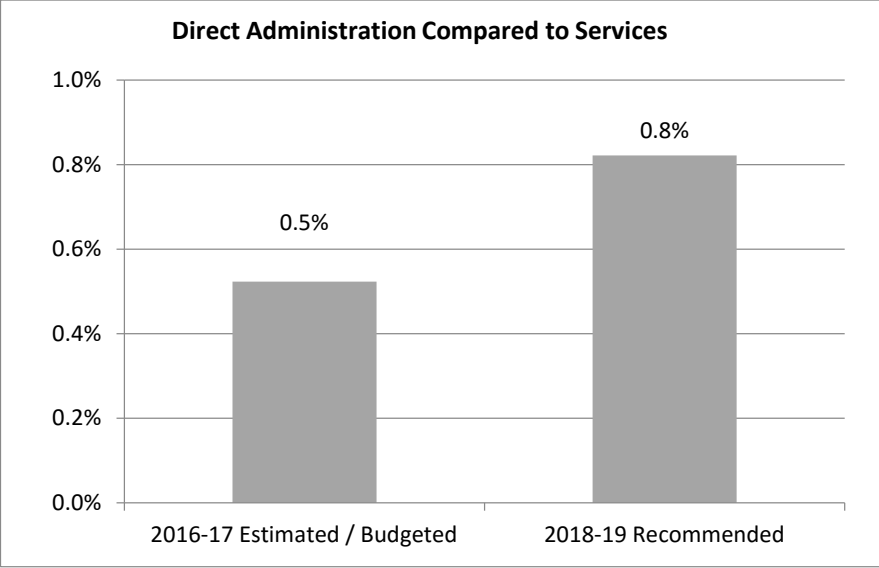
Promotes health and wellness activities to reduce risk factors for certain common, disabling chronic conditions and works towards the elimination of health disparities.

Legal Authority:	Health and Safety Code Chapters 45 and 114; Transportation Code Section 545.412				
Year Implemented	2004	Performance and/or		Revenue Supported	No
Authority	Moderate	Operational Issues	No	Appropriate Use of Constitutional and	
Centrality	Moderate	Outsourced Services	Partial	General Revenue-Dedicated Funds	N/A
Service Area	Statewide	State Service(s)	Health Care - Disease Prevention, Treatment & Research		

Major Activities	2016-17 Estimated / Budgeted	2017 FTEs	2018-19 Recommended	2019 FTEs	% of Total
Child Passenger Safety-Safe Riders	\$ 1,495,721	3.6	\$ 1,509,341	3.5	67.9%
Obesity Prevention	\$ 694,539	3.6	\$ 693,797	3.4	31.2%
Direct Administration	\$ 11,517	0.0	\$ 18,246	0.0	0.8%
Total	\$ 2,201,777	7.2	\$ 2,221,384	6.9	100.0%

	2018-19 Recommended	% of Total
Funds Inside the State Treasury	\$ 2,221,384	100%
Total	\$ 2,221,384	100.0%





Summary of Recommendations and Fiscal and Policy Issues

- Health Promotion includes two programs: 1) Safe Riders Traffic Safety Program; and 2) Obesity Prevention Program.
- Safe Riders collaborates with community organizations to provide education on proper selection, installation, and use of child safety seats to prevent deaths and reduce injuries to children due to motor vehicle crashes. The program also provides child car seats to low income families. Safe Riders also organizes and teaches a national child passenger safety (CPS) certification course whereby individuals can receive certification as CPS technicians who offer child seat checks and education to parents and caregivers. Safe Riders also distributes traffic-safety educational materials and presents information on heatstroke/hot car awareness and other vehicle safety issues. Safe Riders is implemented in communities statewide with priority given to geographic areas with high motor vehicle fatalities and hospitalizations. The primary source of funding for Safe Riders is federal funds.

The agency did not report performance measures or outcome data for this program. However, the program does track a number of program outputs. According to DSHS, in fiscal year 2015, 9,000 child safety seats were distributed in conjunction with Safe Riders. There are currently about 1,300 CPS technicians and instructors in Texas. Over the last 30 years, Safe Riders has conducted more than 700 community child seat checkups and helped hundreds of community organizations establish inspection stations in Texas. Over 350,000 traffic-safety educational materials are provided each year.

- The Obesity Prevention program is implemented in communities statewide with priority given to geographic areas with health disparities in chronic disease. DSHS uses funds from the Centers for Disease Control and Prevention (CDC) to collaborate with communities to build capacity at the state and community level to reduce the incidence of obesity. Fiscal year 2014 was the program’s first year of funding under a new five-year CDC combined chronic disease prevention grant. The program promotes healthy behaviors through implementation of policies, systems changes and environmental changes to support physical activity, nutrition, stress management, and preventive clinical services. The program promotes both strategies to reduce environmental barriers to healthy living and administrative policies that facilitate healthy choices, including focusing on projects that: 1) decrease obesity; 2)decrease the consumption of added sugars and high calorie, low nutrient foods; 3) increase consumption of fruits, vegetables and water; 4) increase the initiation and duration of breastfeeding; and 5) increase physical activity. The agency did not report performance measures or outcome data for this program. However, the program does track certain program outputs.

Recommended Statutory Changes for Program Improvement

- DSHS did not identify any statutory changes which would lead to program improvement.

Enhancement Opportunities

- DSHS did not identify any enhancement opportunities for this program.

Challenges to Operation of Program

- 1 Identified by DSHS: The demand for Health Promotion is driven by increases in obesity, diabetes, and chronic disease risk factors, including at younger ages and the continued high prevalence of cardiovascular disease, stroke, and kidney disease in Texas.
- 2 Identified by DSHS: CDC has bundled chronic disease funds (i.e., heart disease and stroke, diabetes, obesity and school health) in its federal grant which has transitioned state health departments to a more coordinated chronic disease approach. This new approach has presented a challenge to DSHS in terms of working with all stakeholders involved to achieve new payment models, appropriate diagnosis and referrals, and improve data collection to demonstrate outcomes.

Department of State Health Services
Strategic Fiscal Review Appendix 6ae: Program Summary - Senate

Program: Chronic Disease Prevention

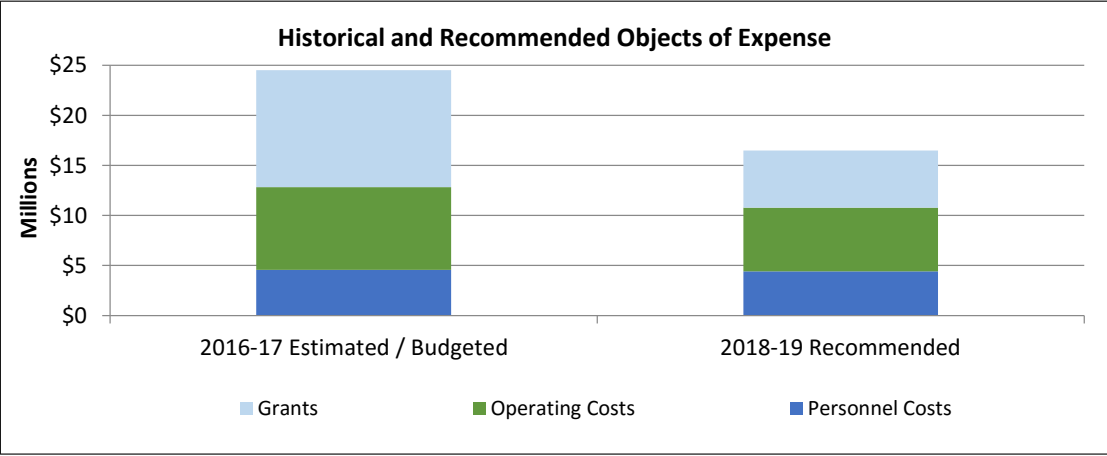
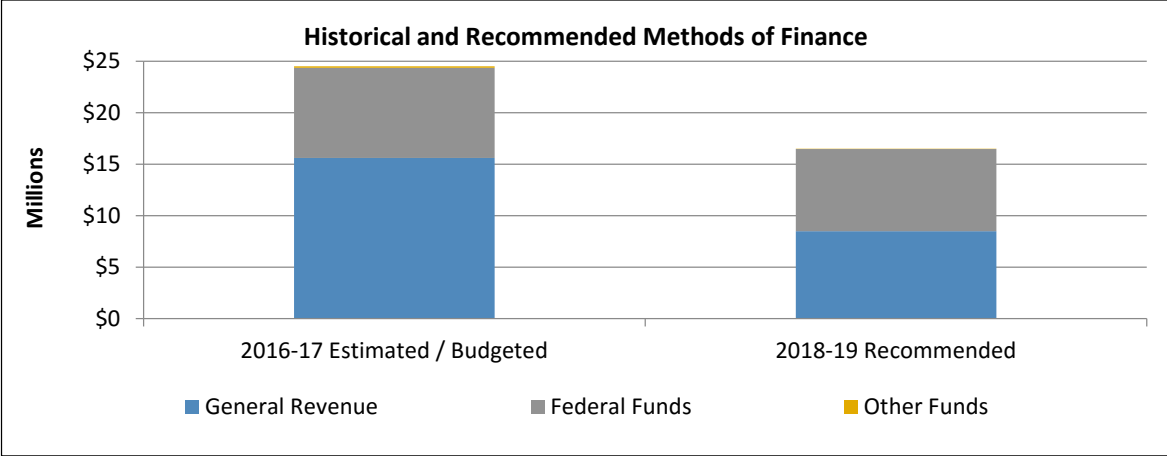
Agency
Ranking 31 out of 33

Promotes health and wellness activities to reduce risk factors for certain common, disabling chronic conditions and works towards the elimination of health disparities.

Legal Authority:	Government Code Chapter 664; Health and Safety Code Chapters 93, 101, and 103				
Year Implemented	1983	Performance and/or		Revenue Supported	Yes
Authority	Moderate	Operational Issues	No	Appropriate Use of Constitutional and	
Centrality	Moderate	Outsourced Services	Partial	General Revenue-Dedicated Funds	Compliant
Service Area	Statewide	State Service(s)	Health Care - Disease Prevention, Treatment & Research		

Major Activities	2016-17 Estimated / Budgeted	2017 FTEs	2018-19 Recommended	2019 FTEs	% of Total
Heart Attack and Stroke Data Collection	\$ 6,268,723	9.5	\$ 1,992,685	7.5	12.1%
Community Assessment Activities	\$ 5,615,783	7.1	\$ 5,182,617	7.1	31.4%
Diabetes Prevention and Control	\$ 4,310,246	5.9	\$ 4,035,565	5.9	24.5%
Direct Administration	\$ 2,331,082	4.9	\$ 1,838,839	4.9	11.2%
All Other Activities	\$ 5,990,258	20.5	\$ 3,436,925	20.8	20.8%
Total	\$ 24,516,092	47.9	\$ 16,486,631	46.2	100.0%

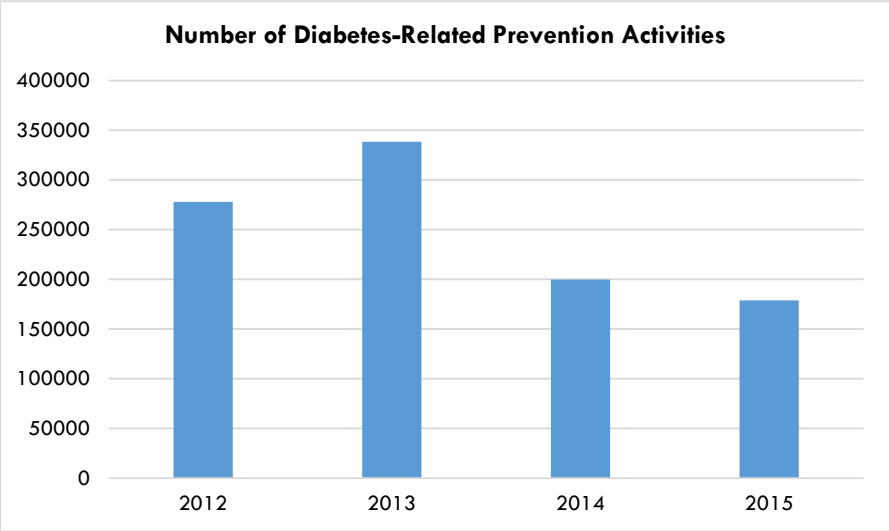
	2018-19 Recommended	% of Total
Funds Inside the State Treasury	\$ 16,486,631	100%
Total	\$ 16,486,631	100.0%



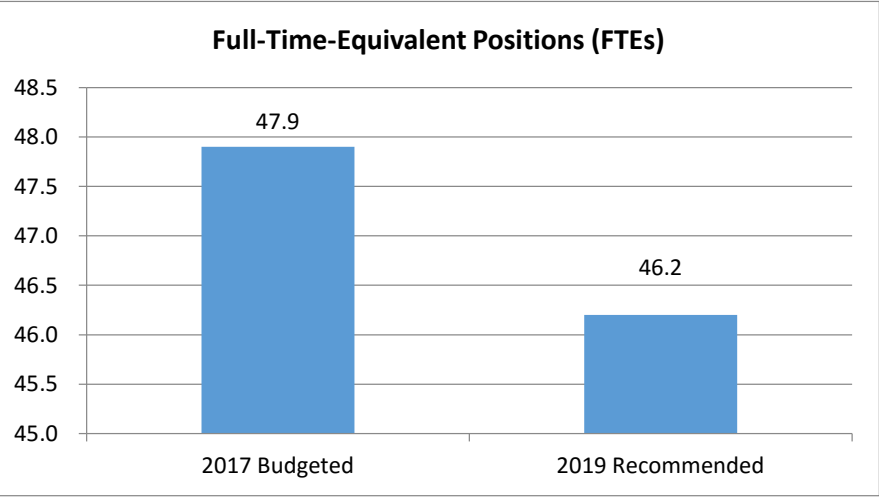
Program: Chronic Disease Prevention

Agency
Ranking

31 out of 33



Source: Department of State Health Services actual performance measures, 2012 through 2015, as reported by the agency in ABEST as part of SFR.



Summary of Recommendations and Fiscal and Policy Issues

1 The Chronic Disease Prevention program is intended to educate and empower communities to adopt healthy behaviors and improve systems to reduce the burden of chronic diseases, including Alzheimer’s Disease, cancer, heart disease, stroke, diabetes, and kidney disease. The service area for this program is statewide with some activities targeted to populations and areas of the state that experience a disproportionate burden of chronic diseases and related risk factors. Program activities are mostly funded by General Revenue and by a five-year combined chronic disease prevention grant provided by the Centers for Disease Control and Prevention (CDC) that began in fiscal year 2014. Some program activities also receive funding from other grants provided by CDC and Nonprofit organizations. The program includes the following nine areas:

- Community Assessment;
- Alzheimer’s Disease;
- Comprehensive Cancer Control;
- Coordinated Chronic Disease;
- Diabetes Prevention and Control;
- Heart Attack and Stroke Data Collection;
- Heart Disease and Stroke;
- Kidney Disease; and
- Potentially Preventable Hospitalizations.

Within these areas, the program includes contracts for reporting, education, promotion of prevention and self-management strategies, analysis, and technical assistance relating to chronic conditions.

This program also supports the Texas Council on Alzheimer’s Disease and Related Disorders, the Texas Council on Cardiovascular Disease and Stroke, the Interagency Obesity Council, and the Texas Diabetes Council, and works to expand participation in the National Diabetes Prevention Program and Diabetes Self-Management Education.

- 2 DSHS reports the number of diabetes-related prevention activities as a non-key output performance measure. This measure represents the number of encounters with diabetes education programs supported by DSHS and includes patient literature mailed and patient encounters with community contractors offering diabetes education. DSHS reports 199,903 activities in fiscal year 2014 and 178,739 in fiscal year 2015 which was 16.0 percent and 25.0 percent less than the 238,000 projected for each of those fiscal years. The agency did not report performance measures or outcome data for other chronic disease prevention activities.
- 3 Under direction of by federal grant requirements, the Chronic Disease Prevention Program maintains contracts with external entities to provide local education services to persons with or at risk for chronic disease or conduct local clinical systems change projects that improve screening and management of person with or at risk for chronic conditions.

Recommended Statutory Changes for Program Improvement

- 1 DSHS did not identify any statutory changes which would lead to program improvement.

Enhancement Opportunities

- 1 DSHS did not identify any enhancement opportunities for this program.

Challenges to Operation of Program

- 1 Identified by DSHS: The demand for Chronic Disease Prevention activities is driven by increases in obesity, diabetes, and chronic disease risk factors and the continued high prevalence of cardiovascular disease, stroke, and kidney disease in Texas.
- 2 Identified by DSHS: CDC has bundled chronic disease funds (i.e., heart disease and stroke, diabetes, obesity and school health) in its federal grant which has transitioned state health departments to a more coordinated chronic disease approach. This new approach has presented a challenge to DSHS in terms of working with all stakeholders involved to achieve new payment models, appropriate diagnosis and referrals, and improve data collection to demonstrate outcomes.

Department of State Health Services
Strategic Fiscal Review Appendix 6af: Program Summary - Senate

Program: Texas Primary Care Office (TPCO)

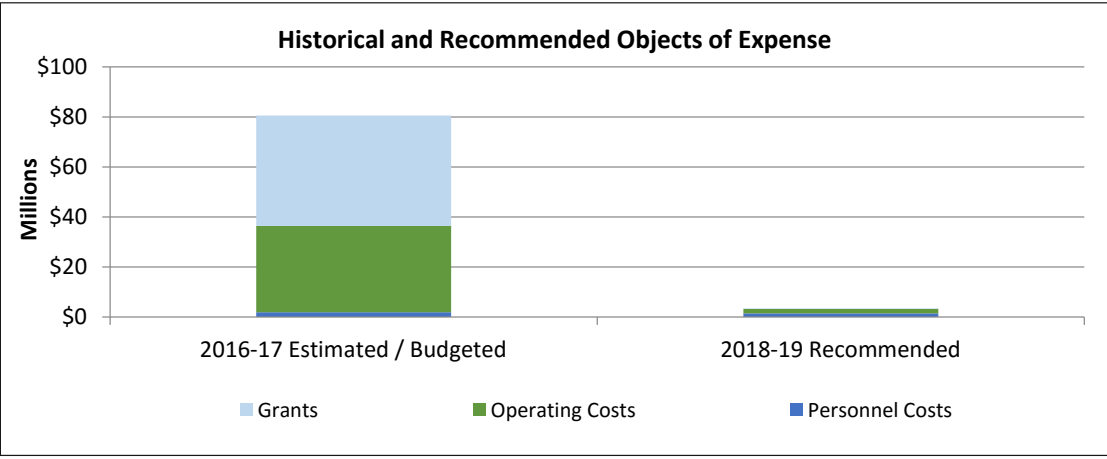
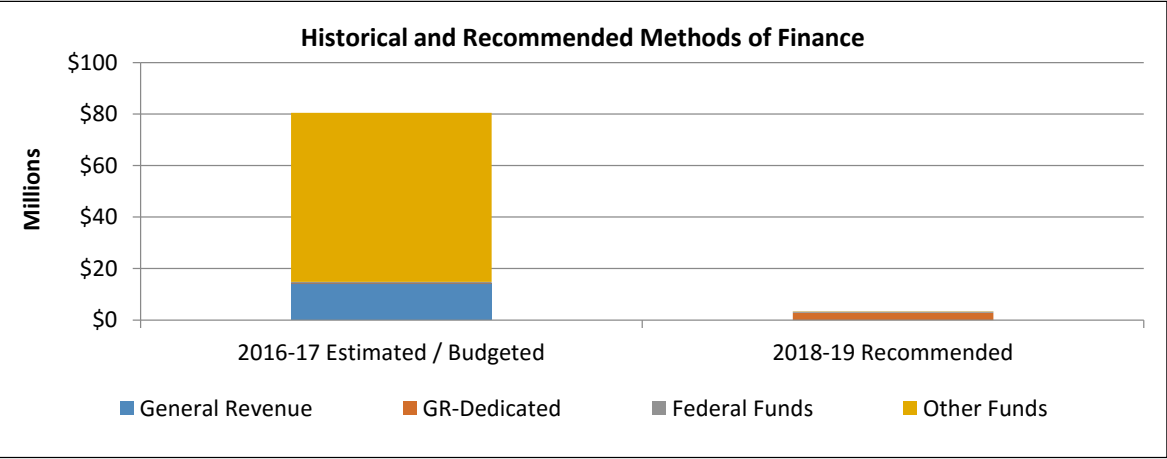
Agency Ranking 32 out of 33

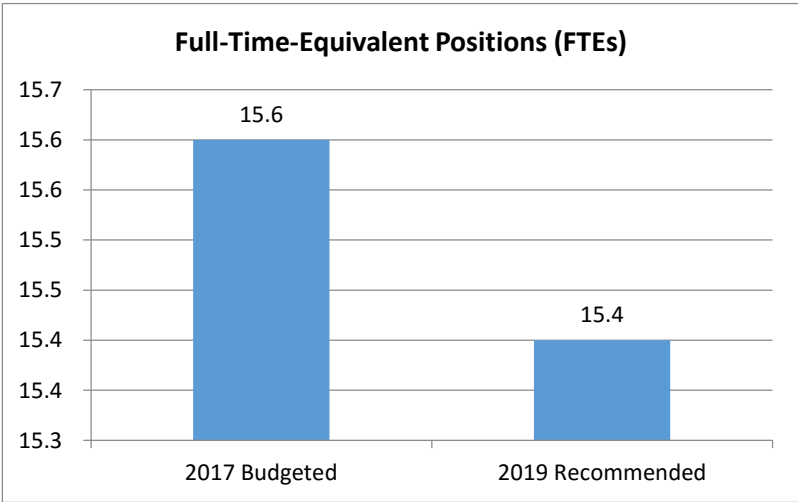
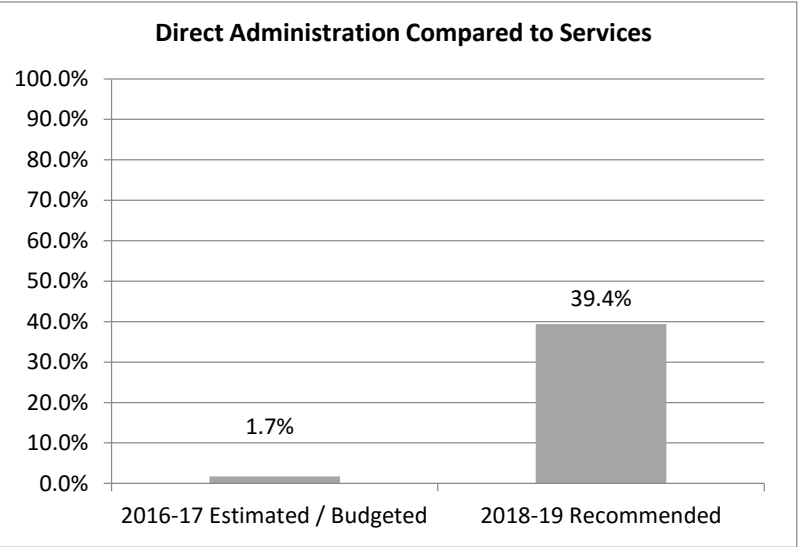
Works with health care providers and communities to improve access to care for the underserved, by recruiting and retaining providers to practice in federally designated shortage areas and expanding new and existing Federally Qualified Health Centers.

Legal Authority:	25 Texas Administrative Code Sections 13.1-13.3; Health and Safety Code Section 12.0127			Revenue Supported	Yes
Year Implemented	1985	Performance and/or		Appropriate Use of Constitutional and	
Authority	Strong	Operational Issues	N/A	General Revenue-Dedicated Funds	Compliant
Centrality	Moderate	Outsourced Services	N/A		
Service Area	Statewide	State Service(s)	Service Eligibility & Coordination		

Major Activities	2016-17 Estimated / Budgeted	2017 FTEs	2018-19 Recommended	2019 FTEs	% of Total
Texas Primary Care Transfer to HHSC	\$ 77,101,866	0.0	\$ -	0.0	0.0%
Public Health Professional Workforce	\$ 1,466,220	7.0	\$ 1,481,276	6.9	43.2%
Direct Administration	\$ 1,392,023	2.6	\$ 1,349,193	2.6	39.4%
HHSC Primary Health Care Services	\$ 596,362	6.0	\$ 596,620	5.9	17.4%
Total	\$ 80,556,471	15.6	\$ 3,427,089	15.4	100.0%

	2018-19 Recommended	% of Total
Funds Inside the State Treasury	\$ 3,427,089	100%
Total	\$ 3,427,089	100.0%





Summary of Recommendations and Fiscal and Policy Issues

- The Texas Primary Care Office (TPCO) works with health care providers and communities to improve access to primary care, dental, and mental health services for people living in underserved areas. TPCO provides shortage designation oversight and works with the federal Health Resources and Services Administration (HRSA) to identify shortage areas or update shortage area designations.

The program also recruits, via various loan repayment programs and the Texas Conrad 30 J-1 Visa Waiver, healthcare workers to practice in federally designated shortage areas and works to expand existing Federally Qualified Health Centers (FQHCs). Funding for programs is provided by HRSA and the State of Texas.
- Major program activities have not changed, but the program’s scope has fluctuated depending on the funding available through different grant cycles.
- The agency did not report any performance measures or results for this program.

Recommended Statutory Changes for Program Improvement

- DSHS did not identify any statutory changes which would lead to program improvement.

Enhancement Opportunities

- DSHS did not identify any enhancement opportunities for this program.

Challenges to Operation of Program

- DSHS did not identify any challenges to program operation.

Department of State Health Services
Strategic Fiscal Review Appendix 6ag: Program Summary - Senate

Program: Health Care Professionals

Agency Ranking 33 out of 33

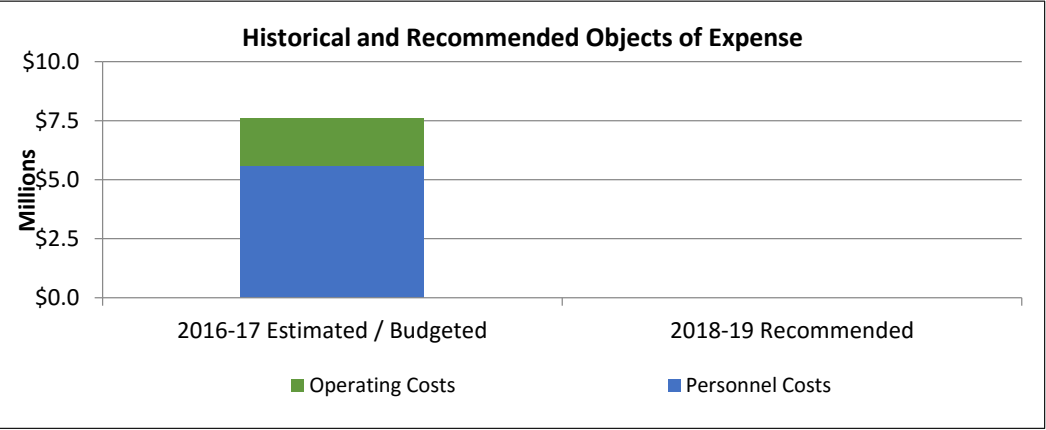
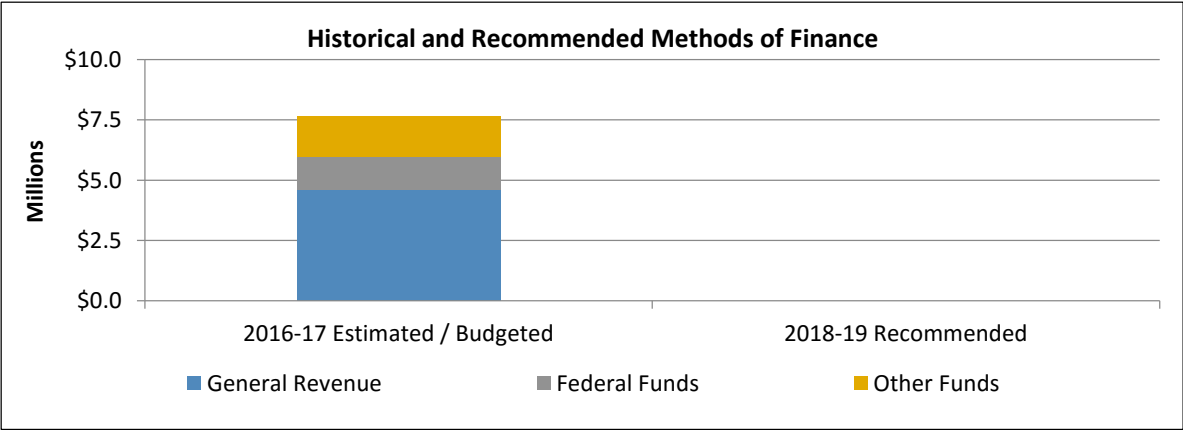
Provides licenses, registrations, and certifications; investigates complaints; and takes enforcement action as necessary to promote compliance and protect patients and clients.

Legal Authority: 25 Texas Administrative Code Chapter 140
 Alcoholic Beverage Code Section 106.115;
 Code of Criminal Procedure Article 42.12 Sec. 13(h);
 Occupations Code Chapters 455, 1952, 1953;
 Transportation Code Chapter 521

Year Implemented	1966	Performance and/or		Revenue Supported	Yes
Authority	Moderate	Operational Issues	No	Appropriate Use of Constitutional and	
Centrality	Weak	Outsourced Services	N/A	General Revenue-Dedicated Funds	N/A
Service Area	Statewide	State Service(s)	Business & Workforce Development & Regulation		

Major Activities	2016-17 Estimated / Budgeted	2017 FTEs	2018-19 Recommended	2019 FTEs	% of Total
Health Care Professionals Transfer to HHSC	\$ 4,014,228	50.2	\$ -	0.0	
Sanitarians, Code Enforcement, Massage	\$ 2,433,264	19.2	\$ -	0.0	
Direct Administration	\$ 1,182,378	1.8	\$ -	0.0	
Total	\$ 7,629,870	71.2	\$ -	0.0	

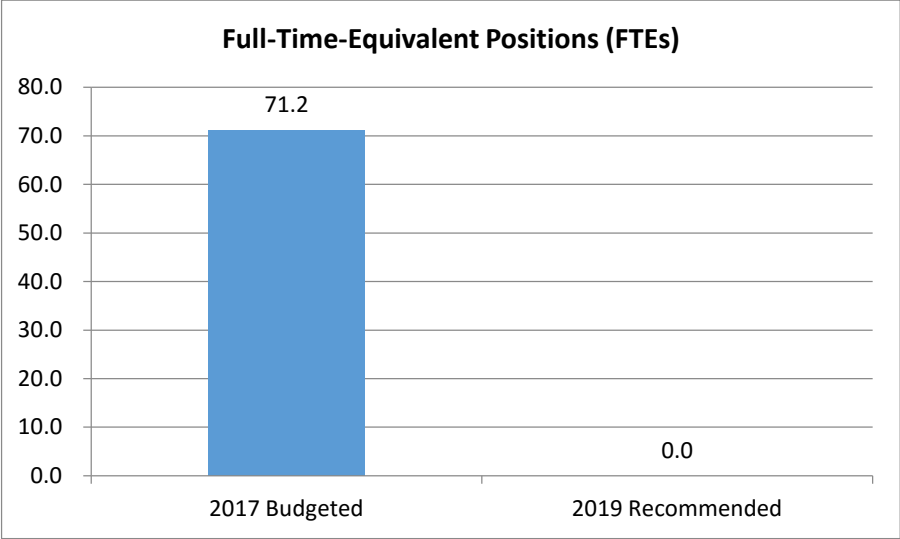
	2018-19 Recommended	% of Total
Funds Inside the State Treasury	\$ -	
Total	\$ -	



Program: Health Care Professionals

Agency
Ranking

33 out of 33



Summary of Recommendations and Fiscal and Policy Issues

1 This program licenses, registers, or certifies certain health professions. In accordance with Senate Bills 200 and 202, Eighty-fourth Legislature, 2015, most professions regulated by this program have been or will be transferred to the Texas Medical Board, the Texas Department of Licensing and Regulation, and the Health and Human Services Commission by September 1, 2017. The sole health care related regulatory function at DSHS will be Emergency Medical professions, which is moving to the Emergency Medical Services program. Therefore, no health care professionals will be regulated under this program during the 2018-19 biennium.

Department of State Health Services
Strategic Fiscal Review Appendix 6ah: Program Summary - Senate

Program: Agency Wide Information Technology Projects

Agency
Ranking

N/A

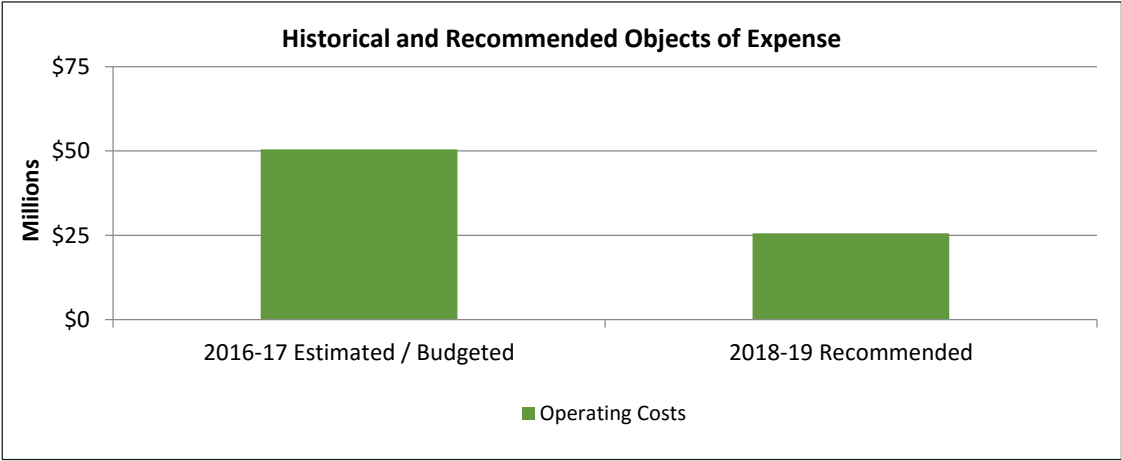
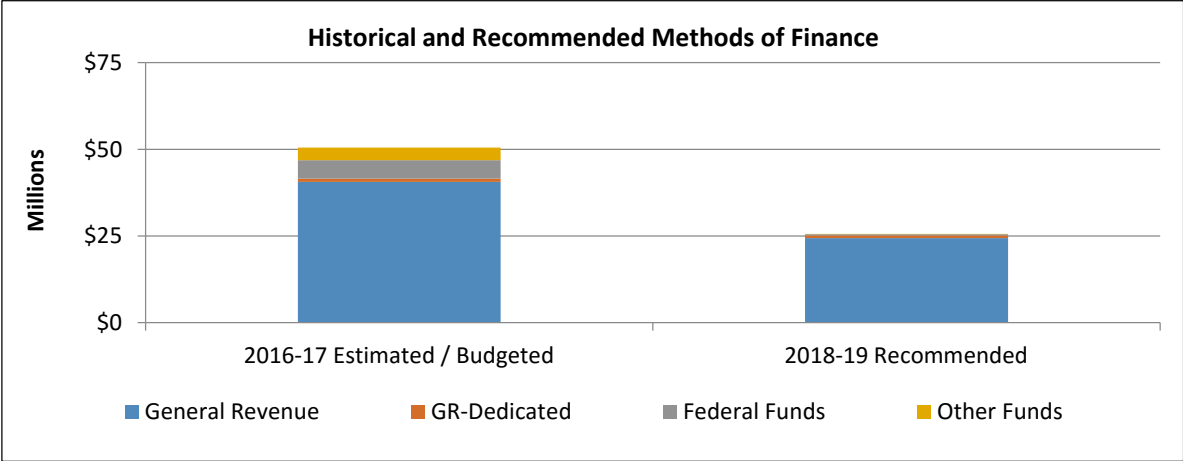
Provides a managed desktop computing environment and data center services for the agency.

Legal Authority: None identified

Year Implemented	2018	Performance and/or		Revenue Supported	No
Authority	N/A	Operational Issues	N/A	Appropriate Use of Constitutional and	
Centrality	N/A	Outsourced Services	N/A	General Revenue-Dedicated Funds	Qualified
Service Area	Statewide	State Service(s)	State Government Administration & Support		

Major Activities	2016-17 Estimated / Budgeted	2017 FTEs	2018-19 Recommended	2019 FTEs	% of Total
Data Center Services and Seat Management	\$ 50,488,260	0.0	\$ 25,591,179	0.0	100.0%
Total	\$ 50,488,260	0.0	\$ 25,591,179	0.0	100.0%

	2018-19 Recommended	% of Total
Funds Inside the State Treasury	\$ 25,591,179	100%
Total	\$ 25,591,179	100.0%



Program: Agency Wide Information Technology Projects

Agency Ranking	<div>N/A</div>
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Summary of Recommendations and Fiscal and Policy Issues

- 1 The Agency Wide Information Technology Projects program consists of data center services (DCS) and seat management activities. DCS includes transferring agency data to state data centers; upgrades to current technology, including server hardware and software, in a controlled and documented environment; integrated DCS private community cloud with public government cloud options in the consolidated data centers; server storage and consolidation; and network management of state data centers. This was previously spread across multiple programs and will be consolidated into a single strategy in fiscal year 2018.
- 2 The agency did not report any performance measures or results for this program.

Recommended Statutory Changes for Program Improvement

- 1 DSHS did not identify any statutory changes which would lead to program improvement.

Enhancement Opportunities

- 1 DSHS did not identify any enhancement opportunities for this program.

Challenges to Operation of Program

- 1 DSHS did not identify any challenges to program operation.

Department of State Health Services
Strategic Fiscal Review Appendix 6ai: Program Summary - Senate

Program: Central Administration

Agency Ranking N/A

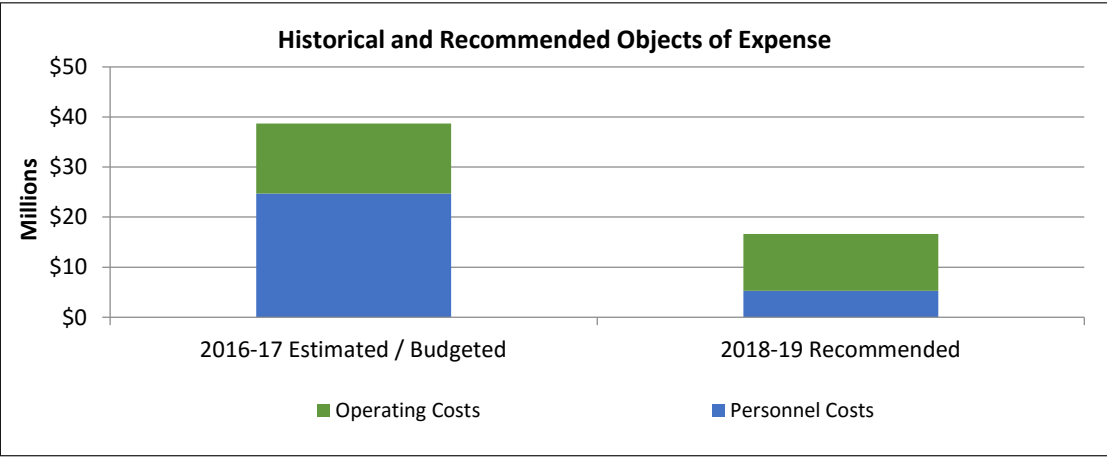
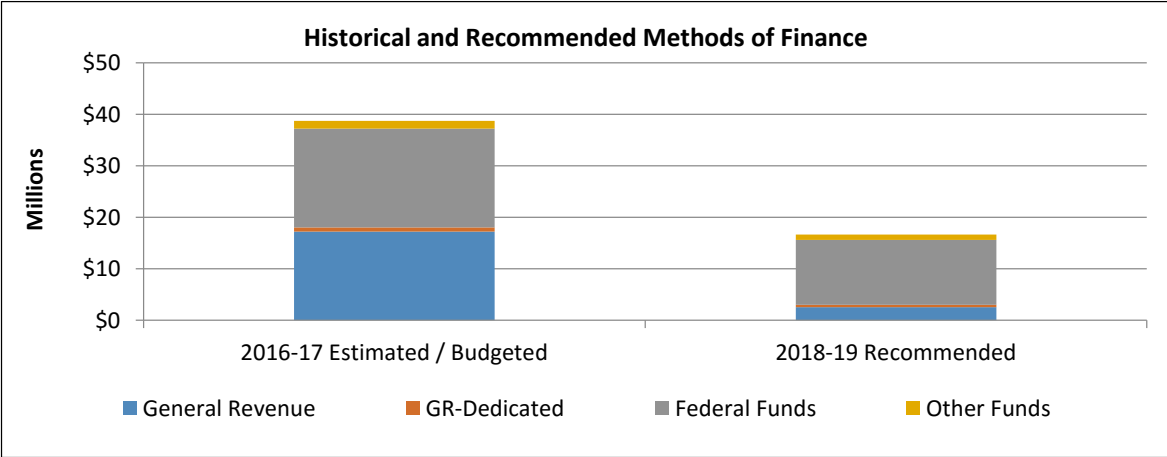
Supports all agency programs through directing and managing agency-wide operations, establishing and administering overall agency policy, and directing and managing business and fiscal operations.

Legal Authority: Health and Safety Code Chapter 1001

Year Implemented	1879	Performance and/or		Revenue Supported	Yes
Authority	N/A	Operational Issues	No	Appropriate Use of Constitutional and	
Centrality	N/A	Outsourced Services	Partial	General Revenue-Dedicated Funds	Qualified
Service Area	Statewide	State Service(s)	State Government Administration & Support		

Major Activities	2016-17 Estimated / Budgeted	2017 FTEs	2018-19 Recommended	2019 FTEs	% of Total
Financial Services	\$ 22,471,843	119.9	\$ 11,181,286	44.0	67.3%
Public Health Coordination	\$ 4,485,567	18.8	\$ 1,993,108	7.4	12.0%
Internal Audit	\$ 2,690,223	16.0	\$ -	0.0	0.0%
Office of General Counsel	\$ 2,655,524	16.0	\$ -	0.0	0.0%
All Other Activities	\$ 6,415,685	24.5	\$ 3,447,799	10.0	20.7%
Total	\$ 38,718,842	195.2	\$ 16,622,193	61.4	100.0%

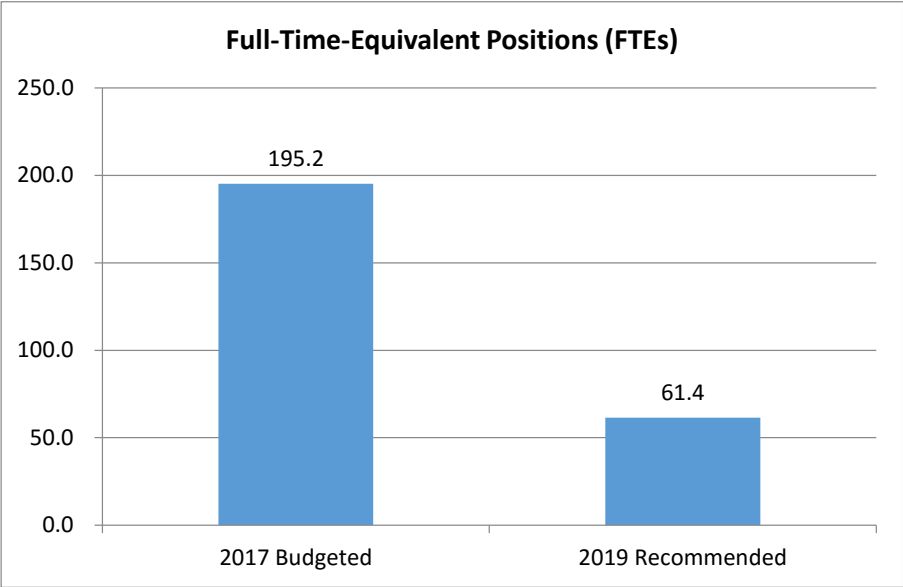
	2018-19 Recommended	% of Total
Funds Inside the State Treasury	\$ 16,622,193	100%
Total	\$ 16,622,193	100.0%



Program: Central Administration

Agency
Ranking

N/A



Summary of Recommendations and Fiscal and Policy Issues

- 1 Central Administration provides support on an agency wide basis to all DSHS programs by establishing and administering DSHS policy and directing and managing business and fiscal operations. The program includes the Office of the DSHS Commissioner, the Chief Financial Officer, and the Associate Commissioner for Program Operations.
- 2 The agency did not report any performance measures or results for this program. The agency indicates it has implemented a re-organization plan including milestones showing completion of significant steps in the HHSC transformation process.
- 3 DSHS indicated internal audits associated with central administration have been addressed by management, but provided no details regarding how audit findings were addressed. The agency also indicated State Auditors Office audit recommendations for improving payroll and accounting functions were being implemented by the agency, but again provided no detail about implementation.

Recommended Statutory Changes for Program Improvement

- 1 DSHS did not identify any statutory changes which would lead to program improvement.

Enhancement Opportunities

- 1 DSHS did not identify any enhancement opportunities for this program.

Challenges to Operation of Program

- 1 DSHS did not identify any challenges to program operation.

Department of State Health Services
Strategic Fiscal Review Appendix 6aj: Program Summary - Senate

Program: Information Technology Program Support

Agency Ranking	N/A
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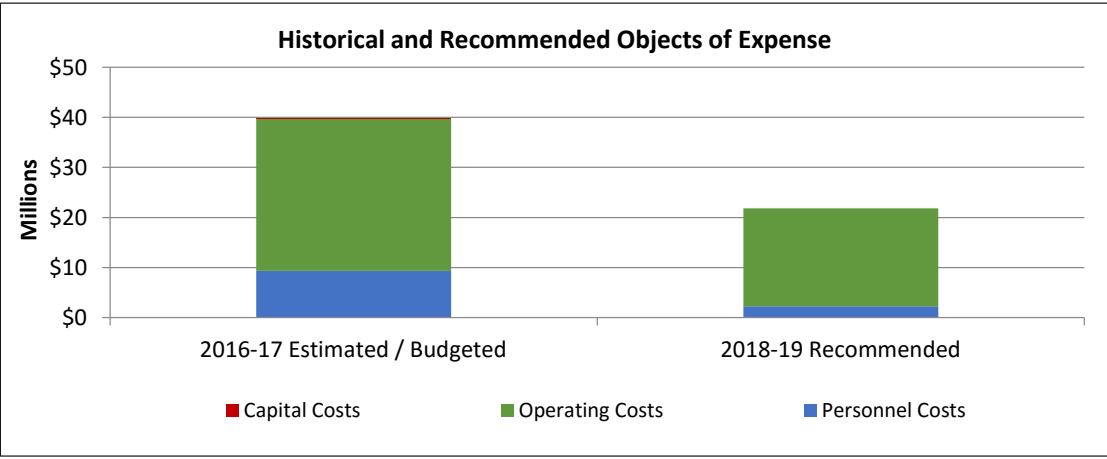
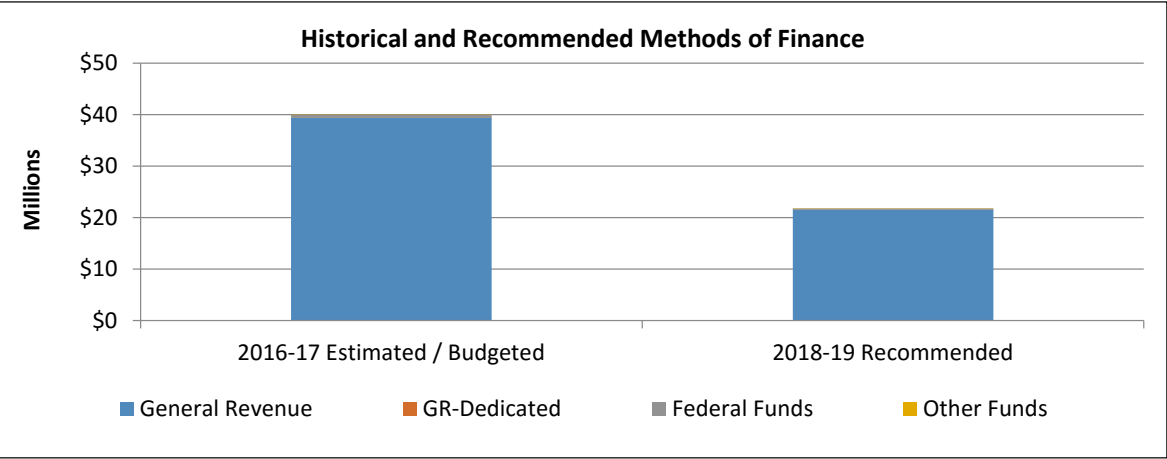
Implements and supports the automation and management of information resources throughout the agency. Provides support to the technology infrastructure consisting of local area network systems connected via an area wide network accessed agency wide.

Legal Authority: None identified

Year Implemented	1981	Performance and/or		Revenue Supported	No
Authority	N/A	Operational Issues	No	Appropriate Use of Constitutional and	
Centrality	N/A	Outsourced Services	Partial	General Revenue-Dedicated Funds	Qualified
Service Area	Statewide	State Service(s)	State Government Administration & Support		

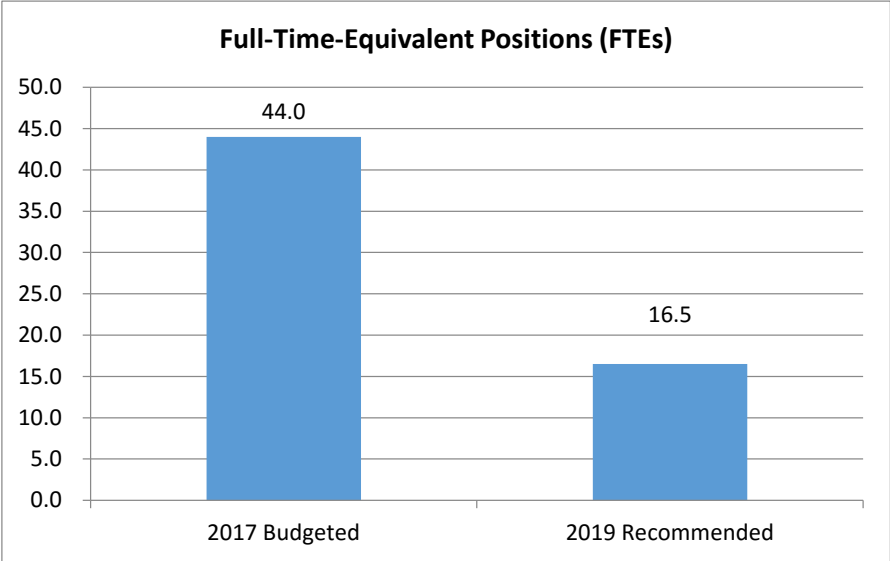
Major Activities	2016-17 Estimated / Budgeted	2017 FTEs	2018-19 Recommended	2019 FTEs	% of Total
Centralized Information Technology Support	\$ 39,930,479	44.0	\$ 21,799,348	16.5	100.0%
Total	\$ 39,930,479	44.0	\$ 21,799,348	16.5	100.0%

	2018-19 Recommended	% of Total
Funds Inside the State Treasury	\$ 21,799,348	100%
Total	\$ 21,799,348	100.0%



Program: Information Technology Program Support

Agency Ranking	N/A
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Summary of Recommendations and Fiscal and Policy Issues

- 1 The Information Technology (IT) Program Support program provides project management, application development and support, network management and operational support, help desk, internet security, quality assurance and planning services, and information resources procurement review, among other activities.
- 2 The agency did not report any performance measures or results for this program.
- 3 According to the agency, a follow-up report of DSHS Laboratory Services Internal Audits, issued in fiscal year 2013, identified 10 recommendations related to IT lab services and general eligibility processing. Recommendations included that the laboratory management should resolve system incompatibility issues to successfully process billing, that contractors should better verify patient's third-party eligibility prior to charging in the program to ensure proper Medicaid reimbursement, and periodically verifying that billing is consistent with current fee schedules. The agency reports that all recommendations have either been fully or substantially implemented.

Recommended Statutory Changes for Program Improvement

- 1 DSHS did not identify any statutory changes which would lead to program improvement.

Enhancement Opportunities

- 1 DSHS did not identify any enhancement opportunities for this program.

Challenges to Operation of Program

- 1 Identified by DSHS: Information Technology strives to comply with Section 508 of the Rehabilitation Act of 1973 to ensure DSHS systems/websites for citizens and employees have accessible work-related and public health information. Accessibility is important for the public and employees; however, compliance to ensure all systems are accessible can be challenging and add time to IT projects.

Department of State Health Services
Strategic Fiscal Review Appendix 6ak: Program Summary - Senate

Program: Other Support Services

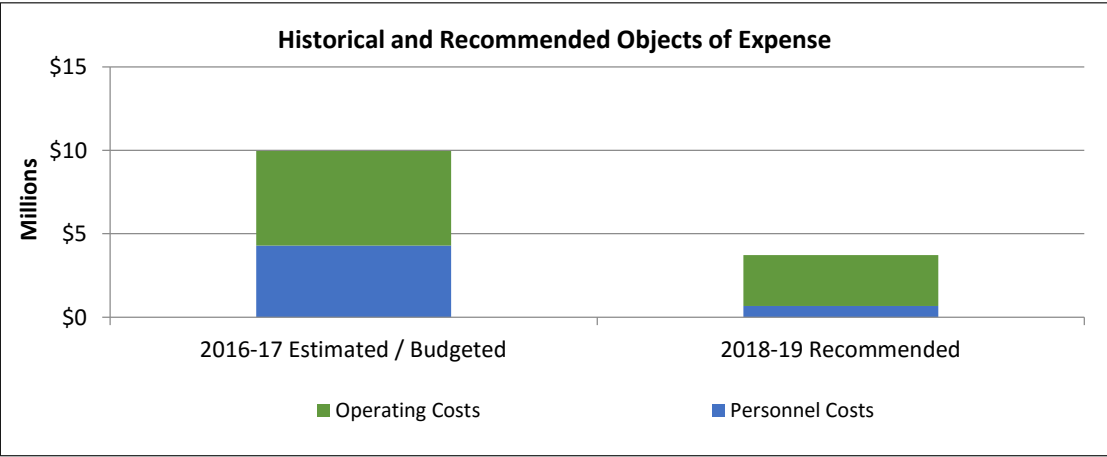
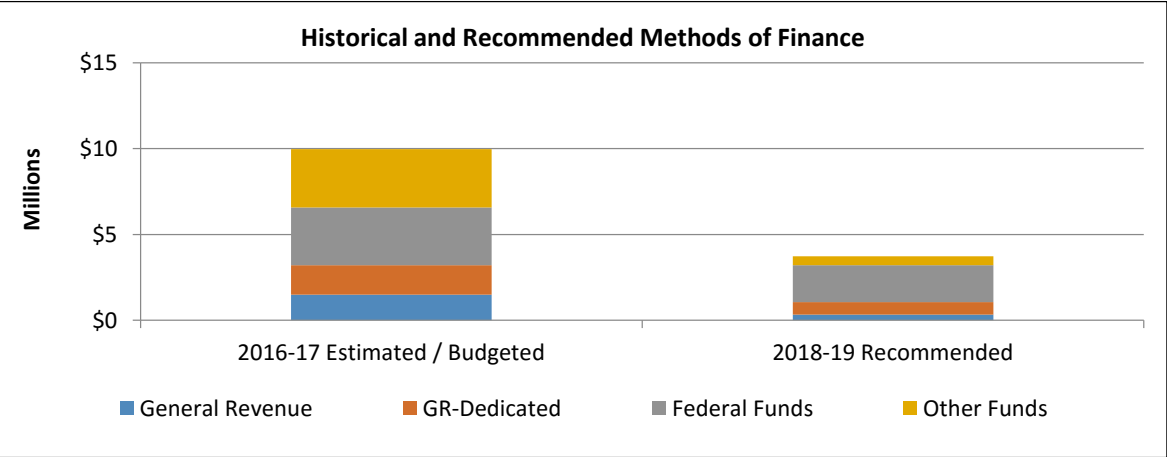
Agency Ranking N/A

Provides operational support including facilities management, mail distribution and services, management and maintenance of physical assets and material resources.

Legal Authority:	None identified		
Year Implemented	1879	Performance and/or	Revenue Supported
Authority	N/A	Operational Issues	No
Centrality	N/A	Outsourced Services	Appropriate Use of Constitutional and
Service Area	Statewide	State Service(s)	General Revenue-Dedicated Funds
			Qualified
		State Government Administration & Support	

Major Activities	2016-17 Estimated / Budgeted	2017 FTEs	2018-19 Recommended	2019 FTEs	% of Total
Other Support Services	\$ 9,963,443	24.5	\$ 3,718,250	9.6	100.0%
Total	\$ 9,963,443	24.5	\$ 3,718,250	9.6	100.0%

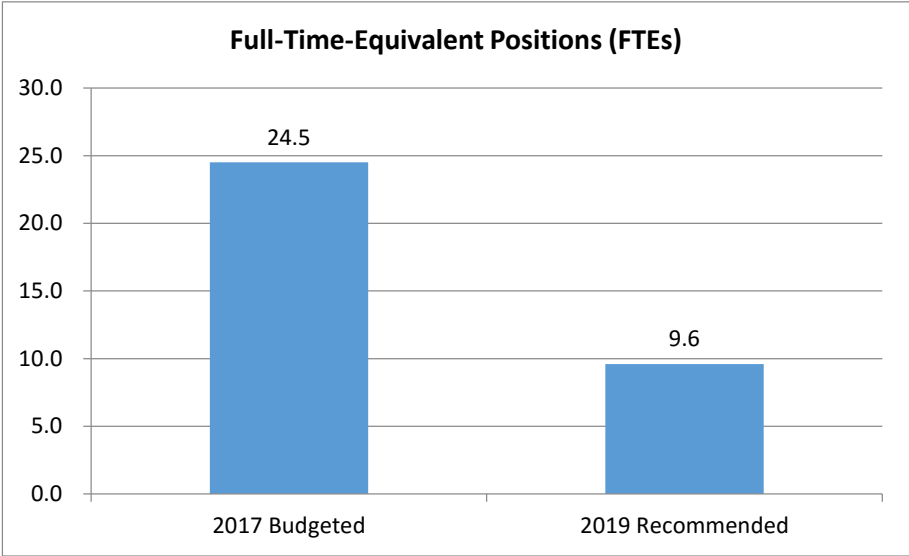
	2018-19 Recommended	% of Total
Funds Inside the State Treasury	\$ 3,718,250	100%
Total	\$ 3,718,250	100.0%



Program: Other Support Services

Agency
Ranking

N/A



Summary of Recommendations and Fiscal and Policy Issues

- 1 The agency did not report any performance measures or results for this program. No audits or reports were identified by the agency. The agency indicates it has implemented a re-organization plan including milestones showing completion of significant steps in the HHSC transformation process.

Recommended Statutory Changes for Program Improvement

- 1 DSHS did not identify any statutory changes which would lead to program improvement.

Enhancement Opportunities

- 1 DSHS did not identify any enhancement opportunities for this program.

Challenges to Operation of Program

- 1 Identified by DSHS: In DSHS' LAR it was stated that funding for the Other Support Services program directly affects the outcomes and outputs listed in the agency's other programs. This program includes those administrative costs which are both common for a large state agency and those unique to DSHS. Because of the relationship between this and the department's other programs, changes in funding for this program can affect other programs.

Department of State Health Services
Strategic Fiscal Review Appendix 6a: Program Summary - Senate

Program: Regional Administration

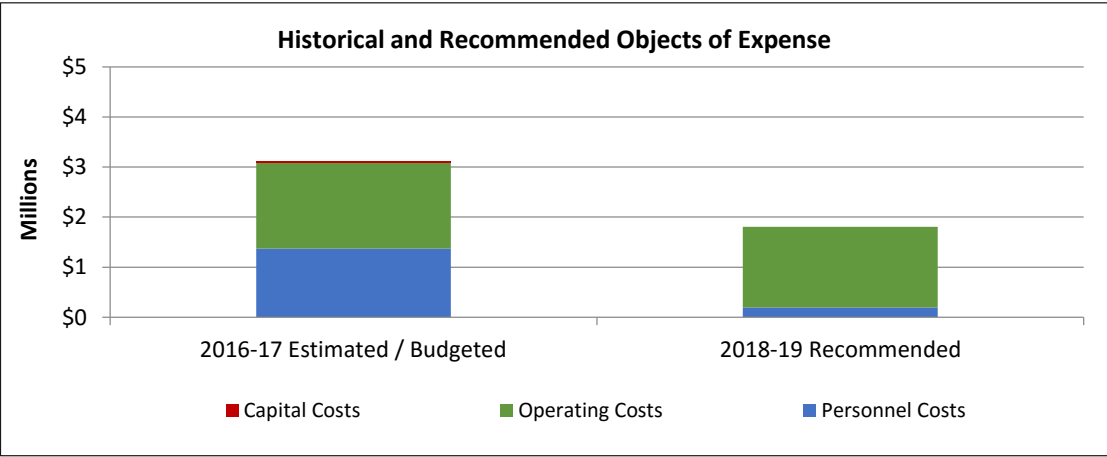
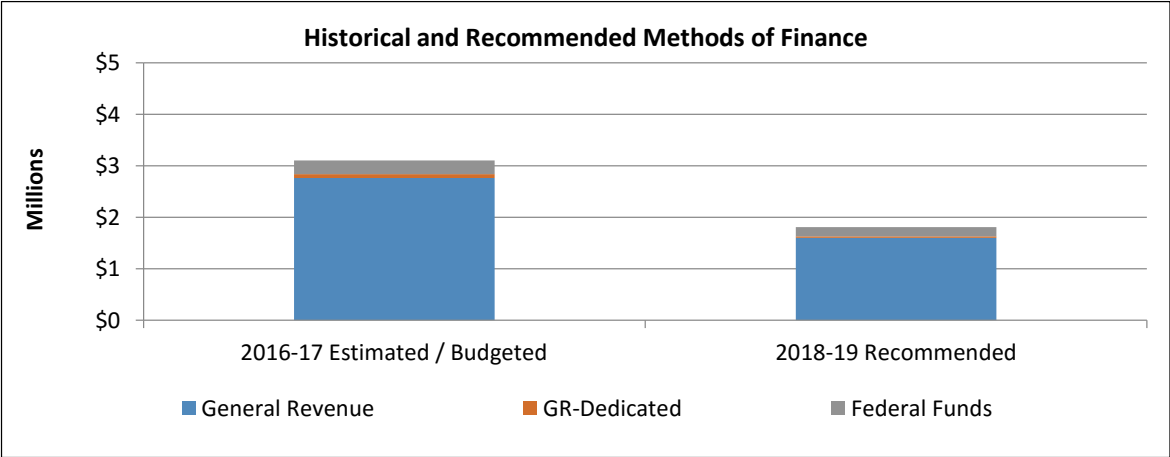
Agency Ranking N/A

Provides infrastructure support for the eight Regional offices. Assists with community needs assessments, manages contracts and provides public health services.

Legal Authority:	None identified		
Year Implemented	1970	Performance and/or	Revenue Supported
Authority	N/A	Operational Issues	No
Centrality	N/A	Outsourced Services	Appropriate Use of Constitutional and
Service Area	Statewide	State Service(s)	General Revenue-Dedicated Funds
			Qualified
	State Government Administration & Support		

Major Activities	2016-17 Estimated / Budgeted	2017 FTEs	2018-19 Recommended	2019 FTEs	% of Total
Regional Administration	\$ 3,106,389	5.9	\$ 1,805,807	2.5	100.0%
Total	\$ 3,106,389	5.9	\$ 1,805,807	2.5	100.0%

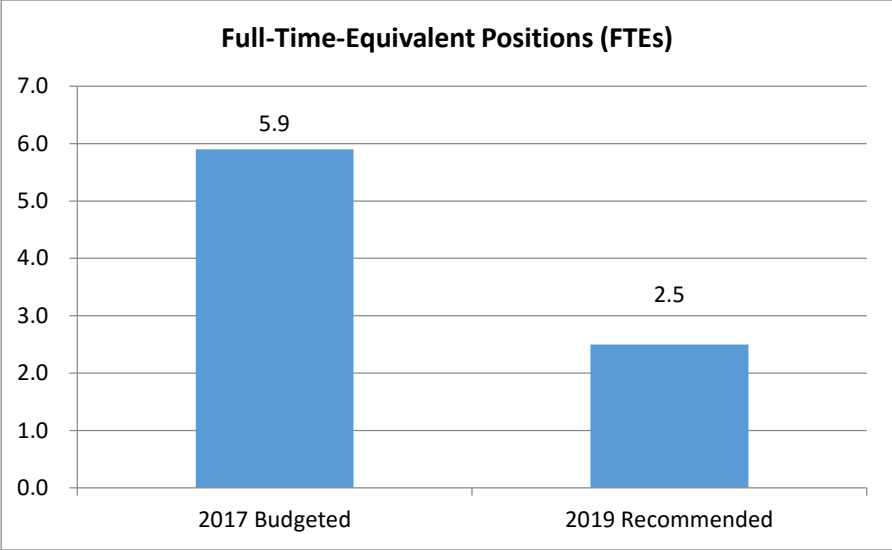
	2018-19 Recommended	% of Total
Funds Inside the State Treasury	\$ 1,805,807	100%
Total	\$ 1,805,807	100.0%



Program: Regional Administration

Agency
Ranking

N/A



Summary of Recommendations and Fiscal and Policy Issues

- 1
- Regional Administration manages infrastructure support for the eight Public Health Regional offices in Arlington (Abilene), El Paso (Midland), Harlingen, Houston, Lubbock, San Antonio, Temple and Tyler. Each regional office has a team that provides coordinated support to program staff conducting activities to protect and improve public health throughout Texas and serving as the local health department in those areas where there is none. The regional management teams provide support to local health departments, provide regional public health leadership, develop local public health partnerships, assist with community needs assessments, manage contracts with local jurisdictions, and provide public health services for customers and consumers. These activities are intended to support local health department efforts to treat contagious diseases, identify possible biological agents, and address public health needs.
- 2
- The agency did not report any performance measures or results for this program. No audits or reports are identified by the agency for this program. The agency indicates it has implemented a re-organization plan including milestones showing completion of significant steps in the HHSC transformation process.

Recommended Statutory Changes for Program Improvement

- 1
- DSHS did not identify any statutory changes which would lead to program improvement.

Enhancement Opportunities

- 1
- DSHS did not identify any enhancement opportunities for this program.

Challenges to Operation of Program

- 1
- Identified by DSHS: In DSHS' LAR it was stated that regional administration is directly responsible for the infrastructure necessary to support DSHS regional offices. Without this support, the agency would not be able to provide technical assistance, collaboration on community public health needs, and serve in a consultative manner to local health departments, or act as the local public health

Department of State Health Services
Strategic Fiscal Review Appendix 6am: Program Summary - Senate

Program: Texas.Gov

Agency Ranking N/A

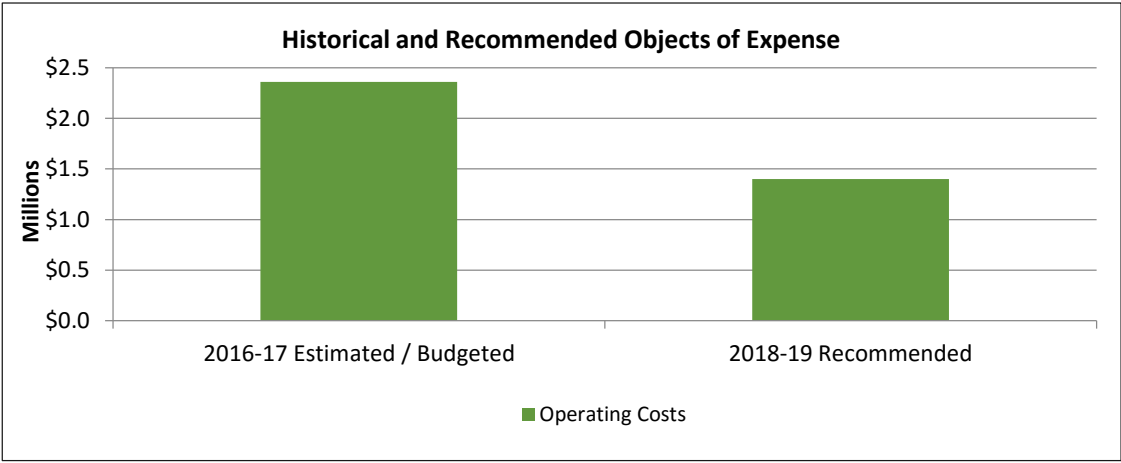
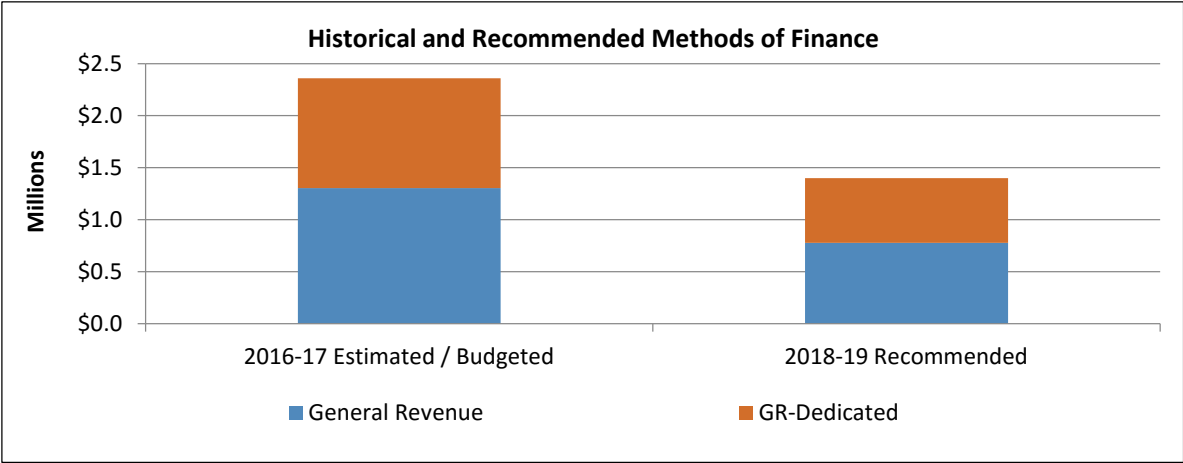
Provides an electronic infrastructure which citizens of Texas, state agencies and local governments can use to register and renew licenses.

Legal Authority: Government Code Section 2054.252

Year Implemented	2007	Performance and/or		Revenue Supported	No
Authority	N/A	Operational Issues	N/A	Appropriate Use of Constitutional and	
Centrality	N/A	Outsourced Services	N/A	General Revenue-Dedicated Funds	Qualified
Service Area	Statewide	State Service(s)	Business & Workforce Development & Regulation		

Major Activities	2016-17 Estimated / Budgeted	2017 FTEs	2018-19 Recommended	2019 FTEs	% of Total
Texas.Gov	\$ 2,359,612	0.0	\$ 1,400,000	0.0	100.0%
Total	\$ 2,359,612	0.0	\$ 1,400,000	0.0	100.0%

	2018-19 Recommended	% of Total
Funds Inside the State Treasury	\$ 1,400,000	100%
Total	\$ 1,400,000	100.0%



Summary of Recommendations and Fiscal and Policy Issues

- 1 Texas.gov is a website used by many agencies across the state to conduct state business with the public in one place. DSHS' use of Texas.Gov establishes a place through which citizens of Texas, state agencies and local governments are able to register and renew some of DSHS Regulatory program licenses, including licensing entities. Government Code, Section 2054.252 authorizes DSHS to increase license, permit, and registration fees by an amount sufficient to cover the cost of the subscription fee charged by the Texas.Gov authority for the electronic services. In fiscal year 2016, the agency had 419,761 transactions take place through Texas.gov. The programs at DSHS which use the site include Vital Statistics, Food (Meat) and Drug Safety, Environmental Health, Radiation Control, and Health Care Professionals.
- 2 DSHS funds its use of Texas.Gov through the use of both General Revenue and General Revenue – Dedicated funds. The program is projected to cost \$1.4 million in All Funds in fiscal year 2018 with \$0.8 million from General Revenue and the remainder from five General Revenue – Dedicated Funds.
- 3 The agency did not report any performance measures or results for this program.

Recommended Statutory Changes for Program Improvement

- 1 DSHS did not identify any statutory changes which would lead to program improvement.

Enhancement Opportunities

- 1 DSHS did not identify any enhancement opportunities for this program.
- 2 Identified by LBB staff: A measure of the percent of transactions completed online could encourage the use of Texas.Gov to improve efficiency of operations.

Challenges to Operation of Program

- 1 DSHS did not identify any challenges to program operation.

**Department of State Health Services
Appendices**

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Department of State Health Services
Funding Changes and Recommendations by Strategy -- ALL FUNDS - Senate

Strategy/Goal	2016-17 Base	2018-19 Recommended	Biennial Change	% Change	Comments
PUBLIC HEALTH PREP. & COORD. SVCS A.1.1	\$160,736,399	\$130,879,733	(\$29,856,666)	(18.6%)	Recommendations include: 1) \$16.0 million decrease in Federal Funds for hospital and public health emergency preparedness programs related to the Ebola virus. 2) \$12.1 million decrease in other Federal Funds, primarily related to public health emergency preparedness activities. 3) Method of finance swap of \$2.7 million. Decrease in General Revenue-Dedicated Account No. 5045 (Permanent Fund for Children and Public Health) due to anticipated decreased interest earnings in Tobacco Settlement Funds offset by an increase of the same amount in General Revenue to fund prevention and intervention activities which improve health outcomes for children and the public and for providing grants to local communities to address public health priorities. 4) \$0.8 million decrease in General Revenue primarily for the following onetime capital projects: Syndromic Surveillance IT project (\$0.6 million) and purchase of vehicles (\$0.2 million). 5) \$0.4 million decrease in General Revenue due to decreased Earned Federal Funds (EFF) collections. 6) \$0.3 million decrease in General Revenue for building repair and renovations. 7) \$0.3 million decrease due to agency request to reallocate funding to Strategy A.1.4 Border Health and Colonias for program operating costs. 8) \$0.1 million increase in General Revenue-Related funds due to a transfer from Strategy D.1.1 Agency Wide IT Projects due to decreased DCS and Seat Management need.

Department of State Health Services
Funding Changes and Recommendations by Strategy -- ALL FUNDS - Senate

Strategy/Goal	2016-17 Base	2018-19 Recommended	Biennial Change	% Change	Comments
VITAL STATISTICS A.1.2	\$35,872,395	\$30,075,334	(\$5,797,061)	(16.2%)	<p>Recommendations include:</p> <p>1) \$3.5 million decrease in Appropriated Receipts, primarily related to credit card and electronic service fees collected for online orders of certified copies of vital records, used for the TxEver project.</p> <p>2) \$1.1 million decrease, primarily in General Revenue-Related funds, for salaries and other personnel costs, due to a reduction in the FTE cap to account for average vacancy rate during fiscal year 2016, including a reduction of 10.9 FTEs.</p> <p>3) \$0.8 million decrease in General Revenue-Dedicated Account No. 19 (Vital Statistics Account) for shipping and Texas Electronic Registry support and maintenance as part of the agency-identified 4.0 percent General Revenue-Related reduction.</p> <p>4) \$0.4 million decrease in General Revenue for a onetime capital project: Vital Statistics Unit Modification of the Texas Electronic Registry.</p> <p>5) \$0.1 million decrease in Interagency Contracts.</p>
HEALTH REGISTRIES A.1.3	\$27,554,229	\$27,598,668	\$44,439	0.2%	<p>Recommendations include:</p> <p>1) \$1.3 million decrease, primarily in General Revenue-Related funds, for salaries and other personnel costs, due to a reduction in the FTE cap to account for average vacancy rate during fiscal year 2016, including a reduction of 12.6 FTEs.</p> <p>2) \$1.0 million increase in General Obligation Bond Proceeds transferred from CPRIT for benefits for 29.0 Cancer Registry FTEs.</p> <p>3) \$0.4 million increase in Federal Funds, primarily related to public health surveillance and research.</p> <p>4) \$0.1 million decrease in General Revenue due to decreased Earned Federal Funds (EFF) collections.</p>

Department of State Health Services
Funding Changes and Recommendations by Strategy -- ALL FUNDS - Senate

Strategy/Goal	2016-17 Base	2018-19 Recommended	Biennial Change	% Change	Comments
BORDER HEALTH AND COLONIAS A.1.4	\$3,492,756	\$4,256,755	\$763,999	21.9%	Recommendations include: 1) \$0.7 million increase in General Revenue due to transfer from HHSC for the Office of Border Affairs pursuant to Senate Bill 200, Eighty-fourth Legislature, 2015, including an increase of 8.0 FTEs. 2) \$0.3 million increase due to agency request to reallocate funding from Strategy A.1.1 Public Health Preparedness for program operating costs. 3) \$0.2 million decrease, primarily in General Revenue-Related funds, for salaries and other personnel costs, due to a reduction in the FTE cap to account for average vacancy rate during fiscal year 2016, including a reduction of 2.2 FTEs.
HEALTH DATA AND STATISTICS A.1.5	\$9,475,382	\$7,623,080	(\$1,852,302)	(19.5%)	Recommendations include: 1) \$0.9 million decrease in General Revenue for training and software enhancement as part of the agency-identified 4.0 percent General Revenue-Related reduction. 2) \$0.6 million decrease, primarily in General Revenue-Related funds, for salaries and other personnel costs, due to a reduction in the FTE cap to account for average vacancy rate during fiscal year 2016, including a reduction of 7.0 FTEs. 3) \$0.3 million decrease in Federal Funds, primarily related to the Behavioral Risk Factor Surveillance System.

Department of State Health Services
Funding Changes and Recommendations by Strategy -- ALL FUNDS - Senate

Strategy/Goal	2016-17 Base	2018-19 Recommended	Biennial Change	% Change	Comments
IMMUNIZE CHILDREN & ADULTS IN TEXAS A.2.1	\$191,175,283	\$179,603,691	(\$11,571,592)	(6.1%)	Recommendations include: 1) \$6.0 million decrease in General Revenue for immunization programs as part of the agency-identified 4.0 percent General Revenue-Related reduction. 2) \$2.1 million decrease in General Revenue for the following onetime capital projects: ImmTrac Replacement (\$1.7 million) and DCPS IDPS Move (\$0.4 million). 3) \$1.9 million decrease in Federal Funds for immunization programs. 4) \$1.5 million decrease, primarily in General Revenue-Related funds, for salaries and other personnel costs, due to a reduction in the FTE cap to account for average vacancy rate during fiscal year 2016, including a reduction of 14.0 FTEs. 5) \$0.4 million decrease in General Revenue due to decreased Earned Federal Funds (EFF) collections. 6) \$0.4 million increase in General Revenue-Related funds due to a transfer from Strategy D.1.1 Agency Wide IT Projects because of decreased DCS and Seat Management need.

Department of State Health Services
Funding Changes and Recommendations by Strategy -- ALL FUNDS - Senate

Strategy/Goal	2016-17 Base	2018-19 Recommended	Biennial Change	% Change	Comments
HIV/STD PREVENTION A.2.2	\$408,057,389	\$397,591,906	(\$10,465,483)	(2.6%)	Recommendations include: 1) \$5.8 million decrease in Appropriated Receipts for Vendor Drug Rebates due to a proposed rule change in the federal 340B Health Resources and Service Administration's drug pricing program. The proposed change would require the Texas AIDS Drug Assistance Program (ADAP) to pay patients' health insurance premium in order to receive pharmaceutical manufacturer rebates. 2) \$2.3 million decrease in Federal Funds, primarily for HIV prevention and surveillance. 3) \$1.4 million decrease in General Revenue due to decreased Earned Federal Funds (EFF) collections. 4) \$0.6 million decrease in General Revenue for building repair and renovations. 5) \$0.2 million decrease in General Revenue-Related due to a transfer to Strategy D.1.1 Agency Wide IT Projects due to increased DCS and Seat Management need. 6) \$0.1 decrease in General Revenue for a onetime capital project: Seat Management - Additional Need.

Department of State Health Services
Funding Changes and Recommendations by Strategy -- ALL FUNDS - Senate

Strategy/Goal	2016-17 Base	2018-19 Recommended	Biennial Change	% Change	Comments
INFECTIOUS DISEASE PREV/EPI/SURV A.2.3	\$68,169,636	\$25,472,235	(\$42,697,401)	(62.6%)	Recommendations include: 1) \$37.3 million decrease in federal Refugee Assistance funding due to Texas' withdraw from federal program, including a reduction of 5.0 FTEs. 2) \$3.3 million decrease in General Revenue for agency-identified items for the 4.0 percent General Revenue-Related Reduction, including: Ebola-related capital projects (\$1.7 million); the health care acquired infections program (\$1.0 million); and the skunk rabies program (\$0.6 million). 3) \$1.4 million decrease in Federal Funds, primarily for epidemiology and laboratory capacity related to the Ebola virus. 4) \$0.4 million decrease, primarily in General Revenue-Related funds, for salaries and other personnel costs, due to a reduction in the FTE cap because of the discontinuation of the Refugee Health Program. 5) \$0.3 million decrease in General Revenue due to decreased Earned Federal Funds (EFF) collections.

Department of State Health Services
Funding Changes and Recommendations by Strategy -- ALL FUNDS - Senate

Strategy/Goal	2016-17 Base	2018-19 Recommended	Biennial Change	% Change	Comments
TB SURVEILLANCE & PREVENTION A.2.4	\$57,953,710	\$55,349,592	(\$2,604,118)	(4.5%)	Recommendations include: 1) \$1.5 million decrease in Federal Funds due to anticipated completion of the Delivery System Reform Incentive Payment (DSRIP) project. 2) \$0.8 million decrease, primarily in General Revenue-Related funds, for salaries and other personnel costs, due to a reduction in the FTE cap to account for average vacancy rate during fiscal year 2016, including a reduction of 9.7 FTEs. 3) \$0.1 million decrease in General Revenue for building repair and renovations. 4) \$0.1 million decrease in General Revenue due to decreased Earned Federal Funds (EFF) collections. 5) \$0.1 million decrease in Federal Funds related to tuberculosis control.
CHRONIC DISEASE PREVENTION A.3.1	\$26,717,869	\$18,708,015	(\$8,009,854)	(30.0%)	Recommendations include: 1) \$0.8 million decrease in Federal Funds, primarily related to school health and preventative health programs. 2) \$7.0 million decrease in General Revenue for agency-identified items for the 4.0 percent General Revenue-Related reduction, including: chronic disease prevention programs (\$5.0 million) and potentially preventable hospitalizations program (\$2.0 million). 3) \$0.1 million decrease in Interagency Contracts. 4) \$0.1 million decrease in General Revenue due to decreased Earned Federal Funds (EFF) collections.

Department of State Health Services
Funding Changes and Recommendations by Strategy -- ALL FUNDS - Senate

Strategy/Goal	2016-17 Base	2018-19 Recommended	Biennial Change	% Change	Comments
REDUCE USE OF TOBACCO PRODUCTS A.3.2	\$24,065,068	\$16,215,294	(\$7,849,774)	(32.6%)	<p>Recommendations include:</p> <p>1) \$5.4 million decrease from General Revenue-Dedicated Account No. 5044 (Permanent Fund for Health and Tobacco Education) due to anticipated decreased interest earnings in the Tobacco Settlement Funds.</p> <p>2) \$2.0 million decrease in General Revenue for tobacco prevention, education and enforcement programs as part of the agency-identified 4.0 percent General Revenue-Related reduction.</p> <p>3) \$0.2 million decrease in Federal Funds, primarily related to the Tobacco Quitline and National Death Index.</p> <p>4) \$0.2 million decrease in General Revenue-Related due to a transfer to Strategy D.1.1 Agency Wide IT Projects due to increased DCS and Seat Management need.</p> <p>5) \$0.1 million decrease, primarily in General Revenue-Related funds, for salaries and other personnel costs, due to a reduction in the FTE cap to account for average vacancy rate during fiscal year 2016, including a reduction of 0.5 FTEs.</p>
CHILDREN WITH SPECIAL NEEDS A.3.3	\$53,854,960	\$20,132,438	(\$33,722,522)	(62.6%)	<p>Recommendations include:</p> <p>1) \$33.4 million decrease in All Funds due to transfer to HHSC pursuant to Senate Bill 200, Eighty-fourth Legislature, 2015, including a reduction on 34.6 FTEs.</p> <p>2) \$0.2 million decrease, primarily in General Revenue-Related funds, for salaries and other personnel costs, due to a reduction in the FTE cap to account for average vacancy rate during fiscal year 2016, including a reduction of 2.3 FTEs.</p>

**Department of State Health Services
Funding Changes and Recommendations by Strategy -- ALL FUNDS - Senate**

Strategy/Goal	2016-17 Base	2018-19 Recommended	Biennial Change	% Change	Comments
LABORATORY SERVICES A.4.1	\$121,020,793	\$140,756,159	\$19,735,366	16.3%	Recommendations include: 1) \$23.3 million increase in Public Health Medicaid Reimbursements (Other Funds) for newborn screenings. 2) Method of finance swap of \$11.2 million. Increase in General Revenue-Dedicated Account 524 (Public Health Services Fees) due to anticipated increased revenue collected from private-pay newborn screening tests. Offset by a \$11.2 million decrease in General Revenue. 3) Method of finance swap of \$4.1 million. Increase in funds from General Revenue-Dedicated Account No. 524 (Public Health Services Fee Account). Due to payoff of bond debt service, funds generated from lab testing are recommended to be appropriated for Laboratory Services. Recommendations include a reduction of the same amount in General Revenue to offset the General Revenue-Dedicated increase. 4) \$1.6 million decrease in General Revenue for Ebola lab safety and security projects as part of the agency-identified 4.0 percent General Revenue-Related reduction. 5) \$1.2 million decrease, primarily in General Revenue-Related funds, for salaries and other personnel costs, due to a reduction in the FTE cap to account for average vacancy rate during fiscal year 2016, including a reduction of 12.9 FTEs. 6) \$0.9 decrease in Federal Funds, primarily related to food safety testing.
LABORATORY (AUSTIN) BOND DEBT A.4.2	\$4,629,700	\$1,896,250	(\$2,733,450)	(59.0%)	Recommendations reflect a \$2.7 million decrease in funds from General Revenue-Dedicated Account No. 524 (Public Health Services Fee Account) due to payoff of laboratory bond debt service in fiscal year 2018.
Total, Goal A, PREPAREDNESS AND PREVENTION	\$1,192,775,569	\$1,056,159,150	(\$136,616,419)	(11.5%)	

Department of State Health Services
Funding Changes and Recommendations by Strategy -- ALL FUNDS - Senate

Strategy/Goal	2016-17 Base	2018-19 Recommended	Biennial Change	% Change	Comments
WOMEN & CHILDREN'S HEALTH SERVICES B.1.1	\$114,241,185	\$99,926,530	(\$14,314,655)	(12.5%)	Recommendations include: 1) \$13.7 million decrease in All Funds due to transfers to HHSC pursuant to Senate Bill 200, Eighty-fourth Legislature, 2015, including a reduction of 52.6 FTEs. 2) \$0.7 million decrease in General Revenue for the following onetime capital projects: Microsoft ESA Licensing Renewal (\$0.6 million); and Seat Management - Additional Need (\$0.1 million). 3) \$0.3 million increase in General Revenue-Related funds due to a transfer from Strategy D.1.1 Agency Wide IT Projects due to decreased DCS and Seat Management need. 4) \$0.3 million decrease in All Funds (\$0.2 million in General Revenue-Related funds), for salaries and other personnel costs, due to a reduction in the FTE cap to account for average vacancy rate during fiscal year 2016, including a reduction of 2.1 FTEs.
COMMUNITY PRIMARY CARE SERVICES B.1.2	\$80,556,471	\$3,427,089	(\$77,129,382)	(95.7%)	Recommendations include: 1) \$77.1 million decrease in All Funds due to transfers to HHSC pursuant to Senate Bill 200, Eighty-fourth Legislature, 2015, including a reduction of 9.5 FTEs. 2) Method of finance swap of \$2.6 million. Increase in General Revenue-Dedicated Account 524 (Public Health Services Fees) due to increased revenue from private-pay newborn screening tests. Offset by a \$2.6 million decrease in General Revenue.

Department of State Health Services
Funding Changes and Recommendations by Strategy -- ALL FUNDS - Senate

Strategy/Goal	2016-17 Base	2018-19 Recommended	Biennial Change	% Change	Comments
EMS AND TRAUMA CARE SYSTEMS B.2.1	\$352,498,441	\$352,024,908	(\$473,533)	(0.1%)	Recommendations include: 1) Method of finance swap of \$2.7 million. Decrease in General Revenue-Dedicated Account No. 5046 (Permanent Fund for EMS and Trauma Care Account) due to anticipated decreased interest earnings in Tobacco Settlement Funds, offset by an increase of the same amount in General Revenue to maintain 2016-17 spending levels. 2) \$0.3 million decrease, primarily in General Revenue-Related funds, for salaries and other personnel costs, due to a reduction in the FTE cap to account for average vacancy rate during fiscal year 2016, including a reduction of 3.4 FTEs. 3) \$0.1 million decrease in General Revenue-Related due to a transfer to Strategy D.1.1 Agency Wide IT Projects due to increased DCS and Seat Management need.
Total, Goal B, COMMUNITY HEALTH SERVICES	\$547,296,097	\$455,378,527	(\$91,917,570)	(16.8%)	
FOOD (MEAT) AND DRUG SAFETY C.1.1	\$50,305,429	\$50,152,435	(\$152,994)	(0.3%)	Recommendations include: 1) \$0.3 million decrease, primarily in General Revenue-Related funding, for salaries and other personnel costs, due to a reduction in the FTE cap to account for average vacancy rate during fiscal year 2016, including a reduction of 2.9 FTEs. 2) \$0.3 million increase in Federal Funds, primarily related to air pollution control. 3) \$0.1 million decrease in General Revenue for a onetime capital project: Purchase of vehicles. 4) \$0.1 million decrease in General Revenue due to decreased Earned Federal Funds (EFF) collections.

Department of State Health Services
 Funding Changes and Recommendations by Strategy -- ALL FUNDS - Senate

Strategy/Goal	2016-17 Base	2018-19 Recommended	Biennial Change	% Change	Comments
ENVIRONMENTAL HEALTH C.1.2	\$14,960,765	\$12,938,187	(\$2,022,578)	(13.5%)	Recommendations include: 1) \$1.1 million General Revenue-Revenue reduction related to mold assessors and remediators, which transferred to TDLR pursuant to Senate Bill 202, Eighty-fourth Legislature, 2015, including a reduction of 7.0 FTEs. 2) \$0.8 million decrease, primarily in General Revenue-Related funds, for salaries and other personnel costs, due to a reduction in the FTE cap to account for average vacancy rate during fiscal year 2016, including a reduction of 8.5 FTEs.
RADIATION CONTROL C.1.3	\$20,361,947	\$18,367,453	(\$1,994,494)	(9.8%)	Recommendations include: 1) \$1.6 million decrease due to onetime appropriation from General Revenue-Dedicated Account No. 5096 (Perpetual Care Fund) for radiation remediation in Houston. 2) \$0.4 million decrease, primarily in General Revenue-Related funds, for salaries and other personnel costs, due to reduction in the FTE cap to account for average vacancy rate during fiscal year 2016, including a reduction of 4.0 FTEs.
HEALTH CARE PROFESSIONALS C.1.4	\$7,629,870	\$0	(\$7,629,870)	(100.0%)	Recommendations include: 1) \$4.4 million decrease in All Funds due to transfer of certain regulatory functions to HHSC pursuant to Senate Bill 200, Eighty-fourth Legislature, 2015, including a reduction of 50.2 FTEs. 2) \$3.2 million decrease in All Funds (\$1.3 million in General Revenue) due to transfer of certain regulatory functions to TDLR pursuant to Senate Bill 202, Eighty-fourth Legislature, 2015, including a reduction of 21.0 FTEs.

Department of State Health Services
Funding Changes and Recommendations by Strategy -- ALL FUNDS - Senate

Strategy/Goal	2016-17 Base	2018-19 Recommended	Biennial Change	% Change	Comments
TEXAS.GOV C.1.5	\$2,359,612	\$1,400,000	(\$959,612)	(40.7%)	Recommendations include \$1.0 million decrease in General Revenue-Related funds due to transfer of regulatory functions to HHSC pursuant to Senate Bill 200, Eighty-fourth Legislature, 2015.
Total, Goal C, CONSUMER PROTECTION SERVICES	\$95,617,623	\$82,858,075	(\$12,759,548)	(13.3%)	
AGENCY WIDE IT PROJECTS D.1.1	\$50,488,260	\$25,591,179	(\$24,897,081)	(49.3%)	Recommendations include: 1) \$22.8 million decrease in All Funds due to transfers to HHSC pursuant to Senate Bill 200, Eighty-fourth Legislature, 2015. 2) \$2.0 million decrease in All Funds (\$1.8 million in General Revenue-Related funds) for Seat Management. Funding for 67.0 percent of the agency's request for Seat Management is recommended to provide funding to lease the following devices: 4,214 desktops; 1,000 laptops; 202 tablets; and 11,550 monitors.
Total, Goal D, AGENCY WIDE IT PROJECTS	\$50,488,260	\$25,591,179	(\$24,897,081)	(49.3%)	

Department of State Health Services
Funding Changes and Recommendations by Strategy -- ALL FUNDS - Senate

Strategy/Goal	2016-17 Base	2018-19 Recommended	Biennial Change	% Change	Comments
CENTRAL ADMINISTRATION E.1.1	\$38,718,842	\$16,622,193	(\$22,096,649)	(57.1%)	Recommendations include: 1) \$10.6 million decrease in All Funds (\$10.5 million in General Revenue-Related funds) for salaries and other personnel costs due to a reduction in the FTE cap to account for transfer of legal, internal audit, and information technology support services to HHSC. 2) \$7.1 million decrease in All Funds (\$1.4 million in General Revenue-Related funds) due to consolidation of legal, internal audit and information technology support services at HHSC, including a reduction of 155.5 FTEs. 3) \$1.7 million decrease in All Funds due to transfers to HHSC pursuant to Senate Bill 200, Eighty-fourth Legislature, 2015. 4) \$1.6 million decrease in federal Refugee Assistance funding due to Texas' withdraw from federal program. 5) \$1.0 million decrease in General Revenue-Related funds for administrative costs as part of the agency-identified 4.0 percent General Revenue-Related reduction. 6) \$0.4 million decrease in General Revenue due to decreased Earned Federal Funds (EFF) collections. 7) \$0.3 million increase in Federal Funds, primarily for HIV programs, maternal and child health programs, and public health emergency preparedness.

Department of State Health Services
Funding Changes and Recommendations by Strategy -- ALL FUNDS - Senate

Strategy/Goal	2016-17 Base	2018-19 Recommended	Biennial Change	% Change	Comments
IT PROGRAM SUPPORT E.1.2	\$39,930,479	\$21,799,348	(\$18,131,131)	(45.4%)	Recommendations include: 1) \$9.0 million decrease in All Funds (\$8.9 million in General Revenue-Related funds) due to consolidation if legal, internal audit, and information technology support services at HHSC, including a reduction of 56.9 FTEs. 2) \$4.7 million decrease in General Revenue for the following onetime capital projects: Microsoft ESA Licensing Renewal (\$2.6 million); and Seat Management - Additional Need (\$2.1 million). 3) \$4.6 million decrease, primarily in General Revenue-Related funds, for salaries and other personnel costs, due to reduction in the FTE cap to account for transfer of legal, internal audit, and information technology support services to HHSC. 4) \$1.3 million increase in General Revenue-Related funds due to a transfer from Strategy D.1.1 Agency Wide IT Projects due to decreased DCS and Seat Management need. 5) \$1.0 million decrease in General Revenue for agency-identified items for the 4.0 percent General Revenue-Related reduction, including: DCS Application Remediation (\$0.6 million); and ICD-10 Implementation project (\$0.4 million). 6) 0.1 million decrease in Federal Funds, primarily related to Medicaid and WIC.

Department of State Health Services
Funding Changes and Recommendations by Strategy -- ALL FUNDS - Senate

Strategy/Goal	2016-17 Base	2018-19 Recommended	Biennial Change	% Change	Comments
OTHER SUPPORT SERVICES E.1.3	\$9,963,443	\$3,718,250	(\$6,245,193)	(62.7%)	Recommendations include: 1) \$2.9 million decrease in All Funds due to transfers to HHSC pursuant to Senate Bill 200, Eighty-fourth Legislature, 2015. 2) \$1.5 million decrease in All Funds (\$0.4 million in General Revenue-Related funds) due to consolidation of legal, internal audit, and information technology support services at HHSC, including a reduction of 55.4 FTEs. 3) \$1.4 million decrease, primarily in General Revenue-Related funds, for salaries and other personnel costs, due to a reduction in the FTE cap to account for transfer of legal, internal audit, and information technology support services to HHSC. 4) \$0.3 million decrease in federal Refugee Assistance funding due to Texas' withdraw from federal program.
REGIONAL ADMINISTRATION E.1.4	\$3,106,389	\$1,805,807	(\$1,300,582)	(41.9%)	Recommendations include: 1) \$0.7 million decrease, primarily in General Revenue-Related funds, due to consolidation of legal, internal audit and information technology support services at HHSC, including a reduction of 15.2 FTEs. 2) \$0.4 million decrease, primarily in General Revenue-Related Funds, for salaries and other personnel costs, due to a reduction in the FTE cap to account for transfer of legal, internal audit, and information technology support services to HHSC. 3) \$0.1 million decrease in General Revenue-Related funds for a onetime capital project: Seat Management - Additional Need.
Total, Goal E, INDIRECT ADMINISTRATION	\$91,719,153	\$43,945,598	(\$47,773,555)	(52.1%)	

Department of State Health Services
Funding Changes and Recommendations by Strategy -- ALL FUNDS - Senate

Strategy/Goal	2016-17 Base	2018-19 Recommended	Biennial Change	% Change	Comments
ABSTINENCE EDUCATION F.1.1	\$6,829,056	\$0	(\$6,829,056)	(100.0%)	
KIDNEY HEALTH CARE F.1.2	\$19,295,619	\$0	(\$19,295,619)	(100.0%)	
ADDITIONAL SPECIALTY CARE F.1.3	\$2,260,240	\$0	(\$2,260,240)	(100.0%)	
PROVIDE WIC SERVICES F.1.4	\$1,622,241,756	\$0	(\$1,622,241,756)	(100.0%)	
WOMEN'S HEALTH PROGRAM F.1.5	\$13,420,556	\$0	(\$13,420,556)	(100.0%)	
COMMUNITY MENTAL HLTH SVCS-ADULTS F.1.6	\$320,975,215	\$0	(\$320,975,215)	(100.0%)	
COMMUNITY MENTAL HLTH SVCS-CHILDREN F.1.7	\$94,721,423	\$0	(\$94,721,423)	(100.0%)	
COMMUNITY MENTAL HEALTH CRISIS SVCS F.1.8	\$127,248,806	\$0	(\$127,248,806)	(100.0%)	
NORTHSTAR BEHAVIORAL HEALTH WAIVER F.1.9	\$143,105,756	\$0	(\$143,105,756)	(100.0%)	
SUBSTANCE ABUSE PREV/INTERV/TREAT F.1.10	\$205,627,295	\$0	(\$205,627,295)	(100.0%)	
INDIGENT HEALTH CARE REIMBURSEMENT F.1.11	\$4,904,883	\$0	(\$4,904,883)	(100.0%)	
COUNTY INDIGENT HEALTH CARE SVCS F.1.12	\$964,269	\$0	(\$964,269)	(100.0%)	
OTHER FACILITIES F.1.13	\$31,442,721	\$0	(\$31,442,721)	(100.0%)	
MENTAL HEALTH STATE HOSPITALS F.1.14	\$878,712,447	\$0	(\$878,712,447)	(100.0%)	
MENTAL HEALTH COMMUNITY HOSPITALS F.1.15	\$99,971,621	\$0	(\$99,971,621)	(100.0%)	
FACILITY/COMMUNITY-BASED REGULATION F.1.16	\$22,463,514	\$0	(\$22,463,514)	(100.0%)	
FACILITY CAPITAL REPAIRS & RENOV F.1.17	\$31,391,786	\$0	(\$31,391,786)	(100.0%)	
TEXAS CIVIL COMMITMENT OFFICE F.1.18	\$13,881,623	\$0	(\$13,881,623)	(100.0%)	
Total, Goal F, HHS SUNSET LEGIS-HISTORICAL FUNDING	\$3,639,458,586	\$0	(\$3,639,458,586)	(100.0%)	Recommendations include full program/strategy transfers to HHSC pursuant to Senate Bill 200, Eighty-fourth Legislature, 2015.
Grand Total, All Strategies	\$5,617,355,288	\$1,663,932,529	(\$3,953,422,759)	(70.4%)	

**Department of State Health Services
Summary of Federal Funds - Senate
(Dollar amounts in Millions)**

Appendix B

Program	Est 2016	Bud 2017	Rec 2018	Rec 2019	2016-17 Base	2018-19 Rec	2018-19 Rec % Total	Recommended Over/(Under) Base	% Change from Base
HIV Care Formula Grants	\$97.6	\$97.7	\$99.1	\$99.1	\$195.2	\$198.2	37.4%	\$2.9	1.5%
Public Health Emergency Preparedness	\$45.0	\$33.7	\$34.2	\$34.2	\$78.7	\$68.4	12.9%	(\$10.3)	(13.1%)
Maternal and Child Health Services Block Grants to the States	\$38.7	\$23.5	\$23.9	\$23.9	\$62.2	\$47.7	9.0%	(\$14.5)	(23.3%)
Immunization Grants	\$18.6	\$17.6	\$17.9	\$17.9	\$36.2	\$35.8	6.8%	(\$0.4)	(1.2%)
HIV Prevention Program: Category A: HIV Prevention Core	\$16.7	\$15.5	\$15.7	\$15.7	\$32.1	\$31.4	5.9%	(\$0.7)	(2.3%)
National Bioterrorism Hospital Preparedness Program	\$15.6	\$14.8	\$15.1	\$15.1	\$30.5	\$30.2	5.7%	(\$0.3)	(0.9%)
Medical Assistance Program 50%	\$11.6	\$8.3	\$8.4	\$8.4	\$19.9	\$16.8	3.2%	(\$3.1)	(15.6%)
Project & Cooperative Agreements for Tuberculosis Control	\$6.7	\$6.6	\$6.7	\$6.7	\$13.3	\$13.5	2.5%	\$0.2	1.3%
Preventive Health Services-STD Control Grants	\$6.7	\$6.5	\$6.6	\$6.6	\$13.2	\$13.2	2.5%	(\$0.0)	(0.2%)
Preventive Health and Health Services Block Grant	\$6.0	\$5.7	\$5.8	\$5.8	\$11.6	\$11.5	2.2%	(\$0.1)	(0.8%)
Coop-Agreements w/States Intrastate Meat & Poultry Inspection	\$3.2	\$3.6	\$3.7	\$3.7	\$6.9	\$7.4	1.4%	\$0.5	7.3%
Housing Opportunities for Persons with AIDS	\$2.9	\$2.9	\$3.0	\$3.0	\$5.9	\$6.0	1.1%	\$0.1	1.8%
Centers for Disease Control and	\$2.7	\$2.7	\$2.7	\$2.7	\$5.4	\$5.5	1.0%	\$0.1	2.2%
Rape Prevention Education	\$3.7	\$2.2	\$2.2	\$2.2	\$6.0	\$4.5	0.8%	(\$1.5)	(24.5%)
HIV/AIDS Surveillance	\$2.5	\$2.0	\$2.1	\$2.1	\$4.5	\$4.1	0.8%	(\$0.4)	(8.8%)
Sustaining the Interoperability of ImmTrac with EHR Systems (HCR)	\$1.1	\$1.7	\$1.7	\$1.7	\$2.8	\$3.4	0.7%	\$0.6	22.2%
National Death Index	\$1.5	\$1.4	\$1.5	\$1.5	\$3.0	\$2.9	0.6%	(\$0.1)	(2.2%)
Tobacco Use Prevention	\$1.3	\$1.4	\$1.4	\$1.4	\$2.7	\$2.8	0.5%	\$0.1	3.1%
Medicaid-Sec 1115 DSRIP	\$2.8	\$1.4	\$1.3	\$1.3	\$4.1	\$2.6	0.5%	(\$1.5)	(36.5%)
State Public Health To Prevent & Control and Promote School Health	\$1.4	\$1.1	\$1.1	\$1.1	\$2.5	\$2.2	0.4%	(\$0.3)	(13.4%)
State Public Health Approaches to Ensuring Quitline Capacity (HCR)	\$1.1	\$0.9	\$1.0	\$1.0	\$2.0	\$1.9	0.4%	(\$0.1)	(5.0%)
Car Seat & Occupant Project	\$0.7	\$0.8	\$0.8	\$0.8	\$1.5	\$1.6	0.3%	\$0.1	3.3%
Projects of Regional and National Significance	\$3.5	\$0.7	\$0.7	\$0.7	\$4.2	\$1.4	0.3%	(\$2.8)	(67.5%)
Food and Drug Administration Research	\$0.6	\$0.6	\$0.6	\$0.6	\$1.2	\$1.2	0.2%	(\$0.1)	(4.2%)
Morbidity and Risk Behavior Surveillance	\$0.5	\$0.6	\$0.6	\$0.6	\$1.1	\$1.1	0.2%	\$0.0	2.9%
Domestic Ebola Supplement to the Epidemiology and Laboratory Capacity	\$1.6	\$0.5	\$0.5	\$0.5	\$2.1	\$1.1	0.2%	(\$1.1)	(50.0%)

Department of State Health Services
Summary of Federal Funds - Senate
(Dollar amounts in Millions)

Appendix B

Program	Est 2016	Bud 2017	Rec 2018	Rec 2019	2016-17 Base	2018-19 Rec	2018-19 Rec % Total	Recommended Over/(Under) Base	% Change from Base
FDA Food Inspections	\$0.5	\$0.5	\$0.5	\$0.5	\$1.0	\$1.0	0.2%	\$0.0	0.8%
ACA - Enhance Epi, Lab and Health Info Systems	\$0.5	\$0.4	\$0.4	\$0.4	\$0.9	\$0.9	0.2%	(\$0.0)	(3.2%)
Food Safety & Security Monitoring Project	\$1.0	\$0.4	\$0.4	\$0.4	\$1.4	\$0.8	0.2%	(\$0.5)	(40.2%)
HIV Prevention Program: TX Nat'l HIV Behavioral Surveillance	\$0.4	\$0.4	\$0.4	\$0.4	\$0.8	\$0.8	0.2%	(\$0.0)	(3.6%)
State Capacity Building	\$0.4	\$0.4	\$0.4	\$0.4	\$0.8	\$0.8	0.2%	\$0.0	5.1%
Strengthening Public Health Services	\$0.4	\$0.4	\$0.4	\$0.4	\$0.8	\$0.8	0.2%	(\$0.0)	(1.2%)
Texas Food Testing Lab	\$0.6	\$0.3	\$0.3	\$0.3	\$0.9	\$0.6	0.1%	(\$0.3)	(33.5%)
Air Pollution Control Program Support	\$0.3	\$0.3	\$0.3	\$0.3	\$0.6	\$0.6	0.1%	(\$0.0)	(2.1%)
State Energy Program Special Projects	\$0.2	\$0.3	\$0.3	\$0.3	\$0.5	\$0.5	0.1%	\$0.1	11.8%
CDC I&TA Chronic Disease - Behavioral Risk Factor Surveillance System	\$0.5	\$0.3	\$0.3	\$0.3	\$0.8	\$0.5	0.1%	(\$0.3)	(36.0%)
Hospital Preparedness Program Ebola Preparedness and Response	\$6.6	\$2.6	\$0.3	\$0.3	\$9.2	\$0.5	0.1%	(\$8.7)	(94.4%)
TSCA Title IV State Lead Grants	\$0.3	\$0.2	\$0.3	\$0.3	\$0.5	\$0.5	0.1%	(\$0.0)	(1.0%)
Birth Defects & Developmental Disabilities - Prevention & Surveillance	\$0.1	\$0.2	\$0.2	\$0.2	\$0.4	\$0.5	0.1%	\$0.1	39.7%
Primary Care Services-Resource Coordination & Development	\$0.2	\$0.2	\$0.2	\$0.2	\$0.5	\$0.5	0.1%	\$0.0	1.6%
Universal Newborn Hearing Screening	\$0.4	\$0.2	\$0.2	\$0.2	\$0.6	\$0.4	0.1%	(\$0.1)	(26.1%)
Occupational Safety and Health Research	\$0.1	\$0.2	\$0.2	\$0.2	\$0.3	\$0.3	0.1%	\$0.0	13.6%
Transport of Transuranic Wastes to the Waste Isolation Pilot Plant	\$0.2	\$0.1	\$0.2	\$0.2	\$0.3	\$0.3	0.1%	\$0.0	0.4%
CDC Early Hearing Detection Intervention Tracking Surveillance Integr	\$0.2	\$0.1	\$0.1	\$0.1	\$0.3	\$0.3	0.1%	(\$0.0)	(0.4%)
State Food Safety Task Force in Meat and Poultry Processing at Retail	\$0.1	\$0.1	\$0.1	\$0.1	\$0.3	\$0.3	0.1%	\$0.0	2.3%
Children s Justice Grants to States	\$0.1	\$0.1	\$0.1	\$0.1	\$0.3	\$0.3	0.1%	\$0.0	2.0%
XIX Medical Assistance Program @ 90%	\$3.4	\$1.6	\$0.1	\$0.1	\$5.0	\$0.3	0.1%	(\$4.8)	(94.6%)
State-Based Safe Motherhood and Infant Health Initiative Program	\$0.2	\$0.1	\$0.1	\$0.1	\$0.3	\$0.3	0.1%	(\$0.0)	(7.0%)
Texas PCB/Asbestos in Schools Compliance	\$0.1	\$0.1	\$0.1	\$0.1	\$0.2	\$0.2	0.0%	\$0.0	3.3%
State System Development Initiative	\$0.1	\$0.1	\$0.1	\$0.1	\$0.2	\$0.2	0.0%	(\$0.0)	(5.3%)
Texas School-Based Surveillance Adolescent Health Practices & Policies	\$0.1	\$0.1	\$0.1	\$0.1	\$0.2	\$0.1	0.0%	(\$0.0)	(1.2%)
Hansen's Disease National Ambulatory Care Program	\$0.2	\$0.1	\$0.1	\$0.1	\$0.3	\$0.1	0.0%	(\$0.1)	(48.7%)

**Department of State Health Services
Summary of Federal Funds - Senate
(Dollar amounts in Millions)**

Appendix B

Program	Est 2016	Bud 2017	Rec 2018	Rec 2019	2016-17 Base	2018-19 Rec	2018-19 Rec % Total	Recommended Over/(Under) Base	% Change from Base
Chronic Disease Prevention and Control	\$0.1	\$0.1	\$0.1	\$0.1	\$0.2	\$0.1	0.0%	(\$0.0)	(23.7%)
Epidemiology & Lab Capacity for Infectious Diseases (ELC)	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	0.0%	\$0.0	1.8%
Viral Hepatitis Coordination Project	\$0.1	\$0.1	\$0.1	\$0.1	\$0.2	\$0.1	0.0%	(\$0.0)	(21.4%)
ACA - Capacity Building - Immunization	\$1.5	\$0.1	\$0.1	\$0.1	\$1.5	\$0.1	0.0%	(\$1.4)	(93.0%)
Assistance Program for Chronic Disease Prevention	\$0.1	\$0.0	\$0.0	\$0.0	\$0.1	\$0.1	0.0%	(\$0.0)	(1.0%)
Intrastate Meat & Poultry Inspection -Technical Assistance Overtime	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	0.0%	\$0.0	4.2%
Field Automation and Information Management	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	0.0%	(\$0.0)	(26.4%)
XIX Medical Assistance Program Administration @ 75%	\$0.1	\$0.0	\$0.0	\$0.0	\$0.1	\$0.0	0.0%	(\$0.1)	(97.3%)
Special Supplemental Nutrition Program (WIC)	\$569.5	\$563.3	\$0.0	\$0.0	\$1,132.8	\$0.0	0.0%	(\$1,132.8)	(100.0%)
WIC Breastfeeding Peer Counseling	\$8.2	\$10.4	\$0.0	\$0.0	\$18.6	\$0.0	0.0%	(\$18.6)	(100.0%)
Hospital and Public Health Emergency Preparedness	\$7.3	\$0.2	\$0.0	\$0.0	\$7.5	\$0.0	0.0%	(\$7.5)	(100.0%)
Projects for Assistance in Transition from Homelessness	\$5.0	\$0.0	\$0.0	\$0.0	\$5.0	\$0.0	0.0%	(\$5.0)	(100.0%)
Knowledge Dev. & Application-Mental Health Data Infrastructure	\$0.2	\$0.0	\$0.0	\$0.0	\$0.2	\$0.0	0.0%	(\$0.2)	(100.0%)
Abstinence Education	\$6.4	\$0.0	\$0.0	\$0.0	\$6.4	\$0.0	0.0%	(\$6.4)	(100.0%)
Affordable Care Act (ACA) Childhood Obesity Research Demonstration	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	0.0%	(\$0.0)	(100.0%)
Temporary Assistance for Needy Families to Title XX	\$21.9	\$3.6	\$0.0	\$0.0	\$25.5	\$0.0	0.0%	(\$25.5)	(100.0%)
Refugee and Entrant Assistance - State	\$14.6	\$22.6	\$0.0	\$0.0	\$37.2	\$0.0	0.0%	(\$37.2)	(100.0%)
Refugee and Entrant Assistance--Discretionary Grants	\$0.3	\$0.2	\$0.0	\$0.0	\$0.5	\$0.0	0.0%	(\$0.5)	(100.0%)
Social Services Block Grant	\$5.2	\$0.0	\$0.0	\$0.0	\$5.2	\$0.0	0.0%	(\$5.2)	(100.0%)
Texas Cancer Prevention and Control	\$6.3	\$0.0	\$0.0	\$0.0	\$6.3	\$0.0	0.0%	(\$6.3)	(100.0%)
State Children's Insurance Program (CHIP)	\$2.0	\$0.0	\$0.0	\$0.0	\$2.0	\$0.0	0.0%	(\$2.0)	(100.0%)
Clinical Laboratory Improvement Amendments Program	\$1.1	\$1.5	\$0.0	\$0.0	\$2.6	\$0.0	0.0%	(\$2.6)	(100.0%)
Health Insurance Benefits (Medicare)	\$3.7	\$4.7	\$0.0	\$0.0	\$8.3	\$0.0	0.0%	(\$8.3)	(100.0%)
Medical Assistance Program	\$90.5	\$13.5	\$0.0	\$0.0	\$104.0	\$0.0	0.0%	(\$104.0)	(100.0%)
Medicaid- Sec 1115 Uncompensated Care	\$1.8	\$1.8	\$0.0	\$0.0	\$3.5	\$0.0	0.0%	(\$3.5)	(100.0%)
Money Follows the Person Rebalancing Demonstration	\$2.2	\$0.0	\$0.0	\$0.0	\$2.2	\$0.0	0.0%	(\$2.2)	(100.0%)

**Department of State Health Services
Summary of Federal Funds - Senate
(Dollar amounts in Millions)**

Appendix B

Program	Est 2016	Bud 2017	Rec 2018	Rec 2019	2016-17 Base	2018-19 Rec	2018-19 Rec % Total	Recommended Over/(Under) Base	% Change from Base
Block Grants for Community Mental Health	\$37.1	\$0.0	\$0.0	\$0.0	\$37.1	\$0.0	0.0%	(\$37.1)	(100.0%)
Block Grants for Prevention and Treatment of Substance Abuse	\$175.0	\$1.2	\$0.0	\$0.0	\$176.2	\$0.0	0.0%	(\$176.2)	(100.0%)
Mental Health Disaster Assistance and Crisis Counseling	\$3.7	\$0.0	\$0.0	\$0.0	\$3.7	\$0.0	0.0%	(\$3.7)	(100.0%)
Public Assistance Grants	\$0.1	\$0.0	\$0.0	\$0.0	\$0.1	\$0.0	0.0%	(\$0.1)	(100.0%)
TOTAL:	\$1,275.7	\$887.5	\$264.7	\$264.7	\$2,163.2	\$529.3	100.0%	(\$1,633.9)	(75.5%)

☐ Full transfer to HHSC

☐ Partial transfer to HHSC

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

Appendix C

Full-Time-Equivalent Positions	Expended 2015	Estimated 2016	Budgeted 2017	Recommended 2018	Recommended 2019
Cap	12,325.0	12,220.7	12,220.7	2,986.3	2,986.3
Actual/Budgeted	11,932.7	11,933.5	11,669.0	NA	NA
Schedule of Exempt Positions (Cap)					
Commissioner, Group 7	\$254,700	\$242,353	\$242,353	\$248,412	\$248,412

Notes:

a) DSHS FTE cap was 12,269.7 FTEs per fiscal year of the 2016-17 biennium in Senate Bill 1, Conference Committee Report, Eighty-fourth Legislature, 2015. The cap was adjusted to reflect transfer of a combined 38.5 FTEs to the Texas Medical Board and Texas Department of Licensing and Regulation pursuant to Article IX § 18.56, Contingency for SB 202, and transfer of 10.5 FTEs to the Texas Commission on Environmental Quality pursuant to Article IX § 18.17, Contingency for HB 942 (total of 49.0 FTEs). This reduced the FTE cap to 12,220.7 per fiscal year.

b) In addition to the adjustments noted above in (a), the FTEs for fiscal year 2017 was further reduced by:

1) A net decrease of 531.0 FTEs related to the consolidation of Health and Human Services agencies pursuant to Senate Bill 200, Eighty-fourth Legislature, 2015. This amount includes the transfer of 539.0 FTEs to HHSC related to multiple programs and a transfer of 8.0 FTEs from HHSC to DSHS related to the Office of Border Affairs on September 1, 2016.

2) Transfer of 20.7 FTEs from DSHS to HHSC related to consolidation of facilities management.

c) The recommended FTE cap for the 2018-19 biennium includes a number of adjustments from the 2016-17 base, including:

1) Reduction of 8,425.2 FTEs related to programs transferring to HHSC pursuant to SB 200. HHSC has requested 8,375.4 FTEs related to these programs.

2) Reduction of 2.0 FTEs removed by the agency as part of the 4.0 percent reduction.*

3) An additional net reduction of 3.8 FTEs included in the agency's base request.

4) Reduction of 28.0 FTEs related to programs transferring to TDLR pursuant to Senate Bill 202, Eighty-fourth Legislature, 2015. TDLR recommendations include an increase of 25.0 of the agency's FTE cap related to these programs.**

5) Reduction of 5.0 FTEs related to the refugee health program.

6) Reduction of 125.5 FTEs related to Indirect Administration.

7) Reduction of 93.2 FTEs based on average vacancy rate per strategy for fiscal year 2016 as reported in the agency's Monthly Financial Reports.

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

Appendix C

*DSHS identified a total of 9.0 FTEs related to the agency's 4.0 percent General Revenue-Related reduction. However, 7.0 of those FTEs were related to an agency proposal to deregulate mold assessors and remediators. This regulatory function is transferring to TDLR pursuant to SB 202. Therefore, recommendations do not include removing these 7.0 FTEs as part of the 4.0 percent General Revenue-Related reduction.

**This includes 21.0 FTEs from Strategy D.1.4 Health Care Professionals and 7.0 from Strategy D.1.2 Environmental Health (related to regulation of mold assessors and remediators). DSHS recommended removal of the 7.0 Environmental Health FTEs as part of the 4.0 percent General Revenue-Related reduction. This proposal is not included in recommendations.

**Department of State Health Services
Performance Measure Highlights - Senate**

Appendix D

	Expended 2015	Estimated 2016	Budgeted 2017	Recommended 2018	Recommended 2019
<ul style="list-style-type: none"> Incidence Rate of TB Among Texas Residents <p>Measure Explanation: According to DSHS there are variations in TB incidence from year to year. In fiscal year 2016, there were several large-scale TB contact investigations throughout the state. In addition, the agency indicated improvements were made in the reporting process to ensure that all cases are appropriately reported and counted for the year.</p>	4.7	5.0	4.4	4.4	4.4
<ul style="list-style-type: none"> # of Tuberculosis Disease Investigations Conducted <p>Measure Explanation: Recommendations include a new key performance measure for the total number of individuals reported quarterly for: 1) cases - a confirmed diagnosis of tuberculosis; 2) suspects - patients who are evaluated and are confirmed non-cases; 3) contacts - patients that were exposed to a contagious confirmed case of tuberculosis; and 4) lab reports - labs used to evaluate if a person has active tuberculosis.</p>	NA	NA	NA	20,475	20,475
<ul style="list-style-type: none"> Prevalence of Tobacco Use among Middle and High School Youth in Target Areas <p>Measure Explanation: Actual prevalence was lower than 2016 target of 21.8 percent. Recommendations include lowering target to fiscal year 2016 actual performance level.</p>	18.7%	15.0%	21.8%	15.0%	15.0%
<ul style="list-style-type: none"> Prevalence of Smoking among Adult Texans <p>Measure Explanation: Actual prevalence was lower than 2016 target of 18.2 percent. Recommendations include lowering target to fiscal year 2016 actual performance level.</p>	14.5%	14.5%	18.2%	14.5%	14.5%
<ul style="list-style-type: none"> # Pregnant Females Age 13-19 Per Thousand (Adolescent Pregnancy Rate) <p>Measure Explanation: Recommendations reflect agency proposed lower target due to the teen pregnancy rate declining in recent years. The agency anticipates the future rate will continue to decrease. Based on 2014 provisional data, DSHS projected the rate (and therefore the target) to be 29.6 in 2018 and 29.3 in 2019.</p>	33.91	30.18	45.00	29.60	29.30

Department of State Health Services
Summary of Ten Percent Biennial Base Reduction Options Recommendations - Senate

Priority	Item	Description/Impact	Biennial Reduction Amounts			Potential Revenue Loss	Reduction as % of Program GR/GR-D Total	Included in Introduced Bill
			GR & GR-D	All Funds	FTEs			
1)	Abusable Volatile Chemical	Texas Health and Safety Code Chapter 485 requires businesses that sell products with potential for inhalant abuse to be permitted, and authorizes collection of a fee to cover program activities. This proposed reduction would deregulate this business type, although statutory restrictions about sales or delivery to minors and use of abusable volatile chemicals would remain in place. The impact of the reduction would be to deregulate approximately 23,000 permittees, discontinue the approximately 4,000 inspections and investigations conducted annually, as well as the approximately 500 associated enforcement actions. This program generates fee revenue above the cost to implement the program, and so the reduced General Revenue funds would result in a net loss to the state.	\$860,000	\$860,000	6.0	\$1,378,290	7%	No

Department of State Health Services
Summary of Ten Percent Biennial Base Reduction Options Recommendations - Senate

Priority	Item	Description/Impact	Biennial Reduction Amounts			Potential Revenue Loss	Reduction as % of Program GR/GR-D Total	Included in Introduced Bill
			GR & GR-D	All Funds	FTEs			
2)	Laser Hair	<p>Texas Health and Safety Code Chapter 401 requires licensure for businesses that conduct laser hair removal activities or train laser hair professionals and individuals who are a laser hair removal professional, technician, or apprentice. This proposed reduction would end regulation of these facilities and individuals. However, appropriate use of lasers would still be regulated. The impact of the reduction would be to remove licensure from 185 facilities, 15 training providers, and about 2,150 individuals. This program generates fee revenue above the cost to implement the program, and so the reduced General Revenue funds would result in a net loss to the state. This program is slated for transition to Texas Department of Licensing and Regulation in the fiscal year 2018-2019 biennium pursuant to Senate Bill 202, Eighty-fourth Legislature, 2015.</p> <p>Notes:</p> <p>1. Reduction as % of Program GR/GR-D Total is greater than 100%. The total GR/GR-D amount is based on information provided in the DSHS fiscal year 2016 Fee Resource Manual regarding the cost associated with regulating laser hair removal.</p> <p>2. Deregulation of Laser Hair Removal is not included in recommendations. However, recommendations do include removing funding related to this regulatory program from DSHS and increasing TDLR funding by a like amount.</p>	\$360,000	\$360,000	2.0	\$465,124	102%	No

Department of State Health Services
Summary of Ten Percent Biennial Base Reduction Options Recommendations - Senate

Priority	Item	Description/Impact	Biennial Reduction Amounts			Potential Revenue Loss	Reduction as % of Program GR/GR-D Total	Included in Introduced Bill
			GR & GR-D	All Funds	FTEs			
3)	Code Enforcement	<p>Texas Occupations Code Chapter 1952 states that a person may not claim to be a code enforcement officer or use the title "code enforcement officer" unless the person holds a certificate of registration from DSHS. This proposed reduction would discontinue registration of code enforcement officers. Registration is not required for a person to conduct code enforcement activities. The impact of the reduction would be deregulate about 2,300 individuals, and discontinue investigations and enforcement. This program generates fee revenue above the cost to implement the program, and so the reduced General Revenue funds would result in a net loss to the state. This program is slated for transition to Texas Department of Licensing and Regulation during the 2018-19 biennium pursuant to Senate Bill 202, Eighty-fourth Legislature, 2015.</p> <p>Notes:</p> <p>1. Reduction as % of Program GR/GR-D Total is greater than 100%. The total GR/GR-D amount is based on information provided in the DSHS fiscal year 2016 Fee Resource Manual regarding the cost associated with regulating Code Enforcement Officers.</p> <p>2. Deregulation of Code Enforcement Officers is not included in recommendations. However, recommendations do include removing funding related to this regulatory program from DSHS and increasing TDLR funding by a like amount.</p>	\$116,000	\$116,000	1.0	\$206,380	102%	No

Department of State Health Services
Summary of Ten Percent Biennial Base Reduction Options Recommendations - Senate

Priority	Item	Description/Impact	Biennial Reduction Amounts			Potential Revenue Loss	Reduction as % of Program GR/GR-D Total	Included in Introduced Bill
			GR & GR-D	All Funds	FTEs			
4)	Massage Therapy	<p>Texas Occupations Code Chapter 455 requires licensure for businesses that conduct massage therapy activities or train massage professionals and individuals who are massage therapists. This proposed reduction would discontinue regulation of massage therapy. The impact of this reduction would be to deregulate about 31,000 facilities, schools, and individuals, and to discontinue approximately 120 inspections and investigations and 200 enforcement actions per year. This program generates fee revenue above the cost to implement the program, and so the reduced General Revenue funds would result in a net loss to the state. This program is slated for transition to Texas Department of Licensing and Regulation during the 2018-19 biennium pursuant to Senate Bill 202, Eighty-fourth Legislature, 2015.</p> <p>Notes:</p> <p>1. Reduction as % of Program GR/GR-D Total is based information provided in the DSHS fiscal year 2016 Fee Resource Manual regarding the cost associated with regulating massage therapy.</p> <p>2. Deregulation of massage therapy is not included in the recommendations. However, recommendations do include removing funding related to this regulatory program from DSHS and increasing TDLR funding by a like amount.</p>	\$1,227,744	\$1,227,744	12.5	\$4,471,238	99%	No

Department of State Health Services
Summary of Ten Percent Biennial Base Reduction Options Recommendations - Senate

Priority	Item	Description/Impact	Biennial Reduction Amounts			Potential Revenue Loss	Reduction as % of Program GR/GR-D Total	Included in Introduced Bill
			GR & GR-D	All Funds	FTEs			
5)	Texas Primary Care Office (TPCO)	This program funds 10.0 full time equivalent employees who: provide eligibility determination and direct service to clients of Primary Health Care program at HHSC; administer the J-1 Visa Waiver program which allows Texas to annually bring in 30 foreign medical graduates to provide primary and specialty health care services in underserved and physician shortage areas for at least three years; and provide administrative support for the Texas Primary Care Office. This proposed reduction is designed to avoid an impact to federal Maintenance of Effort requirements. The impact of this reduction would be decreased access to the Primary Health Care program, and reduced ability to recruit and retain providers to practice in federally designated shortage areas and to expand new and existing Federally Qualified Health Centers as an access point for underserved Texans.	\$2,697,782	\$2,697,782	10.0	\$0	96%	No
6)	Texas Health Care Information Center (THCIC)	<p>The Texas Health Care Information Collection program collects data and reports on health care activity in Texas hospitals and by health maintenance organizations with the goal of improving the cost and quality of health care in Texas through open consumer information. This proposed reduction would end the agency's ability to process Healthcare Effectiveness Data and Information Set (HEDIS), which are data submitted to DSHS by commercial health plans under Texas Health and Safety Code Chapter 108. The impact of the proposed reduction would be to make this data set less accessible to stakeholders, although commercial health plans would still be required to report data to DSHS.</p> <p>Note: In the agency's SFR submission, DSHS indicated the Healthcare Effectiveness Data and Information Set (HEDIS) Data Collection activity under the Texas Health Care Information Center program would only cost \$27,790 in General Revenue during the 2018-19 biennium.</p>	\$224,360	\$224,360	0.0	\$0	20%	No

Department of State Health Services
Summary of Ten Percent Biennial Base Reduction Options Recommendations - Senate

Priority	Item	Description/Impact	Biennial Reduction Amounts			Potential Revenue Loss	Reduction as % of Program GR/GR-D Total	Included in Introduced Bill
			GR & GR-D	All Funds	FTEs			
7)	Diabetes and Obesity	<p>This proposed reduction would eliminate funding and 1.0 full time equivalent employee for Rider 56, Eighty-fourth Legislature, 2015, which was enacted to improve the health outcomes and reduce the economic burdens of chronic kidney disease end-stage renal disease through the End Stage Renal Disease Prevention Program model, Love Your Kidneys. The proposed reduction would also eliminate funding and 2.0 full time equivalent employees for Rider 67, Eighty-fourth Legislature, 2015, for cardiovascular disease and stroke projects through the Lone Star Stroke (LSS) Consortium and the Texas Heart Attack and Stroke Data Collection Initiative. The proposed reduction would also eliminate funding and 3.0 full time equivalent employees that support four community diabetes self-management education programs.</p> <p>Note: General Appropriations Act (2016-17 biennium), Article II, Department of State Health Services, Rider 56: End Stage Renal Disease Prevention Program directed DSHS to use \$250,000 of General Revenue per fiscal year for the program. Rider 67: Cardiovascular Disease and Stroke Projects directed the Department to use \$4,500,000 of General Revenue over the biennium for the Lone Star Stroke Research Consortium and \$2,000,000 of General Revenue over the biennium for the Texas Heart Attack and Stroke Data Collection Initiative. As part of the 4.0 percent reduction, DSHS removed all funding (\$500,000) related to the End Stage Renal Disease Prevention Program, \$3,000,000 related to the Lone Star Stroke Research Consortium, and \$1,485,987 related to the Texas Heart Attack and Stroke Data Collection Initiative. The removal of this funding (\$4,985,987) is included in the introduced Senate bill, however, removal of the remaining \$2,014,013 related to these programs is not, nor is removal of funding related to diabetes self-management programs.</p>	\$6,000,000	\$6,000,000	6.0	\$0	71%	Partial

Department of State Health Services
Summary of Ten Percent Biennial Base Reduction Options Recommendations - Senate

Priority	Item	Description/Impact	Biennial Reduction Amounts			Potential Revenue Loss	Reduction as % of Program GR/GR-D Total	Included in Introduced Bill
			GR & GR-D	All Funds	FTEs			
8)	Tobacco Prevention and Control	This proposed reduction would decrease the following aspects of tobacco prevention and control efforts: grants to local law enforcement agencies that conduct tobacco retailer inspections to prevent underage sales of tobacco products; media efforts that raise awareness and connect Texans with tobacco cessation services; and data surveillance that tracks the effectiveness of 12 tobacco coalition counties. The impact of this proposed reduction would be to lessen the number of retailer inspections over the biennium by approximately 10,000. The impact of the proposed reduction to media campaign would be to reduce awareness about and use of Texas' tobacco Quitline and tobacco cessation resources. The impact of the proposed reduction to data surveillance would be less robust data about the effectiveness of Texas' tobacco prevention and control programs.	\$3,000,000	\$3,000,000	0.0	\$0	35%	No

Department of State Health Services
Summary of Ten Percent Biennial Base Reduction Options Recommendations - Senate

Priority	Item	Description/Impact	Biennial Reduction Amounts			Potential Revenue Loss	Reduction as % of Program GR/GR-D Total	Included in Introduced Bill
			GR & GR-D	All Funds	FTEs			
9)	State Health Coordination Council Travel	<p>The Statewide Health Coordinating Council is a 17-member council that makes recommendations to the Governor and the Legislature through the Texas State Health Plan. This reduction would discontinue the agency's practice of reimbursing Council members for travel expenses. The impact of this reduction would be an increased burden to Council members for attending meetings in person.</p> <p>Note: The Department's LAR (Schedule 6F - Advisory Committee Supporting Schedule), DSHS requested \$10,000 per fiscal year in General Revenue to reimburse members of the State Health Coordination Council for travel expenses. The Council is not currently included in DSHS Rider 20: Reimbursement of Advisory Committee Members, nor did the Department request to all the Council to Rider 20. This rider indicates which committees and which members of said committees DSHS may provide reimbursement to. Recommendations include removing the \$20,000 in General Revenue DSHS requested for travel reimbursement for the Council.</p>	\$8,000	\$8,000	0.0	\$0	40%	Yes

Department of State Health Services
Summary of Ten Percent Biennial Base Reduction Options Recommendations - Senate

Appendix E

Priority	Item	Description/Impact	Biennial Reduction Amounts			Potential Revenue Loss	Reduction as % of Program GR/GR-D Total	Included in Introduced Bill
			GR & GR-D	All Funds	FTEs			
10)	Health Registries	<p>Per Texas Health and Safety Code Chapter 88, the Blood Lead Surveillance Group at DSHS collects reportable blood lead levels on children and adults and conducts environmental lead investigations as requested by providers. This reduction will result in the elimination of 17.0 full time equivalent employees from the blood lead epidemiology and surveillance program and in the elimination of all program functions. The impact of this elimination would be the discontinuation of this data set, the inability to provide blood lead data to Medicaid and for the Frew settlement, and an end to lead investigations that help identify sources of lead exposure and needed remediation.</p> <p>This reduction would also fully eliminate the twelve community-based contracts to address potentially preventable hospitalizations through patient case management, patient education, healthcare provider education and community education. Under the four percent reduction, these contracts were reduced to 18.0 percent of their original capacity. The impact of this reduction would be to discontinue capacity to address three of the most costly preventable hospitalizations in high-burden counties: congestive heart failure, chronic obstructive pulmonary disease, and diabetes.</p>	\$1,573,509	\$1,573,509	17.0	\$0	18%	No
11)	Population Based Services/Regional Program Support	<p>The proposed reduction would eliminate up to 5.0 full time equivalent employees who provide support to maternal child health initiatives aimed at improving birth outcomes for mothers and infants or newborn screening care coordination for vulnerable newborns who have screened positive for metabolic, endocrine, and hematological disorders. The reduction may negatively impact General Revenue Maintenance of Effort for the Maternal and Child Health Block Grant and decrease the State's leverage in drawing federal matching Medicaid dollars for newborn screenings of Medicaid-eligible infants.</p>	\$2,691,902	\$2,691,902	5.0	\$0	8%	No

Department of State Health Services
Summary of Ten Percent Biennial Base Reduction Options Recommendations - Senate

Appendix E

Priority	Item	Description/Impact	Biennial Reduction Amounts			Potential Revenue Loss	Reduction as % of Program GR/GR-D Total	Included in Introduced Bill
			GR & GR-D	All Funds	FTEs			
12)	HIV Medication	This proposed reduction would reduce DSHS purchase of HIV medications for the biennium. The program currently maintains a sizeable inventory of these medications, and so the reduction would not result in any eligible low-income Texans with HIV disease losing access to medications. This proposed reduction is designed to avoid an impact to maintenance of effort requirements for federal Ryan White funds.	\$2,000,000	\$2,000,000	0.0	\$0	4%	No
13)	Children with Special Health Care Needs	The proposed reduction would eliminate up to 6.0 full time equivalent employees who support eligibility determination, case management, and community-based infrastructure support for families seeking health benefits through the Children with Special Health Care Needs program administered by HHSC.	\$1,285,504	\$1,285,504	6.0	\$0	11%	No
14)	Adult Immunizations Safety Net Program	The adult immunizations safety net program provides vaccines to uninsured adults. The proposed reduction would decrease availability of these vaccines by approximately 57,586 doses per year. The existing vaccine formulary would be reduced from 12 to 5 offered vaccine types, so that the program would offer only the following vaccines: Hepatitis A; Hepatitis B; Tetanus-diphtheria; Tetanus, diphtheria, and pertussis; and pneumococcal polysaccharide. The impact of the proposed reductions would be decreased vaccine coverage levels, which could increase the potential for vaccine-preventable disease.	\$5,758,614	\$5,758,614	0.0	\$0	50%	No

Department of State Health Services
Summary of Ten Percent Biennial Base Reduction Options Recommendations - Senate

Priority	Item	Description/Impact	Biennial Reduction Amounts			Potential Revenue Loss	Reduction as % of Program GR/GR-D Total	Included in Introduced Bill
			GR & GR-D	All Funds	FTEs			
15)	Tuberculosis IGRA Testing and Medications	<p>This strategy includes funds to support Interferon-Gamma Release Assays (IGRA) blood testing for tuberculosis infection. IGRA testing results are quicker and more reliable than the older method of testing for tuberculosis through a skin test, and so IGRA testing is an important asset during tuberculosis outbreak investigations. This proposed reduction would discontinue the agency's ability to perform IGRA testing. The impact of this reduction would reduce the effectiveness of tuberculosis investigations due to less accurate readings and more staff time spent ensuring accurate test results.</p> <p>This proposed reduction would also decrease funding for the agency's tuberculosis medication supply, which is used to provide medications to all priority tuberculosis infections.</p>	\$6,269,782	\$6,269,782	0.0	\$0	48%	No
16)	EMS and Trauma Care Systems	<p>This strategy reimburses approximately 25.0 percent of the cost of providing uncompensated trauma care to designated trauma facilities and hospitals in pursuit of designation. The strategy also helps fund the additional partners that make up the EMS/trauma system: 22 regional emergency health care systems, EMS providers statewide, and DSHS. Ninety-six percent of this proposed reduction would require decreased reimbursement to facilities; the remaining 4.0 percent of this proposed reduction would decrease funds to EMS/trauma partners and DSHS.</p>	\$6,800,000	\$6,800,000	0.5	\$0	2%	No

Department of State Health Services
Summary of Ten Percent Biennial Base Reduction Options Recommendations - Senate

Priority	Item	Description/Impact	Biennial Reduction Amounts			Potential Revenue Loss	Reduction as % of Program GR/GR-D Total	Included in Introduced Bill
			GR & GR-D	All Funds	FTEs			
17)	Meat Safety Assurance Program	<p>Under Texas Health and Safety Code Chapter 433, DSHS is required, through cooperative agreement with U.S. Department of Agriculture, to establish a meat and poultry inspection program for interstate commerce. On behalf of the federal government, DSHS examines and inspects each livestock animal for symptoms of disease before it is allowed to be processed for interstate commerce. This proposed reduction would eliminate General Revenue supporting the Meat Safety program, meaning that Texas would no longer have a meat inspection program. Instead, all meat/poultry safety assurance activities for over 300 facilities would be done by federal inspectors. This would result in the State program being turned back to the US Department of Agriculture's Food Safety and Inspection Service, and a loss of federal dollars that share support of the program. A ramp up for this transition would be necessary, as federal capacity for Texas inspections may not exist at this time.</p> <p>Note: In the agency's SFR submission, DSHS indicated the Meat Safety activity under the Food (Meat) and Drug Safety program would cost \$8.4 million in GR/GR-D during the 2018-19 biennium.</p>	\$9,600,000	\$9,600,000	141.0	\$0	24%	No
18)	Local Health Department Public Health Services	<p>This funding supports contracts to approximately 60 local health departments for operating costs for public health services in counties across Texas. This proposed reduction would result in an across-the-board decrease for these contracts, which cover services for tuberculosis, chronic disease, HIV/STD, and health education. The impact of this reduction would involve the loss of full time equivalent employees.</p>	\$2,276,928	\$2,276,928	0.0	\$0	10%	No

Department of State Health Services
Summary of Ten Percent Biennial Base Reduction Options Recommendations - Senate

Priority	Item	Description/Impact	Biennial Reduction Amounts			Potential Revenue Loss	Reduction as % of Program GR/GR-D Total	Included in Introduced Bill
			GR & GR-D	All Funds	FTEs			
19)	Infectious Disease Prevention	<p>The proposed reduction would increase the amount of reduction for two efforts already included in the 4.0 percent reduction: the oral rabies vaccine program for skunks, and healthcare associated infections prevention. The impact of further reductions to the oral rabies vaccine program would be to eliminate the ability of DSHS to evaluate whether rabies can be successfully eliminated in skunks, the largest terrestrial rabies reservoir, by using rabies vaccine bait. Further reduction to the healthcare associated infections program would decrease the amounts of three contracts with academic institutions to address Clostridium Difficile infections in healthcare facilities.</p> <p>The proposed reduction would also lessen funding for local health department epidemiologists who work on disease investigations. The impact of this proposed reduction would be to eliminate five contracts for local health department epidemiologists. To maintain current support, local health departments would have to identify alternate funding sources.</p>	\$4,271,374	\$4,271,374	0.0	\$0	20%	No

Department of State Health Services
Summary of Ten Percent Biennial Base Reduction Options Recommendations - Senate

Priority	Item	Description/Impact	Biennial Reduction Amounts			Potential Revenue Loss	Reduction as % of Program GR/GR-D Total	Included in Introduced Bill
			GR & GR-D	All Funds	FTEs			
20)	Laboratory Services	The proposed reduction to this strategy is designed to minimize disruption to lab services that bring in revenue. The proposed reduction would lessen newborn screening testing days from six days per week to five days per week, with the impact of increasing the time until disorders are diagnosed in newborns and treatment begins. The proposed reduction would reduce arbovirus, HIV, Hepatitis, syphilis, and food-borne disease outbreak testing. The proposed reduction would also end testing at DSHS laboratories to identify whether tuberculosis strains are antibiotic resistant through GeneXpert testing, with the impact of decreasing the state's ability to rapidly respond and limit the health impact of complex cases of tuberculosis. The lab would decrease metals testing in consumer products, with the impact of lessened ability to identify and remove products with hazardous levels of lead. The proposed reduction would also impact service levels provided by the South Texas Laboratory (STL) in Harlingen, including elimination of its ability to provide: clinical lab testing to support the Rio Grande State Center outpatient clinic, tuberculosis testing, emerging infectious disease testing, and biological threat agent testing. The combined impact of these reductions would be to decrease the agency's ability to quickly identify individuals and outbreaks and prevent additional infectious disease transmission.	\$3,069,963	\$3,069,963	24.0	\$0	7%	No
TOTAL, 10% Reduction Options			\$60,091,462	\$60,091,462	231.0	\$6,521,032		