

**Health and Human Services Commission
Summary of Budget Recommendations - Senate**

Page II-39

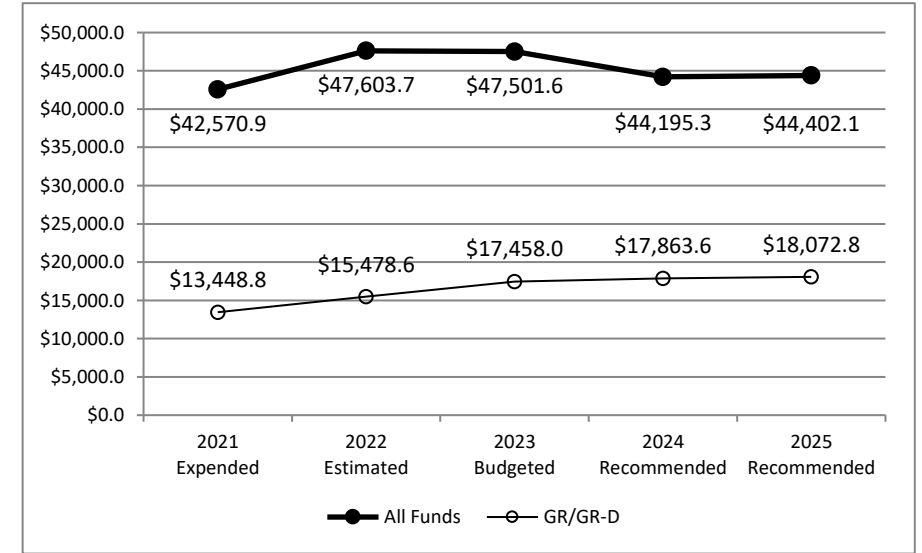
Cecile Erwin Young, Executive Commissioner

LBB Analysts - Nicole Delaney, Amit Patel, and Claire Stieg

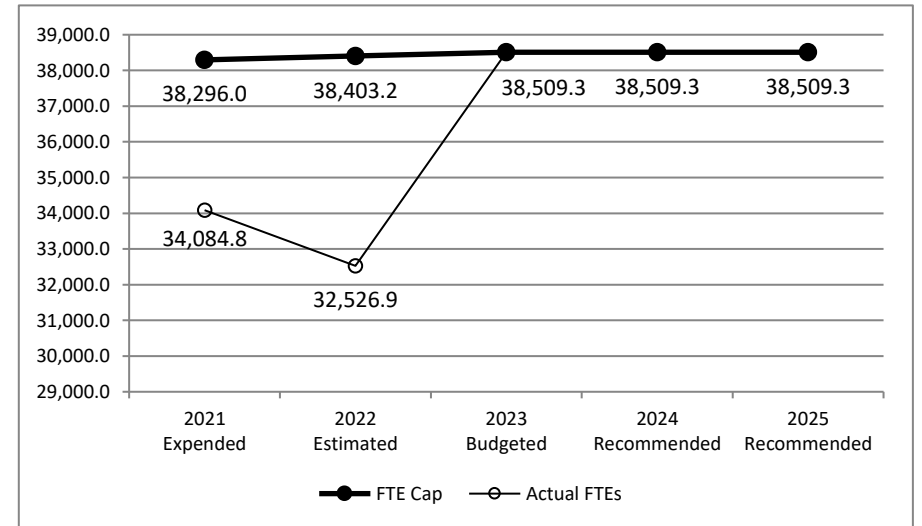
Method of Financing	2022-23 Base	2024-25 Recommended	Biennial Change (\$)	Biennial Change (%)
General Revenue Funds	\$32,755,139,513	\$35,765,210,224	\$3,010,070,711	9.2%
GR Dedicated Funds	\$181,413,504	\$171,232,565	(\$10,180,939)	(5.6%)
Total GR-Related Funds	\$32,936,553,017	\$35,936,442,789	\$2,999,889,772	9.1%
Federal Funds	\$60,369,460,277	\$51,044,624,801	(\$9,324,835,476)	(15.4%)
Other	\$1,799,252,637	\$1,616,257,499	(\$182,995,138)	(10.2%)
All Funds	\$95,105,265,931	\$88,597,325,089	(\$6,507,940,842)	(6.8%)

	FY 2023 Budgeted	FY 2025 Recommended	Biennial Change	Percent Change
FTEs	38,509.3	38,509.3	0.0	0.0%

Historical Funding Levels (Millions)



Historical Full-Time-Equivalent Employees (FTEs)



The bill pattern for this agency (2024-25 Recommended) represents an estimated 60.8% of the agency's estimated total available funds for the 2024-25 biennium.

**Health and Human Services Commission
Summary of Funding Changes and Recommendations - Senate**

Funding Changes and Recommendations for the 2024-25 Biennium compared to the 2022-23 Base Spending Level (in millions)		General Revenue	GR-Dedicated	Federal Funds	Other Funds	All Funds	Strategy in Appendix A
<i>SIGNIFICANT Funding Changes and Recommendations (each issue is explained in Section 3 and additional details are provided in Appendix A):</i>							
A)	Funding for LBB Forecasted Programs						
	Medicaid Client Services	\$1,280.3	\$9.4	(\$9,580.6)	\$130.9	(\$8,159.9)	Goal A
	CHIP Client Services	\$315.6	\$0.0	\$716.7	\$0.0	\$1,032.3	Goal C
	Early Childhood Intervention	\$59.1	\$0.0	\$1.8	\$0.0	\$60.9	D.1.3
	TANF Cash Assistance	(\$1.6)	\$0.0	(\$2.6)	\$0.0	(\$4.3)	E.1.1
B)	Funding for Medicaid & CHIP Contracts & Administration	(\$21.0)	\$0.0	(\$86.2)	(\$9.8)	(\$117.0)	B.1.1
C)	Funding for Women's Health Programs	\$68.1	\$0.0	\$72.3	(\$0.3)	\$140.1	D.1.1
D)	Funding for Alternatives to Abortion	\$20.3	\$0.0	\$0.0	\$0.0	\$20.3	D.1.2
E)	Remove one-time funding for Prescription Drug Savings Program	(\$4.0)	\$0.0	\$0.0	\$0.0	(\$4.0)	D.1.13
F)	Funding for Community Mental Health Adult, Children, and Crisis Services	\$109.4	\$0.0	\$10.5	(\$0.2)	\$119.7	D.2.1, D.2.2, D.2.3
G)	Federal Funding for Substance Abuse Prevention, Intervention, and Treatment	\$0.0	\$0.0	(\$209.4)	\$0.0	(\$209.4)	D.2.4
H)	Funding for Behavioral Health Waiver and Plan Amendment	(\$0.4)	\$0.0	(\$2.9)	\$0.0	(\$3.3)	D.2.5
I)	Funding for Community Mental Health Grant Programs	\$60.0	\$0.0	\$0.0	\$0.0	\$60.0	D.2.6
J)	Funding for Child Advocacy Programs	\$34.9	(\$20.5)	\$0.0	(\$0.0)	\$14.5	F.3.2
K)	Funding for State Supported Living Centers	\$192.7	\$0.0	(\$39.5)	\$0.0	\$153.2	G.1.1
L)	Funding for Mental Health State Hospitals	\$310.2	\$0.0	(\$71.2)	(\$94.6)	\$144.4	G.2.1
M)	Funding for Mental Health Community Hospitals	\$317.0	\$0.0	(\$15.0)	\$0.0	\$302.0	G.2.2
N)	Funding for Capital Repair and Renovation at SSLCs, State Hospitals, and Other, Including Master Lease Purchase Program Funding and Removing One-time Funding	\$6.3	\$0.0	(\$237.8)	(\$235.1)	(\$466.6)	G.4.2

**Health and Human Services Commission
Summary of Funding Changes and Recommendations - Senate**

Funding Changes and Recommendations for the 2024-25 Biennium compared to the 2022-23 Base Spending Level (in millions)		General Revenue	GR-Dedicated	Federal Funds	Other Funds	All Funds	Strategy in Appendix A
O)	Funding for Integrated Eligibility & Enrollment	\$51.6	\$0.0	\$73.5	(\$0.1)	\$125.0	I.1.1
P)	Funding for Long-Term Care Intake & Access	\$6.6	\$0.0	(\$36.9)	\$0.0	(\$30.3)	I.2.1
Q)	Funding for Office of Inspector General	(\$0.2)	\$0.0	(\$0.4)	(\$0.0)	(\$0.6)	K.1.1
R)	Funding for Data Center Services	\$32.9	\$0.0	\$11.9	\$0.0	\$44.8	L.1.2
S)	Funding for Texas Civil Commitment Office	\$3.2	\$0.0	(\$0.0)	\$0.0	\$3.2	M.1.1

OTHER Funding Changes and Recommendations (these issues are not addressed in Section 3 but details are provided in Appendix A):

T)	Other Additional Health-Related Services Funding	\$3.7	\$0.0	(\$6.5)	\$11.6	\$8.8	Goal D
U)	Other Self-Sufficiency Funding	(\$0.7)	\$0.0	(\$30.5)	\$28.1	(\$3.0)	Goal E
V)	Other Community and Independent Living Services and Coordination Funding	(\$2.4)	\$0.0	(\$24.0)	(\$0.0)	(\$26.4)	Goal F
W)	Other Facilities Funding	(\$7.1)	\$0.0	(\$0.1)	\$0.0	(\$7.2)	Goal G
X)	Regulatory Services Funding	\$0.0	\$0.0	(\$9.2)	(\$3.2)	(\$12.4)	Goal H
Y)	Other Program Eligibility Determination & Enrollment Funding	(\$0.6)	\$0.0	\$3.8	\$0.3	\$3.5	Goal I
Z)	Disability Determination Funding	\$0.0	\$0.0	\$0.5	\$0.0	\$0.5	Goal J
AA)	Other System Oversight and Program Support Funding	(\$26.1)	\$0.0	(\$13.1)	(\$10.8)	(\$50.0)	Goal L
BB)	Salary Adjustments	\$202.4	\$0.8	\$150.1	\$0.1	\$353.4	N.1.1

TOTAL SIGNIFICANT & OTHER Funding Changes and Recommendations (in millions)		\$3,010.1	(\$10.2)	(\$9,324.8)	(\$183.0)	(\$6,507.9)	As Listed
SIGNIFICANT & OTHER Funding Increases		\$3,074.3	\$10.3	\$1,041.1	\$171.0	\$4,296.6	As Listed
SIGNIFICANT & OTHER Funding Decreases		(\$64.2)	(\$20.5)	(\$10,365.9)	(\$354.0)	(\$10,804.6)	As Listed

NOTE: Totals may not sum due to rounding. Amounts in Other Funding Changes and Recommendations exclude funding amounts described in Significant Funding Changes and Recommendations.

**Health and Human Services Commission
Selected Fiscal and Policy Issues - Senate**

- 1) **Employee Vacancies and Salary Increases.** According to HHSC, the agency has experienced significant challenges recruiting and retaining staff in key agency areas. In fiscal year 2022, the agency had 32,526.9 filled full-time equivalent (FTE) positions, representing 84.7 percent of the agency’s FTE cap of 38,403.2. To address workforce shortages impacting service provisions, HHSC utilized available funding to provide salary increases in the 2022-23 biennium. The agency has reported that these increases have had a positive impact on recruitment and retention. Recommendations include an increase of \$326.8 million in General Revenue (\$418.0 million in All Funds) to maintain salary increases provided in the 2022-23 biennium in Strategies G.1.1, State Supported Living Centers; G.2.1, Mental Health State Hospitals; and I.1.1, Integrated Eligibility & Enrollment; into the 2024-25 biennium for the full recommended FTE cap in these strategies. The table below shows filled FTE positions, the budgeted cap, and the 2024-25 biennium increase in funding to maintain salary increases in each strategy.

2024-25 Funding to Maintain Salary Increases

Strategy	Filled FTEs in FY 2022	Budgeted FTEs in FY 2022	Percentage of FTE Positions Filled	2024-25 Increase for Salaries General Revenue	2024-25 Increase for Salaries All Funds
G.1.1, State Supported Living Centers	9,685.8	11,794.1	82.1%	\$141,328,220	\$141,328,220
G.2.1, Mental Health State Hospitals	6,111.6	7,858.2	77.8%	\$94,946,522	\$94,946,522
I.1.1, Integrated Eligibility & Enrollment	7,160.5	7,819.0	91.1%	\$90,556,647	\$181,726,950

In addition, recommendations include an increase of \$203.2 million in General Revenue Funds and General Revenue-Dedicated Funds (\$353.4 million in All Funds) in new Strategy N.1.1, Salary Adjustments, for statewide salary adjustments in fiscal years 2024 and 2025.

- 2) **Budget Structure Changes.** During the strategic planning process, the Legislative Budget Board and the Office of the Governor approved several significant budget structure changes based on HHSC’s request for the 2024-25 biennium. The fiscal year 2021, the 2022-23 base, and 2024-25 biennium recommendations reflect the new budget structure based on HHSC’s reported and requested realignment of funding.
- a. *Consolidation of Strategies.* Strategic planning included the consolidation of certain strategies to better align the budget structure with HHSC’s operational structure. HHSC reported that these changes would reduce administrative burden while maintaining transparency, as the previous strategy-level breakouts would be provided through substrategy-level detail. The table below shows the 2022-23 biennium strategies that were consolidated for the 2024-25 biennium budget structure. Changes to CHIP are discussed in more detail later in the packet.

2024-25 Budget Structure Changes by Strategy

2022-23 Strategies	2024-25 Strategy
B.1.1, Medicaid Contracts & Administration B.1.2, CHIP Contracts & Administration	B.1.1, Medicaid & CHIP Contracts & Administration
C.1.1, CHIP C.1.2, CHIP Perinatal Services C.1.3, CHIP Prescription Drugs C.1.4, CHIP Dental Services	C.1.1, CHIP
H.1.1, Facility/Community-Based Regulation H.1.2, LTC Quality Outreach	H.1.1, Facility/Community-Based Regulation
K.1.1, Office of Inspector General K.1.2, OIG Administrative Support	K.1.1, Office of Inspector General

b. *New Direct Administration Strategies.* Strategic planning also included the creation of two new administrative strategies, Strategy D.1.14, Primary Health and Specialty Care Administration, for Objective D.1, Primary Health & Specialty Care, and Strategy D.2.7, Community Behavioral Health Administration, for Objective D.2, Provide Behavioral Health Services. These new strategies better align the budget structure with HHSC’s operational structure and improve transparency by having program strategies that only reflect direct program funding such as client services or grants. In their Legislative Appropriations Request (LAR), HHSC shifted funding to the new strategies to account for direct administrative activities as well as indirect administrative funding located in other strategies. No funding appropriated for program activities such as client services or grant funding was reduced or repurposed for administrative activities.

Recommendations for the 2024-25 biennium include \$29.8 million in General Revenue (\$45.2 million in All Funds) for Strategy D.1.14, Primary Health and Specialty Care Administration. Recommendations move funding for ECI quality assurance into the new administration strategy per HHSC’s request, so recommendations also rename Strategy D.1.3, ECI Respite & Quality Assurance, to Strategy D.1.3, ECI Respite. Recommendations for the 2024-25 biennium include \$49.8 million in General Revenue (\$103.4 million in All Funds) for Strategy D.2.7, Community Behavioral Health Administration.

3) **COVID-19 Funding.** Excluding federal funding received due to increases in the Federal Medical Assistance Percentage (FMAP), HHSC has received \$2,329.1 million in federal funding related to the COVID-19 pandemic through November 2022 as reported by the agency. Included in this amount is \$731.1 million from Coronavirus State Fiscal Recovery Funds appropriated to HHSC through Senate Bill 8, Eighty-seventh Legislature, Third-called Session, 2021, and detailed in the table below.

Funding Provided in Senate Bill 8, Eighty-seventh Legislature, Third-called Session, 2021

Strategy	Senate Bill 8 Section	FY 2022 Funding	Description
A.1.1, Aged and Medicare-related	12	\$75,000,000	Rural Hospitals - grants to rural hospitals
A.2.7, Intermediate Care Facilities - IID	33	\$378,300,000	Staffing Needs - grants for nursing facilities, assisted living facilities, home health agencies, IDD facilities, and community attendants
B.1.1, Medicaid & CHIP Contracts & Administration	13	\$20,000,000	Internet Portal - creation of a consolidated internet portal for Medicaid and CHIP medical services provider data
B.1.1, Medicaid & CHIP Contracts & Administration	14	\$5,000,000	Technology Updates - updates to the Medicaid eligibility computer system
G.2.2, Mental Health Community Hospitals	22	\$15,000,000	Sunrise Canyon Hospital - expansion of capacity at hospital
G.4.2, Facility Capital Repairs & Renovation	11	\$237,800,000	Dallas State Hospital - construction of new mental health state hospital
M.1.1, Texas Civil Commitment Office	15	\$14,250	Texas Civil Commitment Office - COVID-19 related expenditures
Total		\$731,114,250	

HHSC has indicated that they expect to complete all the projects above except for the Sunrise Canyon Hospital and Dallas State Hospital projects within the 2022-23 biennium.

Other notable federal awards received by HHSC through COVID-19-related federal legislation include a total of \$207.8 million in Mental Health Block Grants and \$257.5 million in Substance Abuse Prevention and Treatment Block Grants, which the agency is using to address mental health and substance use disorder challenges that have been exacerbated by the pandemic.

- 4) **Health and Human Services Program Financing.** Financing for the many health and human services programs at the agency is based on an array of matching rates that determine the amount of state funds (General Revenue, General Revenue-Dedicated, and Other Funds) and the amount of Federal Funds. The primary match rate for Medicaid client services is the FMAP. Each state has a different FMAP, ranging from 50 to 83 percent, based on its per capita personal income (PCPI) relative to the nation’s PCPI.

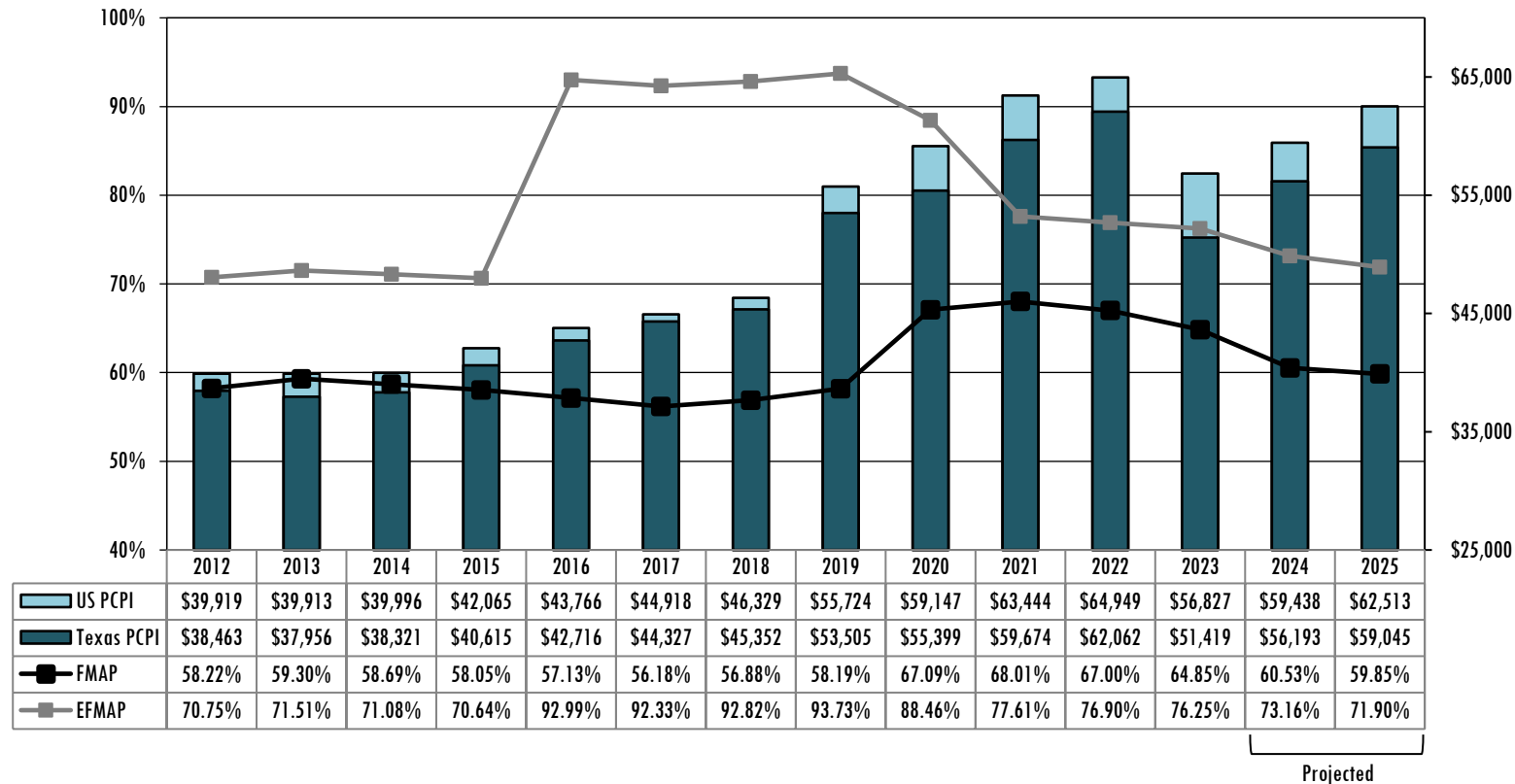
The CHIP program (client services and administrative services) is matched at the Enhanced Federal Medical Assistance Percentage (EFMAP), a more favorable rate with a state share that is a 30 percent reduction to the state’s share under the regular FMAP.

In March 2020, Congress passed the Families First Coronavirus Response Act (FFCRA). The FFCRA provides for a 6.2 percentage point increase to the FMAP rate. The FFCRA made the 6.2 percentage point increase available from January 1, 2020, through the last day of the federal fiscal quarter in which the public health emergency (PHE) declared by the Secretary of Health and Human Services, pursuant to section 319 of the Public Health Service Act, ends. The 6.2 percentage point increase to FMAP pursuant to FFCRA was also incorporated into the EFMAP formula, resulting in an increase of 4.3 percentage points to the EFMAP. In order to receive the increased FMAP, states were required to maintain continuous enrollment. In late December 2022, H.R. 2617, the Consolidated Appropriations Act, 2023, (CAA, 2023) was signed by the President. The CAA, 2023, unlinks the increased FMAP from the PHE and allows states to begin removing individuals from state Medicaid programs on April 1, 2023. At that time the FMAP will begin to phase out and decrease incrementally until it is eliminated beginning January 1, 2024. The phased out increased FMAP has not been incorporated into the forecasted amounts presented in this packet. LBB-staff projections assumed the PHE would end in January 2023, with an end to the increased FMAP at the end of March 2023.

The FMAP and EFMAP are expected to be less favorable in federal fiscal years 2024 and 2025 compared to the 2022-23 biennium, with the assumed loss of the 6.2 percentage point increase. HHSC excluded the increased FMAP and EFMAP in non-Medicaid and CHIP client services strategies in fiscal year 2023. The 2022-23 base has not been adjusted to include the 6.2 percentage point increase outside of forecasted strategies. Including the increase would result in showing freed-up General Revenue that HHSC must request to expend, which the agency has not yet done. This results in fiscal year 2023 amounts being artificially low. In order to mitigate decreases in client services, recommendations maintain fiscal year 2023 appropriated levels and adjust for the LBB-forecasted FMAP. In administrative strategies where there are several sources of federal matching funds, the agency’s 2024-25 biennium General Revenue request was held constant, and the federal funds were adjusted to match LBB-forecasted FMAP and EFMAP rates. The LBB projected FMAPs and EFMAPs are higher than those HHSC included in their LAR.

The chart below shows the Texas FMAP and EFMAP (with the increases authorized by the FFCRA) for federal fiscal years 2012 through 2025. The federal fiscal year 2023 and 2024 FMAPs have been updated to reflect the phased out increased FMAP. The final federal fiscal year 2025 FMAP will not be available until the fall of 2023.

FMAP, EFMAP, and Per Capita Income (PCPI), FFY 2012 to 2025



Notes: Reflects FFY regular FMAPs adjusted to reflect increased FMAPs and EFMAPs related to the FFCRA that were applied during the Public Health Emergency. The LBB Staff forecasts assumed the increased FMAP through the end of March 2023. However, the FMAP has been updated here due to the passage of the CAA, 2023, which will phase out the increased FMAP through the first fiscal quarter of state fiscal year 2024.

EFMAPs reflect a 23.0 percentage point increase in FFY 2016 through FFY2019 pursuant to the federal Affordable Care Act and an 11.5 percentage point increase in FFY 2020 pursuant to the federal HEALTHY Kids Act.

Per capita personal income is the average of the most recent three years available at the time each FMAP was calculated and does not include any updates to the data made after that time. For example, FFY 2021 FMAP is based on the average of 2016 to 2018 per capita personal income as reported by the Bureau of Economic Analysis in September 2019.

Other matching rates are available for client services in the Medicaid program including 90/10 for family planning services, an enhanced matched under the Community First Choice Program for certain long-term care services, and a 50 percent reduction to the state share under FMAP for certain services provided through the Money Follows the Person Demonstration. Most administrative services under Medicaid receive a 50 percent federal match, but some services are eligible for 75/25 or 90/10 matching rates.

American Rescue Plan Act - Increased FMAP related to Home and Community-based Services

In September 2021, the Health and Human Services Commission (HHSC) requested authority to expend and transfer freed-up General Revenue (GR) made available due to the 10.0 percentage point increase in the FMAP for Home and Community-Based Services (HCBS) between April 1, 2021, and March 31, 2022, included in the American Rescue Plan Act of 2021. Freed-up General Revenue could only be used to support activities that enhance or strengthen HCBS, not supplant existing state funding.

HHSC developed a proposed spending plan that was approved by the Centers for Medicare and Medicaid Services in January 2022. The plan included an estimated \$34.3 million in freed-up General Revenue for exceptional items adopted by the Eighty-seventh Legislature, 2021. These include items to Enhance Technology to Support Waiver Providers, Provide HCBS Services to More Texans, and Build a Registry for ISS provider Oversight. In February 2022, the Legislative Budget Board approved the agency's request to transfer related funds between strategies in order to utilize the freed-up General Revenue.

HHSC updated the proposed expenditure after receiving final approval due to project timelines and updated cost estimates. The estimated freed-up General Revenue was updated, and the total plan was revised from \$286.9 million to \$354.9 million. The LAR identifies \$157.7 million in freed-up General Revenue across multiple strategies. HHSC did not include \$197.2 million for recruitment bonuses within Strategies A.1.1, Aged and Medicare Related, and A.1.2, Disability Related. The table below is a high-level summary of the projects funded.

Home and Community-based Services Freed-up General Revenue Approved Initiatives

Initiative	Strategy	Funding (in millions)
Provider Retention Bonuses	Goal A	\$271.0
Provide HCBS Services to More Texans	A.3.1, A.3.2, A.3.3, A.3.4	\$26.2
Implement Individual Skills and Socialization (ISS)	A.3.1	\$35.0
Enhance the Preadmission Screening and Resident Review (PASRR) Portal	A.2.1	\$0.2
Provider Recruitment, Training, and Technology Evaluation	D.2.5	\$1.5
Enhance the Local IDD Authority Portal Interface	F.1.3	\$2.1
Assess and Evaluate Compliance, Services, and Technology in HCBS	B.1.1	\$4.0
Build Infrastructure for ISS Provider Oversight	B.1.1	\$5.0
Enhance the No Wrong Door System, Assess Client Needs, Support Caregivers	B.1.1	\$9.4
Build a Registry for ISS Provider Oversight	L.1.2	\$0.5
2022-23 Total		\$354.9

- 5) **Medicaid Client Services.** Recommendations for Medicaid Client Services include \$28,180.9 million in General Revenue (\$71,699.7 million in All Funds) for the 2024-25 biennium. This reflects an increase of \$1,280.3 million in General Revenue (a decrease of \$8,159.9 million in All Funds) from the LBB-adjusted 2022-23 base.
- LBB Staff forecasts assumed that the PHE would end in January 2023, with the expiration of the increased FMAP at the end of the federal fiscal quarter in March 2023. The projections relied on HHSC's proposed timeline for eligibility redeterminations to determine which client groups and strategies would be impacted first. This primarily reduces caseloads in strategies A.1.3, Pregnant Women, A.1.4, Other Adults, A.1.5, Children, A.1.6, Medicaid Prescription Drugs, A.1.7, Health Steps (EPSDT) Dental, and A.1.8, Medical Transportation.
 - Recommendations include \$324.7 million in General Revenue (\$811.7 million in All Funds) for the 2024-25 biennium to maintain the COVID-19 Emergency Add-on Rate for nursing facilities, contingent upon the end of the Public Health Emergency (PHE). In April 2020 the reimbursement rate for nursing facilities was increased by \$19.63 per patient per day for COVID-19 related expenditures such as direct care staff salaries and wages, personal protective equipment, and dietary needs and supplies. In order to receive funding upon the conclusion of the PHE, nursing facilities will be required to report how the funds are being used and what efforts are being taken to improve the quality of care.
 - Recommendations include \$79.9 million in General Revenue (\$199.8 million in All Funds) for the 2024-25 biennium to provide funding for reimbursement rates for nursing facilities under a new Patient Driven Payment Model (PDPM). The Health and Human Services Commission must develop and implement a PDPM, which is intended to prioritize the appropriateness of services for a patient over the number of services provided.
 - Cost Growth.* Recommendations do not include an estimated \$977.5 million in General Revenue (\$2,157.5 million in All Funds) for cost growth in the 2024-25 biennium.
 - Supplemental Need.* The LBB-adjusted 2022-23 base is an increase of \$3,341.8 million in General Revenue (\$15,303.2 million in All Funds) from the 2022-23 General Appropriations Act appropriated level.
- 6) **Medicaid & CHIP Contracts and Administration.** Recommendations for Medicaid & CHIP Contracts and Administration include \$452.3 million in General Revenue (\$1,468.5million in All Funds) for the 2024-25 biennium. Recommendations reflect a reduction of \$21.0 million in General Revenue (\$117.0 million in All Funds) from the 2022-23 biennium. Recommendations also adjusted fiscal years 2024 and 2025 CHIP funding to align with the LBB-staff projected EFMAs, and updated federal funds amounts to align with HHSC reported General Revenue for match.
- Recommendations provide \$3.8 million in General Revenue (\$15.0 million in All Funds) for updates to the Medicaid Management Information System for changes related to transitioning to the Patient Driven Payment Model for nursing facilities. This partially funds the agency's LAR exceptional item related to complying with state and federal regulations.
 - Recommendations remove \$25.0 million in Federal Funds received in Senate Bill 8, Eighty-seventh Legislature, Third Called Session, 2021. HHSC received \$20.0 million for a consolidated internet portal for Medicaid and CHIP provider data and is on track to complete this project in fiscal year 2023. An additional \$5.0 million was received for technology updates to the Medicaid eligibility computer system. HHSC anticipates needing additional funding for the one-time development of this project.
 - Recommendations remove \$18.4 million in freed-up General Revenue received from the 10.0 percentage point increase in the FMAP for Home and Community-Base Services (HCBS) authorized in the American Rescue Plan Act of 2021. Proposed expenditures for freed-up General Revenue that was transferred to Goal B, Medicaid & CHIP Support, included information technology projects to digitize provider oversight tools, build infrastructure for the Long-term Services and Supports Redesign Pilot Program, as well as funding to evaluate services and needs within HCBS programs.
 - Recommendations remove \$0.3 million in General Revenue (\$0.5 million All Funds) related to one-time funding provided in Special Provisions Section 26, Reimbursement Rates and Methodology: Reporting Requirements: Legacy Foster Care, Community Base Care Services, and other Child Services.
 - Funding in fiscal years 2024 and 2025 includes 3.0 FTEs and funding transferred from the Office of the Inspector General to Strategy B.1.1, Medicaid & CHIP Contracts & Administration for the Payment Error Rate Measurement (PERM) Program. HHSC submitted a request to transfer funds on April 1, 2022, and received approval on August 17, 2022. HHSC intends to complete the transfer in fiscal year 2023, however due to the timing of the LAR submission it has only been included in the 2024-25 biennium.

- 7) **Children's Health Insurance Program (CHIP) Client Services.** Recommendations for the CHIP Client Services include \$512.5 million in General Revenue (\$1,830.3 million in All Funds) for the 2024-25 biennium. Recommendations reflect an increase of \$315.6 million in General Revenue (\$1,032.3 million in All Funds) from the 2022-23 LBB-adjusted base.
- a. *Budget Structure Changes.* As discussed in item number 2, during the development of the Strategic Plan for fiscal years 2023 to 2027, HHSC requested to consolidate the current CHIP strategies in the 2022-23 General Appropriations Act: C.1.1, CHIP, C.1.2, CHIP Perinatal Services, C.1.3, CHIP Prescription Drugs, and C.1.4, CHIP Dental. According to HHSC, actual expenditures for CHIP client services can vary due to caseload changes and cost growth from appropriated levels. While the agency had transfer authority within Goal C, CHIP Client Services, HHSC indicated that this change will improve cash management, reduce administrative burden, and ensure timely and efficient payments. HHSC will continue to forecast CHIP at the same level of detail previously provided to LBB Staff. A new informational rider, Rider 26, Informational Listing: Children's Health Insurance Program (CHIP) Funding, has been added to ensure that the previous level of detail is retained.
 - b. *End of the Public Health Emergency.* During the PHE, CHIP enrollment has declined due to continuous Medicaid eligibility. With the end of continuous enrollment in Medicaid, HHSC must conduct a full redetermination for each client and allow 30 days for members to respond to renewal packets. The agency has indicated that it will prioritize individuals most likely to be ineligible or transitioned to CHIP. This will result in a projected increase in clients enrolled in CHIP. States have 14 months to complete eligibility renewals.

LBB Staff forecasts assumed that the PHE would end in January 2023, with the increased FMAP set to expire at the end of the federal fiscal quarter in March 2023. The loss of the 6.2 percentage point increase in the FMAP, which affects the EFMAP, will increase the General Revenue need for the 2024-25 biennium.
 - c. *Cost Growth.* Recommendations do not include an estimated \$37.9 million in General Revenue (\$135.2 million in All Funds) for cost growth in the 2024-25 biennium.
- 8) **Women's Health Programs.** Recommendations for women's health programs include \$219.8 million in General Revenue (\$427.2 million in All Funds) for the 2024-25 biennium. Recommendations reflect an increase of \$68.1 million in General Revenue (an increase of \$140.1 million in All Funds) from the 2022-23 biennium.

Based on the most recent data submitted by HHSC regarding Healthy Texas Women, it is likely HHSC will lapse appropriations for women's health programs in the 2022-23 biennium. The 2022-23 base was adjusted to align with HHSC's forecasted client services for Healthy Texas Women to account for these expected lapses.

- a. *Healthy Texas Women (HTW).* Recommendations for the 2024-25 biennium for HTW include \$85.8 million in General Revenue (\$268.6 million in All Funds), which is an increase of \$25.7 million in General Revenue (\$97.8 million in All Funds).
 - i. *COVID-19 Impact.* The COVID-19 pandemic has several impacts on HTW, including the following:
 - A. As discussed above, in order to receive the 6.2 percentage point increase to the FMAP, states must provide continuous coverage to all Medicaid beneficiaries who were enrolled in Medicaid on or after March 18, 2020, through April 1, 2023. As a result, women who would normally lose Medicaid coverage two months after giving birth and be automatically enrolled into HTW have remained in Medicaid. While not required, HHSC has opted to provide continuous coverage for HTW beneficiaries. Therefore, HTW caseloads have been lower than anticipated in the 2022-23 biennium and are expected to increase in the 2024-25 biennium as women transition off Medicaid and back into HTW services.
 - B. The 6.2 percentage point increase to the FMAP is available to non-family planning client services provided under the HTW Section 1115 Demonstration Waiver. The increase in the FMAP frees up General Revenue. Special Provisions, Section 4, Federal Match Assumptions and Limitations on Use of Available General Revenue Funds, subsection (c) requires that, if any matching rate becomes more favorable than the rate assumed in the GAA, HHSC may only expend freed up General Revenue with prior approval from the LBB and the Governor. In fiscal year 2022, HHSC received approval to transfer freed up General Revenue in Strategy D.1.1, Women's Health Programs, to Strategy A.1.5, Children, to address the Medicaid supplemental need. This is reflected in the fiscal year 2022 adjusted base. HHSC has not yet made a request for freed up General Revenue in the strategy in fiscal year 2023. The fiscal year 2023 adjusted base does not include any assumed increase in the FMAP due to COVID-19 or the associated freed up General Revenue.

- ii. *HTW 1115 Demonstration Waiver.* HHSC received approval from the Centers for Medicare & Medicaid Services (CMS) for the Healthy Texas Women Section 1115 Demonstration Waiver on January 22, 2020, which is approved through December 31, 2024. HTW services receive a mix of matching rates, including 90/10 for family planning services and FMAP for non-family planning services.

Recommendations for the 2024-25 biennium include \$60.3 million in General Revenue (\$237.3 million in All Funds) for client services provided under the HTW 1115 demonstration waiver. This is an increase of \$23.2 million in General Revenue (\$89.5 million in All Funds) to fully fund HHSC-forecasted caseload and cost growth including funding requested in the LAR for Exceptional Item #5, Better Birth Outcomes.

- iii. *HTW Plus Services.* HTW Plus, a limited postpartum care package in HTW, was created by Senate Bill 750, Eighty-sixth Legislature, Regular Session, 2019, with services starting September 1, 2020. HHSC submitted a request to amend the HTW 1115 Demonstration Waiver to include HTW Plus services on December 3, 2020, but the agency has not yet received approval from CMS. Appropriations in the 2022-23 biennium included \$10.7 million in General Revenue (\$27.3 million in All Funds) for HTW Plus. Per HHSC Rider 65, Funding for Healthy Texas Women Plus, 2022-23 GAA, this funding assumed HHSC would receive approval for the waiver amendment and receive matching federal funding for HTW Plus and would request to transfer funds from other sources if such funding didn't become available. HTW Plus has provided significantly fewer services than expected in the 2022-23 biennium because of the ongoing PHE and the effect on enrollment. Based on HHSC's LAR forecast, HTW Plus expenditures in the 2022-23 biennium are expected to total \$2.6 million in General Revenue. The 2022-23 biennium base has been adjusted to reflect this.

Recommendations in the 2024-25 biennium assume the waiver amendment will be approved. Recommendations also fully fund the total cost of HTW Plus Services as forecasted by HHSC, which includes \$3.9 million in General Revenue (\$9.6 million in All Funds), an increase of \$1.2 million in General Revenue (\$7.0 million in All Funds). If the waiver amendment is not approved, HHSC will be directed by rider to seek to transfer funds from other sources prior to making any reductions to service levels.

- iv. *Cost-Reimbursement Contracts.* Recommendations maintain fiscal year 2023 estimated spending for cost-reimbursement contracts and include \$21.7 million in General Revenue for this purpose, which is an increase of \$1.3 million. Cost reimbursement contracts are not covered by the HTW Section 1115 Demonstration Waiver and are 100.0 percent state funded.
- b. *Family Planning Program (FPP).* Recommendations include \$127.1 million in General Revenue (\$135.0 million in All Funds) for FPP. Recommendations reflect an increase of \$42.4 million in General Revenue (\$42.5 million in All Funds) to fully fund HHSC's LAR Exceptional Item #5, Better Birth Outcomes, to provide life-saving treatment services for conditions commonly associated with maternal morbidity and mortality that are not currently offered by FPP, avoid disruptions in family planning care by funding client services provided within the year the service is performed, and reduce barriers to effective contraception by funding mobile long acting reversible contraceptive (LARC) services in Texas.
- c. *Breast and Cervical Cancer Services (BCCS).* Recommendations include \$6.9 million in General Revenue (\$23.6 million in All Funds) for BCCS. Recommendations maintain fiscal year 2023 estimated spending levels, which results in an increase of less than \$0.1 million in federal funding to align the Texas Cancer Prevention and Control funding with the estimated award and a decrease of \$0.3 million in Appropriated Receipts (Other Funds) related to a one-time donation in fiscal year 2022.

Funding for Women's Health Programs (in Millions)

	Healthy Texas Women		Family Planning Program		Breast and Cervical Cancer Screening		Total, D.1.1, Women's Health Programs	
	General Revenue	All Funds	General Revenue	All Funds	General Revenue	All Funds	General Revenue	All Funds
2022-23	\$60.2	\$170.8	\$84.7	\$92.4	\$6.9	\$23.9	\$151.7	\$287.1
2024-25 Recommended	\$85.8	\$268.6	\$127.1	\$135.0	\$6.9	\$23.6	\$219.8	\$427.2
Biennial Change	\$25.7	\$97.8	\$42.4	\$42.5	\$-	(\$0.4)	\$68.1	\$140.1

Note: Totals may not sum due to rounding.

d. *Administration.* Administrative funding for women's health programs was previously appropriated to Strategy D.1.1, Women's Health Programs, but as described previously is now included in Strategy D.1.14, Primary Health and Specialty Care Administration, to consolidate direct administration for similar programs under one strategy and increase transparency on funding for client services.

- 9) **Alternatives to Abortion.** Recommendations include \$120.0 million in General Revenue in Strategy D.1.2, Alternatives to Abortion, which is an increase of \$20.3 million in General Revenue to provide increased funding for the Alternatives to Abortion program. Recommendations also maintain authority to transfer unexpended balances for the program within the biennia and update reporting requirements.
- 10) **Early Childhood Intervention.** Recommendations include \$152.4 million in General Revenue (\$385.8 million in All Funds) in the 2024-25 biennium for Strategy D.1.3, ECI Services, which is an increase of \$59.1 million in General Revenue (\$60.9 million in All Funds) to fund HHSC forecasted caseloads at the 2022-23 biennium appropriated average monthly cost per child of \$433.61. Recommendations include HHSC forecasted amounts for total expenditures and average monthly caseload but include LBB staff forecasted methods of finance and average monthly hours of services per child.

After a decline in caseloads in fiscal year 2020 related to the COVID-19 pandemic, caseloads have grown in fiscal years 2021 and 2022 and are expected to continue increasing. LBB projections for caseloads in the 2022-23 biennium exceed the caseloads assumed in the 2022-23 biennium appropriations, resulting in a lower average monthly cost per child than appropriated. HHSC received an additional \$22.2 million in Individuals with Disabilities Education Act (IDEA) Part C federal funding through the American Rescue Plan Act of 2021. The agency received approval to expend \$10.7 million of the supplemental IDEA Part C above appropriated levels, though the 2022-23 base does not yet reflect this approval.

Recommendations for the 2024-25 biennium fully fund HHSC anticipated caseload growth at the average monthly cost per child of \$433.61, the target established in the 2022-23 GAA. This includes \$112.5 million in IDEA Part C funding, which is an increase of \$8.8 million based on caseload growth and an available balance of IDEA Part C funds. Recommendations increase General Revenue by \$59.1 million, which would increase maintenance-of-effort requirements for the IDEA Part C award and would need to be maintained in subsequent biennia. This fully funds HHSC's LAR Exceptional Item #7, Maintain Client Services Base, and #11, ECI Caseload and Method of Finance.

- 11) **Prescription Drug Savings Program.** House Bill 18, Eighty-seventh Legislature, Regular Session, 2021, established the prescription drug savings program, also known as Texas Cares, which requires HHSC to partner with a pharmacy benefit manager to make prescription drugs available to uninsured individuals at a discounted rate. HHSC was appropriated \$32.6 million in General Revenue Funds in the 2022-23 biennium through a contingency rider to administer the program. House Bill 18 also created a trust fund outside the state Treasury to assist enrollees in purchasing prescription drugs and collect prescription drug rebates through the program, though no funding was provided for the trust fund.

Recommendations include \$28.5 million in General Revenue, which is a decrease of \$3.8 million in start-up information technology (IT) funding and \$0.3 million in start-up FTE costs including one-time furniture and IT needs. HHSC reported that the agency was unable to expend appropriated capital budget funding for IT projects in the 2022-23 biennium and instead intends to lapse the funding. This anticipated lapse is not reflected in the 2022-23 biennium base. The agency has indicated that if capital budget funds are appropriated for the 2024-25 biennium, the funds could be expended at that time.

- 12) **Federal Funding for Community Behavioral Health.** HHSC receives significant federal funding to support programs for community mental health and substance use disorder services, including funds from the Mental Health Block Grant (MHBG), Substance Abuse Prevention and Treatment Block Grant (SABG), and State Opioid Response (SOR) program. The table below shows non-COVID federal awards received for each program in fiscal years 2020 to 2022. Awards amounts are not expected to decrease in fiscal years 2023 through 2025.

Federal Funding for Community Behavioral Health

Program	CFDA	2020	2021	2022
Mental Health Block Grant	93.958.000	\$59,555,880	\$64,895,752	\$70,376,363
Substance Abuse Prevention and Treatment Block Grant	93.959.000	\$145,035,737	\$144,885,443	\$148,608,271
State Opioid Response Grant	93.788.000	\$52,194,013	\$52,194,013	\$52,783,865

Note: Amounts shown do not include COVID-19 federal awards.

- a. *MHBG*. Recommendations for the 2024-25 biennium include a total of \$133.7 million in MHBG non-COVID federal funding across multiple strategies at HHSC, which is a decrease of \$18.4 million from the 2022-23 biennium amounts based on HHSC’s request. HHSC indicated that the decrease is not due to an expected decrease in federal awards, but instead is related to funding the agency has carried forward into the 2022-23 biennium. Recommendations also update Rider 37, Block Grants for Community Mental Health, to require an annual report detailing MHBG funded activities and unexpended balances. Recommendations also include \$126.6 million, in MHBG COVID-related federal funding, which is an increase of \$54.4 million based on HHSC’s request and expected timeline to expend the funds.
- b. *SABG*. Recommendations for the 2024-25 biennium include a total of \$293.0 million in SABG non-COVID federal funding across strategies at HHSC, which is a decrease of \$47.5 million from the 2022-23 biennium amounts based on HHSC’s request. HHSC indicated that the decrease is not due to an expected decrease in federal awards, but instead is related to funding the agency has carried forward into the 2022-23 biennium. Recommendations also update Rider 38, Substance Abuse Prevention and Treatment Block Grant, to add reporting on unexpended balances. Recommendations also include \$78.2 million in SABG COVID-related federal funding, which is a decrease of \$117.2 million based on HHSC’s request and expected timeline to expend the funds.

Federal requirements for SABG funds require states to maintain spending at a level that is not less than the average level of state expenditures maintained by the state for the 2-year period preceding the fiscal year of the grant. HHSC has reported difficulty expending enough state funding in fiscal years 2020 through 2022 due to the COVID-19 pandemic and its impact on provider capacity and in-person services. The federal Substance Abuse and Mental Health Services Administration (SAMHSA) waived HHSC’s maintenance-of-effort requirements (MOE) for fiscal year 2020. HHSC has requested to waive MOE requirements in fiscal year 2021 but has not yet received a response. HHSC has indicated the agency expects to be unable to fully expend state funding in fiscal year 2022 as well, though no expected lapse estimate is available yet. HHSC has indicated that the agency is exploring options to address difficulties in expending state funds. Recommendations for the 2024-25 biennium include \$98.2 million in General Revenue (\$554.1 million in All Funds) in Strategy D.2.4, Substance Abuse Prevention, Intervention, and Treatment, which maintains General Revenue and does not account for any potential lapses in the 2022-23 biennium

- c. *SOR*. Recommendations for the 2024-25 biennium include \$111.0 million in SOR federal funding, which is a decrease of \$41.3 million based on HHSC’s request. As with other federal awards, HHSC indicated that the decrease is not due to an expected decrease in federal awards, but instead is related to funding the agency has carried forward into the 2022-23 biennium.

13) Funding for Community Mental Health Adult, Children, and Crisis Services.

- a. *Adults*. Recommendations for the 2024-25 biennium provide \$688.0 million in General Revenue (\$911.3 million in All Funds) for Strategy D.2.1, Community Mental Health Services for Adults, which includes the following adjustments in General Revenue:
 - an increase of \$25.7 million to biennialize budget execution funding and expand services for Multisystemic Therapy;
 - an increase of \$17.0 million to expand step-down housing;
 - an increase of \$10.0 million to provide mental health services to the Uvalde Community;
 - an increase of \$3.3 million to biennialize budget execution funding and expand services for Coordinated Specialty Care; and
 - a decrease of \$2.1 million to transfer funding to the Texas Veterans Commission (TVC) for that was previously appropriated to TVC as an interagency contract.

Recommendations also reflect an increase of \$31.3 million to align COVID-19 federal funding with expected expenditures and an offsetting decrease of \$11.5 million to align other federal funding with expected awards.

- b. *Children.* Recommendations for the 2024-25 biennium provide \$133.5 million in General Revenue (\$187.2 million in All Funds) for Strategy D.2.2, Community Mental Health Services for Children, which maintains General Revenue funding and includes a decrease of \$5.5 million to align COVID-19 federal funding with expected expenditures and \$6.0 million to align other federal funding with expected awards.
- c. *Crisis Services.* Recommendations provide \$273.9 million in General Revenue (\$314.4million in All Funds) for Strategy D.2.3, Community Mental Health Crisis Services, which includes the following adjustments in General Revenue.
 - an increase of \$36.0 million for crisis stabilization units;
 - an increase of \$11.5 million for crisis respite units for youth; and
 - an increase of \$8.0 million for youth mobile crisis outreach teams.

Recommendations reflect an increase of \$6.7 in Federal Funds million to align COVID-19 federal funding with expected expenditures and an offsetting decrease of \$4.5 million to align other federal funding with expected awards. Recommendations also reflect a decrease to align Appropriated Receipts with expected revenue collections.

- 14) **Behavioral Health Waiver and Plan Amendment.** Recommendations for the 2024-25 biennium provide \$30.2 million in General Revenue (\$66.1 million in All Funds) for Strategy D.2.5, Behavioral Health Waiver and Plan Amendment. Recommendations reflect an increase of \$1.1 million in General Revenue due to less favorable FMAPs and a decrease of \$1.5 million in freed-up General Revenue (\$3.7 million in All Funds) transferred as a result of the 10.0 percentage point increase in the FMAP for Home and Community-Based Services (HCBS) in the American Rescue Plan Act of 2021. Recommendations also reflect a decrease of \$0.7 million to align federal match funding with the available General Revenue.

Recommendations for the 2024-25 biennium provide \$12.9 million in General Revenue (\$27.0 million in All Funds) for the Youth Empowerment Services (YES) waiver, which fully funds HHSC’s forecast. This is an increase of \$3.0 million in General Revenue (\$6.5 million in All Funds) due to HHSC’s projected caseload and cost growth for the YES waiver.

Recommendations include \$17.3 million in General Revenue (\$39.1 million in All Funds) for the Home and Community-Based Services – Adult Mental Health Program (HCBS-AMH), which does not fully fund HHSC’s forecast for HCBS-AMH in the 2024-25 biennium.

- 15) **Community Mental Health Grant Programs.** Recommendations for the 2024-25 biennium include \$205.0 million in General Revenue for Strategy D.2.6, Community Mental Health Grant Programs, which is an increase of \$60.0 million in General Revenue. The table below shows General Revenue funding by grant program.

General Revenue Funding by Grant Program (in Millions)

Program	2022-23	2024-25
Texas Veterans + Family Alliance Program	\$20.0	\$20.0
Mental Health Grant Program for Justice-Involved Individuals	\$50.0	\$80.0
Harris County Jail Diversion Program	\$10.0	\$10.0
Community Mental Health Grant Program	\$40.0	\$55.0
Healthy Community Collaborative Program	\$25.0	\$25.0
Innovation Grant Program	\$0.0	\$15.0
Total	\$145.0	\$205.0

- 16) **TANF Cash Assistance.** Recommendations for the 2024-25 biennium include \$33.0 million in General Revenue (\$36.4 million in All Funds), a decrease of \$1.6 million in General Revenue (\$4.3 million in All Funds) from the 2022-23 biennium projected expenditures. Recommendations reflect the LBB staff forecasted expenditures, which assume TANF caseloads will continue declining through fiscal year 2023 before leveling off through the 2024-25 biennium while grant amounts will continue increasing. The grant per recipient historically increases each year because the maximum grant is tied to the Federal Poverty Level (FPL), which in turn is tied to the Consumer Price Index. The LBB staff forecast assumes an increase in the grant per recipient amount for both monthly cash assistance programs of 1.7 to 1.8 percent in fiscal year 2024 and fiscal year 2025 based on projected growth in the FPL. Recommendations maintain the eligibility for TANF at 17.0 percent of FPL.
- 17) **Child Advocacy Programs.** Recommendations for the 2024-25 biennium include \$101.6 million in General Revenue and General Revenue-Dedicated Funds (\$115.5 million in All Funds) for Strategy F.3.2, Child Advocacy Programs, which is an increase of \$14.5 million in General Revenue and General Revenue-Dedicated Funds (\$14.5 million in All Funds). Recommendations include \$69.7 million in General Revenue and General Revenue-Dedicated Funds (\$83.6 million in All Funds) for the Child Advocacy Centers (CAC) program and \$31.9 million in General Revenue (\$31.9 million in All Funds) for the Court-Appointed Special Advocates (CASA) program. Recommendations include an increase of \$12.5 million in General Revenue to expand services and an increase of \$2.0 million to implement regional support centers for the CAC program, and recommendations maintain total funding for the CASA program. Recommendations also include an increase of \$20.5 million in General Revenue and an offsetting decrease of \$20.5 million from General Revenue-Dedicated Account No. 469, Compensation to Victims of Crime, for a method of finance swap.
- 18) **State Supported Living Centers.**
- a. *The 2022-23 Biennium Base.* As with other strategies excluding Medicaid and CHIP client services, HHSC's submitted 2022-23 biennium base for Strategy G.1.1, State Supported Living Centers, did not include any additional funding in fiscal year 2023 resulting from the 6.2 percentage point increase in the FMAP. Therefore, the 2022-23 biennium base is artificially low as additional federal matching funding will be received.
 - b. *The 2024-25 Biennium Recommendations.* Recommendations provide \$680.4 million in General Revenue (\$1,513.8 million in All Funds) for Strategy G.1.1, State Supported Living Centers. This is an increase of \$192.7 million in General Revenue (\$153.2 million in All Funds) from the 2022-23 biennium base as submitted by HHSC. Recommendations include the following adjustments:
 - an increase of \$141.3 million in General Revenue to maintain salary increases provided for SSLC staff in the 2022-23 biennium in the 2024-25 biennium for the entire appropriated FTE cap;
 - an increase of \$54.3 million in General Revenue (\$0.0 in All Funds) to account for less favorable FMAPs in the 2024-25 biennium;
 - an increase of \$0.9 million in General Revenue (\$21.7 million in All Funds) to maintain fiscal year 2022 funding levels into the 2024-25 biennium given the artificially low fiscal year 2023 base;
 - an increase of \$0.3 million in Federal Funds to align Money Follows the Person Rebalancing Demonstration amounts with expected awards; and
 - a decrease of \$3.8 million in General Revenue (\$10.2 million in All Funds) related to LBB staff-projected census declines at the SSLCs compared to fiscal year 2022. Recommendations assume 10.0 percent of prior fiscal year's budgeted expenditures are variable and reduce the variable portion of expenditures using a projected caseload decline of 2.9 percent in fiscal year 2023, 3.0 percent in fiscal year 2024, and 3.1 percent in fiscal year 2025. Recommendations assume an SSLC census of 2,515 in fiscal year 2024 and 2,437 in fiscal year 2025.

Recommendations include \$49.2 million in Other Funds 8095, ID Collections for Patient Support and Maintenance; Other Funds 8096, ID Appropriated Receipts; and Other Funds 8098, ID Revolving Fund Receipts; to maintain collections at the 2022-23 biennium amounts. Recommendations partially fund HHSC's LAR Exceptional Item #7, Maintain Client Services Base, by accounting for the less favorable FMAPs for SSLCs.
- 19) **Mental Health State Hospitals.** Recommendations for the 2024-25 biennium include \$1,076.1 million in General Revenue (\$1,113.0 million in All Funds) for mental health state hospital operations in Strategy G.2.1, Mental Health State Hospitals, which is an increase of \$310.2 million in General Revenue (\$144.4 million in All Funds). Recommendations include an increase of \$94.9 million in General Revenue to maintain salary increases provided for state hospital staff in the 2022-23 biennium in the 2024-25 biennium for the entire appropriated FTE cap. Recommendations include a method-of-finance swap of \$94.6 million from Public Health Medicaid Reimbursements Account No. 709 (Other Funds) to General Revenue to consolidate all Account No. 709 at HHSC into Goal A, Medicaid Client Services. Although this is an increase in General Revenue at state hospitals, it has no net impact on General Revenue included in HHSC recommendations. Recommendations also

include an increase of \$71.1 million in General Revenue offset by a decrease of the same amount in federal funding for a method-of-finance adjustment made in fiscal year 2022 due to a reduction in one-time pandemic-related federal stimulus dollars for salaries and benefits related to the COVID-19 pandemic response. Recommendations include an increase of \$23.8 million in General Revenue to biennialize funding for 144 beds at the John S. Dunn Behavioral Sciences Center and an increase of \$0.5 million in General Revenue to biennialize funding for a higher bed day rate of \$578 at the maximum security unit at Kerrville State Hospital. This partially funds HHSC's LAR Exceptional Item #4, Expanding State Hospital Capacity. Recommendations also include an increase of \$20.4 million in General Revenue to expand state hospital contracted bed capacity by 40 beds and an increase of \$5.0 million in General Revenue to establish state hospital transition teams.

As discussed previously, HHSC has had significant staffing difficulties at state hospitals, which has led to a reduced state hospital census and increasing waitlists for services. The 2022-23 GAA included a target of 2,295 for the average daily census of state mental health facilities, but in fiscal year 2022 HHSC was only able to maintain an average daily census of 1,532, largely due to workforce challenges. The recommended average daily census target for the 2024-25 biennium is 2,410, which assumes HHSC will be able to address staffing challenges, maintain 95.0 percent occupancy of funded beds, and add 40.0 contracted beds in capacity.

- 20) **Mental Health Community Hospitals.** Recommendations for the 2024-25 biennium include \$623.4 million in General Revenue for Strategy G.2.2, Mental Health Community Hospitals, which includes an increase of \$317.0 million in General Revenue (\$302.0 million in All Funds). Recommendations include an increase of \$252.0 million in General Revenue to maintain existing capacity and for 234 additional state-purchased inpatient psychiatric beds, including 85 beds in rural communities and 149 beds in urban communities; an increase of \$59.0 million in General Revenue to contract for an additional 150 competency restoration beds; and an increase of \$6.0 million in General Revenue for an outpatient integrated care clinic project. Recommendations also include a decrease of \$15.0 million in Federal Funds for one-time funding provided for the Sunrise Canyon Hospital in Senate Bill 8, Eighty-seventh Legislature, Third-called Session, 2021.
- 21) **Capital Repair and Renovation at SSLCs, State Hospitals, and Other.** Recommendations for Strategy G.4.2, Facility Capital Repairs and Renovations, include an increase of \$12.2 million in General Revenue to align with the Texas Public Finance Authority (TPFA)'s estimates for the Master Lease Purchase Program (MLPP) lease payment requirements for renovations at the state supported living centers (SSLCs) and mental health state hospitals, partially offset by a decrease of \$2.9 million in General Revenue associated with TPFA's estimates for MLPP lease payment requirements for energy conservation projects at the SSLCs and state mental health hospitals. Recommendations maintain 2022-23 funding for other repair and renovation costs, including \$0.1 million in General Revenue and \$0.6 million in General Revenue-Dedicated Account No. 543, Texas Capital Trust Fund Account. Recommendations include a decrease of \$3.0 million in General Revenue (\$475.9 million in All Funds) related to onetime funding provided to HHSC for various construction and deferred maintenance projects. The table below summarizes 2024-25 recommendations by project relative to the 2022-23 base.

Capital Projects Funding in Strategy D.4.2, Capital Repair and Renovation at SSLCs, State Hospitals, and Other

Project	Method of Finance	FY 2022	FY 2023	FY 2024	FY 2025	Recommended Over/(Under) 2022-23
Master Lease Purchase Program - Deferred Maintenance	General Revenue	\$8,901,754	\$15,034,835	\$15,808,752	\$20,287,849	\$12,160,012
Master Lease Purchase Program - Energy Conservation	General Revenue	\$2,147,155	\$753,756	\$10,895	\$0	(\$2,890,016)
Demolition of Buildings at Rusk State Hospital	General Revenue	\$3,000,000	\$0	\$0	\$0	(\$3,000,000)
Minor Repairs and Renovations	General Revenue	\$62,384	\$62,384	\$62,384	\$62,384	\$0
Corpus Christi Bond Home Repairs	General Revenue-Dedicated Account No. 543	\$289,802	\$289,802	\$289,802	\$289,802	\$0
New Construction Projects at the State Mental Health Hospitals	Economic Stabilization Funds (2018-19 GAA)	\$31,682,639	\$0	\$0	\$0	(\$31,682,639)
	Economic Stabilization Funds (House Bill 2, 87R)	\$44,750,000	\$0	\$0	\$0	(\$44,750,000)
	Federal Funds (ARPA)	\$237,800,000	\$0	\$0	\$0	(\$237,800,000)
Deferred Maintenance at the State Supported Living Centers and State Mental Health Hospitals, including Waco Center for Youth	MLPP Revenue Bonds (2020-21 GAA)	\$134,934,510	\$0	\$0	\$0	(\$134,934,510)
	MLPP Revenue Bonds (House Bill 2, 87R)	\$23,689,160	\$0	\$0	\$0	(\$23,689,160)
	General Obligation Bonds	\$36,190	\$0	\$0	\$0	(\$36,190)
Total Funding for Capital Projects in Strategy D.4.2		\$487,293,594	\$16,140,777	\$16,171,833	\$20,640,035	(\$466,622,503)

Recommendations maintain cross-biennia carry forward authority of MLPP Revenue Bond Proceeds provided by the Eighty-sixth Legislature for deferred maintenance projects at the SSLCs and state mental health hospitals but remove cross-biennia carry forward authority for General Obligation (GO) Bond proceeds related to deferred maintenance projects at the SSLCs and state mental health hospitals authorized by Texas voters in the November 2007 election, as HHSC has reported that funds are fully expended. The table on the next page shows funding details and status as of September 2022 on all previously approved and funded state hospital construction projects.

Historical State Hospital Construction Appropriations

Projects	HHSC Rider 147 (2018-19 GAA)	Senate Bill 500, Eighty-sixth Legislature, 2019	House Bill 2, Eighty-seventh Legislature, 2021	Senate Bill 8, Eighty-seventh Legislature, 3rd Called Session, 2021	Article IX, Sec. 17.32 (2022-23 GAA)	Construction	Estimated Move-In Date	Total Project Completion
San Antonio State Hospital - 40-Bed Unit	\$11,500,000	\$0	\$0	\$0	\$0	October 2019 - February 2021	March 2021	100.0% Complete
John S. Dunn Behavioral Sciences Center - 264-Bed Facility	\$125,000,000	\$0	\$0	\$0	\$0	June 2019 - February 2022	March 2022	100.0% Complete
Kerrville State Hospital - 70-Bed Maximum Security Unit (MSU)	\$30,500,000	\$0	\$0	\$0	\$0	July 2020 - June 2022	October 2022	90.1% Complete
Rusk State Hospital - 100-Bed MSU	\$91,500,000	\$0	\$0	\$0	\$0	April 2020 - April 2023	June 2023	75.0% Complete
Rusk State Hospital - 100-Bed non-MSU	\$4,500,000	\$90,054,363	\$0	\$0	\$0	April 2020 - April 2023	June 2023	75.0% Complete
Austin State Hospital - 240-Bed Replacement	\$15,500,000	\$165,000,000	\$124,100,000	\$0	\$0	October 2019 - September 2023	November 2023	55.1% Complete
San Antonio State Hospital - 300-Bed Replacement	\$14,500,000	\$190,300,000	\$152,400,000	\$0	\$0	April 2020 - December 2023	January 2024	58.8% Complete
Dallas-Fort Worth Metropolitan Area - New State Hospital	\$0	\$0	\$44,750,000	\$237,800,000	\$0	TBD	May 2025	0.0% Complete (Design process started)
Fiber Infrastructure at Rusk	\$500,000	\$0	\$0	\$0	\$0	-	-	-
Storm Water Run-off System at Rusk and Behavioral Sciences Center	\$3,799,500	\$0	\$0	\$0	\$0	-	-	-
Oversight FTEs	\$700,500	\$0	\$0	\$0	\$0	-	-	-
Demolition at Rusk State Hospital	\$0	\$0	\$0	\$0	\$3,000,000	-	-	20.0% Complete
Total Funding for Construction Projects	\$298,000,000	\$445,354,363	\$321,250,000	\$237,800,000	\$3,000,000	-	-	-

- 22) **Foster Care Litigation.** In March of 2011, the Children's Rights filed a suit against the Governor of Texas, HHSC, and the Department of Family and Protective Services (DFPS) in federal court concerning kids in Permanent Managing Conservatorship (PMC). Currently, the case is before Judge Janice Graham Jack of the Corpus Christi Division in the United States District Court, Southern District of Texas.

The district court entered a Final Order including an injunction against Texas in January of 2018 requiring the agency to implement heightened monitoring for a facility that has a pattern of contract or policy violations. On March 18, 2020, a new order was issued that required a Facility Intervention Team Staffing (FITS) made up of HHSC and DFPS staff to monitor facilities placed under heightened monitoring. The FITS team is required to review historical facility data, develop heightened monitoring plans, and perform at least weekly unannounced visits to the facility, and any placement of PMC children would need approval by the Associate Commissioner of Child Protective Services. All efforts must be documented in the Child Care Licensing Automated Support System (CLASS).

HHSC agreed to implement caseload guidelines, in lieu of completing a workload study that was originally ordered by the court. Residential child care inspectors at HHSC are required to maintain a caseload of 14 to 17 tasks. At DFPS, there must be maintenance of 14 to 17 children per conservatorship caseworker and 14 to 17 cases per child care investigator.

In the Eighty-seventh Legislature, 2021, HHSC was appropriated \$29.0 million in General Revenue, including \$25.4 million in Strategy H.2.1, Child Care Regulation; \$0.4 million in in Strategy L.1.1, HHS System Support; and \$3.3 million in in Strategy L.1.2, IT Oversight and Program Support. This amount was not removed from the 2024-25 base limit. The agency anticipates utilizing \$7.0 million in General Revenue for court monitoring fees in the upcoming biennium.

- 23) **Integrated Eligibility and Enrollment (IEE).** Recommendations include \$475.4 million in General Revenue (\$1,291.3 million in All Funds) for TANF, SNAP, Medicaid, and CHIP eligibility determination and related functions. This is an increase of \$51.6 million in General Revenue (\$125.0 in All Funds) from the 2022-23 biennium. The 2022-23 biennium base was increased by \$0.1 million in Federal Funds to incorporate a missing COVID-19 grant for TANF. The increase from the 2022-23 biennium is primarily related to \$90.6 million in General Revenue (\$181.7 in All Funds) for funding to maintain equity salary adjustments and fill positions to the full FTE authority. This is offset by a decrease of \$38.9 million in General Revenue that was transferred from State Supported Living Centers to IEE for salary adjustments in fiscal year 2023. Additional information regarding recommendations related to salary adjustments can be found in Selected Fiscal and Policy Issues number one. Recommendations also adjusted fiscal years 2024 and 2025 CHIP funding to align with the LBB-staff projected EFMAPs.
- 24) **Long-Term Care Intake and Access.** Recommendations include \$235.6 million in General Revenue (\$516.0 million in All Funds) for eligibility determination, service plan development, and other related long-term care intake and access services. This is an increase of \$6.6 million in General Revenue (a decrease of \$30.3 million in All Funds). Recommendations include an increase of \$12.0 million in General Revenue (a decrease of \$12.5 million in All Funds) related to maintaining fiscal year 2023 appropriations with adjustments for less favorable FMAPs, in order to maintain current service levels despite lower federal financial participation. This partially funds HHSC's LAR Exceptional Item #7, Maintain Client Services Base, which includes \$6.0 million in General Revenue (\$8.9 million in All Funds).
- 25) **Office of Inspector General.** Recommendations for the Office of Inspector General (OIG) total \$22.6 million in General Revenue (\$54.1 million in All Funds) in fiscal year 2024 and \$22.6 million (\$54.2 million in All Funds) in fiscal year 2025. Recommendations include 593.9 FTEs in each fiscal year of the 2024-25 biennium. The 2024-25 biennium recommendations reflect a reduction of \$0.2 million in General Revenue (\$0.6 million in All Funds) from the 2022-23 biennium. Strategy K.1.2, OIG Administrative Support was deleted for 2024-25 biennium with all revenue, expenditures, and FTEs for the deleted strategy reallocated to Strategy K.1.1, Office of Inspector General. OIG submitted nine exceptional item requests.
- 26) **Administrative Support Services.** HHSC is statutorily required to provide administrative support services to the Department of State Health Services (DSHS) and the Texas Civil Commitment Office (TCCO). Administrative support services include strategic planning and evaluation, audit, legal, human resources, information resources, purchasing, contracting, financial management, and accounting services. While House Bill 5, Eighty-fifth Legislature, Regular Session, 2017, established DFPS as an independent agency outside of the HHS System, the bill required DFPS and HHSC to enter into contracts for the provision of administrative services including payroll, procurement, information resources, rate setting, purchasing, and contracting. Administrative support service costs are allocated to agencies by HHSC's Public Assistance Cost Allocation Plan (PACAP). The PACAP also allocates HHSC's portion of the costs to HHSC agency programs and MOFs. HHSC bills DFPS and DSHS for administrative support services through the assessment process. Pursuant to Article II, Special Provisions Sec. 9, System Support Services, 2022-23 GAA, HHSC is required to annually submit information about estimated administrative support costs for the upcoming fiscal year and expenditures for administrative support services for the prior two fiscal years.

HHSC requested four technical adjustments in the LAR related to administrative support services costs that were transferred to DSHS and DFPS. On April 1, 2022, HHSC provided notification, pursuant to Special Provisions, Sec. 9(c), Notification of Anticipated Increases, of the transfer of funds related to system support services for information technology projects that were funded in House Bill 2, Eighty-seventh Legislature, 2021. The 2024-25 biennium General Revenue and General Revenue-Dedicated Limit base calculation included reductions related to one-time funding, including House Bill 2 funded projects. The one-time funding reductions were calculated using HHSC’s estimates for on-going costs provided in the agency’s 2022-23 exceptional item submissions and did not include adjustments for assessment transfers that were made to DSHS and DFPS.

According to HHSC, the amounts listed in the table below are the assessment amounts that were transferred to DSHS and DFPS reduced from HHSC’s limit. These reductions have left the agency without enough funding for on-going costs to complete or continue the projects. At this time, HHSC has transferred more General Revenue than is available for on-going costs for the replacement of technology at the end-of-life/end-of-support. Recommendations for the 2024-25 biennium do not include the technical adjustments listed below as the funding was not reduced at DSHS or DFPS.

Requested Technical Adjustments for Assessment-Related Transfers Removed from the Limit

Project	House Bill 2 Section	General Revenue
Replacement for Technology at End-of-Life/End-of-Support	Sec. 35 (c)(6)	\$8,950,757
System-wide Business Enablement Platform Project (SWBEP)	Sec. 35 (c)(5)	\$654,887
Stabilize E-Discovery to Address Litigation, Public Information Requests, and Investigations	Sec. 35 (a)(9)	\$520,273
Data Center Consolidation	Sec. 35 (d)(6)	\$18,352
Total		\$10,144,269

- 27) **Information Technology Projects.** The Eighty-seventh Legislature funded several information technology (IT) projects in the 2022-23 biennium which were continued in the 2024-25 biennium, as identified in the table below.

Project	Estimated 2022-23		Recommended 2024-25		Biennial Change	
	General Revenue	All Funds	General Revenue	All Funds	General Revenue	All Funds
Seat Management	\$20,788,889	\$39,908,033	\$19,515,387	\$40,023,604	(\$1,273,502)	\$115,571
TIERS	\$39,899,863	\$108,671,992	\$39,899,864	\$111,300,657	\$1	\$2,628,665
Network, Performance, and Capacity	\$1,126,840	\$3,116,000	\$4,205,202	\$13,122,800	\$3,078,362	\$10,006,800
MMIS – Medical Management Information System	\$30,760,673	\$136,715,816	\$29,009,897	\$130,293,302	(\$1,750,776)	(\$6,422,514)
Application Remediation for DCS	\$337,500	\$675,000	\$375,000	\$750,000	\$37,500	\$75,000
Infrastructure Maintenance at State Supported Living Centers	\$414,930	\$1,000,000	\$354,180	\$1,000,000	(\$60,750)	\$0
WIC Stateside and WIC Field Hardware/Software Refresh	\$0	\$1,350,000	\$0	\$1,350,000	\$0	\$0
IT-Mental Health	\$1,738,497	\$1,738,497	\$1,738,498	\$1,738,498	\$1	\$1
Business Process Redesign	\$639,422	\$2,130,159	\$745,981	\$2,130,159	\$106,559	\$0
Medicaid Fraud Detection System	\$1,250,000	\$5,000,000	\$500,000	\$5,000,000	(\$750,000)	\$0
System-Wide Business Enablement Platform	\$561,026	\$1,160,000	\$2,005,980	\$4,574,818	\$1,444,951	\$3,414,818
Child Care Licensing Automated Support System (CLASS)	\$6,244,330	\$6,557,642	\$7,656,849	\$7,656,849	\$1,412,519	\$1,099,207
WIC Mosaic	\$0	\$18,240,000	\$0	\$6,600,000	\$0	(\$11,640,000)
Data Center Services	\$66,918,978	\$132,060,903	\$91,146,935	\$176,842,466	\$24,227,957	\$44,781,563
CAPPS Financials	\$4,027,595	\$11,197,085	\$8,950,565	\$19,619,945	\$4,922,970	\$8,422,860
Enterprise Resource Planning	\$7,049,412	\$17,430,007	\$8,227,645	\$19,810,428	\$1,178,233	\$2,380,421

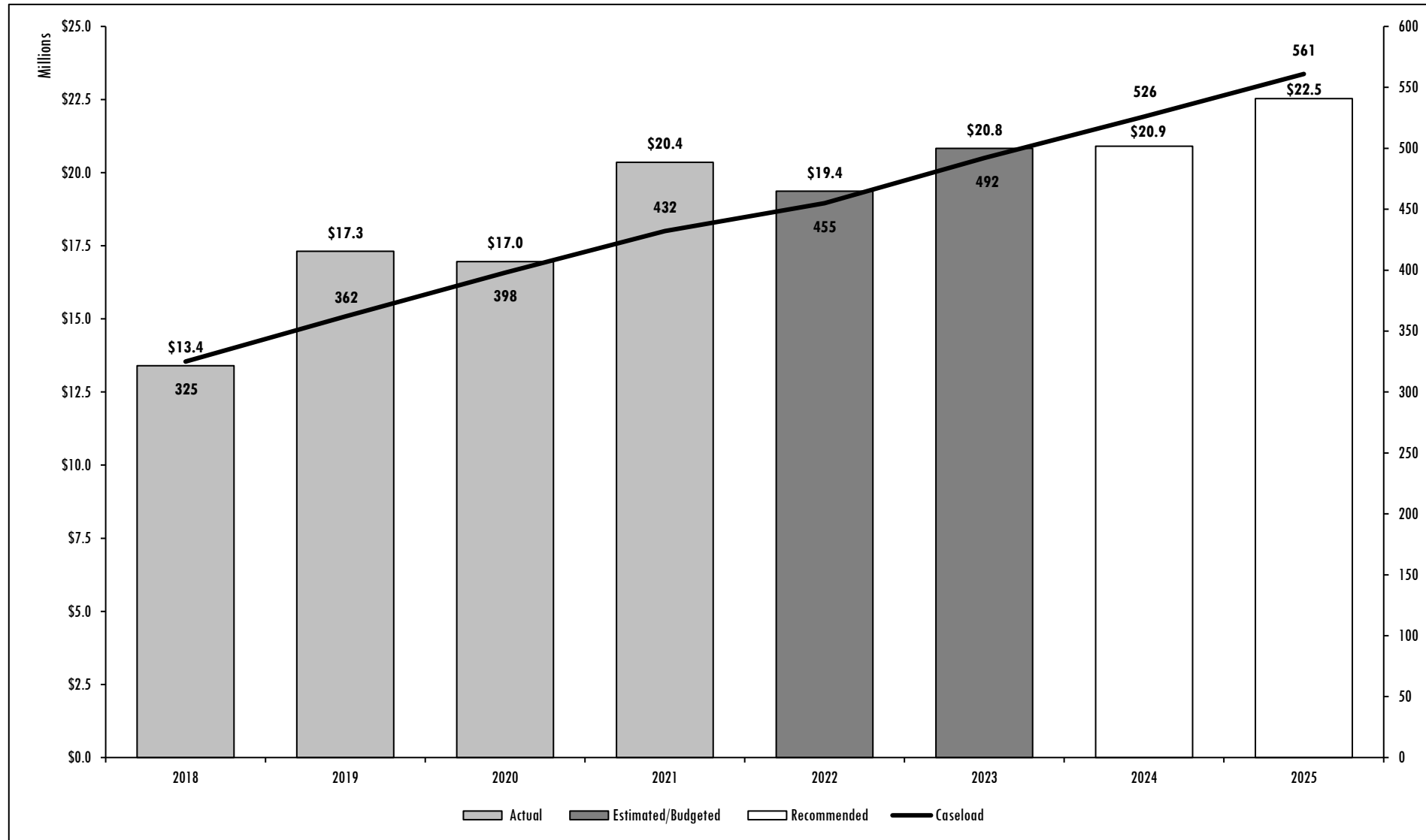
Cybersecurity Advancement for HHS Enterprise	\$2,583,947	\$5,688,000	\$1,071,410	\$3,047,000	(\$1,512,537)	(\$2,641,000)
Performance Management and Analytics System	\$1,082,000	\$2,164,000	\$6,484,946	\$14,073,914	\$5,402,946	\$11,909,914
Prescription Drugs Savings Program	\$0	\$0	\$16,000,000	\$16,000,000	\$16,000,000	\$16,000,000
Search TX Child Care CLASS Updates	\$0	\$0	\$0	\$3,373,272	\$0	\$3,373,272
MMIS Modernization	\$0	\$0	\$31,644,412	\$266,406,192	\$31,644,412	\$266,406,192
EBT Online Transition	\$0	\$0	\$0	\$33,093,860	\$0	\$33,093,860
MCS DPP Quality Reporting Application	\$0	\$0	\$87,846	\$351,384	\$87,846	\$351,384
Total	\$185,423,902	\$494,803,134	\$269,620,597	\$878,159,148	\$84,196,695	\$383,356,014

Recommendations for the 2024-25 biennium include \$91.1 million in General Revenue (\$176.8 million in All Funds) for Data Center Services (DCS) which is \$24.2 million in General Revenue (\$44.8 million in All Funds) in available authority above the 2022-23 biennium estimated level for DCS.

HHSC is a Centralized Accounting and Payroll/Personnel System (CAPPS) Historically Underutilized Business (HUB) agency. This means the agency has their own version of CAPPS and is responsible for the costs of system maintenance and support. Recommendations include authority of \$9.0 million in General Revenue (\$19.6 million in All Funds) for CAPPS Financials and \$8.0 million in General Revenue (\$19.8 million in All Funds) for Enterprise Resource Planning (HR) for the 2024-25 biennium. CAPPS Financials includes ongoing maintenance and support for CAPPS and includes the main modules for purchasing, the general ledger, commitment control, asset management, and accounts payable. The CAPPS Financials project supports all agencies within Health and Human Services system, including HHSC, DSHS, and DFPS. Enterprise Resource Planning includes CAPPS Human Capital Management (HCM) which is the system of record for human resources data, payroll, time keeping, performance management, and training transactions for HHSC, DFPS, and DSHS.

28) **Texas Civil Commitment Office.** Recommendations for the Texas Civil Commitment Office (TCCO) include \$43.2 million in General Revenue (\$43.4 million in All Funds) and 37.0 FTEs for the 2024-25 biennium. This is an All Funds increase of \$3.2 million which is primarily attributable to the inclusion of \$3.2 million in General Revenue to fund the agency’s caseload growth in recommendations. TCCO projects the number of civilly committed sexually violent predators to be 526 by the end of fiscal year 2024 and 561 by the end of fiscal year 2025 (see chart below). TCCO submitted six exceptional item requests.

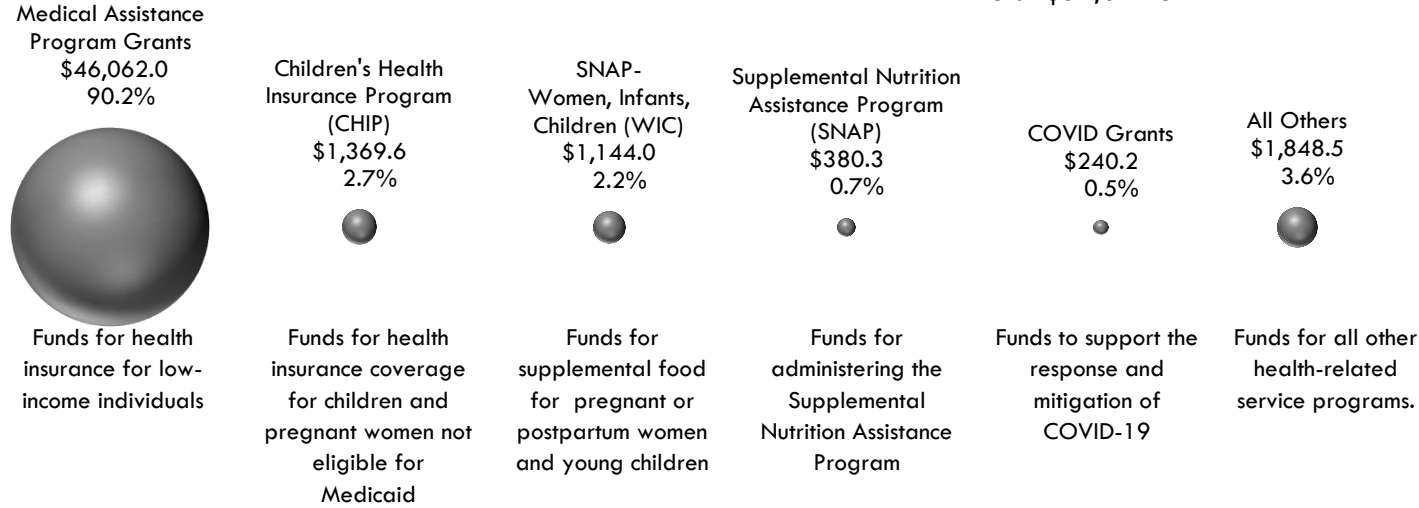
Texas Civil Commitment Office – Funding and Number of Sex Offenders Provided Treatment and Supervision



Source: Legislative Budget Board; Texas Civil Commitment Office.

Health and Human Services Commission
 Summary of Federal Funds (2024-25) - Senate

Total \$51,044.6M



Selected Federal Fiscal and Policy Issues

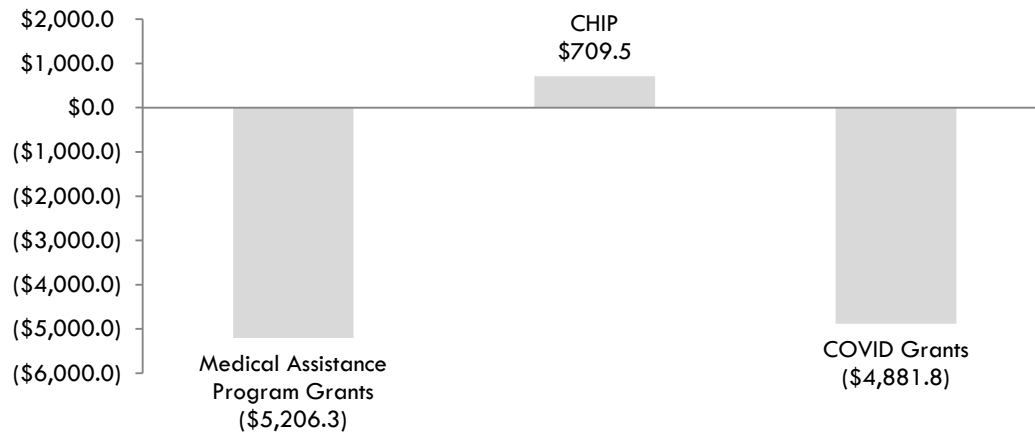
Federal Funds estimates for the 2024-25 biennium include a net decrease of \$9.3 billion compared to 2022-23. This is primarily attributable to one-time COVID-19 awards and the increase in the FMAP percentage due to the Public Health Emergency.

Medicaid estimates reflect LBB forecasting assumptions. Recommendations include a net decrease of \$5.2 billion in 2024-2025 compared to 2022-23.

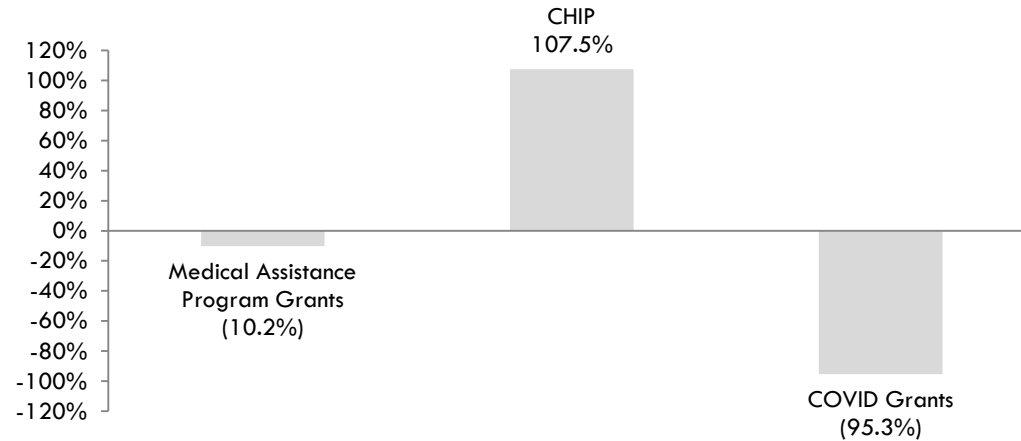
CHIP estimates reflect LBB forecasting assumptions. Recommendations include a net increase of \$709.5 million compared to the 2022-23 biennium.

Programs with Significant Federal Funding Changes from 2022-23

Program Change-by Amount (In Millions)



Program Change-by Percentage



**Health and Human Services Commission
Rider Highlights - Senate**

Modification of Existing Riders (new rider number)

6. **Medicaid Enterprise Systems (MES).** Recommendations update Texas Medicaid and Healthcare Partnership to Medicaid Enterprise Systems to align with federal changes.
7. **Data Analysis Unit Reporting.** Recommendations revise the reporting frequency from quarterly to annually for improved efficiency and summarization of the data analysis work.
8. **Hospital Payments.** Recommendations update funding breakdown to maintain the 2022-23 biennium Medicaid hospital add-on payments for rural hospitals.
15. **Supplemental Payment Programs Reporting and Appropriation Authority for Intergovernmental Transfers.** Recommendations revise rider to maintain full-time equivalent (FTE) positions provided in the 2022-23 biennium and remove one-time reporting requirement.
16. **Rural Labor and Delivery Medicaid Add-on Payment.** Recommendations update funding breakdown to maintain the 2022-23 biennium Medicaid add-on payments for rural hospitals.
17. **Federal Provider Enrollment and Screening Fee.** Recommendations update funding amounts.
21. **Health and Human Services Cost Containment.** Recommendations remove one-time directives related to cost containment. The reduction is not included in recommendations.
28. **Tobacco Settlement Receipts.** Recommendations update funding amounts.
34. **Mental Health Program for Veterans.** Recommendations update funding to reflect the General Revenue transfer to the Texas Veterans Commission (TVC) for funding that was previously appropriated to TVC as an interagency contract.
35. **Consolidated Reporting of Opioid-Related Expenditures.** Recommendations revise report due date to June 1 to allow information to be submitted for the prior fiscal year.
36. **Community Mental Health Grant Programs.** Recommendations update funding for grant programs and delete a section related to one-time federal funding that was not allocated to the program.
37. **Block Grants for Community Mental Health.** Recommendations update the reporting requirements previously under the Federal Funds Reporting Requirement to an annual report that includes information on funded activities and actual award amounts and unexpended balances.
38. **Substance Abuse Prevention and Treatment Block Grant.** Recommendations revise report due to date to June 1 to allow information to be submitted for the prior fiscal year and add reporting on actual award amounts and unexpended balances.
45. **Women's Health Programs: Savings and Performance Reporting.** Recommendations revise report elements to streamline and improve reporting.
46. **Funding for Healthy Texas Women Plus.** Recommendations update funding amounts.
49. **Alternatives to Abortion Program.** Recommendations update funding amounts and reporting requirements.
50. **Informational Listing: Women's Health Funding.** Recommendations update funding amounts.
52. **Limitation on Federal Funds Appropriations for Early Childhood Intervention Services.** Recommendations update funding amounts.

- 53. **Reporting on Early Childhood Intervention.** Recommendations revise report due date to March 1 to allow final information to be submitted for the prior fiscal year.
- 59. **Funding for Child Advocacy Center Programs and Court Appointed Special Advocate Program.** Recommendations update funding amounts.
- 62. **Independent Living Services Reporting.** Recommendations revise rider title from Independent Living Services Review and delete one-time reporting requirement in Subsection (b).
- 65. **Multi-Assistance Center Demonstration Project.** Recommendations maintain funding and delete one-time reporting requirement.
- 78. **Office of Inspector General Report.** Recommendations add performance measure reporting requirements.
- 88. **Mental Health (MH) and Intellectual Disability (ID) Collections for Patient Support and Maintenance.** Recommendations remove reference to Revenue Object Code 3614, which is no longer in use, and clarify approval mechanisms.
- 89. **Mental Health (MH) and Intellectual Disability (ID) Appropriated Receipts.** Recommendations revise rider to clarify approval mechanisms.
- 90. **Mental Health (MH) and Intellectual Disability (ID) Medicare Receipts.** Recommendations revise rider to clarify approval mechanisms.
- 94. **Appropriations Limited to Revenue Collections.** Recommendations update direct funding amounts.
- 98. **Limitations on Transfer Authority.** Recommendations clarify language for transfer authority under Objective A.3, Long-Term Care – Non-Entitlement.
- 103. **Unexpended Construction Balances.** Recommendations remove unexpended balance authority for fully expended General Obligation Bond Proceeds.

New Riders

- 24. **COVID-19 Nursing Facility Add-on Rate.** Recommendations increase funding for nursing facilities, contingent on the end of the Public Health Emergency.
- 25. **Patient Driven Payment Model for Nursing Facility Services.** Recommendations increase funding for the implementation of the Patient Driven Payment Model methodology for nursing facilities.
- 26. **Informational Listing: Children’s Health Insurance Program (CHIP) Funding.** Recommendations add an informational rider detailing appropriations for CHIP by the previous strategy-level detail.
- 39. **Outpatient Integrated Care Clinic Project.** Recommendations increase funding to establish an integrated care clinic utilizing the Collaborative Care Model for behavioral health integration.
- 40. **Informational Listing: Additional Mental Health Funding.** Recommendations add an informational rider outlining General Revenue funding for mental health.

Deleted Riders (original rider number)

- 20. **Benchmarks for Managed Care Organizations.** Recommendations delete one-time reporting requirement.
- 22. **Cost Effective Treatment for Chronic Hepatitis C Virus.** Recommendations delete rider because funding for this purpose is maintained in the 2024-25 biennium recommendations.
- 23. **Individualized Skills and Socialization.** Recommendations delete rider with one-time transfer authority for implementation.
- 25. **STAR+PLUS Pilot Program and Medically Fragile Benefit.** Recommendations delete rider with one-time transfer authority for implementation.
- 26. **Improving Texas Medicaid Provider Manual Related to Dental Services.** Recommendations delete one-time reporting requirement.

27. **Medicaid Program Efficiencies.** Recommendations delete one-time directive to the agency.
28. **Applied Behavioral Analysis.** Recommendations delete directive to the agency that was implemented in the 2022-23 biennium.
29. **Study on Improving Access to Pediatric Services.** Recommendations delete one-time reporting requirement.
30. **Rates: Intermediate Care Facilities and Certain Waiver Providers.** Recommendations delete directive to the agency that was implemented in the 2022-23 biennium.
32. **STAR Health Psychiatric Rate Evaluation.** Recommendations delete one-time reporting requirement.
33. **Claims for Behavioral Health Services.** Recommendations delete directive to the agency that was implemented in the 2022-23 biennium.
34. **Institutions of Mental Disease Exclusion Waiver.** Recommendations delete one-time directive to the agency. HHSC determined there would be a potential cost to the state.
35. **Medicaid Dialysis Cost Effectiveness Study.** Recommendations delete one-time reporting requirement.
36. **Medicaid Managed Care Denial and Appeals Process.** Recommendations delete one-time reporting requirement.
37. **1115 Transformation Waiver.** Recommendations delete directive to the agency that was implemented in the 2022-23 biennium.
38. **Study on Home and Community-Based Services (HCS) Waiver Program.** Recommendations delete one-time reporting requirement.
40. **Pediatric Long-term Care Facility Rate Increase.** Recommendations directive to the agency that was implemented in the 2022-23 biennium.
41. **Intellectual and Developmental Disabilities (IDD) Waiver Interest Lists.** Recommendations delete directive to the agency that was implemented in the 2022-23 biennium.
42. **Emergency Triage, Treat, and Transport Demonstration Payment Model.** Recommendations delete directive to the agency that was implemented in the 2022-23 biennium.
45. **CHIP Allotment Review.** Recommendations delete one-time reporting requirement.
54. **Additional Mental Health Community Hospital Beds for Urban and Rural Areas.** Recommendations delete rider because funding for this purpose is maintained in the 2024-25 biennium recommendations.
56. **Opioid Treatment Program Central Registry: Dosing Information.** Recommendations delete one-time reporting requirement.
57. **Study on Step-down Housing.** Recommendations delete one-time reporting requirement.
58. **Study Related to 9-8-8 Implementation.** Recommendations delete one-time reporting requirement.
69. **Report on Continuity of Care for Women Aging Out of CHIP and Medicaid.** Recommendations delete one-time reporting requirement.
71. **Postpartum Depression Screening and Treatment Report.** Recommendations delete one-time reporting requirement.
86. **Enhanced Capacity for Family Violence Services.** Recommendations delete rider because funding for this purpose is maintained in the 2024-25 biennium recommendations.
87. **Reporting on Population Served.** Recommendations delete one-time reporting requirement.

100. **Step-down Housing Pilot for Individuals with Serious Mental Illness.** Recommendations delete directive for one-time federal funding that was not allocated to the program and one-time reporting requirement.
101. **Facility Support Services.** Recommendations delete rider because funding for this purpose is maintained in the 2024-25 biennium recommendations.
144. **Clear Process for Including Prescription Drugs on the Texas Drug Code Index.** Recommendations delete one-time directive to the agency. This information is published on the agency's website.
146. **Nursing Home Workforce Report.** Recommendations delete one-time reporting requirement.
147. **Study on Assisted Living Facility Resident Quality of Care and Resident Satisfaction.** Recommendations delete one-time reporting requirement.
148. **Communications on Electronic Visit Verification (EVV) Issues to Home and Community Care Providers.** Recommendations delete one-time reporting requirement.
149. **Long-term Care Regulatory Backlog.** Recommendations delete rider due to federal amounts not being made available.
151. **Rusk State Hospital Demolition.** Recommendations delete rider with one-time directive and funding in the Article IX provision.
152. **Contingency for House Bill 18.** Recommendations delete contingency rider for legislation that passed.
153. **Contingency for House Bill 133, House Bill 98, House Bill 146, Senate Bill 121.** Recommendations delete contingency rider for legislation that passed.
154. **Contingency for House Bill 1802.** Recommendations delete contingency rider for legislation that passed.
155. **Contingency for House Bill 2090.** Recommendations delete contingency rider for legislation that passed.
156. **Contingency for Senate Bill 672 or House Bill 2834.** Recommendations delete contingency rider for legislation that passed.
157. **Contingency for Senate Bill 1149.** Recommendations delete contingency rider for legislation that passed.
158. **Contingency for Senate Bill 1692.** Recommendations delete contingency rider for legislation that passed.
159. **Contingency for Senate Bill 2038 or House Bill 2797.** Recommendations delete contingency rider for legislation that passed.

**Health and Human Services Commission
Items Not Included in Recommendations - Senate**

		2024-25 Biennial Total			Information Technology Involved?	Contracting Involved?	Estimated Continued Cost 2026-27
		GR & GR-D	All Funds	FTEs			

Agency Technical Adjustment Requests Not Included

A)	Technical Adjustment for Assessments - HB 2, Sec. 35 (c)(6), Modernization of End-of-Life/End-of-Support Network Equipment	\$8,950,757	\$8,950,757	0.0	Yes	Yes	\$8,950,757
B)	Technical Adjustment for Assessments - HB 2, Sec. 35 (c)(5), System-wide Business Enablement Platform	\$654,887	\$654,887	0.0	Yes	Yes	\$654,887
C)	Technical Adjustment for Assessments - HB 2, Sec. 35 (a)(9), E-Discovery	\$520,273	\$520,273	0.0	Yes	Yes	\$520,273
D)	Technical Adjustment for Assessments - HB 2, Sec. 35 (a)(9), Data Center Consolidation	\$18,352	\$18,352	0.0	Yes	Yes	\$18,352

Agency Exceptional Items Not Included (in agency priority order)

1)	Maintain Client Services Cost Growth	\$2,176,069,830	\$5,785,076,170	0.0	No	No	\$30,507,160
2)	Address Critical Workforce Needs	\$186,297,825	\$202,632,541	0.0	No	No	\$82,790,324
3)	Improve Mental Health Services	\$76,114,368	\$76,114,368	56.0	No	Yes	\$53,998,946
4)	Expanding State Hospital Capacity	\$243,336,749	\$243,336,749	0.0	No	Yes	\$375,299,181
5)	Support End of Continuous Coverage	\$48,074,306	\$143,203,501	0.0	Yes	Yes	\$11,480,028
6)	Support for Community Based Services and Promoting Independence	\$79,121,191	\$220,526,651	47.0	Yes	Yes	\$308,088,550
7)	STAR+PLUS Pilot Program	\$230,044,934	\$579,730,175	29.0	Yes	Yes	\$17,036,480
8)	Grants Management System for Improving Mental Health Outcomes	\$32,998,036	\$32,998,036	0.0	Yes	Yes	\$6,511,700
9)	Cybersecurity Compliance and Operations Monitoring	\$32,275,579	\$46,422,982	0.0	Yes	Yes	\$41,946,509
10)	Consolidated Rate Request (placeholder)	\$1	\$1	0.0	No	No	\$0
11)	Procurement and Contracting Enhancements	\$22,979,970	\$29,691,482	10.0	Yes	Yes	\$38,589,028
12)	Ensuring Effective Operations in State Facilities	\$127,873,054	\$152,921,260	0.0	Yes	Yes	\$96,223,374
13)	Increase Access for Deaf and Hard of Hearing Services	\$2,371,385	\$2,371,385	1.0	No	Yes	\$2,363,612
14)	Comply with State and Federal Regulations	\$18,451,610	\$22,409,928	31.0	Yes	Yes	\$9,491,994
15)	Funding to Support Regulatory Compliance	\$8,274,031	\$11,311,348	0.0	Yes	Yes	\$5,218,332
16)	Maintain Public Facing Offices and Client Supports	\$61,924,175	\$75,219,730	0.0	No	No	\$87,444,382

**Health and Human Services Commission
Items Not Included in Recommendations - Senate**

		2024-25 Biennial Total			Information Technology Involved?	Contracting Involved?	Estimated Continued Cost 2026-27
		GR & GR-D	All Funds	FTEs			
17)	Application Modernization	\$22,282,870	\$45,409,373	0.0	Yes	Yes	\$51,929,841
18)	PMAS Cloud Data Analytics Platform	\$17,379,449	\$21,019,525	0.0	Yes	Yes	\$14,623,488
19)	Enhancing Medicaid Enrollment and Contract Management	\$1,602,569	\$3,239,675	19.0	No	No	\$3,099,776
20)	OIG - Enhance OIG Staff Resources	\$1,489,150	\$2,865,294	0.0	No	No	\$2,865,294
21)	OIG - Increase FWA Detection Through Data Analytics	\$1,097,921	\$2,178,415	10.4	No	No	\$2,100,694
22)	OIG - Increase Beneficiary Fraud Detection (ASOIG Replacement)	\$3,982,281	\$7,794,028	0.0	Yes	Yes	\$4,517,216
23)	OIG - Modernize Case Management System for Special Investigations	\$2,366,398	\$3,151,750	0.0	Yes	Yes	\$1,200,000
24)	OIG - OIG Complex Contracts Audit Team	\$504,451	\$847,689	4.2	No	No	\$816,600
25)	OIG - Automate Beneficiary Evidence Gathering	\$2,093,326	\$2,788,054	0.0	Yes	Yes	\$1,459,653
26)	OIG - Expand OIG Investigative Capacity	\$1,192,227	\$2,081,286	12.5	No	No	\$1,988,020
27)	OIG - Improve Public Reporting of FWA and Processing of Referrals (WAFERS)	\$2,078,506	\$2,682,564	0.0	Yes	Yes	\$1,548,382
28)	OIG - Improve OIG Appeals Process	\$875,000	\$1,750,000	0.0	No	No	\$1,500,000
29)	TCCO - Offsite Healthcare	\$4,322,420	\$4,322,420	0.0	No	No	\$4,322,420
30)	TCCO - Case Manager Career Ladder	\$82,512	\$82,512	0.0	No	No	\$110,016
31)	TCCO - Additional FTE Request	\$547,804	\$547,804	4.0	No	No	\$517,830
32)	TCCO - Cremation and Disposition Expenses	\$20,000	\$20,000	0.0	No	No	\$20,000
33)	TCCO - Contract Rate Adjustment Costs	\$1,471,046	\$1,471,046	0.0	No	No	\$1,568,144
34)	TCCO - Reinstate 5.0 Percent Biennial Budget Reduction from FY 2022-23	\$1,866,691	\$1,866,691	0.0	No	No	\$1,866,691

Agency Rider Requests Not Included (in agency rider order)

1)	Federal Funds Reporting Requirement. Request to delete rider.	\$0	\$0	0.0	No	No	\$0
2)	Office of Inspector General: Managed Care Organization Performance, Reporting Requirement. Request to delete rider.	\$0	\$0	0.0	No	No	\$0
3)	Limitations on Transfer Authority. Request to remove capital budget restrictions above Article IX requirements.	\$0	\$0	0.0	No	No	\$0

**Health and Human Services Commission
Items Not Included in Recommendations - Senate**

		2024-25 Biennial Total			Information Technology Involved?	Contracting Involved?	Estimated Continued Cost 2026-27
		GR & GR-D	All Funds	FTEs			
4)	Unexpended Construction Balances. Request to have unexpended balance authority for construction funding regardless of method of finance.	\$0	\$0	0.0	No	No	\$0
5)	Appropriation of Unexpended Balances: Funds Recouped from Local Authorities. Request for authority to expend funds in any strategy.	\$0	\$0	0.0	No	No	\$0
6)	Community Centers. Request to delete rider.	\$0	\$0	0.0	No	No	\$0
7)	Informational Listing: End-of-year Waiver Slots. Request to add new informational rider.	\$0	\$0	0.0	No	No	\$0
8)	Savings Incentive Program. Request to add new rider to establish a savings incentive program.	\$0	\$0	0.0	No	No	\$0
9)	On-Call Pay. Request to add new rider to authorize providing compensation for on-call time.	\$0	\$0	0.0	No	No	\$0
10)	SNAP Performance Payments. Request to add new rider to authorize bonus payments to certain employees.	\$0	\$0	0.0	No	No	\$0
11)	Program of All-inclusive Care for the Elderly (PACE). Request to add new waiver to authorize HHSC to use or transfer funding for additional PACE sites.	\$0	\$0	0.0	No	No	\$0
12)	Transfer Authority: Women's Health. Request to add new rider to provide notification transfer authority for Women's Health.	\$0	\$0	0.0	No	No	\$0
13)	Capital Authority for 100% Federally Funded Project. Request to add new rider to provide additional transfer authority for a capital project that is 100% federally funded.	\$0	\$0	0.0	No	No	\$0
14)	Transfer Authority for HCBS-AMH. Request to add new rider for transfer authority for the Home and Community-Based Services - Adult Mental Health program.	\$0	\$0	0.0	No	No	\$0
15)	Texas Civil Commitment Office. Request to revise rider for authority to transfer appropriations between fiscal years due to additional expenditures for services.	\$0	\$0	0.0	No	No	\$0
TOTAL Items Not Included in Recommendations		\$3,421,605,934	\$7,738,228,702	224.1			\$1,273,187,934

**Health and Human Services Commission
Appendices - Senate**

Table of Contents		
Appendix	Appendix Title	Page
A	Funding Changes and Recommendations by Strategy	33
B	Summary of Federal Funds	63
C	FTE Highlights	64

**Health and Human Services Commission
Funding Changes and Recommendations by Strategy - Senate**

Strategy/Fund Type/Goal	2022-23 Base	2024-25 Recommended	Biennial Change	% Change	Comments
AGED AND MEDICARE-RELATED 1.1.1	\$11,053,784,014	\$11,963,832,067	\$910,048,053	8.2%	
GENERAL REVENUE FUNDS	\$3,610,483,290	\$4,777,477,119	\$1,166,993,829	32.3%	Recommendations reflect the following: -an increase of \$822.0 million related to LBB-forecasted caseload growth; -an increase of \$265.1 million to maintain the COVID-19 Add-on Rate for nursing facilities; and -an increase of \$79.9 million for the Patient Driven Payment Model for Nursing Facilities.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$7,443,300,724	\$7,186,354,948	(\$256,945,776)	(3.5%)	Recommendations reflect the following: -an increase of \$397.6 million to maintain the COVID-19 Add-on Rate for nursing facilities; -an increase of \$119.9 million for the Patient Driven Payment Model for Nursing Facilities; and -a decrease of \$774.4 million related to LBB-forecasted caseload growth and change in the FMAP.
OTHER FUNDS	\$0	\$0	\$0	0.0%	
DISABILITY-RELATED 1.1.2	\$15,507,800,199	\$15,544,555,199	\$36,755,000	0.2%	
GENERAL REVENUE FUNDS	\$5,234,080,595	\$6,156,713,815	\$922,633,220	17.6%	Recommendations reflect an increase of \$922.6 million related to LBB-forecasted caseload growth.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$10,273,719,604	\$9,387,841,384	(\$885,878,220)	(8.6%)	Recommendations reflect a decrease of \$885.9 million related to LBB-forecasted caseload growth and change in the FMAP.
OTHER FUNDS	\$0	\$0	\$0	0.0%	
PREGNANT WOMEN 1.1.3	\$4,429,365,477	\$2,079,878,847	(\$2,349,486,630)	(53.0%)	
GENERAL REVENUE FUNDS	\$1,507,009,672	\$821,132,715	(\$685,876,957)	(45.5%)	Recommendations reflect a decrease of \$685.9 million related to LBB-forecasted caseload decreases.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$2,922,355,805	\$1,258,746,132	(\$1,663,609,673)	(56.9%)	Recommendations reflect a decrease of \$1,663.6 million related to LBB-forecasted caseload decreases.
OTHER FUNDS	\$0	\$0	\$0	0.0%	

**Health and Human Services Commission
Funding Changes and Recommendations by Strategy - Senate**

Strategy/Fund Type/Goal	2022-23 Base	2024-25 Recommended	Biennial Change	% Change	Comments
OTHER ADULTS 1.1.4	\$2,395,767,747	\$1,494,840,580	(\$900,927,167)	(37.6%)	
GENERAL REVENUE FUNDS	\$779,607,871	\$553,317,253	(\$226,290,618)	(29.0%)	Recommendations reflect a decrease of \$226.3 million related to LBB-forecasted caseload decreases.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$1,616,159,876	\$941,523,327	(\$674,636,549)	(41.7%)	Recommendations reflect a decrease of \$674.6 million related to LBB-forecasted caseload decreases.
OTHER FUNDS	\$0	\$0	\$0	0.0%	
CHILDREN 1.1.5	\$18,317,810,001	\$14,779,091,576	(\$3,538,718,425)	(19.3%)	
GENERAL REVENUE FUNDS	\$5,882,478,064	\$5,442,694,059	(\$439,784,005)	(7.5%)	Recommendations reflect a decrease of \$439.8 million related to LBB-forecasted caseload decreases.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$12,103,829,511	\$8,970,732,707	(\$3,133,096,804)	(25.9%)	Recommendations reflect a decrease of \$3,133.1 million related to LBB-forecasted caseload decreases.
OTHER FUNDS	\$331,502,426	\$365,664,810	\$34,162,384	10.3%	Recommendations reflect an increase of \$34.2 million related to: - an increase of \$0.3 million in IAC for Texas Department of Criminal Justice Rider 35, Continuity of Care related to the Texas Correctional Office on Offenders with Medical or Mental Impairments (TCOOMMI); - an increase of \$30.9 million in Medicaid Subrogation Receipts; and - an increase of \$3.0 million in Account 8062, Match for Medicaid Appropriated Receipts.
MEDICAID PRESCRIPTION DRUGS 1.1.6	\$9,833,598,630	\$8,173,260,970	(\$1,660,337,660)	(16.9%)	
GENERAL REVENUE FUNDS	\$3,358,872,608	\$3,240,569,853	(\$118,302,755)	(3.5%)	Recommendations reflect a decrease of \$118.3 million related to LBB-forecasted caseload decreases.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$6,474,726,022	\$4,932,691,117	(\$1,542,034,905)	(23.8%)	Recommendations reflect a decrease of \$1,542.0 million related to LBB-forecasted caseload decreases.
OTHER FUNDS	\$0	\$0	\$0	0.0%	
HEALTH STEPS (EPSDT) DENTAL 1.1.7	\$3,027,401,779	\$2,301,482,684	(\$725,919,095)	(24.0%)	
GENERAL REVENUE FUNDS	\$1,015,458,792	\$844,405,801	(\$171,052,991)	(16.8%)	Recommendations reflect a decrease of \$171.1 million related to LBB-forecasted caseload decreases.

**Health and Human Services Commission
Funding Changes and Recommendations by Strategy - Senate**

Strategy/Fund Type/Goal	2022-23 Base	2024-25 Recommended	Biennial Change	% Change	Comments
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$2,011,942,987	\$1,457,076,883	(\$554,866,104)	(27.6%)	Recommendations reflect a decrease of \$554.9 million related to LBB-forecasted caseload decreases.
OTHER FUNDS	\$0	\$0	\$0	0.0%	
MEDICAL TRANSPORTATION 1.1.8	\$396,727,410	\$281,916,206	(\$114,811,204)	(28.9%)	
GENERAL REVENUE FUNDS	\$136,224,734	\$110,629,711	(\$25,595,023)	(18.8%)	Recommendations reflect a decrease of \$25.6 million related to LBB-forecasted caseload decreases.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$260,502,676	\$171,286,495	(\$89,216,181)	(34.2%)	Recommendations reflect a decrease of \$89.2 million related to LBB-forecasted caseload decreases.
OTHER FUNDS	\$0	\$0	\$0	0.0%	
COMMUNITY ATTENDANT SERVICES 1.2.1	\$2,158,943,698	\$2,328,847,944	\$169,904,246	7.9%	
GENERAL REVENUE FUNDS	\$746,983,481	\$928,262,423	\$181,278,942	24.3%	Recommendations reflect an increase of \$181.3 million related to LBB-forecasted caseload growth.
GR DEDICATED	\$4,029,462	\$3,443,536	(\$585,926)	(14.5%)	Recommendations reflect a decrease of \$0.6 million related to LBB-forecasted amounts for Medicaid Estate Recovery Account No. 5109.
FEDERAL FUNDS	\$1,407,930,755	\$1,397,141,985	(\$10,788,770)	(0.8%)	Recommendations reflect a decrease of \$10.8 million related to LBB-forecasted changes in the FMAP.
OTHER FUNDS	\$0	\$0	\$0	0.0%	
PRIMARY HOME CARE 1.2.2	\$45,596,310	\$52,372,950	\$6,776,640	14.9%	
GENERAL REVENUE FUNDS	\$15,894,759	\$20,954,468	\$5,059,709	31.8%	Recommendations reflect an increase of \$5.1 million related to LBB-forecasted caseload growth.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$29,701,551	\$31,418,482	\$1,716,931	5.8%	Recommendations reflect an increase of \$1.7 million related to LBB-forecasted caseload growth.
OTHER FUNDS	\$0	\$0	\$0	0.0%	
DAY ACTIVITY & HEALTH SERVICES 1.2.3	\$13,978,316	\$18,592,921	\$4,614,605	33.0%	
GENERAL REVENUE FUNDS	\$4,894,579	\$7,437,424	\$2,542,845	52.0%	Recommendations reflect an increase of \$2.5 million related to LBB-forecasted caseload growth.
GR DEDICATED	\$0	\$0	\$0	0.0%	

**Health and Human Services Commission
Funding Changes and Recommendations by Strategy - Senate**

Strategy/Fund Type/Goal	2022-23 Base	2024-25 Recommended	Biennial Change	% Change	Comments
FEDERAL FUNDS	\$9,083,737	\$11,155,497	\$2,071,760	22.8%	Recommendations reflect an increase of \$2.1 million related to LBB-forecasted caseload growth.
OTHER FUNDS	\$0	\$0	\$0	0.0%	
NURSING FACILITY PAYMENTS 1.2.4	\$479,258,427	\$640,094,393	\$160,835,966	33.6%	
GENERAL REVENUE FUNDS	\$169,919,230	\$259,781,279	\$89,862,049	52.9%	Recommendations reflect the following: -an increase of \$59.6 million to maintain the COVID-19 Add-on Rate for nursing facilities; and -an increase of \$30.3 million related to LBB-forecasted caseload growth.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$309,339,197	\$380,313,114	\$70,973,917	22.9%	Recommendations reflect the following: -an increase of \$89.4 million to maintain the COVID-19 Add-on Rate for nursing facilities; and -a decrease of \$18.4 million related to LBB-forecasted changes in the FMAP.
OTHER FUNDS	\$0	\$0	\$0	0.0%	
MEDICARE SKILLED NURSING FACILITY 1.2.5	\$62,996,939	\$55,851,023	(\$7,145,916)	(11.3%)	
GENERAL REVENUE FUNDS	\$21,799,591	\$22,338,017	\$538,426	2.5%	Recommendations reflect an increase of \$0.5 million related to LBB-forecasted caseload growth.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$41,197,348	\$33,513,006	(\$7,684,342)	(18.7%)	Recommendations reflect a decrease of \$7.7 million related to LBB-forecasted changes in the FMAP.
OTHER FUNDS	\$0	\$0	\$0	0.0%	
HOSPICE 1.2.6	\$585,348,110	\$626,984,723	\$41,636,613	7.1%	
GENERAL REVENUE FUNDS	\$203,304,600	\$250,802,885	\$47,498,285	23.4%	Recommendations reflect an increase of \$47.5 million related to LBB-forecasted caseload growth.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$382,043,510	\$376,181,838	(\$5,861,672)	(1.5%)	Recommendations reflect a decrease of \$5.9 million related to LBB-forecasted changes in the FMAP.
OTHER FUNDS	\$0	\$0	\$0	0.0%	
INTERMEDIATE CARE FACILITIES - IID 1.2.7	\$1,270,452,803	\$488,838,246	(\$781,614,557)	(61.5%)	

**Health and Human Services Commission
Funding Changes and Recommendations by Strategy - Senate**

Strategy/Fund Type/Goal	2022-23 Base	2024-25 Recommended	Biennial Change	% Change	Comments
GENERAL REVENUE FUNDS	\$446,437,295	\$75,455,185	(\$370,982,110)	(83.1%)	Recommendations reflect a decrease of \$371.0 million related to LBB-forecasted caseload decreases.
GR DEDICATED	\$110,032,266	\$120,064,000	\$10,031,734	9.1%	Recommendations reflect an increase of \$10.0 million increase related to LBB-forecasted Quality Assurance Account No. 5080.
FEDERAL FUNDS	\$713,983,242	\$293,319,061	(\$420,664,181)	(58.9%)	Recommendations reflect a decrease of \$420.7 million related to LBB-forecasted caseload decreases.
OTHER FUNDS	\$0	\$0	\$0	0.0%	
HOME AND COMMUNITY-BASED SERVICES 1.3.1	\$2,605,588,548	\$2,659,717,888	\$54,129,340	2.1%	
GENERAL REVENUE FUNDS	\$811,758,244	\$1,043,875,653	\$232,117,409	28.6%	Recommendations reflect an increase of \$232.1 million related to LBB-forecasted maintaining fiscal year 2023 client levels.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$1,793,830,304	\$1,615,842,235	(\$177,988,069)	(9.9%)	Recommendations reflect a decrease of \$178.0 million related to LBB-forecasted changes in the FMAP.
OTHER FUNDS	\$0	\$0	\$0	0.0%	
COMMUNITY LIVING ASSISTANCE (CLASS) 1.3.2	\$724,611,888	\$781,852,792	\$57,240,904	7.9%	
GENERAL REVENUE FUNDS	\$205,471,441	\$283,363,831	\$77,892,390	37.9%	Recommendations reflect an increase of \$77.9 million related to LBB-forecasted maintaining fiscal year 2023 client levels.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$519,140,447	\$498,488,961	(\$20,651,486)	(4.0%)	Recommendations reflect a decrease of \$20.7 million related to LBB-forecasted changes in the FMAP.
OTHER FUNDS	\$0	\$0	\$0	0.0%	
DEAF-BLIND MULTIPLE DISABILITIES 1.3.3	\$44,829,567	\$47,421,042	\$2,591,475	5.8%	
GENERAL REVENUE FUNDS	\$13,648,242	\$18,161,305	\$4,513,063	33.1%	Recommendations reflect an increase of \$4.5 million related to LBB-forecasted maintaining fiscal year 2023 client levels.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$31,181,325	\$29,259,737	(\$1,921,588)	(6.2%)	Recommendations reflect a decrease of \$1.9 million related to LBB-forecasted changes in the FMAP.
OTHER FUNDS	\$0	\$0	\$0	0.0%	
TEXAS HOME LIVING WAIVER 1.3.4	\$170,615,365	\$171,944,421	\$1,329,056	0.8%	

**Health and Human Services Commission
Funding Changes and Recommendations by Strategy - Senate**

Strategy/Fund Type/Goal	2022-23 Base	2024-25 Recommended	Biennial Change	% Change	Comments
GENERAL REVENUE FUNDS	\$48,362,789	\$62,815,878	\$14,453,089	29.9%	Recommendations reflect an increase of \$14.5 million related to LBB-forecasted maintaining fiscal year 2023 client levels.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$122,252,576	\$109,128,543	(\$13,124,033)	(10.7%)	Recommendations reflect a decrease of \$13.1 million related to LBB-forecasted changes in the FMAP.
OTHER FUNDS	\$0	\$0	\$0	0.0%	
ALL-INCLUSIVE CARE - ELDERLY (PACE) 1.3.5	\$78,366,514	\$77,536,591	(\$829,923)	(1.1%)	
GENERAL REVENUE FUNDS	\$27,166,808	\$31,013,796	\$3,846,988	14.2%	Recommendations reflect an increase of \$3.8 million related to LBB-forecasted maintaining fiscal year 2023 client levels.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$51,199,706	\$46,522,795	(\$4,676,911)	(9.1%)	Recommendations reflect a decrease of \$4.7 million related to LBB-forecasted changes in the FMAP.
OTHER FUNDS	\$0	\$0	\$0	0.0%	
NON-FULL BENEFIT PAYMENTS 1.4.1	\$2,083,946,896	\$2,030,065,978	(\$53,880,918)	(2.6%)	
GENERAL REVENUE FUNDS	\$477,739,949	\$443,520,299	(\$34,219,650)	(7.2%)	Recommendations reflect a decrease of \$34.2 million related to LBB-forecasted amounts.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$1,539,840,162	\$1,422,002,128	(\$117,838,034)	(7.7%)	Recommendations reflect a decrease of \$117.8 million related to LBB-forecasted amounts.
OTHER FUNDS	\$66,366,785	\$164,543,551	\$98,176,766	147.9%	Recommendations reflect an increase of \$98.2 million primarily related to an increase in Public Health Medicaid Reimbursements Account No. 709 (Other Funds).
MEDICARE PAYMENTS 1.4.2	\$4,568,497,251	\$5,100,676,376	\$532,179,125	11.6%	
GENERAL REVENUE FUNDS	\$2,182,950,942	\$2,786,129,776	\$603,178,834	27.6%	Recommendations reflect an increase of \$603.2 million related to LBB- forecasted amounts.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$2,385,546,309	\$2,314,546,600	(\$70,999,709)	(3.0%)	Recommendations reflect a decrease of \$71.0 million related to LBB- forecasted amounts.
OTHER FUNDS	\$0	\$0	\$0	0.0%	
TRANSFORMATION PAYMENTS 1.4.3	\$4,232,981	\$0	(\$4,232,981)	(100.0%)	

**Health and Human Services Commission
Funding Changes and Recommendations by Strategy - Senate**

Strategy/Fund Type/Goal	2022-23 Base	2024-25 Recommended	Biennial Change	% Change	Comments
GENERAL REVENUE FUNDS	\$0	\$0	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$2,839,660	\$0	(\$2,839,660)	(100.0%)	Recommendations reflect a decrease of \$2.8 million related to the end of Delivery System Reform Incentive Payment (DSRIP) program.
OTHER FUNDS	\$1,393,321	\$0	(\$1,393,321)	(100.0%)	Recommendations reflect a decrease of \$1.4 million related to the end of Delivery System Reform Incentive Payment (DSRIP) program.
Total, Goal 1, MEDICAID CLIENT SERVICES	\$79,859,518,870	\$71,699,655,417	(\$8,159,863,453)	(10.2%)	Recommendations for all strategies in Goal A, Medicaid Client Services, have been adjusted to match the Legislative Budget Board (LBB) Staff forecasted amounts for fiscal years 2022, 2023, 2024, 2025. Recommendations reflect the following: -Assumes the end of the Public Health Emergency (PHE) at the end of January 2023, with the increase FMAP continued until the end of March. The agency's LAR submission assumed a PHE end date of October. -Reflect increases in General Revenue due to the end of the increased FMAP.
GENERAL REVENUE FUNDS	\$26,900,547,576	\$28,180,852,545	\$1,280,304,969	4.8%	
GR DEDICATED	\$114,061,728	\$123,507,536	\$9,445,808	8.3%	
FEDERAL FUNDS	\$52,445,647,034	\$42,865,086,975	(\$9,580,560,059)	(18.3%)	
OTHER FUNDS	\$399,262,532	\$530,208,361	\$130,945,829	32.8%	
MEDICAID & CHIP CONTRACTS & ADMIN 2.1.1	\$1,585,567,937	\$1,468,535,325	(\$117,032,612)	(7.4%)	

**Health and Human Services Commission
Funding Changes and Recommendations by Strategy - Senate**

Strategy/Fund Type/Goal	2022-23 Base	2024-25 Recommended	Biennial Change	% Change	Comments
GENERAL REVENUE FUNDS	\$473,377,978	\$452,339,863	(\$21,038,115)	(4.4%)	Recommendations reflect the following: -an increase of \$3.8 million for updates to the Medicaid Management Information System for changes related to the Patient Driven Payment Model. -a decrease of \$18.4 million in freed-up General Revenue transferred as a result of the 10.0 percentage point increase in the FMAP for Home and Community-Base Services (HCBS) in the American Rescue Plan Act of 2021; -a decrease of \$6.2 million related to updated cost allocation projections; and -a decrease of \$0.3 million related to one-time funding provided in Special Provisions Section 26, Reimbursement Rates and Methodology: Reporting Requirements: Legacy Foster Care, Community Base Care Services, and other Child Services.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$1,101,230,921	\$1,014,987,740	(\$86,243,181)	(7.8%)	Recommendations reflect the following: -an increase of \$11.3 million for updates to the Medicaid Management Information System for changes related to the Patient Driven Payment Model. -a decrease of \$48.7 million related to updated cost allocation projections; -a decrease of \$25.0 million received in Senate Bill 8, Eighty-seventh Legislature, Third Called Session, 2021 related to Medicaid technology projects; -a decrease of \$18.4 million in freed-up General Revenue transferred as a result of the 10.0 percentage point increase in the FMAP for Home and Community-Base Services (HCBS) in the American Rescue Plan Act of 2021; -a decrease of \$3.2 million related to aligning 2024-25 requested amounts to the LBB-forecasted FMAP and EFMAP; -a decrease of \$2.0 million for a one-time federal award; and -a decrease of \$0.3 million related to one-time funding provided in Special Provisions Section 26, Reimbursement Rates and Methodology: Reporting Requirements: Legacy Foster Care, Community Base Care Services, and other Child Services.

**Health and Human Services Commission
Funding Changes and Recommendations by Strategy - Senate**

Strategy/Fund Type/Goal	2022-23 Base	2024-25 Recommended	Biennial Change	% Change	Comments
OTHER FUNDS	\$10,959,038	\$1,207,722	(\$9,751,316)	(89.0%)	Recommendations reflect the following: -a decrease of \$9.7 million related to updated Medicaid Subrogation Receipts; and -a decrease of \$0.1 related to updated cost allocation projections.
Total, Goal 2, MEDICAID & CHIP SUPPORT	\$1,585,567,937	\$1,468,535,325	(\$117,032,612)	(7.4%)	
GENERAL REVENUE FUNDS	\$473,377,978	\$452,339,863	(\$21,038,115)	(4.4%)	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$1,101,230,921	\$1,014,987,740	(\$86,243,181)	(7.8%)	
OTHER FUNDS	\$10,959,038	\$1,207,722	(\$9,751,316)	(89.0%)	
CHIP 3.1.1	\$798,056,006	\$1,830,338,140	\$1,032,282,134	129.3%	
GENERAL REVENUE FUNDS	\$196,969,350	\$512,524,166	\$315,554,816	160.2%	Recommendations reflect an increase of \$315.6 million related to LBB Forecasted amounts. Recommendations assume: -The end of the PHE in January 2023, with an end to the increased FMAP in March of 2023. -Disenrollment from Medicaid timeline that prioritizes transfers to CHIP for eligible clients.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$601,086,656	\$1,317,813,974	\$716,727,318	119.2%	Recommendations reflect an increase of \$716.7 million related to LBB-Forecasted amounts.
OTHER FUNDS	\$0	\$0	\$0	0.0%	
Total, Goal 3, CHIP CLIENT SERVICES	\$798,056,006	\$1,830,338,140	\$1,032,282,134	129.3%	
GENERAL REVENUE FUNDS	\$196,969,350	\$512,524,166	\$315,554,816	160.2%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$601,086,656	\$1,317,813,974	\$716,727,318	119.2%	
OTHER FUNDS	\$0	\$0	\$0	0.0%	
WOMEN'S HEALTH PROGRAMS 4.1.1	\$287,072,978	\$427,202,450	\$140,129,472	48.8%	

**Health and Human Services Commission
Funding Changes and Recommendations by Strategy - Senate**

Strategy/Fund Type/Goal	2022-23 Base	2024-25 Recommended	Biennial Change	% Change	Comments
GENERAL REVENUE FUNDS	\$151,712,523	\$219,793,097	\$68,080,574	44.9%	Recommendations reflect the following: -an increase of \$42.4 million to expand services for the Family Planning Program (FPP); -an increase of \$23.2 million to fully fund HHSC-projected caseload and cost growth for Healthy Texas Women (HTW) 1115 Demonstration Waiver client services request; -an increase of \$1.3 million to maintain fiscal year 2023 HTW cost-reimbursement contract expenditures; and -an increase of \$1.2 million to fully fund forecasted HTW Plus services.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$135,063,510	\$207,409,353	\$72,345,843	53.6%	Recommendations reflect the following: -an increase of \$66.4 million to fully fund HHSC-projected caseload and cost growth for HTW 1115 Demonstration Waiver client services; -an increase of \$5.8 million for HTW Plus services assuming the HTW 1115 Demonstration Waiver Amendment is approved; and -an increase of \$0.2 million to align federal funds with expected awards for FPP and Breast and Cervical Cancer Services (BCCS).
OTHER FUNDS	\$296,945	\$0	(\$296,945)	(100.0%)	Recommendations reflect a decrease of Appropriated Receipts related to a one-time donation for BCCS in fiscal year 2022.
ALTERNATIVES TO ABORTION 4.1.2	\$99,680,872	\$120,000,000	\$20,319,128	20.4%	
GENERAL REVENUE FUNDS	\$99,680,872	\$120,000,000	\$20,319,128	20.4%	Recommendations reflect an increase of \$20.3 million for the Alternatives to Abortion program.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$0	\$0	\$0	0.0%	
OTHER FUNDS	\$0	\$0	\$0	0.0%	
ECI SERVICES 4.1.3	\$324,855,833	\$385,792,311	\$60,936,478	18.8%	
GENERAL REVENUE FUNDS	\$93,315,400	\$152,428,985	\$59,113,585	63.3%	Recommendations reflect an increase to maintain the 2022-23 appropriated average monthly cost per child with HHSC-forecasted caseload growth.
GR DEDICATED	\$0	\$0	\$0	0.0%	

**Health and Human Services Commission
Funding Changes and Recommendations by Strategy - Senate**

Strategy/Fund Type/Goal	2022-23 Base	2024-25 Recommended	Biennial Change	% Change	Comments
FEDERAL FUNDS	\$198,544,229	\$200,367,122	\$1,822,893	0.9%	Recommendations reflect an increase of \$1.8 million in Federal Funds to maintain the 2022-23 appropriated average monthly cost per child with caseload growth, which includes an increase of \$8.8 million in IDEA Part C funding partial offset by a decrease of \$7.0 million in other federal funding.
OTHER FUNDS	\$32,996,204	\$32,996,204	\$0	0.0%	
ECI RESPITE 4.1.4	\$1,193,512	\$800,000	(\$393,512)	(33.0%)	
GENERAL REVENUE FUNDS	\$800,000	\$800,000	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$393,512	\$0	(\$393,512)	(100.0%)	Recommendations reflect a decrease to align federal funds with expected awards.
OTHER FUNDS	\$0	\$0	\$0	0.0%	
CHILDREN'S BLINDNESS SERVICES 4.1.5	\$11,496,272	\$11,496,272	\$0	0.0%	
GENERAL REVENUE FUNDS	\$9,483,196	\$9,483,196	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$2,013,076	\$2,013,076	\$0	0.0%	
OTHER FUNDS	\$0	\$0	\$0	0.0%	
AUTISM PROGRAM 4.1.6	\$13,663,084	\$13,663,084	\$0	0.0%	
GENERAL REVENUE FUNDS	\$13,663,084	\$13,663,084	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$0	\$0	\$0	0.0%	
OTHER FUNDS	\$0	\$0	\$0	0.0%	
CHILDREN WITH SPECIAL NEEDS 4.1.7	\$48,925,587	\$48,919,010	(\$6,577)	(0.0%)	
GENERAL REVENUE FUNDS	\$42,639,010	\$42,639,010	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$6,280,000	\$6,280,000	\$0	0.0%	
OTHER FUNDS	\$6,577	\$0	(\$6,577)	(100.0%)	Recommendations reflect a decrease to align Appropriated Receipts with expected revenue collections.
TITLE V DNTL & HLTH SVCS 4.1.8	\$12,532,316	\$12,532,316	\$0	0.0%	

**Health and Human Services Commission
Funding Changes and Recommendations by Strategy - Senate**

Strategy/Fund Type/Goal	2022-23 Base	2024-25 Recommended	Biennial Change	% Change	Comments
GENERAL REVENUE FUNDS	\$2,802,316	\$2,802,316	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$9,730,000	\$9,730,000	\$0	0.0%	
OTHER FUNDS	\$0	\$0	\$0	0.0%	
KIDNEY HEALTH CARE 4.1.9	\$30,684,044	\$30,684,044	\$0	0.0%	
GENERAL REVENUE FUNDS	\$27,653,624	\$27,653,624	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$0	\$0	\$0	0.0%	
OTHER FUNDS	\$3,030,420	\$3,030,420	\$0	0.0%	
ADDITIONAL SPECIALTY CARE 4.1.10	\$15,379,611	\$15,404,948	\$25,337	0.2%	
GENERAL REVENUE FUNDS	\$13,395,940	\$13,415,553	\$19,613	0.1%	Recommendations reflect an increase to maintain appropriated fiscal year 2023 amounts for the Pediatric Tele-connectivity Resource Program for Rural Texas given less favorable FMAPs and EFMAPs.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$1,983,671	\$1,989,395	\$5,724	0.3%	Recommendations reflect an increase to maintain appropriated fiscal year 2023 amounts for the Pediatric Tele-connectivity Resource Program for Rural Texas given less favorable FMAPs and EFMAPs.
OTHER FUNDS	\$0	\$0	\$0	0.0%	
COMMUNITY PRIMARY CARE SERVICES 4.1.11	\$23,824,816	\$23,824,816	\$0	0.0%	
GENERAL REVENUE FUNDS	\$23,824,816	\$23,824,816	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$0	\$0	\$0	0.0%	
OTHER FUNDS	\$0	\$0	\$0	0.0%	
ABSTINENCE EDUCATION 4.1.12	\$13,625,246	\$12,753,520	(\$871,726)	(6.4%)	
GENERAL REVENUE FUNDS	\$0	\$0	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$13,625,246	\$12,753,520	(\$871,726)	(6.4%)	Recommendations reflect a decrease to align federal funds with expected awards.
OTHER FUNDS	\$0	\$0	\$0	0.0%	

**Health and Human Services Commission
Funding Changes and Recommendations by Strategy - Senate**

Strategy/Fund Type/Goal	2022-23 Base	2024-25 Recommended	Biennial Change	% Change	Comments
PRESCRIPTION DRUG SAVINGS PROGRAM 4.1.13	\$32,590,137	\$28,546,082	(\$4,044,055)	(12.4%)	
GENERAL REVENUE FUNDS	\$32,590,137	\$28,546,082	(\$4,044,055)	(12.4%)	Recommendations reflect a decrease of \$3.8 million for one-time information technology costs and a decrease of \$0.3 million for start-up FTE costs.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$0	\$0	\$0	0.0%	
OTHER FUNDS	\$0	\$0	\$0	0.0%	
PRIMARY HEALTH & SPECIALTY CARE ADM 4.1.14	\$39,479,966	\$45,175,505	\$5,695,539	14.4%	
GENERAL REVENUE FUNDS	\$26,131,546	\$29,831,590	\$3,700,044	14.2%	Recommendations reflect the following: -an increase of \$3.7 million to provide direct administration to support additional services for women's health programs; and -an increase of less than \$0.1 million to align with the agency's projected administrative costs across programs.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$12,910,306	\$14,905,453	\$1,995,147	15.5%	Recommendations reflect an increase to align with the agency's projected administrative costs across programs.
OTHER FUNDS	\$438,114	\$438,462	\$348	0.1%	Recommendations reflect an increase to align with the agency's projected administrative costs across programs.
COMMUNITY MENTAL HEALTH SVCS-ADULTS 4.2.1	\$837,602,997	\$911,315,488	\$73,712,491	8.8%	
GENERAL REVENUE FUNDS	\$634,155,164	\$688,042,164	\$53,887,000	8.5%	Recommendations reflect the following: -an increase of \$25.7 million to biennialize budget execution funding and expand services for Multisystemic Therapy; -an increase of \$17.0 million to expand step-down housing; -an increase of \$10.0 million to provide mental health services to the Uvalde Community; -an increase of \$3.3 million to biennialize budget execution funding and expand services for Coordinated Specialty Care; and -a decrease of \$2.1 million to transfer funding to the Texas Veterans Commission (TVC) for that was previously appropriated to TVC as an interagency contract.
GR DEDICATED	\$0	\$0	\$0	0.0%	

**Health and Human Services Commission
Funding Changes and Recommendations by Strategy - Senate**

Strategy/Fund Type/Goal	2022-23 Base	2024-25 Recommended	Biennial Change	% Change	Comments
FEDERAL FUNDS	\$203,175,691	\$223,001,182	\$19,825,491	9.8%	Recommendations reflect an increase of \$31.3 million to align COVID-19 federal funding with expected expenditures and an offsetting decrease of \$11.5 million to align other federal funding with expected awards.
OTHER FUNDS	\$272,142	\$272,142	\$0	0.0%	
COMMUNITY MENTAL HLTH SVCS-CHILDREN 4.2.2	\$198,672,830	\$187,188,084	(\$11,484,746)	(5.8%)	
GENERAL REVENUE FUNDS	\$133,481,832	\$133,481,832	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$65,190,998	\$53,706,252	(\$11,484,746)	(17.6%)	Recommendations reflect a decrease of \$5.5 million to align COVID-19 federal funding with expected expenditures and a decrease of \$6.0 million to align other federal funding with expected awards.
OTHER FUNDS	\$0	\$0	\$0	0.0%	
COMMUNITY MENTAL HEALTH CRISIS SVCS 4.2.3	\$256,968,946	\$314,437,626	\$57,468,680	22.4%	
GENERAL REVENUE FUNDS	\$218,368,397	\$273,868,396	\$55,499,999	25.4%	Recommendations reflect the following: -an increase of \$36.0 million for crisis stabilization units; -an increase of \$11.5 million for crisis respite units for youth; and -an increase of \$8.0 million for youth mobile crisis outreach teams.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$35,287,518	\$37,434,676	\$2,147,158	6.1%	Recommendations reflect an increase of \$6.7 million to align COVID-19 federal funding with expected expenditures and an offsetting decrease of \$4.5 million to align other federal funding with expected awards.
OTHER FUNDS	\$3,313,031	\$3,134,554	(\$178,477)	(5.4%)	Recommendations reflect a decrease to align Appropriated Receipts with expected revenue collections.
SUBSTANCE ABUSE SERVICES 4.2.4	\$763,516,148	\$554,070,891	(\$209,445,257)	(27.4%)	
GENERAL REVENUE FUNDS	\$98,174,720	\$98,174,720	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$664,926,114	\$455,480,857	(\$209,445,257)	(31.5%)	Recommendations reflect a decrease of \$123.5 million to align COVID-19 federal funding with expected expenditures and a decrease of \$85.9 million to align other federal funding with expected awards.
OTHER FUNDS	\$415,314	\$415,314	\$0	0.0%	
BEHAVIORAL HLTH WAIVER & AMENDMENT 4.2.5	\$69,383,655	\$66,075,086	(\$3,308,569)	(4.8%)	

**Health and Human Services Commission
Funding Changes and Recommendations by Strategy - Senate**

Strategy/Fund Type/Goal	2022-23 Base	2024-25 Recommended	Biennial Change	% Change	Comments
GENERAL REVENUE FUNDS	\$30,595,162	\$30,213,078	(\$382,084)	(1.2%)	Recommendations reflect an increase of \$1.1 million due to less favorable FMAPs and a decrease of \$1.5 million in freed-up General Revenue transferred as a result of the 10.0 percentage point increase in the FMAP for Home and Community-Base Services (HCBS) in the American Rescue Plan Act of 2021.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$38,788,493	\$35,862,008	(\$2,926,485)	(7.5%)	Recommendations reflect a decrease of \$2.2 million related to the federal match for freed-up General Revenue and a decrease of \$0.7 million to align federal match funding with the available General Revenue.
OTHER FUNDS	\$0	\$0	\$0	0.0%	
COMMUNITY MENTAL HEALTH GRANT PGMS 4.2.6	\$145,000,000	\$205,000,000	\$60,000,000	41.4%	
GENERAL REVENUE FUNDS	\$145,000,000	\$205,000,000	\$60,000,000	41.4%	Recommendations reflect the following: -an increase of \$30.0 million for the Mental Health Grant for Justice-Involved Individuals program; -an increase of \$15.0 million for the Community Mental Health Grant Program; and -an increase of \$15.0 million for an innovation grant program.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$0	\$0	\$0	0.0%	
OTHER FUNDS	\$0	\$0	\$0	0.0%	
COMMUNITY BEHAVIORAL HEALTH ADM 4.2.7	\$99,081,093	\$103,426,647	\$4,345,554	4.4%	
GENERAL REVENUE FUNDS	\$49,811,719	\$49,811,719	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$40,300,947	\$33,072,798	(\$7,228,149)	(17.9%)	Recommendations reflect a decrease to align with the agency's projected administrative costs across programs.
OTHER FUNDS	\$8,968,427	\$20,542,130	\$11,573,703	129.0%	Recommendations reflect a decrease to align with the agency's projected administrative costs across programs.
INDIGENT HEALTH CARE REIMBURSEMENT 4.3.1	\$878,886	\$878,886	\$0	0.0%	
GENERAL REVENUE FUNDS	\$0	\$0	\$0	0.0%	
GR DEDICATED	\$878,886	\$878,886	\$0	0.0%	

**Health and Human Services Commission
Funding Changes and Recommendations by Strategy - Senate**

Strategy/Fund Type/Goal	2022-23 Base	2024-25 Recommended	Biennial Change	% Change	Comments
FEDERAL FUNDS	\$0	\$0	\$0	0.0%	
OTHER FUNDS	\$0	\$0	\$0	0.0%	
COUNTY INDIGENT HEALTH CARE SVCS 4.3.2	\$1,301,125	\$1,352,618	\$51,493	4.0%	
GENERAL REVENUE FUNDS	\$1,055,661	\$1,055,660	(\$1)	(0.0%)	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$95,464	\$96,958	\$1,494	1.6%	Recommendations reflect an increase to align federal funds with expected awards.
OTHER FUNDS	\$150,000	\$200,000	\$50,000	33.3%	Recommendations reflect an increase to align Appropriated Receipts with expected revenue collections.
Total, Goal 4, ADDITIONAL HEALTH-RELATED SERVICES	\$3,327,409,954	\$3,520,539,684	\$193,129,730	5.8%	
GENERAL REVENUE FUNDS	\$1,848,335,119	\$2,164,528,922	\$316,193,803	17.1%	
GR DEDICATED	\$878,886	\$878,886	\$0	0.0%	
FEDERAL FUNDS	\$1,428,308,775	\$1,294,102,650	(\$134,206,125)	(9.4%)	
OTHER FUNDS	\$49,887,174	\$61,029,226	\$11,142,052	22.3%	
TANF (CASH ASSISTANCE) GRANTS 5.1.1	\$40,704,183	\$36,447,699	(\$4,256,484)	(10.5%)	
GENERAL REVENUE FUNDS	\$34,634,931	\$32,990,416	(\$1,644,515)	(4.7%)	Recommendations reflect a decrease in General Revenue associated with forecasted expenditures based on an expected caseload decrease partially offset by expected increases in grant per recipient.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$6,069,252	\$3,457,283	(\$2,611,969)	(43.0%)	Recommendations reflect a decrease in TANF federal funding associated with forecasted expenditures based on an expected caseload decrease partially offset by expected increases in grant per recipient.
OTHER FUNDS	\$0	\$0	\$0	0.0%	
PROVIDE WIC SERVICES 5.1.2	\$1,643,667,156	\$1,659,638,118	\$15,970,962	1.0%	
GENERAL REVENUE FUNDS	\$0	\$0	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$1,145,749,134	\$1,133,620,096	(\$12,129,038)	(1.1%)	Recommendations reflect a decrease of \$11.9 million related to one-time COVID-19 federal funding and a decrease of \$0.2 million to align other federal funding with expected awards.

**Health and Human Services Commission
Funding Changes and Recommendations by Strategy - Senate**

Strategy/Fund Type/Goal	2022-23 Base	2024-25 Recommended	Biennial Change	% Change	Comments
OTHER FUNDS	\$497,918,022	\$526,018,022	\$28,100,000	5.6%	Recommendations reflect an increase in Appropriated Receipts due to an expected increase in infant formula manufacturer rebates as infant formula supplies normalize following a shortage.
DISASTER ASSISTANCE 5.1.3	\$18,995,495	\$0	(\$18,995,495)	(100.0%)	Recommendations reflect a decrease due to the one-time nature of this funding, which was used to respond to various emergencies.
GENERAL REVENUE FUNDS	\$650,000	\$0	(\$650,000)	(100.0%)	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$18,345,495	\$0	(\$18,345,495)	(100.0%)	
OTHER FUNDS	\$0	\$0	\$0	0.0%	
Total, Goal 5, ENCOURAGE SELF-SUFFICIENCY	\$1,703,366,834	\$1,696,085,817	(\$7,281,017)	(0.4%)	
GENERAL REVENUE FUNDS	\$35,284,931	\$32,990,416	(\$2,294,515)	(6.5%)	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$1,170,163,881	\$1,137,077,379	(\$33,086,502)	(2.8%)	
OTHER FUNDS	\$497,918,022	\$526,018,022	\$28,100,000	5.6%	
GUARDIANSHIP 6.1.1	\$17,679,834	\$17,679,834	\$0	0.0%	
GENERAL REVENUE FUNDS	\$3,231,930	\$3,231,930	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$14,447,904	\$14,447,904	\$0	0.0%	
OTHER FUNDS	\$0	\$0	\$0	0.0%	
NON-MEDICAID SERVICES 6.1.2	\$359,014,927	\$334,967,302	(\$24,047,625)	(6.7%)	
GENERAL REVENUE FUNDS	\$46,388,706	\$46,238,706	(\$150,000)	(0.3%)	Recommendations reflect a decrease to remove a transfer of unexpended fees collected to promote affordable housing for the elderly into fiscal year 2022.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$312,626,221	\$288,728,596	(\$23,897,625)	(7.6%)	Recommendations reflect a decrease to align COVID-19 federal funding with expected expenditures.
OTHER FUNDS	\$0	\$0	\$0	0.0%	
NON-MEDICAID IDD COMMUNITY SVCS 6.1.3	\$101,948,840	\$99,803,840	(\$2,145,000)	(2.1%)	

**Health and Human Services Commission
Funding Changes and Recommendations by Strategy - Senate**

Strategy/Fund Type/Goal	2022-23 Base	2024-25 Recommended	Biennial Change	% Change	Comments
GENERAL REVENUE FUNDS	\$101,942,840	\$99,797,840	(\$2,145,000)	(2.1%)	Recommendations reflect a decrease due to one-time funding from freed up General Revenue due to the FMAP increase for Home and Community-Based Services provided in the American Rescue Plan Act.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$0	\$0	\$0	0.0%	
OTHER FUNDS	\$6,000	\$6,000	\$0	0.0%	
INDEPENDENT LIVING SERVICES 6.2.1	\$29,106,092	\$29,106,092	\$0	0.0%	
GENERAL REVENUE FUNDS	\$8,849,012	\$8,849,012	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$3,100,002	\$3,100,002	\$0	0.0%	
OTHER FUNDS	\$17,157,078	\$17,157,078	\$0	0.0%	
BEST PROGRAM 6.2.2	\$960,000	\$860,000	(\$100,000)	(10.4%)	
GENERAL REVENUE FUNDS	\$960,000	\$860,000	(\$100,000)	(10.4%)	Recommendations reflect a decrease to remove a transfer of unexpended donations into fiscal year 2022.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$0	\$0	\$0	0.0%	
OTHER FUNDS	\$0	\$0	\$0	0.0%	
COMPREHENSIVE REHABILITATION (CRS) 6.2.3	\$46,303,991	\$46,308,912	\$4,921	0.0%	
GENERAL REVENUE FUNDS	\$46,298,912	\$46,298,912	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$0	\$0	\$0	0.0%	
OTHER FUNDS	\$5,079	\$10,000	\$4,921	96.9%	Recommendations reflect an increase to align Subrogation Receipts Account No. 8052 with expected revenue collections.
DEAF AND HARD OF HEARING SERVICES 6.2.4	\$8,280,722	\$8,280,722	\$0	0.0%	
GENERAL REVENUE FUNDS	\$5,552,746	\$5,552,746	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$0	\$0	\$0	0.0%	
OTHER FUNDS	\$2,727,976	\$2,727,976	\$0	0.0%	
FAMILY VIOLENCE SERVICES 6.3.1	\$107,585,124	\$107,432,501	(\$152,623)	(0.1%)	

**Health and Human Services Commission
Funding Changes and Recommendations by Strategy - Senate**

Strategy/Fund Type/Goal	2022-23 Base	2024-25 Recommended	Biennial Change	% Change	Comments
GENERAL REVENUE FUNDS	\$27,720,489	\$27,720,490	\$1	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$79,691,511	\$79,572,011	(\$119,500)	(0.1%)	Recommendations reflect an increase of \$0.7 million to align COVID-19 federal funding with expected expenditures and an offsetting decrease of \$0.8 million to align other federal funding with expected awards.
OTHER FUNDS	\$173,124	\$140,000	(\$33,124)	(19.1%)	Recommendations reflect a decrease to align Appropriated Receipts with expected revenue collections.
CHILD ADVOCACY PROGRAMS 6.3.2	\$101,025,998	\$115,479,794	\$14,453,796	14.3%	
GENERAL REVENUE FUNDS	\$56,639,320	\$91,556,668	\$34,917,348	61.6%	Recommendations reflect the following: -an increase of \$20.5 million due to a method of finance swap with General Revenue-Dedicated Account No. 469, Compensation to Victims of Crime; and -an increase of \$14.5 million to expand children's advocacy center services.
GR DEDICATED	\$30,459,688	\$10,000,000	(\$20,459,688)	(67.2%)	Recommendations reflect a decrease due to a method of finance swap with General Revenue.
FEDERAL FUNDS	\$13,896,126	\$13,896,126	\$0	0.0%	
OTHER FUNDS	\$30,864	\$27,000	(\$3,864)	(12.5%)	Recommendations reflect a decrease to align License Plate Trust Fund Account No. 0802 with expected revenue collections.
ADDITIONAL ADVOCACY PROGRAMS 6.3.3	\$1,723,012	\$1,723,012	\$0	0.0%	
GENERAL REVENUE FUNDS	\$1,243,928	\$1,243,928	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$479,084	\$479,084	\$0	0.0%	
OTHER FUNDS	\$0	\$0	\$0	0.0%	
Total, Goal 6, COMMUNITY & IL SVCS & COORDINATION	\$773,628,540	\$761,642,009	(\$11,986,531)	(1.5%)	
GENERAL REVENUE FUNDS	\$298,827,883	\$331,350,232	\$32,522,349	10.9%	
GR DEDICATED	\$30,459,688	\$10,000,000	(\$20,459,688)	(67.2%)	
FEDERAL FUNDS	\$424,240,848	\$400,223,723	(\$24,017,125)	(5.7%)	
OTHER FUNDS	\$20,100,121	\$20,068,054	(\$32,067)	(0.2%)	
STATE SUPPORTED LIVING CENTERS 7.1.1	\$1,360,641,597	\$1,513,826,389	\$153,184,792	11.3%	

**Health and Human Services Commission
Funding Changes and Recommendations by Strategy - Senate**

Strategy/Fund Type/Goal	2022-23 Base	2024-25 Recommended	Biennial Change	% Change	Comments
GENERAL REVENUE FUNDS	\$487,753,989	\$680,444,082	\$192,690,093	39.5%	Recommendations reflect the following: -an increase of \$141.3 million to maintain salary increases provided in 2022-23 for the full FTE cap; -an increase of \$54.3 million due to less favorable FMAPs; -an increase of \$0.9 million to maintain fiscal year 2022 funding levels; and -a decrease of \$3.8 million for a projected census decline.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$823,736,074	\$784,230,773	(\$39,505,301)	(4.8%)	Recommendations reflect the following: -an increase of \$20.8 million to maintain fiscal year 2022 funding levels; -an increase of \$0.3 million to align Money Follows the Person funding with the expected award; -a decrease of \$54.3 million due to less favorable FMAPs; and -a decrease of \$6.4 million for a projected census decline.
OTHER FUNDS	\$49,151,534	\$49,151,534	\$0	0.0%	
MENTAL HEALTH STATE HOSPITALS 7.2.1	\$968,590,728	\$1,113,007,440	\$144,416,712	14.9%	
GENERAL REVENUE FUNDS	\$765,912,674	\$1,076,117,136	\$310,204,462	40.5%	Recommendations reflect the following: -an increase of \$94.9 million to maintain salary increases provided in 2022-23 for the full FTE cap; -an increase of \$94.6 million for a method-of-finance swap between Public Health Medicaid Reimbursements Account No. 709 (Other Funds) and General Revenue; -an increase of \$71.1 million due to a reduction in one-time pandemic-related federal stimulus dollars for salaries and benefits related to the COVID-19 pandemic response; -an increase of \$23.8 million to biennialize funding for 144 beds for the John S. Dunn Behavioral Sciences Center; -an increase of \$20.4 million to expand state hospital contracted bed capacity; -an increase of \$5.0 million to establish state hospital transition teams; -an increase of \$0.2 million to biennialize funding for Kerrville State Hospital operational costs; and -an increase of less than \$0.1 million due to less favorable FMAPs.
GR DEDICATED	\$0	\$0	\$0	0.0%	

**Health and Human Services Commission
Funding Changes and Recommendations by Strategy - Senate**

Strategy/Fund Type/Goal	2022-23 Base	2024-25 Recommended	Biennial Change	% Change	Comments
FEDERAL FUNDS	\$81,165,256	\$9,985,498	(\$71,179,758)	(87.7%)	Recommendations reflect the following: -a decrease of \$71.1 million due to a reduction in one-time pandemic-related federal stimulus dollars for salaries and benefits related to the COVID-19 pandemic response; and -a decrease of less than \$0.1 million due to less favorable FMAPs.
OTHER FUNDS	\$121,512,798	\$26,904,806	(\$94,607,992)	(77.9%)	
MENTAL HEALTH COMMUNITY HOSPITALS 7.2.2	\$321,432,586	\$623,432,586	\$302,000,000	94.0%	Recommendations reflect the following: -an increase of \$252.0 million to maintain and increase capacity for state-purchased inpatient psychiatric beds; -an increase of \$59.0 million to increase inpatient capacity for competency restoration beds; and -an increase of \$6.0 million for an outpatient integrated care clinic project.
GENERAL REVENUE FUNDS	\$306,432,586	\$623,432,586	\$317,000,000	103.4%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$15,000,000	\$0	(\$15,000,000)	(100.0%)	Recommendations reflect a decrease of one-time funding provided for the Sunrise Canyon Hospital in Senate Bill 8, Eighty-seventh Legislature, Third-called Session, 2021.
OTHER FUNDS	\$0	\$0	\$0	0.0%	
OTHER FACILITIES 7.3.1	\$11,924,509	\$11,780,432	(\$144,077)	(1.2%)	Recommendations reflect the following: -an increase of \$0.4 million due to a reduction in one-time pandemic-related federal stimulus dollars for salaries and benefits related to the COVID-19 pandemic response; and -an increase of \$0.1 million to maintain fiscal year 2023 appropriations with adjustments for less favorable FMAPs.
GENERAL REVENUE FUNDS	\$8,450,167	\$9,009,626	\$559,459	6.6%	
GR DEDICATED	\$0	\$0	\$0	0.0%	

**Health and Human Services Commission
Funding Changes and Recommendations by Strategy - Senate**

Strategy/Fund Type/Goal	2022-23 Base	2024-25 Recommended	Biennial Change	% Change	Comments
FEDERAL FUNDS	\$2,676,634	\$1,973,098	(\$703,536)	(26.3%)	Recommendations reflect the following: -a decrease of \$0.4 million due to a reduction in one-time pandemic-related federal stimulus dollars for salaries and benefits related to the COVID-19 pandemic response; and -a decrease of \$0.3 million to maintain fiscal year 2023 appropriations with adjustments for less favorable FMAPs.
OTHER FUNDS	\$797,708	\$797,708	\$0	0.0%	
FACILITY PROGRAM SUPPORT 7.4.1	\$33,102,125	\$26,047,490	(\$7,054,635)	(21.3%)	
GENERAL REVENUE FUNDS	\$23,107,703	\$15,412,447	(\$7,695,256)	(33.3%)	Recommendations reflect the following: -an increase of \$0.2 million to maintain fiscal year 2023 appropriations with adjustments for less favorable FMAPs; and -a decrease of \$7.9 million for vehicle replacement funding.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$9,626,914	\$10,267,535	\$640,621	6.7%	Recommendations reflect an increase of \$0.6 million to maintain fiscal year 2023 appropriations with adjustments for less favorable FMAPs.
OTHER FUNDS	\$367,508	\$367,508	\$0	0.0%	
FACILITY CAPITAL REPAIRS & RENOV 7.4.2	\$503,434,371	\$36,811,868	(\$466,622,503)	(92.7%)	
GENERAL REVENUE FUNDS	\$29,962,268	\$36,232,264	\$6,269,996	20.9%	Recommendations reflect the following: -an increase of \$9.3 million associated with the Texas Public Finance Authority (TPFA)'s estimates for Master Lease Purchase Program (MLPP) lease payment requirements for renovations and energy conservation projects at the state supported living centers (SSLCs) and state mental health hospitals; and -a decrease of \$3.0 million for one-time funding provided for demolition at Rusk State Hospital.
GR DEDICATED	\$579,604	\$579,604	\$0	0.0%	
FEDERAL FUNDS	\$237,800,000	\$0	(\$237,800,000)	(100.0%)	Recommendations reflect a decrease of one-time funding provided for construction at the new state hospital in Dallas in Senate Bill 8, Eighty-seventh Legislature, Third-called Session, 2021.

**Health and Human Services Commission
Funding Changes and Recommendations by Strategy - Senate**

Strategy/Fund Type/Goal	2022-23 Base	2024-25 Recommended	Biennial Change	% Change	Comments
OTHER FUNDS	\$235,092,499	\$0	(\$235,092,499)	(100.0%)	Recommendations reflect a decrease due to one-time construction funding that was transferred into 2022-23 using unexpended balance authority, including: -a decrease of \$158.6 million in MLPP Revenue Bond Proceeds for deferred maintenance at the SSLCs and state mental health hospitals; -a decrease of \$76.4 million from the Economic Stabilization Fund (ESF) provided for new construction projects at the state mental health hospitals and state-funded inpatient mental health facilities; and -a decrease of less than \$0.1 million in General Obligation Bond proceeds for repairs and renovations at the SSLCs and state mental health hospitals.
Total, Goal 7, FACILITIES	\$3,199,125,916	\$3,324,906,205	\$125,780,289	3.9%	
GENERAL REVENUE FUNDS	\$1,621,619,387	\$2,440,648,141	\$819,028,754	50.5%	
GR DEDICATED	\$579,604	\$579,604	\$0	0.0%	
FEDERAL FUNDS	\$1,170,004,878	\$806,456,904	(\$363,547,974)	(31.1%)	
OTHER FUNDS	\$406,922,047	\$77,221,556	(\$329,700,491)	(81.0%)	
FACILITY/COMMUNITY-BASED REGULATION 8.1.1	\$239,981,897	\$228,481,776	(\$11,500,121)	(4.8%)	
GENERAL REVENUE FUNDS	\$51,105,830	\$51,105,830	\$0	0.0%	
GR DEDICATED	\$35,420,228	\$35,420,228	\$0	0.0%	
FEDERAL FUNDS	\$131,343,492	\$122,066,336	(\$9,277,156)	(7.1%)	Recommendations reflect the following: -a decrease of \$10.8 million to update the projected match rate; -a decrease of \$0.1 million in Title XVIII CARES Act funding; and -an increase of \$1.6 million in updated projections based on actual collections.
OTHER FUNDS	\$22,112,347	\$19,889,382	(\$2,222,965)	(10.1%)	Recommendations reflect the following: -a decrease of \$2.1 million due to an updated projection of Civil Money Penalty (CMP) funds for on-going awards based on assumption that there will be less projects from the previous biennium attributable to the COVID-19 pandemic; and -a decrease of \$0.2 million due to updated cost allocation projections.
CHILD CARE REGULATION 8.2.1	\$110,194,922	\$109,262,591	(\$932,331)	(0.8%)	

**Health and Human Services Commission
Funding Changes and Recommendations by Strategy - Senate**

Strategy/Fund Type/Goal	2022-23 Base	2024-25 Recommended	Biennial Change	% Change	Comments
GENERAL REVENUE FUNDS	\$75,062,325	\$75,062,325	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$33,538,899	\$33,541,726	\$2,827	0.0%	Recommendations reflect an increase of less than \$0.1 million to align federal funds with expected awards.
OTHER FUNDS	\$1,593,698	\$658,540	(\$935,158)	(58.7%)	Recommendations reflect a decrease of \$0.9 million due to IAC projections based on actual collections in child care licensing and regulatory services-data analytics for DFPS.
HEALTH CARE PROFESSIONALS & OTHER 8.3.1	\$4,482,831	\$4,538,918	\$56,087	1.3%	
GENERAL REVENUE FUNDS	\$3,417,802	\$3,417,802	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$1,065,029	\$1,121,116	\$56,087	5.3%	Recommendations reflect an increase of less than \$0.1 million to align federal funds with expected awards.
OTHER FUNDS	\$0	\$0	\$0	0.0%	
TEXAS.GOV 8.4.1	\$87,422	\$87,422	\$0	0.0%	
GENERAL REVENUE FUNDS	\$71,362	\$71,362	\$0	0.0%	
GR DEDICATED	\$10,500	\$10,500	\$0	0.0%	
FEDERAL FUNDS	\$0	\$0	\$0	0.0%	
OTHER FUNDS	\$5,560	\$5,560	\$0	0.0%	
Total, Goal 8, REGULATORY SERVICES	\$354,747,072	\$342,370,707	(\$12,376,365)	(3.5%)	
GENERAL REVENUE FUNDS	\$129,657,319	\$129,657,319	\$0	0.0%	
GR DEDICATED	\$35,430,728	\$35,430,728	\$0	0.0%	
FEDERAL FUNDS	\$165,947,420	\$156,729,178	(\$9,218,242)	(5.6%)	
OTHER FUNDS	\$23,711,605	\$20,553,482	(\$3,158,123)	(13.3%)	
INTEGRATED ELIGIBILITY & ENROLLMENT 9.1.1	\$1,166,287,061	\$1,291,281,571	\$124,994,510	10.7%	
GENERAL REVENUE FUNDS	\$423,806,853	\$475,446,918	\$51,640,065	12.2%	Recommendations reflect the following: -an increase of \$90.6 million to maintain salary adjustments made in the 2022-23 biennium and fully fund the FTE cap; and -a decrease of \$38.9 million related to a one-time transfer of freed-up General Revenue from G.1.1, State Supported Living Centers, for salary adjustments.

**Health and Human Services Commission
Funding Changes and Recommendations by Strategy - Senate**

Strategy/Fund Type/Goal	2022-23 Base	2024-25 Recommended	Biennial Change	% Change	Comments
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$731,468,296	\$804,930,279	\$73,461,983	10.0%	Recommendations reflect the following: -an increase of \$91.2 million to maintain salary adjustments made in the 2022-23 biennium and fully fund the FTE cap; -an increase of \$56.5 million related to updated cost allocation projections; and -a decrease of \$74.2 million related to COVID-19 federal awards.
OTHER FUNDS	\$11,011,912	\$10,904,374	(\$107,538)	(1.0%)	Recommendations reflect a decrease of \$0.1 million related to updated cost allocation projections.
LONG-TERM CARE INTAKE & ACCESS 9.2.1	\$546,292,440	\$516,005,446	(\$30,286,994)	(5.5%)	
GENERAL REVENUE FUNDS	\$229,063,165	\$235,638,979	\$6,575,814	2.9%	Recommendations reflect the following: -an increase of \$12.0 million to maintain fiscal year 2023 appropriations with adjustments for less favorable FMAs; and -a decrease of \$5.4 million related to strategy realignment after budget structure changes.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$315,309,275	\$278,446,467	(\$36,862,808)	(11.7%)	Recommendations reflect the following: -a decrease of \$21.5 million related to COVID-19 federal awards; -a decrease of \$12.5 million related to maintaining fiscal year 2023 appropriations with adjustments for less favorable FMAs; and -a decrease of \$3.0 million related to strategy realignment after budget structure changes.
OTHER FUNDS	\$1,920,000	\$1,920,000	\$0	0.0%	
TIERS & ELIGIBILITY SUPPORT TECH 9.3.1	\$220,664,533	\$221,494,836	\$830,303	0.4%	
GENERAL REVENUE FUNDS	\$81,436,580	\$80,856,080	(\$580,500)	(0.7%)	Recommendations reflect a decrease of \$0.6 million related to one-time funding provided to implement provisions of House Bill 133, Eighty-seventh Legislature, 2021.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$137,662,870	\$138,802,992	\$1,140,122	0.8%	Recommendations reflect an increase of \$1.1 million related to updated cost allocation projections and adjustments for less favorable FMAs.
OTHER FUNDS	\$1,565,083	\$1,835,764	\$270,681	17.3%	Recommendations reflect an increase of \$0.3 million related to updated cost allocation projections.

**Health and Human Services Commission
Funding Changes and Recommendations by Strategy - Senate**

Strategy/Fund Type/Goal	2022-23 Base	2024-25 Recommended	Biennial Change	% Change	Comments
TIERS CAPITAL PROJECTS 9.3.2	\$108,671,993	\$111,300,657	\$2,628,664	2.4%	
GENERAL REVENUE FUNDS	\$39,899,864	\$39,899,864	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$68,772,129	\$71,400,793	\$2,628,664	3.8%	Recommendations reflect an increase of \$2.6 million related to Texas Integrated Eligibility Redesign System (TIERS) projects.
OTHER FUNDS	\$0	\$0	\$0	0.0%	
Total, Goal 9, PGM ELG DETERMINATION & ENROLLMENT	\$2,041,916,027	\$2,140,082,510	\$98,166,483	4.8%	
GENERAL REVENUE FUNDS	\$774,206,462	\$831,841,841	\$57,635,379	7.4%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$1,253,212,570	\$1,293,580,531	\$40,367,961	3.2%	
OTHER FUNDS	\$14,496,995	\$14,660,138	\$163,143	1.1%	
DISABILITY DETERMINATION SVCS (DDS) 10.1.1	\$209,156,216	\$209,623,384	\$467,168	0.2%	
GENERAL REVENUE FUNDS	\$0	\$0	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$209,156,216	\$209,623,384	\$467,168	0.2%	Recommendations reflect an increase of \$0.5 million in Social Security Disability Insurance federal funds attributable to updated agency projections.
OTHER FUNDS	\$0	\$0	\$0	0.0%	
Total, Goal 10, DISABILITY DETERMINATION	\$209,156,216	\$209,623,384	\$467,168	0.2%	
GENERAL REVENUE FUNDS	\$0	\$0	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$209,156,216	\$209,623,384	\$467,168	0.2%	
OTHER FUNDS	\$0	\$0	\$0	0.0%	
OFFICE OF INSPECTOR GENERAL 11.1.1	\$108,998,903	\$108,392,824	(\$606,079)	(0.6%)	
GENERAL REVENUE FUNDS	\$45,310,011	\$45,144,126	(\$165,885)	(0.4%)	Recommendations reflect a decrease of \$0.2 million based updated cost allocation projections.
GR DEDICATED	\$0	\$0	\$0	0.0%	

**Health and Human Services Commission
Funding Changes and Recommendations by Strategy - Senate**

Strategy/Fund Type/Goal	2022-23 Base	2024-25 Recommended	Biennial Change	% Change	Comments
FEDERAL FUNDS	\$53,933,571	\$53,499,997	(\$433,574)	(0.8%)	Recommendations reflect a decrease of \$0.4 million based on updated cost allocation projections and a decrease of \$0.1 million due to less favorable FMAPs.
OTHER FUNDS	\$9,755,321	\$9,748,701	(\$6,620)	(0.1%)	Recommendations reflect a decrease of less than \$0.1 million based an updated cost allocation projections.
Total, Goal 11, OFFICE OF INSPECTOR GENERAL	\$108,998,903	\$108,392,824	(\$606,079)	(0.6%)	
GENERAL REVENUE FUNDS	\$45,310,011	\$45,144,126	(\$165,885)	(0.4%)	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$53,933,571	\$53,499,997	(\$433,574)	(0.8%)	
OTHER FUNDS	\$9,755,321	\$9,748,701	(\$6,620)	(0.1%)	
HHS SYSTEM SUPPORTS 12.1.1	\$268,705,273	\$273,050,438	\$4,345,165	1.6%	
GENERAL REVENUE FUNDS	\$85,374,832	\$84,715,132	(\$659,700)	(0.8%)	Recommendations reflect a decrease of \$0.7 million due to a one-time rate modernization decrease under Special Provisions.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$109,389,393	\$110,726,803	\$1,337,410	1.2%	Recommendations reflect the following: -an increase of \$2.9 million in Child Care Development Block Grants Funds through a contract with Texas Workforce Commission for Office Chief of Counsel (OCC) services; -a decrease of \$1.3 million in federal funds due to update cost allocation projections; and -a decrease of \$0.3 million due to less favorable FMAPs.
OTHER FUNDS	\$73,941,048	\$77,608,503	\$3,667,455	5.0%	Recommendations reflect an increase of \$3.8 million increase due to a shift in cost pool allocation between strategies partially offset by a decrease in \$0.2 million in appropriated receipts due to updated cost allocation projections.
IT OVERSIGHT & PROGRAM SUPPORT 12.1.2	\$552,768,852	\$548,398,638	(\$4,370,214)	(0.8%)	

**Health and Human Services Commission
Funding Changes and Recommendations by Strategy - Senate**

Strategy/Fund Type/Goal	2022-23 Base	2024-25 Recommended	Biennial Change	% Change	Comments
GENERAL REVENUE FUNDS	\$258,106,592	\$265,527,001	\$7,420,409	2.9%	Recommendations reflect an increase \$32.9 million due to adjustments made to Data Center Services based on updated estimates from DIR. Recommendations reflect a decrease of \$25.0 million due to one-time reductions for the following projects in HB 2, Eighty-seventh Legislature: -\$19.2 million for Modernization of End-of-Life/End-of-Support network equipment; -\$3.4 million for System-wide Business Enablement Platform; -\$2.3 million for E-Discovery; and -\$0.1 million for Data Center Consolidation. Additional Medicaid Related adjustments result in a decrease of \$0.5 million based on match rate assumptions.
GR DEDICATED	\$2,828	\$2,828	\$0	0.0%	
FEDERAL FUNDS	\$197,339,216	\$192,150,470	(\$5,188,746)	(2.6%)	Recommendations reflect an increase of \$11.9 million due to adjustments made to Data Center Services based on updated estimates from DIR. Recommendations reflect a decrease of \$11.5 million due to one-time reductions for the following projects in HB2(R), Eighty-seventh Legislature -\$7.5 million for Modernization of End-of-Life/End-of-Support network equipment; -\$2.5 million for System-wide Business Enablement Platform -\$1.4 million for E-Discovery; and -\$0.1 million for Data Center Consolidation. Recommendations also reflect a decrease of \$5.0 million due to cost allocation projections and \$0.5 million due to less favorable FMAPs.
OTHER FUNDS	\$97,320,216	\$90,718,339	(\$6,601,877)	(6.8%)	Recommendations reflect a decrease of \$6.6 million in IACs due to one-time projects at DSHS and one-time transfers in 2022-23 biennium for system support services and a shift in cost pool allocation to DSHS for IT to Strategy D.2.7 to better reflect agency operations.
CENTRAL PROGRAM SUPPORT 12.2.1	\$81,941,874	\$82,394,338	\$452,464	0.6%	
GENERAL REVENUE FUNDS	\$38,115,920	\$38,115,922	\$2	0.0%	
GR DEDICATED	\$42	\$42	\$0	0.0%	

**Health and Human Services Commission
Funding Changes and Recommendations by Strategy - Senate**

Strategy/Fund Type/Goal	2022-23 Base	2024-25 Recommended	Biennial Change	% Change	Comments
FEDERAL FUNDS	\$31,891,214	\$31,775,363	(\$115,851)	(0.4%)	Recommendations reflect a decrease of \$0.1 million due to less favorable FMAPs, partially offset by an increase of less than \$0.1 million to align federal funds with expected awards.
OTHER FUNDS	\$11,934,698	\$12,503,011	\$568,313	4.8%	Recommendations reflect an increase of \$0.6 million in IACs for indirect administrative costs of supporting DSHS and DFPS and for printing services provided by print shop staff.
REGIONAL PROGRAM SUPPORT 12.2.2	\$200,157,766	\$194,515,436	(\$5,642,330)	(2.8%)	
GENERAL REVENUE FUNDS	\$9,426,312	\$9,426,314	\$2	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$7,893,434	\$10,683,697	\$2,790,263	35.3%	Recommendations reflect the following: -an increase of \$2.4 million for a Texas Workforce Commission contract to support costs; -an increase of \$0.5 million in updated cost allocation projections; and -a decrease of less than \$0.1 million due to less favorable FMAPs.
OTHER FUNDS	\$182,838,020	\$174,405,425	(\$8,432,595)	(4.6%)	Recommendations reflect a decrease of \$8.4 million in a shift of cost pool allocations between strategies. This included cost pool alignment to mental health and DSHS one-time projects. Additionally, cost pool allocation to DSHS for IT was updated to Strategy D.2.7 to better reflect agency operations.
Total, Goal 12, SYSTEM OVERSIGHT & PROGRAM SUPPORT	\$1,103,573,765	\$1,098,358,850	(\$5,214,915)	(0.5%)	
GENERAL REVENUE FUNDS	\$391,023,656	\$397,784,369	\$6,760,713	1.7%	
GR DEDICATED	\$2,870	\$2,870	\$0	0.0%	
FEDERAL FUNDS	\$346,513,257	\$345,336,333	(\$1,176,924)	(0.3%)	
OTHER FUNDS	\$366,033,982	\$355,235,278	(\$10,798,704)	(3.0%)	
TEXAS CIVIL COMMITMENT OFFICE 13.1.1	\$40,199,891	\$43,437,262	\$3,237,371	8.1%	
GENERAL REVENUE FUNDS	\$39,979,841	\$43,197,262	\$3,217,421	8.0%	Recommendations reflect an increase of \$3.2 million to fund anticipated increased projections in caseload growth.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$14,250	\$0	(\$14,250)	(100.0%)	Recommendations reflect a decrease of less than \$0.1 million due to removal of remaining Coronavirus State and Local Fiscal Recovery Funds in 2024-25.

**Health and Human Services Commission
Funding Changes and Recommendations by Strategy - Senate**

Strategy/Fund Type/Goal	2022-23 Base	2024-25 Recommended	Biennial Change	% Change	Comments
OTHER FUNDS	\$205,800	\$240,000	\$34,200	16.6%	Recommendations reflect an increase of less than \$0.1 million for anticipated increased projections for appropriated receipts.
Total, Goal 13, TEXAS CIVIL COMMITMENT OFFICE	\$40,199,891	\$43,437,262	\$3,237,371	8.1%	
GENERAL REVENUE FUNDS	\$39,979,841	\$43,197,262	\$3,217,421	8.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$14,250	\$0	(\$14,250)	(100.0%)	
OTHER FUNDS	\$205,800	\$240,000	\$34,200	16.6%	
SALARY ADJUSTMENTS 14.1.1	\$0	\$353,356,955	\$353,356,955	100.0%	
GENERAL REVENUE FUNDS	\$0	\$202,351,022	\$202,351,022	100.0%	Recommendations reflect an increase of \$202.4 million related to salary adjustments.
GR DEDICATED	\$0	\$832,941	\$832,941	100.0%	Recommendations reflect an increase of \$0.1 million related to salary adjustments.
FEDERAL FUNDS	\$0	\$150,106,033	\$150,106,033	100.0%	Recommendations reflect an increase of \$150.1 million related to salary adjustments.
OTHER FUNDS	\$0	\$66,959	\$66,959	100.0%	Recommendations reflect an increase of \$0.1 million related to salary adjustments.
Total, Goal 14, SALARY ADJUSTMENTS	\$0	\$353,356,955	\$353,356,955	100.0%	
GENERAL REVENUE FUNDS	\$0	\$202,351,022	\$202,351,022	100.0%	
GR DEDICATED	\$0	\$832,941	\$832,941	100.0%	
FEDERAL FUNDS	\$0	\$150,106,033	\$150,106,033	100.0%	
OTHER FUNDS	\$0	\$66,959	\$66,959	100.0%	
Grand Total, All Agency	\$95,105,265,931	\$88,597,325,089	(\$6,507,940,842)	(6.8%)	
GENERAL REVENUE FUNDS	\$32,755,139,513	\$35,765,210,224	\$3,010,070,711	9.2%	
GR DEDICATED	\$181,413,504	\$171,232,565	(\$10,180,939)	(5.6%)	
FEDERAL FUNDS	\$60,369,460,277	\$51,044,624,801	(\$9,324,835,476)	(15.4%)	
OTHER FUNDS	\$1,799,252,637	\$1,616,257,499	(\$182,995,138)	(10.2%)	

Health and Human Services Commission
 Summary of Federal Funds - Senate
 (In Millions)

Program	Est 2022	Bud 2023	Rec 2024	Rec 2025	2022-23 Base	2024-25 Rec	2024-25 Rec % Total	Recommended Over/(Under) Base	% Change from Base	Est 2022	Bud 2023	Rec 2024	Rec 2025	2022-23 Base	2024-25 Rec	Recommended Over/(Under) Base
Medical Assistance Program Grants	\$25,765.8	\$25,502.6	\$23,077.5	\$22,984.5	\$51,268.4	\$46,062.0	90.2%	(\$5,206.3)	(10.2%)	\$25,765,794,196.0	\$25,502,558,243.0	\$23,077,504,052.0	\$22,984,536,540.0	\$51,268,352,439.0	\$46,062,040,592.0	(\$5,206,311,847.0)
Children's Health Insurance Program (CHIP)	\$317.0	\$343.1	\$662.1	\$707.5	\$660.1	\$1,369.6	2.7%	\$709.5	107.5%	\$316,974,584.0	\$343,094,882.0	\$662,064,011.0	\$707,495,273.0	\$660,069,466.0	\$1,369,559,284.0	\$709,489,818.0
Supplemental Nutrition Assistance Program-Women, Infant, Children Awards (WIC)	\$572.3	\$570.1	\$572.0	\$572.0	\$1,142.4	\$1,144.0	2.2%	\$1.6	0.1%	\$572,254,608.0	\$570,137,573.0	\$571,993,192.0	\$571,980,028.0	\$1,142,392,181.0	\$1,143,973,220.0	\$1,581,039.0
State Administration Matching Grants for Supplemental Nutrition Assistance Program (SNAP)	\$162.5	\$191.7	\$191.2	\$189.1	\$354.2	\$380.3	0.7%	\$26.1	7.4%	\$162,479,326.0	\$191,743,061.0	\$191,235,451.0	\$189,098,004.0	\$354,222,387.0	\$380,333,455.0	\$26,111,068.0
Block Grants for Prevention and Treatment of Substance Abuse	\$163.5	\$177.0	\$146.5	\$146.5	\$340.5	\$293.0	0.6%	(\$47.5)	(13.9%)	\$163,451,342.0	\$177,023,442.0	\$146,508,856.0	\$146,508,856.0	\$340,474,784.0	\$293,017,712.0	(\$47,457,072.0)
Social Security Disability Insurance	\$111.0	\$111.3	\$110.9	\$110.8	\$222.3	\$221.7	0.4%	(\$0.6)	(0.3%)	\$110,988,974.0	\$111,298,246.0	\$110,876,944.0	\$110,797,707.0	\$222,287,220.0	\$221,674,651.0	(\$612,569.0)
Social Services Block Grant	\$101.9	\$101.9	\$101.3	\$101.3	\$203.8	\$202.6	0.4%	(\$1.2)	(0.6%)	\$101,922,616.0	\$101,917,321.0	\$101,304,484.0	\$101,304,484.0	\$203,839,937.0	\$202,608,968.0	(\$1,230,969.0)
Block Grants for Community Mental Health	\$74.7	\$77.4	\$66.9	\$66.9	\$152.1	\$133.7	0.3%	(\$18.4)	(12.1%)	\$74,686,794.0	\$77,423,386.0	\$66,871,381.0	\$66,871,381.0	\$152,110,180.0	\$133,742,762.0	(\$18,367,418.0)
Special Education Grants for Infants & Families with Disabilities	\$53.4	\$32.1	\$57.5	\$59.1	\$85.5	\$116.6	0.2%	\$31.1	36.3%	\$53,398,740.0	\$32,117,382.0	\$57,492,316.0	\$59,088,078.0	\$85,516,122.0	\$116,580,394.0	\$31,064,272.0
Optioid State Targeted Response	\$76.5	\$75.8	\$55.5	\$55.5	\$152.3	\$111.0	0.2%	(\$41.3)	(27.1%)	\$76,502,388.0	\$75,786,035.0	\$55,491,898.0	\$55,491,898.0	\$152,288,423.0	\$110,983,796.0	(\$41,304,627.0)
Temporary Assistance for Needy Families to Title XX	\$45.1	\$45.1	\$45.1	\$45.1	\$90.2	\$90.2	0.2%	\$0.0	0.0%	\$45,104,976.0	\$45,104,976.0	\$45,104,976.0	\$45,104,976.0	\$90,209,952.0	\$90,209,952.0	\$0.0
Special Programs for the Aging, Title III, Part C, Nutrition Services	\$44.2	\$44.6	\$44.5	\$44.5	\$88.9	\$89.0	0.2%	\$0.1	0.2%	\$44,216,949.0	\$44,636,309.0	\$44,500,016.0	\$44,499,925.0	\$88,853,258.0	\$88,999,941.0	\$146,683.0
State Medicare Survey and Certification Grants	\$31.9	\$34.1	\$32.8	\$32.8	\$66.0	\$65.6	0.1%	(\$0.4)	(0.6%)	\$31,933,317.0	\$34,051,526.0	\$32,822,582.0	\$32,788,707.0	\$65,984,843.0	\$65,611,289.0	(\$373,554.0)
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	\$29.0	\$29.2	\$29.2	\$29.2	\$58.2	\$58.5	0.1%	\$0.3	0.4%	\$28,997,671.0	\$29,211,485.0	\$29,230,107.0	\$29,229,169.0	\$58,209,156.0	\$58,459,276.0	\$250,120.0
State Survey Certification of Health Care Providers & Suppliers (Title XIX) Medicaid	\$26.7	\$26.8	\$26.0	\$26.0	\$53.5	\$52.0	0.1%	(\$1.5)	(2.8%)	\$26,659,787.0	\$26,829,847.0	\$26,002,710.0	\$25,969,194.0	\$53,489,634.0	\$51,971,904.0	(\$1,517,730.0)
Child Care and Development Block Grant	\$17.4	\$17.6	\$20.2	\$20.1	\$35.0	\$40.3	0.1%	\$5.3	15.1%	\$17,374,781.0	\$17,614,770.0	\$20,152,287.0	\$20,128,841.0	\$34,989,551.0	\$40,281,128.0	\$5,291,577.0
Temporary Assistance for Needy Families (TANF)	\$18.8	\$17.8	\$17.1	\$17.2	\$36.6	\$34.3	0.1%	(\$2.3)	(6.2%)	\$18,807,221.0	\$17,771,802.0	\$17,127,729.0	\$17,189,967.0	\$36,579,023.0	\$34,317,696.0	(\$2,261,327.0)
Money Follows the Person Rebalancing Demonstration	\$26.7	\$17.2	\$15.4	\$15.4	\$44.0	\$30.9	0.1%	(\$13.1)	(29.8%)	\$26,724,056.0	\$17,246,827.0	\$15,429,620.0	\$15,429,620.0	\$43,970,883.0	\$30,859,240.0	(\$13,111,643.0)
Nutrition Services Incentive Program	\$11.6	\$11.6	\$11.6	\$11.6	\$23.1	\$23.1	0.0%	\$0.0	0.0%	\$11,565,487.0	\$11,565,487.0	\$11,565,487.0	\$11,565,487.0	\$23,130,974.0	\$23,130,974.0	\$0.0
National Family Caregiver Support Program	\$11.3	\$11.4	\$11.3	\$11.3	\$22.7	\$22.7	0.0%	(\$0.0)	(0.1%)	\$11,278,479.0	\$11,408,093.0	\$11,337,203.0	\$11,337,110.0	\$22,686,572.0	\$22,674,313.0	(\$12,259.0)
Maternal and Child Health Services Block Grants to the States	\$8.2	\$8.2	\$8.2	\$8.2	\$16.3	\$16.3	0.0%	\$0.0	0.0%	\$8,152,458.0	\$8,152,458.0	\$8,152,458.0	\$8,152,458.0	\$16,304,916.0	\$16,304,916.0	\$0.0
Title V State Sexual Risk Avoidance Education (Title V State SRAE) Program	\$7.8	\$6.9	\$7.0	\$7.0	\$14.7	\$14.0	0.0%	(\$0.7)	(4.9%)	\$7,798,674.0	\$6,926,119.0	\$6,999,837.0	\$6,999,837.0	\$14,724,793.0	\$13,999,674.0	(\$725,119.0)
Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services	\$7.9	\$6.7	\$6.9	\$6.9	\$14.6	\$13.7	0.0%	(\$0.8)	(5.7%)	\$7,871,258.0	\$6,706,736.0	\$6,871,710.0	\$6,871,710.0	\$14,577,994.0	\$13,743,420.0	(\$834,574.0)
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	\$6.0	\$6.0	\$6.1	\$6.1	\$12.0	\$12.2	0.0%	\$0.2	1.6%	\$6,004,457.0	\$6,004,457.0	\$6,102,559.0	\$6,102,559.0	\$12,008,914.0	\$12,205,118.0	\$196,204.0
Special Education Grants to States	\$5.1	\$5.1	\$5.1	\$5.1	\$10.3	\$10.3	0.0%	\$0.0	0.0%	\$5,131,125.0	\$5,131,125.0	\$5,131,125.0	\$5,131,125.0	\$10,262,250.0	\$10,262,250.0	\$0.0
Projects for Assistance in Transition from Homelessness (PATH)	\$5.0	\$5.0	\$4.9	\$4.9	\$10.0	\$9.9	0.0%	(\$0.1)	(0.9%)	\$4,991,125.0	\$4,991,125.0	\$4,948,549.0	\$4,948,549.0	\$9,982,250.0	\$9,897,098.0	(\$85,152.0)
Foster Care Grants	\$3.9	\$3.7	\$3.4	\$3.4	\$7.6	\$6.9	0.0%	(\$0.8)	(9.9%)	\$3,912,420.0	\$3,731,325.0	\$3,444,469.0	\$3,444,469.0	\$7,643,752.0	\$6,888,938.0	(\$754,814.0)
Child Mental Health Service Initiative (CMHS)	\$5.3	\$2.8	\$2.8	\$2.8	\$8.1	\$5.6	0.0%	(\$2.5)	(31.1%)	\$5,316,233.0	\$2,791,626.0	\$2,791,626.0	\$2,791,626.0	\$8,107,859.0	\$5,583,252.0	(\$2,524,607.0)
Substance Abuse and Mental Health Services Projects of Regional and National Significance	\$4.8	\$6.4	\$2.7	\$2.8	\$11.2	\$5.5	0.0%	(\$5.7)	(51.3%)	\$4,751,843.0	\$6,442,164.0	\$2,693,858.0	\$2,761,121.0	\$11,194,007.0	\$5,454,979.0	(\$5,739,028.0)
Medicare Enrollment Assistance Program Grants (Priority Area 1, 2, 3)	\$1.7	\$1.7	\$1.6	\$1.6	\$3.4	\$3.3	0.0%	(\$0.1)	(3.2%)	\$1,681,295.0	\$1,708,623.0	\$1,640,057.0	\$1,640,057.0	\$3,389,918.0	\$3,280,114.0	(\$109,804.0)
All COVID Grants ¹	\$3,384.6	\$1,737.3	\$120.0	\$120.2	\$5,122.0	\$240.2	0.5%	(\$4,881.8)	(95.3%)	\$3,384,625,613.0	\$1,737,328,532.0	\$119,986,912.0	\$120,216,282.0	\$5,121,954,145.0	\$240,203,194.0	(\$4,881,750,951.0)
All Other Grants ²	\$29.4	\$10.3	\$57.9	\$107.9	\$39.7	\$165.8	0.3%	\$126.1	318.1%	\$29,388,379.0	\$10,264,115.0	\$57,918,109.0	\$107,853,192.0	\$39,652,494.0	\$165,771,301.0	\$126,118,807.0
TOTAL:	\$31,130.7	\$29,238.7	\$25,521.3	\$25,523.3	\$60,369.5	\$51,044.6	100.0%	(\$9,324.8)	(15.4%)							

¹All COVID Grants include Coronavirus State Fiscal Recovery Funds (ARPA) appropriated through Senate Bill 8, Eighty-seventh Legislature Third Call Session, the increased FMAP due to COVID, and awards for health and human services programs in response to the COVID-19 pandemic.

²All Other Grants include awards for aging and nutrition, other health related service programs, and salary adjustments.

**Health and Human Services Commission
FTE Highlights - Senate**

Full-Time-Equivalent Positions	Expended 2021	Estimated 2022	Budgeted 2023	Recommended 2024	Recommended 2025
Cap	38,296.0	38,403.2	38,509.3	38,509.3	38,509.3
Actual/Budgeted	34,084.8	32,526.9	38,509.3	NA	NA
Schedule of Exempt Positions (Cap)					
Executive Commissioner, Group 9	\$290,258	\$290,258	\$290,258	\$317,754	\$345,250

Notes:

- a) The FTE cap for fiscal year 2021 reflects appropriated FTEs adjusted for a decrease of 14.0 FTEs transferred to the Department of State Health Services (DSHS) for Texas Center for Infectious Disease security and the Vital Statistics Fraud Unit, offset by an increase of 8.0 FTEs due to a transfer from DSHS to HHSC for COVID-19 information technology projects.
- b) The FTE cap for fiscal year 2023 reflects appropriated FTEs adjusted for an increase of 42.0 FTEs pursuant to HHSC Rider 15, Receipt of Transfer for Healthcare Transformation and Quality Improvement Program.
- c) The State Auditor's Office, *Executive Compensation at State Agencies* (Report No. 22-706, August 2022), indicated a market average salary of \$305,287 for the Executive Commissioner position at the Health and Human Services Commission. Recommendations increase the cap to \$317,754 in fiscal year 2024 and to \$345,250 in fiscal year 2025.