ARTICLE II
HEALTH AND HUMAN SERVICES

Sec. 1. The several sums of money herein specified, or so much thereby as may be necessary, are appropriated out of any funds in the State Treasury not otherwise appropriated, or out of special funds as indicated, for the support, maintenance, or improvement of the designated health and human services agencies.

DEPARTMENT OF AGING AND DISABILITY SERVICES

For the Years Ending
August 31, 2010 August 31, 2011

Method of Financing:
General Revenue Fund
General Revenue Fund $ 202,381,097 $ 195,724,062
GR Match for Federal Funds (Older Americans Act) 4,282,380 4,282,380
GR Certified as Match for Medicaid 216,078,837 218,020,585
GR Match for Medicaid 2,240,223,148 2,350,896,603
Subtotal, General Revenue Fund $ 2,662,965,462 $ 2,768,923,630

General Revenue Fund - Dedicated
Texas Capital Trust Fund Account No. 543 289,803 289,802
Home Health Services Account No. 5018 1,948,343 1,948,343
Quality Assurance Account No. 5080 52,821,479 52,321,479
Subtotal, General Revenue Fund - Dedicated $ 55,064,625 $ 54,564,624

Federal Funds 3,741,514,735 3,830,589,936

Other Funds
Interagency Contracts 3,587,498 3,637,499
Bond Proceeds - General Obligation Bonds 56,563,263 0
MR Collections for Patient Support and Maintenance 22,469,135 22,469,137
MR Appropriated Receipts 754,449 754,449
MR Revolving Fund Receipts 82,160 82,160
Medicare Part D Receipts 1,651,058 1,651,058
Subtotal, Other Funds $ 89,201,991 $ 32,688,728

Total, Method of Financing $ 6,548,746,813 $ 6,686,766,918

Other Direct and Indirect Costs Appropriated Elsewhere in this Act $ 639,903 $ 665,332

This bill pattern represents an estimated 99.9% of this agency’s estimated total available funds for the biennium.

Number of Full-Time-Equivalents (FTE):
Commissioner, Group 7 16,643.4 16,660.9

Schedule of Exempt Positions:

Items of Appropriation:

A. Goal: LONG-TERM SERVICES AND SUPPORTS

A.1.1. Strategy: INTAKE, ACCESS, & ELIGIBILITY $ 186,942,417 $ 179,221,892
Intake, Access, and Eligibility to Services and Supports.

A.1.2. Strategy: GUARDIANSHIP $ 6,995,223 $ 6,995,223

A.2.1. Strategy: PRIMARY HOME CARE $ 517,844,767 $ 529,228,332

A.2.2. Strategy: COMMUNITY ATTENDANT SERVICES $ 383,803,513 $ 381,531,375

A.2.3. Strategy: DAY ACTIVITY & HEALTH SERVICES $ 110,609,583 $ 114,033,620
Day Activity and Health Services (DAHS).

A.3.1. Strategy: COMMUNITY-BASED ALTERNATIVES $ 483,896,360 $ 492,463,523
Community-based Alternatives (CBA).
### A.3.2. Strategy: HOME AND COMMUNITY-BASED SERVICES
- **Home and Community-based Services (HCS):**
  - **Fiscal Year:** $704,444,465
  - **Program:** $833,201,931

### A.3.3. Strategy: COMMUNITY LIVING ASSISTANCE (CLASS)
- **Community Living Assistance and Support Services (CLASS):**
  - **Fiscal Year:** $192,090,654
  - **Program:** $230,258,588

### A.3.4. Strategy: DEAF-BLIND MULTIPLE DISABILITIES
- **Deaf-Blind Multiple Disabilities (DBMD):**
  - **Fiscal Year:** $7,347,798
  - **Program:** $7,498,275

### A.3.5. Strategy: MEDICALLY DEPENDENT CHILDREN PGM
- **Medically Dependent Children Program (MDCP):**
  - **Fiscal Year:** $49,159,848
  - **Program:** $52,214,333

### A.3.6. Strategy: CONSOLIDATED WAIVER PROGRAM
- **Fiscal Year:** $3,623,609
  - **Program:** $3,629,529

### A.3.7. Strategy: TEXAS HOME LIVING WAIVER
- **Fiscal Year:** $149,987,839
  - **Program:** $150,583,389

### A.4.1. Strategy: NON-MEDICAID SERVICES
- **Fiscal Year:** $149,987,839
  - **Program:** $150,583,389

### A.4.2. Strategy: MR COMMUNITY SERVICES
- **Mental Retardation Community Services:**
  - **Fiscal Year:** $103,006,761
  - **Program:** $103,573,446

### A.4.3. Strategy: PROMOTING INDEPENDENCE PLAN
- **Promoting Independence through Outreach, Awareness, and Relocation:**
  - **Fiscal Year:** $2,739,780
  - **Program:** $2,739,781

### A.4.4. Strategy: IN-HOME AND FAMILY SUPPORT
- **Fiscal Year:** $4,818,914
  - **Program:** $5,160,901

### A.4.5. Strategy: MENTAL RETARDATION IN-HOME SERVICES
- **Program:** $5,721,740
  - **Fiscal Year:** $5,721,740

### A.5.1. Strategy: ALL-INCLUSIVE CARE - ELDERLY (PACE)
- **Program of All-inclusive Care for the Elderly (PACE):**
  - **Fiscal Year:** $37,498,146
  - **Program:** $38,281,781

### A.6.1. Strategy: NURSING FACILITY PAYMENTS
- **Fiscal Year:** $2,006,003,002
  - **Program:** $1,993,855,020

### A.6.2. Strategy: MEDICARE SKILLED NURSING FACILITY
- **Fiscal Year:** $164,901,946
  - **Program:** $181,364,820

### A.6.3. Strategy: HOSPICE
- **Fiscal Year:** $208,856,141
  - **Program:** $215,527,931

### A.6.4. Strategy: PROMOTING INDEPENDENCE SERVICES
- **Promote Independence by Providing Community-based Services:**
  - **Fiscal Year:** $103,326,498
  - **Program:** $111,058,987

### A.7.1. Strategy: INTERMEDIATE CARE FACILITIES - MR
- **Intermed Care Facilities - for Persons w/ Mental Retardation (ICF/MR):**
  - **Fiscal Year:** $332,518,441
  - **Program:** $323,582,318

### A.8.1. Strategy: MR STATE SCHOOLS SERVICES
- **Fiscal Year:** $572,886,404
  - **Program:** $571,782,946

### A.9.1. Strategy: CAPITAL REPAIRS AND RENOVATIONS
- **Fiscal Year:** $56,995,094
  - **Program:** $431,830

### B. Goal: REGULATION, CERTIFICATION, OUTREACH
- **Regulation, Certification, and Outreach:**
  - **Fiscal Year:** $6,406,965,094
  - **Program:** $6,544,942,688

### B.1.1. Strategy: FACILITY/COMMUNITY-BASED REGULATION
- **Facility and Community-Based Regulation:**
  - **Fiscal Year:** $65,888,946
  - **Program:** $66,372,407

### B.1.2. Strategy: CREDENTIALING/CERTIFICATION
- **Fiscal Year:** $1,296,740
  - **Program:** $1,296,740

### B.1.3. Strategy: LTC QUALITY OUTREACH
- **Long-Term Care Quality Outreach:**
  - **Fiscal Year:** $5,571,748
  - **Program:** $5,571,750

### C. Goal: INDIRECT ADMINISTRATION
- **Indirect Administration:**
  - **Fiscal Year:** $31,809,041
  - **Program:** $31,809,041

### C.1.1. Strategy: CENTRAL ADMINISTRATION
- **Information Technology Program Support:**
  - **Fiscal Year:** $35,289,761
  - **Program:** $34,848,809

### C.1.2. Strategy: OTHER SUPPORT SERVICES
- **Fiscal Year:** $1,925,483
  - **Program:** $1,925,483

### Total, Goal A: LONG-TERM SERVICES AND SUPPORTS
- **Fiscal Year:** $6,406,965,094
  - **Program:** $6,544,942,688

### B. Goal: REGULATION, CERTIFICATION, OUTREACH
- **Regulation, Certification, and Outreach:**
  - **Fiscal Year:** $6,406,965,094
  - **Program:** $6,544,942,688

### B.1.1. Strategy: FACILITY/COMMUNITY-BASED REGULATION
- **Facility and Community-Based Regulation:**
  - **Fiscal Year:** $65,888,946
  - **Program:** $66,372,407

### B.1.2. Strategy: CREDENTIALING/CERTIFICATION
- **Fiscal Year:** $1,296,740
  - **Program:** $1,296,740

### B.1.3. Strategy: LTC QUALITY OUTREACH
- **Long-Term Care Quality Outreach:**
  - **Fiscal Year:** $5,571,748
  - **Program:** $5,571,750

### Total, Goal B: REGULATION, CERTIFICATION, OUTREACH
- **Fiscal Year:** $72,757,434
  - **Program:** $73,240,897

### C. Goal: INDIRECT ADMINISTRATION
- **Indirect Administration:**
  - **Fiscal Year:** $31,809,041
  - **Program:** $31,809,041

### C.1.1. Strategy: CENTRAL ADMINISTRATION
- **Information Technology Program Support:**
  - **Fiscal Year:** $35,289,761
  - **Program:** $34,848,809

### C.1.2. Strategy: OTHER SUPPORT SERVICES
- **Fiscal Year:** $1,925,483
  - **Program:** $1,925,483

### Total, Goal C: INDIRECT ADMINISTRATION
- **Fiscal Year:** $69,024,285
  - **Program:** $68,583,333

### Grand Total, DEPARTMENT OF AGING AND DISABILITY SERVICES
- **Fiscal Year:** $6,548,746,813
  - **Program:** $6,686,766,918

### Supplemental Appropriations Made in Riders:
- **Fiscal Year:** $(337,744)
  - **Program:** $(368,448)

### Object-of-Expense Informational Listing:
- **Salaries and Wages:**
  - **Fiscal Year:** $534,001,516
  - **Program:** $535,407,518

- **Other Personnel Costs:**
  - **Fiscal Year:** $22,750,601
  - **Program:** $22,750,602

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Professional Fees and Services  27,995,960  27,995,962  
Fuels and Lubricants  1,437,450  1,437,450  
Consumable Supplies  6,372,901  6,372,901  
Utilities  13,602,578  13,602,576  
Travel  12,734,957  12,919,598  
Rent - Building  298,042  298,052  
Rent - Machine and Other  4,283,953  4,283,953  
Other Operating Expense  232,992,408  176,310,295  
Client Services  5,462,633,408  5,661,264,223  
Food for Persons - Wards of State  9,854,454  9,854,454  
Grants  206,682,226  198,242,799  
Capital Expenditures  12,868,615  15,658,087  

Total, Object-of-Expense Informational Listing  
$ 6,548,409,069  $ 6,686,398,470  

Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:  

Employee Benefits  
Retirement  $ 28,621,627  $ 29,050,952  
Group Insurance  120,270,824  130,706,628  
Social Security  38,966,041  39,550,532  
Benefits Replacement  3,823,878  3,632,684  

Subtotal, Employee Benefits  $ 191,682,370  $ 202,940,796  

Debt Service  
TPFA GO Bond Debt Service  $ 13,613,674  $ 15,360,232  
Lease Payments  151,175  151,612  

Subtotal, Debt Service  $ 13,764,849  $ 15,511,844  

Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act  
$ 205,447,219  $ 218,452,640  

1. Performance Measure Targets. The following is a listing of the key performance target levels for the Department of Aging and Disability Services. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Department of Aging and Disability Services. In order to achieve the objectives and service standards established by this Act, the Department of Aging and Disability Services shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

<table>
<thead>
<tr>
<th>Outcome (Results/Impact):</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percent of Long-term Care Individuals Served in Community Settings</td>
<td>74.15%</td>
<td>74.3%</td>
</tr>
<tr>
<td>Average Number of Individuals Served Per Month: Medicaid Non-waiver Community Services and Supports</td>
<td>110,754</td>
<td>110,971</td>
</tr>
<tr>
<td>Average Number of Clients Served Per Month: Waivers</td>
<td>52,131</td>
<td>56,651</td>
</tr>
<tr>
<td>Number of Persons Receiving Services at the End of the Fiscal Year: Waivers</td>
<td>54,375</td>
<td>58,896</td>
</tr>
<tr>
<td>Average Monthly Number of Individuals with Mental Retardation (MR) Receiving Assessment and Service Coordination</td>
<td>8,023</td>
<td>8,023</td>
</tr>
</tbody>
</table>

A.1.1. Strategy: INTAKE, ACCESS, & ELIGIBILITY

A.2.1. Strategy: PRIMARY HOME CARE  

Average Number of Individuals Served Per Month: Primary Home Care 52,277 52,599  

Efficiencies: Average Monthly Cost Per Individual Served: Primary Home Care 825.48 838.46  

A.2.2. Strategy: COMMUNITY ATTENDANT SERVICES  

Average Number of Individuals Served Per Month: Community Attendant Services 40,925 40,341  

Efficiencies: Average Monthly Cost Per Individual Served: Community Attendant Services 781.52 788.14
A.2.3. Strategy: DAY ACTIVITY & HEALTH SERVICES

Output (Volume):
Average Number of Individuals Served Per Month: Day Activity and Health Services 17,552 18,031

Efficiencies:
Average Monthly Cost Per Individual Served: Day Activity and Health Services 525.15 527.03

A.3.1. Strategy: COMMUNITY-BASED ALTERNATIVES

Output (Volume):
Average Number of Individuals Served Per Month: Medicaid Community-based Alternatives (CBA) Waiver 26,302 26,732

Efficiencies:
Average Monthly Cost Per Individual Served: Medicaid Community-based Alternatives (CBA) Waiver 1,533.14 1,535.19

Explanatory:
Number of Persons Receiving Services at the End of the Fiscal Year: Community-based Alternatives (CBA) Waiver 26,517 26,948

A.3.2. Strategy: HOME AND COMMUNITY-BASED SERVICES

Output (Volume):
Average Number of Individuals Served Per Month: Home and Community Based Services (HCS) 17,017 19,985

Efficiencies:
Average Monthly Cost Per Individual Served: Home and Community Based Services (HCS) 3,449.71 3,474.28

Explanatory:
Number of Individuals Receiving Services at the End of the Fiscal Year: Home and Community Based Services (HCS) 18,484 21,452

A.3.3. Strategy: COMMUNITY LIVING ASSISTANCE (CLASS)

Output (Volume):
Average Number of Individuals Served Per Month: Medicaid Related Conditions Waiver (CLASS) 4,671 5,616

Efficiencies:
Average Monthly Cost Per Individual Served: Medicaid Related Conditions Waiver (CLASS) 3,427.01 3,416.71

Explanatory:
Number of Persons Receiving Services at the End of the Fiscal Year: Community Living Assistance & Support Services Waiver (CLASS) 5,144 6,089

A.3.4. Strategy: DEAF-BLIND MULTIPLE DISABILITIES

Output (Volume):
Average Number of Individuals Served Per Month: Medicaid Deaf-blind with Multiple Disabilities Waiver 155 158

Efficiencies:
Average Monthly Cost Per Individual Served: Medicaid Deaf-blind with Multiple Disabilities Waiver 3,950.43 3,954.79

Explanatory:
Number of Persons Receiving Services at the End of the Fiscal Year: Medicaid Deaf-blind with Multiple Disabilities Waiver 157 160

A.3.5. Strategy: MEDICALLY DEPENDENT CHILDREN PGM

Output (Volume):
Average Number of Individuals Served Per Month: Medically Dependent Children Program 2,832 3,006

Efficiencies:
Average Monthly Cost Per Individual Served: Medically Dependent Children Program 1,446.56 1,447.5

Explanatory:
Number of Persons Receiving Services at the End of the Fiscal Year: Medically Dependent Children's Program 2,919 3,093

A.3.6. Strategy: CONSOLIDATED WAIVER PROGRAM

Output (Volume):
Average Number of Individuals Served Per Month: Medicaid Consolidated Waiver Program 160 160

Efficiencies:
Average Monthly Cost Per Individual Served: Medicaid Consolidated Waiver Program 1,887.3 1,890.38
DEPARTMENT OF AGING AND DISABILITY SERVICES
(Continued)

Explanatory:
Number of Persons Receiving Services at the End of
the Fiscal Year: Medicaid Consolidated Waiver Program 160 160

A.3.7. Strategy: TEXAS HOME LIVING WAIVER
Output (Volume):
Average Number of Individuals Served Per Month: Texas Home Living Waiver 994 994

Efficiencies:
Average Monthly Cost Per Individual Served: Texas Home Living Waiver 917.69 922.3

Explanatory:
Number of Individuals Receiving Services at the End of the Fiscal Year: Texas Home Living Waiver 994 994

Output (Volume):
Average Number of Individuals Served Per Month: Non Medicaid Community Care (XX/GR) 39,130 39,379

Explanatory:
Number of Individuals Receiving Services at the End of the Fiscal Year: Non Medicaid Community Care (XX / GR) 39,254 39,503

A.4.2. Strategy: MR COMMUNITY SERVICES
Output (Volume):
Average Monthly Number of Individuals with Mental Retardation (MR) Receiving Community Services 12,927 12,927

Efficiencies:
Average Monthly Cost Per Individual with Mental Retardation (MR) Receiving Community Services 661.1 664.59

Explanatory:
Number of Individuals with Mental Retardation (MR) Receiving Community Services at the End of the Fiscal Year 12,927 12,927

A.4.4. Strategy: IN-HOME AND FAMILY SUPPORT
Output (Volume):
Average Number of Individuals Per Month Receiving In-home Family Support (IHFS) 4,753 5,079

Efficiencies:
Average Monthly Cost of In-home Family Support Per Individual 84.49 84.68

Explanatory:
Number of Individuals Receiving Services at the End of the Fiscal Year: In-Home and Family Support 4,916 5,241

A.4.5. Strategy: MENTAL RETARDATION IN-HOME SERVICES
Output (Volume):
Number of Individuals with Mental Retardation (MR) Receiving In-home and Family Support Per Year 3,060 3,060

Efficiencies:
Average Annual Grant Per Individual with Mental Retardation (MR) Receiving In-home and Family Support Per Year 1,869.85 1,869.85

Explanatory:
Number of Individuals with Mental Retardation (MR) Receiving Services at the End of the Fiscal Year: In-Home and Family Support 3,060 3,060

A.5.1. Strategy: ALL-INCLUSIVE CARE - ELDERLY (PACE)
Output (Volume):
Average Number of Recipients Per Month: Program for All Inclusive Care (PACE) 1,137 1,202

Efficiencies:
Average Monthly Cost Per Recipient: Program for All Inclusive Care (PACE) 2,748.32 2,654.03

Explanatory:
Number of Persons Receiving Services at the End of the Fiscal Year: Program of All-inclusive Care for the Elderly (PACE) 1,202 1,202

A.6.1. Strategy: NURSING FACILITY PAYMENTS
Output (Volume):
Average Number of Individuals Receiving Medicaid - Funded Nursing Facility Services per Month 54,269 53,827

Efficiencies:
Net Nursing Facility Cost Per Medicaid Resident Per Month 3,077.35 3,077.27

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**A.6.2. Strategy:** MEDICARE SKILLED NURSING FACILITY

**Output (Volume):**
Average Number of Individuals Receiving Copaid Medicaid/Medicare Nursing Facility Services Per Month 7,014 7,319

**Efficiencies:**
Net Payment Per Individual for Copaid Medicaid/Medicare Nursing Facility Services Per Month 1,959.2 2,065

**A.6.3. Strategy:** HOSPICE

**Output (Volume):**
Average Number of Individuals Receiving Hospice Services Per Month 6,221 6,370

**Efficiencies:**
Average Net Payment Per Individual Per Month for Hospice 2,797.73 2,819.57

**A.6.4. Strategy:** PROMOTING INDEPENDENCE SERVICES

**Output (Volume):**
Average Number of Individuals Served Through Promoting Independence 1,510.09 1,507.32

**Efficiencies:**
Average Monthly Cost Per Individual Served: Promoting Independence 10,580.79 10,943.63

**A.7.1. Strategy:** INTERMEDIATE CARE FACILITIES - MR

**Output (Volume):**
Average Number of Persons in ICF/MR Medicaid Beds Per Month 6,037 5,871

**Efficiencies:**
Monthly Cost Per ICF/MR Medicaid Eligible Individual 4,590.01 4,592.95

**B. Goal:** REGULATION, CERTIFICATION, OUTREACH

**Outcome (Results/Impact):**
Percent of Facilities Complying with Standards at Time of Inspection for Licensure and/or Medicare/Medicaid Certification 64.16% 64.16%

**B.1.1. Strategy:** FACILITY/COMMUNITY-BASED REGULATION

**Output (Volume):**
Total Dollar Amount Collected from Fines 1,520,256 1,520,256

**B.1.2. Strategy:** CREDENTIALING/CERTIFICATION

**Output (Volume):**
Number of Licenses Issued or Renewed Per Year: Nursing Facility Administrators 1,225 1,225

2. **Capital Budget.** None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103.

<table>
<thead>
<tr>
<th>Category</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Repair or Rehabilitation of Buildings and Facilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(1) Repairs of State Owned Bond Homes and State Schools</td>
<td>$ 56,995,094</td>
<td>$ 431,830</td>
</tr>
<tr>
<td>&amp; UB</td>
<td></td>
<td></td>
</tr>
<tr>
<td>b. Acquisition of Information Resource Technologies</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(1) Lease of Personal Computers</td>
<td>3,193,374</td>
<td>3,508,374</td>
</tr>
<tr>
<td>(2) Software Licenses</td>
<td>1,701,400</td>
<td>1,701,400</td>
</tr>
<tr>
<td>(3) Data Center Consolidation</td>
<td>3,815,460</td>
<td>3,543,960</td>
</tr>
<tr>
<td>(4) Messaging and Collaboration</td>
<td>1,605,939</td>
<td>1,605,939</td>
</tr>
</tbody>
</table>

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3. Appropriation of Local Funds. All funds received by the department from counties, cities, and from any other local source and all balances from such sources as of August 31, 2009, are hereby appropriated for the biennium ending August 31, 2011, for the purpose of carrying out the provisions of this Act.

   a. Nursing Home Income Eligibility Cap. It is the intent of the Legislature that the income eligibility cap for nursing home care shall be maintained at the federal maximum level of 300 percent of Supplemental Security Income (SSI).
   b. Establishment of a Swing-bed Program. Out of the funds appropriated above for nursing home vendor payments, the department shall maintain a "swing-bed" program, in accordance with federal regulations, to provide reimbursement for skilled nursing patients who are served in hospital settings in counties with a population of 100,000 or less. If the swing beds are used for more than one 30-day length of stay per year per patient, the hospital must comply with the regulations and standards required for nursing home facilities.
   c. Nursing Home Bed Capacity Planning. It is the intent of the Legislature that the department shall establish by rule procedures for controlling the number of Medicaid beds and for the decertification of unused Medicaid beds and for reallocating some or all of the decertified Medicaid beds. The procedures shall take into account a facility's occupancy rate.
d. Nursing Facility Competition. It is the intent of the Legislature that the department encourage competition among contracted nursing facilities.

5. Appropriations Limited to Revenue Collections. It is the intent of the Legislature that fees, fines, and other miscellaneous revenues as authorized and generated by the agency cover, at a minimum, the cost of the appropriations made above for the Nursing Facility Administrator program in Strategy B.1.2, Credentialing/Certification, and the Home Health and Community Support Services Agencies program in Strategy B.1.1, Facility & Community-Based Regulation, as well as the "other direct and indirect costs" associated with this program, appropriated elsewhere in this Act. Direct costs for the Nursing Facility Administrator program are estimated to be $494,191 for fiscal year 2010 and $494,191 for fiscal year 2011. Direct costs for the Home and Community Support Services Agencies program are estimated to be $1,939,322 for fiscal year 2010 and $1,939,322 for fiscal year 2011. "Other direct and indirect costs" for the Nursing Facility Administrator program are estimated to be $109,885 for fiscal year 2010 and $113,905 for fiscal year 2011. "Other direct and indirect costs" for the Home and Community Support Services Agencies program are estimated to be $530,018 for fiscal year 2010 and $551,427 for fiscal year 2011. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct that the Comptroller of Public Accounts reduce the appropriation authority provided above to be within the amount of revenue expected to be available.

6. Accounting of Support Costs. The State Comptroller shall establish separate accounts from which certain support costs shall be paid. The Department of Aging and Disability Services is hereby authorized to make transfers into these separate accounts from line item strategies in order to pay for these expenses in an efficient and effective manner. Only costs not directly attributable to a single program may be budgeted in or paid from these accounts. Items to be budgeted in and paid from these accounts include, but are not limited to: postage, occupancy costs, equipment repair, telephones, office printing costs, supplies, freight and transport costs, telephone system costs, and salary and travel costs of staff whose function supports several programs. The department shall be responsible for quarterly allocations of these costs to the original strategies.

7. Fund Transfers for Funds Consolidation. For the purpose of funds consolidation, federal and other funds may be transferred into the General Revenue Fund from the Department of Aging and Disability Services Fund No. 117. The initial deposit of federal funds shall be made into Fund No. 117 and no direct expenditures shall be made from this fund.

8. Pediatric Care in Nursing Facilities. When using funds appropriated above in addition to consideration of expense in determining the appropriate placement for children who currently receive care in nursing facilities, the department shall, within the requirements of state and federal law, consider the requests of parents concerning either a continued stay in a nursing facility providing skilled pediatric care or an alternate placement.

9. Limitation: Medicaid Transfer Authority. Notwithstanding the transfer provisions in the General Provisions (general transfer provisions) and other transfer provisions of this Act, funds appropriated by this Act to the Department of Aging and Disability Services (DADS) for the following Medicaid strategies shall be governed by the specific limitations included in this provision.

   a. Limitations on Transfers.

      (1) Waivers. Transfers may not be made between appropriation items listed in this subsection or from appropriation items listed in this subsection to appropriation items not listed in this subsection without prior written approval from the Legislative Budget Board and the Governor. Any transfer approval requests shall be submitted pursuant to subsection (c) of this provision.

         A.3.1. Community-based Alternatives (CBA)
         A.3.2. Home and Community-based Services (HCS)
         A.3.3. Community Living Assistance and Support Services (CLASS)
         A.3.4. Deaf-Blind Multiple Disabilities (DBMD)
         A.3.5. Medically Dependent Children Program (MDCP)
         A.3.6. Consolidated Waiver Program
         A.3.7. Texas Home Living Waiver
         A.6.4. Promoting Independence Services
(2) **Community Entitlement.** Transfers may be made between appropriation items listed in this subsection. Transfers may not be made from appropriation items listed in this subsection to appropriation items not listed in this subsection without prior written approval from the Legislative Budget Board and the Governor. DADS shall provide notification of all transfers pursuant to subsection (b) of this provision, and any transfer approval requests shall be submitted pursuant to subsection (c) of this provision.

A.2.1. Primary Home Care  
A.2.2. Community Attendant Services (formerly Frail Elderly)  
A.2.3. Day Activity and Health Services (DAHS)  
A.5.1. Program of All-inclusive Care for the Elderly (PACE)

(3) **Nursing Facility and Related Care.** Transfers may be made between appropriation items listed in this subsection. Transfers may not be made from appropriation items listed in this subsection to appropriation items not listed in this subsection without prior written approval from the Legislative Budget Board and the Governor. DADS shall provide notification of all transfers pursuant to subsection (b) of this provision, and any transfer approval requests shall be submitted pursuant to subsection (c) of this provision.

A.6.1. Nursing Facility Payments  
A.6.2. Medicare Skilled Nursing Facility  
A.6.3. Hospice

(4) **Mental Retardation Services.** Transfers may be made between appropriation items listed in this subsection. Transfers may not be made from appropriation items listed in this subsection to appropriation items not listed in this subsection without prior written approval from the Legislative Budget Board and the Governor. DADS shall provide notification of all transfers pursuant to subsection (b) of this provision, and any transfer approval requests shall be submitted pursuant to subsection (c) of this provision.

A.7.1. Intermediate Care Facilities - Mental Retardation (ICF/MR)  
A.8.1. MR State Schools Services

b. **Notification Regarding Transfers that Do not Require Approval.** Authority granted by this provision to transfer funds is contingent upon a written notification from DADS to the Legislative Budget Board and the Governor at least 30 days prior to the transfer, which includes the following information:

(1) a detailed explanation of the purpose(s) of the transfer and whether the expenditure will be one-time or ongoing;
(2) the name of the originating and receiving strategies and the method of financing and FTEs for each strategy by fiscal year;
(3) an estimate of performance levels and, where relevant, a comparison to targets included in this Act for both the originating and the receiving strategies; and
(4) the capital budget impact.

c. **Requests for Transfers that Require Approval.** To request a transfer, DADS shall submit a written request to the Legislative Budget Board and the Governor. At the same time, the agency shall provide a copy of the request to the Comptroller of Public Accounts. The request shall include the following information:

(1) a detailed explanation of the purpose(s) of the transfer and whether the expenditure will be one-time or ongoing;
(2) the name of the originating and receiving strategies and the method of financing and FTEs for each strategy by fiscal year;
(3) an estimate of performance levels and, where relevant, a comparison to targets included in this Act for both the originating and the receiving strategies; and
(4) the capital budget impact.

d. **Transfers into Items of Appropriation.** Transfers may be made from any appropriation item to the appropriation items in section (a), subject to the limitations established in section (a) for each appropriation item.

e. **Cost Pools.** Notwithstanding the above limitations, transfers may be made from the appropriation items in section (a) to separate accounts authorized by agency rider and established by the State Comptroller for payment of certain support costs not directly attributable to a single program.

f. **Cash Management.** Notwithstanding the above limitations, DADS may temporarily utilize funds appropriated to the strategies listed in section (a) for cash flow purposes. All funding used in this manner shall be promptly returned to the originating strategy. This authorization is subject to limitations established by the Comptroller of Public Accounts.

The Comptroller of Public Accounts shall not allow the transfer of funds authorized by any of the above subsections if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the requirements of this provision have not been satisfied.

In the case of disaster or other emergency, this provision is superseded by the emergency-related transfer authority in Article IX of this Act.

10. **Other Reporting Requirements.**

a. **Federal Reports.** The Department of Aging and Disability Services shall submit the following information to the Legislative Budget Board and the Governor no later than the date the respective report is submitted to the federal government:

   (1) Notification of proposed State Plan amendments or waivers for strategies in Goal A, Long-term Services and Supports and any other federal grant requiring a state plan. State Plan amendments and waiver submission shall also be provided to the Senate Health and Human Services, House Human Services, and House Public Health committees.

   (2) A copy of each report or petition submitted to the federal government relating to Goal A, Long-term Care Continuum.

b. **Federal Issues.** The Department of Aging and Disability Services shall notify the Legislative Budget Board and the Governor on a timely basis about emerging issues that could result in the loss of more than $1 million in federal revenue assumed in the appropriations act.

c. **Monthly Financial Reports.** The Department of Aging and Disability Services shall submit the following information to the Legislative Budget Board and the Governor on a monthly basis:

   (1) Information on appropriated, budgeted, expended, and projected funds, by strategy and method of finance.

   (2) Information on appropriated, budgeted, expended, and projected revenues including Earned Federal Funds.

   (3) Collections, expenditures, and balances for revenues generated by the department as of the last day of the prior month.

   (4) Narrative explanations of significant budget adjustments, ongoing budget issues, and other items as appropriate.

   (5) Any other information requested by the Legislative Budget Board or the Governor.

The monthly financial reports shall be prepared in a format specified by the Legislative Budget Board.
11. **Appropriation Transfer Between Fiscal Years.** In addition to the transfer authority provided elsewhere in this Act, the Department of Aging and Disability Services may transfer appropriations made for fiscal year ending August 31, 2011 to fiscal year ending August 31, 2010, subject to the following conditions provided by this section:

a. Transfers under this section may be made only:

   1. if costs associated with providing Long Term Care Medicaid services exceed the funds appropriated for these services for fiscal year 2010, or
   2. for any other emergency expenditure requirements, including expenditures necessitated by public calamity, or
   3. if appropriated receipts generated through the MR related programs required to fund appropriations contained in this Act for fiscal year 2010 are less than those contained in the method of finance for the department for fiscal year 2010.

b. Transfers may not exceed $50,000,000 in General Revenue.

c. A transfer authorized by this section must receive the prior approval of the Governor and the Legislative Budget Board.

d. The Comptroller of Public Accounts shall cooperate as necessary to assist the completion of a transfer and spending made under this section.

12. **Reimbursement of Advisory Committees.** Pursuant to Government Code § 2110.004, reimbursement of expenses for advisory committee members, out of funds appropriated above, not to exceed $8,000 per fiscal year is limited to the following advisory committee:

   Nursing Facility Administrators Advisory Committee

   To the maximum extent possible, the department shall encourage the use of videoconferencing and teleconferencing and shall schedule meetings and locations to facilitate the travel of participants so that they may return the same day and reduce the need to reimburse members for overnight stays.

13. **Survey of Nursing Facility Residents.** Out of funds appropriated above, the Department of Aging and Disability Services is allocated the following:

a. up to $360,000 in All Funds, of which up to $180,000 is General Revenue Funds, in fiscal year 2010 to conduct surveys of nursing facility residents and individuals receiving other long-term services and supports. The surveys shall assess how satisfied individuals are with their quality of care and quality of life. Not later than January 15, 2011, the department shall submit a written report on the survey to the Legislature, Governor, and Health and Human Services Commissioner; and

b. up to $1,000,000 in All Funds, of which up to $500,000 is General Revenue Funds, to perform on-site case reviews of the care of nursing home residents and individuals receiving other long-term care services and supports. These reviews will identify preventable occurrences of adverse outcomes. The result of these reviews will be included in the report to the Legislature, Governor and Health and Human Services Commissioner described in (a) above.

14. **Nursing Facility Beds for Medicaid Eligible Veterans.** Contingent upon a request from the Texas Veterans Land Board, it is the intent of the Legislature that the Department of Aging and Disability Services maintain a program for Medicaid-eligible veterans that will enable those individuals to be placed in State Veterans Homes. It is further the intent of the Legislature that the department amend its nursing facility bed allocation rules to create sufficient certified beds to accommodate the requirements of such a program.

15. **Limitation on MR State School Strategy Transfers.** The transfer of appropriations from Strategy A.8.1, MR State Schools Services, to any other strategy is limited to 5 percent without the prior approval of the Legislative Budget Board and the Governor.
16. **State School Medicaid Revenues.**

   a. **Proportionality of Funds.** Pursuant to Article IX, Sec 6.08, Benefits Paid Proportional by Fund, payment for salaries, wages, and benefits for ICF/MR state school employees shall be proportional to the source of funds. The department shall develop a plan for the 2010-11 biennium which identifies the appropriate portion of state and federal funds for salaries, wages, and benefits for ICF/MR state school employees. This plan is subject to review by the Comptroller of Public Accounts and the Legislative Budget Board and shall be certified by the Chief Financial Officer of the department by October 1, 2009 prior to submission to the Legislative Budget Board.

   The Department of Aging and Disability Services shall report quarterly to the Legislative Budget Board and the Governor on the distribution of ICF/MR state school revenues to other state agencies. This report shall be submitted no later than 25 days after the close of each quarter. The format and content of the report shall be prescribed by the Legislative Budget Board.

   b. **Quality Assurance Fee Funds - Informational Item.** Appropriations from the Quality Assurance Fee Funds in this Act total $57,957,357 in fiscal year 2010 (including a UB from fiscal year 2009 estimated to be $472,495) and $57,468,049 in fiscal year 2011. Out of funds appropriated above in Strategy A.7.1, ICF/MR and A.8.1, State Schools Services, $52,821,479 in fiscal year 2010 and $52,321,479 in fiscal year 2011 in Quality Assurance Fee Funds are provided for mental retardation services. Estimated amounts of $5,135,878 in fiscal year 2010 and $5,146,570 in fiscal year 2011 are appropriated elsewhere in this Act for employee benefits for State School employees. Pursuant to Article IX, Sec. 6.08, Benefits Paid Proportional by Fund, benefits for State School Employees reflect the proportion by fund type as used for salaries.

17. **MR Residential Services Funded by General Revenue.** The Department of Aging and Disability Services shall refinance, with Medicaid funding, mental retardation residential services to Medicaid-eligible clients that are currently funded with general revenue. This refinancing effort shall include both public and private general revenue-funded programs. The department shall accomplish this refinancing through the use of Medicaid waiver programs, or, if necessary, the Intermediate Care Facility for the Mentally Retarded program. The department shall submit a report by October 1 of each year of the biennium to the Legislative Budget Board and the Governor that documents the number of persons and residential sites converted to Medicaid funding. The format of this report shall be prescribed by the Legislative Budget Board.

18. **State School Funding.** It is the intent of the Legislature that the department implement a single funding methodology for state schools which funds all state schools equitably and at a level which is adequate to maintain compliance with applicable federal standards. A primary consideration to be used by the department in determining an acceptable funding methodology should be consideration of the number of residents in each school and the needs of those residents. Staffing patterns at state schools shall not reflect a census decline until a campus has realized a decline in census.

19. **Disposition of Construction Appropriation Related to Mental Retardation.** Construction appropriations may be used to pay salaries and travel expenses of department engineers and architects and administrative expenses of construction projects (but shall not exceed $300,000 in a fiscal year that are paid out of G.O. Bonds); architect's and engineer's fees; and the actual travel expenses incurred by them or their representatives in making trips of inspection at the discretion of the department during construction, renovation, or repair of buildings and systems or the installation of fixed equipment. Job titles and rates of pay for such salaried positions of department personnel paid from construction appropriations shall conform with the Position Classification Plan and Classification Salary Schedule.

20. **Unexpended Balances: ICF/MR Standards.** Except as otherwise provided, unexpended and unobligated balances, not to exceed $5 million in General Revenue, remaining from appropriations for the first year of the biennium to the Department of Aging and Disability Services are appropriated to the department for the purpose of complying with Intermediate Care Facilities for the Mentally Retarded (ICF-MR) standards dealing with residential, non-residential, and community based mental retardation services. This paragraph does not apply to those unexpended and unobligated balances remaining from appropriations for the first year of the biennium that the department is authorized by this Act to retain for specific purposes in the second year of the
The department shall notify the Legislative Budget Board and the Governor as to when the appropriation originated, why it is not needed, and how it will be used prior to budgeting and expending these balances.

21. **Unexpended Construction Balances.** Any unexpended construction, repair, or renovation balances from previous appropriations, estimated to be $29,576,263 from fiscal year 2009 to fiscal year 2010 and included in the method of finance above as General Obligation Bond proceeds and in Strategy A.9.1, Capital Repairs and Renovations, are hereby appropriated to the Department of Aging and Disability Services for the same purposes.

Authorization to expend the unexpended balances is contingent upon submission of the following reports to the Legislative Budget Board and the Governor. At the same time, the agency shall provide a copy of the reports to the Comptroller of Public Accounts.

a. a report by September 1, 2009 providing actual expenditures for fiscal years 2008 and 2009, and planned expenditures for fiscal years 2010 and 2011 at the project/state school level; and

b. a report by March 1 and September 1 of each fiscal year reflecting actual expenditures by project/state school for the previous six months.

Additional information requested by the Legislative Budget Board or the Governor should be provided in a timely manner. The notification and information provided subsequently shall be prepared in a format specified by the Legislative Budget Board.

The planned expenditures shall be considered to be approved unless the Legislative Budget Board or the Governor issues a written disapproval within 15 business days of the date on which the staff of the Legislative Budget Board concludes its review of the proposal to expend the funds and forwards its review to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor.

The Comptroller of Public Accounts shall not allow the use of unexpended balances if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the requirements of this provision have not been satisfied.

22. **MR Residential Placement Options.** Pursuant to § 533.038 of the Health and Safety Code, an individual with mental retardation or an individual's legally authorized representative seeking residential services shall receive a clear explanation of programs and services for which the individual is determined to be eligible, including state schools, community ICFs-MR, 1915(c) waiver services or other services, in order to ensure consumer choice. The programs and services that are explained shall be documented in the individual's record and acknowledged in writing by the individual or the individual's legally authorized representative. If the chosen programs or services are not available, the individual or the individual's legally authorized representative shall be given assistance in gaining access to alternative services and the selected waiting lists.

The department shall keep a central list of the number of openings available for each type of residential service. The department shall honor the program and services preferences of the person or the person's legally authorized representative to the maximum extent openings are available in a residential program or service for which the individual meets program criteria.

23. **Expenditures on Bond Homes.** Expenditures made for the provision of client services in bond homes operated by the Department of Aging and Disability Services shall not exceed the approved reimbursement rates.

24. ** Appropriation and Unexpended Balances: Affordable Housing for the Elderly.** General Revenue Funds appropriated above include fees collected pursuant to § 394.902, Local Government Code, and § 101.022, Human Resources Code, as amended, for the purpose of promoting affordable housing for the elderly ($454,000 for the biennium).

Any unexpended balances in fees collected to promote affordable housing for the elderly for the fiscal year ending August 31, 2010, may be carried forward into fiscal year 2011, and such balances are hereby appropriated.

In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct that the Comptroller of Public Accounts reduce the appropriation authority provided above to be within the amount of revenue expected to be available.
25. **Reimbursement of Advisory Council Members.** Pursuant to Human Resources Code § 161.027, reimbursement of travel expenses for Aging and Disability Services Council members, out of funds appropriated above, is hereby authorized such that the sum total of all reimbursements for members of the council shall not exceed $10,825 per fiscal year, at the rates specified in the general provisions of this Act.

26. **Mexia State School Medicaid-decertified Beds.** It is the intent of the Legislature that all funds appropriated in Strategy A.8.1, MR State Schools Services, to fund beds at Mexia State School that have been decertified from Medicaid and related costs shall be distributed to Mexia State School.

27. **Appropriation: GR-Dedicated License Plates Account No. 5055.** Included in funds appropriated above in Strategy A.4.2, MR Community Services, is $8,000 for the biennium in revenue generated from the sale of specialized "Special Olympics Texas" license plates and collected in GR-Dedicated Account No. 5055 during the 2010-11 biennium. Any balances on hand (estimated to be $2,000) as well as any additional revenues generated in fiscal years 2010 and 2011 by the sale of specialized "Special Olympics Texas" plates above $8,000 are hereby appropriated to the agency for the 2010-11 biennium. It is the intent of the Legislature that these funds be expended for costs associated with training and with area and regional competitions of the Special Olympics Texas.

28. **Revolving Fund Services: Canteen Services and Sheltered Workshops.** Out of funds appropriated above in Strategy A.8.1, MR State Schools Services, $2,724,957 per fiscal year in General Revenue shall be allocated for the operation of canteen and sheltered workshops. In addition, DADS may also utilize agency-generated collections from Revenue Object Code 3767 Supplies/Equipment/Services - Federal/Other (estimated to be $82,160 per fiscal year) and which are appropriated above as MR Revolving Fund Receipts (Other Funds) for the operation of canteen and sheltered workshops. The department shall provide information on related revenues, balances, contracts and profits to the Legislative Budget Board, Governor and Comptroller of Public Accounts. These revenues, expenditures and balances shall be reported and included in agency Operating Budgets, Legislative Appropriation Requests, and Annual Financial Reports. The timetable, format and content for additional monthly reports related to canteen operations and sheltered workshops shall be prescribed by the Legislative Budget Board.

29. **Guardianship Services.** Out of the funds appropriated above, the Department of Aging and Disability Services shall pay guardianship program caseworkers, supervisors and directors an amount not to exceed $50 per month for work-related use of the personal cellular telephones.

30. **Senior Corps Program.** Out of funds appropriated above in Strategy A.4.1, Non-Medicaid Services, the Department of Aging and Disability Services shall use $150,000 in General Revenue Funds per fiscal year to support the Texas Senior Corps Programs.

31. **Cost Comparison Report.** Out of funds appropriated above, the Department of Aging and Disability Services (DADS) shall develop a report for the Legislature analyzing state and federally funded residential and nonresidential services in Home and Community-based Services (HCS), Texas Home Living, and Intermediate Care Facilities for individuals with Mental Retardation and Related Conditions (ICF-MR/RC).

   a. The report shall include the following:

   (1) the monthly average cost to the state per person for individuals residing in state-operated and non-state operated ICF-MR/RC, HCS waiver program, and Texas Home Living waiver program by Level of Need (LON), and facility size (private ICF-MR only);

   (2) a comparison of severity across settings.

   (3) the total number of persons, by LON, who transitioned from state-operated ICF-MR/RC to the HCS residential waiver program for the previous biennium, and their average monthly cost of service in the HCS waiver program.

   b. With respect to the cost to the state per person residing in a state operated ICF-MR/RC facility, the department shall include all costs, such as Statewide Indirect Cost Allocation Plan (SWICAP), Departmental Indirect Cost Allocation Plan (DICAP), maintenance and construction costs, employee benefit costs and other federally allowable administrative.
medical and overhead costs. With respect to the cost to the state per person in state-operated ICF-MR/RC facilities, non-state operated ICF-MR/RC facilities, and the HCS and Texas Home Living waivers, the department shall include all Medicaid costs including acute care costs that are not included in the waiver rate for those programs and all costs to administer and license those programs. For state-operated ICF-MR/RC facilities, the average monthly administrative and overhead costs shall be reported separately from the average monthly client care costs. The department shall identify the types of costs included in each category.

c. Cost for waiver recipients will cover the time a person enrolled in the waiver through the time they are terminated from waiver services. The cost for ICF/MR services will cover the time a person is admitted to the facility to the time of discharge unless the person is admitted to an ICF/MR or waiver within 60 days of discharge. In that case the Medicaid costs incurred during discharge will be counted toward the ICF/MR costs.

The report shall be submitted to the Eighty-first Legislature no later than August 31, 2010.

32. Services Under a 1915c Waiver. It is the intent of the Legislature that, from the funds appropriated above, the Department of Aging and Disability Services shall provide services under a Section 1915(c) waiver program, other than a nursing facility waiver program to an individual, 21 years and younger, leaving a nursing facility if the individual:

a. meets the eligibility requirements for that Section 1915(c) waiver program; and

b. in order to leave the nursing facility, requires services that are available only under that Section 1915(c) waiver program.

33. Services Under HCS Waiver Program. It is the intent of the Legislature that, from the funds appropriated above, if an individual 21 years and younger, seeking to leave an intermediate care facility for the mentally retarded, has been offered services under the HCS (Home and Community-based Services) waiver program, the Department of Aging and Disability Services may provide services to the individual under another Section 1915(c) waiver program if the individual leaving the facility:

a. is determined to be ineligible for the services provided under the HCS waiver program; and

b. meets the eligibility requirements for and needs services provided under another Section 1915(c) waiver program.

34. Promoting Community Services for Children. It is the intent of the Legislature, out of funds appropriated above, to provide opportunities for children (under the age of 22) residing in community intermediate care facilities for the mentally retarded to transition to families during the 2010-11 biennium. To facilitate such transitions when requested by parent/guardian, funding for up to 50 children residing in community intermediate care facilities for the mentally retarded may be transferred from the Strategy A.7.1, Intermediate Care Facilities - MR, to Community Care Services strategies to cover the cost of the shift in services. In accordance with all applicable laws the Executive Commissioner may develop rules that would allow decertification of the ICF/MR beds upon such transition to prevent additional costs being incurred.

35. Appropriation: Quality Assurance Fees. The Department of Aging and Disability Services is hereby appropriated revenue generated above the amounts identified in the Comptroller of Public Account's Biennial Revenue Estimate for General Revenue Dedicated - Quality Assurance Account No. 5080, for deposit in Strategy A.8.1, MR State Schools Services, for the purpose of funding state school services. At least 30 days prior to budgeting or expending the funds appropriated herein, the department must submit a plan to the Legislative Budget Board, the Governor, and the Comptroller of Public Accounts. The plan must indicate the purposes for which the funds will be used, the amounts that will be budgeted for each purpose, and the specific amount of any rate increase that will be given. The plan shall be submitted in a format specified by the Legislative Budget Board.

36. Waiver Program Cost Limits.

a. Individual Cost Limits for Waiver Programs. It is the intent of the Legislature that the Department of Aging and Disability Services comply with the cost-effectiveness requirements of the Centers for Medicare and Medicaid Services and set the individual cost limit for each waiver program as follows:
(1) Community-Based Alternatives Program: 200 percent of the reimbursement rate that would have been paid for that same individual to receive services in a nursing facility;

(2) Medically Dependent Children Program: 50 percent of the reimbursement rate that would have been paid for that same individual to receive services in a nursing facility;

(3) Consolidated Waiver Program: 200 percent of the reimbursement rate that would have been paid for that same individual to receive services in a nursing facility, or 200 percent of the estimated annualized per capita cost of providing services in an Intermediate Care Facility/Mental Retardation (ICF/MR), as applicable;

(4) Community Living Assistance and Support Services Program: 200 percent of the estimated annualized per capita cost of providing services in an ICF/MR to an individual qualifying for an ICF/MR Level of Care VIII;

(5) Deaf-Blind with Multiple Disabilities Program: 200 percent of the estimated annualized per capita cost of providing services in an ICF/MR to an individual qualifying for an ICF/MR Level of Care VIII; and

(6) Home and Community-based Services Program: 200 percent of the reimbursement rate that would have been paid for that same individual to receive services in an ICF/MR or 200 percent of the estimated annualized per capita cost for ICF/MR services, whichever is greater.

b. Use of General Revenue Funds for Services.

(1) Out of funds appropriated above, the department is authorized to use general revenue funds to pay for services if:

   (i) the cost of such services exceeds the individual cost limit specified in a medical assistance waiver program listed above;

   (ii) federal financial participation is not available to pay for such services; and

   (iii) the department determines that:

      (a) the person's health and safety cannot be protected by the services provided within the individual cost limit established for the program; and

      (b) there is no other available living arrangement in which the person's health and safety can be protected, as evidenced by:

         i) an assessment conducted by clinical staff of the department; and

         ii) supporting documentation, including the person's medical and service records.

(2) Out of funds appropriated above, the department shall use general revenue funds to continue to provide services to a person who was receiving medical assistance waiver program services on September 1, 2005, at a cost that exceeded the individual cost limit specified in the medical assistance waiver program, if:

   (i) federal financial participation is not available to pay for such services; and

   (ii) continuation of those services is necessary for the person to live in the most integrated setting appropriate to the needs of the person.

(3) Notwithstanding the limitation of Medicaid transfer authority found elsewhere in this Act, the department is allowed to transfer funds from certain Medicaid strategies to non-Medicaid strategies A.4.1 and A.4.2.

(4) Authority provided in (b) above is contingent upon the agency submitting a report in writing to the Legislative Budget Board and Governor on October 1 of each year of the biennium. The report shall include the number of clients by program which exceeds cost limits and the unmatched General Revenue associated with each by fiscal year.
c. **Use of Utilization Management and Utilization Review Practices.** The department shall employ utilization management and utilization review practices as necessary to ensure that the appropriate scope and level of services are provided to individuals receiving services in Medicaid 1915(c) waivers administered by the department and to ensure compliance with the cost-effectiveness requirements of the Centers for Medicare and Medicaid Services.

37. **Expenditure of Settlement Funds.** The Department of Aging and Disability Services shall notify the Governor and the Legislative Budget Board 30 days prior to expenditure of any settlement funds during fiscal years 2010 and 2011. The department shall provide a detailed plan outlining the expenditure of the settlement funds in a format approved by the Legislative Budget Board. Settlement funds may include, but are not limited to, the difference between allowable costs and the reimbursement paid under the interim rate, including applied income.

38. **Delivery of Caregiver Support Services.** Out of funds appropriated above in Goal A, Long-Term Services and Supports, the Department of Aging and Disability Services shall develop and submit a report on strategies implemented by the agency after the effective date of this Act to strengthen the delivery of informal caregiver support services. The report to the Legislative Budget Board and the Governor shall be submitted by September 1, 2010.

39. **Administration of Medicaid 1915(c) Waiver Programs.** Out of funds appropriated above in Goal A, Long-Term Services and Supports, the Department of Aging and Disability Services, in consultation with the Health and Human Services Commission, shall submit a report on efforts planned or implemented to streamline the administration and delivery of Medicaid 1915(c) long-term care waiver programs to the Legislative Budget Board and the Governor by December 1 of each year of the biennium.

40. **Limits for Waivers and Other Programs.** Notwithstanding other provisions included in this Act, this provision shall govern expenditure levels for the following strategies.

   a. **Waivers and PACE.** The All Funds amounts included above for Department of Aging and Disability Services (DADS) for fiscal year 2010 and fiscal year 2011 in each individual strategy identified below shall not be exceeded without the prior written approval of the Legislative Budget Board and the Governor.

      A.3.1. Medicaid Community-based Alternatives (CBA) Waiver
      A.3.2. Home and Community Based Services (HCS)
      A.3.3. Medicaid Related Conditions Waiver (CLASS)
      A.3.4. Medicaid Deaf-blind with Multiple Disabilities Waiver
      A.3.5. Medically Dependent Children Program
      A.3.6. Medicaid Consolidated Waiver Program
      A.3.7. Texas Home Living Waiver
      A.5.1. All-Inclusive Care - Elderly (PACE)

   Requests for Exemptions. To request an exemption from the limits established under section (a), DADS shall submit a written request to the Legislative Budget Board and the Governor. At the same time, the agency shall provide a copy of the request to the Comptroller of Public Accounts. The request shall include the following information: a detailed explanation of the reason for the requested exemption and whether and how the exemption would impact client and expenditure levels at the individual strategy level in the 2010-11 biennium and the 2012-13 biennium.

   b. **Non-Medicaid Programs.** The All Funds amounts included above for DADS for fiscal year 2010 and fiscal year 2011 in each individual strategy identified below shall not be exceeded unless DADS notifies the Legislative Budget Board and the Governor it has received federal funding (primarily Title XX and Administration on Aging) that exceeds levels assumed in the 2010-11 GAA and specifies the following information: a detailed explanation how the increase would impact client and expenditure levels by method of finance at the individual strategy level in the 2010-11 biennium and the 2012-13 biennium.

      A.4.1. Non-Medicaid Services
      A.4.2. MR Community Services
      A.4.4. In-Home and Family Support
      A.4.5. Mental Retardation In-Home Services
The Comptroller of Public Accounts shall not allow any exemptions from the limits established by this provision if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the requirements of this provision have not been satisfied.

41. **Contingency for Transferring Savings Related to State School Downsizing.** Contingent on passage of Senate Bill 2407, or similar legislation relating to the Department of Aging and Disability Services' inclusion of strategies for downsizing state schools and transitioning more state school residents to community-based care in its biennial Long-Range Plan, by the Eighty-first Legislature, Regular Session, 2009, the Department of Aging and Disability Services is authorized, subject to the approval limitations in DADS Rider 9, to transfer savings from Strategy A.8.1, MR State School Services, to any of the following strategies:

- A.1.1 Intake, Access, & Eligibility
- A.3.2 Home and Community-Based Services
- A.3.3 Community Living Assistance
- A.3.7 Texas Home Living Waiver
- A.4.1 Non-Medicaid Services
- A.4.2 MR Community Services
- A.4.3 Promoting Independence Plan
- A.4.4 In-home and Family Support
- A.4.5 Mental Retardation In-home Services
- B.1.1 Facility/Community-based Regulation
- C.1.1 Central Administration
- C.1.2 IT Program Support
- C.1.3 Other Support Services

Prior to the transfer of funds, the agency must obtain certification from the Health and Human Services Commission of the amount of savings related to the downsizing of state schools.

42. **Contingency for Eliminating Consolidated Waiver Program.** Contingent on passage of Senate Bill 705, or similar legislation eliminating the Consolidated Waiver Program, by the Eighty-first Legislature, Regular Session, funding in Goal A, Long-Term Services and Supports is reduced by $706,192 in All Funds, and $353,096 in General Revenue Funds, and in addition, the Full-Time Equivalent (FTE) cap for the Department of Aging and Disability Services is hereby reduced by 7 for each year of the 2010-11 biennium. The Department of Aging and Disability Services is directed to transfer funding from Strategy A.3.6, Consolidated Waiver Program, to other strategies in Goal A, Long-Term Services and Supports, and to the Health and Human Services Commission, Goal B, Medicaid, to serve clients who otherwise would have received services through the Consolidated Waiver Program in the appropriate Medicaid 1915(c) long-term care waiver program with no break in service. Funds from Strategy A.3.6, Consolidated Waiver Program, should be allocated based on the client and cost mix in the Consolidated Waiver Program as follows:

- a. 32.62 percent to Strategy A.3.3, Community Living Assistance;
- b. 27.56 percent to Strategy A.3.2, Home and Community-Based Services;
- c. 21.69 percent to the Health and Human Services Commission, Goal B, Medicaid, to serve clients receiving Medicaid 1915(c) long-term care waiver program services through the STAR+PLUS program;
- d. 17.00 percent to Strategy A.3.5, Medically Dependent Children Program; and
- e. 1.12 percent to Strategy A.3.4, Deaf-Blind Multiple Disabilities.

The Department of Aging and Disability Services is allowed to update the percentages used to allocate funds from the Consolidated Waiver Program based on the client and cost mix at the time of transfer and must receive approval for the reallocation pursuant to the Department of Aging and Disability Services Rider 9.

43. **Behavioral Support Specialists in Educational Settings.** Out of funds appropriated above in Strategy A.8.1, MR State Schools Services, Mexia State School shall provide behavioral support specialists to assist the alleged offender residents with any specialized educational needs.
44. **Program of All-inclusive Care for the Elderly (PACE) Slots.** Out of funds appropriated above for the Department of Aging and Disability Services (DADS) in Strategy A.5.1, All-inclusive Care for the Elderly (PACE), $1,600,000 in General Revenue and $2,282,553 in Federal Funds in fiscal year 2010 and $1,600,000 in General Revenue and $2,239,693 in Federal Funds in fiscal year 2011 shall be used for up to 150 additional slots at the El Paso, Amarillo, and Lubbock sites. The Commissioner of DADS is authorized to allocate the 150 slots to the appropriate locations.

45. **Excellence in Nursing Homes.** Out of the funds appropriated above, an amount not to exceed $2,500,000 in General Revenue Funds shall be set aside for the biennium to implement a system for data collection, analysis, and reporting of facility performance levels for all nursing homes in Texas during the second year of the biennium. The system shall begin operation no later than September 1, 2010. The system and the data collected, analyzed and reported for each facility shall be used as the basis for awarding incentive payments to nursing homes in Texas that meet or exceed targets for superior performance. Domains of performance shall include but not be limited to quality of care, resident and family satisfaction. Participation is required in the first year of operation of the program for nursing homes to be eligible to receive future incentive payments once funds are appropriated for that purpose.

46. **Program of All-inclusive Care for the Elderly (PACE): Limitations.** Out of funds appropriated above for the Department of Aging and Disability Services in Strategy A.5.1, All-inclusive Care for the Elderly (PACE), all funding provided for PACE slots shall be used only for slots in currently operating sites or designated sites coming on line. Notwithstanding any other provision in this Act, funding appropriated to Strategy A.5.1 may not be transferred to another strategy or used for another purpose.

47. **Appropriation Authority for General Obligation Bond Proceeds.** Appropriated above in Strategy A.9.1, Capital Repairs and Renovations, in fiscal year 2010 is $26,987,000 in general obligation bond proceeds for projects for the Department of Aging and Disability Services as described in Article IX, Sec. 17.01, Informational Listing: General Obligation Bond Proceeds.

All projects funded herein with general obligation bond proceeds are subject to approval by the Legislative Budget Board prior to issuance of the bond proceeds by the Texas Public Finance Authority. Any unexpended and unobligated balances in general obligation bond proceeds described herein and remaining as of August 31, 2010 are hereby appropriated for the fiscal year beginning September 1, 2010 for the same purpose.

48. **Waiting List Reduction.** Notwithstanding any other provision in this Act, the Department of Aging and Disability Services is directed to consider factors such as length of time on the interest/waiting list, size of waiting list, demographics, average cost, and crisis stabilization in providing services to waiting list clients on a program-specific basis.

49. **Appropriation: Medicaid Estate Recovery.** Funds deposited to the credit of Medicaid Estate Recovery (General Revenue - Dedicated Account No. 5109) above the Biennial Revenue Estimate are hereby appropriated to the Department of Aging and Disability Services for community-based care to individuals who are on a waiting or interest list.

This appropriation is contingent upon the department submitting a plan which details the number of clients to be served, estimated expenditures by method of financing by year, as well as any other information requested by the Legislative Budget Board. The plan shall be submitted to the Legislative Budget Board, the Governor, and the Comptroller of Public Accounts 30 days prior to any expenditure of the funds.
### GR Certified as Match for Medicaid
29,340,904 31,739,958

### General Revenue for ECI
865,687 865,687

**Subtotal, General Revenue Fund**
108,548,770 110,445,122

### General Revenue Fund - Dedicated

<table>
<thead>
<tr>
<th>Description</th>
<th>2007-08</th>
<th>2008-09</th>
</tr>
</thead>
<tbody>
<tr>
<td>Comprehensive Rehabilitation Account No. 107</td>
<td>11,942,335</td>
<td>11,942,335</td>
</tr>
<tr>
<td>Business Enterprise Program Account No. 492</td>
<td>1,850,090</td>
<td>1,850,090</td>
</tr>
<tr>
<td>Business Enterprise Program Trust Fund Acct. No. 5043</td>
<td>808,436</td>
<td>808,436</td>
</tr>
<tr>
<td>I Love Texas License Plate Acct. No. 5086</td>
<td>13,902</td>
<td>14,098</td>
</tr>
</tbody>
</table>

**Subtotal, General Revenue Fund - Dedicated**
14,614,763 14,614,959

### Federal Funds
478,239,156 485,216,047

### Other Funds

<table>
<thead>
<tr>
<th>Description</th>
<th>2007-08</th>
<th>2008-09</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appropriated Receipts</td>
<td>300,058</td>
<td>300,058</td>
</tr>
<tr>
<td>Interagency Contracts</td>
<td>414,224</td>
<td>414,224</td>
</tr>
<tr>
<td>Blind Endowment Fund No. 493</td>
<td>5,669</td>
<td>11,077</td>
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<tr>
<td>Interagency Contracts - Transfer from Foundation School Fund No. 193</td>
<td>16,498,102</td>
<td>16,498,102</td>
</tr>
<tr>
<td>Universal Services Fund Reimbursements</td>
<td>976,422</td>
<td>976,422</td>
</tr>
<tr>
<td>Subrogation Receipts</td>
<td>246,000</td>
<td>246,000</td>
</tr>
<tr>
<td>Appropriated Receipts for VR</td>
<td>21,372</td>
<td>21,372</td>
</tr>
</tbody>
</table>

**Subtotal, Other Funds**
18,461,847 18,467,255

### Total, Method of Financing
619,864,536 628,743,383

### Other Direct and Indirect Costs Appropriated Elsewhere in this Act
41,748 42,226

This bill pattern represents an estimated 100% of this agency’s estimated total available funds for the biennium.

### Number of Full-Time-Equivalents (FTE):
3,247.7 3,279.4

### Schedule of Exempt Positions:

<table>
<thead>
<tr>
<th>Position</th>
<th>2007-08</th>
<th>2008-09</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commissioner, Group 7</td>
<td>$145,860</td>
<td>$145,860</td>
</tr>
</tbody>
</table>

### Items of Appropriation:

**A. Goal: CHILDREN WITH DISABILITIES**
Ensure Children and Their Families Reach Their Developmental Goals.

<table>
<thead>
<tr>
<th>Strategy</th>
<th>2007-08</th>
<th>2008-09</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A.1.1. Strategy:</strong> ECI SERVICES</td>
<td>$160,280,072</td>
<td>$166,066,128</td>
</tr>
<tr>
<td>Early Childhood Intervention Services.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>A.1.2. Strategy:</strong> ECI RESPITE SERVICES</td>
<td>$400,000</td>
<td>$400,000</td>
</tr>
<tr>
<td>Respite Services.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>A.1.3. Strategy:</strong> ENSURE QUALITY ECI SERVICES</td>
<td>$1,937,252</td>
<td>$1,937,252</td>
</tr>
<tr>
<td>Ensure Quality ECI Services by Training, Evaluation and Assistance.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>A.2.1. Strategy:</strong> HABILITATIVE SERVICES FOR CHILDREN</td>
<td>$4,612,936</td>
<td>$4,593,298</td>
</tr>
<tr>
<td>Habilitative Services for Blind and Visually Impaired Children.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>A.3.1. Strategy:</strong> AUTISM PROGRAM</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

**Total, Goal A: CHILDREN WITH DISABILITIES**
$167,230,260 $172,999,678

**B. Goal: PERSONS WITH DISABILITIES**
Rehabilitation Services for Persons with Disabilities.

<table>
<thead>
<tr>
<th>Strategy</th>
<th>2007-08</th>
<th>2008-09</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>B.1.1. Strategy:</strong> INDEPENDENT LIVING SERVICES - BLIND</td>
<td>$3,060,225</td>
<td>$3,060,225</td>
</tr>
<tr>
<td>Blindness Education, Screening and Treatment Program.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>B.1.2. Strategy:</strong> BLINDNESS EDUCATION</td>
<td>$554,997</td>
<td>$565,003</td>
</tr>
<tr>
<td>Voc Rehab Services for Persons Who are Blind or Visually Impaired.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>B.1.3. Strategy:</strong> VOCATIONAL REHABILITATION - BLIND</td>
<td>$46,639,519</td>
<td>$46,639,519</td>
</tr>
</tbody>
</table>

A538-Conf-2-A II-20 May 23, 2009
B.1.4. **Strategy:** BUSINESS ENTERPRISES OF TEXAS

Provide Employment in Food Service Industry for Persons Who are Blind.

$ 2,482,449 $ 2,482,449

B.1.5. **Strategy:** BUSINESS ENTERPRISES OF TEX TRUST FUND


$ 808,436 $ 808,436

B.2.1. **Strategy:** CONTRACT SERVICES - DEAF

Contract For Services for Persons Who Are Deaf or Hard of Hearing.

$ 2,205,792 $ 2,205,792

B.2.2. **Strategy:** EDUC, TRAINING, CERTIFICATION-DEAF

Ensure the Quality of Programs through Educ., Training, & Regulation.

$ 672,647 $ 672,646

B.2.3. **Strategy:** TELEPHONE ACCESS ASSISTANCE

Ensure Telephone Access for Deaf and Persons with Other Disabilities.

$ 976,422 $ 976,422

B.3.1. **Strategy:** VOCATIONAL REHABILITATION - GENERAL

Rehabilitate & Place People w/Disabilities in Competitive Employment.

$ 215,658,934 $ 215,658,935

B.3.2. **Strategy:** INDEPENDENT LIVING CENTERS

Work w/Independent Living Centers & State Independent Living Council.

$ 2,689,283 $ 2,689,283

B.3.3. **Strategy:** INDEPENDENT LIVING SERVICE - GEN

Provide Consumer-driven Independent Living Services.

$ 5,942,041 $ 5,942,041

B.3.4. **Strategy:** COMPREHENSIVE REHABILITATION

Provide Services to People with Spinal Cord/Traumatic Brain Injuries.

$ 18,445,960 $ 18,445,960

Total, Goal B: PERSONS WITH DISABILITIES

$ 300,136,705 $ 300,146,711

C. **Goal:** DISABILITY DETERMINATION

Provide Disability Determination Services within SSA Guidelines.

C.1.1. **Strategy:** DISABILITY DETERMINATION SVCS (DDS)

Determine Federal SSI and SSDI Eligibility.

$ 124,916,286 $ 128,693,870

D. **Goal:** PROGRAM SUPPORT

D.1.1. **Strategy:** CENTRAL PROGRAM SUPPORT

$ 14,029,671 $ 14,017,212

D.1.2. **Strategy:** REGIONAL PROGRAM SUPPORT

$ 836,397 $ 836,397

D.1.3. **Strategy:** OTHER PROGRAM SUPPORT

$ 5,933,669 $ 5,933,669

D.1.4. **Strategy:** IT PROGRAM SUPPORT

$ 6,781,548 $ 6,115,846

Information Technology Program Support.

Total, Goal D: PROGRAM SUPPORT

$ 27,581,285 $ 26,903,124

Grand Total, DEPARTMENT OF ASSISTIVE AND REHABILITATIVE SERVICES

$ 619,864,536 $ 628,743,383

Object-of-Expense Informational Listing:

Salaries and Wages $ 150,599,455 $ 152,156,103

Other Personnel Costs 5,877,996 5,877,802

Professional Fees and Services 16,548,798 15,874,094

Fuels and Lubricants 138,403 138,405

Consumable Supplies 1,556,922 1,556,920

Utilities 2,063,301 2,063,300

Travel 4,501,431 4,501,435

Rent - Building 2,683,265 2,683,260

Rent - Machine and Other 2,636,441 2,636,440

Other Operating Expense 41,182,868 41,161,775

Client Services 240,022,838 242,251,777

Grants 151,204,806 156,993,860

Capital Expenditures 848,212 848,212

Total, Object-of-Expense Informational Listing

$ 619,864,536 $ 628,743,383
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:

<table>
<thead>
<tr>
<th>Benefits/Service</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retirement</td>
<td>$9,479,103</td>
<td>$9,716,786</td>
</tr>
<tr>
<td>Group Insurance</td>
<td>25,425,326</td>
<td>27,766,394</td>
</tr>
<tr>
<td>Social Security</td>
<td>11,912,970</td>
<td>12,211,681</td>
</tr>
<tr>
<td>Benefits Replacement</td>
<td>1,104,637</td>
<td>1,049,405</td>
</tr>
<tr>
<td><strong>Subtotal, Employee Benefits</strong></td>
<td><strong>$47,922,036</strong></td>
<td><strong>$50,744,266</strong></td>
</tr>
<tr>
<td>Debt Service</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lease Payments</td>
<td>$1,531,055</td>
<td>$1,466,619</td>
</tr>
<tr>
<td><strong>Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act</strong></td>
<td><strong>$49,453,091</strong></td>
<td><strong>$52,210,885</strong></td>
</tr>
</tbody>
</table>

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Department of Assistive and Rehabilitative Services. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Department of Assistive and Rehabilitative Services. In order to achieve the objectives and service standards established by this Act, the Department of Assistive and Rehabilitative Services shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

**A. Goal: CHILDREN WITH DISABILITIES**

**Outcome (Results/Impact):**

Percent of Population under Age Three Served 3.74% 3.93%

**A.1.1. Strategy: ECI SERVICES**

**Output (Volume):**

Average Monthly Number of Children Served in Comprehensive Services 30,766 31,880

**Efficiencies:**

Average Monthly Cost Per Child: Comprehensive Services/State and Federal Expenditures 504 504

**Explanatory:**

Average Monthly Number of Hours of Service Delivered Per Child Per Month 1.69 1.69

**A.1.2. Strategy: ECI RESPITE SERVICES**

**Output (Volume):**

Average Monthly Number of Children Receiving Respite Services 400 400

**A.2.1. Strategy: HABILITATIVE SERVICES FOR CHILDREN**

**Output (Volume):**

Average Monthly Number of Children Receiving Habilitative Services 2,796 2,796

**Efficiencies:**

Average Monthly Cost Per Child Served 137 137

**Explanatory:**

Number of Children Receiving Habilitative Services (End-of-Year) 3,366 3,452

**A.3.1. Strategy: AUTISM PROGRAM**

**Output (Volume):**

Average Monthly Number of Children Receiving Autism Services 0 0

**Efficiencies:**

Average Monthly Cost Per Child Receiving Autism Services 0 0

**Explanatory:**

Number of Children Receiving Autism Services (End-of-Year) 0 0

**B. Goal: PERSONS WITH DISABILITIES**

**Outcome (Results/Impact):**

Percent of VR-Blind Consumers Who Achieve Employment Outcomes 72% 72%

Percent of VR-General Consumers Who Achieve Employment Outcomes 55.8% 55.8%

**B.1.1. Strategy: INDEPENDENT LIVING SERVICES - BLIND**

**Output (Volume):**

Number of Consumers Served 4,259 4,891
DEPARTMENT OF ASSISTIVE AND REHABILITATIVE SERVICES
(Continued)

Efficiencies:
Average Cost Per Consumer Served 1,051 891
B.1.2. Strategy: BLINDNESS EDUCATION
Output (Volume):
Number of Individuals Receiving Screening and 9,544 9,717
Treatment Services in the BEST Program
Efficiencies:
Average Cost Per Individual Receiving Screening and 58 58
Treatment Services in the BEST Program
B.1.3. Strategy: VOCATIONAL REHABILITATION - BLIND
Output (Volume):
Number of Consumers Served 9,748 9,940
Efficiencies:
Average Cost Per Consumer Served 5,000 5,144
B.1.4. Strategy: BUSINESS ENTERPRISES OF TEXAS
Output (Volume):
Number of Indiv. Employed by BET Businesses (Managers and Employees) 1,273 1,281
Number of Blind & Disabled Individuals Employed by BET Facility Managers 86 90
B.2.2. Strategy: EDUC, TRAINING, CERTIFICATION-DEAF
Output (Volume):
Number of Consumers Educated and Interpreters Trained 1,120 1,120
Efficiencies:
Average Time for Ethics Complaint Resolution (Certified Interpreter): Days 90 90
B.2.3. Strategy: TELEPHONE ACCESS ASSISTANCE
Output (Volume):
Number of Equipment/Service Vouchers Issued 22,600 22,600
B.3.1. Strategy: VOCATIONAL REHABILITATION - GENERAL
Output (Volume):
Number of Consumers Served 88,024 88,024
Number of Consumers Who Achieved Employment Outcomes 12,323 12,323
Efficiencies:
Cost Per Consumer Served 2,450 2,450
B.3.2. Strategy: INDEPENDENT LIVING CENTERS
Output (Volume):
Number of People Receiving Services from Independent Living Centers 9,153 10,170
B.3.3. Strategy: INDEPENDENT LIVING SERVICE - GEN
Output (Volume):
Average Monthly Number of People Comprehensive Rehabilitation Services 206 209
Efficiencies:
Average Monthly Cost Per CRS Consumer 7,462 7,355
Explanatory:
Number of People Receiving Comprehensive Services (End-of-Year) 593 594
C. Goal: DISABILITY DETERMINATION
Outcome (Results/Impact):
Percent of Case Decisions That Are Accurate 90.6% 90.6%
C.1.1. Strategy: DISABILITY DETERMINATION SVCS (DDS)
Output (Volume):
Number of Disability Cases Determined 298,301 307,520
Efficiencies:
Cost Per Disability Case Determination 417 417
2. Capital Budget. None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended for the purposes shown and are not available for expenditures for other purposes. Amount appropriated above have been
DEPARTMENT OF ASSISTIVE AND REHABILITATIVE SERVICES
(Continued)

identified in this provision as appropriations either for "Lease Payments to Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103.

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Repair or Rehabilitation of Buildings and Facilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(1) Building Maintenance</td>
<td>$639,000</td>
<td>$390,800</td>
</tr>
<tr>
<td>b. Acquisition of Information Resource Technologies</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(1) Seat Management Services</td>
<td>2,000,000</td>
<td>2,000,000</td>
</tr>
<tr>
<td>(2) Infrastructure and Development Platform Refresh</td>
<td>839,346</td>
<td>839,346</td>
</tr>
<tr>
<td>(3) Data Center Consolidation</td>
<td>3,438,911</td>
<td>2,773,209</td>
</tr>
<tr>
<td>(4) Telecommunications Enhancements</td>
<td>$17,700</td>
<td>$0</td>
</tr>
<tr>
<td>Total, Acquisition of Information Resource Technologies</td>
<td>$6,295,957</td>
<td>$5,612,555</td>
</tr>
<tr>
<td>c. Transportation Items</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(1) Vehicles</td>
<td>$38,830</td>
<td>$40,680</td>
</tr>
<tr>
<td>d. Acquisition of Capital Equipment and Items</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(1) Establish and Refurbish Food Service Facilities</td>
<td>$340,000</td>
<td>$340,000</td>
</tr>
<tr>
<td>Total, Capital Budget</td>
<td>$7,313,787</td>
<td>$6,384,035</td>
</tr>
</tbody>
</table>

Method of Financing (Capital Budget):

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Revenue Fund</td>
<td>$1,170,936</td>
<td>$499,924</td>
</tr>
<tr>
<td>Federal Funds</td>
<td>6,123,818</td>
<td>5,865,078</td>
</tr>
<tr>
<td>Universal Services Fund Reimbursements</td>
<td>19,033</td>
<td>19,033</td>
</tr>
<tr>
<td>Total, Method of Financing</td>
<td>$7,313,787</td>
<td>$6,384,035</td>
</tr>
</tbody>
</table>

3. Reimbursement of Advisory Committee Members. Pursuant to Government Code § 2110.004, reimbursement of expenses for advisory committee members, out of funds appropriated above, not to exceed the amounts stated below per fiscal year, is limited to the following advisory committees:

- Early Childhood Intervention Advisory Council: $16,650
- Elected Committee of Managers: $16,000
- Board for Evaluation of Interpreters: $4,500
- Rehabilitation Council of Texas: $58,350

To the maximum extent possible, the department shall encourage the use of videoconferencing and teleconferencing and shall schedule meetings and locations to facilitate the travel of participants so that they may return the same day and reduce the need to reimburse members for overnight stays.

4. Reimbursement of Advisory Council Members. Pursuant to Human Resources Code §117.027, reimbursement of expenses for Assistive and Rehabilitative Services Council members, out of funds appropriated above, is hereby authorized such that the sum total of all reimbursements for members of the Council shall not exceed $33,182 per fiscal year.


a. Redirection of General Revenue Funds. The Department of Assistive and Rehabilitative Services (DARS) shall notify the Legislative Budget Board and the Governor by letter of its intent to redirect General Revenue Funds to obtain additional federal funds for the Vocational Rehabilitation program. The notification shall include the original purpose and item of appropriation for which the General Revenue Funds were appropriated, and the effect on measures and/or full-time equivalent positions for all affected strategies. The notification shall be made at least 30 days prior to requesting additional federal funding for the Vocational Rehabilitation program. Furthermore, it is the intent of the Legislature that no federal funds be drawn and expended by utilizing as matching funds any General Revenue Funds appropriated for the subsequent state fiscal year.
b. Budgeting of Additional Federal Dollars. DARS shall notify the Legislative Budget Board and the Governor by letter at least 14 days prior to the budgeting of more than $217,649,555 in fiscal year 2010 and $217,500,171 in fiscal year 2011 in federal Vocational Rehabilitation funds (CFDA 84.126) included in the “Method of Financing” above. Amounts noted above include any amounts expended in fiscal year 2010 or 2011 that were carried forward from the previous year's allotments.

6. Other Reporting Requirements.

a. Federal Reports. The Department of Assistive and Rehabilitative Services shall submit the following information to the Legislative Budget Board and the Governor no later than the date the respective report is submitted to the federal government:

(1) Notification of proposed State Plan amendments or waivers for Vocational Rehabilitation (CFDA 84.126), and Early Childhood Intervention Services [Special Education Grants for Infants and Families with Disabilities (CFDA 84.181) and Developmental Rehabilitation Services (Medicaid)] and any other federal grant requiring a state plan. State Plan amendments and waiver submissions shall also be provided to the Senate Health and Human Services, House Human Services, and House Public Health committees.

(2) A copy of each report or petition submitted to the federal government relating to Vocational Rehabilitation (CFDA 84.126), and Early Childhood Intervention Services [Special Education Grants for Infants and Families with Disabilities (CFDA 84.181) and Developmental Rehabilitation Services (Medicaid)].

(3) Any other federal reports requested by the Legislative Budget Board or the Governor.

b. Legislative Issues. The Department of Assistive and Rehabilitative Services shall notify the Legislative Budget Board and the Governor on a timely basis about emerging issues that could result in the loss of more than $1 million in federal revenue assumed in the Appropriations Act.

c. Monthly Financial Reports. The Department of Assistive and Rehabilitative Services shall submit the following information to the Legislative Budget Board and the Governor on a monthly basis:

(1) Information on appropriated, budgeted, expended, and projected funds, by strategy and method of finance.

(2) A report detailing revenues, expenditures, and balances for earned federal funds as of the last day of the prior month.

(3) Narrative explanations of significant budget adjustments, ongoing issues, and other items as appropriate.

(4) Any other information requested by the Legislative Budget Board or the Governor.

The monthly reports shall be prepared in a format specified by the Legislative Budget Board and the Governor.

7. Maintenance of Effort (MOE) and Matching Funds Reporting Requirement. The Department of Assistive and Rehabilitative Services (DARS) shall report quarterly to the Legislative Budget Board and the Governor on state funds used for match and maintenance of effort (MOE) for federal Vocational Rehabilitation (CFDA 84.126) funds and state funds used for MOE for federal Special Education Grants for Infants and Families with Disabilities (CFDA 84.181) funds. Each report shall detail funds for the current fiscal year and at least the two previous fiscal years. The reports shall specify:

a. State funds within and outside the department's budget used for match and MOE.

b. Federal Funds within and outside the department's budget matched by state funds identified in the previous section.
DEPARTMENT OF ASSISTIVE AND REHABILITATIVE SERVICES  
(Continued)

The reports shall be prepared in a format specified by the Legislative Budget Board.

8. Reporting on Early Childhood Intervention. The Department of Assistive and Rehabilitative Services shall submit the following to the Legislative Budget Board, the Governor, and the Health and Human Services Commission, as it relates to Strategies A.1.1, Early Childhood Intervention Services and A.1.3, Ensure Quality Early Childhood Intervention Services:

a. annual report due December 1st of each fiscal year that details:
   (1) by provider and month of service: the Number of Referrals, Number of Eligibility Determinations, Number of Children Receiving Follow Along Services, Total Number of Children Served in Comprehensive Services, and Total Number of Medicaid-Enrolled Children Served in Comprehensive Services,
   (2) by provider and month of service: the total amount reimbursed,
   (3) by provider and month of service: the number of hours of service delivered by service type and Medicaid v. Non-Medicaid within each service type,
   (4) by provider and month of service: the number of children eligible for Medicaid, TANF, CHIP, and other funding for comprehensive services,

b. an annual report due December 1st of each fiscal year that specifies for the current fiscal year as well as two fiscal years prior the contracted amount per child and the final amount paid per child per provider. The report should also include the total amount anticipated to be paid to each provider and the number of children anticipated to be served per provider.

c. a quarterly report that details by quarter of service: the total amount collected from private insurance, and

d. any other information requested by the Legislative Budget Board or the Governor.

The reports shall be prepared in a format specified by the Legislative Budget Board.


a. The Commissioner of the Department of Assistive and Rehabilitative Services (DARS) shall certify, by February 1 of each fiscal year of the biennium, to the Executive Commissioner of Health and Human Services if funding needed to continue to serve all eligible children in Strategies A.1.1, Early Childhood Intervention Services, and A.1.3, Ensure Quality Early Childhood Intervention Services, will exceed revenue available to DARS. The Executive Commissioner of Health and Human Services shall evaluate the projected need and make a determination within 30 days as to whether a transfer of funds will be necessary. If a transfer of funds is necessary, the Health and Human Services Commission and DARS shall submit a written request to the Legislative Budget Board and Governor (copying the Comptroller of Public Accounts), providing the following:
   (1) Caseload and average cost projections showing the additional need;
   (2) An evaluation of other possible available funding sources that DARS has considered, including federal education funding at the Texas Education Agency, other federal funding sources, and any other possible source;
   (3) An evaluation of the availability and continuation of local funding sources to address the funding need; and
   (4) Documentation of the agency's efforts to seek additional funding based on:
      i. Cost-sharing by clients;
      ii. Cost control measures;
      iii. Maximizing coverage under Medicaid and the Children's Health Insurance Program;
      iv. Third party recovery;
v. Examining the developmental delay criteria; and
vi. Maximizing local commitments.

(5) A discussion of any changes made or considered related to eligibility criteria;

All transfers made shall be subject to the prior written approval of the Governor and Legislative Budget Board.

b. The Department of Assistive and Rehabilitative Services, in coordination with the Health and Human Services Commission, shall maintain procedures and monitor contractors for compliance to ensure that third-party resources and Medicaid are billed for eligible services provided in Strategies A.1.1, Early Childhood Intervention Services, and A.1.3, Ensure Quality Early Childhood Intervention Services.

c. It is the intent of the Legislature that the Department of Assistive and Rehabilitative Services maintain procedures for the selection of providers and renewal of provider contracts based on "best value" practices that maximize the use of federal, private, and local funding.

10. Respite Care for Families. It is the intent of the Legislature that any General Revenue Funds appropriated for the biennium for the purpose of providing respite care for families shall not be included in the State's maintenance of effort (MOE) for the federal Individuals with Disabilities Education Act (IDEA), Part C grant.

11. Education Funding. Included in the Method of Financing in Other Funds above is $16,498,102 in fiscal year 2010 and $16,498,102 in fiscal year 2011 set aside from the Special Education Allotment and transferred to the Department of Assistive and Rehabilitative Services.

The Department of Assistive and Rehabilitative Services is hereby required to enter into a Memorandum of Understanding (MOU) with the Texas Education Agency for the purpose of providing funds to ECI contractors. The MOU may include other provisions the agencies deem necessary. DARS shall provide a signed copy of the Memorandum of Understanding to the Legislative Budget Board and the Governor, no later than October 1, 2009 and October 1, 2010.

12. Limitation: Transfer Authority for Early Childhood Intervention (ECI) Strategies. Notwithstanding the transfer provisions in the general provisions (general transfer provisions) and other transfer provisions of this Act, funds appropriated by this Act to the Department of Assistive and Rehabilitative Services (DARS) for the following ECI strategies shall be governed by the specific limitations included in this provision.

A.1.1, ECI Services;
A.1.2, ECI Respite Services;
A.1.3, ECI Ensure Quality ECI Services;

a. Limitations on Transfers. Transfers may be made between appropriation items listed above. Transfers may not be made from appropriation items listed above to appropriation items not listed in this provision without prior written approval from the Legislative Budget Board and the Governor. DARS shall provide notification of all transfers pursuant to subsection (b) of this provision.

b. Notification Regarding Transfers that Do not Require Approval. Authority granted by this provision to transfer funds is contingent upon a written notification from DARS to the Legislative Budget Board and the Governor at least 30 days prior to the transfer, which includes the following information:

(1) a detailed explanation of the purpose(s) of the transfer and whether the expenditure will be one-time or ongoing;
(2) the name of the originating and receiving strategies and the method of financing and FTEs for each strategy by fiscal year;
(3) an estimate of performance levels and, where relevant, a comparison to targets included in this Act for both the originating and the receiving strategies; and
(4) the capital budget impact.
c. **Requests for Transfers that Require Approval.** To request a transfer, DARS shall submit a written request to the Legislative Budget Board and the Governor. At the same time, the agency shall provide a copy of the request to the Comptroller of Public Accounts. The request shall include the following information:

1. a detailed explanation of the purpose(s) of the transfer and whether the expenditure will be one-time or ongoing;
2. the name of the originating and receiving strategies and the method of financing and FTEs for each strategy by fiscal year;
3. an estimate of performance levels and, where relevant, a comparison to targets included in this Act for both the originating and the receiving strategies; and
4. the capital budget impact.

The Comptroller of Public Accounts shall not allow the transfer of funds in any of the above subsections if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the requirements of this provision have not been satisfied.

13. **Appropriation: Unexpended Balances in Interagency Contracts for Administrative Fees.** Unexpended and unobligated balances remaining as of August 31, 2009, in the appropriation of Interagency Contracts for Administrative Fees made to the Department of Assistive and Rehabilitative Services (DARS) by House Bill 1, Eightieth Legislature, for the purpose of specialized projects for individuals who are hard of hearing, are hereby appropriated to DARS and included in amounts above in Strategy B.2.2, Education, Training, & Certification - Deaf, for the biennium beginning September 1, 2009, and any unexpended balances remaining as of August 31, 2010 are appropriated for the same purpose for the fiscal year beginning September 1, 2010 (estimated to be $0).

14. **Appropriation: Unexpended Balances in Summer Camp Program.** Any unexpended and unobligated balances remaining as of August 31, 2009, in the appropriation made to the Department of Assistive and Rehabilitative Services (DARS) by House Bill 1, Eightieth Legislature, Regular Session, Article IX, General Provisions, Acceptance of Gifts of Money, are hereby appropriated to DARS, and included in amounts above in Strategy B.2.2, Education, Training, & Certification - Deaf, for the biennium beginning September 1, 2009, for the purpose of expenses related to the Summer Camp Program (estimated to be $0). Unexpended and unobligated balances remaining as of August 31, 2010, in the Summer Camp program are hereby appropriated to DARS for fiscal year 2011, and included in amounts above in Strategy B.2.2, Education, Training, & Certification - Deaf, for use in the Summer Camp Program (estimated to be $0).

15. **Unexpended Balances for the Board of Evaluation of Interpreters (BEI) Program.** Unexpended and unobligated balances remaining as of August 31, 2009, in certification fees for Strategy B.2.2, Education, Training, & Certification - Deaf, made to the Department of Assistive and Rehabilitative Services (DARS), are hereby appropriated to DARS, for the fiscal year beginning September 1, 2009, for the purpose of developing evaluation materials, validating interpreter evaluation materials, and expenses related to the Department's Certification Program (estimated to be $0).

16. **Appropriations Limited to Revenue Collections.** It is the intent of the Legislature that fees, fines, and other miscellaneous revenues as authorized and generated by the Department of Assistive and Rehabilitative Services cover, at a minimum, $130,000 in General Revenue in each year of the biennium to support Strategy B.2.2, Education, Training, & Certification - Deaf, as well as the "other direct and indirect costs" associated with these programs, appropriated elsewhere in this Act. "Other direct and indirect costs" for the certification of interpreters are estimated to be $41,748 in fiscal year 2010 and $42,226 in fiscal year 2011. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct that the Comptroller of Public Accounts reduce the appropriation authority provided above to be within the amount of revenue expected to be available. Any unexpended balances and additional other revenue collections in excess of the Biennial Revenue Estimate as of August 31, 2010 are hereby appropriated for the fiscal year beginning September 1, 2010.
DEPARTMENT OF ASSISTIVE AND REHABILITATIVE SERVICES
(Continued)

17. Appropriation: GR-Dedicated I Love Texas License Plate Account No. 5086. Included in funds appropriated above in Strategy B.2.2, Education, Training, & Certification - Deaf, is an estimated appropriation of $24,000 for the biennium in revenue generated from the sale of specialized "I Love Texas" license plates and collected in GR-Dedicated I Love Texas License Plate Account No. 5086 during the 2010-11 biennium. Any balances on hand (estimated to be $4,000) as well as any additional revenues generated in 2010-11 by the sale of specialized "I Love Texas" license plates above $24,000 are hereby appropriated to the agency for the 2010-11 biennium. It is the intent of the Legislature that these funds be expended for direct services programs, training, and education for the deaf and hard of hearing.

18. Cash Flow Contingency for the Specialized Telecommunications Assistance Program. Contingent upon the receipt of Universal Services Funds reimbursements, the Department of Assistive and Rehabilitative Services may temporarily utilize additional General Revenue Funds in an amount not to exceed the anticipated Universal Services Funds reimbursement. The General Revenue Funds accessed under this provision must be repaid within the biennium they are used upon receipt of Universal Services Funds and shall be utilized only for the purpose of temporary cash flow needs. These transfers and repayments shall be credited to the fiscal year being reimbursed and shall be made in accordance with accounting procedures established by the Comptroller of Public Accounts.

19. Employee Work Assignments. Funds appropriated above for payment of salaries for employees assigned to the Criss Cole Rehabilitation Center or to special project facilities operated by the agency, insofar as possible, shall be used to support a policy consistent with the work days and work hours of such employees to be determined according to a system comparable to that used by other state-operated special schools, hospitals, institutions or other facilities providing residential services to eligible individuals.

20. Reimbursement of Services. In order to reimburse equitably the appropriation items hereinabove made from which expenditures are made for services to employees and guests of the Criss Cole Rehabilitation Center or other residential facilities operated by the Department of Assistive and Rehabilitative Services (DARS), DARS shall establish such reimbursement rates and rules as might be necessary to assure reimbursement at rates not less than the rates of reimbursement required by institutions, agencies or offices under the jurisdiction of the Department of State Health Services, the Department of Aging and Disability Services and the Texas Youth Commission.

21. Appropriation of Federal Medicaid Receipts. The Department of Assistive and Rehabilitative Services (DARS) shall certify and/or transfer appropriated state funds to the Texas Medicaid Single State Agency so that federal financial participation can be claimed for Medicaid services. Such federal receipts are hereby appropriated to DARS to provide rehabilitative services to blind and visually impaired children in Strategy A.2.1, Habilitative Services for Children.

22. Appropriation of Donations: Blindness Education Screening and Treatment. Included in the amounts above in Strategy B.1.2 is $554,997 in fiscal year 2010 and $565,003 in fiscal year 2011 for the Blindness Education, Screening, and Treatment (BEST) Program, contingent upon the generation of funds through donations. Revenues received from donations made in fiscal year 2010 and fiscal year 2011, in amounts not to exceed $1,120,000 as provided by § 521.421 (f) or § 521.422 (b), Transportation Code, are appropriated to the Department of Assistive and Rehabilitative Services (DARS) for purposes related to the BEST Program. Any revenue collected in the BEST Program above the amount appropriated each fiscal year is hereby appropriated to DARS for the same purpose. Any unexpended balances remaining as of August 31, 2010 are hereby appropriated to DARS for the same purpose for the fiscal year beginning September 1, 2010. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct that the Comptroller of Public Accounts reduce the appropriation authority provided above to be within the amount of revenue expected to be available.

23. Appropriation: GR-Dedicated Business Enterprise Program Trust Fund Account No. 5043. Amounts above in Strategy B.1.5, Business Enterprises of Texas Trust Fund, are appropriated to the Department of Assistive and Rehabilitative Services (DARS) for the purpose of establishing and maintaining a retirement and benefits plan for blind or visually impaired vendors as defined in the federal Randolph-Sheppard Act (20 USC, § 107). Any amounts in addition to the amount identified in Strategy B.1.5, Business Enterprises of Texas Trust Fund, necessary to make retirement and benefits payments in conformity with the Randolph-Sheppard Act (20 USC, § 107) and Human Resource Code, § 94.016, are hereby appropriated to DARS. None of the funds

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appropriated in Strategy B.1.5, Business Enterprises of Texas Trust Fund, or through this rider may be transferred to any other strategy. DARS shall report quarterly on deposits into and expenditures out of the GR-Dedicated Business Enterprise Program Trust Fund, Account No. 5043, including identification of the purpose for the expenditure, to the Legislative Budget Board, the Governor, and the Comptroller of Public Accounts.

In addition, DARS shall submit a written report annually to the Legislative Budget Board and Governor on the management of the BET Trust Fund. DARS shall report deposits to the fund, the recommendations of the fund manager regarding investments, performance of investments, and an actuarial analysis of projected disbursements.

24. GR-Dedicated Business Enterprise Program Account No. 492. Included in the amounts appropriated above in Strategy B.1.4, Business Enterprises of Texas, is $1,850,090 in fiscal year 2010 and $1,850,090 in fiscal year 2011 from the Business Enterprise Program Account No. 492 from revenue deposited into the account in object codes 3747 and 3802.

25. Appropriation: Subrogation Receipts. Included in amounts appropriated above in Strategy B.3.1, Vocational Rehabilitation - General, and Strategy B.3.4, Comprehensive Rehabilitation, are subrogation collections received during the 2010-11 biennium. Appropriations included in Strategy B.3.1 above, $69,400 in each fiscal year of the biennium, are from subrogation receipt collections from Vocational Rehabilitation cases. Appropriations included in Strategy B.3.4 above, $176,600 in each fiscal year of the biennium, are from subrogation receipt collections from Comprehensive Rehabilitation cases. Subrogation receipts collected above the amounts appropriated in each strategy in each year are hereby appropriated to the agency for client services in the program from which the subrogation collections were generated (estimated to be $0).

26. GR-Dedicated Comprehensive Rehabilitation Account No. 107. Included in the amounts appropriated above in Strategy B.3.4, Comprehensive Rehabilitation, is $11,942,335 in fiscal year 2010 and $11,942,335 in fiscal year 2011 from the GR-Dedicated Comprehensive Rehabilitation Account No. 107. These amounts include unexpended and unobligated balances in an amount not to exceed $1,500,000 of Comprehensive Rehabilitation funds remaining as of August 31, 2009. Any unexpended appropriations for fiscal year 2010 in an amount not to exceed $1,500,000 of Comprehensive Rehabilitation Funds are hereby appropriated for fiscal year 2011. Appropriations made elsewhere in this Act for employee benefits includes approximately $35,000 per fiscal year from the GR-Dedicated Comprehensive Rehabilitation Account No. 107. Revenues deposited into GR-Dedicated Account No. 107 are statutorily dedicated for comprehensive rehabilitation services and may not be used for any other purpose. It is the intent of the Legislature that funds from the Comprehensive Rehabilitation Account be used only for direct services in Strategy B.3.4 Comprehensive Rehabilitation (Provide Services to People with Spinal Cord/Traumatic Brain Injuries). The Department of Assistive and Rehabilitative Services is hereby appropriated any additional revenue generated during the 2010-11 biennium and deposited in the General Revenue Fund under General Revenue Dedicated Account No. 107 above the Comptroller of Public Accounts’ Biennial Revenue Estimate, for the purpose of providing comprehensive rehabilitation services (estimated to be $0), subject to written certification by the Comptroller's office that collections for the fiscal year have or will exceed the Biennial Revenue Estimate.

27. Enhanced State Funding for Assistive Technologies and Devices. Included in the amounts appropriated above in Strategy B.3.3, Independent Living Services - General, is $800,000 in General Revenue Funds in fiscal year 2010 and $800,000 in General Revenue Funds in fiscal year 2011, and $200,000 in General Revenue Funds in fiscal year 2010 and $200,000 in General Revenue Funds in fiscal year 2011 in Strategy B.1.1, Independent Living Services - Blind, for the purpose of providing assistive technologies, devices, and related training to Texans with the most significant disabilities. It is the intent of the legislature that these funds be expended to the greatest degree possible on disabled Texans who, without these technologies and devices, would be placed in nursing homes or otherwise removed from their communities.

28. Caseload and Expenditure Reporting Requirements. Pursuant to Article II, Special Provisions, caseload and expenditure reporting, the Department of Assistive and Rehabilitative Services shall submit monthly data for the elements listed below to the Legislative Budget Board and the Governor, at the end of each month. The report shall include data points for at least the preceding 36 months, in a format specified by the Legislative Budget Board.

1) Number of Referrals to ECI
2) Number of Children that Received a Developmental Screening
3) Number of CPS-involved Children that Received a Full Eligibility Determination
4) Number of Non-CPS Involved Children that Received a Full Eligibility Determination
5) Unduplicated Count of the Number of Children that Received an Eligibility Determination
6) Number of Children Enrolled in Follow Along
7) Number of Children with Medicaid Served in Comprehensive Services
8) Number of Non-Medicaid Children Served in Comprehensive Services
9) Number of Children Enrolled in Comprehensive Services
10) Total Expended for that Service Month, excluding ECI expenditures for Respite and Indirect Administration
11) Number of Hours of Service Delivered

29. Performance Reporting for the Business Enterprises of Texas Program. The Department of Assistive and Rehabilitative Services shall report by October 1st of each year of the biennium, the following information to the Legislative Budget Board and the Governor:

a. The results of the survey distributed to state host agencies on satisfaction of operational conditions such as pricing requirements, hours of operations, menu items, and product lines; and

b. The total cost incurred by each state host agency for the operation of Business Enterprises of Texas cafeterias, snack bars, and convenience stores. Reported costs should include the value of the space used, maintenance costs, utility costs, janitorial costs and the method of finance for each cost. An outline of the methodology that was used to determine the final estimate should also be included in the report.

The report shall be prepared in a format specified by the Legislative Budget Board and the Governor.

30. Disability Determination Services Federally Funded Full-Time Equivalent Employees. One hundred percent federally funded FTEs appropriated by this Act to Strategy 3.1.1, Disability Determination Services (DDS), which are indicated below, and any additional FTEs added to strategy 3.1.1, DDS, pursuant to Article IX, § 6.10(g) may not be transferred to any other strategy for any other purpose other than the specific purpose for which the FTEs are appropriated without the prior written approval of the Legislative Budget Board and the Governor. A transfer request shall be considered to be disapproved unless the Legislative Budget Board and the Governor issue written approvals within 45 calendar days of receipt of the request.

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<tr>
<th></th>
<th>FY 2010</th>
<th>FY 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategy 3.1.1, DDS</td>
<td>1,056.8</td>
<td>1,088.5</td>
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31. Out of State Travel Cap Exemption. Travel expenses incurred by the Department of Assistive and Rehabilitative Services staff associated with 100% federally funded programs and paid with 100% Federal Funds are exempt from the requirements of Article IX, Section 5.08, Limitations on Travel Expenditures, and the limitations on such expenditures as set forth therein.

DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES

For the Years Ending August 31, August 31,

<table>
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<tr>
<th>Method of Financing:</th>
<th>FY 2010</th>
<th>FY 2011</th>
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<tbody>
<tr>
<td>General Revenue Fund</td>
<td>$365,148,496</td>
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<td>GR Match for Medicaid</td>
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<tr>
<td>Federal Funds</td>
<td>764,991,634</td>
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DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES
(Continued)

Other Funds
DFPS Appropriated Receipts - Child Support Collections 1,120,384 1,120,384
Appropriated Receipts 5,613,897 5,613,897
Interagency Contracts 363,995 363,995
Subtotal, Other Funds $ 7,098,276 $ 7,098,276

Total, Method of Financing $ 1,293,397,848 $ 1,360,354,493

This bill pattern represents an estimated 100%
of this agency’s estimated total available funds for the biennium.

Number of Full-Time-Equivalents (FTE):
Commissioner, Group 7 $168,000 $168,000

Items of Appropriation:
A. Goal: STATEWIDE INTAKE SERVICES
Provide Access to DFPS Services by Managing a 24-hour Call Center.
A.1.1. Strategy: STATEWIDE INTAKE SERVICES
$ 17,976,107 $ 18,851,465
Provide System to Receive/Assign Reports of Abuse/Neglect/Exploitation.

B. Goal: CHILD PROTECTIVE SERVICES
Protect Children Through an Integrated Service Delivery System.
B.1.1. Strategy: CPS DIRECT DELIVERY STAFF
$ 373,318,859 $ 422,360,605
Provide Direct Delivery Staff for Child Protective Services.
B.1.2. Strategy: CPS PROGRAM SUPPORT
$ 45,278,414 $ 45,479,974
Provide Program Support for Child Protective Services.
B.1.3. Strategy: TWC FOSTER DAY CARE
$ 8,390,781 $ 8,390,781
TWC Foster Day Care Purchased Services.
B.1.4. Strategy: TWC RELATIVE DAY CARE
$ 6,124,914 $ 6,124,914
TWC Relative Day Care Purchased Services.
B.1.5. Strategy: TWC PROTECTIVE DAY CARE
$ 12,739,826 $ 12,739,826
TWC Protective Day Care Purchased Services.
B.1.6. Strategy: ADOPTION PURCHASED SERVICES
$ 4,995,506 $ 4,995,506
B.1.7. Strategy: POST-ADOPTION PURCHASED SERVICES
$ 3,969,521 $ 4,264,307
B.1.8. Strategy: PAL PURCHASED SERVICES
$ 7,984,254 $ 7,884,254
Preparation for Adult Living Purchased Services.
B.1.9. Strategy: SUBSTANCE ABUSE PURCHASED SERVICES
$ 4,605,041 $ 4,605,041
B.1.10. Strategy: OTHER CPS PURCHASED SERVICES
$ 44,812,893 $ 44,812,893
Other Purchased Child Protective Services.
B.1.11. Strategy: FOSTER CARE PAYMENTS
$ 381,655,347 $ 389,218,579
Foster Care and Relative Monetary Assistance Payments.
$ 160,881,201 $ 172,312,298

Total, Goal B: CHILD PROTECTIVE SERVICES
$ 1,054,756,557 $ 1,123,188,978

C. Goal: PREVENTION PROGRAMS
Prevention and Early Intervention Programs.
C.1.1. Strategy: STAR PROGRAM
$ 21,000,860 $ 21,000,860
Services to At-Risk Youth (STAR) Program.
C.1.2. Strategy: CYD PROGRAM
$ 7,847,599 $ 7,847,599
Community Youth Development (CYD) Program.
C.1.3. Strategy: TEXAS FAMILIES PROGRAM
$ 4,121,878 $ 4,121,878
Texas Families: Together and Safe Program.
C.1.4. Strategy: CHILD ABUSE PREVENTION GRANTS
$ 1,813,365 $ 1,813,365
Provide Child Abuse Prevention Grants to Community-based Organizations.
C.1.5. Strategy: OTHER AT-RISK PREVENTION PROGRAMS
$ 8,955,910 $ 8,955,910
Provide Funding for Other At-Risk Prevention Programs.
C.1.6. Strategy: AT-RISK PREVENTION PROGRAM SUPPORT
Provide Program Support for At-Risk Prevention Services.

Total, Goal C: PREVENTION PROGRAMS $45,883,571 $45,883,571

D. Goal: ADULT PROTECTIVE SERVICES
Protect Elder/Disabled Adults Through a Comprehensive System.
D.1.1. Strategy: APS DIRECT DELIVERY STAFF
Provide Direct Delivery Staff for Adult Protective Services.
D.1.2. Strategy: APS PROGRAM SUPPORT
Provide Program Support for Adult Protective Services.
D.1.3. Strategy: MH AND MR INVESTIGATIONS

Total, Goal D: ADULT PROTECTIVE SERVICES $64,199,887 $64,199,888

E. Goal: CHILD CARE REGULATION
Regulate Child Day Care and Residential Child Care.
E.1.1. Strategy: CHILD CARE REGULATION $33,049,101 $33,049,101

F. Goal: INDIRECT ADMINISTRATION
F.1.1. Strategy: CENTRAL ADMINISTRATION
F.1.2. Strategy: OTHER SUPPORT SERVICES
F.1.3. Strategy: REGIONAL ADMINISTRATION
F.1.4. Strategy: IT PROGRAM SUPPORT
F.1.5. Strategy: AGENCY-WIDE AUTOMATED SYSTEMS

Total, Goal F: INDIRECT ADMINISTRATION $77,532,625 $75,181,490

Grand Total, DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES $1,293,397,848 $1,360,354,493

Object-of-Expense Informational Listing:

Salaries and Wages $413,435,371 $415,204,391
Other Personnel Costs 10,987,588 10,987,588
Professional Fees and Services 24,778,160 21,753,920
Consumable Supplies 4,439,426 4,507,611
Utilities 5,891,599 5,908,399
Travel 40,080,475 40,262,242
Rent - Building 153,659 153,659
Rent - Machine and Other 14,395,177 14,444,900
Other Operating Expense 86,755,365 153,500,239
Client Services 691,442,664 710,631,780
Food for Persons - Wards of State 183,253 183,253
Capital Expenditures 855,111 816,511

Total, Object-of-Expense Informational Listing $1,293,397,848 $1,360,354,493

Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:

Employee Benefits
Retirement $25,454,281 $25,836,095
Group Insurance 66,039,598 71,004,334
Social Security 33,697,784 34,203,250
Benefits Replacement 1,897,688 1,802,803

Subtotal, Employee Benefits $127,089,351 $132,846,482

Debt Service
Lease Payments $3,046,474 $2,443,769

Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act $130,135,825 $135,290,251
1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Department of Family and Protective Services. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Department of Family and Protective Services. In order to achieve the objectives and service standards established by this Act, the Department of Family and Protective Services shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

<table>
<thead>
<tr>
<th>A. Goal: STATEWIDE INTAKE SERVICES</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Hold Time (in Minutes) for Statewide Intake</td>
<td>11.4</td>
<td>11.4</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>A.1.1. Strategy: STATEWIDE INTAKE SERVICES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Output (Volume):</td>
</tr>
<tr>
<td>Number of CPS Reports of Child Abuse/Neglect</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>B. Goal: CHILD PROTECTIVE SERVICES</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percent Absence of Maltreatment within Six Months of Intake (CPS)</td>
<td>96%</td>
<td>96%</td>
</tr>
<tr>
<td>Percent of Children in FPS Conservatorship for Whom Legal Resolution Was Achieved within 12 Months</td>
<td>54.8%</td>
<td>54.8%</td>
</tr>
<tr>
<td>Child Protective Services Caseworker Turnover Rate</td>
<td>26.7</td>
<td>26.7</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>B.1.1. Strategy: CPS DIRECT DELIVERY STAFF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Output (Volume):</td>
</tr>
<tr>
<td>Number of Completed CPS Investigations</td>
</tr>
<tr>
<td>Number of Confirmed CPS Cases of Child Abuse/Neglect</td>
</tr>
<tr>
<td>Number of Children in FPS Conservatorship Who Are Adopted</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Efficiencies:</th>
</tr>
</thead>
<tbody>
<tr>
<td>CPS Daily Caseload per Worker: Investigation</td>
</tr>
<tr>
<td>CPS Daily Caseload per Worker: Family-Based Safety Services</td>
</tr>
<tr>
<td>CPS Daily Caseload per Worker: Substitute Care Services</td>
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</table>

<table>
<thead>
<tr>
<th>B.1.3. Strategy: TWC FOSTER DAY CARE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Output (Volume):</td>
</tr>
<tr>
<td>Average Number of Days of TWC Foster Day Care Paid per Month</td>
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</table>

<table>
<thead>
<tr>
<th>Efficiencies:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Daily Cost for TWC Foster Day Care Services</td>
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<thead>
<tr>
<th>B.1.4. Strategy: TWC RELATIVE DAY CARE</th>
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<tbody>
<tr>
<td>Output (Volume):</td>
</tr>
<tr>
<td>Average Number of Days of TWC Relative Day Care Paid per Month</td>
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</table>

<table>
<thead>
<tr>
<th>Efficiencies:</th>
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<tbody>
<tr>
<td>Average Daily Cost for TWC Relative Day Care Services</td>
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<thead>
<tr>
<th>B.1.11. Strategy: FOSTER CARE PAYMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Output (Volume):</td>
</tr>
<tr>
<td>Average Number of FPS-paid Days of Foster Care per Month</td>
</tr>
<tr>
<td>Average Number of Children (FTE) Served in FPS-paid Foster Care per Month</td>
</tr>
<tr>
<td>Average Monthly Number of Children Receiving Monetary Assistance from the Relative and Other Designated Caregiver Program per Month</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Efficiencies:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Monthly FPS Expenditures for Foster Care</td>
</tr>
<tr>
<td>Average Monthly FPS Payment per Foster Child (FTE)</td>
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<th></th>
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<tbody>
<tr>
<td>Output (Volume):</td>
</tr>
<tr>
<td>Average Number of Children Provided Adoption Subsidy per Month</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Efficiencies:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Monthly Payment per Adoption Subsidy</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>C. Goal: PREVENTION PROGRAMS</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percent of CYD Youth Not Referred to Juvenile Probation</td>
<td>98%</td>
<td>98%</td>
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</table>

<table>
<thead>
<tr>
<th>C.1.1. Strategy: STAR PROGRAM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Output (Volume):</td>
</tr>
<tr>
<td>Average Number of STAR Youth Served per Month</td>
</tr>
</tbody>
</table>
DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES
(Continued)

Efficiencies:
Average Monthly FPS Cost per STAR Youth Served 281.84 281.84
C.1.2. Strategy: CYD PROGRAM
Output (Volume):
Average Number of CYD Youth Served per Month 4,233 4,233
Efficiencies:
Average Monthly FPS Cost per CYD Youth Served 154.48 154.48

D. Goal: ADULT PROTECTIVE SERVICES

Outcome (Results/Impact):
Percent of Elderly Persons and Persons with Disabilities Found to be in a State of Abuse/Neglect/Exploitation Who Receive Protective Services 80.7 80.8
Incidence of Abuse/Neglect/Exploitation per 1,000 Persons Receiving Services in Mental Health and Mental Retardation Settings 5.3 5.7
Adult Protective Services Caseworker Turnover Rate 16.4 16

D.1.1. Strategy: APS DIRECT DELIVERY STAFF
Output (Volume):
Number of Completed APS Investigations 73,534 76,190
Number of Confirmed APS Investigations 51,797 53,668
Efficiencies:
APS Daily Workload Equivalency Measure (WEM) 21.8 21.9
APS Daily Caseload per Worker (In Home) 30.9 31.1

D.1.3. Strategy: MH AND MR INVESTIGATIONS
Output (Volume):
Number of Completed Investigations in Mental Health and Mental Retardation Settings 10,727 11,533
Efficiencies:
APS Daily Caseload per Worker (MH and MR Investigations) 4.6 4.7

E. Goal: CHILD CARE REGULATION

Outcome (Results/Impact):
Percent of Validated Investigations where Children are Placed at High Risk 45.4 52.8

E.1.1. Strategy: CHILD CARE REGULATION
Output (Volume):
Number of Inspections 56,801 57,133

2. Capital Budget. None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103.

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Acquisition of Information Resource Technologies (1) Desktop Services Lease for Computer Hardware and Software $ 5,219,588 $ 5,237,018</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(2) IMPACT Operational Enhancement 1,533,450 1,533,450</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(3) Tablet PCs for Mobile Casework 11,423,174 11,455,467</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(4) Strengthen Residential Contract Oversight System 574,629 574,629</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(5) Software Licenses 1,975,387 1,975,387</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(6) Data Center Consolidation 3,836,453 2,796,484</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(7) CLASSMate 665,789 665,789</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(8) Messaging and Collaboration 524,998 524,998</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(9) Telecommunications Enhancements 807,150 807,150</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(10) IMPACT Youth in Transition Outcome Data $ 2,332,481 $ 243,481</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total, Acquisition of Information Resource Technologies $ 28,893,099 $ 25,813,853</td>
<td></td>
<td></td>
</tr>
<tr>
<td>b. Other Lease Payments to the Master Lease Purchase Program (MLPP) (1) Lease Payments to the Master Lease Purchase Program $ 820,111 $ 816,511</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total, Capital Budget $ 29,713,210 $ 26,630,364</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Method of Financing (Capital Budget):

<table>
<thead>
<tr>
<th>Fund</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Revenue Fund</td>
<td>$15,169,595</td>
</tr>
<tr>
<td>GR Match for Medicaid</td>
<td>$714,233</td>
</tr>
<tr>
<td>Subtotal, General Revenue Fund</td>
<td>$15,883,828</td>
</tr>
<tr>
<td>Federal Funds</td>
<td>$13,829,382</td>
</tr>
<tr>
<td><strong>Total, Method of Financing</strong></td>
<td><strong>$29,713,210</strong></td>
</tr>
</tbody>
</table>

3. **Limitation on Expenditures for Conservatorship Suits.** To the extent allowed by federal regulation, federal funds may be used by the department in conjunction with funds provided by counties with which the department has child welfare contracts, to pay for legal representation for children or their parents in suits in which the department is seeking to be named conservator. No general revenue funds appropriated to the department may be used to make such payments except in situations where the Governor declares it an emergency and with prior written approval of the Legislative Budget Board and the Governor.

To request approval, the department shall submit a written request to the Legislative Budget Board and the Governor that includes the following information:

a. a detailed explanation of the purpose(s) of the expenditure and whether the expenditure will be one-time or ongoing;

b. the name of the strategy or strategies affected by the expenditure and the method of financing and FTEs for each strategy by fiscal year;

c. the impact of the expenditure on performance levels and, where relevant, a comparison to targets included in this Act for the affected strategy or strategies; and

d. the impact of the expenditure on the capital budget.

Additional information requested by the Legislative Budget Board or the Governor should be provided in a timely manner. The request and information provided subsequently shall be prepared in a format specified by the Legislative Budget Board.

The request shall be considered to be disapproved unless the Legislative Budget Board and the Governor issue written approvals within 45 calendar days of receipt of the request.

4. **Appropriation of Funds from Counties, Cities, and Other Local Sources.** All funds received by the department from counties, cities, and other local sources and all balances from such sources as of August 31, 2009, are hereby appropriated for the biennium ending August 31, 2011 (estimated to be $0), for the purpose of carrying out the provisions of this Act.

5. **Accounting of Support Costs.** The State Comptroller shall establish separate accounts from which certain support costs shall be paid. The Department of Family and Protective Services is hereby authorized to make transfers into separate accounts from line item strategies in order to pay for these expenses in an efficient and effective manner. Only costs not directly attributable to a single program may be budgeted in or paid from these accounts. Items to be budgeted in and paid from these accounts include but are not limited to: postage, occupancy costs, equipment repair, telephones, office printing costs, supplies, freight and transport costs, telephone system costs, and salary and travel costs of staff whose function supports several programs. The department shall be responsible for quarterly allocations of these costs to the original strategies.

6. **Tertiary Prevention of Child Abuse Programs.** From the amounts appropriated above, the Department of Family and Protective Services shall allocate up to $120,000 each fiscal year of the biennium for continuation of a statewide network of community-based, volunteer-driven programs for prevention, intervention, and aftercare services of abused children.

7. **Foster Care Rates.**

a. It is the intent of the Legislature that the Department of Family and Protective Services reimburse foster families at least $17.12 per day for children under 12 years old and $17.50 per day for children age 12 and older during the 2010-11 biennium. The department may transfer funds into Strategy B.1.11, Foster Care Payments, for the purpose of maintaining...
these rates. The department may not transfer funds out of Strategy B.1.11, Foster Care Payments, without the prior written approval of the Legislative Budget Board and the Governor.

b. The department may also use funds in Strategy B.1.11, Foster Care Payments, to recommend alternate service provision intake and investigation that will consider expansion of contract services, regional planning, service outcomes, and appropriate funding mechanisms to be tested in pilot projects. Such pilot approaches to innovative service delivery shall be designed in conjunction with providers, approved by the Health and Human Services Commission, and funded at no increased cost to the State. The department may include a modification of rates for new pilot approaches implemented in this manner.

c. The department may utilize up to $7,263,863 in fiscal year 2010, and up to $7,263,863 in fiscal year 2011, from funds appropriated above in Strategy B.1.11, Foster Care Payments, for the Relative and Other Designated Caregiver Monetary Assistance Program. The department shall conduct ongoing evaluations of the program.

8. Fund Transfers for Funds Consolidation. For the purpose of funds consolidation, federal and other funds may be transferred into the General Revenue Fund from Department of Family and Protective Services Fund 37. The initial deposit of federal funds shall be made into Fund 37 and no direct expenditures shall be made from this fund.

9. Substitute Care Permanency Goal. It is the intent of the Legislature that whenever possible, the department shall utilize state and/or federal funds currently being expended for substitute care to cover the cost of assuring permanent homes where appropriate for foster children.

10. Other Reporting Requirements.

a. Federal Reports. The Department of Family and Protective Services shall submit the following information to the Legislative Budget Board and the Governor no later than the date the respective report is submitted to the federal government:

(1) Notification of proposed State Plan amendments or waivers for the Medicaid program, the Foster Care and Adoption Assistance program, the Temporary Assistance for Needy Families program, the Child Welfare Services program, and any other federal grant requiring a state plan. State plan amendments and waiver submissions shall also be provided to the Senate Health and Human Services, House Human Services, and House Public Health committees.

(2) A copy of each report or petition submitted to the federal government relating to the Medicaid program, the Foster Care and Adoption Assistance program, the Temporary Assistance for Needy Families program, the Child Welfare Services program, and any other federal grant requiring a state plan, including expenditure reports and cost allocation revisions.

b. Federal Issues. The Department of Family and Protective Services shall notify the Legislative Budget Board and the Governor on a timely basis about emerging issues that could result in the loss of more than $1 million in federal revenue assumed in the appropriations act.

c. Monthly Financial Reports. The Department of Family and Protective Services shall submit the following information to the Legislative Budget Board and the Governor on a monthly basis:

(1) Information on appropriated, budgeted, expended, and projected funds, by strategy and method of finance.

(2) A report detailing revenues, expenditures, and balances for earned federal funds as of the last day of the prior month.

(3) Narrative explanations of significant budget adjustments, ongoing budget issues, and other items as appropriate.

(4) Any other information requested by the Legislative Budget Board or the Governor.
The monthly financial reports shall be prepared in a format specified by the Legislative Budget Board.

11. Appropriation Transfer Between Fiscal Years. In addition to the transfer authority provided elsewhere in this Act, the Department of Family and Protective Services may transfer appropriations made above for Strategy B.1.11, Foster Care Payments, and Strategy B.1.12, Adoption Subsidy Payments, for fiscal year 2011 to fiscal year 2010, subject to the following conditions provided by this section:
   a. Transfers under this section may be made only if costs associated with providing foster care or adoption subsidy payments exceed the funds appropriated for these payments for fiscal year 2010;
   b. Transfers from Strategy B.1.11, Foster Care Payments, may not exceed $12,700,000 in General Revenue Funds and $8,800,000 in TANF Federal Funds;
   c. Transfers from Strategy B.1.12, Adoption Subsidy Payments, may not exceed $6,200,000 in General Revenue Funds;
   d. A transfer authorized by this section must receive the prior written approval of the Legislative Budget Board and the Governor; and
   e. The Comptroller of Public Accounts shall cooperate as necessary to assist the completion of a transfer and spending made under this section.

12. Limitation on Expenditures for Administrative Overhead. Funds appropriated above in Strategy B.1.3, TWC Foster Day Care, Strategy B.1.4, TWC Relative Day Care, and Strategy B.1.5, TWC Protective Day Care, may be used only to purchase child day care services through the Texas Workforce Commission.

The Department of Family and Protective Services' expenditures for administrative overhead payments to the Texas Workforce Commission and local workforce boards in connection with any agreement to provide child day care services out of funds appropriated above shall be limited to no more than 5 percent of all amounts paid for child day care services out of funds appropriated above.

13. Human Resources Management Plan. From funds appropriated above, the Texas Department of Family and Protective Services shall develop a Human Resources Management Plan designed to improve employee morale and retention. The plan shall focus on reducing employee turnover through better management. The Texas Department of Family and Protective Services shall report semi-annually to the Senate Finance Committee, the House Committee on Appropriations, the Legislative Budget Board, and the Governor the employee turnover rate, by job category, at the agency during the preceding twelve months. The effectiveness of the agency's plan shall be measured by whether there is a reduction in employee turnover rates at the agency, specifically by the reduction in the turnover rates for caseworkers.

14. Use of Personal Cellular Telephones. Out of funds appropriated above, the Department of Family and Protective Services shall pay child and adult protective services program caseworkers, supervisors, directors and residential child-care licensing investigators, an amount not to exceed $50 per month for work-related use of their personal cellular telephones.


16. Appropriation of Unexpended Balances for Prevention Programs. All unexpended balances appropriated above for the strategies in Goal C, Prevention Programs, for the fiscal year ending August 31, 2010, are hereby appropriated for the same purposes for the fiscal year beginning September 1, 2010.

Authorization to expend the unexpended balances is contingent upon submission of the following reports to the Legislative Budget Board and the Governor:
a. a report by September 1, 2009 providing actual expenditures for fiscal years 2008 and 2009, and planned expenditures for fiscal years 2010 and 2011, at the program activity code level; and

b. a report by March 1 and September 1 of each fiscal year reflecting actual expenditures by program activity code for the previous six months.

Additional information requested by the Legislative Budget Board or the Governor should be provided in a timely manner. The notification and information provided subsequently shall be prepared in a format specified by the Legislative Budget Board.

The Comptroller of Public Accounts shall not allow the use of unexpended balances if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the requirements of this provision have not been satisfied.

17. Faith-based Foster Family Recruitment and Training. From funds appropriated above, up to $500,000 in fiscal year 2010 and up to $706,000 in fiscal year 2011 shall be used for the purposes of developing and implementing a program to recruit and train foster families from faith-based communities.

18. Limitation on Transfers: CPS and APS Direct Delivery Staff.

a. Funding. Notwithstanding any other transfer provision in this Act, none of the funds appropriated by this Act to the Department of Family and Protective Services for Strategy B.1.1, CPS Direct Delivery Staff, and Strategy D.1.1, APS Direct Delivery Staff, may be transferred to any other item of appropriation or expended for any purpose other than the specific purpose for which the funds are appropriated without the prior written approval of the Legislative Budget Board and the Governor.

b. Full-time-equivalent (FTE) Positions. Out of the FTE positions appropriated above to the Department of Family and Protective Services, 8,242.8 positions for fiscal year 2010 and 8,243.6 positions for fiscal year 2011 are allocated to Strategy B.1.1, CPS Direct Delivery Staff, and 804.6 positions for fiscal year 2010 and 804.6 positions for fiscal year 2011 are allocated to Strategy D.1.1, APS Direct Delivery Staff.

Notwithstanding any other transfer provision in this Act, none of the FTEs allocated by this Act to the Department of Family and Protective Services for Strategy B.1.1, CPS Direct Delivery Staff, and Strategy D.1.1, APS Direct Delivery Staff, may be transferred to any other item of appropriation or utilized for any purpose other than the specific purpose for which the FTEs are allocated without the prior written approval of the Legislative Budget Board and the Governor.

c. Request for Approval. To request approval for the transfer of funds and/or FTEs, the department shall submit a written request to the Legislative Budget Board and the Governor that includes the following information:

1. a detailed explanation of the purpose(s) of the transfer and whether the expenditure will be one-time or ongoing;

2. the name of the originating and receiving strategies, and the method of financing and FTEs for each strategy by fiscal year;

3. an estimate of performance levels and, where relevant, a comparison to targets included in this Act for both the originating and the receiving strategies; and

4. the capital budget impact.

Additional information requested by the Legislative Budget Board or the Governor should be provided in a timely manner. The request and information provided subsequently shall be prepared in a format specified by the Legislative Budget Board.

The transfer request shall be considered to be disapproved unless the Legislative Budget Board and the Governor issue written approvals within 45 calendar days of receipt of the request.
The Comptroller of Public Accounts shall not allow the transfer of funds if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the requirements of this provision have not been satisfied.

19. Reimbursement of Advisory Council Members. Pursuant to Human Resources Code §40.025, reimbursement of expenses for Family and Protective Services Council members, out of funds appropriated above, is hereby authorized such that the sum total of all reimbursements for members of the Council shall not exceed $10,000 per fiscal year.

20. Caseload Per Worker Reporting Requirements. The Department of Family and Protective Services shall report to the Legislative Budget Board and the Governor, by October 1 of each year of the biennium, daily caseload per worker data for each protective services program for the previous fiscal year. The report shall be prepared in a format specified by the Legislative Budget Board.

21. At-Risk Prevention Programs. The Department of Family and Protective Services may only use funds appropriated above in Strategy C.1.5, Other At-Risk Prevention Programs, for at-risk prevention services that are competitively procured.

22. Reporting Requirement on Minority Child Removals. The Department of Family and Protective Services shall report, by October 1 of each year of the biennium, to the House Appropriations Committee, the Senate Finance Committee, the Legislative Budget Board, and the Governor, the number of children removed from their homes by child protective services and the number of children investigated, by ethnic group, in the seven largest urban regions of the state during the preceding fiscal year. The Department may include the information in an existing report or a new report.

23. Medicaid and Title IV-E Federal Funds. Out of the funds appropriated above, the Department of Family and Protective Services shall maximize the use of federal entitlement revenue from the Medicaid and Title IV-E Foster Care and Adoption Assistance programs.

a. Appropriations for Child Protective Services. Included in the amounts appropriated above for child protective services are the following amounts of federal entitlement revenue from the Medicaid and Title IV-E Foster Care and Adoption Assistance programs:

(1) Strategy B.1.1, CPS Direct Delivery Staff: $383,899 in Medicaid Federal Funds and $59,998,409 in Title IV-E Federal Funds for fiscal year 2010, and $388,721 in Medicaid Federal Funds and $60,153,714 in Title IV-E Federal Funds for fiscal year 2011; and


b. Appropriations for Adult Protective Services. Included in the amounts appropriated above for adult protective services are the following amounts of federal entitlement revenue from the Medicaid program:

(1) Strategy D.1.1, APS Direct Delivery Staff: $1,108,889 in Medicaid Federal Funds for fiscal year 2010, and $1,108,889 in Medicaid Federal Funds for fiscal year 2011; and

(2) Strategy D.1.2, APS Program Support: $1,154,038 in Medicaid Federal Funds for fiscal year 2010, and $1,154,038 in Medicaid Federal Funds for fiscal year 2011.

c. Limitation on Use of General Revenue Funds and TANF Federal Funds. In the event that federal entitlement revenues exceed the amounts noted above, the department may spend the General Revenue Funds and TANF Federal Funds thereby made available only to the extent authorized in writing by the Legislative Budget Board and the Governor.

d. Request for Approval to Use General Revenue Funds and TANF Federal Funds. To request approval pursuant to section (c) above, the department shall submit a written request to the Legislative Budget Board and the Governor that includes the following information:

(1) the reason for and amount of federal entitlement revenue that exceeds the amounts noted in section (a) or (b) above;
(2) a detailed explanation of the purpose(s) of the expenditure and whether the expenditure will be one-time or ongoing;

(3) the name of the strategy or strategies affected by the expenditure and the method of financing and FTEs for each strategy by fiscal year;

(4) the impact of the expenditure on performance levels and, where relevant, a comparison to targets included in this Act for the affected strategy or strategies; and

(5) the impact of the expenditure on the capital budget.

Additional information requested by the Legislative Budget Board or the Governor should be provided in a timely manner. The request and information provided subsequently shall be prepared in a format specified by the Legislative Budget Board.

24. **Reimbursement of Advisory Committee Members.** Pursuant to Government Code § 2110.004, reimbursement of expenses for advisory committee members, out of the funds appropriated above, not to exceed the amounts stated below per fiscal year, is limited to the following advisory committees:

- Parental Advisory Committee: $3,000
- Promote Adoption of Minority Children Advisory Committee: $19,200

To the maximum extent possible, the department shall encourage the use of videoconferencing and teleconferencing and shall schedule meetings and locations to facilitate the travel of participants so that they may return the same day and reduce the need to reimburse members for overnight stays.

25. **Other At-Risk Prevention Programs and Services.** From the amounts appropriated above in Strategy C.1.5, Other At-Risk Prevention Programs, the Department of Family and Protective Services shall allocate for the state fiscal biennium beginning September 1, 2009, not less than $4,500,000 for one or more competitively procured established statewide networks of community-based prevention programs that provide evidence-based programs delivered by trained full-time staff, and address conditions resulting in negative outcomes for children and youth. Any vendor selected for funding through this strategy must provide dollar-for-dollar matching funds. The Department of Family and Protective Services shall also allocate for the state fiscal biennium beginning September 1, 2009, from the amounts appropriated above in Strategy C.1.5, Other At-Risk Prevention Programs, not less than $1,600,000 for competitively procured community-based services for families with low-priority, less serious cases of abuse and neglect and for families with cases in which allegations of abuse or neglect of a child were unsubstantiated but involve families that have been previously investigated for abuse or neglect of a child.

26. **CPS Investigative Pay.** The Department of Family and Protective Services is authorized to continue to provide the annual amount of $5,000 established by the Seventy-ninth Legislature for child protective services investigation caseworkers and supervisors. The pay shall be paid at the rate of $416.67 per month, or pro-rata portion if a partial month is worked in the position. This pay is in addition to the salary rates stipulated by the General Provisions of this Act relating to the position classifications and assigned salary ranges.

27. **Informational Listing - CPS Reform Continued.** The following is an informational list of the purposes, amounts, and FTEs for CPS Reform Continuned, originally funded by House Bill 1, Eightieth Legislature, Regular Session. These amounts are included in the appropriations made above for the Department of Family and Protective Services.

<table>
<thead>
<tr>
<th>Purpose</th>
<th>2010</th>
<th>FTEs</th>
<th>2011</th>
<th>FTEs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Family Group Decision Making During Investigations</td>
<td>$1,630,198</td>
<td>31.0</td>
<td>$1,630,198</td>
<td>31.0</td>
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<tr>
<td>Additional Family Based Safety Services Staff</td>
<td>$11,004,537</td>
<td>160.0</td>
<td>$11,004,537</td>
<td>160.0</td>
</tr>
<tr>
<td>Description</td>
<td>Actual</td>
<td>Estimated</td>
<td></td>
<td></td>
</tr>
<tr>
<td>------------------------------------------------------------------</td>
<td>--------</td>
<td>-----------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Strengthen Families</td>
<td>$ 4,624,750</td>
<td>$ 4,624,750</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Through Enhanced In Home Support</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchased Client Services to Keep Families Together</td>
<td>$ 3,311,355</td>
<td>$ 3,311,355</td>
<td></td>
<td></td>
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<tr>
<td>Family Group Decision Making after Removal</td>
<td>$ 2,774,280</td>
<td>53.0</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>$ 2,774,280</td>
<td>53.0</td>
<td></td>
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<tr>
<td>Purchased Client Services to Reunify Families</td>
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<td>$ 2,985,696</td>
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<td></td>
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<tr>
<td>Additional Substitute Care Staff</td>
<td>$33,478,938</td>
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<td>Additional Staff and Support for Kinship Placements</td>
<td>$13,916,915</td>
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<td></td>
<td>$ 464,696</td>
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<td>Additional Staff to Redact Records</td>
<td>$ 1,188,422</td>
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<tr>
<td>Additional Legal Staff</td>
<td>$ 456,685</td>
<td>8.0</td>
<td></td>
<td></td>
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<tr>
<td>Tablet PCs for Substitute Care and Licensing Staff</td>
<td>$ 4,021,694</td>
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<tr>
<td>Expand Disproportionality Sites</td>
<td>$ 456,685</td>
<td>8.0</td>
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<tr>
<td>Strengthen Program Support and Administrative Services</td>
<td>$ 3,654,177</td>
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<td>Records Management</td>
<td>$ 2,322,419</td>
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<td>Strengthen Licensing Oversight</td>
<td>$ 4,942,389</td>
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<td>Strengthen Contract Oversight</td>
<td>$ 1,619,183</td>
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<tr>
<td>Additional Staff to Process Criminal History Checks</td>
<td>$ 622,760</td>
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<tr>
<td>Enhance Community Engagement and Provider Development</td>
<td>$ 226,945</td>
<td>4.0</td>
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<td><strong>Total, CPS Reform Continued</strong></td>
<td>$93,246,039</td>
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<td><strong>Method of Financing:</strong></td>
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<tr>
<td>General Revenue</td>
<td>$42,664,193</td>
<td>$43,405,250</td>
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<tr>
<td>TANF Federal Funds</td>
<td>$39,182,888</td>
<td>$38,441,832</td>
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</table>

DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES
(Continued)
The Department of Family and Protective Services shall submit quarterly expenditure reports to the Legislative Budget Board and the Governor, that list actual and planned expenditures and FTEs for each CPS Reform Continued purpose listed above. The report shall be prepared in a format specified by the Legislative Budget Board and submitted no later than 45 days following the close of each fiscal quarter.

28. **Limitation on Appropriation for Enhanced In Home Support.** Included in the amounts appropriated above in Strategy B.1.10, Other CPS Purchased Services, is $4,624,750 in TANF Federal Funds for fiscal year 2010, and $4,624,750 in TANF Federal Funds for fiscal year 2011, to provide monetary benefits, goods, and services to families that are eligible for enhanced in home support. The Department of Family and Protective Services may not use these funds for any other purpose without prior written approval from the Legislative Budget Board and the Governor.

To request approval, the department shall submit a written request to the Legislative Budget Board and the Governor that includes the following information:

a. a detailed explanation of the purpose(s) of the expenditure and whether the expenditure will be one-time or ongoing;

b. the name of the strategy or strategies affected by the expenditure and the method of financing and FTEs for each strategy by fiscal year;

c. the impact of the expenditure on performance levels and, where relevant, a comparison to targets included in this Act for the affected strategy or strategies; and

d. the impact of the expenditure on the capital budget.

Additional information requested by the Legislative Budget Board or the Governor should be provided in a timely manner. The request and information provided subsequently shall be prepared in a format specified by the Legislative Budget Board.

29. **Child and Family Services Review.** None of the funds appropriated above to the Department of Family and Protective Services may be used to pay for federal penalties associated with the Child and Family Services Review process without the prior written approval of the Legislative Budget Board and the Governor.

To request approval, the department shall submit a written request to the Legislative Budget Board and the Governor that includes the following information:

a. a copy of the federal document imposing and/or assessing the penalty;

b. a detailed explanation of the reason for the penalty and the efforts that were undertaken to avoid the penalty;

c. the name of the strategy or strategies affected by the expenditure and the method of financing and FTEs for each strategy by fiscal year;

d. the impact of the expenditure on performance levels and, where relevant, a comparison to targets included in this Act for the affected strategy or strategies; and

e. the impact of the expenditure on the capital budget.

Additional information requested by the Legislative Budget Board or the Governor should be provided in a timely manner. The request and information provided subsequently shall be prepared in a format specified by the Legislative Budget Board.

The request shall be considered to be disapproved unless the Legislative Budget Board and the Governor issue written approvals within 45 calendar days of receipt of the request.

30. **Special Immigrant Juvenile Status.** Out of the funds appropriated above to the Department of Family and Protective Services in Strategy B.1.1, CPS Direct Delivery Staff, $149,759 in General Revenue Funds and $27,115 in Federal Funds for fiscal year 2010, $135,624 in General Revenue...
Funds and $24,555 in Federal Funds for fiscal year 2011, and three full-time equivalents per fiscal year shall be used to support Special Immigrant Juvenile Status and other immigration-related processes.

31. **Intensive Psychiatric Transition Program.** It is the intent of the Legislature that out of funds appropriated above in Strategy B.1.11, Foster Care Payments, the Department of Family and Protective Services may expand a foster child's eligibility for the Intensive Psychiatric Transition program from having had at least three prior hospitalizations in the preceding 12 months to having had at least one prior psychiatric hospitalization in the preceding 12 months.

32. **Out-of-State Travel Exemption.** Out-of-state travel expenses incurred by Department of Family and Protective Services staff while transporting children are exempt from the requirements of Article IX, Section 5.08, Limitation on Travel Expenditures, and the limitations on such expenditures as set forth therein. The Department of Family and Protective Services shall work with the Legislative Budget Board and the Comptroller of Public Accounts to determine a revised travel limitation expenditure amount that does not include the travel exempted under this provision.

33. **Subsidized Guardianship Program.** The Department of Family and Protective Services shall, to the extent authorized by state and federal law, maximize the use of Title IV-E Federal Funds for kinship guardianship assistance payments for children pursuant to the Fostering Connections to Success and Increasing Adoptions Act (Public Law 110-351).

34. **Family Group Decision-making Program.** From funds appropriated above to Strategy B.1.2, CPS Program Support, the Department of Family and Protective Services shall conduct a study to determine the effectiveness of the family group decision-making program for child protective services. The agency shall submit a report with findings and recommended performance measures to the Senate Finance Committee, the House Committee on Appropriations, the Legislative Budget Board, and the Governor, no later than October 1, 2010.

35. **Foster Care Rate Increase for Child-placing Agencies.** It is the intent of the Legislature that the Health and Human Services Commission provide a rate increase for child-placing agencies out of funds appropriated for a rate increase for foster families.
# DEPARTMENT OF STATE HEALTH SERVICES

For the Years Ending

<table>
<thead>
<tr>
<th></th>
<th>August 31, 2010</th>
<th>August 31, 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Method of Financing:</strong></td>
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</tr>
<tr>
<td><strong>General Revenue Fund</strong></td>
<td>$674,180,232</td>
<td>$691,239,416</td>
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<tr>
<td>GR Match for Medicaid</td>
<td>9,220,800</td>
<td>9,302,237</td>
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<tr>
<td>GR for Mental Health Block Grant</td>
<td>242,308,708</td>
<td>242,155,182</td>
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<tr>
<td>GR for Substance Abuse Prevention and Treatment Block Grant</td>
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<tr>
<td>GR for Maternal and Child Health Block Grant</td>
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<td>40,208,729</td>
</tr>
<tr>
<td>GR for HIV Services</td>
<td>46,350,348</td>
<td>46,350,348</td>
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<tr>
<td>GR Certified as Match for Medicaid</td>
<td>45,413,301</td>
<td>45,636,523</td>
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<tr>
<td><strong>General Revenue - Insurance Companies Maintenance Tax and Insurance Department Fees</strong></td>
<td>6,004,209</td>
<td>6,004,209</td>
</tr>
<tr>
<td><strong>Vendor Drug Rebates—Public Health</strong></td>
<td>2,000,000</td>
<td>2,000,000</td>
</tr>
<tr>
<td><strong>Subtotal, General Revenue Fund</strong></td>
<td>$1,089,738,289</td>
<td>$1,106,948,606</td>
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<tr>
<td><strong>General Revenue Fund - Dedicated</strong></td>
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<tr>
<td>Vital Statistics Account No. 019</td>
<td>5,842,414</td>
<td>6,306,869</td>
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<tr>
<td>Hospital Licensing Account No. 129</td>
<td>1,655,164</td>
<td>1,655,163</td>
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<td>Food and Drug Fee Account No. 341</td>
<td>1,702,909</td>
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<tr>
<td>Bureau of Emergency Management Account No. 512</td>
<td>2,263,098</td>
<td>2,263,098</td>
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<tr>
<td>Department of Health Public Health Services Fee Account No. 524</td>
<td>14,012,073</td>
<td>15,212,073</td>
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<td>Advisory Commission on Emergency Communications Account No. 5007</td>
<td>1,821,575</td>
<td>1,821,575</td>
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<tr>
<td>Asbestos Removal Licensure Account No. 5017</td>
<td>3,197,088</td>
<td>3,197,088</td>
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<tr>
<td>Workplace Chemicals List Account No. 5020</td>
<td>632,638</td>
<td>632,638</td>
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<tr>
<td>Certificate of Mammography Systems Account No. 5021</td>
<td>982,859</td>
<td>975,620</td>
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<td>Oyster Sales Account No. 5022</td>
<td>252,000</td>
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<tr>
<td>Food and Drug Registration Account No. 5024</td>
<td>5,777,985</td>
<td>5,777,985</td>
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<tr>
<td>Animal Friendly Account No. 5032</td>
<td>853,000</td>
<td>853,000</td>
</tr>
<tr>
<td>Permanent Fund for Health and Tobacco Education and Enforcement Account No. 5044</td>
<td>9,328,500</td>
<td>9,328,500</td>
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<tr>
<td>Permanent Fund Children &amp; Public Health Account No. 5045</td>
<td>4,868,500</td>
<td>4,868,500</td>
</tr>
<tr>
<td>Permanent Fund for EMS &amp; Trauma Care Account No. 5046</td>
<td>4,741,500</td>
<td>4,741,500</td>
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<tr>
<td>Permanent Hospital Fund for Capital Improvements and the Texas Center for Infectious Disease Account No. 5048</td>
<td>1,195,500</td>
<td>1,195,500</td>
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<tr>
<td>State Owned Multicategorical Teaching Hospital Account No. 5049</td>
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<td>10,000,000</td>
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<tr>
<td>EMS, Trauma Facilities, Trauma Care Systems Account No. 5108</td>
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<tr>
<td>Trauma Facility and EMS Account No. 5111</td>
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<td>75,000,808</td>
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<td>March of Dimes Plates Account No. 5117</td>
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<td>4,500</td>
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<td>Childhood Immunization Account No. 5125</td>
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<td>144,807</td>
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<td>Be a Blood Donor Plates Account No. 5134</td>
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<td>500</td>
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<td>Health Department Laboratory Financing Fees Account No. 8026</td>
<td>2,878,032</td>
<td>2,877,957</td>
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<tr>
<td>WIC Rebates Account No. 8027</td>
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<td>258,575,681</td>
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<td>Perpetual Care Account No. 8076</td>
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<tr>
<td><strong>Subtotal, General Revenue Fund - Dedicated</strong></td>
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<td>$411,030,942</td>
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<tr>
<td><strong>Federal Funds</strong></td>
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<td>1,253,463,556</td>
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<tr>
<td><strong>Other Funds</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Appropriated Receipts</td>
<td>6,289,231</td>
<td>6,289,231</td>
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<tr>
<td>State Chest Hospital Fees and Receipts</td>
<td>1,818,618</td>
<td>1,818,618</td>
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<tr>
<td>DSHS Public Health Medicaid Reimbursements</td>
<td>49,319,922</td>
<td>49,753,842</td>
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<tr>
<td>Interagency Contracts</td>
<td>68,968,666</td>
<td>69,730,808</td>
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<tr>
<td>Bond Proceeds - General Obligation Bonds</td>
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<tr>
<td>MH Collections for Patient Support and Maintenance</td>
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<td>7,647,163</td>
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<tr>
<td>MH Appropriated Receipts</td>
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<td><strong>Subtotal, Other Funds</strong></td>
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<td><strong>Total, Method of Financing</strong></td>
<td>$2,940,051,774</td>
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<tr>
<td><strong>Other Direct and Indirect Costs Appropriated Elsewhere in this Act</strong></td>
<td>$5,960,647</td>
<td>$6,163,855</td>
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A537-Conf-2-B

II-45

May 24, 2009
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.

Number of Full-Time-Equivalents (FTE):

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<tr>
<th>Total</th>
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<tbody>
<tr>
<td>Number of FTEs in Riders:</td>
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</table>

Schedule of Exempt Positions:

| Commissioner, Group 7 | $183,750 |

Items of Appropriation:

A. Goal: PREPAREDNESS AND PREVENTION

A.1.1. Strategy: PUBLIC HEALTH PREP. & COORD. SVCS

| Total       | $96,406,050 |

A.1.2. Strategy: REGISTRIES, INFO, & VITAL RECORDS

| Total       | $35,297,853 |

A.2.1. Strategy: IMMUNIZE CHILDREN & ADULTS IN TEXAS

| Total       | $57,418,899 |

A.2.2. Strategy: HIV/STD PREVENTION

| Total       | $168,472,876 |

A.2.3. Strategy: INFECTIOUS DISEASE PREV/EPI/SURV

| Total       | $37,310,138 |

A.3.1. Strategy: CHRONIC DISEASE PREVENTION

| Total       | $13,676,431 |

A.3.2. Strategy: ABSTINENCE EDUCATION

| Total       | $567,046 |

A.3.3. Strategy: KIDNEY HEALTH CARE

| Total       | $18,220,190 |

A.3.4. Strategy: CHILDREN WITH SPECIAL NEEDS

| Total       | $43,471,343 |

A.3.5. Strategy: EPILEPSY HEMOPHILIA SERVICES

| Total       | $1,264,143 |

A.4.1. Strategy: LABORATORY SERVICES

| Total       | $42,620,454 |

Total, Goal A:

| Total       | $514,725,423 |

B. Goal: COMMUNITY HEALTH SERVICES

B.1.1. Strategy: WIC/FARMER'S MARKET NUTRITION SVCS

| Total       | $870,526,293 |

B.1.2. Strategy: WOMEN & CHILDREN'S HEALTH SERVICES

| Total       | $71,175,669 |

B.1.3. Strategy: FAMILY PLANNING SERVICES

| Total       | $55,625,790 |

B.1.4. Strategy: COMMUNITY PRIMARY CARE SERVICES

| Total       | $13,800,434 |

B.2.1. Strategy: MENTAL HEALTH SVCS-ADULTS

| Total       | $279,201,869 |

B.2.2. Strategy: MENTAL HEALTH SVCS-CHILDREN

| Total       | $66,307,943 |

B.2.3. Strategy: COMMUNITY MENTAL HEALTH CRISIS SVCS

| Total       | $83,284,301 |

B.2.4. Strategy: NORTHSTAR BEHAV HLTH WAIVER

| Total       | $99,671,496 |

B.2.5. Strategy: SUBSTANCE ABUSE PREV/INTERV/TREAT

| Total       | $156,239,836 |

B.2.6. Strategy: REDUCE USE OF TOBACCO PRODUCTS

| Total       | $11,838,932 |

B.3.1. Strategy: EMS AND TRAUMA CARE SYSTEMS

| Total       | $84,147,702 |

B.3.2. Strategy: FQHC INFRASTRUCTURE GRANTS

| Total       | $5,000,000 |

B.3.3. Strategy: INDIGENT HEALTH CARE REIMBURSEMENT

| Total       | $10,000,000 |
Indigent Health Care Reimbursement (UTMB),

**B.3.4. Strategy:** COUNTY INDIGENT HEALTH CARE

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<th>SVCS</th>
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<th>2009</th>
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<td>$7,198,442</td>
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County Indigent Health Care Services.

Total, Goal B: COMMUNITY HEALTH SERVICES

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<td>$1,814,018,707</td>
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**C. Goal:** HOSPITAL FACILITIES AND SERVICES

Hospital Facilities Management and Services.

**C.1.1. Strategy:** TX CENTER FOR INFECTIOUS DISEASE

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<tr>
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<td>$10,778,627</td>
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Texas Center for Infectious Disease (TCID).

**C.1.2. Strategy:** SOUTH TEXAS HEALTH CARE SYSTEM

<table>
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<tr>
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<td>$7,303,396</td>
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**C.1.3. Strategy:** MENTAL HEALTH STATE HOSPITALS

<table>
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<th>2009</th>
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<tbody>
<tr>
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<td>$381,931,305</td>
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**C.2.1. Strategy:** MENTAL HEALTH COMMUNITY HOSPITALS

<table>
<thead>
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<th>2009</th>
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<tbody>
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<td>$30,118,077</td>
<td>$30,118,077</td>
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Total, Goal C: HOSPITAL FACILITIES AND SERVICES

<table>
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</tbody>
</table>

**D. Goal:** CONSUMER PROTECTION SERVICES

**D.1.1. Strategy:** FOOD (MEAT) AND DRUG SAFETY

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$25,810,918</td>
<td>$28,282,694</td>
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</table>

**D.1.2. Strategy:** ENVIRONMENTAL HEALTH

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$9,307,558</td>
<td>$10,451,369</td>
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</table>

**D.1.3. Strategy:** RADIATION CONTROL

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2009</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>$12,570,894</td>
<td>$12,573,959</td>
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</table>

**D.1.4. Strategy:** HEALTH CARE PROFESSIONALS

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$8,300,473</td>
<td>$8,303,883</td>
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**D.1.5. Strategy:** HEALTH CARE FACILITIES

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$9,476,842</td>
<td>$9,606,231</td>
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**D.1.6. Strategy:** TEXASONLINE

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$1,049,240</td>
<td>$1,049,240</td>
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</table>

TexasOnline. Estimated and Nontransferable.

**D.1.7. Strategy:** SEX OFFENDER TREATMENT/SUPERVISION

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$3,183,676</td>
<td>$4,070,817</td>
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Sex Offender Treatment and Supervision.

Total, Goal D: CONSUMER PROTECTION SERVICES

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2009</th>
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<tbody>
<tr>
<td></td>
<td>$69,699,601</td>
<td>$74,338,193</td>
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**E. Goal:** INDIRECT ADMINISTRATION

**E.1.1. Strategy:** CENTRAL ADMINISTRATION

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2009</th>
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<tbody>
<tr>
<td></td>
<td>$18,188,430</td>
<td>$18,188,421</td>
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**E.1.2. Strategy:** IT PROGRAM SUPPORT

<table>
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<tr>
<th></th>
<th>2008</th>
<th>2009</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>$16,582,973</td>
<td>$19,406,214</td>
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Information Technology Program Support.

**E.1.3. Strategy:** OTHER SUPPORT SERVICES

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2009</th>
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<tbody>
<tr>
<td></td>
<td>$14,318,178</td>
<td>$14,317,306</td>
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**E.1.4. Strategy:** REGIONAL ADMINISTRATION

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2009</th>
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<tbody>
<tr>
<td></td>
<td>$1,621,491</td>
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Total, Goal E: INDIRECT ADMINISTRATION

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
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<tr>
<td></td>
<td>$50,711,072</td>
<td>$53,533,546</td>
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**F. Goal:** CAPITAL ITEMS

**F.1.1. Strategy:** LABORATORY (AUSTIN) BOND DEBT

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$2,878,032</td>
<td>$2,877,957</td>
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**F.1.2. Strategy:** CONSTRUCT HLTH FACILITIES, TCID

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$7,182,878</td>
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Construction: Health Care Facilities, TCID.

**F.1.3. Strategy:** REPAIR & RENOVATION: MH FACILITIES

<table>
<thead>
<tr>
<th></th>
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<th>2009</th>
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<tbody>
<tr>
<td></td>
<td>$50,704,656</td>
<td>$2,778,574</td>
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Capital Repair and Renovation: Mental Health Facilities.

Total, Goal F: CAPITAL ITEMS

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
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<tbody>
<tr>
<td></td>
<td>$60,765,566</td>
<td>$5,656,531</td>
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**Grand Total, DEPARTMENT OF STATE HEALTH SERVICES**

<table>
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<tr>
<th></th>
<th>2008</th>
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<tbody>
<tr>
<td></td>
<td>$2,940,051,774</td>
<td>$2,912,182,766</td>
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**Supplemental Appropriations Made in Riders:**

<table>
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<th></th>
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<tbody>
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<td>$1,074,136</td>
<td>$633,658</td>
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**Object-of-Expense Informational Listing:**

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<thead>
<tr>
<th>Item</th>
<th>2008</th>
<th>2009</th>
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</thead>
<tbody>
<tr>
<td>Salaries and Wages</td>
<td>$461,359,405</td>
<td>$463,466,426</td>
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<tr>
<td>Other Personnel Costs</td>
<td>$20,081,961</td>
<td>$20,082,441</td>
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<tr>
<td>Professional Fees and Services</td>
<td>$70,969,218</td>
<td>$75,878,279</td>
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<tr>
<td>Fuels and Lubricants</td>
<td>$2,258,328</td>
<td>$2,426,711</td>
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<tr>
<td>Consumable Supplies</td>
<td>$12,323,943</td>
<td>$12,628,954</td>
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<tr>
<td>Utilities</td>
<td>$16,910,717</td>
<td>$17,302,961</td>
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<tr>
<td>Travel</td>
<td>$13,245,333</td>
<td>$14,257,832</td>
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<tr>
<td>Rent - Building</td>
<td>$1,536,765</td>
<td>$1,539,169</td>
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<tr>
<td>Rent - Machine and Other</td>
<td>$13,744,935</td>
<td>$13,717,744</td>
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<tr>
<td>Debt Service</td>
<td>$2,877,957</td>
<td>$2,877,957</td>
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<tr>
<td>Other Operating Expense</td>
<td>$323,207,374</td>
<td>$331,236,483</td>
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</table>

A537-Conf-2-B II-47 May 24, 2009
Client Services 1,018,594,407 1,004,197,051
Food for Persons - Wards of State 9,334,538 10,754,898
Grants 911,348,425 935,457,718
Capital Expenditures 63,332,529 7,191,800

Total, Object-of-Expense Informational Listing $2,941,125,910 $2,912,816,424

Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:

Employee Benefits
Retirement $26,678,188 $27,078,361
Group Insurance 97,288,655 105,853,050
Social Security 33,914,784 34,423,506
Benefits Replacement 3,396,260 3,226,447
Subtotal, Employee Benefits $161,277,887 $170,581,364

Debt Service
TPFA GO Bond Debt Service $14,456,162 $16,626,915
Lease Payments 1,073,475 697,980
Subtotal, Debt Service $15,529,637 $17,324,895

Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act $176,807,524 $187,906,259

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Department of State Health Services. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Department of State Health Services. In order to achieve the objectives and service standards established by this Act, the Department of State Health Services shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

### A. Goal: PREPAREDNESS AND PREVENTION

#### Outcome (Results/Impact):
Vaccination Coverage Levels among Children Aged 19 to 35 Months
- **2010:** 78%
- **2011:** 78%
Incidence Rate of TB Among Texas Residents
- **2010:** 7.2
- **2011:** 7.2

#### A.1.1. Strategy: PUBLIC HEALTH PREP. & COORD. SVCS
Output (Volume):
- Number of Educational Hours Provided on Bioterrorism and Public Health Preparedness 41,000 41,000

#### A.1.2. Strategy: REGISTRIES, INFO, & VITAL RECORDS
Efficiencies:
- Average Number of Days to Certify or Verify Vital Statistics Records 10 10

#### A.2.1. Strategy: IMMUNIZE CHILDREN & ADULTS IN TEXAS
Output (Volume):
- Number of Vaccine Doses Administered to Children 14,177,002.3 14,885,852.4

#### A.2.2. Strategy: HIV/STD PREVENTION
Output (Volume):
- Dollar Value (in Millions) of Vaccine Provided by the Federal Government 320 320

#### A.2.3. Strategy: INFECTIOUS DISEASE PREV/EPI/SURV
Output (Volume):
- Number of Persons Served by the HIV Medication Program 14,280 14,708

#### A.3.1. Strategy: CHRONIC DISEASE PREVENTION
Output (Volume):
- Number of Diabetes-related Prevention Activities 350,000 350,000
A.3.2. Strategy: ABSTINENCE EDUCATION
Output (Volume):
Number of Persons Served in Abstinence Education Programs 5,322 5,322

A.3.3. Strategy: KIDNEY HEALTH CARE
Output (Volume):
Number of Kidney Health Clients Provided Services 18,313 18,313

A.3.4. Strategy: CHILDREN WITH SPECIAL NEEDS
Output (Volume):
Number of Children with Special Health Care Needs (C SHCN) Clients Receiving Medical Services 2,600 2,600
Explanatory:
Number of Clients Provided Medical Services at the End of the Year for the Children with Special Health Care Needs (C SHCN) Program 1,737 1,737

B. Goal: COMMUNITY HEALTH SERVICES
Outcome (Results/Impact):
Percentage of Eligible WIC Population Served 81% 84%
Number of Infant Deaths Per Thousand Live Births (Infant Mortality Rate) 5.1 5.1
Percentage of Low Birth Weight Births 7.8% 7.8%
Number of Pregnant Females Age 13-19 Per Thousand (Adolescent Pregnancy Rate) 45.4 43.8
Prevalence of Tobacco Use among Middle & High School Youth in Target Areas of Texas 19% 19%
Percent of Youth Who Complete Treatment Programs and Report No Past Month Substance Use at Follow-up 84% 84%
Percent of Adults Who Complete Treatment Programs and Report No Past Month Substance Use at Follow-up 87% 87%
Percent of Adults Receiving Community Mental Health Services Who Were Admitted to a Level of Care (Service Package) Following Assessment 92% 92%
Percent of Adults Receiving Community Mental Health Services Whose Functional Level Stabilized or Improved 83% 83%
Percent of Children Receiving Community Mental Health Services Who Were Admitted to a Level of Care (Service Package) Following Assessment 88% 88%
Percent of Children Receiving Community Mental Health Services Whose Functional Level Stabilized or Improved 82% 82%

B.1.1. Strategy: WIC/FARMER'S MARKET NUTRITION SVCS
Output (Volume):
Number of WIC Participants Provided Nutritious Food Supplements Per Month 1,031,671 1,038,471
Explanatory:
Incidence (Percent) of Low Birth Weight Babies Born to Women, Infants and Children (WIC) Nutrition Program Mothers 5.5 5.5

B.1.2. Strategy: WOMEN & CHILDREN'S HEALTH SERVICES
Output (Volume):
Number of Infants <1 and Children Age 1-21 Years Provided Services by the Maternal and Child Health Program 30,223 30,223
Number of Women over 21 Provided Services by the Maternal and Child Health Program (Title V) 30,163 30,163

B.1.3. Strategy: FAMILY PLANNING SERVICES
Output (Volume):
Number of Adults and Adolescents Receiving Family Planning Services 266,600 266,600

B.1.4. Strategy: COMMUNITY PRIMARY CARE SERVICES
Output (Volume):
Number of Primary Health Care Eligible Patients Provided Access to Primary Care Services 85,000 85,000

B.2.1. Strategy: MENTAL HEALTH SVCS-ADULTS
Output (Volume):
Average Monthly Number of Adults Receiving Community Mental Health Services 52,484 52,484
Average Monthly Number of Persons Receiving Community Mental Health New Generation Medications 19,500 19,500
Efficiencies:
Average Monthly Cost Per Adult Receiving Community Mental Health Services 361 361
Average Monthly Cost of New Generation Medications Per Person Receiving Community Mental Health New Generation Medications 275 275
B.2.2. Strategy: MENTAL HEALTH SVCS-CHILDREN
Output (Volume):
Average Monthly Number of Children Receiving Community Mental Health Services 12,206 12,206
Explanatory:
Number of Children and Adolescents Served at the End of the Year - Community Mental Health Services 19,073 19,966

B.2.4. Strategy: NORTHSTAR BEHAV HLTH WAIVER
Explanatory:
Average Monthly Number of Persons Covered by NorthSTAR Behavioral Health Services Waiver 974,385 974,385

B.2.5. Strategy: SUBSTANCE ABUSE PREV/INTERV/TREAT
Output (Volume):
Average Monthly Number of Adults Served in Substance Abuse Prevention Programs 29,000 29,000
Average Monthly Number of Youth Served in Substance Abuse Prevention Programs 106,640 106,640
Average Monthly Number of Adults Served in Substance Abuse Intervention Programs 15,000 15,000
Average Monthly Number of Youth Served in Substance Abuse Intervention Programs 4,875 4,875
Average Monthly Number of Adults Served in Treatment Programs for Substance Abuse 6,013 6,013
Average Monthly Number of Youth Served in Treatment Programs for Substance Abuse 934 934

B.2.6. Strategy: REDUCE USE OF TOBACCO PRODUCTS
Output (Volume):
Number of Texas Communities Implementing Comprehensive Tobacco Prevention Programs 8 8

B.3.1. Strategy: EMS AND TRAUMA CARE SYSTEMS
Output (Volume):
Number of Emergency Health Care Providers (EMS Firms, Hospitals, RACS) Assisted through EMS/Trauma System Funding Programs 2,587 2,587

C. Goal: HOSPITAL FACILITIES AND SERVICES
Outcome (Results/Impact):
Percent of Patients Receiving State Mental Health Facility Services Whose Functional Level Stabilized or Improved 99% 99%

C.1.1. Strategy: TX CENTER FOR INFECTIOUS DISEASE
Output (Volume):
Number of Inpatient Days, Texas Center for Infectious Disease 16,000 16,000

C.1.2. Strategy: SOUTH TEXAS HEALTH CARE SYSTEM
Output (Volume):
Number of Outpatient Visits, South Texas Health Care System 56,500 56,500

C.1.3. Strategy: MENTAL HEALTH STATE HOSPITALS
Output (Volume):
Average Daily Census of State Mental Health Facilities 2,477 2,477
Average Monthly Number of State Mental Health Facility Consumers Receiving New Generation Medication Services 3,030 3,030
Efficiencies:
Average Daily Facility Cost Per Occupied State Mental Health Facility Bed 440 443
Average Monthly Cost of New Generation Medications Per State Mental Health Facility Consumer Receiving New Generation Medication Services 564.5 617.6

D. Goal: CONSUMER PROTECTION SERVICES
Outcome (Results/Impact):
Percentage of Licenses Issued within Regulatory Timeframe 98% 98%

D.1.1. Strategy: FOOD (MEAT) AND DRUG SAFETY Efficiencies:
Average Cost Per Surveillance Activity - Food/Meat and Drug Safety 178.23 178.23

D.1.2. Strategy: ENVIRONMENTAL HEALTH Efficiencies:
Average Cost Per Surveillance Activity - Environmental Health 150.78 150.78
D.1.3. Strategy: RADIATION CONTROL
Efficiencies:
Average Cost Per Surveillance Activity - Radiation Control  297.64  297.64

D.1.4. Strategy: HEALTH CARE PROFESSIONALS
Output (Volume):
Number of Health Care Professionals and Licensed Chemical Dependency Counselors Licensed, Permitted, Certified, Registered, or Documented  87,524  87,524

D.1.7. Strategy: SEX OFFENDER TREATMENT/SUPERVISION
Output (Volume):
Number of Sex Offenders Provided Treatment and Supervision  98  123
Efficiencies:
Average Cost Per Sex Offender for Treatment and Supervision  32,377  33,009

Explanatory:
Number of New Civil Commitments  50  50

2. Capital Budget. None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for “Lease Payments to the Master Lease Purchase Program” or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code, §1232.103.

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Construction of Buildings and Facilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(1) Laboratory - Bond Debt Service</td>
<td>2,878,032</td>
<td>2,877,957</td>
</tr>
<tr>
<td>(2) Hospital Construction - Texas Center for Infectious Disease</td>
<td>7,182,878</td>
<td>UB</td>
</tr>
<tr>
<td>Total, Construction of Buildings and Facilities</td>
<td>$10,060,910</td>
<td>$2,877,957</td>
</tr>
<tr>
<td>b. Repair or Rehabilitation of Buildings and Facilities</td>
<td></td>
<td></td>
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<tr>
<td>(1) Repair and Renovation of MH State Hospitals</td>
<td>46,567,734</td>
<td>UB</td>
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<tr>
<td>(2) Sunrise Canyon Hospital Capital Improvements</td>
<td>1,350,825</td>
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<tr>
<td>(3) Laboratory Building Retrofit - Cystic Fibrosis</td>
<td>125,000</td>
<td>UB</td>
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<tr>
<td>Total, Repair or Rehabilitation of Buildings and Facilities</td>
<td>$48,043,559</td>
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<tr>
<td>c. Acquisition of Information Resource Technologies</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(1) Information Systems Improvement</td>
<td>8,866,231</td>
<td>8,866,231</td>
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<tr>
<td>(2) WIC Clinic PC Replacement</td>
<td>2,869,756</td>
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<tr>
<td>(3) Seat Management</td>
<td>7,142,479</td>
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<tr>
<td>(4) Data Center Consolidation</td>
<td>11,333,982</td>
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<tr>
<td>(5) Messaging &amp; Collaboration</td>
<td>412,591</td>
<td>412,590</td>
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<td>(6) Telecommunications Enhancement</td>
<td>1,212,819</td>
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<tr>
<td>(7) Pharmacy Management System Optimization</td>
<td>0</td>
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<tr>
<td>(8) IT Accessibility</td>
<td>1,079,943</td>
<td>1,087,830</td>
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<tr>
<td>Total, Acquisition of Information Resource Technologies</td>
<td>$32,917,801</td>
<td>$30,762,983</td>
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<tr>
<td>d. Transportation Items</td>
<td></td>
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<tr>
<td>(1) Vehicles</td>
<td>590,000</td>
<td>0</td>
</tr>
<tr>
<td>e. Acquisition of Capital Equipment and Items</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(1) Misc Lab Equipment</td>
<td>2,625,306</td>
<td>1,109,735</td>
</tr>
</tbody>
</table>

2010
2011

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f. Other Lease Payments to the Master Lease Purchase Program (MLPP)

(1) Payment of MLPP - Energy Conservation-MH 2,786,097 2,778,574
(2) Lease Pmts to MLPP MH Facilities Equipment 608,784 582,097
(3) Lease Pmts to MLPP Communications Equip 503,179 500,934
(4) Lease Pmts to MLPP Vehicles 772,975 769,580

Total, Other Lease Payments to the Master Lease Purchase Program (MLPP) $4,671,035 $4,631,185

Total, Capital Budget $98,908,611 $39,381,860

Method of Financing (Capital Budget):

General Revenue Fund

General Revenue Fund $23,800,779 $23,051,734

General Revenue - Insurance Companies

Maintenance Tax and Insurance Department Fees 25,179 0
Subtotal, General Revenue Fund $23,825,958 $23,051,734

General Revenue Fund - Dedicated

Vital Statistics Account No. 019 33,256 33,256
Hospital Licensing Account No. 129 3,276 3,276
Food and Drug Fee Account No. 341 4,988 4,988
Bureau of Emergency Management Account No. 512 5,621 5,621
Department of Health Public Health Services Fee Account No. 524 3,241,340 3,222,629
Advisory Commission on Emergency Communications Account No. 5007 64 64
Asbestos Removal Licensure Account No. 5017 95,403 95,403
Workplace Chemicals List Account No. 5020 1,738 1,738
Certificate of Mammography Systems Account No. 5021 762 762
Food and Drug Registration Account No. 5024 12,720 12,720
Permanent Fund for Health and Tobacco Education and Enforcement Account No. 5044 21,262 21,262
Permanent Fund Children & Public Health Account No. 5045 557 557
Permanent Fund for EMS & Trauma Care Account No. 5046 2,628 2,628
EMS, Trauma Facilities, Trauma Care Systems Account No. 5108 129 129
Trauma Facility and EMS Account No. 5111 740 740
Subtotal, General Revenue Fund - Dedicated $3,424,484 $3,405,773

Federal Funds 15,446,861 12,857,652

Other Funds

Appropriated Receipts 1,476 1,477
DSHS Public Health Medicaid Reimbursements 1,071,249 48,346
Interagency Contracts 37,146 16,878
Bond Proceeds - General Obligation Bonds 55,101,437 UB
Subtotal, Other Funds $56,211,308 $66,701

Total, Method of Financing $98,908,611 $39,381,860

3. Criminal Justice/Substance Abuse Initiative. Out of funds appropriated above in Strategy B.2.5, Substance Abuse Prevention, Intervention, and Treatment, the Department of State Health Services shall transfer $3,250,000 in each year of the biennium to the Treatment Alternative to Incarceration Program with the Texas Department of Criminal Justice for the provision of outpatient substance abuse treatment services for probationers. The agencies shall enter into an interagency contract to include data reporting provisions to address performance and other data requirements for state and federal reporting.

4. Client Services. It is the intent of the Legislature that the Department of State Health Services (DSHS) and the Department of Family and Protective Services (DFPS) enter into a Memorandum of Understanding for providing outpatient treatment services by DSHS to referred DFPS clients. Out of Substance Abuse Prevention and Treatment Block Grant federal funding at DSHS, a maximum of $2,070,114 for the biennium may be used for qualified services to DFPS clients.
5. Notification of Intent to Utilize Additional Federal SAPT Block Grant Funds. The Department of State Health Services (DSHS) shall notify the Legislative Budget Board and the Governor of its intent to use additional federal Substance Abuse Prevention and Treatment (SAPT) block grant funds in excess of the amounts specifically appropriated in the strategies above, which total $132,914,097 for fiscal year 2010 and $132,914,097 for fiscal year 2011. This notification shall explain the services to be provided, the original source of funding for the program or services or indicate that programs or services are being expanded beyond levels assumed in the appropriations act, and the grant and amount of the grant funds to be used. The notification shall be submitted at least 45 days prior to allocations made out of funds appropriated above.

6. Other Reporting Requirements.

a. Federal Reports. The Department of State Health Services shall submit the following information to the Legislative Budget Board and the Governor no later than the date the respective report is submitted to the federal government:

   (1) Notification of proposed State Plan amendments and waivers for the Maternal and Child Health Block Grant (Title V of the Social Security Act), the Special Supplemental Food Program for Women, Infants and Children Program (Child Nutrition Act of 1966), and the Substance Abuse, Prevention and Treatment Block Grant and any other federal grant requiring a state plan. State Plan amendments and waiver submissions shall also be provided to the Senate Health and Human Services, House Human Services, and House Public Health committee.

   (2) A copy of each report or petition submitted to the federal government relating to the grants and programs noted above under section a (1).

b. Federal Issues. The Department of State Health Services shall notify the Legislative Budget Board and the Governor on a timely basis about emerging issues that could result in the loss of more than $1,000,000 in federal revenue assumed in the appropriations act.

c. Monthly Financial Reports. The Department of State Health Services shall submit the following information to the Legislative Budget Board and the Governor on a monthly basis:

   (1) Information on appropriated, budgeted, expended and projected funds, by strategy and method of finance.

   (2) Narrative explanations of significant budget adjustments, ongoing budget issues, and other as appropriate.

   (3) Collections, expenditures, and balances for revenues generated by the department as of the last day of the prior month.

   (4) Any other information requested by the Legislative Budget Board or the Governor.

d. The monthly financial reports shall be prepared in a format specified by the Legislative Budget Board.

7. Mental Health Community Hospital Medicaid Services. The Harris County Psychiatric Center, Lubbock Community Hospital, and Galveston Community Hospital shall certify appropriated state funds to the Health and Human Services Commission or its designee for the state share of Medicaid reimbursement for the following services:

a. Inpatient psychiatric services for children.

b. Inpatient psychiatric services for age 65 and over (Institute for Mental Disease option).

The Department of State Health Services shall report monthly to the Legislative Budget Board and the Governor on the amounts certified by each mental health community hospital.

8. Performance Contracts. Funds in Strategy C.2.1, Mental Health Community Hospitals, shall be allocated through performance contracts with local mental health authorities.
9. **Transfers of Appropriation - State Owned Hospitals.** The Department of State Health Services shall transfer from non-Medicaid state appropriated funds the following amounts to the Health and Human Services Commission for the Disproportionate Share Hospital Reimbursement Program:

<table>
<thead>
<tr>
<th>Hospital Name</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Mental Health Hospitals</td>
<td>$281,523,751</td>
<td>$281,523,751</td>
</tr>
<tr>
<td>Harris County Psychiatric Center</td>
<td>5,874,581</td>
<td>5,874,581</td>
</tr>
<tr>
<td>Texas Center for Infectious Disease</td>
<td>12,222,255</td>
<td>12,222,255</td>
</tr>
<tr>
<td>Total</td>
<td>$299,620,587</td>
<td>$299,620,587</td>
</tr>
</tbody>
</table>

The timing and form of such transfers shall be determined by the Comptroller of Public Accounts in consultation with the Health and Human Services Commission. The Legislative Budget Board is authorized to adjust the amounts of such transfers as necessary to match available federal funds. The department shall also transfer non-Medicaid state appropriated funds as necessary for other qualifying state-funded community hospitals including mental health community hospitals. DSHS shall monitor Medicaid utilization rates at these state-owned hospitals to ensure their qualification for the Disproportionate Share Hospital Reimbursement Program.

10. **Disposition of Construction Appropriation.** Construction appropriations may be used to pay salaries and travel expenses of department engineers and architects and administrative expenses of construction projects (but shall not exceed $500,000 in a fiscal year that are paid out of General Obligation Bonds); architect's and engineer's fees; and the actual travel expenses incurred by them or their representatives in making trips of inspection at the discretion of the department during construction, renovation, or repair of buildings and systems or the installation of fixed equipment. Job titles and rates of pay for such salaried positions of department personnel paid from construction appropriations shall conform with the Position Classification Plan and Classification Salary Schedule.

11. **Community Hospital Funding for Galveston Community Hospital.** Out of funds appropriated above, the Department of State Health Services shall allocate $400,000 in General Revenue for fiscal year 2010 and $400,000 in General Revenue for fiscal year 2011 for the Galveston Community Hospital, specifically for the purpose of providing outpatient medication services.

12. **Appropriation of Local Funds.** All funds received by the department from counties, cities, and any other local governmental entities and all balances from such sources as of August 31, 2009, are hereby appropriated for the biennium ending August 31, 2011, for the purpose of carrying out the provisions of this Act. (Estimated to be $0.)

13. **Unexpended Construction Balances.**

   a. **Mental Health Facilities.** Any unexpended construction, repair, or renovation balances from previous appropriations, estimated to be $20,690,559 from fiscal year 2009 to fiscal year 2010 and included in the method of finance above as General Obligation Bond proceeds in Strategy F.1.3, Capital Repair and Renovation: Mental Health Facilities, are hereby appropriated to the Department of State Health Services (DSHS) for the same purposes.

   b. **Health Care Facilities.** Any unexpended balances of General Obligation Bonds for health care facilities from previous appropriations, estimated to be $7,182,878 from fiscal year 2009 to fiscal year 2010 and included in Strategy F.1.3, Construction: Health Care Facilities, TCID, are hereby appropriated to the Department of State Health Services for the same purposes.

   c. **Authorization.** Authorization to expend the unexpended construction balances is contingent upon submission of the following reports to the Legislative Budget Board and the Governor. At the same time, the agency shall provide a copy of the reports to the Comptroller of Public Accounts.

      (1) a report by September 1, 2009 providing actual expenditures for fiscal years 2008 and 2009, and planned expenditures for fiscal years 2010 and 2011 at the project/mental health state hospital level; and

      (2) a report by March 1 and September 1 of each fiscal year reflecting actual expenditures by project/mental health state hospital for the previous six months. Additional information requested by the Legislative Budget Board or the Governor should be
provided in a timely manner. The notification and information provided subsequently shall be prepared in a format specified by the Legislative Budget Board.

The planned expenditures shall be considered to be approved unless the Legislative Budget Board or the Governor issues a written disapproval within 15 business days of the date on which the staff of the Legislative Budget Board concludes its review of the proposal to expend the funds and forwards its review to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor.

The Comptroller of Public Accounts shall not allow the use of unexpended balances if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the requirements of this provision have not been satisfied.

14. Mental Health Appropriation Transfer Between Fiscal Years. In addition to the transfer authority provided elsewhere in this Act, the Department of State Health Services may transfer appropriations made for the fiscal year ending August 31, 2011, to the fiscal year ending August 31, 2010, subject to the following conditions provided by this section:

a. Transfers under this section may be made only:
   (1) if costs associated with managing the Mental Health State Hospitals exceed the funds appropriated for these services for fiscal year 2010; or
   (2) or any emergency expenditure requirements, including expenditures necessitated to ensure the continuation of Medicaid client services to maintain fiscal year 2009 Medicaid caseloads; or
   (3) if appropriated receipts generated through MH hospital-related programs required to fund appropriations contained in this Act for fiscal year 2010 are less than those contained in the method of financing for the department for fiscal year 2010.

b. Transfers may not exceed $15,000,000 in General Revenue.

c. A transfer authorized by this section must receive the prior approval of the Legislative Budget Board and the Governor.

d. The Comptroller of Public Accounts shall cooperate as necessary to assist the completion of a transfer and spending made under this section.

15. New Generation Medications. Funds expended on New Generation Medications shall be spent in accordance with the practice guidelines developed through the Texas Implementation of Medication Algorithms (TIMA), Children's Medication Algorithm Project (CMAP) or a Department of State Health Services-approved variation or substitute of TIMA or CMAP guidelines.

16. Limitation: Transfer Authority.

a. Limitations on Transfers.

(1) Medicaid Strategies. Notwithstanding the transfer provisions in the General Provisions (general transfer provisions) and other transfer provisions of this Act, funds appropriated by this Act to the Department of State Health Services (DSHS) for the following Medicaid strategies shall be governed by the specific limitations included in this provision.

Transfers may be made between appropriation items listed in this subsection. Transfers may not be made from appropriation items listed in this subsection to appropriation items not listed in this subsection without prior written approval from the Legislative Budget Board and the Governor. DSHS shall provide notification of all transfers pursuant to subsection (b) of this provision, and any transfer approval requests shall be submitted pursuant to subsection (c) of this provision.

B.2.1. Mental Health Services for Adults;
B.2.2. Mental Health Services for Children; and
C.1.3. Mental Health State Hospitals
DEPARTMENT OF STATE HEALTH SERVICES
(Continued)

(2) **Women and Children's Health.** Notwithstanding any other provisions contained in this Act, no transfers shall be made out of Strategy B.1.2, Women and Children's Health Services without written approval pursuant to subsection (c).

(3) **Other Strategies.** Transfers may be made between strategies in the goals listed in this subsection. DSHS shall provide notification of all transfers pursuant to subsection (b) of this provision.

- Goal A: Preparation and Preparedness
- Goal B: Community Health Services (with the exception of B.1.2, Women and Children's Health Services; B.2.1, Mental Health Services for Adults; and B.2.2, Mental Health Services for Children)
- Goal C: Hospital Facilities and Services (with the exception of C.1.3, Mental Health State Hospitals)
- Goal D: Consumer Protection Services
- Goal E: Indirect Administration; and
- Goal F: Capital Items

b. **Notification Regarding Transfers that Do Not Require Approval.** Authority granted by this provision to transfer funds is contingent upon a written notification from DSHS to the Legislative Budget Board and the Governor at least 30 days prior to the transfer, which includes the following information:

1. a detailed explanation of the purpose(s) of the transfer and whether the expenditure will be one-time or ongoing;
2. the name of the originating and receiving strategies and the method of financing and FTEs for each strategy by fiscal year;
3. an estimate of performance levels and, where relevant, a comparison to targets included in this Act for both the originating and the receiving strategies; and
4. the capital budget impact.

c. **Requests for Transfers that Require Approval.** To request a transfer, DSHS shall submit a written request to the Legislative Budget Board and the Governor. At the same time, the agency shall provide a copy of the request to the Comptroller of Public Accounts. The request shall include the following information:

1. a detailed explanation of the purpose(s) of the transfer and whether the expenditure will be one-time or ongoing;
2. the name of the originating and receiving strategies and the method of financing and FTEs for each strategy by fiscal year;
3. an estimate of performance levels and, where relevant, a comparison to targets included in this Act for both the originating and the receiving strategies; and
4. the capital budget impact.

d. **Transfers into Items of Appropriation.** Transfers may be made from any appropriation item to the appropriation items in section (a), subject to the limitations established in section (a) for each appropriation item.

e. **Cost Pools.** Notwithstanding the above limitations, transfers may be made from the appropriation items in section (a) to separate accounts authorized by agency rider and established by the State Comptroller for payment of certain support costs not directly attributable to a single program.

f. **Cash Management.** Notwithstanding the above limitations, DSHS may temporarily utilize funds appropriated to the strategies listed in section (a) for cash flow purposes. All funding used in this manner shall be promptly returned to the originating strategy. This authorization is subject to limitations established by the Comptroller of Public Accounts.
The Comptroller of Public Accounts shall not allow the transfer of funds authorized by any of the above subsections if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the requirements of this provision have not been satisfied.

In the case of disaster or other emergency, this provision is superseded by the emergency-related transfer authority in Article IX of this Act.

17. **Laboratory Funding.**
   a. All receipts generated by the Department of State Health Services (DSHS) from laboratory fees during the 2010-11 biennium and deposited in General Revenue-Dedicated Account No. 524 under Revenue Object 3561 are hereby appropriated to the DSHS for transfer to the Texas Public Finance Authority for the payment of debt services on the project revenue bonds.
   
   b. Appropriations made out of the General Revenue Fund to DSHS in Goal E, Indirect Administration, may be transferred for bond debt service payments only if laboratory fees generated by the laboratory during the biennium are insufficient to support the bond debt service, subject to prior approval of the Governor and the Legislative Budget Board and if no funds appropriated to DSHS by this Act have been transferred into Goal E, Indirect Administration.
   
   c. Included in the appropriations made above in Strategy A.4.1, Laboratory Services, is $13,757,453 in fiscal year 2010 and $14,957,453 in fiscal year 2011 from General Revenue-Dedicated Account No. 524. These amounts include an unexpended balance of $0 from the 2008-09 biennium.

18. **Appropriations Limited to Revenue Collections.** The Department of State Health Services (DSHS) shall review all of the fee schedules within its authority on an annual basis. The DSHS shall provide a copy of the report summarizing this review to the Legislative Budget Board and the Governor no later than September 1 of each year in the biennium, with a copy of the final report to be submitted no later than January 1 of each year of the biennium. It is the intent of the Legislature that, to the extent feasible, fees, fines, and other miscellaneous revenues as authorized and generated by the department cover, at a minimum, the cost of the appropriations made for the programs listed in the table below, as well as the "other direct and indirect costs" associated with these programs, appropriated elsewhere in this Act. "Other direct and indirect costs" for these programs are estimated to be $5,960,647 for fiscal year 2010 and $6,163,855 for fiscal year 2011. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct that the Comptroller of Public Accounts reduce the appropriation authority provided above to be within the amount of revenue expected to be available. This rider shall apply to revenues generated in the following strategies and deposited under the following revenue codes or account numbers:

<table>
<thead>
<tr>
<th>Strategy</th>
<th>Revenue Code or Account</th>
</tr>
</thead>
<tbody>
<tr>
<td>D.1.1. Food (Meat) &amp; Drug Safety</td>
<td>341 Food &amp; Drug Retail Fee</td>
</tr>
<tr>
<td></td>
<td>5022 Oyster Sales</td>
</tr>
<tr>
<td></td>
<td>5024 Food &amp; Drug Registration</td>
</tr>
</tbody>
</table>

Fees deposited into 001 to support D.1.1, Food (Meat) and Drug Safety, including fees deposited under the following Revenue Codes: 3142 (Food Service Worker Training); 3180 (Health Regulation Fees, for Body Piercing and Tattoo Studios, Tanning Facility Fees, and Narcotic Treatment Fees); 3400 (Business Fees-Agriculture, for Renderers Licenses and Milk Industry Products); 3414 (Agriculture Inspection Fees, for Meat Inspection); 3554 (Food and Drug Fees, for Medical Device Wholesalers, Food Drug and Cosmetic Sales, and Frozen Desserts).
D.1.2. Environmental Health

5017 Asbestos Removal Licensure

5020 Workplace Chemical List

Fees deposited into 001 to support D.1.2, Environmental Health, including fees deposited under the following Revenue Codes: 3123 (Volatile Chemical Sales Permit); 3141 (Bedding Permit Fees); 3175 (Professional Fees, for Code Enforcement Officers and Mold Assessors); 3180 (Health Regulation Fees, for Lead-Based Paint Certification Program); 3555 (Hazardous Substance Manufacture); 3562 (Health Related Professional Fees, for Sanitarian Registration and Pesticide Use and Application Program); and 3573 (Health Licenses for Camps, for Youth Camps).

D.1.3. Radiation Control

5021 Certification of Mammography Systems

Fees deposited into 001 to support D.1.3, Radiation Control, including fees deposited under the following Revenue Codes: 3589 (Radioactive Materials and Devices for Equipment Regulation).

D.1.4. Health Care Professionals

Fees deposited into 001 to support D.1.4, Health Care Professionals, including fees deposited under the following Revenue Codes: 3175 (Professional Fees, for Health Services Providers and Athletic Trainers); 3560 (Medical Examination and Registration, for Perfusionists, Medical Radiologic Technicians, and Respiratory Therapists); 3562 (Health Related Professional Fees, for Medical Physicians, Hearing Aid Dispensers, Marriage and Family Therapists, Massage Therapists, Respiratory Care Practitioners, Professional Counselors, Dispensing Opticians, Speech Pathologists, Dieticians, and Chemical Dependency Counselors); 3616 (Social Worker Regulation); and 3727 (Fees for Administrative Services, for Council on Sex Offender Treatment Providers).

D.1.5. Health Care Facilities

129 Hospital Licensing

Fees deposited into 001 to support D.1.5, Health Care Facilities, including fees deposited under the following Revenue Codes: 3180 (Health Regulation Fees, for Special Care Facilities); and 3557 (Health Care Facilities Fees, for Abortion Clinics, Ambulatory Surgical Centers, Birthing Centers, End Stage Renal Disease Facilities, Chemical Dependency Facilities, and Drug Abuse Treatment Facilities).

A.1.2 Health Registries, Information, and Vital Records

019 Vital Statistics

19. **Revolving Fund Services: Canteen Services and Sheltered Workshops.** Out of funds appropriated above in Strategy C.1.3, Mental Health State Hospitals, $795,500 per fiscal year in
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DEPARTMENT OF STATE HEALTH SERVICES
(Continued)

General Revenue shall be allocated for the operation of canteen and sheltered workshops. The department shall provide information on related revenues, balances, contracts and profits to the Legislative Budget Board, Governor and Comptroller of Public Accounts. These revenues, expenditures and balances shall be reported and included in agency Operating Budgets, Legislative Appropriation Requests, and Annual Financial Reports. The timetable, format and content for additional monthly reports related to canteen operations and sheltered workshops shall be prescribed by the Legislative Budget Board.

20. Funding for Abstinence Sexual Education. It is the intent of the Legislature that funds appropriated in Strategy A.3.2, Abstinence Education, including $1,134,091 in General Revenue, be utilized for the purpose of implementing abstinence sexual education programs to reduce the need for future family planning services for unwed minors. Any Federal Funds received by the agency for abstinence education are appropriated to the agency for this purpose. Abstinence education means materials and instruction which:
   a. Present abstinence from sexual activity as the preferred choice of behavior for unmarried persons; and
   b. Emphasize that abstinence from sexual activity, used consistently and correctly, is the only method that is 100 percent effective in preventing pregnancy, sexually transmitted disease, and infection with human immunodeficiency virus or acquired immunodeficiency syndrome.

   a. It is the intent of the Legislature that no funds shall be used to pay the direct or indirect costs (including overhead, rent, phones and utilities) of abortion procedures provided by contractors of the department.
   b. It is also the intent of the legislature that no funds appropriated under Strategy B.1.3, Family Planning Services, shall be distributed to individuals or entities that perform elective abortion procedures or that contract with or provide funds to individuals or entities for the performance of elective abortion procedures.
   c. The department shall include in its financial audit a review of the use of appropriated funds to ensure compliance with this section.

22. Family Planning. Of funds appropriated under Strategy B.1.3, Family Planning Services, no state funds may be used to dispense prescription drugs to minors without parental consent.

23. Reporting of Child Abuse. The Department of State Health Services may distribute or provide appropriated funds only to recipients which show good faith efforts to comply with all child abuse reporting guidelines and requirements set forth in Chapter 261 of the Texas Family Code.

24. Trauma Formula Distribution. It is the intent of the Legislature that the Department of State Health Services allocate monies from the emergency medical services and trauma care system fund in accordance with all applicable laws including Health and Safety Code, §773.122(c) and §780.004(d). It is further the intent of the Legislature that the Department of State Health Services weight the statutory criteria in such fashion that, in so far as possible, 40 percent of the funds are allocated to urban counties and 60 percent of the funds are allocated to rural and frontier counties.

25. Authorization to Receive, Administer, and Disburse Federal Funds. The appropriations made herein may be used to match Federal Funds granted to the state for the payment of personal services and other necessary expenses in connection with the administration and operation of a state program of health services. Notwithstanding the General Provisions of this Act, the Executive Commissioner of Health and Human Services, the Commissioner of State Health Services, or the designee under statute or by rule is hereby authorized to receive and disburse in accordance with plans acceptable to the responsible federal agency, all federal monies that are made available (including grants, allotments, and reimbursements) to the state and retain their character as Federal Funds for such purposes, and to receive, administer, and disburse Federal Funds for federal regional programs in accordance with plans agreed upon by the Department of State Health Services and the responsible federal agency, and such other activities as come under the authority of the Executive Commissioner of Health and Human Services, the Commissioner of State Health Services, or the designee under statute or by rule, and such monies are hereby
appropriated to the specific purpose or purposes for which they are granted or otherwise made available. Earned Federal Funds are not considered to be Federal Funds for the purpose of this section.

26. **Accounting of Support Costs.** The Comptroller of Public Accounts shall establish separate accounts from which certain support costs shall be paid. The Department of State Health Services is hereby authorized to make transfers into these separate accounts from line item strategies in order to pay for these expenses in an efficient and effective manner. Only costs not directly attributable to a single program may be budgeted in or paid from these accounts. Items to be budgeted in and paid from these accounts include but are not limited to: postage, occupancy costs, equipment repair, telephones, office printing costs, supplies, freight and transport costs, telephone system costs and salary and travel costs of staff whose function supports several programs. The department shall be responsible for quarterly allocations of these costs to the original strategies.

27. **Medical Treatment.** The Department of State Health Services may distribute funds for medical, dental, psychological, or surgical treatment provided to a minor only if consent to treatment is obtained pursuant to Chapter 32 of the Texas Family Code or other state law. In the event that compliance with this rider would result in the loss of Federal Funds to the state, the department may modify, or suspend this rider to the extent necessary to prevent such loss of funds, provided that 45-day prior notification is provided to the Governor and the Legislative Budget Board.

28. **Appropriation: WIC (Special Supplemental Nutrition Program for Women, Infants, and Children) Rebates.** The Department of State Health Services (DSHS) is authorized to receive and expend WIC rebates and interest earnings associated with WIC rebates and such funds are appropriated to DSHS. The department shall only expend WIC rebates and interest earnings for the purposes of the WIC program.

29. **State Health Care Facility Provisions.** The State Health Care Facilities operated by the Department of State Health Services are the South Texas Health Care Center System (formerly known as the South Texas Hospital) and the Texas Center for Infectious Disease. The provisions applying to the State Health Care Facilities are as follows:

a. The Texas Center for Infectious Disease shall provide utilities and inpatient treatment and care services to the San Antonio State Hospital and the San Antonio State School without reimbursement.

b. Out of the funds appropriated above, the South Texas Health Care System shall support medical education through the South Texas Family Practice Residency Program-McAllen with the cooperation of the University of Texas Health Science Center at San Antonio.

c. Third party collections (appropriated receipts) collected by the Department of State Health Services State Health Care Facilities are hereby appropriated to Strategy C.1.1, Texas Center for Infectious Disease, and Strategy C.1.2, South Texas Health Care System, for the provision of services.

30. **Immunization of Employees.** Monies appropriated above may be expended for any immunization which is required of employees at risk in the performance of their duties.

31. **Reimbursement of Advisory Committee Members.** Pursuant to Health and Safety Code, §1001.027, reimbursement of expenses for advisory committee members, out of funds appropriated above not to exceed $200,000 per fiscal year, is limited to the following advisory committees: State Preventive Health Advisory Committee, Texas Radiation Advisory Board, Preparedness Coordinating Council, the Texas Organ, Tissue, and Eye Donor Council, Governor's Emergency Medical Services and Trauma Advisory Council, and Local Authority Network Advisory Committee.

Pursuant to Health and Safety Code, §1001.027, reimbursement of expenses for advisory committee members, out of funds appropriated above, is limited to any advisory committee member who represents either the general public or consumer on the following advisory committees: Texas HIV Medication Program Advisory Committee, Registered Sanitarian Advisory Committee, Code Enforcement Officer's Advisory Committee, Promotora Community Health Worker Training and Certification Committee, Medical Radiological Technologist Advisory Committee, Respiratory Care Practitioner's Advisory Committee, Governor's Emergency
Medical Services and Trauma Advisory Council, Drug Demand Reduction Advisory Committee, Texas State Perfusionist Advisory Committee, Youth Camp Advisory Committee, and School Health Advisory Committee.

Pursuant to Health and Safety Code, §1001.027, reimbursement of expenses for advisory committee members, out of funds appropriated above not to exceed $18,978 per year, is limited to the Mental Health Planning and Advisory Committee.

To the maximum extent possible, the department shall encourage the use of videoconferencing and teleconferencing and shall schedule meetings and locations to facilitate the travel of participants so that they may return the same day and reduce the need to reimburse members for overnight stays.

32. Reimbursement of Advisory Council Members. Pursuant to Health and Safety Code, §1001.027, reimbursement of travel expenses for the State Health Services Advisory Council members, out of funds appropriated above, is hereby authorized such that the sum total of all reimbursements for members of the Council shall not exceed $25,000 per fiscal year, at the rate specified in the general provisions of this Act.

33. Unexpended Balances - Preparedness and Prevention, and Consumer Protection Services. All unexpended balances, including General Revenue and All Funds, not otherwise restricted from appropriations to Goal A, Preparedness and Prevention Services, and Goal D, Consumer Protection Services, at the close of the fiscal year ending August 31, 2010, are hereby appropriated for the fiscal year beginning September 1, 2010 only upon prior written approval by the Legislative Budget Board and Governor.

For authorization to expend the funds, the agency shall submit a written request to the Legislative Budget Board and the Governor by August 1, 2010. At the same time, the agency shall provide a copy of the request to the Comptroller of Public Accounts. The request must be organized by fiscal year as follows:

a. The following information shall be provided for the fiscal year with an unexpended balance:

   (1) an explanation of the causes of the unexpended balance(s);
   (2) the amount of the unexpended balance(s) by strategy; and
   (3) an estimate of performance levels and, where relevant, a comparison to targets in this Act.

b. The following information shall be provided for the fiscal year receiving the funds:

   (1) an explanation of purpose for which the unexpended balance(s) will be used and whether the expenditure will be one-time or ongoing;
   (2) the amount of the expenditure by strategy;
   (3) an estimate of performance levels, and where relevant, a comparison to targets in this Act; and
   (4) the capital budget impact.

The request shall be considered to be disapproved unless the Legislative Budget Board and the Governor issue written approvals within 45 calendar days of receipt of the request.

The Comptroller of Public Accounts shall not allow the use of unexpended balances authorized by any of the above subsections if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the requirements of this provision have not been satisfied.

34. State Health Programs Drug Manufacturer Rebates. The Department of State Health Services is authorized to receive and expend drug rebates and interest earnings associated with Kidney Health Care (KHC) drug rebates and Children with Special Health Care Needs (CSHCN) drug rebates. The department shall expend the drug rebates and interest earnings, appropriated above, only for the purpose of client services for the KHC and CSHCN programs.
35. **Childhood Lead Registry.** Out of funds appropriated above in Strategy A.1.2, Health Registries, Information, and Vital Records, a total of $80,700 in All Funds and $65,000 in General Revenue Funds each fiscal year of the 2010-11 biennium shall be used for the Childhood Lead Registry.

36. **Performance of Licensing Entities.** The Department of State Health Services (DSHS) shall provide performance information to the Legislative Budget Board and the Governor no later than December 1 of each year for each board or other entity that licenses, certifies, or registers health professionals attached to or within the purview of DSHS. For each board or other entity, the department shall provide the following for the previous fiscal year:
   a. Number of Professionals Licensed/Certified/Placed on a Registry;
   b. Number of New License/Certificate Applications Received;
   c. Total Number of Complaints Received;
   d. Total Number of Jurisdictional Complaints Resolved; and
   e. Total Number and Type of Disciplinary Actions Taken.

37. **Performance Reporting for Texas Center for Infectious Disease and South Texas Health Care Center System.** The Department of State Health Services shall submit to the Legislative Budget Board and the Governor the following information on an annual basis regarding hospital performance: revenue collections at the hospital, by payor mix; direct and non-direct patient care expenditures; number of inpatient patients served on a monthly basis, by type of service provided; and number of outpatient patients served on a monthly basis, by type of service provided.

38. **Notification of Regional Funds Distribution.** The Department of State Health Services shall notify the Legislative Budget Board and the Governor of the allocation methodology or formula used to allocate funds and provide an impact analysis of any changes from the previous year's formula or percentage allocations, by public health region, at least 30 days prior to allocations made out of funds appropriated above in Strategy B.1.2, Women and Children's Health Services.

39. **Transfer for Health Professions Council.** Out of funds appropriated above in Strategy D.1.4, Health Care Professionals, an amount equal to $11,846 in fiscal year 2010 and $11,846 in fiscal year 2011 shall be used for transfer to, and expenditure by, the Health Professions Council as the pro-rated assessment of the Professional Licensing and Certification Unit of the Department of State Health Services.

40. **Rabies Control.** Out of amounts appropriated above, up to $5,005,594 in fiscal year 2010 and $4,505,595 in fiscal year 2011 is allocated above to Strategy A.2.3, Infectious Disease Prevention, Epidemiology, and Surveillance, for rabies control.

41. **Reducing the Incidence of Vibrio Vulnificus.** Out of the funds appropriated in Strategy D.1.1, Food (Meat) and Drug Safety, the Department of State Health Services (DSHS) shall allocate up to $100,000 in fiscal year 2010 and $100,000 in fiscal year 2011 in the General Revenue Dedicated, Oyster Sales, Account No. 5022, for the purpose of reducing the incidence of Vibrio Vulnificus. Appropriation of these funds does not preclude the use of other funds (such as federal or other grants, donations, or awards) to carry out the activities by DSHS as provided for herein.

42. **Use of Community Primary Care Services, FQHC, and Special Health Initiatives Funds.**
   a. It is the intent of the Legislature that up to $5,000,000 in fiscal year 2010 and $5,000,000 in fiscal year 2011 of the funds appropriated in Strategy B.3.2, FQHC Infrastructure Grants, be expended exclusively to establish new Federally Qualified Health Centers (FQHCs), FQHC Look-alikes, or expand sites or capacity at existing FQHCs and to aid FQHCs and organizations through grants to existing or new institutions seeking to become FQHCs for planning, grant writing, initial operating costs, and initial capital costs. Any unused funds after June 1 of each year shall be used solely for the provision of direct primary care services through the continuation of the Primary Healthcare Program for existing FQHCs and non-FQHCs in Strategy B.1.4, Community Primary Care Services.
   b. It is the intent of the Legislature that a total of $302,100 for the 2010-11 biennium appropriated in Strategy B.1.4, Community Primary Care Services, be expended exclusively for the Parkland Senior Care Project. No more than $1,000,000 may be used each year in
Strategy B.1.4, Community Primary Care Services, for administrative expenses to support the Community Primary Care and FQHC grant programs.

c. It is the intent of the Legislature that all grantees, except Parkland Senior Care Project, receiving funds appropriated in Strategy B.1.4, Community Primary Care Services, be required to coordinate their services with existing FQHCs located in their county or to examine seeking designation as an FQHC if no FQHC is currently available within their county.

d. It is the intent of the Legislature that an FQHC that receives funds through this section shall operate extended weekend and evening hours.

43. State Owned Multicategorical Teaching Hospital Account.

a. Out of funds appropriated above in Strategy B.3.3, Indigent Health Care Reimbursement (UTMB), from the State Owned Multicategorical Teaching Hospital Account No. 5049 (“Account”), and contingent upon $20,000,000 being collected and deposited in the Account for the 2010-11 biennium, the amount of $20,000,000 is allocated to the Department of State Health Services (DSHS) for reimbursement to the University of Texas Medical Branch at Galveston (UTMB) for the provision of health care services provided to indigent patients according to the terms set out in subsection (b). Any additional unexpended balances on hand in the accounts as of August 31, 2010 are appropriated to the agency for the fiscal year beginning September 1, 2010 for the same subject, to the department notifying the Legislative Budget Board and the Governor in writing at least 30 days prior to budgeting and expending these balances.

b. Funds in the account may be used to reimburse UTMB for the provision of health care services provided to indigent patients from all counties, except that it may be used for indigent patients from Galveston, Brazoria, Harris, Montgomery, Fort Bend, and Jefferson counties only if those counties’ County Indigent Health Care income eligibility levels, or those counties’ hospital district income eligibility levels, exceed the statutory minimum set for the County Indigent Health Care Program.

c. Upon presentation of information supporting UTMB's claim, DSHS shall reimburse UTMB for the health care services provided to indigent patients from the Account established for this purpose. The reimbursement from the Account shall be based upon a rate equal to 90 percent of the Medicaid fee-for-service rate in effect at the time of service for UTMB. This reimbursement shall be made monthly upon the submission to DSHS of a statement of the care provided by UTMB to indigent patients, according to the terms set out in subsection (b). UTMB is authorized to charge patient co-payment amounts for providing health care services, however, UTMB is not entitled to reimbursement from the Account for these co-payment amounts. The Office of the State Auditor may periodically review the statements submitted to DSHS for reimbursement from the Account, as well as the disbursement therefrom, to verify compliance with the criteria established herein.

44. Appropriation of License Plate Revenue. Out of funds appropriated above, the Department of State Health Services shall allocate $853,000 from revenues deposited in the General Revenue-Dedicated Animal Friendly Plates Account No. 5032, under Health and Safety Code, §828.014 per fiscal year for the purpose of awarding grants for animal sterilization. Any revenues deposited in the account in excess of the amounts estimated above are appropriated to the agency. Amounts appropriated above include an unexpended balance (estimated to be $0) from the 2008-09 biennium; any additional unexpended balance on hand in the account as of August 31, 2009 is appropriated to the agency. Any unexpended balances as of August 31, 2010, from the amounts appropriated may be carried forward and expended in fiscal year 2011 for the same purposes.

45. Regulating End Stage Renal Disease Facilities. Out of funds appropriated above in Strategy D.1.5, Health Care Facilities, up to $368,600 in General Revenue per year is allocated for the purpose of regulating End Stage Renal Disease facilities.

46. Informational Listing - Permanent Funds and Endowments. The following is an informational list of the amounts used to capitalize Permanent Funds and Endowments created by House Bill 1676, Seventy-sixth Legislature, and does not make appropriations.
47. Estimated Appropriation and Unexpended Balance: Permanent Tobacco Funds. The estimated amounts appropriated above out of the Permanent Fund for Health and Tobacco Education and Enforcement, the Permanent Fund for Children and Public Health, the Permanent Fund for Emergency Medical Services and Trauma Care, and the Permanent Hospital Fund for Capital Improvements are out of the available earnings of the funds. Available earnings in excess of the amounts estimated above are appropriated to the Department of State Health Services. In the event that amounts available for distribution or investment returns are less than the amounts estimated above, this Act may not be construed as appropriating funds to make up the difference. Any additional unexpended balances on hand in the accounts as of August 31, 2010 are appropriated to the agency for the fiscal year beginning September 1, 2010 for the same purposes, subject to the department notifying the Legislative Budget Board and the Governor in writing at least 30 days prior to budgeting and expending these balances.

48. Administration of Public Health Funds. Funds are appropriated above out of the Permanent Fund for Health and Tobacco Education and Enforcement, the Permanent Fund for Children and Public Health, the Permanent Fund for Emergency Medical Services and Trauma Care, and the Permanent Hospital Fund for Capital Improvements and the Texas Center for Infectious Disease for the purpose of implementing Government Code §§403.105, 403.1055, 403.106, and 403.1066. In no event may the administrative costs to implement the provisions of the statute exceed 3 percent. Grants and program costs must compose at least 97 percent of the expenditures to implement the provisions of the statute.

49. Emergency Care Attendant (ECA) Training. Out of funds appropriated above, the Department of State Health Services (DSHS) shall allocate $50,000 in fiscal year 2010 and $50,000 in fiscal year 2011 for the purpose of providing training grants to local Emergency Medical Services (EMS) instructors to conduct Emergency Care Attendant courses in or near communities lacking local training resources. DSHS shall contract with certified EMS instructors to conduct the 40-hour Emergency Care Attendant courses.

50. Funding for the Children's Outreach Heart Program. Out of funds appropriated above in Strategy A.3.1, Health Promotion and Chronic Disease Prevention, $247,000 in General Revenue Funds in each fiscal year of the 2010-11 biennium shall be used for the purposes of the Children's Outreach Heart Program in Corpus Christi for the prevention of heart disease and the early detection and intervention for heart defects in the Coastal Bend and South Texas.

51. Children with Special Health Care Needs.

a. Amounts appropriated above to DSHS in Strategy A.3.4, Children with Special Health Care Needs, may only be transferred if such a transfer would not result in a loss of, or reduction in, services or a loss of, or reduction in, persons otherwise eligible for CSHCN services or that results in higher cost projections for the next fiscal biennium.

b. DSHS may exceed the performance measure targets identified above for the Number of CSHCN Clients Receiving Medical Services to the extent funding is available to do so.

c. DSHS is directed to:

   (1) Maintain provider reimbursement rates for Title V providers that mirror reductions in provider reimbursement rates for Medicaid providers.

   (2) Continue 6 month continuous eligibility limitations consistent with the 6 month continuous eligibility limitations in effect in the Medicaid program.

d. DSHS shall submit to the Legislative Budget Board and the Governor the following information on an annual basis (no later than September 30 of each fiscal year) regarding the
demographics of the clients served by this program, including income levels, insured status and citizenship.

52. **County Indigent Health Care.** The Department of State Health Services may not allocate more than 10 percent of the total funds appropriated for the County Indigent Health Care program strategy to any single county. The total distribution of funds to any county may exceed the 10 percent allocation limit if there are no counties below the limit eligible for additional funding.

53. **Nuisance Surveys for the Economically Disadvantaged Communities Program.** The Commission on Environmental Quality (TCEQ) and the Water Development Board (WDB) shall reimburse the Department of State Health Services (DSHS) for costs incurred by the agency in conducting nuisance surveys for applicants for financial assistance through the Economically Disadvantaged Communities program administered by the Water Development Board. TCEQ and WDB shall each reimburse such costs through Interagency Contracts with DSHS in an amount not to exceed a total of $125,000 per agency for the biennium beginning on September 1, 2009.

54. **Medically Fragile Children.** It is the intent of the Legislature that the Department of State Health Services provide appropriate General Revenue funding in fiscal years 2010 and 2011 in Strategy A.3.4, Children with Special Health Care Needs, for programs specifically designed for medically fragile children, the most critical of the children with special health care needs.

55. **SAPT Maintenance of Effort Calculation.** The Department of State Health Services shall submit by September 1 of each year of the biennium to the Legislative Budget Board and the Governor a detailed analysis of all funds used for the calculation of the Substance Abuse Prevention and Treatment Block Grant Maintenance of Effort requirement for fiscal years 2009, 2010, and 2011. The report shall be in a format prescribed by the Legislative Budget Board and shall be accompanied by any supporting documentation detailing the sources and methodologies utilized in the calculation.

56. **Family Planning Services at Federally Qualified Health Centers.** Out of funds appropriated in Strategy B.1.3, Family Planning Services, up to $10,000,000 in each year of the 2010-11 biennium shall be set aside for family planning services provided by Federally Qualified Health Centers (FQHCs). The Department shall implement this provision only to the extent that it will not have an adverse effect on the number served by the family planning program, especially in counties where no FQHC is available. In addition, up to $1,000,000 per year may be allocated to clinics for core family planning services provided under the auspices of Baylor College of Medicine. Funds will be allocated statewide to counties for family planning services according to DSHS’ annual assessment of women-in-need. Any funds not applied for and granted to FQHCs each fiscal year shall be made available to non-FQHC contractors. FQHCs funded under this strategy shall assure that recipients receive comprehensive primary and preventive care in addition to the family planning services. The Department of State Health Services shall work with FQHC contractors to assure that reporting requirements are aligned with FQHC eligibility, payment, and reporting requirements.

The Department of State Health Services shall re-allocate funds which are available to all providers to ensure that the funds appropriated in Strategy B.1.3, Family Planning Services, are fully utilized for family planning services and to prevent the underutilization of the funds appropriated. Any balances available from Title V and Title XX funds on August 31, 2010 are appropriated for fiscal year 2011 for the same purposes.

57. **Vaccine Education - Inclusion of Information Related to Respiratory Syncytial Virus.** Out of funds appropriated above, the Department of State Health Services is hereby directed to include educational information about respiratory syncytial virus (RSV) in its materials already provided to mothers-to-be about childhood immunizations and illness.

58. **Texas Cancer Registry.** Out of funds appropriated above in Strategy A.1.2, Health Registries, Information, and Vital Records, the Department of State Health Services shall allocate $875,000 in fiscal year 2010 and $1,000,000 in fiscal year 2011 in General Revenue Funds including one FTE in each year for the purpose of enhancing the infrastructure of the cancer registry.

59. **Appropriation: Contingent Revenue.** The Department of State Health Services (DSHS) is appropriated for the purposes identified below any additional revenue generated by DSHS above the amounts identified in fiscal year 2010 or fiscal year 2011 in the Comptroller of Public Account's Biennial Revenue Estimate (BRE) for each of the accounts or revenue objects identified below. An appropriation from an account or revenue object shall be made available to the department once the amount in the BRE for the account or revenue object for the given fiscal year
has been exceeded. An appropriation is limited to revenue generated in fiscal year 2010 or fiscal year 2011 and does not include any balances that have accrued in the account or revenue object code.

a. Account No. 341, Food and Drug Retail Fees, for restaurant inspections.

b. Account No. 524, Public Health Services Fee, excluding any amounts deposited into Revenue Object 3561, which are statutorily dedicated for laboratory debt service. Any additional revenues are appropriated for laboratory operations.

c. Revenue Object 3175, Account No. 5017, Asbestos Removal Licensure, for asbestos inspections and regulatory activities.

d. Account No. 5021, Certification of Mammography Systems, for the purpose of certification of mammography facilities.

e. Revenue Objects 3616, 3560, and 3562 in the General Revenue Fund for the purpose of regulating health professionals.

f. Account No. 5024, Food and Drug Registration Fees, for food and drug inspections.

g. Account No. 5022, Oyster Sales, for oyster plant inspections.

h. Revenue Object 3589 in the General Revenue Fund for Radiation Control regulatory activities.

i. Revenue Objects 3123, 3141, 3175, 3555, and 3573 in the General Revenue Fund for environmental regulation.

j. Account No. 19, Vital Statistics, for processing birth and death certificates and other vital records.

k. Account No. 512, Bureau of Emergency Management, for licensing Emergency Medical Services personnel and providers.

60. Mentally Ill Offender Screening. Pursuant to Health and Safety Code §§614.013 and 614.017, the Department of State Health Services and local mental health or mental retardation authorities shall, through a memorandum of understanding, identify offenders with mental impairments in the criminal justice system, collect and report prevalence data, and accept and disclose information relating to a special needs offenders if the disclosure serves the purpose of Chapter 614, Health and Safety Code.

The Department shall report to the Legislative Budget Board no later than September 1 of each fiscal year its efforts to facilitate the exchange of information between agencies pursuant to Health and Safety Code §614.017. The report shall include, but is not limited to: the manner in which information is exchanged between agencies, the frequency with which information is exchanged, the type of information most frequently exchanged, and the agencies most frequently involved in the exchange of information.

61. TexasOnline Authority Appropriation.

a. The Department of State Health Services (DSHS) is authorized in accordance with § 2054.252 of the Government Code to increase the occupational license, permit, and registration fees imposed on licensees by an amount sufficient to cover the cost of the subscription fee charged by the TexasOnline Authority.

b. Amounts appropriated above to DSHS include $1,049,240 in fiscal year 2010 and $1,049,240 in fiscal year 2011 in fee revenue in Strategy D.1.6, TexasOnline, for the purpose of paying TexasOnline Authority subscription fees.

c. In the event that actual and/or projected revenue collections from fee increases to cover the cost of TexasOnline subscription fees are insufficient to offset the costs identified above, the Comptroller is hereby directed to reduce the appropriation authority provided by this Act to DSHS to be within the amount of fee revenue expected to be available.
d. For new licensing applications, DSHS is hereby appropriated the additional revenue generated from occupational license, permit, or registration fees in excess of the Comptroller's biennial revenue estimate for 2010-11 for the sole purpose of payment to the TexasOnline Authority contractor of subscription fees for implementing and maintaining electronic services for the department. DSHS, upon completion of necessary actions to access or increase fees, shall furnish an annual schedule of the number of license issuances or renewals and associated annual fee total, and any other supporting documentation to the Comptroller. If the Comptroller finds the information sufficient to support the projection of increased revenues, a notification letter will be issued and the contingent appropriation made available for the intended purposes.

e. DSHS shall notify the Legislative Budget Board and the Comptroller of Public Accounts in writing upon receiving an exemption from participating in TexasOnline. Within 45 days of receiving an exemption, the department shall provide the Legislative Budget Board and the Comptroller with a report of the effective date, the reason for exemption, and all estimated expenditures for TexasOnline costs in the fiscal year in which the exemption is made.


a. Statewide Comprehensive Tobacco Prevention Community Grant Program. The funds appropriated above in Strategy B.2.6, Reduce Use of Tobacco Products, to the Department of State Health Services shall be used to create a competitive statewide grant program allowing all Texas city and county health departments and local independent school districts to apply for funds from the Texas tobacco settlement earnings and other funding DSHS designates for tobacco prevention activities that is not already designated for Health and Safety Code §161.302 or another statute. Matching local funding may be required by the grant program to ensure as many Texas communities receive funding as possible. Any unexpended balance of these funds remaining as of August 31, 2010 are appropriated to the agency for the fiscal year beginning September 1, 2010 for the same purpose, subject to the department notifying the Legislative Budget Board and the Governor in writing at least 30 days prior to budgeting and expending these balances.

b. Tobacco Prevention Reporting Requirements. The Department of State Health Services shall prepare a report on its progress in the following areas: (1) the number and amount of grants issued to communities to implement comprehensive tobacco prevention efforts, (2) the number of Texas communities implementing a comprehensive tobacco prevention program, (3) the youth and adult tobacco use rate in communities implementing comprehensive programs, (4) the statewide youth and adult tobacco use rates, (5) the number of Texans accessing cessation resources, and (6) the number of Texans exposed to tobacco prevention advertising. The report shall include an overview and evaluation of the state's tobacco prevention and enforcement progress and recommendations to improve the state's efforts and such other information as the Legislative Budget Board may require. The report shall be submitted to the Governor and the Legislative Budget Board by October 1, 2010.

c. Publish Evidence-based Interventions for Tobacco Prevention. The Department of State Health Services (DSHS) shall use funds appropriated by this Act to publish or make available via the Internet a resource list identifying best practice and evidence-based interventions in tobacco prevention, cessation, and enforcement for use by entities receiving state appropriated funds.

d. Use of Evidence-based Interventions for Tobacco Prevention. The Department of State Health Services (DSHS) and any grant recipient of DSHS using state funds appropriated by this Act for tobacco prevention activities or interventions shall use the funds to implement only best practice or evidence-based tobacco prevention, cessation, and enforcement interventions recommended by the Centers for Disease Control and Prevention, the U.S. Department of Health and Human Services, and the U.S. Department of Health and Human Services' Substance Abuse and Mental Health Services Administration (SAMHSA), or activities proven effective through study and evaluation in the communities in the Texas Tobacco Prevention Initiative areas. The Texas Tobacco Prevention Initiative areas were: (1) the City of Port Arthur during the state fiscal years 2000 and 2001; (2) Harris, Montgomery, Fort Bend, and Jefferson Counties during the state fiscal years 2002 and 2003; and (3) Jefferson County during the state fiscal years 2004, 2005, and 2006.
c. **Synar Results Notification for Local Communities.** The Department of State Health Services (DSHS) or the contracted vendor conducting the federally-required Synar survey shall notify the applicable Comptroller of Public Accounts tobacco law enforcement grantee and the applicable local sheriff's department in writing when a Synar violation occurs during the administration of the annual federal Synar survey. The notification shall include: a copy of the Synar survey document with documentation of the violation and any additional details of the violation, such as the name of the clerk and actual cigarettes and/or tobacco product sold. Notification shall occur no later than 30 days after the last Synar survey inspection is conducted for the current Synar survey year.

63. **School Cafeteria Inspections.** Amounts appropriated above to the Department of State Health Services include fee revenue (General Revenue) estimated to be $652,100 in fiscal year 2010 and $652,100 in fiscal year 2011 from school districts for the purpose of conducting inspections of school cafeterias to achieve compliance with federal regulations issued pursuant to Section 111(2)(A) of Public Law 108-265, 118 Stat. 747 (Child Nutrition and WIC Reauthorization Act of 2004).

64. **Estimated Appropriations: Perpetual Care Account.** General Revenue-Dedicated Perpetual Care Account 8076 funding of $1,432,054 in fiscal year 2010 and $1,260,946 in fiscal year 2011 appropriated above to Strategy D.1.3, Radiation Control, includes an unexpended balance (estimated to be $253,891) from the 2008-09 biennium. Any additional unexpended balance on hand in the account as of August 31, 2009 is appropriated to the agency for the fiscal year beginning September 1, 2009 for the same purpose, subject to the department notifying the Legislative Budget Board and the Governor in writing at least 30 days prior to budgeting and expending these balances.

65. **Community Mental Health Crisis Services.**

a. The Department of State Health Services (DSHS) shall allocate $109,368,602 in funds appropriated above in Strategy B.2.3, Community Mental Health Crisis Services for enhanced services, using a methodology that allocates a portion of the funds to achieve equity in state funding among local mental health authorities, a portion on a per capita basis, and a portion using a competitive process. DSHS shall submit an allocation plan to the Legislative Budget Board and the Governor prior to distributing funding in the strategy.

b. DSHS shall report annually to the Legislative Budget Board and the Governor on the following measures to gauge the implementation of community mental health crisis services:

1. percent of persons with Medicaid receiving crisis services that is followed by an ER visit within 30 days;
2. percent of persons receiving crisis services that is followed by a psychiatric hospitalization within 30 days;
3. percent of persons receiving crisis services that is followed by a jail booking within 7 days;
4. number of persons receiving crisis residential services per year funded by General Revenue;
5. number of persons receiving crisis outpatient services per year funded by General Revenue;
6. average amount of General Revenue spent for crisis residential services; and
7. average amount of General Revenue spent for crisis outpatient services.

c. The Department of State Health Services (DSHS) shall allocate $55,000,000 in funds appropriated above in Strategy B.2.3, Community Mental Health Crisis Services for transitional and on-going services, using a methodology that allocates the funds in such a way to achieve equity in state funding among local mental health authorities to the greatest extent possible by using a per capita equity formula that allocates one-half (1/2) of new funds to those below the statewide average in per capita funding and allocates the remaining...
funds on a per capita basis across all local mental health authorities. DSHS shall submit an allocation plan to the Legislative Budget Board and the Governor prior to distributing this new funding.

d. Not later than September 1, 2009, DSHS shall contract with an independent entity for an evaluation of community mental health crisis services. The evaluation shall include an analysis of the implementation of crisis services and the impact of crisis services, including on clients, local communities, mental health and health care providers, and law enforcement. The department shall submit the evaluation to the Legislative Budget Board, the Governor, and the standing committees of the Senate and House of Representatives having primary jurisdiction over health and human services not later than January 1, 2010.

e. Any unexpended balances remaining at August 31, 2010 in Strategy B.2.3, Community Mental Health Crisis Services, are hereby appropriated for the same purposes in fiscal year 2011.

For authorization to expend the funds, the agency shall submit a written request to the Legislative Budget Board and the Governor. At the same time, the agency shall provide a copy of the request to the Comptroller of Public Accounts. The request must be organized by fiscal year as follows:

(1) The following information shall be provided for the fiscal year with an unexpended balance:

(i) an explanation of the causes of the unexpended balance(s);
(ii) the amount of the unexpended balance(s) by strategy; and
(iii) the associated incremental change in service levels compared to performance targets in this Act for that fiscal year.

(2) The following information shall be provided for the fiscal year receiving the funds:

(i) an explanation of purpose for which the unexpended balance(s) will be used and whether the expenditure will be one-time or ongoing;
(ii) the amount of the expenditure by strategy;
(iii) the incremental change in service levels compared to performance targets in this Act for that fiscal year; and
(iv) the capital budget impact.

The request shall be considered to be approved unless the Legislative Budget Board or the Governor issues a written disapproval within 15 business days of the date on which the staff of the Legislative Budget Board concludes its review of the proposal to expend the funds and forwards its review to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor.

The Comptroller of Public Accounts shall not allow the use of unexpended balances authorized by any of the above subsections if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the requirements of this provision have not been satisfied.

66. Use of Family Planning Funds. The Department of State Health Services (DSHS) shall use a portion of funds appropriated above in Strategy B.1.3, Family Planning Services, to reimburse contracted providers for family planning services not covered by the Women's Health Program. To the extent funds are available and federal approval has been granted, DSHS shall also use a portion of funds appropriated above in Strategy B.1.3, Family Planning Services, for comprehensive outreach and education about the Women's Health Program and family planning services.

67. Revolving Account for the Consolidated Health and Human Services Print Shop. It is the intent of the Legislature that the Department of State Health Services establish and maintain the "Revolving Account for the Consolidated Health and Human Services Print Shop" to account for the expenditures, revenues, and balances of managing a full-cost recovery Consolidated Print Shop. The expenditures, revenues, and balances included above for this operation shall be maintained separately by the Department of State Health Services within its accounting system. These funds can only be used for the purpose of managing the consolidated print shop. For the
purpose of meeting cash flow needs, the Department of State Health Services may temporarily transfer funds from Strategy E.1.3, Other Support Services, to the revolving account. Transfers must be returned by the end of the fiscal year.

68. **School-based Prevention Services.** The Department of State Health Services (DSHS) shall enter into an interagency contract with the Texas Education Agency for the purpose of the reduction and prevention of the use of tobacco products among school-aged children in grades 4-12. Out of funds appropriated above in Strategy B.2.6, Reduce Use of Tobacco Products, DSHS shall allocate $3,000,000 in fiscal year 2010 and $3,000,000 in fiscal year 2011 in General Revenue-Dedicated Funds from Account No. 5044, Permanent Fund for Health and Tobacco Education and Enforcement, for services provided under the required contract.

69. **Family Planning Affiliate Requirements.** An entity otherwise eligible to receive funds distributed under Strategy B.1.3 (the "family-planning affiliate") will not be disqualified from receipt of such funds because of its affiliation with an entity that performs elective abortions (the "abortion-services affiliate") provided that such affiliation satisfies the following requirements:

a. **Legal separation.** The family-planning and abortion-services affiliates must be legally separate corporations, with separate articles of incorporation and separate bylaws. State or local governmental entities that are family-planning and abortion-services affiliates must be legally separate organizations and must have separate governing structures.

b. **Easily distinguishable names.** The family-planning and abortion-services affiliates must have easily distinguishable names.

c. **Separate boards of directors and governing bodies.** The family-planning and abortion-services affiliates must have separate boards of directors or governing bodies which meet separately and maintain separate records.

d. **No direct or indirect subsidy.** The family-planning affiliate may not transfer any funds distributed under Strategy B.1.3 to its abortion-services affiliate. The affiliated entities must apportion fair value for any shared expenses or costs (including overhead, rent, phones, equipment, and utilities) in accordance with generally accepted accounting principles.

e. **Detailed employee timekeeping.** Any person employed part-time by the family-planning affiliate or part-time by the abortion-service affiliate must maintain detailed time records clearly reflecting the work performed for each affiliate.

f. **Clear signage.** If the family-planning and abortion-services affiliates are located at the same physical location, the existence and separate nature of the affiliate relationship must be clearly reflected by appropriate signage in areas accessible to the public.

g. **Separate books.** The family-planning and abortion-services affiliates must each maintain records adequate to show compliance with these requirements.

**Annual audit of family planning services providers.** At least once every two years, the Executive Commissioner of the Health and Human Services Commission or his agent shall conduct an audit of each family planning affiliate to determine if the affiliate and the Contract Management Branch of the Department of State Health Services, the Bureau of Women's Health of the Department of State Health Services, and the Prevention and Primary Care Unit of the Department of State Health Services have complied with this requirement. The Executive Commissioner of the Health and Human Services Commission shall make the audits available to the Governor, the Lieutenant Governor, the Speaker of the Texas House of Representatives, and the members of the State Legislature.

No later than June 30 of each year, the Executive Commissioner of the Health and Human Services Commission shall submit a report to the Chairman of the Senate Finance Committee and to the Chairman of the House Appropriations Committee regarding the audits filed or conducted pursuant to this section, including the number and findings of such audits, the adequacy of the documentation submitted, and any recommendations to revise the verification process.

70. **Epilepsy Services.** Out of funds appropriated above, the Department of State Health Services (DSHS) shall allocate $1,936,310 in All Funds in fiscal year 2010 and $1,936,310 in All Funds in fiscal year 2011 for epilepsy services. DSHS shall use at least $1,000,000 per fiscal year of the allocated funds to contract with a non-profit organization to expand epilepsy services.
71. Stroke Survival System. To the extent funds are available, the Department of State Health Services shall allocate up to $750,000 in General Revenue for fiscal year 2010 and $750,000 in General Revenue for fiscal year 2011 for the purpose of stroke recognition and treatment training, stroke prevention and community education, and stroke facilities.

72. Smokeless Tobacco Use. Out of funds appropriated above in Strategy B.2.6, Reduce Use of Tobacco Products, the Department of State Health Services shall allocate $1,000,000 in General Revenue in fiscal year 2010 and $1,000,000 in General Revenue in fiscal year 2011 to reduce the use of smokeless tobacco by youth in rural areas of the state.

73. Pandemic Flu Preparedness. Using funds appropriated to the agencies elsewhere under this Act, the Department of State Health Services in conjunction with the Governor's Emergency Management Division in the Department of Public Safety shall identify and seek any necessary approvals for federal or other funds available for the purchase of antivirals for pandemic flu preparedness.

74. End Stage Renal Disease Prevention Program. Out of funds appropriated above in Strategy A.3.1, Health Promotion and Chronic Disease Prevention, the Department of State Health Services shall allocate $500,000 in General Revenue for fiscal year 2010 and $500,000 in General Revenue for fiscal year 2011 for a statewide program to decrease the number of new End Stage Renal Disease (ESRD) cases in Texas. The program shall work in conjunction with the Texas Renal Coalition and the Chronic Kidney Disease Task Force to provide educational services designed to increase awareness, early diagnosis and treatment of chronic kidney disease (CKD) and its consequences. The program shall outreach to individuals with diabetes mellitus, hypertension, or with a family history of kidney disease, diabetes, or hypertension and to physicians to ensure appropriate treatment for individuals at risk for ESRD.

75. Governor's Advisory Council on Physical Fitness. Out of funds appropriated above, the Department of State Health Services shall make available $400,000 per year for use by the Governor's Advisory Council on Physical Fitness to provide grants to local mayors' councils to develop and implement wellness and physical fitness programs in communities across the state, and to assist the Council in continuing to develop and promote physical activity and nutrition initiatives. The Governor's Office shall provide administrative support to the Council.

76. Civil Commitment and Monitoring and Treatment of Sex Offenders. It is the intent of the Legislature that the Special Prosecution Unit, Walker County (Strategy D.1.5, Judiciary Section, Comptroller's Department) initiate civil commitment proceedings against sexually violent predators. Included in amounts appropriated elsewhere in this Act to the Judiciary Section, Comptroller's Department is $5,557,840 for the 2010-11 biennium for this purpose.

It is also the intent of the Legislature that the Department of State Health Services (DSHS) Council on Sex Offender Treatment (Strategy D.1.7.) provide monitoring and treatment to those offenders civilly committed. Funding for these services, estimated to be $7,254,493 for the 2010-11 biennium is appropriated to DSHS through an interagency contract with the Judiciary Section, Comptroller's Department.

77. Contingency for Regulating Independent Freestanding Emergency Rooms and Urgent Care Clinics. Contingent on passage of House Bill 2183, or similar legislation relating to the licensure of independent freestanding emergency rooms and urgent care clinics, and creation of the respective licensing fees, by the Eighty-first Legislature, Regular Session, the Department of State Health Services is appropriated $1,074,136 for fiscal year 2010 and $633,658 for fiscal year 2011 from the fees collected and deposited in the General Revenue Fund to implement the provisions of the legislation. The number of "Full-Time Equivalents (FTE)" is increased by 19.5 FTEs in fiscal year 2010 and 11 FTEs in fiscal year 2011.

78. Health Statistics Registries. Out of funds appropriated above to the Department of State Health Services, the agency shall utilize $1,000,000 for the 2010-11 biennium to upgrade the twelve registries used by the Center for Health Statistics to collect, analyze and disseminate a variety of health information.

79. Exemption from Limitation on Travel Expenditures. The Department of State Health Services is authorized to conduct travel within 150 miles of the border between Texas and the contiguous states of the United States of America and the United Mexican States for the propose of protecting and promoting the public health of Texas residents and such travel is exempted from the provisions, referenced in Article IX of this Act as “Limitation on Travel Expenditures.”
80. **Substance Abuse Treatment.** Contingent on passage of Senate Bill 796, or similar legislation relating to expanding substance abuse treatment for adult Medicaid clients, the Department of State Health Services shall use funds appropriated above in Strategy B.2.5, Substance Abuse Prevention, Intervention, and Treatment, which were previously used to serve Medicaid clients, to provide substance abuse prevention and treatment services for other eligible clients.

81. **Provision of Psychiatric and Psychotherapy Services.** Out of funds appropriated above in Strategy B.2.3, Community Mental Health Crisis Services, the Department of State Health Services shall expend $500,000 in All Funds in the 2010-11 biennium to hire psychiatrists and psychotherapists to train third-year medical students and provide psychiatric and psychotherapy services for the uninsured and underinsured populations at existing clinic sites at a community health center working in conjunction with the Texas A&M Health Science Center College of Medicine in Round Rock.

82. **HIV Testing.** Out of funds appropriated above in Strategy A.2.2, HIV/STD Prevention, the Department of State Health Services shall allocate not less than $4,419,989 in fiscal 2010 in All Funds and $4,419,990 in fiscal year 2011 in All Funds for the purpose of increased testing for HIV in high morbidity areas, with Houston and Dallas receiving top consideration, in emergency rooms, or in primary care clinics associated with the large indigent care providers.

83. **Texas Birth Defects Registry.** Out of funds appropriated above in Strategy A.1.2, Health Registries, Information, and Vital Records, the Department of State Health Services shall allocate $950,000 in General Revenue Funds in each fiscal year of the 2010-11 biennium for the purpose of enhancing the infrastructure of the Texas Birth Defects Registry.

84. **The University of Texas Harris County Psychiatric Center.** Out of funds appropriated above in Strategy C.2.1, Mental Health Community Hospitals, the Department of State Health Services shall allocate $4,250,000 in General Revenue Funds in fiscal year 2010 and $4,250,000 in General Revenue Funds in fiscal year 2011 for the purpose of funding 24 additional beds at the University of Texas Harris County Psychiatric Center.

85. **Appropriation Authority for General Obligation Bond Proceeds.** Appropriated above in Strategy F.1.3, Repair and Renovation: Mental Health Facilities, in fiscal year 2010 is $27,228,000 in general obligation bond proceeds for projects for the Department of State Health Services as described in Article IX, Sec. 17.01, Informational Listing: General Obligation Bond Proceeds.

All projects funded herein with general obligation bond proceeds are subject to approval by the Legislative Budget Board prior to issuance of the bond proceeds by the Texas Public Finance Authority. Any unexpended and unobligated balances in general obligation bond proceeds described herein and remaining as of August 31, 2010 are hereby appropriated for the fiscal year beginning September 1, 2010 for the same purpose.

86. **Community Mental Health Hospital Rates.** Out of amounts appropriated above in Strategy C.2.1, Mental Health Community Hospitals, the Department of State Health Services shall allocate in each fiscal year of the 2010-11 biennium $325,056 in All Funds to Galveston Community Hospital and $502,723 in All Funds to Lubbock Community Hospital to increase the allotment for community mental health inpatient services at these facilities.

87. **Galveston Community Mental Health Center.** Out of amounts appropriated above in Strategy C.2.1, Mental Health Community Hospitals, the Department of State Health Services shall allocate $1,376,050 in All Funds in each year of the 2010-11 biennium to the Galveston Community Mental Health Center to increase the number of inpatient beds from 20 to 30.

88. **Exemption from Article IX, Sec. 8.03 (e), Reimbursements and Payments.** The Department of State Health Services is hereby exempted from the provisions contained in Article IX, Sec. 8.03 (e), Reimbursements and Payments, of the General Appropriations Act for the 2010-11 biennium.

89. **Limitation: Expenditure and Transfer of Additional Public Health Medicaid Reimbursements.**

a. **Appropriations.** Included in the amounts appropriated above for the Department of State Health Services are the following amounts of Public Health Medicaid Reimbursements (Account 709):
DEPARTMENT OF STATE HEALTH SERVICES  
(Continued)

(1) Strategy A.2.1, Immunize Children and Adults in Texas: $341,686 in each fiscal year;

(2) Strategy A.4.1, Laboratory Services: $13,020,618 in each fiscal year;

(3) Strategy B.1.2, Women and Children's Health Services: $37,706 in each fiscal year;

(4) Strategy C.1.3, Mental Health State Hospitals: $35,247,627 in fiscal year 2010 and $35,681,547 in fiscal year 2011 (Funding represents all additional Account 709 revenue anticipated to be available in the 2010-11 biennium ($70,929,174) based on the agency's estimate; the additional revenue is associated with an anticipated increase in laboratory fee revenue due to a rate change to align with Medicare rates); and

(5) Strategy E.1.1, Central Administration: $672,285 in each fiscal year.

b. Limitation on Use of Public Health Medicaid Reimbursements (Account 709).

(1) In the event that Public Health Medicaid Reimbursement revenues exceed the amounts noted above, the department may spend the Public Health Medicaid Reimbursement funds thereby made available only to the extent authorized in writing by the Legislative Budget Board and the Governor.

(2) Notwithstanding any other provisions contained in this Act, transfers of Public Health Medicaid Reimbursement revenues shall be made only to the extent authorized in writing by the Legislative Budget Board and the Governor.

c. Request for Approval to use Additional Public Health Medicaid Reimbursements Funds.  To request approval pursuant to section (b-1) above, the department shall submit a written request to the Legislative Budget Board and the Governor. At the same time, the agency shall provide a copy of the request to the Comptroller of Public Accounts. The request shall include the following information:

(1) the reason for and the amount of Public Health Medicaid Reimbursement revenue that exceeds the amounts noted in section (a) above, and whether this additional revenue will continue in future years;

(2) a detailed explanation of the purpose(s) of the expenditure and whether the expenditure will be one-time or ongoing;

(3) the name of the strategy or strategies affected by the expenditure and the FTEs for each strategy by fiscal year;

(4) the impact of the expenditure on performance levels and, where relevant, a comparison to targets included in this Act for the affected strategy or strategies; and

(5) the impact of the expenditure on the capital budget.

d. Requests to Transfer Additional Public Health Medicaid Reimbursements Funds. To request a transfer pursuant to section (b-2) above, DSHS shall submit a written request to the Legislative Budget Board and the Governor. At the same time, the agency shall provide a copy of the request to the Comptroller of Public Accounts. The request shall include the following information:

(1) a detailed explanation of the purpose(s) of the transfer and whether the expenditure will be one-time or ongoing;

(2) the name of the originating and receiving strategies and the method of financing and FTEs for each strategy by fiscal year;

(3) an estimate of performance levels and, where relevant, a comparison to targets included in this Act for both the originating and the receiving strategies; and

(4) the capital budget impact.
Additional information requested by the Legislative Budget Board or the Governor should be provided in a timely manner. The request and information provided subsequently shall be prepared in a format specified by the Legislative Budget Board.

The Comptroller of Public Accounts shall not allow the expenditure or transfer of funds authorized by any of the above subsections if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the requirements of this provision have not been satisfied.

90. **Trauma Facility Study.** Out of funds appropriated above in Strategy B.3.1, EMS and Trauma Care Systems, the Department of State Health Services shall conduct a study of the state's trauma facilities to assess the need for additional Level I and Level II trauma facilities in the state.

91. **Purchase of Pandemic Flu Vaccines.** Out of funds appropriated above, the Department of State Health Services shall examine the latest generation of cell culture derived pandemic flu vaccine. The Department of State Health Services is strongly encouraged to consider purchasing the latest generation of cell culture derived pandemic flu vaccine that is available out of state, federal, or other funds.

92. **Health Information Related to Velocardiofacial Syndrome.** Out of funds appropriated above in Strategy A.1.2, Registries, Information, and Vital Records, the Department of State Health Services (DSHS) shall update health related information distributed by health care coordinators and other service providers with information regarding velocardiofacial syndrome, including the disorders symptoms, qualifications for the early childhood intervention program (ECI), treatment options under ECI programs, and related parent support groups.

93. **Sunrise Canyon Hospital Capital Improvements.** Out of funds appropriated above, the Department of State Health Services shall expend $1,350,825 in General Obligation Bond Proceeds (Account No. 780) in the 2010-11 biennium for capital improvements at Sunrise Canyon Hospital.

94. **Use of Appropriated Funds for Reports on School-based Health Centers.** Money appropriated to the Department of State Health Services may be used by the department to prepare and submit a report to the legislature regarding school-based health centers only if the report:
   a. is submitted not more frequently than once every two years;
   b. is limited to information relating to school-based health centers that receive funding from the department; and
   c. contains only information that the department determines may be provided:
      (1) in compliance with federal law regarding confidentiality of medical information; and
      (2) without imposing excessive reporting requirements on school districts.

95. **Appropriation for Texas Diabetes Council's Stark Model of Community-based Diabetes Prevention and Control.** Out of funds appropriated above in Strategy A.3.1, Health Promotion and Chronic Disease Prevention, the Department of State Health Services shall allocate $3,000,000 in General Revenue Funds in each fiscal year of the 2010-11 biennium to reduce the health and economic burdens of diabetes through expansion of the Texas Diabetes Council/Stark Diabetes Center model of community-based diabetes care and education. This initiative will utilize the Stark Diabetes Center to establish 4 regional centers located in Webb, Cameron, Nueces, and Galveston counties with staff and programmatic expertise to prevent and control diabetes at the community level. The initiative will build upon existing Texas Diabetes Council resources related to clinical systems change and patient education.

96. **Kidney Disease Study.** Out of funds appropriated above in Strategy A.3.1, Chronic Disease Prevention, the Department of State Health Services shall allocate $1,000,000 during the 2010-11 biennium to fund a study conducted by Texas Tech University in consultation with the Kidney Chronic Disease task force. The study shall address kidney disease and its precursors, including but not limited to diabetes and hypertension, and will include the following:
   a. identify statistically significant subgroups who are at risk and recent patterns of change within these subgroups;
b. identify costs associated with kidney disease and its precursors, including projected costs over the next ten years; and

c. develop public health policy hypotheses and conclusions.

To achieve study objectives, screenings and/or small demonstration projects may be conducted. A concluding report shall be submitted to the Legislative Budget Board and the Governor by January 31, 2011.

97. Appropriation for Certain Health Care Facilities.

a. Out of funds appropriated above in Strategy B.2.1, Mental Health Services for Adults, the Department of State Health Services shall allocate $7,500,000 in General Revenue Funds in fiscal year 2011 to provide mental health services during the period from March 1, 2011, to August 31, 2011, at a facility newly constructed by a county for the purposes of providing contracted mental health services.

b. To qualify to receive money allocated by this provision, mental health services must be provided at a facility constructed, financed, and operated by a county and private mental health care partners that:

(1) has at least 100 beds for patients;

(2) is located 50 miles or less from a municipality with a population of no less than 250,000;

(3) is accredited by the Joint Commission on Health Care;

(4) is monitored by the Department of State Health Services; and

(5) is in compliance with state and federal standards, including court orders.

c. In paying for services under this provision, the Department of State Health Services must ensure that the services are comparable in quality and cost to services provided in other mental health services programs of the department.

98. Mental Health Deputy Program. Out of the funds appropriated above in Strategy B.2.1, Mental Health Services - Adults, up to $280,000 per fiscal year shall be used to provide grants to Ector, Midland, McLennan and Tom Green counties to establish Mental Health Deputy Programs in these counties. The Mental Health Deputy Programs shall provide funding for two deputies in Ector, Midland, McLennan, and Tom Green counties. The deputies shall promote the diversion of mentally ill individuals from incarceration and facilitate assessments for appropriate treatment.
| Experience Rebates-CHIP, estimated | 3,942,608 | 4,071,000 |
| Vendor Drug Rebates—CHIP, estimated | 4,623,225 | 4,713,681 |

Other GR

| General Revenue Fund | 55,830,072 | 42,116,039 |
| GR MOE for Temporary Assistance for Needy Families | 62,851,931 | 62,851,931 |
| GR Match for Food Stamp Administration | 160,950,398 | 154,271,602 |

Subtotal, General Revenue Fund $7,169,173,845 $7,429,750,029

Federal Funds 10,230,704,470 10,360,755,632

Other Funds

| Appropriated Receipts - Match for Medicaid | 31,669,354 | 31,669,354 |
| Appropriated Receipts | 12,725,156 | 12,711,620 |
| Interagency Contracts | 221,337,330 | 227,770,220 |
| Medicaid Subrogation Receipts (State Share), estimated | 38,417,543 | 38,417,543 |
| Bond Proceeds - Revenue Bonds | 12,658,228 | 0 |

Subtotal, Other Funds $316,807,611 $310,568,737

Total, Method of Financing $17,716,685,926 $18,101,074,398

This bill pattern represents an estimated 78.9% of this agency’s estimated total available funds for the biennium.

Number of Full-Time-Equivalents (FTE): 12,175.9 12,175.9

Schedule of Exempt Positions:

| Executive Commissioner, Group 8 | $210,000 | $210,000 |

Items of Appropriation:

A. Goal: HHS ENTERPRISE OVERSIGHT & POLICY
HHS Enterprise Oversight and Policy.

| A.1.1. Strategy: ENTERPRISE OVERSIGHT & POLICY | $43,759,209 | $43,744,627 |
| A.1.2. Strategy: INTEGRATED ELIGIBILITY & ENROLLMENT | $682,120,050 | $682,120,050 |
| A.2.1. Strategy: CONSOLIDATED SYSTEM SUPPORT | $137,505,391 | $137,215,841 |
| Total, Goal A: HHS ENTERPRISE OVERSIGHT & POLICY | $863,384,650 | $863,080,518 |

B. Goal: MEDICAID

| B.1.2. Strategy: TANF ADULTS & CHILDREN | $661,392,242 | $595,474,106 |
| B.1.3. Strategy: PREGNANT WOMEN | $1,061,609,491 | $1,037,959,418 |
| B.1.4. Strategy: CHILDREN & MEDICALLY NEEDY | $4,574,273,742 | $4,685,810,994 |
| B.1.5. Strategy: MEDICARE PAYMENTS | $1,074,768,326 | $1,155,616,739 |
| B.1.6. Strategy: STAR+PLUS (INTEGRATED MANAGED CARE) | $1,249,948,176 | $1,288,379,193 |
| B.2.1. Strategy: COST REIMBURSED SERVICES | $470,605,504 | $486,770,938 |
| B.2.2. Strategy: MEDICAID VENDOR DRUG PROGRAM | $2,550,155,351 | $2,651,218,642 |
| B.2.3. Strategy: MEDICAL TRANSPORTATION | $154,844,362 | $133,620,036 |
| B.2.4. Strategy: MEDICAID FAMILY PLANNING | $23,033,468 | $23,517,816 |
| B.2.5. Strategy: UPPER PAYMENT LIMIT | $30,332,444 | $29,868,578 |
| B.3.2. Strategy: HEALTH STEPS (EPSDT) DENTAL | $793,023,672 | $810,355,100 |
**B. Goal:** EPSDT COMPREHENSIVE CARE PROGRAM

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<thead>
<tr>
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<tbody>
<tr>
<td>Health Steps (EPSDT) Comprehensive Care Program</td>
<td>$532,614,229</td>
<td>$549,522,237</td>
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**Total, Goal B:** MEDICAID

$15,398,675,903 $15,790,700,721

**C. Goal:** CHIP SERVICES

Children's Health Insurance Program Services.

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<tr>
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<tbody>
<tr>
<td>C.1.2. Strategy: IMMIGRANT HEALTH INSURANCE</td>
<td>$15,746,278</td>
<td>$18,698,747</td>
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<td>C.1.3. Strategy: SCHOOL EMPLOYEE CHILDREN INSURANCE</td>
<td>$17,593,042</td>
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<td>C.1.5. Strategy: CHIP VENDOR DRUG PROGRAM</td>
<td>$123,831,578</td>
<td>$124,869,372</td>
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**Total, Goal C:** CHIP SERVICES

$1,000,137,193 $1,019,579,385

**D. Goal:** ENCOURAGE SELF SUFFICIENCY

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<tbody>
<tr>
<td>D.1.1. Strategy: TANF (CASH ASSISTANCE) GRANTS</td>
<td>$99,117,072</td>
<td>$100,564,953</td>
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<tr>
<td>D.1.2. Strategy: REFUGEE ASSISTANCE</td>
<td>$24,515,586</td>
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<td>D.2.2. Strategy: ALTERNATIVES TO ABORTION</td>
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**Total, Goal D:** ENCOURAGE SELF SUFFICIENCY

$153,126,354 $154,554,130

**E. Goal:** PROGRAM SUPPORT

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<tr>
<td>E.1.1. Strategy: CENTRAL PROGRAM SUPPORT</td>
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<td>E.1.2. Strategy: IT PROGRAM SUPPORT</td>
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<td>E.1.3. Strategy: REGIONAL PROGRAM SUPPORT</td>
<td>$126,969,965</td>
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**Total, Goal E:** PROGRAM SUPPORT

$164,529,687 $160,514,445

**F. Goal:** INFORMATION TECHNOLOGY PROJECTS

|----------|---------------|---------------|

**G. Goal:** OFFICE OF INSPECTOR GENERAL

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<tr>
<td>G.1.1. Strategy: OFFICE OF INSPECTOR GENERAL</td>
<td>$51,324,426</td>
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**Grand Total, HEALTH AND HUMAN SERVICES COMMISSION**

$17,716,685,926 $18,101,074,398

**Object-of-Expense Informational Listing:**

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>Salaries and Wages</td>
<td>$472,662,593</td>
<td>$472,662,593</td>
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<tr>
<td>Other Personnel Costs</td>
<td>$17,894,366</td>
<td>$17,894,366</td>
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<tr>
<td>Professional Fees and Services</td>
<td>$626,744,655</td>
<td>$620,446,401</td>
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<tr>
<td>Fuels and Lubricants</td>
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<tr>
<td>Consumable Supplies</td>
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<td>Utilities</td>
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<td>Travel</td>
<td>$38,766,623</td>
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<tr>
<td>Rent - Building</td>
<td>$84,278,727</td>
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<tr>
<td>Rent - Machine and Other</td>
<td>$19,172,896</td>
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<tr>
<td>Other Operating Expense</td>
<td>$123,152,781</td>
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<td>Client Services</td>
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<td>Food for Persons - Wards of State</td>
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<td>Grants</td>
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<td>Capital Expenditures</td>
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**Total, Object-of-Expense Informational Listing**

$17,716,685,926 $18,101,074,398
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:

<table>
<thead>
<tr>
<th>Employee Benefits</th>
<th>2010</th>
<th>2011</th>
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</thead>
<tbody>
<tr>
<td>Retirement</td>
<td>$21,927,302</td>
<td>$22,256,211</td>
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<tr>
<td>Group Insurance</td>
<td>77,680,590</td>
<td>84,354,228</td>
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<td>Social Security</td>
<td>29,654,888</td>
<td>30,099,711</td>
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<td>Benefits Replacement</td>
<td>3,606,658</td>
<td>3,426,325</td>
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<thead>
<tr>
<th>Debt Service</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lease Payments</td>
<td>$1,724,685</td>
<td>$1,589,912</td>
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</tbody>
</table>

Subtotal, Employee Benefits $132,869,438 $140,136,475

Total Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act $134,594,123 $141,726,387

1. Performance Measure Targets. The following is a listing of the key performance target levels for the Health and Human Services Commission. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Health and Human Services Commission. In order to achieve the objectives and service standards established by this Act, the Health and Human Services Commission shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

A. Goal: HHS ENTERPRISE OVERSIGHT & POLICY
Outcome (Results/Impact):

A.1.2. Strategy: INTEGRATED ELIGIBILITY & ENROLLMENT
Output (Volume):
Average Monthly Number of Eligibility Determinations 513,226 522,397
Efficiencies:
Average Cost Per Eligibility Determination 56.93 57.24
Explanatory:
Percent of Poverty Met by TANF, Food Stamps, and Medicaid Benefits 76.9% 76.62%
Total Value of Food Stamps Distributed 2,710,000,000 2,716,000,000

B. Goal: MEDICAID
Outcome (Results/Impact):

B.1.4. Strategy: CHILDREN & MEDICALLY NEEDY
Output (Volume):
Average Number of Legal Permanent Resident Recipient Months per Month 29,323 47,166

B.1.5. Strategy: MEDICARE PAYMENTS
Output (Volume):
Average Supplemental Medical Insurance Part B (SMIB) Recipient Months per Month 536,425 551,479
Efficiencies:
Average Supplemental Medical Insurance Benefits (SMIB) Premium Per Month 100.33 106.03

B.1.6. Strategy: STAR+PLUS (INTEGRATED MANAGED CARE)
Output (Volume):
Average Aged and Medicare-eligible Recipient Months per Month: STAR+PLUS 86,982 88,595
Average Disabled and Blind Recipient Months Per Month: STAR+PLUS 78,250 81,594

B.2.1. Strategy: COST REIMBURSED SERVICES
Output (Volume):
Average Number of Non-citizens Recipient Months per Month 9,529 9,756

B.2.2. Strategy: MEDICAID VENDOR DRUG PROGRAM
Output (Volume):
Total Medicaid Prescriptions Incurred 28,738,441 29,365,160

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HEALTH AND HUMAN SERVICES COMMISSION  
(Continued)

B.3.3. Strategy: EPSDT COMPREHENSIVE CARE PROGRAM
Output (Volume):
Average Number of Texas Health Steps (EPSDT) Comprehensive Care Program Recipient Month per Month (Fee-for-Service Only)  508,835  517,292

B.4.1. Strategy: STATE MEDICAID OFFICE
Output (Volume):
Medicaid Acute Care Recipient Months Per Month: Managed Care 2,178,617  2,207,410

C. Goal: CHIP SERVICES
Outcome (Results/Impact):
Average CHIP Programs Recipient Months Per Month (Includes all CHIP Programs) 530,501  537,742
Average CHIP Programs Benefit Cost with Prescription Benefit Per Recipient Month (Includes all CHIP Programs) 152.53  153.34

C.1.4. Strategy: CHIP PERINATAL SERVICES
Output (Volume):
Average Perinate Recipient Months Per Month 70,017  73,399

C.1.5. Strategy: CHIP VENDOR DRUG PROGRAM
Output (Volume):
Total Number of CHIP Prescriptions (Includes all CHIP Programs) 1,966,138  1,982,616
Efficiencies:
Average Cost Per CHIP Prescription (Includes all CHIP Programs) 62.98  62.98

D. Goal: ENCOURAGE SELF SUFFICIENCY
D.1.1. Strategy: TANF (CASH ASSISTANCE) GRANTS
Output (Volume):
Average Number of TANF Recipients Per Month 105,273  105,273
Average Number of State Two-Parent Cash Assistance Program Recipients Per Month 4,424  4,589
Efficiencies:
Average Monthly Grant: Temporary Assistance for Needy Families (TANF) 68.45  69.42
Average Monthly Grant: State Two-Parent Cash Assistance Program 66.54  67.45

D.1.2. Strategy: REFUGEE ASSISTANCE
Output (Volume):
Number of Refugees Receiving Contracted Social Services, Financial Assistance, or Medical Assistance 7,800  7,800

D.2.1. Strategy: FAMILY VIOLENCE SERVICES
Output (Volume):
Number of Women and Children Served by Family Violence Programs/Shelters 80,942  80,942
Efficiencies:
Health and Human Services Average Cost Per Person Receiving Emergency Shelter and/or Nonresident Services through the Family Violence Program 284.36  284.36

D.2.2. Strategy: ALTERNATIVES TO ABORTION
Output (Volume):
Number of Persons Receiving Pregnancy Support Services as an Alternative to Abortion 16,000  16,000

2. Capital Budget. None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in the provision as appropriations either for "Lease Payments to the Master Equipment Purchase Program" or for items with an ",MLPP" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103.

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acquisition of Information Resource Technologies</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(1) Data Center Consolidation</td>
<td>$51,574,463</td>
<td>$39,307,855</td>
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<tr>
<td>(2) Seat Management Services (PCs, Laptops, &amp; Servers)</td>
<td>9,325,574</td>
<td>9,321,168</td>
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<tr>
<td>(3) Compliance with Federal HIPAA (Health Insurance Portability and Accountability Act) Regulations</td>
<td>4,036,000</td>
<td>2,535,430</td>
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</table>

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(4) Enterprise Messaging and Collaboration  406,575  406,575  
(5) Enterprise Telecommunications Enhancements  3,163,705  0  
(6) Enterprise Info & Asset Mgt (Data Warehouse)  12,228,522  12,228,522  
(7) Integrated Eligibility Technologies (TIERS)  56,499,721  45,806,946  
(8) Medicaid Eligibility and Health Information  12,838,075  6,366,442  
(9) Information Technology Accessibility  $ 17,540  $ 2,957  

Total, Acquisition of Information Resource Technologies  $ 150,090,175  $ 115,975,895  

b. Acquisition of Capital Equipment and Items  
(1) Facility Support Services – Fleet Operations  $ 585,250  $ 0  

c. Other Lease Payments to the Master Lease Purchase Program (MLPP)  
(1) TIERS Lease Payments to Master Lease Program  $ 3,164,351  $ 2,966,676  

Total, Capital Budget  $ 153,839,776  $ 118,942,571  

3. Budget Authority for Estimated Pass-through Funds. In addition to the amounts appropriated above for the Health and Human Services Commission, the Commission may establish additional budget authority with the Comptroller of Public Accounts to reflect other estimated income except from the General Revenue Fund.  

4. Reimbursement of Advisory Committee Members. Pursuant to Government Code § 2110.004, reimbursement of expenses for advisory committee members, out of funds appropriated above - not to exceed $63,200 per year, is limited to the following advisory committees: Hospital Payment Advisory Committee, Medical Care Advisory Committee, Physician Payment Advisory Committee, Drug Use Review Board, Pharmaceutical and Therapeutics Committee, Public Assistance Health Benefits Review and Design Committee, and Guardianship Advisory Board.  

To the maximum extent possible, the Commission shall encourage the use of videoconferencing and teleconferencing and shall schedule meetings and locations to facilitate the travel of participants so that they may return the same day and reduce the need to reimburse members for overnight stays.  

5. Vendor Drug Rebates - Medicaid and CHIP. All references in this rider to rebate revenue refer to vendor drug rebates as well as supplemental rebates earned via the preferred drug lists (methods of finance include Vendor Drug Rebates-Medicaid, Vendor Drug Rebates-CHIP, and Vendor Drug Rebates-Supplemental Rebates).  

a. Medicaid. The Health and Human Services Commission is authorized to expend Medicaid rebate revenues appropriated above in Strategy B.2.2, Medicaid Vendor Drug Program, pursuant to the federal requirements of the Omnibus Budget and Reconciliation Act of 1990 as well as rebates collected in excess of federal requirements pursuant to state law.
b. **CHIP.** The Health and Human Services Commission is authorized to expend CHIP rebate revenues and related interest earnings appropriated above in Strategy C.1.5, CHIP Vendor Drug Program.

c. **Rebates as a First Source of Funding.** Expenditures for the Medicaid and CHIP Vendor Drug Programs shall be made from rebates received in fiscal years 2010 and 2011. As rebates are generated, expenditures to support the Medicaid and CHIP Vendor Drug Programs shall be made from rebate revenues. In the event rebate revenues are not available for expenditure, General Revenue may be used to support both Vendor Drug Programs until rebate revenues are available.

d. **Appropriation.** In addition to rebate revenues appropriated above in Strategy B.2.2, Medicaid Vendor Drug Program, and Strategy C.1.5, CHIP Vendor Drug Program, the Health and Human Services Commission is appropriated Medicaid and CHIP vendor drug rebates generated in excess of those amounts, subject to the following requirements:

   1. Vendor drug rebates shall be expended prior to utilization of any General Revenue available for the purpose of the CHIP or Medicaid Vendor Drug Programs.

   2. In the event General Revenue has been expended prior to the receipt of vendor drug rebates, the Commission shall reimburse General Revenue. The Commission shall reimburse the General Revenue Fund with vendor drug rebates on a monthly basis in order to prevent accumulation of vendor drug rebates.

e. **Limited Use of Rebates.** Rebates generated by the Medicaid program shall only be used for the Medicaid program. Rebates generated by the CHIP program shall only be used for the CHIP program.

6. **Medicaid Subrogation Receipts (State Share).** For the purposes of this provision, Medicaid Subrogation Receipts are defined as tort settlements related to the Medicaid program. Amounts defined as Medicaid Subrogation Receipts are to be deposited into the General Revenue Fund, Object No. 3802. The Commission is authorized to receive and expend Medicaid Subrogation Receipts. Expenditures shall be made from recoupments and interest earnings received in fiscal year 2010 and fiscal year 2011. The use of the state's share of Medicaid Subrogation Receipts is limited to funding services for Medicaid clients. Medicaid Subrogation Receipts shall be expended as they are received as a first source, and General Revenue shall be used as a second source, to support the Medicaid program. In the event that these revenues should be greater than the amounts identified in the method of finance above as Medicaid Subrogation Receipts (State Share), the Commission is hereby appropriated and authorized to expend these Other Funds thereby made available, subject to the following requirements:

   a. Amounts available shall be expended prior to utilization of any General Revenue available for the same purposes.

   b. In the event General Revenue has been expended prior to the receipt of the state's share of Medicaid Subrogation Receipts, the Commission shall reimburse General Revenue. This process shall be completed on a monthly basis in order to prevent accumulation of Medicaid Subrogation Receipt balances.

   The preceding paragraph shall be the exclusive appropriation authority for receipts from the above identified sources, and none of these receipts shall be appropriated by a provision of Article IX of this Act.

7. **Appropriation Transfers Between Fiscal Years.** In addition to the transfer authority provided elsewhere in this Act and in order to provide for unanticipated events that increase costs associated with providing Medicaid or CHIP services for eligible clients, the Health and Human Services Commission is authorized to transfer General Revenue from funds appropriated in Medicaid or CHIP strategies in fiscal year 2011 to fiscal year 2010 and such funds are appropriated to the Commission for fiscal year 2010. Such transfers may only be made subject to the following:

   a. Transfers under this section may be made only:

      1. if costs associated with providing Medicaid or CHIP services exceed the funds appropriated for these services for fiscal year 2010, or
(2) for any other emergency expenditure requirements, including expenditures necessitated by public calamity.

b. A transfer authorized by this section must receive the prior written approval of the Governor and the Legislative Budget Board.

c. The Comptroller of Public Accounts shall cooperate as necessary to assist the completion of a transfer and spending made under this section.

8. Reporting of Child Abuse. The Texas Health and Human Services Commission may distribute or provide appropriated funds only to recipients who show good-faith efforts to comply with all child abuse reporting guidelines and requirements set forth in Chapter 261 of the Texas Family Code.

9. Authorization to Receive, Administer, and Disburse Federal Funds. The appropriations made herein may be used to match or to meet maintenance of effort requirements for Federal Funds granted to the state for the payment of personal services and other necessary expenses in connection with the administration and operation of state programs of health and public welfare services. Notwithstanding the General Provisions of this Act, the Health and Human Services Commission is hereby authorized to receive and disburse in accordance with plans acceptable to the responsible federal agency, all federal moneys that are made available (including grants, allotments, and reimbursements) to the state and retain their character as Federal Funds for such purposes, and to receive, administer, and disburse Federal Funds for federal regional programs in accordance with plans agreed upon by the Health and Human Services Commission and the responsible federal agency, and such other activities as come under the authority of the Commissioner of Health and Human Services, and such moneys are hereby appropriated to the specific purpose or purposes for which they are granted or otherwise made available. Earned Federal Funds are not considered to be Federal Funds for the purpose of this section.

10. Accounting of Support Costs. The Comptroller of Public Accounts shall establish separate accounts from which certain support costs shall be paid. The Health and Human Services Commission is hereby authorized to make transfers into these separate accounts from line item strategies in order to pay for these expenses in an efficient and effective manner. Only costs not directly attributable to a single program may be budgeted in or paid from these accounts. Items to be budgeted in and paid from these accounts include but are not limited to: postage, occupancy costs, equipment repair, telephones, office printing costs, supplies, freight and transport costs, telephone system costs and salary and travel costs of staff whose function supports several programs. The Commission shall be responsible for quarterly allocations of these costs to the original strategies.

11. Disposition of Appropriation Transfers from State-owned Hospitals. The Health and Human Services Commission shall use the sums transferred from state owned hospitals as provided elsewhere in the Act as necessary to apply for appropriate matching Federal Funds and to provide the state's share of disproportionate share payments and upper payment limit payments due to state-owned hospitals. Any amounts of such transferred funds not required for these payments shall be deposited by the Health and Human Services Commission to the General Revenue Fund as unappropriated revenue. By October 1 of each fiscal year, the Health and Human Services Commission shall present a schedule of projected transfers and payments to the Comptroller of Public Accounts, the Governor, and the Legislative Budget Board. The Comptroller of Public Accounts shall process all payments and transfers, unless disapproved or modified by the Legislative Budget Board or the Governor.

12. Transfers: Authority and Limitations.

a. Limitations on Transfers within/between Goals. Notwithstanding the transfer provisions in the General Provisions (general transfer provisions) and other transfer provisions of this Act (including Article II Special Provisions, Sec. 11), funds appropriated by this Act to the Health and Human Services Commission (HHSC) for the following goals shall be governed by the specific limitations included in this provision.

(1) Goal B (Medicaid). Transfers may be made between Medicaid appropriation items in Goal B. Transfers may not be made from appropriation items in Goal B to appropriation items in other goals without prior written approval from the Legislative Budget Board and the Governor. HHSC shall provide notification of all transfers
pursuant to subsection (b) of this provision, and any transfer approval requests shall be submitted pursuant to subsection (c) of this provision.

(2) **Goal C (CHIP Services).** Transfers may be made between CHIP appropriation items in Goal C. Transfers may not be made from appropriation items in Goal C to appropriation items in other goals without prior written approval from the Legislative Budget Board and the Governor. HHSC shall provide notification of all transfers pursuant to subsection (b) of this provision, and any transfer approval requests shall be submitted pursuant to subsection (c) of this provision.

(3) **Other Goals.** Funds appropriated by this Act to the Health and Human Services Commission (HHSC) in Goals A, D, E, F, and G may be transferred from one appropriation item to another appropriation item within or between Goals A, D, E, F, and G in amounts not to exceed 25 percent of the originating appropriation item's All Funds amount for the fiscal year. HHSC shall provide notification of all transfers pursuant to subsection (b) of this provision.

b. **Notification Regarding Transfers that Do not Require Approval.** Authority granted by this provision to transfer funds is contingent upon a written notification from HHSC to the Legislative Budget Board and the Governor at least 30 days prior to the transfer, which includes the following information:

1. a detailed explanation of the purpose(s) of the transfer and whether the expenditure will be one-time or ongoing;
2. the names of the originating and receiving strategies and the method of financing and FTEs for each strategy by fiscal year;
3. an estimate of performance levels and, where relevant, a comparison to targets included in this Act for both the originating and the receiving strategies; and
4. the capital budget impact.

c. **Requests for Transfers that Require Approval.** To request a transfer, HHSC shall submit a written request to the Legislative Budget Board and the Governor. At the same time, the agency shall provide a copy of the request to the Comptroller of Public Accounts. The request shall include the following information:

1. a detailed explanation of the purpose(s) of the transfer and whether the expenditure will be one-time or ongoing;
2. the names of the originating and receiving strategies and the method of financing and FTEs for each strategy by fiscal year;
3. an estimate of performance levels and, where relevant, a comparison to targets included in this Act for both the originating and the receiving strategies; and
4. the capital budget impact.

A transfer request shall be considered to be disapproved unless the Legislative Budget Board and the Governor issue written approvals within 45 calendar days of receipt of the request.

d. **Transfers into Items of Appropriation.** Transfers may be made from any appropriation item to the appropriation items in section (a), subject to the limitations established in section (a) for each appropriation item.

e. **Cost Pools.** Notwithstanding the above limitations, transfers may be made from Medicaid and CHIP appropriation items (Goals B and C) to separate accounts authorized by agency rider and established by the State Comptroller for payment of certain support costs not directly attributable to a single program.

f. **Cash Management.** Notwithstanding the above limitations, HHSC may temporarily utilize funds appropriated to Medicaid and CHIP (Goals B and C) for cash flow purposes. All
funding used in this manner shall be promptly returned to the originating strategy. This authorization is subject to limitations established by the Comptroller of Public Accounts.

The Comptroller of Public Accounts shall not allow the transfer of funds authorized by any of the above subsections if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the requirements of this provision have not been satisfied.

In the case of disaster or other emergency, this provision is superseded by the emergency-related transfer authority in Article IX of this Act.

13. **Use of Additional Medicaid Program Income.** For the purposes of this provision, Medicaid program income is defined as: 1) refunds/rebates of previously paid premiums and interest earnings generated in relationship to accounts listed below; 2) refunds/rebates received from the Medicaid claims payment contractor or other sources; and 3) managed care rebates as described below. Amounts defined as program income are to be deposited into the General Revenue Fund, Object No. 3639. The Health and Human Services Commission is authorized to receive and spend program income and interest earnings generated from fund balances with the Disbursement Account, and the STAR (Managed Care) Account, as defined in the contractual agreement with the fiscal agent and/or insurance carrier for purchased health services except for those interest earnings related to the Cash Management Improvement Act (CMI(A). The Commission is also authorized to receive and spend experience rebates generated in accordance with its contractual agreements with health maintenance organizations who participate in Medicaid managed care. Expenditures shall be made from credits, managed care rebates, and interest earnings received in fiscal years 2010 and 2011. The use of the credits, managed care rebates, and interest earnings is limited to funding services for Medicaid clients. Medicaid program income shall be expended as they are received as a first source, and General Revenue shall be used as a second source, to support the Medicaid program. In the event that these revenues should be greater than the amounts identified in the method of finance above as Medicaid Program Income, the commission is hereby appropriated and authorized to expend these General Revenue Funds thereby made available, subject to the following requirements:

a. Amounts available shall be expended prior to utilization of any General Revenue available for the same purposes; and

b. In the event General Revenue has been expended prior to the receipt of program income, the Commission shall reimburse General Revenue. This process shall be completed on a monthly basis in order to prevent accumulation of program income balances.

The preceding paragraph shall be the exclusive appropriation authority for receipts from the above identified sources and none of these receipts shall be appropriated by a provision of Article IX of this Act.

14. **Use of Additional CHIP Experience Rebates.** For the purposes of this provision, CHIP Experience Rebates are defined as: 1) refunds/rebates of previously paid CHIP premiums and related interest earnings; and 2) managed care rebates and related interest earnings as described below. Amounts defined as CHIP Experience Rebates are to be deposited into the General Revenue Fund. The Health and Human Services Commission is authorized to receive and spend experience rebates generated in accordance with its contractual agreements with managed care organizations and other providers who participate in the CHIP, Immigrant Health Insurance, School Employee Health Insurance, and CHIP Perinatal programs. Expenditures shall be made from CHIP Experience Rebates generated in fiscal years 2010 and 2011. The method of financing includes unexpended and unobligated balances of Experience Rebates - CHIP remaining as of August 31, 2009, and receipts earned in fiscal years 2010 and 2011.

The use of CHIP Experience Rebates is limited to health care services for CHIP clients. CHIP Experience Rebates shall be expended as they are received as a first source, and General Revenue shall be used as a second source, to support CHIP-related programs. In the event that these revenues should be greater than the amounts identified in the method of finance above as Experience Rebates - CHIP, the department is hereby appropriated and authorized to expend these General Revenue Funds thereby made available, subject to the following requirements:

a. Amounts available shall be expended prior to utilization of any General Revenue available for the same purposes; and
b. In the event General Revenue has been expended prior to the receipt of CHIP Experience Rebates, the Commission shall reimburse General Revenue. This process shall be completed on a monthly basis in order to prevent accumulation of CHIP Experience Rebate balances.

The preceding paragraph shall be the exclusive appropriation authority for receipts from the above identified sources and none of these receipts shall be appropriated by a provision of Article IX of this Act.

15. CHIP: Unexpended Balances and Allocation of Funds.

a. Unexpended Balances between Biennia. Unexpended balances in General Revenue Funds appropriated for Goal C (CHIP) strategies to the Health and Human Services Commission (HHSC) for the fiscal year ending August 31, 2009 (estimated to be $136,400,000) are appropriated to the agency and included above for the fiscal year beginning September 1, 2009, only upon prior written approval by the Legislative Budget Board and the Governor. These General Revenue Funds are contingent on an unexpended balance from fiscal year 2009. The amount of the appropriation is limited to the amount of the unexpended balance.

b. Unexpended Balances within the Biennium. Unexpended balances in General Revenue Funds appropriated for Goal C (CHIP) strategies to HHSC for the fiscal year ending August 31, 2010 (estimated to be $0) are appropriated to the agency for the fiscal year beginning September 1, 2010, only upon prior written approval by the Legislative Budget Board and the Governor.

c. For authorization to expend the funds, HHSC shall submit a written request to the Legislative Budget Board and the Governor. At the same time, the agency shall provide a copy of the request to the Comptroller of Public Accounts. The request must be organized by fiscal year as follows:

(1) The following information shall be provided for the fiscal year with an unexpended balance:

(i) an explanation of the causes of the unexpended balance(s);

(ii) the amount of the unexpended balance(s) by strategy; and

(iii) the associated incremental change in service levels compared to performance targets in this Act for that fiscal year.

(2) The following information shall be provided for the fiscal year receiving the funds:

(i) an explanation of purpose for which the unexpended balance(s) will be used and whether the expenditure will be one-time or ongoing;

(ii) the amount of the expenditure by strategy;

(iii) the incremental change in service levels compared to performance targets in this Act for that fiscal year; and

(iv) the capital budget impact.

The request shall be considered to be approved unless the Legislative Budget Board or the Governor issues a written disapproval within 15 business days of the date on which the staff of the Legislative Budget Board concludes its review of the proposal to expend the funds and forwards its review to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor.

The Comptroller of Public Accounts shall not allow the use of unexpended balances authorized by any of the above subsections if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the requirements of this provision have not been satisfied.

d. It is the intent of the Legislature that tobacco settlement receipts appropriations made above in Goal C, CHIP Services, include $293.9 million for fiscal year 2010 and $302.6 million for
16. **Cash Basis Expenditures Authorization.** Notwithstanding any other provision of this Act, the Health and Human Services Commission is authorized to expend Medicaid appropriations in a fiscal year without regard to date of service. The authorization herein is limited to expenditures for claims payments, premiums, cost settlements and other related expenses for Medicaid client services.

17. **Cost Sharing - Medicaid Clients.** The Health and Human Services Commission is authorized to collect and is hereby appropriated all cost sharing revenues generated by Medicaid clients as authorized in Section 32.064 of the Human Resources Code. These revenues may include enrollment fees, deductibles, coinsurance, and portions of the managed care plan premiums.

18. **Supplemental Nutritional Assistance Program Funds Appropriated.** The Health and Human Services Commission is hereby designated as the state agency to establish and operate a statewide Supplemental Nutritional Assistance Program and to accept all moneys appropriated for this purpose by the federal or state governments, by the Commissioners’ Court of any county, by any political subdivisions of the state, or received from any other source as provided for herein and in Chapter 33, Human Resources Code. The Health and Human Services Commission is authorized to expend such funds for welfare purposes, including the cost of distributing foods to needy people, institutions, school lunch programs, or otherwise as provided by the laws of the United States and the rules and regulations issued pursuant thereto, for the establishment and operation of a statewide Supplemental Nutritional Assistance Program, and for the employment of essential personnel who shall be employed under a merit system basis comparable to the merit principles or standards applicable to all other personnel of the commission.

19. **Additional Funding Sources, Medicaid.** Notwithstanding any other provisions of this Act, if the appropriations provided for a Medicaid program are not sufficient to provide for expenditures mandated by either state or federal law, after accounting for any appropriations made to the agency operating the Medicaid program, and available for transfer to the Medicaid program, the Legislative Budget Board and the Governor may provide for and are hereby authorized to direct the transfer of sufficient amounts of funds to the Health and Human Services Commission from appropriations made elsewhere in this Act.

20. **Temporary Emergency Assistance for Families At-Risk of Welfare Dependency.** Out of funds appropriated above in Strategy D.1.1, TANF (Cash Assistance) Grants, the commission shall provide a one-time emergency assistance payment to applicants for a TANF (Cash Assistance) grant who are likely to be employed within a short period of time, without referral to the Choices program. It is the intent of the Legislature that the commission expand the use of one-time emergency payments as a cost-effective deterrence from the ongoing cash assistance grant programs.

21. **High Performance Bonus for Administration of the Supplemental Nutritional Assistance Program (SNAP).** High Performance Bonuses are annual incentive payments to state agencies that meet standards for high or most improved performance established by the Secretary of the U.S. Department of Agriculture. The authority to receive and expend high performance bonuses is provided in Article IX, Sec. 6.22. Definition, Appropriation, Reporting and Audit of Earned Federal Funds and is subject to the following additional conditions:

a. A portion of these funds, in each year of the biennium, shall be used by the Health and Human Services Commission for the development and operation of a nutrition education and outreach program, or for activities that otherwise improve low-income consumers’ access to basic nutrition and healthy foods.
b. The commission shall prepare annual reports by October 1 of each year of the biennium summarizing the commission's progress in implementing the outreach program and file those reports with the standing committees of the Senate and House of Representatives having primary jurisdiction over health and human services.

c. A portion of these funds, in each year of the biennium, shall be used by the Health and Human Services Commission to provide bonuses to position classifications whose efforts directly contributed to meeting these performance standards, or to position classifications who meet or exceed customer service performance measures developed by the commission, or whose efforts directly contributed to increasing the percentage of eligible persons who receive SNAP benefits.

(1) Before an employee can be eligible for a bonus, the employee must have been employed in the program for the related twelve months, remain employed in the program, and demonstrate performance that meets expectations.

(2) The commission has the authority to determine whether employees who have received bonuses under this provision are eligible for merit salary increases during a twelve-month period prior to or after receipt of the bonus.

22. Temporary Assistance for Needy Families (TANF) Maintenance of Effort. It is the intent of the Legislature that all General Revenue appropriated above for TANF maintenance of effort shall be expended within the appropriate fiscal year for that purpose in order to secure the TANF federal block grant for the state. Out of funds appropriated above in Strategy D.1.1, TANF (Cash Assistance) Grants, $62,851,931 in General Revenue is appropriated for TANF maintenance of effort for fiscal year 2010, and $62,851,931 in General Revenue is appropriated for TANF maintenance of effort for fiscal year 2011. None of the General Revenue appropriated for TANF maintenance of effort in Strategy D.1.1, TANF (Cash Assistance) Grants, may be transferred to any other item of appropriation or expended for any purpose other than the specific purpose for which the funds are appropriated. However, General Revenue appropriated for TANF maintenance of effort may be transferred to Strategy A.1.2, Integrated Eligibility and Enrollment, subject to the following limitations:

a. Declines or shifts in TANF caseloads prevent the Health and Human Services Commission from expending all General Revenue appropriated for TANF maintenance of effort in Strategy D.1.1, TANF (Cash Assistance) Grants, within the appropriate fiscal year;

b. The amount of TANF MOE General Revenue transferred from Strategy D.1.1, TANF Cash Assistance) Grants, shall be expended as TANF maintenance of effort within Strategy A.1.2, Integrated Eligibility and Enrollment, for TANF program operating costs, within the appropriate fiscal year; and

c. At least 30 days prior to transferring General Revenue Funds between Strategy D.1.1, TANF (Cash Assistance) Grants, and Strategy A.1.2, Integrated Eligibility and Enrollment, the Health and Human Services Commission shall notify the Legislative Budget Board and the Governor.

23. Earned Income Disregard. Out of amounts appropriated above to Strategy D.1.1, TANF (Cash Assistance) Grants, the Health and Human Services Commission shall maintain the earned income disregard for working TANF families. When determining eligibility and benefits, the commission shall exclude $120 of earnings and 90 percent of the remaining earnings for each of the first four months of employment by a recipient. After the first four months of employment, the commission shall exclude $120 of a recipient's earnings each month.

24. Performance Reporting for the Prescription Drug Rebate Program. The Commission shall report on an annual basis the following information to the Legislative Budget Board, the State Auditor's Office and the Governor: the outstanding prescription drug rebate balances for the Medicaid, CHIP, Kidney Health, and Children with Special Health Care Needs programs. The report shall include rebate principal and interest outstanding, age of receivables, and annual collection rates. The reports shall specify amounts billed, dollar value of pricing and utilization adjustments, and dollars collected. The Commission shall report these data on each year for which the Prescription Drug Rebate program has collected rebates and also on a cumulative basis for all years.
25. TANF (Cash Assistance) Grants. Out of funds appropriated above in Strategy D.1.1, TANF (Cash Assistance) Grants, the commission shall adjust the TANF grant amount each year to ensure that the maximum monthly grant for a family of three is at least 17 percent of the federal poverty level and provide a one-time per year grant of up to $30 for each TANF child on August 1 of each year.

26. Texas Integrated Eligibility Redesign Systems (TIERS). To fund the debt related to TIERS, the commission may seek funding from the most cost-effective type of financing, including but not limited to cash acquisition, commercial financing, and financing provided by the Texas Public Finance Authority. From any funds appropriated to the Health and Human Services Commission for the purpose of implementing the project, an amount not to exceed $6,131,027 (amounts needed for Master Lease Purchase Program) for the biennium in All Funds may be transferred to the Texas Public Finance Authority for lease payments to the Texas Public Finance Authority to pay debt service on the obligations issued by the Texas Public Finance Authority on behalf of the commission for the above-mentioned project.

27. Capital Purchases on Behalf of other Government Entities or Service Providers. Any capital items purchased by the Health and Human Services Commission (HHSC) for use by local governmental entities for which the commission is reimbursed do not apply to the commission for the purpose of the capital budget rider limitations specified in Article IX, Sec. 14.03, Limitation on Expenditures - Capital Budget, of the General Provisions of this Act, nor to HHSC Rider 2, Capital Budget.

28. Reimbursement of Advisory Council Members. Pursuant to Government Code §531.408, reimbursement of travel expenses for Health and Human Services Council members, out of funds appropriated above, is hereby authorized such that the sum total of all reimbursements for members of the Council shall not exceed $13,200 per fiscal year, at the rates specified in the general provisions of this Act.

29. Other Reporting Requirements.

a. Federal Reports. The Health and Human Services Commission shall submit the following information to the Legislative Budget Board, the Governor, and all Members of the Texas Legislature no later than the date the respective report is submitted to the federal government:

   (1) Notification of proposed State Plan amendments or waivers for Medicaid, CHIP, TANF, and any other federal grant requiring a state plan. State Plan amendments and waiver submissions shall also be provided to the Senate Health and Human Services, House Human Services, and House Public Health committees.

   (2) A copy of each report or petition submitted to the federal government relating to Medicaid, CHIP, and TANF.

b. Federal Issues. The Health and Human Services Commission shall notify the Legislative Budget Board and the Governor on a timely basis about emerging issues that could result in the loss of more than $1 million in federal revenue assumed in the appropriations act.

c. Monthly Financial Reports. The Health and Human Services Commission shall submit the following information to the Legislative Budget Board and the Governor on a monthly basis:

   (1) Information on appropriated, budgeted, expended, and projected funds and full-time-equivalents, by strategy and method of finance.

   (2) Information on appropriated, budgeted, expended, and projected revenues, including program income, interest earnings, experience rebates, vendor drug rebates (Medicaid, CHIP and supplemental), Medicaid subrogation receipts, premium co-payments, earned federal funds, cost sharing - Medicaid clients, and appropriated receipts used as match for federal funds.

   (3) Narrative explanations of significant budget adjustments, ongoing budget issues, and other items as appropriate.

   (4) Description of specific provisions of managed care contracts and resulting increases or decreases in revenue.
(5) Narrative and tabular explanation of adjustments made to translate actuarial forecasts of incurred claims into budgeted/expended amounts on a cash basis for the Medicaid program.

(6) Any other information requested by the Legislative Budget Board or the Governor.

d. Additional Monthly Reports. The Health and Human Services Commission shall provide monthly enrollment totals in all the programs for which there is a performance measure target for the Commission.

e. Notification. The Health and Human Services Commission shall electronically notify the Members of the Legislature that information provided in the sections above is available on the agency's website and shall provide copies as requested.

The monthly financial reports shall be prepared in a format specified by the Legislative Budget Board.

30. Office for Prevention of Developmental Disabilities. The Health and Human Services Commission shall expend, from funds otherwise appropriated to the commission by this Act, an amount not to exceed $111,805 each fiscal year for salaries, benefits, travel expenses, and other support of the Office for Prevention of Developmental Disabilities. However, grants and donations received through the authority provided by Article IX Sec. 8.01, Acceptance of Gifts of Money, are not subject to this limit and may be expended by the Office.

31. Prohibition on Abortions.

a. It is the intent of the Legislature that no funds shall be used to pay the direct or indirect costs (including overhead, rent, phones and utilities) of abortion procedures provided by contractors of the commission.

b. It is also the intent of the Legislature that no funds appropriated for Medicaid Family Planning, shall be distributed to individuals or entities that perform elective abortion procedures or that contract with or provide funds to individuals or entities for the performance of elective abortion procedures.

c. The commission shall include in its financial audit a review of the use of appropriated funds to ensure compliance with this section.

32. Family Planning. Of funds appropriated for Medicaid Family Planning, no state funds may be used to dispense prescription drugs to minors without parental consent. An exemption shall be allowed for emancipated 16- and 17-year old parents.

33. Appropriation of Unexpended Balances - Master Lease Purchase Program (MLPP). Any unexpended balances of MLPP funds for the TIER project from previous appropriations, estimated to be $12,658,228, are hereby authorized for the Health and Human Services Commission. The commission shall provide to the Legislative Budget Board and the Governor a detailed description of the project and cost at least 45 days prior to the expenditure of such funds.

34. CHIP Enrollment. In the event that appropriations are insufficient to sustain enrollment at authorized eligibility and benefit levels in CHIP, it is the intent of the legislature that the Executive Commissioner transfer necessary funds to Goal C, CHIP Services, pursuant to the notification and approval requirements contained in other provisions, and request additional appropriation authority from the Legislative Budget Board prior to establishing a waiting list and suspending enrollment pursuant to Health and Safety Code § 62.101.

35. Children's Health Insurance Program Priority. In the event that the Health and Human Services Commission receives less CHIP Federal Funds than are anticipated above in Goal C, CHIP Services, the commission is authorized to prioritize services to recipients of the traditional CHIP program. Serving those eligible for the CHIP Perinatal program may be a secondary priority.

36. Medical Treatments. The Health and Human Services Commission may distribute funds for medical, dental, psychological or surgical treatment provided to a minor only if consent to treatment is obtained pursuant to Chapter 32 of the Texas Family Code. In the event that compliance with this rider would result in the loss of Federal Funds to the state, the department
may modify, or suspend this rider to the extent necessary to prevent such loss of funds, provided that
45 day prior notification is provided to the Governor and the Legislative Budget Board.

37. **Unexpended Balance Authority for Eligibility Determination Services.** Unexpended balances in General Revenue Funds appropriated in Strategy A.1.2, Integrated Eligibility and Enrollment, for the fiscal year ending August 31, 2010, are appropriated to the agency for the following fiscal year only upon prior written approval by the Legislative Budget Board and the Governor.

For authorization to expend the funds, an agency shall submit a written request to the Legislative Budget Board and the Governor. At the same time, the agency shall provide a copy of the request to the Comptroller of Public Accounts. The request must be organized by fiscal year as follows:

a. The following information shall be provided for the fiscal year with an unexpended balance:

   (1) an explanation of the causes of the unexpended balance(s);

   (2) the amount of the unexpended balance(s) by strategy; and

   (3) the associated incremental change in service levels compared to performance targets in this Act for that fiscal year.

b. The following information shall be provided for the fiscal year receiving the funds:

   (1) an explanation of purpose for which the unexpended balance(s) will be used and whether the expenditure will be one-time or ongoing;

   (2) the amount of the expenditure by strategy;

   (3) the incremental change in service levels compared to performance targets in this Act for that fiscal year; and

   (4) the capital budget impact.

The request shall be considered to be approved unless the Legislative Budget Board or the Governor issues a written disapproval within 15 business days of the date on which the staff of the Legislative Budget Board concludes its review of the proposal to expend the funds and forwards its review to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor.

The Comptroller of Public Accounts shall not allow the use of unexpended balances authorized by any of the above subsections if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the requirements of this provision have not been satisfied.

38. **Continued Medicaid Coverage for Clients Unable to Access Medicare Part D Benefit and for Certain Excluded Medicare Part D Drug Categories.** It is the intent of the Legislature that from funds appropriated above in Strategy B.2.2, Medicaid Vendor Drug Program, the Health and Human Services Commission shall continue to provide Medicaid coverage for dual eligible clients who are unable to access their Medicare Part D drug benefit. The Health and Human Services Commission shall recoup funds for these expenditures from Part D drug plans that are determined to be responsible for the dual eligible clients' drug costs. It is also the intent of the Legislature that from funds appropriated above in Strategy B.2.2, Medicaid Vendor Drug Program, the Health and Human Services Commission shall continue to provide Medicaid coverage for certain categories of drugs not covered under the federal Medicare Part D program, under Section 1935(d)(2) of the Social Security Act, for full dual eligible clients. This coverage is limited to only those categories of excluded Medicare Part D drugs that continue to be eligible for federal Medicaid matching funds and that are currently covered under the Medicaid Vendor Drug Program (e.g., prescribed over-the-counter medications, barbiturates, and benzodiazepines).

39. **Upper Payment Limit Reimbursement for Children's Hospitals.** Out of the funds appropriated above in Strategy B.2.5, Upper Payment Limit, the Health and Human Services Commission shall use the amounts of $12,500,000 in fiscal year 2010 and $12,500,000 in fiscal year 2011 in General Revenue to provide upper payment limit reimbursement to children's hospitals (having a separate provider number). The Health and Human Services Commission shall implement Medicaid upper payment limit reimbursement to cover the actual costs incurred in providing Medicaid inpatient and outpatient services and Graduate Medical Education at children's hospitals. In the event that
appropriations are insufficient to cover these Medicaid costs in all children's hospitals, the Health
and Human Services Commission shall prioritize this Medicaid upper payment limit
reimbursement to reduce the Medicaid losses in any children's hospital with a Medicaid patient
load that exceeds 60 percent of the hospital's total inpatient days.

40. **Hospital Uncompensated Care.** No funds appropriated under this Article for medical assistance
payments may be paid to a hospital if the Health and Human Services Commission determines that
the hospital has not complied with the Commission's reporting requirements. The Commission
shall ensure that the reporting of uncompensated care (defined to include bad debt, charity care
and unreimbursed care) by Texas hospitals is consistent for all hospitals and subjected to a
standard set of adjustments that account for payments to hospitals that are intended to reimburse
uncompensated care. These adjustments are to be made in such a way that a reliable
determination of the actual cost of uncompensated care in Texas is produced. In pursuing this
objective, the commission, in coordination with the Attorney General, and with advice from
representatives from the hospital industry, will:

a. review the current instruments for reporting uncompensated care by Texas hospitals to
   ensure that accounting for uncompensated care as well as its reporting is consistent across
   hospitals;

b. coordinate the different instruments for reporting uncompensated care in Texas, e.g.,
   Statement of Community Benefits, Annual Hospital Survey, and DSH Survey, so that there
   is consistency in reporting among these instruments while maintaining the integrity of each
   instrument's purpose;

c. identify the sources of funding to hospitals that are intended to offset uncompensated care;

d. develop a standard set of adjustments that apply the funding sources to reported
   uncompensated care in such a manner that a reliable determination of the actual cost to a
   hospital for uncompensated care can be made; and

e. identify a standard ratio of cost to charges (RCC) to standardize the conversion of reported
   charges to costs.

The commission shall conduct an appropriate number of audits to assure the accurate reporting of
the cost of uncompensated hospital care.

The commission shall submit a biennial report on uncompensated care costs, which considers the
impact of patient specific and lump sum funding as offsets to uncompensated costs, to the
Governor and Legislative Budget Board no later than December 1, 2010. The commission may
report by hospital type.

41. **Hospital Reimbursement.** Contingent upon federal approval, and to the extent allowed by law,
no funds appropriated under this Article for the payment of inpatient hospital fees and charges
under the medical assistance program may be expended, except under a prospective payment
methodology for all Medicaid inpatient claims that employs sound cost reimbursement principles
and:

a. enhances the Health and Human Services Commission's ability to be a prudent purchaser of
   health care;

b. reflects costs that are allowable, reasonable and medically necessary to deliver health care
   services to the state's Medicaid population;

c. reduces the variability in the Medicaid reimbursement rates paid to hospitals for treating
   patients with the same diagnoses;

d. promotes and rewards increased efficiency in the operation of hospitals;

e. emphasizes and rewards quality of outcomes and improves the treatment of Medicaid
   patients through pay-for-performance principles;

f. recognizes, through add-on payments or other methods, the unique needs of rural hospitals;
g. reformulates the Disproportionate Share Hospital (DSH) supplemental payment methodology to increase its focus on paying hospitals for uncompensated care and reduces the existence of the inpatient Medicaid shortfall that prevents the State from achieving this objective; and

h. reimburses inpatient services in freestanding psychiatric facilities similar to the prospective payment system used by the Centers for Medicare and Medicaid Services.

42. Payments to Health Centers for Medicaid Family Planning. It is the intent of the Legislature that the Health and Human Services Commission shall, to the extent allowed by federal law, reimburse Federally Qualified Health Centers for family planning services under Medicaid, including the Women's Health Program, using a prospective payment system at a per visit rate, not to exceed three payments during a calendar year.

43. Payments to Hospital Providers. Until the Health and Human Services Commission implements a new reimbursement system for Fee-for-Service (FFS) and Primary Care Case Management (PCCM) inpatient services, hospitals that meet one of the following criteria: 1) located in a county with 50,000 or fewer persons, or 2) is a Medicare-designated Rural Referral Center (RRC) or Sole Community Hospital (SCH), that are not located in a metropolitan statistical area (MSA) as defined by the U.S. Office of Management and Budget, or 3) is a Medicare-designated Critical Access Hospital (CAH), shall be reimbursed the greater of the prospective payment system rate or a cost-reimbursement methodology authorized by the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) using the most recent data. Hospitals reimbursed under TEFRA cost principles shall be paid without the imposition of the TEFRA cap. Hospitals that meet the criteria as of September 1, 2009, retain this reimbursement for FFS and PCCM inpatient services.

44. Staffing and Capital Authorization in Lieu of Contracted Responsibilities. Notwithstanding any other provisions in this Act, if the executive commissioner of the Health and Human Services Commission (HHSC) determines that a service performed under a contract as of the effective date of this Act would be more effectively performed by state personnel, the executive commissioner is authorized to adjust the agency's full-time equivalent (FTE) and/or capital authority limitation to the extent necessary to ensure the successful assumption of such contracted duties and to comply with federal performance standards.

Authority granted by this provision is contingent upon a written notification from HHSC to the Legislative Budget Board and the Governor at least 30 days prior to adjusting budgeted FTE levels and/or acquiring capital equipment that includes the following information:

a. a detailed explanation of the adjustments to the affected contract and the reason(s) for the adjustment;

b. the estimated reduction in spending in All Funds on the contract by fiscal year;

c. the increase in both the annual average and end-of-year FTEs by fiscal year;

d. the estimated increase in expenditures by object of expense and method of financing for each fiscal year; and

e. the estimated increase in capital expenditures by method of financing by fiscal year for each increased or new project.

The Comptroller of Public Accounts shall not allow the adjustment of FTE or capital authority limitations authorized by this provision if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the requirements of this provision have not been satisfied.

45. Graduate Medical Education. The Health and Human Services Commission is authorized to spend Appropriated Receipts - Match for Medicaid and matching Medicaid Federal Funds out of Strategy B.2.1, Cost Reimbursed Services, for Graduate Medical Education payments to state-owned teaching hospitals, contingent upon receipt of allowable funds from state-owned teaching hospitals to be used as the non-federal share for Medicaid Graduate Medical Education. Appropriated Receipts - Match for Medicaid shall be the only source of funds used for the non-federal share for Medicaid Graduate Medical Education, and the Health and Human Services Commission shall develop a payment methodology for Medicaid Graduate Medical Education payments to state-owned teaching hospitals.
46. **Enterprise Data Warehouse.** Out of funds appropriated above in Strategy A.2.1, Consolidated System Support, the Health and Human Services Commission (HHSC) may expend $14,899,934 in General Revenue and any associated matching Federal Funds to develop/implement an enterprise data warehouse for data related to Medicaid services, human services, and public health services. In order to ensure maximum accountability, HHSC shall contract with a single vendor for the data warehouse.

   HHSC shall submit reports to the Legislative Budget Board and the Governor on September 1, 2009 and September 1, 2010 reflecting actual expenditures and accomplishments to date. The reports shall also reflect an estimate of planned expenditures and accomplishments for the remainder of the 2010-11 biennium.

47. **Healthy Marriage Development Program.** Out of funds appropriated above in Strategy A.1.2, Integrated Eligibility and Enrollment, the Health and Human Services Commission shall devote $8,435,044 in All Funds, including $6,181,722 in General Revenue Funds and $415,544 in TANF Federal Funds for the biennium to a Healthy Marriage Development Program and similar activities that strengthen families.

48. **Physician-administered Biologics and Drugs.** To the extent compatible with state and federal law, drugs and biological products are deemed covered benefits of Medicaid if those products are approved for sale by the U.S. Food and Drug Administration and satisfy the criteria of the Omnibus Budget Reconciliation Act of 1990 and the Deficit Reduction Act of 2005. The manufacturers of drugs and biological products which are deemed covered benefits under Medicaid shall obtain a unique HCPCS code of C, Q, or J and a National Drug Code that will enable the state Medicaid office to track the product for the purpose of receiving Medicaid rebates.

   HHSC shall develop and make available a process to analyze new, "first-in-class," physician-administered drugs and biological products for the purpose of issuing a Medicaid coverage report or opinion.

   For new physician-administered drugs and biological products slated for inclusion in an existing class covered by Medicaid, HHSC shall develop and make available an expedited process to analyze fiscal impact and incremental cost over current drug treatment and therapy.

   HHSC shall develop and make available a process for approving new FDA-approved indications of physician-administered drugs and biological products covered by Medicaid.

   HHSC may apply any reasonable administrative measures, including medical policy development and utilization controls that it deems prudent as the conditions of coverage that apply to each physician-administered drug or biological product.

49. **Medicaid Drug Utilization Review Program.** Out of funds appropriated above in Goal B, Medicaid, the Health and Human Services Commission shall develop and submit a report on strategies implemented by the agency after the effective date of this Act to strengthen the Texas Medicaid Drug Utilization Review Program to the Legislative Budget Board and the Governor by December 1, 2009 and provide a follow-up report on December 1, 2010. Each report should include savings realized during the previous fiscal year and anticipated savings for the following fiscal year.

50. **Behavioral Health Service Delivery in STAR and STAR+PLUS.** Out of funds appropriated above in Goal B, Medicaid, the Health and Human Services Commission shall develop and submit a report on strategies implemented by the agency after the effective date of this Act to improve the transparency and accountability of behavioral health service delivery in STAR and STAR+PLUS Medicaid HMOs to the Legislative Budget Board and the Governor by September 1, 2010.

51. **Vendor Drug Program E-prescribing Plan.** Out of funds appropriated above in Goal B, Medicaid, the Health and Human Services Commission shall develop an E-prescribing implementation plan, including relevant timeframes and projected expenditures and cost savings per fiscal year, to improve patient safety and to standardize electronic prescribing systems in the state's Vendor Drug Program for the Medicaid and Children's Health Insurance Programs and submit the plan to the Legislative Budget Board and the Governor by January 1, 2010. The Health and Human Services Commission shall also submit a progress report on the E-prescribing implementation plan, including any projected expenditures and cost savings per fiscal year, to the Legislative Budget Board and the Governor by January 1, 2011.
52. SAVERR to TIERS. Out of funds appropriated above in Strategy F.1.1, TIERS & Eligibility Supporting Technologies, the Health and Human Services Commission will convert all the remaining SAVERR cases into the TIERS system, contingent upon receipt of required approval by federal funding partners, no later than August 31, 2011.

53. Appropriations Related to Frew Strategic Initiatives. General Revenue appropriated above in Goal B, Medicaid, for Frew strategic initiatives is contingent on an unexpended balance from fiscal year 2009. The amount of appropriation is limited to the amount of the unexpended balance. Unexpended balances in General Revenue Funds appropriated to the Health and Human Services Commission for Frew strategic initiatives for the fiscal year ending August 31, 2009 (estimated to be $113,000,000) are appropriated to the agency for the fiscal biennium beginning September 1, 2009. This unexpended balance is the remainder of the one-time appropriation of $150,000,000 in General Revenue Funds that was appropriated for Strategic Initiatives for the 2008-09 biennium by the Eightieth Legislature.

54. Medicaid Substance Abuse Treatment. Contingent on passage of Senate Bill 796, or similar legislation relating to substance abuse treatment for adult Medicaid clients, the Health and Human Services Commission shall use funds appropriated above in Goal B, Medicaid, to provide coverage for comprehensive substance abuse treatment services for adult Medicaid clients.

55. Medical Transportation. To the extent allowed by federal and state law, a portion of the funds appropriated above to Strategy B.2.3, Medical Transportation, shall be used to implement a regionalized full-risk brokerage model which utilizes a pre-payment methodology (capitation) to reimburse the broker or brokers. This program will be for all Medicaid non-emergency transportation under the Medical Transportation program in areas of the state that the Commission finds can sustain a regionalized model. To implement this change, the Commission shall apply to the Centers for Medicare and Medicaid Services for a state plan amendment as provided for in the Social Security Act, Section 1902(a)(70), and in accordance with Federal Regulations 42 CFR 440.170(a)(4).

56. FTE Authority during Federally-Declared Disasters. In the event the Health and Human Services Commission determines a need for additional staff related to providing services for federally-declared disasters, the Commission is hereby authorized to increase the number of FTEs, and adjust the agency limitation on FTEs, for this purpose, contingent upon notification to the Legislative Budget Board and the Governor within 30 days of the intent to hire additional staff and quantify the staffing level. Only federal funds may be used to pay salaries and benefits for the FTEs hired for this purpose.

57. Local Reporting on UPL, DSH and Indigent Care Expenditures. Out of funds appropriated above, and as the state Medicaid operating agency, the Health and Human Services Commission shall develop a report that non-state public hospitals, private hospitals, hospital districts, physicians and private administrators shall use to describe any expenditures they make through the Upper Payment Limit (UPL) program, the Disproportionate Share Hospital (DSH) program, and the Indigent Care program. The commission shall determine the format of the report, which must include expenditures by method of finance per year. In addition, the commission annually shall require contracted hospital providers to report payments to entities who provide consultative services regarding revenue maximization under the medical assistance program and any other governmentally funded program, including UPL and DSH. Information included in the reports of payments to entities providing consultative services from contracted hospitals shall include:
   a. the total amount of aggregated payments to all such entities by county;
   b. the purpose of the payment(s);
   c. the source of the payment(s);
   d. the program for which consultative services were provided; and
   e. any other information the commission believes pertinent.

58. Umbilical Cord Blood Bank Funding. Out of funds appropriated above in Strategy A.1.1, Enterprise Oversight and Policy, the Health and Human Services Commission shall use $5,000,000 in General Revenue for the biennium for research and an unrelated donor umbilical cord blood bank, as follows:
a. The Health and Human Services Commission shall enter into a contract with a public cord blood bank in Texas for $4,000,000 for the gathering and retention of umbilical cord blood from live births at its unrelated cord blood bank for the primary purpose of making the umbilical cord blood available for transplant purposes. The blood bank must be accredited by the American Association of Blood Banks and the International Organization of Standardization. Any unexpended balances of these funds remaining as of August 31, 2010, are appropriated to the Health and Human Services Commission for the fiscal year beginning September 1, 2010, for the same purposes.

b. The Health and Human Services Commission shall enter into a contract with a Texas academic health institution for $1,000,000 for the primary purpose of research leading to new cures derived by the usage of stem cells from umbilical cord blood. Such funds shall be used only for research from stem cells obtained from umbilical cord blood from a live birth. Any unexpended balances of these funds remaining as of August 31, 2010, are appropriated to the Health and Human Services Commission for the fiscal year beginning September 1, 2010, for the same purposes.

59. Medicaid Cost Savings. The appropriations made above to the Health and Human Services Commission assume savings estimated to be $107.1 million in General Revenue Funds. The Health and Human Services Commission should consider the following cost savings initiatives in order to achieve these savings.

a. Managed Care
   (1) efforts to increase provider participation in managed care networks; and
   (2) efforts to achieve additional HMO savings; savings amount may include experience rebates.

b. Medical Transportation: expand use of broker model.


d. Managed Care for Disabled Children: improve coordination of acute care for existing recipients.

e. Market Rating of Managed Care Plans: phase-in market rating that considers the acuity of clients served and whether the hospital is TEFRA reimbursed.

f. Third-party Sources: efforts to increase third-party sources of payment for Medicaid payments and Medicaid recipients.

g. Additional Initiatives Identified by the Health and Human Services Commission.

The Commission shall provide a report explaining estimated cost savings measure to be utilized and estimating the savings in General Revenue and All Funds to be achieved during the biennium, including any additional initiatives identified by the Executive Commissioner during the biennium to achieve the targeted savings. The report shall be submitted to the Legislative Budget Board and the Governor by July 1, 2010 prior to implementing any of the saving measures.

60. Nurse Family Partnership Federal Funding. Contingent on receipt of additional Federal Funding specifically for nurse home visitations to families with young children, the Health and Human Services Commission shall budget these funds for the Nurse Family Partnership program in Strategy A.1.1, Enterprise Oversight and Policy.

61. Office of Eligibility Services Staffing. It is the intent of the Legislature that the Executive Commissioner shall ensure that the agency will fill and maintain eligibility staffing at a level necessary to maintain a reasonable workload designed to meet required federal timeliness and reduce error rates.

a. The Health and Human Services Commission is authorized to maintain staffing, supporting technology and indirect costs at the fiscal year 2009 budgeted level of 9,039 full-time equivalents (FTEs). In determining the need for additional funding, the Commission shall take into account increases in contractor costs and supporting technology to be paid from amounts appropriated in Strategy A.1.2, Integrated Eligibility and Enrollment. Upon a
determination that the amounts remaining in Strategy A.1.2 are insufficient to maintain the staffing level of 9,039 FTEs, the Health and Human Services Commission is hereby authorized to transfer from General Revenue appropriations made in Goal B, Medicaid to Strategy A.1.2, Integrated Eligibility and Enrollment, an amount not to exceed $55 million for the biennium. The Commission shall notify the Governor, the Legislative Budget Board, and the Comptroller 15 days prior to any proposed funding transfer.

b. The Commission may request to increase its cap by up to 656 FTEs in fiscal year 2010 and up to 822 FTEs in fiscal year 2011 for anticipated workload and caseload growth. Upon a determination that funding in Strategy A.1.2 is insufficient to maintain the costs associated with staffing levels, contractors, supporting technology or any other related costs, the Executive Commissioner may request to transfer from General Revenue appropriations made in Goal B, Medicaid to Strategy A.1.2, Integrated Eligibility and Enrollment, amounts necessary to maintain the support of up to 9,695 FTEs in fiscal year 2010 and up to 9,861 FTEs in fiscal year 2011. The Commission shall request approval from the Governor, the Legislative Budget Board, and the Comptroller at least 30 days prior to any proposed funding transfer. The request shall be considered to be approved unless the Legislative Budget Board or the Governor issues a written disapproval within 15 business days of the date on which the staff of the Legislative Budget Board concludes its review of the proposal to expend the funds and forwards its review to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor.

62. **Respiratory Syncytial Virus.** Out of funds appropriated above, the Health and Human Services Medicaid Vendor Drug Program shall implement a pharmacy payment based on the state's reimbursement methodology approved by the Centers for Medicare and Medicaid (CMS) as of August 31, 2007, minus five percent, for drugs used for the prevention of Respiratory Syncytial Virus in newborns. Prior authorization criteria must be met. In order to ensure full access to Respiratory Syncytial Virus prophylaxis, the Health and Human Service Commission shall ensure that providers are informed of the availability of a variety of specialty pharmacies dispensing Respiratory Syncytial Virus prophylaxis.

63. **Dual Diagnosis Pilot.** From funds appropriated by this Act, the Health and Human Services Commission is authorized to utilize up to $75,000 per year to provide a grant to a non-profit organization to maintain a pilot project directed at enhancing the well being and care of citizens who are dually diagnosed with mental retardation and mental illness.

64. **Women's Health Services Demonstration Project: Savings and Performance Reporting.** It is the intent of the Legislature that the Health and Human Services Commission submit an annual report to the Legislative Budget Board and the Governor that includes the following information:
   a. enrollment levels of targeted low-income women, including service utilization by geographic region, delivery system, and age;
   b. savings or expenditures attributable to enrollment levels as reported in section (a) and;
   c. descriptions of all outreach activities undertaken for the reporting period.

65. **In-patient Psychiatric Services.** The Health and Human Services Commission shall analyze the benefit to the state of modification of the Intensive Psychiatric Treatment Program and establishment of a program for the provision of Medicaid inpatient psychiatric services in Psychiatric Residential Treatment Facilities for child and adolescent Medicaid beneficiaries (as defined in Section 483.354 of the Code of Federal Regulations, Title 42). Contingent upon findings that a Medicaid state plan amendment is cost effective, the Health and Human Services Commission shall seek approval of this amendment and make necessary regulatory changes.

66. **Study Regarding the Need for Community Support and Residential Services for Individuals Suffering from Acquired Brain Injury.**
   a. It is the intent of the legislature that, out of General Revenue funds appropriated above, the executive commissioner of the Health and Human Services Commission conduct a study, not later than September 1, 2010, regarding the need for a system of community support and residential services for individuals suffering from acquired brain injury. The study must, at a minimum:
(1) evaluate current services and supports provided by the state to persons suffering from acquired brain injury;

(2) assess the need in this state for community support and residential services to persons suffering from acquired brain injury;

(3) ascertain opportunities available to this state to draw down federal funds for individuals with acquired brain injury for whom the state currently provides services and supports through general revenue funds; and

(4) determine the feasibility and cost-effectiveness of implementing a system of community support and residential services through either a Medicaid state plan amendment or medical assistance waiver for persons with acquired brain injury.

b. The executive commissioner of the Health and Human Services Commission shall submit the results of the study described above to the Governor, Lieutenant Governor, Speaker of the House of Representatives, and the chairs of the Senate Committee on Health and Human Services and the House Committee on Public Health.

67. Fiscal Accountability for Programs for Persons with Intellectual or Developmental Disabilities. Contingent upon the implementation of a rate enhancement system or other appropriate financial performance standards for programs for persons with intellectual or developmental disabilities to ensure prudent use of funding appropriated by this Act, the Health and Human Services Commission is authorized to discontinue fiscal accountability spending requirements. If, before implementing this provision, the Commission determines that a waiver or authorization from a federal agency is necessary for implementation, the commission shall request the waiver or authorization and may delay implementing this provision until the waiver or authorization is granted.

68. Reimbursement of Acute Care Hospital Services.

a. The Legislature finds that the standard dollar amounts currently used to reimburse acute care hospitals for medical assistance were established under a methodology that is no longer current and does not adequately reflect changes in federal and state laws, regulations, allowable costs, and current economic factors. The Legislature also finds that such standard dollar amounts were determined using cost data that is outdated and therefore does not reflect current costs of providing such medical assistance.

b. Accordingly, the commission shall ensure that the amounts paid to each acute care hospital for medical assistance, as determined by the standard dollar amount for the hospital and diagnostic related group factors established by the commission in accordance with state law, are proportionately adjusted for each hospital in accordance with:

(1) the most current cost data available for each acute care hospital;

(2) the amount of funds appropriated elsewhere in this Act for such purpose;

(3) consistent with the requirements of federal law and the state plan for medical assistance, regional differences, if any, in the cost of providing medical assistance; and

(4) changes to the new system cannot result in expenditures higher than what the previous methodology would have provided.

69. Hemophilia Reimbursement Rates. Contingent upon approval from the Centers for Medicare and Medicaid Services (CMS), the Health and Human Services Commission (HHSC) shall amend the reimbursement methodology provided under the Vendor Drug Program for blood factor products by adding a $0.05 furnishing fee to each unit of factor reimbursed in a prescription claim. The furnishing fee will be added to the existing dispensing fee methodology.

70. Healthy Marriage Program: Performance Report. Out of funds appropriated above in Strategy A.1.2, Integrated Eligibility and Enrollment, for the Healthy Marriage Program, the Health and Human Services Commission (HHSC) shall provide an annual report to the Legislative Budget Board, Governor, Senate Finance Committee, House Appropriations Committee, Senate Health and Human Services Committee, and House Human Services Committee that includes the following data elements for the past fiscal year:

A529-Conf-2-B II-97 May 24, 2009
a. unduplicated number of couples who received services;
b. unduplicated number of couples who requested services, but did not receive them;
c. amount of expenditures on direct care, broken out by type of service;
d. amount of expenditures not related to direct care, broken out by category.

The report shall be submitted October 15 of each year of the biennium in a format specified by the Legislative Budget Board.

**RETIRED AND GROUP INSURANCE**

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<th>August 31, 2011</th>
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<td>$533,692,495</td>
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**Items of Appropriation:**

**A. Goal:** EMPLOYEES RETIREMENT SYSTEM

- **A.1.1. Strategy:** RETIREMENT CONTRIBUTIONS
  - Retirement Contributions. Estimated.
  - **$112,160,501** $113,938,405
- **A.1.2. Strategy:** GROUP INSURANCE
  - Group Insurance. Estimated.
  - **$386,766,929** $419,754,090

**Total, Goal A:** EMPLOYEES RETIREMENT SYSTEM
- **$498,927,430** $533,692,495

**Grand Total, RETIREMENT AND GROUP INSURANCE**
- **$498,927,430** $533,692,495

**SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY**

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<th>August 31, 2011</th>
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</tr>
<tr>
<td><strong>Total, Method of Financing</strong></td>
<td>$161,975,587</td>
<td>$163,626,344</td>
</tr>
</tbody>
</table>

**Items of Appropriation:**

**A. Goal:** SOCIAL SECURITY/BENEFIT REPLACEMENT

- **Comptroller - Social Security.**
- **A.1.1. Strategy:** STATE MATCH — EMPLOYER
  - State Match — Employer. Estimated.
  - **$148,146,466** $150,488,680
SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY  
(Continued)

A.1.2. Strategy: BENEFIT REPLACEMENT PAY  
Benefit Replacement Pay. Estimated.

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Benefit Replacement Pay</td>
<td>$ 13,829,121</td>
<td>$ 13,137,664</td>
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Total, Goal A: SOCIAL SECURITY/BENEFIT REPLACEMENT

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ 161,975,587</td>
<td>$ 163,626,344</td>
<td></td>
</tr>
</tbody>
</table>

Grand Total, SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
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<tbody>
<tr>
<td>$ 161,975,587</td>
<td>$ 163,626,344</td>
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</tbody>
</table>

**BOND DEBT SERVICE PAYMENTS**

<table>
<thead>
<tr>
<th></th>
<th>For the Years Ending</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>August 31, 2010</td>
<td>August 31, 2011</td>
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</table>

**Method of Financing:**

<table>
<thead>
<tr>
<th></th>
<th>General Revenue Fund</th>
<th>Federal Funds</th>
<th>Other Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$ 30,638,658</td>
<td>$ 2,362,984</td>
<td>$ 264,962</td>
</tr>
</tbody>
</table>

Subtotal, Other Funds  

|                      | $ 264,962 |

Total, Method of Financing

|                      | $ 33,266,604 |

Items of Appropriation:

**A. Goal:** FINANCE CAPITAL PROJECTS

**A.1.1. Strategy:** BOND DEBT SERVICE  
To Texas Public Finance Authority for Payment of Bond Debt Service.

Grand Total, BOND DEBT SERVICE PAYMENTS

|                      | $ 33,266,604 |

**LEASE PAYMENTS**

<table>
<thead>
<tr>
<th></th>
<th>For the Years Ending</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>August 31, 2010</td>
<td>August 31, 2011</td>
</tr>
</tbody>
</table>

**Method of Financing:**

<table>
<thead>
<tr>
<th></th>
<th>General Revenue Fund</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$ 7,526,864</td>
<td>$ 6,349,892</td>
</tr>
</tbody>
</table>

Total, Method of Financing

|                      | $ 7,526,864 |

Items of Appropriation:

**A. Goal:** FINANCE CAPITAL PROJECTS

**A.1.1. Strategy:** LEASE PAYMENTS  
To TFC for Payment to TPFA.

Grand Total, LEASE PAYMENTS

|                      | $ 7,526,864 |

AB02-Conf2-B  II-99  May 24, 2009
SPECIAL PROVISIONS RELATING TO
ALL HEALTH AND HUMAN SERVICES AGENCIES

Sec. 2. Night Shift and Weekend Differential.

a. Clinical and Support Personnel. The Department of State Health Services and the Department of Aging and Disability Services are authorized to pay an additional night shift salary differential not to exceed 15 percent of the monthly pay rate to personnel who work the 3:00 p.m. to 11:00 p.m. or the 11:00 p.m. to 7:00 a.m. shift or its equivalent. A weekend shift salary differential not to exceed 5 percent of the monthly pay rate may be paid to persons who work weekend shifts. The evening or night shift salary differential may be paid in addition to the weekend shift salary differential for persons working weekend, evening, or night shifts.

b. Data Processing Personnel. The Department of State Health Services, the Department of Aging and Disability Services, the Department of Family and Protective Services, the Health and Human Services Commission, and the Health and Human Services Consolidated Print Shop may pay an evening or night shift salary differential not to exceed 15 percent of the monthly pay rate to personnel in data processing or printing operations who work the 3:00 p.m. to 11:00 p.m. shift or 11:00 p.m. to 7:00 a.m. shift, or their equivalents. A weekend shift salary differential not to exceed 5 percent of the monthly pay rate may be paid to persons who work weekend shifts. The evening or night shift salary differential may be paid in addition to the weekend shift salary differential for persons working weekend, evening, or night shifts.

c. Statewide Intake Personnel. The Department of Family and Protective Services is authorized to pay an evening or night shift salary differential not to exceed 15 percent of the monthly pay rate to Statewide Intake personnel who work the 3:00 p.m. to 11:00 p.m. shift or 11:00 p.m. to 7:00 a.m. shift, or their equivalents. A weekend shift salary differential not to exceed 5 percent of the monthly pay rate may be paid to persons who work weekend shifts. The evening or night shift salary differential may be paid in addition to the weekend shift salary differential for persons working weekend, evening, or night shifts.

Sec. 3. Services to Employees. Out of the appropriations authorized, the Department of State Health Services and Department of Aging and Disability Services may expend funds for the provision of first aid or other minor medical attention for employees injured in the course and scope of their employment and for the repair and/or replacement of employees' items of personal property which are damaged or destroyed in the course and scope of their employment so long as such items are medically prescribed equipment. Expenditures for such equipment may not exceed $500 per employee per incident.

Sec. 4. Charges to Employees and Guests. Collections for services rendered employees and guests shall be made by a deduction from the recipient's salary or by cash payment in advance. Such deductions and other receipts for these services from employees and guests are hereby appropriated to the facility. Refunds of excess collections shall be made from the appropriation to which the collection was deposited.

As compensation for services rendered and notwithstanding any other provision in this Act, any facility under the jurisdiction of the Department of State Health Services or the Department of Aging and Disability Services may provide free meals for food service personnel and volunteer workers, and may furnish housing facilities, meals, and laundry service in exchange for services rendered by interns, chaplains in training, and student nurses.

Sec. 5. New or Additional Facilities. No funds appropriated may be spent for constructing new or additional facilities or for the purchase of sites without specific authorization of the Legislature. All facilities shall be kept where they are located by the Legislature, and all new buildings to be constructed shall be on these sites unless otherwise specifically authorized by the Legislature. For the purpose of this subsection, specific authorization may be granted either by basic statute or special authorization in this Act.

Sec. 6. Revolving Petty Cash Funds. Each facility under the jurisdiction of the Department of State Health Services or the Department of Aging and Disability Services may establish a petty cash fund to be maintained in cash or at a local bank. The petty cash fund, not to exceed $25,000, shall be used only for making emergency payments and small purchases which will increase the efficiency of the operation; for payments to client workers on a regular payday basis; for use as change funds in specific locations where financial activities of the agency require a change fund; and for supplies and equipment purchases for sheltered workshops.
Sec. 7. Federal Match Assumptions and Limitations on Use of Available General Revenue Funds.

a. **Federal Match Assumptions.** The following percentages reflect federal match assumptions used in Article II of this Act.

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal Medical Assistance Percentage (FMAP)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Federal Fiscal Year</td>
<td>58.73%</td>
<td>58.29%</td>
</tr>
<tr>
<td>State Fiscal Year</td>
<td>58.79%</td>
<td>58.33%</td>
</tr>
<tr>
<td>Enhanced Federal Medical Assistance Percentage (EFMAP)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Federal Fiscal Year</td>
<td>71.11%</td>
<td>70.80%</td>
</tr>
<tr>
<td>State Fiscal Year</td>
<td>71.15%</td>
<td>70.83%</td>
</tr>
</tbody>
</table>

b. **Limitations on Use of Available General Revenue Funds.** In the event the actual FMAP and EFMAP should be greater than shown in section (a), the health and human services agencies listed in Chapter 531, Government Code, are authorized to expend the General Revenue Funds thereby made available only upon prior written approval from the Legislative Budget Board and Governor.

To request authorization to expend available General Revenue Funds, an agency shall submit a written request to the Legislative Budget Board and the Governor. At the same time, the agency shall provide a copy of the request to the Comptroller of Public Accounts. The request shall include the following information, by fiscal year:

1. a detailed explanation of the proposed use(s) of the available General Revenue Funds and whether the expenditure(s) will be one-time or ongoing;
2. the amount available by strategy;
3. the strategy(ies) in which the funds will be expended and the associated amounts, including any matching federal funds;
4. an estimate of performance levels and, where relevant, a comparison to targets included in this Act; and
5. the capital budget and/or full-time equivalent impact.

Additional information requested by the Legislative Budget Board or the Governor should be provided in a timely manner. The request and information provided subsequently shall be prepared in a format specified by the Legislative Budget Board.

The request shall be considered to be approved unless the Legislative Budget Board or the Governor issue a written disapproval within 15 business days of the date on which the staff of the Legislative Budget Board concludes its review of the proposal to expend the funds and forwards its review to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor.

The Comptroller of Public Accounts shall not allow the expenditure of General Revenue Funds made available if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the requirements of this provision have not been satisfied.

Sec. 8. Contracts for Purchase of Client Services. No funds appropriated to an agency covered by this article may be utilized for contracts for the purchase of program-related client services unless:

a. such contracts include clearly defined goals, outputs, and measurable outcomes which directly relate to program objectives;

b. such contracts include clearly defined sanctions or penalties for noncompliance with contract terms and conditions;
SPECIAL PROVISIONS RELATING TO ALL HEALTH AND HUMAN SERVICES AGENCIES
(Continued)

1. Such contracts specify the accounting, reporting, and auditing requirements applicable to funds received under the contract;

2. The agency has implemented a formal program using a risk assessment methodology to monitor compliance with financial and performance requirements under the contract, including a determination of whether performance objectives have been achieved; and

3. The agency has implemented a formal program to obtain and evaluate program costs information to ensure that all costs, including administrative costs, are reasonable and necessary to achieve program objectives.

Sec. 9. Attorney General Representation. The Attorney General and the respective head of the Health and Human Services Commission or a health and human services agency listed in Chapter 531, Government Code, are hereby authorized to use the funds appropriated above to jointly select one or more Assistant Attorneys General to be assigned to the respective agency.

Sec. 10. Medicaid Managed Care Contracts. Regarding the use of funds appropriated elsewhere in this Act for payment of managed care contracts, the Health and Human Services Commission and the health and human services agencies listed in Chapter 531, Government Code, shall include and award value added points in the scoring of applications submitted for Medicaid managed care contracts. At a minimum, the following considerations are to be considered as items for value added points:

a. Continuity of care for the Medicaid client;

b. Graduate Medical Education as part of the delivery system;

c. Amount of charity care provided by the party applying for a contract award; and

d. Inclusion of prompt pay provisions for provider payments.

Sec. 11. Limitations on Transfer Authority. Notwithstanding the general transfer provisions of this Act, but in concert with agency-specific limitations on transfer authority in this Article, the Executive Commissioner of the Health and Human Services Commission is authorized to make transfers of funding, full-time equivalents (FTEs), and capital budget authority within and between health and human services agencies as listed in Chapter 531, Government Code, subject to the prior written approval of the Legislative Budget Board and the Governor. No single transfer may exceed 12.5 percent of the originating strategy's appropriation for funding or FTEs for the fiscal year.

To request a transfer, the Executive Commissioner of the Health and Human Services Commission shall submit a written request to the Legislative Budget Board and the Governor. At the same time, the agency shall provide a copy of the request to the Comptroller of Public Accounts. The request shall include the following information:

a. A detailed explanation of the purpose(s) of the transfer, including the following:

   (1) a description of each initiative with funding and FTE information by fiscal year; and

   (2) an indication of whether the expenditure will be one-time or ongoing.

b. The names of the originating and receiving agencies and/or strategies and the method of financing and FTEs for each strategy by fiscal year;

c. An estimate of performance levels and, where relevant, a comparison to targets included in this Act for both the originating and the receiving agencies and/or strategies; and

d. The capital budget impact.

Additional information requested by the Legislative Budget Board or the Governor should be provided in a timely manner. The request and information provided subsequently shall be prepared in a format specified by the Legislative Budget Board.

The Comptroller of Public Accounts shall not allow the transfer of funds if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the requirements of this provision have not been satisfied.
In the case of disaster or other emergency, this provision is superseded by the emergency-related transfer authority in Article IX of this Act.

Sec. 12. Payment for Compensatory Time. It is expressly provided that the Department of State Health Services and the Department of Aging and Disability Services, to the extent permitted by law, may pay FLSA non-exempt employees of state mental health and mental retardation facilities on a straight-time basis for work on a holiday or for regular compensatory time hours when the taking of regular compensatory time off would be disruptive to normal business functions. In addition, any health and human service agency, with the explicit approval of the Health and Human Services Executive Commissioner, to the extent permitted by law, may pay FLSA non-exempt employees required to provide support during a federally declared disaster on a straight-time basis for work on a holiday or for regular compensatory time hours when the taking of regular compensatory time off would be disruptive to normal business functions.

Sec. 13. Access to Health Care Services. It is the intent of the Legislature that all agencies administering or responsible for any part of the medical assistance program under Chapter 32, Human Resources Code or listed in Chapter 531, Government Code, use the funds appropriated by this Act to work together to maximize the number of providers, including providers of pediatric care, primary care, nursing home care, and home health services to promote access to quality health care services for all enrollees.

Sec. 14. Medicaid Informational Rider. This rider is informational only and does not make any appropriations. The Health and Human Services Commission is the single state agency for Title XIX, the Medical Assistance Program (Medicaid) in Texas. Other agencies receive appropriations for and responsibility for the operations of various Medicaid programs. Appropriations made elsewhere in this Act related to the Medicaid program include the following:

<table>
<thead>
<tr>
<th>Agency Name</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department of Aging and Disability Services</td>
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<td>$6,265,209,624</td>
</tr>
<tr>
<td>Department of Assistive and Rehabilitative Services</td>
<td>74,688,630</td>
<td>79,760,440</td>
</tr>
<tr>
<td>Department of Family and Protective Services</td>
<td>18,243,028</td>
<td>18,214,178</td>
</tr>
<tr>
<td>Department of State Health Services</td>
<td>171,586,284</td>
<td>170,410,003</td>
</tr>
<tr>
<td>Health and Human Services Commission</td>
<td>15,795,284,658</td>
<td>16,167,354,893</td>
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<tr>
<td>Article II, Special Provisions</td>
<td>0</td>
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</tr>
<tr>
<td>Total, Medical Assistance Program</td>
<td>$22,123,859,297</td>
<td>$22,700,949,138</td>
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</tbody>
</table>

Method of Financing:

| General Revenue for Medicaid                          | $8,879,385,669  | $9,277,633,604  |
| Tobacco Settlement Receipts for Medicaid              | 236,092,691     | 227,410,026     |
| Subtotal, General Revenue Funds                       | 9,115,478,360   | 9,505,043,630   |
| General Revenue - Dedicated                           | 62,149,979      | 61,649,979      |
| Federal Funds                                         | 12,853,217,936  | 13,041,242,505  |
| Interagency Contracts                                 | 2,169,092       | 2,169,092       |
| Medicaid Subrogation Receipts                         | 38,417,543      | 38,417,543      |
Sec. 15. Caseload and Expenditure Reporting Requirements.

a. **Quarterly Forecasts.** The Health and Human Services Commission, in cooperation with operating agencies, shall submit to the Legislative Budget Board and the Governor, at the end of each fiscal quarter, reports projecting anticipated caseload and prescription drug data and related expenditure amounts for the 36 month period beginning with the first month after the reports are due, for the following programs:

(1) Medicaid (acute and long-term care);
(2) Medicare;
(3) Children's Health Insurance Program (CHIP) and related programs;
(4) Temporary Assistance for Needy Families;
(5) Children with Special Health Care Needs;
(6) Foster care and adoption subsidies;
(7) Early Childhood Intervention Services; and
(8) Other programs upon request of the Legislative Budget Board or the Governor.

The reports shall be prepared in a format specified by the Legislative Budget Board.

b. **Monthly Data.** The Health and Human Services Commission, in cooperation with operating agencies, shall submit to the Legislative Budget Board and the Governor, at the end of each month, caseload and prescription drug data and related expenditure amounts for the programs identified in subsection (a) for at least the preceding 36 months. The data shall be submitted in a format specified by the Legislative Budget Board.

c. Each report submitted to the Legislative Budget Board and the Governor pursuant to this provision must be accompanied by supporting documentation detailing the sources and methodologies utilized to develop any caseload or cost projections contained in the report and any other supporting material specified by the Legislative Budget Board and the Governor.

d. Each report submitted pursuant to this provision must contain a certification by the person submitting the report that the information provided is true and correct based upon information and belief together with supporting documentation.

e. The Comptroller of Public Accounts shall not allow the expenditure of funds appropriated by this Act to the Health and Human Services Commission if the Legislative Budget Board and the Governor certify to the Comptroller of Public Accounts that the Health and Human Services Commission is not in compliance with this provision.

In the event that the forecasting function is transferred to another health and human services agency listed in Chapter 531, Government Code, the requirement for the Health and Human Services Commission to provide quarterly forecasts under subsection (a), monthly data under subsection (b), or supporting documentation under subsection (c) shall apply to the other health and human services agency.

Sec. 16. Rate Limitations and Reporting Requirements. Notwithstanding other provisions of this Act, the use of appropriated funds for a rate paid by a health and human services agency as listed in Chapter 531, Government Code, shall be governed by the specific limitations included in this provision.

For purposes of this provision, "rate" is defined to include all provider reimbursements (regardless of methodology) that account for significant expenditures by a health and human services agency. Additionally, estimates of fiscal impacts should be based on the most current caseload forecast submitted by the Health and Human Services Commission pursuant to other provisions in this Act and should specify General Revenue Funds, TANF Federal Funds, and All Funds. Fiscal estimates that impact multiple risk groups may be reported at an aggregate level.
SPECIAL PROVISIONS RELATING TO
ALL HEALTH AND HUMAN SERVICES AGENCIES
(Continued)

a. Notice of Initial Rates. No later than September 1 of each fiscal year, the Executive Commissioner of the Health and Human Services Commission shall submit the following information in writing to the Legislative Budget Board, the Governor, and the State Auditor:

(1) a list of each rate in effect on September 1 of the fiscal year and each rate in effect at the beginning and the end of the prior fiscal year;

(2) an estimate of the fiscal impact, by agency and by year, for each rate change listed for subsection (1); and

(3) a schedule and description of the rate-setting process for all rates listed for subsection (1).

b. Notice of New or Revised Rates. At least 30 calendar days prior to the payment of a rate not initially reported in section (a) or to increase a rate that would have an annual fiscal impact greater than $1,000,000 in General Revenue-related funds or TANF Federal Funds or other non-matching federal funds for the 2010-11 biennium, the Executive Commissioner of the Health and Human Services Commission shall submit the following information in writing to the Legislative Budget Board, the Governor, and the State Auditor:

(1) a list of each new rate and/or each rate that will be increased, including the current and proposed rate;

(2) an estimate of the fiscal impact, by agency and by year, for each rate listed for subsection (1);

(3) a schedule and description of the rate-setting process, if different from the original submission as required by section (a); and

(4) an explanation of the factors related to each rate listed for subsection (1).

c. Limitation on Rates that Exceed Appropriated Funding. Without the prior written approval of the Legislative Budget Board and the Governor, no agency listed in Chapter 531, Government Code, may pay a rate that would result in expenditures that exceed, in any fiscal year, the amounts appropriated by this Act to a strategy for the services to which the rate applies, unless the reimbursement level was in effect prior to September 1, 2009.

To request authorization for such a rate, the Executive Commissioner of the Health and Human Services Commission shall submit a written request to the Legislative Budget Board and the Governor. At the same time, the agency shall provide a copy of the request to the Comptroller of Public Accounts. The request shall include the following information:

(1) a list of each new rate and/or each rate for which an increase is proposed;

(2) an estimate of the fiscal impacts of the new rate and/or rate increase, by agency and by fiscal year; and

(3) the amount of General Revenue Funds, TANF Federal Funds, and All Funds, by fiscal year, by which each rate would exceed appropriated funding for each fiscal year.

The request shall be considered to be approved unless the Legislative Budget Board or the Governor issues a written disapproval within 15 business days of the date on which the staff of the Legislative Budget Board concludes its review of the request for authorization for the rate and forwards its review to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor.

d. Additional information requested by the Legislative Budget Board or the Governor should be provided in a timely manner. Notifications, requests and information provided subsequently shall be prepared in a format specified by the Legislative Budget Board.

e. The Office of the State Auditor may review the fiscal impact information provided under sections (a) through (c) along with supporting documentation, supporting records, and
justification for the rate increase provided by the Health and Human Services Commission and report back to the Legislative Budget Board and the Governor before the rate is implemented by the Health and Human Services Commission or operating agency.

f. The Comptroller of Public Accounts shall not allow the expenditure of funds for a new or increased rate if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the requirements of this provision have not been satisfied.

Sec. 17. Audit of Medicaid Funds. All transactions involving the payment, transfer, or investment of any funds of the Title XIX Medicaid program for the state by any non-governmental entity shall be subject to audit by the State Auditor's Office.

Sec. 18. Mental Health (MH) and Mental Retardation (MR) Collections for Patient Support and Maintenance.

a. Definitions. For the purposes of this section and appropriation authority for the Department of State Health Services and the Department of Aging and Disability Services: (1) MH Collections for Patient Support and Maintenance are defined as reimbursements received for health and other services provided to individuals in state hospitals from third party payers including insurance companies, clients, relatives, trusts and estates, and government retirement benefit programs including the U.S. Civil Service, Federal Railroad, State, Social Security, Teacher and Veteran's Administration and (2) MR Collections for Patient Support and Maintenance are defined as reimbursements received for health and other services provided to individuals in state operated intermediate care facilities for the mentally retarded (ICF-MR) and state schools from third party payers including insurance companies, clients, relatives, trusts and estates, and government retirement benefit programs including the U.S. Civil Service, Federal Railroad, State, Social Security, Teacher and Veteran's Administration.

b. Classification for depositing revenues and reporting of expenditures. For the purpose of revenue classification for depositing and expending certain collections related to the support and maintenance of patients in state mental health and mental retardation facilities, the following Revenue Object Codes as defined by the Comptroller of Public Accounts shall be used for recording collections, reporting expenditures, and requesting legislative appropriations by the Department of State Health Services and the Department of Aging and Disability Services:

(1) Revenue Object Codes 3595, 3606, 3614, and 3618 as defined by the Comptroller of Public Accounts shall be used to record collections and deposits from the above defined sources into the General Revenue Fund:

(i) 3595: Medical Assistance Cost Recovery
(ii) 3606: Support and Maintenance of Patients
(iii) 3614: Counseling, Care and Treatment of Outpatients
(iv) 3618: Welfare/MHMR Service Fees (Child Support)

(2) Automated Budget and Evaluation System of Texas (ABEST) Method of Financing Code 8031- MH Collections for Patient Support and Maintenance, and ABEST Method of Financing Code 8095 - MR Collections for Patient Support and Maintenance, shall be used to report expenditures and request legislative appropriations from collections/deposits related to the support and maintenance of patients in state mental health and mental retardation facilities made to Revenue Object Codes 3595, 3606, 3614, and 3618.

c. Appropriation authority and accounting for expenditures of MH and MR Collections for Patient Support and Maintenance. The Department of State Health Services and the Department of Aging and Disability Services are authorized to receive and expend MH and MR Collections for Patient Support and Maintenance as a first source, and general revenue shall be used as a second source, to support mental health state hospitals and state operated intermediate care facilities for the mentally retarded (ICF-MR). In the event that these revenues should be greater than the amounts identified in the method of financing above as MH and MR Collections for Patient Support and Maintenance, the departments are hereby appropriated and authorized to expend these revenues.
SPECIAL PROVISIONS RELATING TO ALL HEALTH AND HUMAN SERVICES AGENCIES
(Continued)

state funds hereby made available. The expenditure of MH and MR Collections for Patient Support and Maintenance is subject to the following requirements:

(1) Amounts available shall be expended prior to utilization of any general revenue available for the same purpose;

(2) In the event general revenue has been expended prior to the receipt of MH and MR Collections for Patient Support and Maintenance, the departments shall reimburse general revenue upon receipt of the revenue. This process shall be completed on a monthly basis in order to maintain a minimum balance on hand in excess MH and MR Collections for Patient Support and Maintenance; and

(3) The departments shall report monthly to the Legislative Budget Board, Comptroller of Public Accounts, and Governor on MH and MR Collections for Patient Support and Maintenance, expenditures and anticipated revenues and balances.

d. Responsibility for proportionate share of indirect costs and benefits. The Department of State Health Services and the Department of Aging and Disability Services shall ensure that MH and MR Collections for Patient Support and Maintenance fund their proportionate share of benefits and statewide allocated indirect costs as required and directed in Article IX of this act.

e. Exclusive appropriation authority. The preceding subsections of this rider shall be the exclusive appropriation authority for receipts from the above identified sources and none of these receipts shall be appropriated by a provision of Article IX of this Act.

Sec. 19. General Revenue Funds for Medicaid Mental Health and Mental Retardation Services.
For the purposes of this section and appropriation authority for the Medicaid mental health and mental retardation program responsibilities of the Department of State Health Services and the Department of Aging and Disability Services, the following subsections provide governance relating to appropriate use, classification and expenditure of funds.
a. General Revenue Match for Medicaid. ABEST Method of Financing Code 758 - GR Match for Medicaid shall be used to report general revenue expenditures and request general revenue appropriations for the state's share of Medicaid payments for the following Medicaid mental health and mental retardation services:

(1) Community-based Intermediate Care Facilities for the Mentally Retarded (ICF-MR) that are privately operated through contractual arrangements between private providers and the Department of Aging and Disability Services;

(2) Community-based Intermediate Care Facilities for the Mentally Retarded (ICF-MR), also known as Bond Homes, that are operated by the Department of Aging and Disability Services;

(3) Home and Community-based Services (HCS) authorized by a 1915(c) federal waiver and provided through contractual arrangements between private providers and the Department of Aging and Disability Services;

(4) Home and Community-based Services - Omnibus Budget Reconciliation Act of 1981 (HCS-O) authorized by a 1915(c) federal waiver and provided through contractual arrangements between private providers and the Department of Aging and Disability Services;

(5) Texas Home Living services authorized by a 1915(c) federal waiver and provided through contractual arrangements between private providers and the Department of Aging and Disability Services;

(6) Mental Retardation Local Authority (MRLA) waiver services;

(7) Mental health services provided through contracts with Behavioral Health Organizations as a component of the NorthSTAR Project; and
(8) Salaries and operating costs related to direct program administration and indirect administration of the departments.

b. **General Revenue Certified as Match for Medicaid.** The Department of State Health Services and the Department of Aging and Disability Services shall use ABEST Method of Financing code 8032 - General Revenue Certified Match for Medicaid to identify general revenue funds requested and reported as expended for the purpose of drawing federal funds and to document that State funds have been spent for Medicaid mental health and mental retardation services and administrative expenditures for the following services:

1. Intermediate care facilities for the mentally retarded that are operated by the State and known as "state schools";
2. Services delivered in mental health state hospitals operated by the Department of State Health Services including inpatient services for clients under the age of 21 and services that qualify under the federally approved Institutions for Mental Diseases (IMD) option for clients over the age of 65;
3. Rehabilitation Services as approved in the State Medicaid Plan which are provided by Mental Health Authorities and Mental Retardation Authorities;
4. Targeted Case Management Services as approved in the State Medicaid Plan provided by Mental Health Authorities and Mental Retardation Authorities;
5. Service Coordination Services as approved in the State Medicaid Plan provided by Mental Health Authorities and Mental Retardation Authorities; and
6. Medicaid Administrative Claims as approved in the State Medicaid Plan which are based on certain activities of Mental Health Authorities and Mental Retardation Authorities.

c. **Reporting requirements related to General Revenue Matching Funds for Medicaid Mental Health and Mental Retardation Services.** The Department of State Health Services and the Department of Aging and Disability Services shall report monthly to the Legislative Budget Board, Comptroller of Public Accounts and Governor on the expenditures of General Revenue for Medicaid federal matching purposes by the method of financing codes identified above and the amounts of local, non-profit expenditures certified as state match for Medicaid federal funds by the departments for services provided by Mental Health Authorities and Mental Retardation Authorities.

d. **Medicaid Federal Funds.** The Department of State Health Services and the Department of Aging and Disability Services shall report their expenditures and request legislative appropriations for federal Medicaid matching funds for client services, program administration and agency indirect administration. Automated Budgeting and Evaluation System of Texas (ABEST) Method of Financing Code (MOF) 555 and Medicaid CFDA 93.778 shall be used for the following:

1. Federal funds drawn from the U.S. Centers for Medicare and Medicaid Services (CMS) using general revenue funds classified as General Revenue Match for Medicaid (ABEST MOF Code 758), General Revenue Certified as Match for Medicaid (ABEST MOF Code 8032), Tobacco Settlement Receipts Match for Medicaid (ABEST MOF Code 8024) or Tobacco Receipts Certified as Match for Medicaid (ABEST MOF Code 8023);
2. Federal funds drawn from CMS using the departments' certification of local, non-profit expenditures made by the Mental Health Authorities and Mental Retardation Authorities on behalf of Medicaid-eligible individuals;
3. Federal funds received from CMS for services rendered to certain Medicaid-eligible individuals over the age of 65 by federally recognized Institutions for Mental Diseases (IMD Medicaid option) based on billings from mental health state hospitals. 
operated by the Department of State Health Services to the claims processing agent for the Texas Medicaid program in its capacity as the State's fiscal agent for certain Medicaid payments; and

(4) Federal funds received from CMS for general Medicaid health services including the Comprehensive Care Program for children based on billings from the state mental health and mental retardation facilities operated by the Department of State Health Services and the Department of Aging and Disability Services to the claims processing agent for the Texas Medicaid program in its capacity as the State's fiscal agent for certain Medicaid payments.

e. **Appropriation authority and accounting for Federal Funds for Medicaid Mental Health and Mental Retardation Services.** Amounts defined as Medicaid Federal Funds shall be used as a first source, and general revenue which was not used as matching funds shall not be used to fund Medicaid eligible services. In the event that these revenues should be greater than the amounts included above in Federal Funds for mental health and mental retardation services for the Department of State Health Services and the Department of Aging and Disability Services, the departments are hereby appropriated and authorized to expend these federal funds made available, subject to the following requirements:

(1) Amounts made available shall be expended prior to utilization of any general revenue made available for the same purpose;

(2) In the event general revenue has been expended prior to the receipt of Medicaid Federal Funds, the departments shall reimburse general revenue upon receipt of the revenue. This process shall be completed on a monthly basis in order to not have an excess balance of Medicaid Federal Funds; and

(3) The departments shall report monthly to the Legislative Budget Board, Comptroller of Public Accounts and Governor on the amounts of Medicaid Federal Funds drawn and expended.

f. **Responsibility for proportionate share of indirect costs and benefits.** Nothing in this provision shall exempt the departments from provisions of Article IX of this Act which apply equally to direct recoveries of benefits and indirect costs and to amounts recovered through an approved rate structure for services provided. Specifically, the departments do not have appropriation authority for Medicaid federal funds claimed on behalf of services provided by other agencies, including:

(1) Health and retirement services for active and retired Department of State Health Services and Department of Aging and Disability Services employees paid by the Employee Retirement System;

(2) Social Security payments, salary increases authorized in General Provisions, and Benefit Replacement Pay for Department of State Health Services and Department of Aging and Disability Services employees paid by the Comptroller of Public Accounts;

(3) Debt service amounts paid on behalf of the Department of State Health Services and Department of Aging and Disability Services by the Texas Public Finance Authority; and

(4) Indirect cost allocation plans negotiated with CMS for the purposes of the State-wide Cost Allocation Plan (SWCAP).

g. **Exclusive Appropriation Authority.** The preceding subsections of this provision shall be the exclusive appropriation authority for Medicaid mental health and mental retardation services Federal Fund receipts from the above identified sources and none of these receipts shall be appropriated by a provision of Article IX of this Act.
Sec. 20. Mental Health (MH) and Mental Retardation (MR) Appropriated Receipts.

a. **Definition.** For the purposes of this section and appropriation authority for the Department of State Health Services and the Department of Aging and Disability Services, MH Appropriated Receipts are defined as revenues from state mental health facilities deposited by the Department of State Health Services into the following Revenue Object Codes as defined by the Comptroller of Public Accounts, and MR Appropriated Receipts are defined as revenues from state mental retardation facilities deposited by the Department of Aging and Disability Services into the following Revenue Object Codes as defined by the Comptroller of Public Accounts:

   1. 3628: Dormitory, Cafeteria & Merchandise Sale
   2. 3719: Fees for Copies or Filing of Records
   3. 3722: Conference, Seminar, and Training Registration Fees
   4. 3738: Grants-Cities/Counties
   5. 3739: Grants-Other Political Subdivisions
   6. 3740: Grants/Donations-Operating/Capital Grants and Contributions
   7. 3747: Rental - Other
   8. 3750: Sale of Furniture and Equipment
   9. 3752: Sale of Publication/Advertising (General)
   10. 3754: Other Surplus or Salvage Property/Material Sales
   11. 3757: Supplies/Equipment/Services/Federal/Other (General)
   12. 3769: Forfeitures
   13. 3773: Insurance & Damages
   14. 3802: Reimbursements-Third Party
   15. 3806: Rental of Housing to State Employees

b. **Reporting.** ABEST Method of Financing Code 8033 - MH Appropriated Receipts, and ABEST Method of Financing Code 8096 - MR Appropriated Receipts, shall be used to report expenditures and request legislative appropriations for state mental health and mental retardation facilities from the Revenue Object Codes identified above.

c. **Appropriation authority and accounting for MH and MR Appropriated Receipts.** Amounts defined as MH and MR Appropriated Receipts shall be deposited into the General Revenue Fund according to the identified Revenue Object Codes above. The Department of State Health Services and the Department of Aging and Disability Services are authorized to receive and expend MH and MR Appropriated Receipts as a first source, and General Revenue shall be used as a second source. In the event that these revenues should be greater than the amounts identified in the method of financing above as MH and MR Appropriated Receipts, the departments are hereby appropriated and authorized to expend these state funds hereby made available. The expenditure of MH and MR Appropriated Receipts is subject to the following requirements:

   1. Amounts available shall be expended prior to utilization of any General Revenue available for the same purpose. In the event General Revenue must be expended, the agency will provide prior notification to the Legislative Budget Board and the Governor;

   2. In the event General Revenue has been expended prior to the receipt of MH and MR Appropriated Receipts as defined above, the departments shall reimburse General Revenue upon receipt of the revenue. This process shall be completed on a monthly basis in order to maintain a minimum balance on hand in excess MH and MR Appropriated Receipts; and

   3. The departments shall report monthly to the Legislative Budget Board, Comptroller of Public Accounts and Governor on MH and MR Appropriated Receipts collections by Revenue Object Code, expenditures and anticipated revenues and balances.

d. **Exclusive appropriation authority.** The preceding subsections of this provision shall be the exclusive appropriation authority for Appropriated Receipts from the above identified sources and none of these receipts shall be appropriated by a provision of Article IX of this Act.
Sec. 21. Texas Capital Trust Fund Account No. 543.

a. **Definition.** For the purposes of this section and appropriation authority, General Revenue Dedicated-Funds referred to as Texas Capital Trust Fund Account No. 543 (Chapter 2201, Government Code) are defined as revenues deposited by the Department of State Health Services and the Department of Aging and Disability Services into the following Revenue Object Codes as defined by the Comptroller of Public Accounts:

- (1) 3340: Land Easements
- (2) 3341: Grazing Lease Rental
- (3) 3344: Sand, Shell, Gravel and Timber Sales
- (4) 3349: Land Sales
- (5) 3746: Rental of Lands and Miscellaneous Land Income
- (6) 3747: Rental - Other
- (7) 3851: Interest on State Deposits

b. **Appropriation authority and accounting for Texas Capital Trust Fund Account No. 543.** For the purpose of revenue classification for expending and depositing certain collections related to the Texas Capital Trust Fund Account No. 543, ABEST Method of Finance Code 543 shall be used to report expenditures and request legislative appropriations from collections/deposits made to Revenue Object Codes 3340, 3341, 3344, 3349, 3746, 3747, and 3851 by the departments. Appropriations of the Texas Capital Trust Fund Account No. 543 are limited to the amounts identified above.

Sec. 22. Mental Health (MH) and Mental Retardation (MR) Medicare Receipts.

a. For the purposes of this section and appropriation authority, MH and MR Medicare Receipts are classified as deposits in Revenue Object Code 3634 that are collected by the Department of State Health Services and the Department of Aging and Disability Services as payment for:

- (1) hospital, physician and other services rendered to Medicare-eligible individuals in state mental health and mental retardation facilities operated by the departments;
- (2) cost settlements for services rendered in state mental health and mental retardation facilities operated by the department as authorized by the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA); and
- (3) prescription drugs reimbursed through the Medicare, Part D, prescription drug program.

b. **Accounting and Reporting.** Amounts defined as MH and MR Medicare Receipts shall be deposited into the General Revenue Fund according to the identified Comptroller Revenue Object Code above. The departments shall report monthly to the Legislative Budget Board, Comptroller of Public Accounts and Governor on MH and MR Medicare Receipts collections by Comptroller Revenue Object Code, expenditures and anticipated revenues and balances.

c. **Mental Health Medicare Receipts.** Included in the General Revenue Funds appropriated above to the Department of State Health Services in Strategy C.1.3, Mental Health State Hospitals, is $23,821,799 per year for the 2010-11 biennium, contingent upon generation of funds from MH Medicare Receipts collections. These funds shall be expended as collected and only within Strategy C.1.3, Mental Health State Hospitals. Appropriations made elsewhere in this Act for employee benefits include approximately $2,227,201 per year from MH Medicare Receipts. MH Medicare Receipts collections above $26,049,000 per year (excluding any amounts needed to comply with Article IX, Sec. 6.08, Benefits Paid Proportional by Fund) are hereby appropriated as Method of Financing Code 8034 - MH Medicare Receipts (General Revenue Funds) to the department for expenditures in Strategy C.1.3, Mental Health State Hospitals, pursuant to the limitations of this provision.

d. **Mental Retardation Medicare Receipts.** Included in the GR Match for Medicaid Funds appropriated above to the Department of Aging and Disability Services in Strategy A.8.1, MR State Schools Services, is $21,806,467 per year for the 2010-11 biennium, contingent
SPECIAL PROVISIONS RELATING TO ALL HEALTH AND HUMAN SERVICES AGENCIES
(Continued)

upon generation of funds from MR Medicare Receipts collections. These funds shall be expended as collected and only within Strategy A.8.1, MR State Schools Services. Appropriations made elsewhere in this Act for employee benefits include approximately $376,533 per year from MR Medicare Receipts. MR Medicare Receipts collections above $22,183,000 per year (excluding any amounts needed to comply with Article IX, Sec. 6.08, Benefits Paid Proportional by Fund) are hereby appropriated as Method of Financing Code 8097 - MR Medicare Receipts (General Revenue Funds) to the department for expenditures in Strategy A.8.1, MR State Schools Services, pursuant to the limitations of this provision.

Sec. 23. Community Mental Health and Mental Retardation Centers. Notwithstanding other provisions of this Act, if the Department of State Health Services or the Department of Aging and Disability Services determine that a community mental health and mental retardation center is unable or unwilling to fulfill its contractual obligations to provide services or to exercise adequate control over expenditures and assets, the departments may take necessary steps, including the appointment of a management team as authorized by Health and Safety Code, §§ 534.038 through 534.040 and recoupment of funds, to protect the funds appropriated under this Act and ensure the continued provision of services. Any recouped funds shall be used to achieve equity. In conjunction with the reallocation of funds, the departments shall provide a report to the Legislative Budget Board and the Governor on the amount of funds, the reasons for the recoupment, the local authorities involved, any performance contract requirements that were not met, and the purposes of the reallocation.

Sec. 24. Medicaid and Medicare Collections. The Department of State Health Services and the Department of Aging and Disability Services shall use the funds appropriated by this Act to maximize reimbursement of Medicare and Medicaid funding for all eligible individuals and for all expenditures at the mental health state hospitals, state schools, and state centers.

Sec. 25. Surplus Property. In order to conserve funds appropriated, surplus personal property may be transferred from one state mental health or mental retardation facility to another with or without reimbursement. The Department of State Health Services and the Department of Aging and Disability Services may transfer surplus personal property from a state mental health or mental retardation facility to a community MHMR center with or without reimbursement. Surplus personal property belonging to any state mental health or mental retardation facility may be sold; provided, however, that such transfers or sales shall be made under the same procedure as provided by Government Code, Chapter 2175.

Sec. 26. Employee Meals. Notwithstanding any other provision in this Act, the Department of State Health Services and the Department of Aging and Disability Services may provide free meals to employees of state mental health and mental retardation facilities who are required to eat meals with clients.

Sec. 27. Maximum Security Salaries. As a specific exception to the General Provisions of this Act governing salary rates of classified positions, funds are included above for the Department of State Health Services and the Department of Aging and Disability Services to pay employees working in designated Maximum Security Units or designated specialized Behavioral Management Units of state mental health and mental retardation facilities up to a 6.8 percent increase over those salary rates provided by the General Provisions.

Sec. 28. Fire Prevention and Safety. In instances in which regular employees of state mental health and mental retardation facilities located in remote areas are assigned extra duties in fire prevention programs, the following payments are authorized in addition to the salary rates stipulated by the General Provisions of this Act relating to the position classifications and assigned salary ranges:

<table>
<thead>
<tr>
<th>Position</th>
<th>Monthly Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fire Chief</td>
<td>$ 75 per month</td>
</tr>
<tr>
<td>Assistant Fire Chief</td>
<td>$ 65 per month</td>
</tr>
<tr>
<td>Fire Brigade Member</td>
<td>$ 50 per month</td>
</tr>
</tbody>
</table>

Sec. 29. Patient or Client Assistance. Subject to the approval of rules and regulations of the Department of State Health Services and the Department of Aging and Disability Services, patients or clients in any state mental health or mental retardation facility who are assisting in the operation of the facility as part of their therapy, may receive compensation out of any funds available to the respective facilities.
Sec. 30. Barber and Cosmetology Services. The Department of State Health Services and the Department of Aging and Disability Services may be reimbursed for barber and cosmetology services in state mental health and mental retardation facilities provided the reimbursement is consistent with an individual's ability to pay. These reimbursements are appropriated above to the departments to offset the cost of providing barber and cosmetology services. The departments may also use patient benefit funds to offset the cost of these services for indigent clients.

Sec. 31. Language Interpreter Services. In order to compensate employees of state mental health and mental retardation facilities for assuming the duty of providing interpreter services to consumers whose primary language is not English, facilities of the Department of State Health Services and the Department of Aging and Disability Services, upon written authorization of the commissioner or his/her designee, may, from funds appropriated above, increase the salary of classified employees by an amount equal to a one step increase, or 3.4 percent, so long as the resulting salary rate does not exceed the rate designated as the maximum rate for the applicable salary group. This increase shall be granted only for the regular provision of interpreter services above and beyond the regular duties of the position, and shall be removed when these services are, for whatever reason, no longer provided by the employee or when they are no longer needed by the facility. Salary increases provided for this purpose are not merit increases and shall not affect an employee's eligibility to receive a merit increase. This authorization also includes employees who provide interpreter services in American Sign Language.

Sec. 32. State-Owned Housing. The Superintendent, Medical Director, Assistant Superintendent for Programs, and Director of Plant Maintenance at each state mental health and mental retardation facility are authorized to live in state-owned housing at a rate determined by the Department of State Health Services or the Department of Aging and Disability Services. Other department employees may live in state-owned housing as set forth in Article IX, State Owned Housing - Recover Housing Costs, of this Act. Fees for employee housing are appropriated above to be used for maintaining employee housing.

Sec. 33. Collection of Fees from the Copyright of Training Materials and Patent of Technologies Developed. Pursuant to § 12.020 of the Health and Safety Code, the Health and Human Services Commission is hereby authorized to collect the following fees relating to mental health and mental retardation program activities:

a. Fees from the sale of written training materials, video tapes, audio tapes and in the form of electronic media, such materials having been developed in part or whole by the commission; and

b. Licensing fees collected by the department in exchange for allowing individuals and companies to use any patented technology developed, in part or in whole, by the commission.

The commission is authorized to license the use of any copyright-protected material, trademark, trade secrets, and any patented technology relating to mental health or mental retardation program activities. The authorization provided under this provision does not include any mineral royalties. Fees collected in the sale of training materials described under (a) above may be in excess of the actual reproduction cost incurred by the commission and shall be used to recoup the costs associated with developing the training materials. Fifty percent of the fees collected in licensing of any patented technology shall be devoted to further research and development of technologies reasonably believed to be of assistance to priority populations. The remaining 50 percent shall be deposited to the General Revenue Fund.

Sec. 34. Professional Trainees and Interns. The Department of State Health Services and the Department of Aging and Disability Services are authorized to compensate professional trainees or interns in recognized educational programs related to the provision of mental health or mental retardation services, radiation control, or any critical health care profession as determined by the Health and Human Services Executive Commissioner at any salary rate not to exceed the following amounts:

<table>
<thead>
<tr>
<th>Professional Trainee/Intern Type</th>
<th>Monthly Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Psychiatrist Interns</td>
<td>$3,548</td>
</tr>
<tr>
<td>Physician Interns</td>
<td>$3,042</td>
</tr>
<tr>
<td>Psychologist Trainees</td>
<td>$2,859</td>
</tr>
<tr>
<td>Registered Nurse Trainees</td>
<td>$2,387</td>
</tr>
<tr>
<td>Chaplain Interns</td>
<td>$2,247</td>
</tr>
<tr>
<td>Physical, Occupational, or Registered Therapist Trainee</td>
<td>$2,117</td>
</tr>
<tr>
<td>Social Worker Trainee</td>
<td>$1,998</td>
</tr>
</tbody>
</table>
Medical Technologist Trainees $1,998 per month
Licensed Vocational Nurse Trainees $1,785 per month
Health Physicist Interns $2,247 per month
Health Physicist Trainees $1,686 per month

Sec. 35. Limit on Spending New Generation Medication Funds.

a. It is the intent of the Legislature that the Department of State Health Services (DSHS) and the Department of Aging and Disability Services (DADS) utilize funds appropriated for New Generation Medications for no other purpose than the provision, prescribing, and monitoring of New Generation Medications. This limitation shall apply to funds appropriated for New Generation Medications in the following strategies at DSHS: B.2.1, Mental Health Services for Adults, B.2.2, Mental Health Services for Children, B.2.4, NorthSTAR Behavioral Health Waiver, and C.1.3, Mental Health State Hospitals; and in the following strategy at DADS: A.8.1, MR State Schools Services.

b. Notwithstanding the limitation described above, the department shall allow a local mental health or mental retardation authority to expend an amount not to exceed 15 percent of its New Generation Medication funds on support programs that are related to the administration of New Generation Medications, provided, however, that an authority using its New Generation Medication funds for support services must meet its contracted performance target for persons served with New Generation Medications and that the availability of New Generation Medication funds to expend on services must result from cost efficiencies achieved by the authority.

c. To the extent that the local authorities or state contracted managed care organizations are able to obtain cost savings associated with state-approved purchasing arrangements, private sector donations of medications for clients and/or financial contributions for the purchase of New Generation Medications in DSHS Strategies B.2.1, Mental Health Services for Adults, B.2.2, Mental Health Services for Children, and B.2.4, NorthSTAR Behavioral Health Waiver, and they meet or exceed their contracted performance targets for persons served with New Generation Medications, they may expend up to an equivalent amount from these strategies on direct services to clients.

Sec. 36. Purchasing of Medication. The Department of State Health Services and the Department of Aging and Disability Services shall require that local mental health and mental retardation authorities, as a condition of receiving funds appropriated by this Act, document their effort to make needed medications available to consumers at the lowest possible prices and to utilize the most cost effective medication purchasing arrangement available. It is the intent of the Legislature that the Department of State Health Services and the Department of Aging and Disability Services shall provide technical assistance to community centers as necessary to maximize efficiency.

Sec. 37. Donations from Individuals, Community Groups and Volunteer Services Councils. It is expressly provided that the Department of State Health Services and the Department of Aging and Disability Services, in accordance with § 533.001 of the Health and Safety Code and to the extent permitted by law, may accept donations for permanent improvements at the state mental health facilities and the state mental retardation facilities from individuals, community groups and local Volunteer Services Councils. Such funds are not subject to limitations on capital budget expenditures as contained in Article IX or any other similar provisions in this Act. Permanent improvements are defined as an improvement to a state facility that involves construction, building system(s), and/or landscaping.

Sec. 38. Contracted Medical Services. Out of funds appropriated above, the Department of State Health Services (DSHS) and the Department of Aging and Disability Services (DADS) shall not pay more than the approved reimbursement rate set by the Health and Human Services Commission for hospital services provided to an indigent DSHS or DADS consumer in a private or public hospital.

Sec. 39. Efficiencies at Local Mental Health and Mental Retardation Authorities. It is the intent of the Legislature that the local mental health and mental retardation authorities that receive allocations from the funds appropriated above to the Department of Aging and Disability Services and the Department of State Health Services shall maximize the dollars available to provide services by minimizing overhead and administrative costs and achieving purchasing efficiencies. Among the strategies that should be considered in achieving this objective are consolidations among local authorities and partnering among local authorities on administrative, purchasing, or service delivery...
functions where such partnering may eliminate redundancies or promote economies of scale. The Legislature also intends that each state agency which enters into a contract with or makes a grant to local authorities does so in a manner that promotes the maximization of third party billing opportunities, including to Medicare and Medicaid.

It is the Legislature's intent that local authorities not expend funds appropriated to the Department of Aging and Disability Services in Strategy A.4.2, Mental Retardation Community Services, or Strategy A.4.5, Mental Retardation In-Home Services, to supplement the rate-based payments they receive to fund their costs as providers of waiver or ICF-MR services.

Sec. 40. Equal Opportunity Principles in Contracting for Social Services. The Legislature intends that each state agency that contracts with or makes a grant to a nongovernmental entity to provide social services, using money appropriated by this Act, enter the contract or make the grant in a manner that is consistent with the equal opportunity principles and safeguards provided by federal law under 42 U.S.C. § 604a.

Sec. 41. Limitation on Unexpended Balances: General Revenue for Medicaid. Unexpended balances in General Revenue Funds appropriated for the Medicaid program (GR Match for Medicaid and GR Certified as Match for Medicaid) to the Health and Human Services Commission, the Department of Aging and Disability Services, and the Department of State Health Services for fiscal year 2010 are appropriated for the same purposes to the respective agencies for fiscal year 2011 only upon prior written approval by the Legislative Budget Board and the Governor.

For authorization to expend the funds, an agency shall submit a written request to the Legislative Budget Board and the Governor by April 1, 2010. At the same time, the agency shall provide a copy of the request to the Comptroller of Public Accounts. The request must be organized by fiscal year as follows:

a. The following information shall be provided for fiscal year 2010:
   (1) a detailed explanation of the cause(s) of the unexpended balance(s);
   (2) the amount of the unexpended balance(s) by strategy; and
   (3) an estimate of performance levels and, where relevant, a comparison to targets in this Act.

b. The following information shall be provided for fiscal year 2011:
   (1) a detailed explanation of the purpose(s) for which the unexpended balance(s) will be used and whether the expenditure will be one-time or ongoing;
   (2) the amount of the expenditure by strategy;
   (3) an estimate of performance levels and, where relevant, a comparison to targets in this Act; and
   (4) the capital budget impact.

An agency shall submit a revised written request by October 1, 2010 if the amount of the estimated unexpended balance(s) varies by more than five percent from the amount estimated in the original request.

Additional information requested by the Legislative Budget Board or the Governor should be provided in a timely manner. The request and information provided subsequently shall be prepared in a format specified by the Legislative Budget Board.

The request shall be considered to be approved unless the Legislative Budget Board or the Governor issues a written disapproval within 15 business days of the date on which the staff of the Legislative Budget Board concludes its review of the proposal to expend the funds and forwards its review to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor.
SPECIAL PROVISIONS RELATING TO ALL HEALTH AND HUMAN SERVICES AGENCIES
(Continued)

The Comptroller of Public Accounts shall not allow the use of unexpended balances if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the requirements of this provision have not been satisfied.

Sec. 42. Appropriation of Receipts: Civil Monetary Damages and Penalties. Included in the amounts appropriated above for the 2010-11 biennium are the following:

a. $2,660,000 in General Revenue Match for Medicaid for the Department of Aging and Disability Services;

b. $1,414,870 in General Revenue Match for Medicaid for the Health and Human Services Commission; and

c. $520,000 in General Revenue for the Department of State Health Services.

These amounts are contingent upon the collection of civil monetary damages and penalties under Human Resources Code § 32.021 and Health and Safety Code § 431.047. Any amounts collected above these amounts by the respective agency are hereby appropriated to the respective agency in amounts equal to the costs of the investigation and collection proceedings conducted under those sections, and any amounts collected as reimbursement for claims paid by the agency.

Sec. 43. Financial Monitoring of Community MHMR Centers. The Department of Aging and Disability Services (DADS), the Department of State Health Services (DSHS), and the Health and Human Services Commission (HHSC) shall enter into a written agreement that defines each agency's responsibilities for monitoring the expenditure by community mental health and mental retardation centers of funds appropriated by this Act. The written agreement shall include provisions for monitoring that require community mental health and mental retardation centers to account for state funds separately from other sources of funds.

Sec. 44. Appropriation of Unexpended Balances: Funds Recouped from Local Authorities. Notwithstanding other provisions of this Act, any state funds appropriated for fiscal year 2010 recouped by the Department of Aging and Disability Services or the Department of State Health Services from a local mental health or mental retardation authority for failing to fulfill its performance contract with the State, are hereby appropriated to the respective agency for the same strategy, to reallocate to other local mental health or mental retardation authorities in fiscal year 2011.

Each agency shall provide a report to the Legislative Budget Board and the Governor by June 1, 2010 that includes the amount of the recoupment by strategy, the reasons for the recoupment, the local authorities involved, any performance contract requirements that were not met, and the purposes of the reallocation.

Sec. 45. Enterprise Support Services. Out of funds appropriated above, the following amounts are allocated for enterprise support services:

<table>
<thead>
<tr>
<th>Enterprise Support Service Category</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Regional Cost Pools</td>
<td>$136,197,671</td>
<td>$136,677,341</td>
</tr>
<tr>
<td>3. Centralized Cost Pools</td>
<td>$ 35,422,093</td>
<td>$ 35,422,093</td>
</tr>
<tr>
<td>4. Regional Program Support</td>
<td>$ 16,720,244</td>
<td>$ 16,720,244</td>
</tr>
<tr>
<td>5. Enterprise Oversight and Policy</td>
<td>$ 16,081,748</td>
<td>$ 16,081,748</td>
</tr>
<tr>
<td>6. Central Program Support</td>
<td>$ 13,894,027</td>
<td>$ 13,894,027</td>
</tr>
<tr>
<td>7. IT Program Support</td>
<td>$ 11,909,752</td>
<td>$ 11,909,752</td>
</tr>
<tr>
<td>9. Seat Management</td>
<td>$  9,547,694</td>
<td>$  9,585,157</td>
</tr>
<tr>
<td>10. Peoplesoft (HHSAS)</td>
<td>$  8,774,264</td>
<td>$ 11,143,264</td>
</tr>
<tr>
<td><strong>Total, All Funds for Article II</strong></td>
<td><strong>$371,130,940</strong></td>
<td><strong>$370,460,431</strong></td>
</tr>
</tbody>
</table>

a. **Limitation on Assessments.** The Health and Human Services Commission may not collectively assess agencies more than the total amount per fiscal year indicated above for all enterprise support service categories without prior written approval from the Legislative Budget Board and the Governor.
For authorization to make an assessment that exceeds the total amount per fiscal year indicated above, the Executive Commissioner of the Health and Human Services Commission shall submit a written request to the Legislative Budget Board and the Governor. At the same time, the Executive Commissioner shall provide a copy of the request to the Comptroller of Public Accounts. The request shall include the following information by fiscal year:

1. A detailed explanation of the reasons for the assessment and why it exceeds the total amount per fiscal year indicated above;
2. The amount of the assessment by enterprise support service category at both the agency and enterprise levels;
3. The amount of the assessment by major fund type at both the agency and enterprise levels; and
4. The impact of the assessment on each agency's performance levels.

Additional information requested by the Legislative Budget Board or the Governor should be provided in a timely manner. The request and information provided subsequently shall be prepared in a format specified by the Legislative Budget Board.

The request shall be considered to be approved unless the Legislative Budget Board or the Governor issues a written disapproval within 15 business days of the date on which the staff of the Legislative Budget Board concludes its review of the proposed assessment and forwards its review to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor.

b. Reporting Requirements.

1. Annual Assessments. The Executive Commissioner of the Health and Human Services Commission shall submit to the Legislative Budget Board and the Governor, by September 1 of each fiscal year, a report that indicates the amounts assessed for enterprise support services for the new and two prior fiscal years. The report shall include the following information at both the agency and enterprise levels:
   (i) Amounts by service category; and
   (ii) Amounts by major fund type.

2. Monthly Expenditures. No later than 30 days following the close of each fiscal quarter, the Executive Commissioner shall submit to the Legislative Budget Board and the Governor a report that provides information about actual monthly expenditures for enterprise support services for the current and two prior fiscal years by service category.

3. Annual Expenditures. No later than October 1 of each year, the Executive Commissioner shall submit to the Legislative Budget Board and the Governor a report that provides information about actual annual expenditures for enterprise support services for the two prior fiscal years. The report shall include the following information at both the agency and enterprise levels:
   (i) Amounts by service category; and
   (ii) Amounts by major fund type.

The reports shall be prepared in a format approved by the Legislative Budget Board.
c. **Controlling Expenditures and Minimizing Use of General Revenue Funds.** The Health and Human Services Commission shall critically examine the current methodologies (including cost allocation plans) used to allocate enterprise support services expenses among agencies and their strategies, including the resulting allocation of expenses to General Revenue Funds.

The examination should compare enterprise support services expenditures across at least three fiscal years and include recommendations and/or cite actions taken to control expenditures and to minimize the General Revenue Fund share of such expenditures.

The report, including supporting analysis and explanation, shall be prepared in a format approved by the Legislative Budget Board and submitted to the Legislative Budget Board and the Governor no later than April 1, 2010.

The Comptroller of Public Accounts shall not allow the expenditure of funds for an increased assessment if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the requirements of this provision have not been satisfied.

**Sec. 46. Integrated Model of Care - Aged/Blind/Disabled Population.** It is the intent of the Legislature that the Health and Human Services Commission implement the most cost effective integrated managed care model for the aged/blind/disabled population in the Dallas and Tarrant service area.

It is specifically provided that funds appropriated for the provision of services to the Medicaid aged/blind/disabled population may not be expended to implement an integrated managed care model which would eliminate the revenues received for hospital and physician payments under the current federal Upper Payment Limit (UPL) program.

Medicaid funds appropriated to the Department of Aging and Disability Services and the Health and Human Services Commission may be transferred between the agencies during the 2010-11 biennium to support the implementation of an integrated model of care under this provision, with prior approval. The Commission shall request approval from the Governor and the Legislative Budget Board at least 30 days prior to any proposed funding transfer. The request shall indicate the impact to performance measures at both agencies.

The request shall be considered to be approved unless the Legislative Budget Board or the Governor issues a written disapproval within 15 business days of the date on which the staff of the Legislative Budget Board concludes its review of the proposal to expend the funds and forwards its review to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor.

**Sec. 47. Maintenance of Certain Program Service Levels.** Funds appropriated in this Act are based on projections of the amounts needed to maintain current or legislatively authorized eligibility criteria, service or staffing levels, and provider payment levels for the following Article II entitlement and critical health care programs:

a. **Entitlement Programs**
   (1) Medicaid - Acute and Long-term Care
   (2) Early Childhood Intervention
   (3) Foster Care
   (4) Adoption Subsidies

b. **Critical Health Programs**
   (1) State Hospitals
   (2) Children's Health Insurance (CHIP)
SPECIAL PROVISIONS RELATING TO
ALL HEALTH AND HUMAN SERVICES AGENCIES
(Continued)

In the event that appropriations made for these purposes are insufficient to sustain enrollments and services for any of the entitlement or critical health programs listed above, it is the intent of the Legislature that the executive commissioner (1) notify the Legislative Budget Board and the Governor of any projected shortfalls and describe factors contributing to costs in excess of appropriated levels, and (2) submit options that may be considered by the Legislative Board and the Governor that would reduce or eliminate projected funding shortfalls and assess the impact that each option would have on enrollments, service or staffing levels, projected payments, or federal funding.

This provision is not intended to prohibit programmatic changes or adjustments that are necessary to ensure prudent and responsible administration of the affected program.

Sec. 48. Contingency Appropriation for the Reshaping of the System for Providing Services to Individuals with Developmental Disabilities. $207,900,000 in General Revenue Funds and $256,603,063 in Federal Funds ($464,503,063 in All Funds) appropriated elsewhere in this Act to the Department of Aging and Disability Services (DADS) and the Health and Human Services Commission (HHSC) for the 2010-11 biennium is contingent upon changes outlined below. These funds are appropriated for home and community-based programs and 1915(c) waivers for persons with mental retardation, intellectual disabilities, and developmental disabilities as an effort to reduce the disproportionately long wait time for services, expand waiver-related community services slots by 7,832 by August 2011, and to provide specific direction related to reshaping the system of care for persons with developmental disabilities.

DADS is required to increase the number of Home and Community-Based Services (HCS) slots during fiscal years 2010 and 2011 for (1) individuals moving out of medium and large ICFs/MR, (2) children aging out of foster care services at the Department of Family and Protective Services, (3) children who are at risk of being institutionalized in ICFs/MR, and (4) individuals who are at imminent risk of institutionalization as a result of emergency or crisis situations.

Additionally, the appropriation is contingent upon the following:

a. DADS reducing the number of state school residents, through census management, not closure, and limiting the number of residents residing at each state school, without removing a state school resident from a state school against the resident's will or against the will of the resident's legally authorized guardian for the purpose of meeting any potential capacity limits, and without denying admission to a state school on the basis that the admission would cause the state school to exceed any potential capacity limit. It is the intent of the Legislature that the costs of serving reallocated residents be financed through reduced expenditures for the operation of state schools.

b. DADS identifying state school residents through the community living options information process who could move into community programs; and

c. transferring the case management function from HCS providers to local Mental Retardation Authorities (MRAs).

The appropriation includes the following amounts:

a. $157,700,000 in General Revenue to expand community service options as identified below for persons with mental retardation.

(1) $37,500,000 in General Revenue to Strategy A.3.3. Community Living Assistance and Support Services (CLASS) to add 1,890 CLASS slots;

(2) $99,400,000 in General Revenue to Strategy A.3.2. Home and Community-Based Services (HCS) to add 5,120 HCS slots;

(3) $100,000 in General Revenue to Strategy A.3.4. Deaf-Blind Multiple Disabilities (DBMD) to add 6 DBMD slots;

(4) $16,100,000 in General Revenue to Strategy A.3.2. Home and Community-Based Services (HCS) to add 620 Promoting Independence slots; and
(5) $4,600,000 in General Revenue to Strategy A.3.2. Home and Community-Based Services (HCS) to add 196 Emergency Institutionalization slots;

b. $10,200,000 in General Revenue in A.1.1, Intake, Access, and Eligibility for DADS and MRAs to train and hire case managers to provide targeted case management;

c. $15,000,000 in General Revenue to Strategy A.4.2. MR Community Services;

d. $2,100,000 in General Revenue to Strategies B.1.1. Facility/Community-Based Regulation;

e. $22,900,000 in General Revenue transferred from the Strategy A.3.2. Home and Community-Based Services to A.1.1, Intake, Access, and Eligibility; and

f. $22,900,000 in General Revenue to Strategies A.3.2, Home and Community-Based Services and A.1.1, Intake, Access, and Eligibility. HHSC is directed to allocate $22,900,000 in General Revenue to implement rate increases for Home and Community-Based Services across the supervised living/residential support services, foster/companion care, and supported home living service types and is authorized to allocate funding as appropriate to the direct and indirect portions of each service rate. This authorization is granted to the extent allowed by state and federal law.

Transfers related to reshaping the system of services for individuals with developmental disabilities to meet the objectives described above are subject to DADS Rider 9, Limitation: Medicaid Transfer Authority.

It is the intent of the Legislature that the fiscal impact on each strategy and associated with each initiative be estimated and identified as to fully understand the cost implications to other agencies.

It is the intent of the Legislature that HHSC and DADS shall jointly design a plan to implement a capitated or non-capitated pilot to serve persons with intellectual and developmental disabilities. The agency may contract to conduct a study, which shall include input from individuals receiving services, their families, service providers, mental retardation authorities, advocate organizations, and other interested parties. The plan shall include managed care models employed by other states for this population.

HHSC and DADS shall provide a report to the Governor's Office, Lieutenant Governor's Office, Speaker's Office, Senate Finance Committee, House Appropriations Committee, Senate Health and Human Services Committee, House Human Services Committee, and the Legislative Budget Board by December 1, 2010. The report shall include recommendations for the pilot regarding: geographic scope, options for consolidating waiver services, costs and financing, utilization review, provider network, eligibility, service coordination, quality management, waiver development and federal requirements, and other issues as appropriate.

Sec. 49. Client Abuse, Neglect, and Exploitation Reporting in State Schools and State Hospitals. The Department of Aging and Disability Services, the Department of State Health Services, and the Department of Family and Protective Services shall establish sufficient input, processing, and output controls as well as a system for auditing client abuse/neglect/exploitation data to ensure each agency has accurate, complete data.

Sec. 50. Advisory Committee Limitation and Reporting Requirement. Notwithstanding other provisions of this Act, the use of appropriated funds for a reimbursement to an advisory committee for travel and related expenses that occur during the 2010-11 biennium and are paid by a health and human services agency shall be governed by the following limitation and reporting requirement:

a. An advisory committee shall be reimbursed for travel and related expenses that occur during the 2010-11 biennium only if that committee has met at least one time between January 1, 2007 and January 1, 2009. A committee created after January 1, 2009 is exempted from this restriction.

b. Reimbursements made according to section (a) shall not exceed $10,000 per committee in any given fiscal year unless a higher amount is specifically authorized for the committee by another provision of this Act.
c. The Health and Human Services Commission shall submit a report to the Legislative Budget Board, the Governor, and the Comptroller of Public Accounts by September 1, 2009 that includes the following information:

1. a list, by agency, of all advisory committees;
2. an indication, for each committee listed, of whether or not the committee is eligible for reimbursement during the 2010-11 biennium; and
3. the amount budgeted, by fiscal year, for each committee eligible for reimbursement.

Sec. 51. Rio Grande State Center. Out of funds appropriated above to the Department of Aging and Disability Services (DADS) in Strategy A.8.1, MR State School Services, DADS shall enter into an interagency contact with the Department of State Health Services (DSHS) to transfer $2,736,420 in All Funds for each fiscal year of the biennium to DSHS, Strategy C.1.3, Mental Health State Hospitals, to fund 79.5 full-time equivalents and related services at the Rio Grande State Center.

Sec. 52. Expansion of Community-based Services. This section does not make any appropriations. It summarizes appropriations made elsewhere in this Act to expand community-based services.

a. Limitations and Reporting. Funds appropriated elsewhere in this Act, totaling $190,220,675 in General Revenue Funds and $433,202,506 in All Funds for the 2010-11 biennium, are contingent upon each agency listed in the tables below providing the following information to the Legislative Budget Board and the Governor:

1. by September 1, 2009, a written report detailing, by month and fiscal year, planned client service levels, average monthly cost per client, and total expenditures for each listed strategy for fiscal year 2010 and fiscal year 2011; and
2. no later than 30 days following the close of a fiscal quarter, a written report on actual client service levels, average monthly cost per client, and total expenditures for each listed strategy for the fiscal year.

Each report shall compare the reported service levels, costs, and expenditures to those adopted by the Legislature in this Act.

Additional information requested by the Legislative Budget Board or the Governor should be provided in a timely manner. The request and information provided subsequently shall be prepared in a format specified by the Legislative Budget Board.

The Comptroller of Public Accounts shall not allow the expenditure of funds if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the requirements of this provision have not been satisfied.

b. Appropriations. Tables 1 and 2 indicate General Revenue Funds and All Funds annual appropriations (made elsewhere in this Act) to expand community-based programs.

<table>
<thead>
<tr>
<th>Agency/Strategy/Program</th>
<th>FY 2010</th>
<th>FY 2011</th>
<th>Biennial</th>
</tr>
</thead>
<tbody>
<tr>
<td>A.3.1. Community Based Alternatives (CBA)</td>
<td>$1,530,237</td>
<td>$4,619,732</td>
<td>$6,149,969</td>
</tr>
<tr>
<td>A.3.2. Home and Community-based Services (HCS)*</td>
<td>$28,747,802</td>
<td>$81,921,391</td>
<td>$110,669,193</td>
</tr>
<tr>
<td>includes the following:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Independent Living</td>
<td>$22,760,277</td>
<td>$67,236,747</td>
<td>$89,997,024</td>
</tr>
<tr>
<td>- Preventing Institutionalization</td>
<td>$4,800,465</td>
<td>$11,318,387</td>
<td>$16,118,852</td>
</tr>
<tr>
<td>A.3.3. Community Living Assistance and Support Services (CLASS)*</td>
<td>$1,187,060</td>
<td>$3,366,257</td>
<td>$4,553,317</td>
</tr>
<tr>
<td></td>
<td>$7,808,350</td>
<td>$23,467,839</td>
<td>$31,276,189</td>
</tr>
</tbody>
</table>

Table 1
General Revenue Appropriations
SPECIAL PROVISIONS RELATING TO
ALL HEALTH AND HUMAN SERVICES AGENCIES
(Continued)

A.3.4. Deaf-Blind Multiple Disabilities (DBMD)*  $ 19,682  $ 79,228  $ 98,910
A.3.5. Medically Dependent Children Program (MDCP)  $ 609,506  $ 1,840,085  $ 2,449,591
A.3.6. Consolidated Waiver Program $ -  $ -  $ -
A.4.1. Non-Medicaid Community Services  $ 294,555  $ 890,105  $ 1,184,660
A.4.4. In-home and Family Support  $ 170,994  $ 512,981  $ 683,975
A.4.5. Mental Retardation In-home Services $ -  $ -  $ -
Primary Home Care/Community Attendant Services Offset  $(378,913)  $(1,132,600)  $(1,511,513)
Administration/FTEs  $ 598,974  $ 1,113,821  $ 1,712,795
Subtotal, DADS  $39,401,187  $113,312,582  $152,713,769
W a i v e r  s u s e t  D A D S  $38,715,577  $111,928,275  $150,643,852
* related to Special Provisions Sec. 48

DARS
B.3.3. Independent Living Services  $ 190,837  $ 198,855  $ 389,692
Administration/FTEs $ -  $ -  $ -
Subtotal, DARS  $2,206,870  $2,555,257  $4,762,127

DSHS
B.2.2. Mental Health Services for Children  $ 2,677,068  $ 2,677,070  $ 5,354,138
Administration/FTEs  $ 290,016  $ 257,893  $ 547,909
Subtotal, DSHS  $ 4,954,193  $ 5,095,903  $10,050,096

HHSC
STAR+PLUS  $ 149,165  $ 451,230  $ 600,695
Acute Care for Medical Assistance Waiver Clients  $ 3,310,933  $ 10,262,562  $ 13,573,495
Incremental Vendor Drug cost for Waiver Clients  $ 1,907,104  $ 6,277,343  $ 8,184,447
Administration/FTEs  $ 114,875  $ 221,171  $ 336,046
Subtotal, HHSC  $ 5,482,377  $ 17,212,306  $ 22,694,683

Grand Total  $52,044,627  $138,176,048  $190,220,675

Table 2
All Funds Appropriations

<table>
<thead>
<tr>
<th>Agency/Strategy/Program</th>
<th>FY 2010</th>
<th>FY 2011</th>
<th>Biennial</th>
</tr>
</thead>
<tbody>
<tr>
<td>DADS</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A.3.1. Community Based Alternatives (CBA)</td>
<td>$ 3,713,265</td>
<td>$ 11,251,174</td>
<td>$ 14,964,439</td>
</tr>
<tr>
<td>A.3.2. Home and Community-based Services (HCS)*</td>
<td>$67,787,850</td>
<td>$197,353,830</td>
<td>$265,141,680</td>
</tr>
<tr>
<td>includes the following:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Independent Living</td>
<td>$55,041,794</td>
<td>$163,384,286</td>
<td>$218,426,080</td>
</tr>
<tr>
<td>- Promoting Independence</td>
<td>$ 9,865,542</td>
<td>$ 25,771,158</td>
<td>$ 35,636,700</td>
</tr>
<tr>
<td>- Preventing Institutionalization</td>
<td>$2,880,514</td>
<td>$ 8,198,386</td>
<td>$11,078,900</td>
</tr>
<tr>
<td>A.3.3. Community Living Assistance and Support Services (CLASS)*</td>
<td>$18,901,276</td>
<td>$ 57,064,945</td>
<td>$ 75,966,221</td>
</tr>
<tr>
<td>A.3.4. Deaf-Blind Multiple Disabilities (DBMD)*</td>
<td>$ 47,761</td>
<td>$ 192,956</td>
<td>$ 240,717</td>
</tr>
<tr>
<td>A.3.5. Medically Dependent Children Program (MDCP)</td>
<td>$ 1,479,024</td>
<td>$ 4,481,454</td>
<td>$ 5,960,478</td>
</tr>
<tr>
<td>A.3.6. Consolidated Waiver Program</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
</tr>
<tr>
<td>A.4.1. Non-Medicaid Community Services</td>
<td>$ 294,555</td>
<td>$ 890,105</td>
<td>$ 1,184,660</td>
</tr>
</tbody>
</table>

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### SPECIAL PROVISIONS RELATING TO
### ALL HEALTH AND HUMAN SERVICES AGENCIES
### (Continued)

#### A.4.4. In-home and Family Support
- In-home and Family Support: $170,994
- Primary Home Care/Community Attendant Services Offset: $919,468
- Administration/FTEs: $993,014
  - Subtotal, DADS: $92,468,271
  - Waiver subset: $91,929,176

#### A.4.5. Mental Retardation In-home Services
- Mental Retardation In-home Services: $0
- Primary Home Care/Community Attendant Services Offset: $919,468
- Administration/FTEs: $993,014
  - Subtotal, DADS: $92,468,271
  - Waiver subset: $91,929,176

#### DARS
- B.3.3. Independent Living Services: $190,837
- B.3.4. Comprehensive Rehabilitation: $2,016,033
  - Administration/FTEs: $0
  - Subtotal, DARS: $2,206,870

#### DSHS
- B.2.2. Mental Health Services for Children: $2,677,068
  - Administration/FTEs: $290,016
  - Subtotal, DSHS: $4,954,193

#### HHSC
- STAR+PLUS: $362,691
- Acute Care for Medical Assistance Waiver Clients: $8,034,294
  - Incremental Vendor Drug cost for Waiver Clients: $4,627,769
  - Administration/FTEs: $229,749
  - Subtotal, HHSC: $13,254,503

### Grand Total
- $112,883,837
- $320,318,669
- $433,202,506

#### c. Targets for Selected Community-based Programs.
- Tables 3 through 5 reflect performance targets as established by this Act for each of the strategies/programs listed below. Reports required by section (a) of this provision and by other provisions of this Act shall include comparisons and variance explanations relative to these targets.

1. Table 3, Continuing Clients/Slots, indicates the number of client/slots in fiscal year 2009 who will continue to receive services in the 2010-11 biennium.

2. Table 4, Expansion Clients/Slots indicates the number of additional clients/slots who will be served as a result of increased funding specified in subsection (a).

3. Table 5 indicates the combined continuing and new clients/slots.

The "End of Year Clients" column indicates the number of clients/slots who will be served in the final month of the fiscal year. The "Average Monthly" column indicates the number of clients/slots to be served on average for the fiscal year overall. Average monthly values reflect the approved rollout of new slots and tie to performance targets established within each agency's bill pattern.
### Table 3
**Continuing Client/Slots**

<table>
<thead>
<tr>
<th>Agency/Strategy/Program</th>
<th>End of Year Clients</th>
<th>Average Monthly Caseload</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FY 2010</td>
<td>FY 2011</td>
</tr>
<tr>
<td><strong>DADS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A.3.1. Community Based Alternatives (CBA)</td>
<td>26,087</td>
<td>26,087</td>
</tr>
<tr>
<td>A.3.2. Home and Community-based Services (HCS)</td>
<td>15,516</td>
<td>15,516</td>
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<tr>
<td>A.3.3. Community Living Assistance and Support Services (CLASS)</td>
<td>4,199</td>
<td>4,199</td>
</tr>
<tr>
<td>A.3.4. Deaf-Blind Multiple Disabilities (DBMD)</td>
<td>154</td>
<td>154</td>
</tr>
<tr>
<td>A.3.5. Medically Dependent Children Program (MDCP)</td>
<td>2,745</td>
<td>2,745</td>
</tr>
<tr>
<td>A.3.6. Consolidated Waiver Program</td>
<td>160</td>
<td>160</td>
</tr>
<tr>
<td>A.3.7. Texas Home Living Waiver</td>
<td>994</td>
<td>994</td>
</tr>
<tr>
<td>A.4.1. Non-Medicaid Community Services</td>
<td>39,005</td>
<td>39,005</td>
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<tr>
<td>A.4.2. Mental Retardation Community Services</td>
<td>12,927</td>
<td>12,927</td>
</tr>
<tr>
<td>A.4.4. In-home and Family Support</td>
<td>4,590</td>
<td>4,590</td>
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<tr>
<td>A.4.5. Mental Retardation In-home Services</td>
<td>3,060</td>
<td>3,060</td>
</tr>
<tr>
<td>Primary Home Care/Community Attendant Services Offset</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Subtotal, DADS</strong></td>
<td>109,437</td>
<td>109,437</td>
</tr>
<tr>
<td><strong>Waiver subset</strong></td>
<td>49,855</td>
<td>49,855</td>
</tr>
<tr>
<td><strong>DARS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>B.3.3. Independent Living Services</td>
<td>1,743</td>
<td>1,743</td>
</tr>
<tr>
<td>B.3.4. Comprehensive Rehabilitation</td>
<td>581</td>
<td>581</td>
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<tr>
<td><strong>Subtotal, DARS</strong></td>
<td>2,324</td>
<td>2,324</td>
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<tr>
<td><strong>DSHS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A.3.4. Children with Special Health Care Needs</td>
<td>1,650</td>
<td>1,650</td>
</tr>
<tr>
<td>B.2.2. Mental Health Services for Children</td>
<td>18,661</td>
<td>19,554</td>
</tr>
<tr>
<td><strong>Subtotal, DSHS</strong></td>
<td>20,311</td>
<td>21,204</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td>132,072</td>
<td>132,965</td>
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</table>

### Table 4
**Expansion Client/Slots**

<table>
<thead>
<tr>
<th>Agency/Strategy/Program</th>
<th>End of Year Clients</th>
<th>Average Monthly Caseload</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FY 2010</td>
<td>FY 2011</td>
</tr>
<tr>
<td><strong>DADS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A.3.1. Community Based Alternatives (CBA)</td>
<td>430</td>
<td>861</td>
</tr>
<tr>
<td>A.3.2. Home and Community-based Services (HCS)* includes the following:</td>
<td>2,968</td>
<td>5,936</td>
</tr>
<tr>
<td>- Independent Living</td>
<td>2,560</td>
<td>5,120</td>
</tr>
<tr>
<td>- Promoting Independence</td>
<td>310</td>
<td>620</td>
</tr>
<tr>
<td>- Preventing Institutionalization</td>
<td>98</td>
<td>196</td>
</tr>
<tr>
<td>A.3.3. Community Living Assistance and Support Services (CLASS)*</td>
<td>945</td>
<td>1,890</td>
</tr>
</tbody>
</table>

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### SPECIAL PROVISIONS RELATING TO ALL HEALTH AND HUMAN SERVICES AGENCIES (Continued)

A.3.4. Deaf-Blind Multiple Disabilities (DBMD)* 3 6 1 4
A.3.5. Medically Dependent
Children Program (MDCP) 174 348 87 261
A.3.6. Consolidated Waiver Program 0 0 0 0
A.3.7. Texas Home Living Waiver 0 0 0 0
A.4.1. Non-Medicaid Community Services 249 498 125 374
A.4.2. Mental Retardation Community Services 0 0 0 0
A.4.4. In-home and Family Support 326 651 163 489
A.4.5. Mental Retardation In-home Services 0 0 0 0
Primary Home Care/Community Attendant Services Offset (215) (431) (108) (323)
Subtotal, DADS 4,880 9,759 2,456 7,336
Waiver subset 4,520 9,041 2,276 6,796

* related to Special Provisions Sec. 48

**DARS**

B.3.3. Independent Living Services 8 8 6 6
B.3.4. Comprehensive Rehabilitation 12 13 21 24
Subtotal, DARS 20 21 27 30

**DSHS**

A.3.4. Children with Special Health Care Needs 87 87 87 87
B.2.2. Mental Health Services for Children 412 412 412 412
Subtotal, DSHS 499 499 499 499

Grand Total 5,399 10,279 2,982 7,865

### Table 5
**Total Client/Slots (Continuing and Expansion)**

<table>
<thead>
<tr>
<th>Agency/Strategy/Program</th>
<th>End of Year Clients FY 2010</th>
<th>End of Year Clients FY 2011</th>
<th>Average Monthly Caseload FY 2010</th>
<th>Average Monthly Caseload FY 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>DADS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A.3.1. Community Based Alternatives (CBA)</td>
<td>26,517</td>
<td>26,948</td>
<td>26,302</td>
<td>26,732</td>
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<tr>
<td>A.3.2. Home and Community-based Services (HCS)</td>
<td>18,484</td>
<td>21,452</td>
<td>17,017</td>
<td>19,985</td>
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<td>A.3.3. Community Living Assistance and Support Services (CLASS)</td>
<td>5,144</td>
<td>6,089</td>
<td>4,671</td>
<td>5,616</td>
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<td>A.3.4. Deaf-Blind Multiple Disabilities (DBMD)</td>
<td>157</td>
<td>160</td>
<td>155</td>
<td>158</td>
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<tr>
<td>A.3.5. Medically Dependent Children Program (MDCP)</td>
<td>2,919</td>
<td>3,093</td>
<td>2,832</td>
<td>3,006</td>
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<td>A.3.6. Consolidated Waiver Program</td>
<td>160</td>
<td>160</td>
<td>160</td>
<td>160</td>
</tr>
<tr>
<td>A.3.7. Texas Home Living Waiver</td>
<td>994</td>
<td>994</td>
<td>994</td>
<td>994</td>
</tr>
<tr>
<td>A.4.2. Mental Retardation Community Services</td>
<td>12,927</td>
<td>12,927</td>
<td>12,927</td>
<td>12,927</td>
</tr>
<tr>
<td>A.4.4. In-home and Family Support</td>
<td>4,916</td>
<td>5,241</td>
<td>4,753</td>
<td>5,079</td>
</tr>
</tbody>
</table>

AS02-Conf-2-B II-125 May 24, 2009
SPECIAL PROVISIONS RELATING TO
ALL HEALTH AND HUMAN SERVICES AGENCIES
(Continued)

A.4.5. Mental Retardation In-home Services 3,060 3,060 3,060 3,060
Primary Home Care/Community Attendant Services Offset (215) (431) (108) (323)
Subtotal, DADS 114,317 119,196 111,893 116,773
Waiver subset 54,375 58,896 52,131 56,651

DARS
B.3.3. Independent Living Services 1,751 1,751 227 227
B.3.4. Comprehensive Rehabilitation 593 594 206 209
Subtotal, DARS 2,344 2,345 433 436

DSHS
A.3.4. Children with Special Health Care Needs 1,737 1,737 2,687 2,687
B.2.2. Mental Health Services for Children 19,073 19,966 12,512 12,512
Subtotal, DSHS 20,810 21,703 15,199 15,199

Grand Total 137,471 143,244 127,525 132,408

Sec. 53. Informational Listing of Stimulus Funds in Article II Agencies. The following is an informational list of the amounts in Article XII, American Recovery and Reinvestment Act funding related to agencies in Article II, Health and Human Services, and does not make appropriations.

Department of Aging and Disability Services:
Senior Nutrition Program - Congregate Nutrition $ 4,000,000
Senior Nutrition Program - Home Delivered Meals $ 2,000,000
Title XX $ 4,200,000
Title XX- Reduce GR (4,200,000)

Department of Assistive and Rehabilitative Services:
IDEA, Part C, Special Education Grants for Infants and Families $ 39,400,000
Independent Living Services - State Grants $ 1,100,000
Independent Living Services - Elderly/Blind $ 2,300,000
Vocational Rehabilitation Services $ 44,800,000

Department of Family and Protective Services:
Child Care and Development Block Grant (CCDBG) $ 16,388,233
Temporary Assistance for Needy Families (TANF) $ 47,982,709

Department of State Health Services:
Section 317 Immunizations (Prevention and Wellness) $ 3,160,681
Prevention and Wellness Fund: Prevention Services and Programs $ 400,000
Infection Reduction Activities $ 2,137,389
Temporary Assistance for Needy Families (TANF) to Title XX $ 4,200,000
Reduce Federal Funds - Title XX (4,200,000)

Health and Human Services Commission:
Food Stamps (Supplemental Nutritional Assistance Program) $ 27,600,000
Medicaid Enhanced FMAP $ 2,513,000,000
Medicaid Enhanced FMAP- Reduce GR $ (2,513,000,000)
Prevention and Wellness Fund: Prevention Services and Programs $ 2,126,424

Sec. 54. Information on Funding Provided for One-time Attendant Wage and Provider Rate Increases.
a. Appropriations made elsewhere in this Act for the 2010-11 biennium, totaling $229.2 million in General Revenue and $524.5 million in All Funds, include $129.5 million in General Revenue and $300.2 million in All Funds for a one step and temporary attendant wage increase and $99.7 million in General Revenue and $224.3 million in All Funds for a
one step and temporary provider rate increase. The following biennial amounts (in millions) are allocated to the health and human services agencies as listed below (All Funds amounts are estimated):

(1) Department of Aging and Disability Services: $186.8 in General Revenue, $439.6 in All Funds
   (i) Attendant Wage Increase: $118.6 in General Revenue, $273.8 in All Funds
   (ii) Provider Rate Increase: $68.2 in General Revenue, $165.8 in All Funds

(2) Department of Family and Protective Services: $20.8 in General Revenue, $32.2 in All Funds for foster care provider rate increases

(3) Health and Human Services Commission: $21.6 in General Revenue, $52.6 in All Funds
   (i) Attendant Wage Increase: $10.9 in General Revenue, $26.4 in All Funds
   (ii) Provider Rate Increase: $10.7 in General Revenue, $26.2 in All Funds

b. Article XII of this Act includes $29 million for Early Childhood Intervention (ECI) temporary provider rate increases at the Department of Assistive and Rehabilitative Services, subject to certain conditions. The estimated one step increase in rates is 8%. 

SPECIAL PROVISIONS RELATING TO ALL HEALTH AND HUMAN SERVICES AGENCIES
(Continued)
## RECAPITULATION - ARTICLE II
### HEALTH AND HUMAN SERVICES
(General Revenue)

<table>
<thead>
<tr>
<th>Service Description</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department of Aging and Disability Services</td>
<td>$2,662,965,462</td>
<td>$2,768,923,630</td>
</tr>
<tr>
<td>Contingency Appropriations</td>
<td>(168,872)</td>
<td>(184,224)</td>
</tr>
<tr>
<td>Total</td>
<td>$2,662,796,590</td>
<td>$2,768,739,406</td>
</tr>
<tr>
<td>Department of Assistive and Rehabilitative Services</td>
<td>108,548,770</td>
<td>110,445,122</td>
</tr>
<tr>
<td>Department of Family and Protective Services</td>
<td>513,644,090</td>
<td>571,384,806</td>
</tr>
<tr>
<td>Department of State Health Services</td>
<td>1,089,738,289</td>
<td>1,106,948,606</td>
</tr>
<tr>
<td>Contingency Appropriations</td>
<td>1,074,136</td>
<td>633,658</td>
</tr>
<tr>
<td>Total</td>
<td>1,090,812,425</td>
<td>1,107,582,264</td>
</tr>
<tr>
<td>Health and Human Services Commission</td>
<td>7,169,173,845</td>
<td>7,429,750,029</td>
</tr>
<tr>
<td>Subtotal, Health and Human Services</td>
<td>$11,544,975,720</td>
<td>$11,987,901,627</td>
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<tr>
<td>Retirement and Group Insurance</td>
<td>272,518,145</td>
<td>294,064,234</td>
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<tr>
<td>Social Security and Benefit Replacement Pay</td>
<td>84,376,190</td>
<td>85,957,174</td>
</tr>
<tr>
<td>Subtotal, Employee Benefits</td>
<td>$356,894,335</td>
<td>$380,021,408</td>
</tr>
<tr>
<td>Bond Debt Service Payments</td>
<td>30,638,658</td>
<td>29,279,710</td>
</tr>
<tr>
<td>Lease Payments</td>
<td>7,526,864</td>
<td>6,349,892</td>
</tr>
<tr>
<td>Subtotal, Debt Service</td>
<td>$38,165,522</td>
<td>$35,629,602</td>
</tr>
<tr>
<td>TOTAL, ARTICLE II - HEALTH AND HUMAN SERVICES</td>
<td>$11,940,035,577</td>
<td>$12,403,552,637</td>
</tr>
</tbody>
</table>
## RECAPITULATION - ARTICLE II
### HEALTH AND HUMAN SERVICES
(General Revenue - Dedicated)

<table>
<thead>
<tr>
<th>Department</th>
<th>August 31, 2010</th>
<th>August 31, 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department of Aging and Disability Services</td>
<td>$55,064,625</td>
<td>$54,564,624</td>
</tr>
<tr>
<td>Department of Assistive and Rehabilitative Services</td>
<td>14,614,763</td>
<td>14,614,959</td>
</tr>
<tr>
<td>Department of Family and Protective Services</td>
<td>7,663,848</td>
<td>7,663,848</td>
</tr>
<tr>
<td>Department of State Health Services</td>
<td>406,955,893</td>
<td>411,030,942</td>
</tr>
<tr>
<td><strong>Subtotal, Health and Human Services</strong></td>
<td>$484,299,129</td>
<td>$487,874,373</td>
</tr>
<tr>
<td>Retirement and Group Insurance</td>
<td>5,557,264</td>
<td>5,950,601</td>
</tr>
<tr>
<td>Social Security and Benefit Replacement Pay</td>
<td>3,168,606</td>
<td>3,198,791</td>
</tr>
<tr>
<td><strong>Subtotal, Employee Benefits</strong></td>
<td>$8,725,870</td>
<td>$9,149,392</td>
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<tr>
<td><strong>TOTAL, ARTICLE II - HEALTH AND HUMAN SERVICES</strong></td>
<td>$493,024,999</td>
<td>$497,023,765</td>
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</tbody>
</table>
## RECAPITULATION - ARTICLE II
### HEALTH AND HUMAN SERVICES
*(Federal Funds)*

For the Years Ending

<table>
<thead>
<tr>
<th></th>
<th>August 31, 2010</th>
<th>August 31, 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Department of Aging and Disability Services</strong></td>
<td>$3,741,514,735</td>
<td>$3,830,589,936</td>
</tr>
<tr>
<td>Contingency Appropriations</td>
<td>(168,872)</td>
<td>(184,224)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>3,741,345,863</td>
<td>3,830,405,712</td>
</tr>
<tr>
<td><strong>Department of Assistive and Rehabilitative Services</strong></td>
<td>478,239,156</td>
<td>485,216,047</td>
</tr>
<tr>
<td><strong>Department of Family and Protective Services</strong></td>
<td>764,991,634</td>
<td>774,207,563</td>
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<tr>
<td><strong>Department of State Health Services</strong></td>
<td>1,248,712,555</td>
<td>1,253,463,556</td>
</tr>
<tr>
<td><strong>Health and Human Services Commission</strong></td>
<td>10,230,704,470</td>
<td>10,360,755,632</td>
</tr>
<tr>
<td><strong>Subtotal, Health and Human Services</strong></td>
<td>$16,463,993,678</td>
<td>$16,704,048,510</td>
</tr>
<tr>
<td><strong>Retirement and Group Insurance</strong></td>
<td>220,852,021</td>
<td>233,677,660</td>
</tr>
<tr>
<td><strong>Social Security and Benefit Replacement Pay</strong></td>
<td>74,430,791</td>
<td>74,470,379</td>
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<tr>
<td><strong>Subtotal, Employee Benefits</strong></td>
<td>$295,282,812</td>
<td>$308,148,039</td>
</tr>
<tr>
<td><strong>Bond Debt Service Payments</strong></td>
<td>2,362,984</td>
<td>2,361,154</td>
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<tr>
<td><strong>Subtotal, Debt Service</strong></td>
<td>$2,362,984</td>
<td>$2,361,154</td>
</tr>
<tr>
<td><strong>TOTAL, ARTICLE II - HEALTH AND HUMAN SERVICES</strong></td>
<td>$16,761,639,474</td>
<td>$17,014,557,703</td>
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</table>
**RECAPITULATION - ARTICLE II**  
**HEALTH AND HUMAN SERVICES**  
(Other Funds)

<table>
<thead>
<tr>
<th>Department</th>
<th>August 31, 2010</th>
<th>August 31, 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department of Aging and Disability Services</td>
<td>$89,201,991</td>
<td>$32,688,728</td>
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<tr>
<td>Department of Assistive and Rehabilitative Services</td>
<td>18,461,847</td>
<td>18,467,255</td>
</tr>
<tr>
<td>Department of Family and Protective Services</td>
<td>7,098,276</td>
<td>7,098,276</td>
</tr>
<tr>
<td>Department of State Health Services</td>
<td>194,645,037</td>
<td>140,739,662</td>
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<tr>
<td>Health and Human Services Commission</td>
<td>316,807,611</td>
<td>310,568,737</td>
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<tr>
<td><strong>Subtotal, Health and Human Services</strong></td>
<td>$626,214,762</td>
<td>$509,562,658</td>
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<tr>
<td>Bond Debt Service Payments</td>
<td>264,962</td>
<td>264,962</td>
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<tr>
<td><strong>Subtotal, Debt Service</strong></td>
<td>$264,962</td>
<td>$264,962</td>
</tr>
<tr>
<td>Less Interagency Contracts</td>
<td>$311,169,815</td>
<td>$318,414,848</td>
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<tr>
<td><strong>TOTAL, ARTICLE II - HEALTH AND HUMAN SERVICES</strong></td>
<td>$315,309,909</td>
<td>$191,412,772</td>
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### RECAPITULATION - ARTICLE II
### HEALTH AND HUMAN SERVICES
(All Funds)

<table>
<thead>
<tr>
<th>Department</th>
<th>2010</th>
<th>2011</th>
</tr>
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<tbody>
<tr>
<td>Department of Aging and Disability Services</td>
<td>$6,548,746,813</td>
<td>$6,686,766,918</td>
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<td>Contingency appropriations</td>
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<td>(368,448)</td>
</tr>
<tr>
<td>Total</td>
<td>$6,548,409,069</td>
<td>$6,686,398,470</td>
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<tr>
<td>Department of Assistive and Rehabilitative</td>
<td>619,864,536</td>
<td>628,743,383</td>
</tr>
<tr>
<td>Services</td>
<td>1,293,397,848</td>
<td>1,360,354,493</td>
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<tr>
<td>Department of State Health Services</td>
<td>2,940,051,774</td>
<td>2,912,182,766</td>
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<tr>
<td>Contingency appropriations</td>
<td>1,074,136</td>
<td>633,658</td>
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<tr>
<td>Total</td>
<td>2,941,125,910</td>
<td>2,912,816,424</td>
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<td>Health and Human Services Commission</td>
<td>17,716,685,926</td>
<td>18,101,074,398</td>
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<td>Subtotal, Health and Human Services</td>
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<td>$29,689,387,168</td>
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<td>Retirement and Group Insurance</td>
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<td>533,692,495</td>
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<tr>
<td>Social Security and Benefit Replacement Pay</td>
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<tr>
<td>Subtotal, Employee Benefits</td>
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<tr>
<td>Bond Debt Service Payments</td>
<td>33,266,604</td>
<td>31,905,826</td>
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<tr>
<td>Lease Payments</td>
<td>7,526,864</td>
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<tr>
<td>Subtotal, Debt Service</td>
<td>$40,793,468</td>
<td>$38,255,718</td>
</tr>
<tr>
<td>Less Interagency Contracts</td>
<td>$311,169,815</td>
<td>$318,414,848</td>
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<tr>
<td>TOTAL, ARTICLE II - HEALTH AND HUMAN SERVICES</td>
<td>$29,510,009,959</td>
<td>$30,106,546,877</td>
</tr>
<tr>
<td>Number of Full-Time-Equivalents (FTE)</td>
<td>55,926.6</td>
<td>56,051.8</td>
</tr>
</tbody>
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For the Years Ending
August 31, 2010  August 31, 2011