

**6.I. Percent Biennial Base Reduction Options**

**10 % REDUCTION**

83rd Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

Date: 8/27/2012  
Time: 4:52:47PM

Agency code: **529** Agency name: **Health and Human Services Commission**

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2014	2015	Biennial Total	2014	2015	Biennial Total	

**1 Provider Rate Reduction**

**Category:** Programs - Reimbursement and Rate Reductions

**Item Comment:** This reduction would result in an across-the-board rate reduction to Medicaid and CHIP providers of 1.0 percent for the 2014-15 biennium. All acute health and dental providers would be subject to the rate reduction except for those category of primary care providers whose reimbursement levels would increase to the Medicare level pursuant to the Affordable Care Act. This reduction in addition to other cost containment measures that have reduced reimbursement to providers could be a disincentive to some providers, resulting in decisions to no longer participate in the Medicaid program which could create an access issue for some clients. The loss in matching federal funds totals \$179.1 million.

Strategy: 2-1-1 Aged and Medicare-related Eligibility Group

General Revenue Funds

758 GR Match For Medicaid	\$0	\$0	\$0	\$6,431,829	\$6,315,659	\$12,747,488
<b>General Revenue Funds Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$6,431,829</b>	<b>\$6,315,659</b>	<b>\$12,747,488</b>

Federal Funds

555 Federal Funds	\$9,551,841	\$9,394,935	\$18,946,776
<b>Federal Funds Total</b>	<b>\$9,551,841</b>	<b>\$9,394,935</b>	<b>\$18,946,776</b>

Strategy: 2-1-2 Disability-Related Eligibility Group

General Revenue Funds

758 GR Match For Medicaid	\$0	\$0	\$0	\$16,015,714	\$16,105,975	\$32,121,689
<b>General Revenue Funds Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$16,015,714</b>	<b>\$16,105,975</b>	<b>\$32,121,689</b>

Federal Funds

555 Federal Funds	\$23,784,767	\$23,958,639	\$47,743,406
<b>Federal Funds Total</b>	<b>\$23,784,767</b>	<b>\$23,958,639</b>	<b>\$47,743,406</b>

Strategy: 2-1-3 Pregnant Women Eligibility Group

General Revenue Funds

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	2014	2015	Biennial Total	2014	2015	Biennial Total	
758 GR Match For Medicaid	\$0	\$0	\$0	\$3,844,418	\$3,726,140	\$7,570,558	
<b>General Revenue Funds Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,844,418</b>	<b>\$3,726,140</b>	<b>\$7,570,558</b>	
<u>Federal Funds</u>							
555 Federal Funds	\$5,709,305	\$5,542,865	\$11,252,170				
<b>Federal Funds Total</b>	<b>\$5,709,305</b>	<b>\$5,542,865</b>	<b>\$11,252,170</b>				
Strategy: 2-1-4 Other Adults Eligibility Group							
<u>General Revenue Funds</u>							
758 GR Match For Medicaid	\$0	\$0	\$0	\$2,183,618	\$2,137,398	\$4,321,016	
<b>General Revenue Funds Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,183,618</b>	<b>\$2,137,398</b>	<b>\$4,321,016</b>	
<u>Federal Funds</u>							
555 Federal Funds	\$3,242,869	\$3,179,512	\$6,422,381				
<b>Federal Funds Total</b>	<b>\$3,242,869</b>	<b>\$3,179,512</b>	<b>\$6,422,381</b>				
Strategy: 2-1-5 Children Eligibility Group							
<u>General Revenue Funds</u>							
758 GR Match For Medicaid	\$0	\$0	\$0	\$19,860,312	\$19,993,964	\$39,854,276	
<b>General Revenue Funds Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$19,860,312</b>	<b>\$19,993,964</b>	<b>\$39,854,276</b>	
<u>Federal Funds</u>							
555 Federal Funds	\$29,548,251	\$29,797,190	\$59,345,441				
<b>Federal Funds Total</b>	<b>\$29,548,251</b>	<b>\$29,797,190</b>	<b>\$59,345,441</b>				
Strategy: 2-2-1 Non-Full Benefit Payments							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$263,702	\$258,871	\$522,573	

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	2014	2015	Biennial Total	2014	2015	Biennial Total	
758 GR Match For Medicaid	\$0	\$0	\$0	\$1,857,375	\$1,821,235	\$3,678,610	
<b>General Revenue Funds Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,121,077</b>	<b>\$2,080,106</b>	<b>\$4,201,183</b>	
<u>Federal Funds</u>							
555 Federal Funds	\$2,944,879	\$2,888,383	\$5,833,262				
<b>Federal Funds Total</b>	<b>\$2,944,879</b>	<b>\$2,888,383</b>	<b>\$5,833,262</b>				
Strategy: 2-2-2 Medicaid Prescription Drugs							
<u>General Revenue Funds</u>							
758 GR Match For Medicaid	\$0	\$0	\$0	\$380,869	\$382,585	\$763,454	
<b>General Revenue Funds Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$380,869</b>	<b>\$382,585</b>	<b>\$763,454</b>	
<u>Federal Funds</u>							
555 Federal Funds	\$566,344	\$569,817	\$1,136,161				
<b>Federal Funds Total</b>	<b>\$566,344</b>	<b>\$569,817</b>	<b>\$1,136,161</b>				
Strategy: 2-2-3 Medical Transportation							
<u>General Revenue Funds</u>							
758 GR Match For Medicaid	\$0	\$0	\$0	\$15,397	\$15,478	\$30,875	
<b>General Revenue Funds Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$15,397</b>	<b>\$15,478</b>	<b>\$30,875</b>	
<u>Federal Funds</u>							
555 Federal Funds	\$22,866	\$23,025	\$45,891				
<b>Federal Funds Total</b>	<b>\$22,866</b>	<b>\$23,025</b>	<b>\$45,891</b>				
Strategy: 2-2-4 Health Steps (EPSDT) Dental							
<u>General Revenue Funds</u>							
758 GR Match For Medicaid	\$0	\$0	\$0	\$4,892,468	\$5,037,848	\$9,930,316	

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	2014	2015	Biennial Total	2014	2015	Biennial Total	
<b>General Revenue Funds Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$4,892,468</b>	<b>\$5,037,848</b>	<b>\$9,930,316</b>	
<u>Federal Funds</u>							
555 Federal Funds	\$7,292,000	\$7,518,569	\$14,810,569				
<b>Federal Funds Total</b>	<b>\$7,292,000</b>	<b>\$7,518,569</b>	<b>\$14,810,569</b>				
Strategy: 2-2-5 For Clients Dually Eligible for Medicare and Medicaid							
<u>General Revenue Funds</u>							
758 GR Match For Medicaid	\$0	\$0	\$0	\$212,248	\$220,037	\$432,285	
<b>General Revenue Funds Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$212,248</b>	<b>\$220,037</b>	<b>\$432,285</b>	
<u>Federal Funds</u>							
555 Federal Funds	\$315,207	\$327,318	\$642,525				
<b>Federal Funds Total</b>	<b>\$315,207</b>	<b>\$327,318</b>	<b>\$642,525</b>				
Strategy: 3-1-1 Children's Health Insurance Program (CHIP)							
<u>General Revenue Funds</u>							
8025 Tobacco Receipts Match For Chip	\$0	\$0	\$0	\$2,024,362	\$1,978,512	\$4,002,874	
<b>General Revenue Funds Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,024,362</b>	<b>\$1,978,512</b>	<b>\$4,002,874</b>	
<u>Federal Funds</u>							
555 Federal Funds	\$5,161,873	\$5,052,448	\$10,214,321				
<b>Federal Funds Total</b>	<b>\$5,161,873</b>	<b>\$5,052,448</b>	<b>\$10,214,321</b>				
Strategy: 3-1-2 CHIP Perinatal Services							
<u>General Revenue Funds</u>							
8025 Tobacco Receipts Match For Chip	\$0	\$0	\$0	\$524,116	\$512,923	\$1,037,039	
<b>General Revenue Funds Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$524,116</b>	<b>\$512,923</b>	<b>\$1,037,039</b>	

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	2014	2015	Biennial Total	2014	2015	Biennial Total	
<u>Federal Funds</u>							
555 Federal Funds	\$1,336,430	\$1,309,832	\$2,646,262				
<b>Federal Funds Total</b>	<b>\$1,336,430</b>	<b>\$1,309,832</b>	<b>\$2,646,262</b>				
Strategy: 3-1-3 CHIP PRESCRIPTION DRUGS							
<u>General Revenue Funds</u>							
8025 Tobacco Receipts Match For Chip	\$0	\$0	\$0	\$8,724	\$8,527	\$17,251	
<b>General Revenue Funds Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$8,724</b>	<b>\$8,527</b>	<b>\$17,251</b>	
<u>Federal Funds</u>							
555 Federal Funds	\$22,246	\$21,774	\$44,020				
<b>Federal Funds Total</b>	<b>\$22,246</b>	<b>\$21,774</b>	<b>\$44,020</b>				
<b>Item Total</b>	<b>\$89,498,878</b>	<b>\$89,584,307</b>	<b>\$179,083,185</b>	<b>\$58,515,152</b>	<b>\$58,515,152</b>	<b>\$117,030,304</b>	

**FTE Reductions (From FY 2014 and FY 2015 Base Request)**

**2 Adjust Target to Credit for One-Time Expenses**

**Category:** Programs - Service Reductions (Other)

**Item Comment:** The agency's 2014-15 baseline request has been reduced by \$8.7 million in general revenue for one-time related expenditures as described in Schedule 6.B, Current Biennium One-Time Expenditures. This \$.087 million adjustment represents a 10 percent reduction associated the one-time projects of 1)the SNAP Performance Bonus (earned federal funds), 2) Children's Litigation expenses, and 3) the HHS Security Improvements capital project.

This \$8.7 million reduction has been reduced for the portion of one-time expenditures that was re-purposed (as indicated in Schedule 6.B) to maintain current service levels for Family Violence Services in FY 2014-15. Although the reduction has been applied to HHSC's FY 2014-15 base request, the inclusion of this item as part of the 10 percent reduction provides a mechanism to receive credit for the one-time reductions as the 2014-15 GR target was not revised for one-time expenditures. The associated revenue loss in federal and Interagency contracts for the 10 percent general revenue reduction is \$1.1 million for the biennium.

Strategy: 1-1-1 Enterprise Oversight and Policy

General Revenue Funds

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	2014	2015	Biennial Total	2014	2015	Biennial Total	
1 General Revenue Fund	\$0	\$0	\$0	\$19	\$19	\$38	
8014 GR Match Food Stamp Adm	\$0	\$0	\$0	\$12	\$12	\$24	
<b>General Revenue Funds Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$31</b>	<b>\$31</b>	<b>\$62</b>	
<u>Federal Funds</u>							
555 Federal Funds	\$32	\$32	\$64				
<b>Federal Funds Total</b>	<b>\$32</b>	<b>\$32</b>	<b>\$64</b>				
<u>Other Funds</u>							
777 Interagency Contracts	\$221	\$221	\$442				
<b>Other Funds Total</b>	<b>\$221</b>	<b>\$221</b>	<b>\$442</b>				
Strategy: 1-1-2 Integrated Eligibility and Enrollment (IEE)							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$839	\$839	\$1,678	
758 GR Match For Medicaid	\$0	\$0	\$0	\$111,143	\$111,143	\$222,286	
8010 GR Match For Title XXI	\$0	\$0	\$0	\$219	\$219	\$438	
8014 GR Match Food Stamp Adm	\$0	\$0	\$0	\$84,684	\$84,684	\$169,368	
<b>General Revenue Funds Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$196,885</b>	<b>\$196,885</b>	<b>\$393,770</b>	
<u>Federal Funds</u>							
555 Federal Funds	\$327,846	\$327,846	\$655,692				
<b>Federal Funds Total</b>	<b>\$327,846</b>	<b>\$327,846</b>	<b>\$655,692</b>				
Strategy: 1-2-1 Consolidated System Support							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$249	\$249	\$498	

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	2014	2015	Biennial Total	2014	2015	Biennial Total	
758 GR Match For Medicaid	\$0	\$0	\$0	\$14,510	\$14,510	\$29,020	
8010 GR Match For Title XXI	\$0	\$0	\$0	\$108	\$108	\$216	
8014 GR Match Food Stamp Adm	\$0	\$0	\$0	\$15,516	\$15,516	\$31,032	
<b>General Revenue Funds Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$30,383</b>	<b>\$30,383</b>	<b>\$60,766</b>	
<u>Federal Funds</u>							
555 Federal Funds	\$33,168	\$33,168	\$66,336				
<b>Federal Funds Total</b>	<b>\$33,168</b>	<b>\$33,168</b>	<b>\$66,336</b>				
<u>Other Funds</u>							
777 Interagency Contracts	\$212,891	\$212,891	\$425,782				
<b>Other Funds Total</b>	<b>\$212,891</b>	<b>\$212,891</b>	<b>\$425,782</b>				
Strategy: 2-3-1 Medicaid Contracts and Administration							
<u>General Revenue Funds</u>							
758 GR Match For Medicaid	\$0	\$0	\$0	\$142	\$142	\$284	
<b>General Revenue Funds Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$142</b>	<b>\$142</b>	<b>\$284</b>	
<u>Federal Funds</u>							
555 Federal Funds	\$142	\$142	\$284				
<b>Federal Funds Total</b>	<b>\$142</b>	<b>\$142</b>	<b>\$284</b>				
Strategy: 5-1-1 Central Program Support							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$208,953	\$208,953	\$417,906	
758 GR Match For Medicaid	\$0	\$0	\$0	\$43	\$43	\$86	
8014 GR Match Food Stamp Adm	\$0	\$0	\$0	\$27	\$27	\$54	

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<b>General Revenue Funds Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$209,023</b>	<b>\$209,023</b>	<b>\$418,046</b>	
<u>Federal Funds</u>							
555 Federal Funds	\$74	\$74	\$148				
<b>Federal Funds Total</b>	<b>\$74</b>	<b>\$74</b>	<b>\$148</b>				
<u>Other Funds</u>							
777 Interagency Contracts	\$27	\$27	\$54				
<b>Other Funds Total</b>	<b>\$27</b>	<b>\$27</b>	<b>\$54</b>				
<b>Item Total</b>	<b>\$574,401</b>	<b>\$574,401</b>	<b>\$1,148,802</b>	<b>\$436,464</b>	<b>\$436,464</b>	<b>\$872,928</b>	

**FTE Reductions (From FY 2014 and FY 2015 Base Request)**

**3 Reduction in Administrative Contracted Services**

**Category:** Administrative - Contracted Admin Services

**Item Comment:** The \$0.1 million general revenue reduction would affect various HHSC administrative services contracts by reducing the scope or replacing the contract with other resources and mechanisms. This reduction is not expected to have a significant impact on the agency's mission or the delivery of services. The associated revenue loss in federal funds and Interagency contracts is \$0.1 million for the biennium.

Strategy: 1-1-2 Integrated Eligibility and Enrollment (IEE)

General Revenue Funds

758 GR Match For Medicaid	\$0	\$0	\$0	\$125	\$125	\$250
8014 GR Match Food Stamp Adm	\$0	\$0	\$0	\$9,500	\$9,500	\$19,000
<b>General Revenue Funds Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$9,625</b>	<b>\$9,625</b>	<b>\$19,250</b>

Federal Funds

555 Federal Funds	\$9,625	\$9,625	\$19,250
<b>Federal Funds Total</b>	<b>\$9,625</b>	<b>\$9,625</b>	<b>\$19,250</b>

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Strategy: 2-3-1 Medicaid Contracts and Administration							
<u>General Revenue Funds</u>							
758 GR Match For Medicaid	\$0	\$0	\$0	\$42,680	\$42,680	\$85,360	
<b>General Revenue Funds Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$42,680</b>	<b>\$42,680</b>	<b>\$85,360</b>	
<u>Federal Funds</u>							
555 Federal Funds	\$42,680	\$42,680	\$85,360				
<b>Federal Funds Total</b>	<b>\$42,680</b>	<b>\$42,680</b>	<b>\$85,360</b>				
<b>Item Total</b>	<b>\$52,305</b>	<b>\$52,305</b>	<b>\$104,610</b>	<b>\$52,305</b>	<b>\$52,305</b>	<b>\$104,610</b>	

**FTE Reductions (From FY 2014 and FY 2015 Base Request)**

**4 Reduction in Administrative Operating Expense**

**Category:** Administrative - Operating Expenses

**Item Comment:** This \$0.7 million general revenue reduction would affect HHSC's other operating expenses in administrative areas such as consumable supplies, cell phones, blackberries, pagers and temporaries. It would not affect building rent and utilities. This reduction is not expected to have a significant impact on the agency's mission or the delivery of services. The majority of the reduction would be taken in the Eligibility strategy (\$296,944 general revenue per year). The associated revenue loss in federal funds and Interagency contracts is \$0.9 million for the biennium.

Strategy: 1-1-1 Enterprise Oversight and Policy

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$50	\$50	\$100	
758 GR Match For Medicaid	\$0	\$0	\$0	\$12,110	\$12,110	\$24,220	
8010 GR Match For Title XXI	\$0	\$0	\$0	\$838	\$838	\$1,676	
8014 GR Match Food Stamp Adm	\$0	\$0	\$0	\$3,116	\$3,116	\$6,232	
<b>General Revenue Funds Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$16,114</b>	<b>\$16,114</b>	<b>\$32,228</b>	

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<u>Federal Funds</u>							
555 Federal Funds	\$17,697	\$17,697	\$35,394				
<b>Federal Funds Total</b>	<b>\$17,697</b>	<b>\$17,697</b>	<b>\$35,394</b>				
<u>Other Funds</u>							
777 Interagency Contracts	\$44,549	\$44,549	\$89,098				
<b>Other Funds Total</b>	<b>\$44,549</b>	<b>\$44,549</b>	<b>\$89,098</b>				
Strategy: 1-1-2 Integrated Eligibility and Enrollment (IEE)							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$8,091	\$8,091	\$16,182	
758 GR Match For Medicaid	\$0	\$0	\$0	\$107,061	\$107,061	\$214,122	
8010 GR Match For Title XXI	\$0	\$0	\$0	\$4,656	\$4,656	\$9,312	
8014 GR Match Food Stamp Adm	\$0	\$0	\$0	\$177,136	\$177,136	\$354,272	
<b>General Revenue Funds Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$296,944</b>	<b>\$296,944</b>	<b>\$593,888</b>	
<u>Federal Funds</u>							
555 Federal Funds	\$319,291	\$319,291	\$638,582				
<b>Federal Funds Total</b>	<b>\$319,291</b>	<b>\$319,291</b>	<b>\$638,582</b>				
<u>Other Funds</u>							
777 Interagency Contracts	\$84	\$84	\$168				
<b>Other Funds Total</b>	<b>\$84</b>	<b>\$84</b>	<b>\$168</b>				
Strategy: 1-2-1 Consolidated System Support							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$29	\$29	\$58	

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Agency code: **529** Agency name: **Health and Human Services Commission**

<u>Item Priority and Name/ Method of Financing</u>	<b>REVENUE LOSS</b>			<b>REDUCTION AMOUNT</b>			<b>TARGET</b>
	<b>2014</b>	<b>2015</b>	<b>Biennial Total</b>	<b>2014</b>	<b>2015</b>	<b>Biennial Total</b>	
758 GR Match For Medicaid	\$0	\$0	\$0	\$1,610	\$1,610	\$3,220	
8010 GR Match For Title XXI	\$0	\$0	\$0	\$12	\$12	\$24	
8014 GR Match Food Stamp Adm	\$0	\$0	\$0	\$1,794	\$1,794	\$3,588	
<b>General Revenue Funds Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,445</b>	<b>\$3,445</b>	<b>\$6,890</b>	
<u>Federal Funds</u>							
555 Federal Funds	\$3,690	\$3,690	\$7,380				
<b>Federal Funds Total</b>	<b>\$3,690</b>	<b>\$3,690</b>	<b>\$7,380</b>				
<u>Other Funds</u>							
777 Interagency Contracts	\$24,816	\$24,816	\$49,632				
<b>Other Funds Total</b>	<b>\$24,816</b>	<b>\$24,816</b>	<b>\$49,632</b>				
Strategy: 2-3-1 Medicaid Contracts and Administration							
<u>General Revenue Funds</u>							
758 GR Match For Medicaid	\$0	\$0	\$0	\$14,376	\$14,376	\$28,752	
<b>General Revenue Funds Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$14,376</b>	<b>\$14,376</b>	<b>\$28,752</b>	
<u>Federal Funds</u>							
555 Federal Funds	\$21,028	\$21,028	\$42,056				
<b>Federal Funds Total</b>	<b>\$21,028</b>	<b>\$21,028</b>	<b>\$42,056</b>				
Strategy: 3-1-4 CHIP Contracts and Administration							
<u>General Revenue Funds</u>							
8010 GR Match For Title XXI	\$0	\$0	\$0	\$57	\$57	\$114	
<b>General Revenue Funds Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$57</b>	<b>\$57</b>	<b>\$114</b>	
<u>Federal Funds</u>							

**6.I. Percent Biennial Base Reduction Options**

**10 % REDUCTION**

83rd Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

Date: 8/27/2012  
Time: 4:52:47PM

Agency code: **529** Agency name: **Health and Human Services Commission**

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2014	2015	Biennial Total	2014	2015	Biennial Total	
555 Federal Funds	\$138	\$138	\$276				
<b>Federal Funds Total</b>	<b>\$138</b>	<b>\$138</b>	<b>\$276</b>				
Strategy: 4-2-1 Family Violence Services							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$1,690	\$1,690	\$3,380	
<b>General Revenue Funds Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,690</b>	<b>\$1,690</b>	<b>\$3,380</b>	
<u>Federal Funds</u>							
555 Federal Funds	\$6,212	\$6,212	\$12,424				
<b>Federal Funds Total</b>	<b>\$6,212</b>	<b>\$6,212</b>	<b>\$12,424</b>				
Strategy: 5-1-1 Central Program Support							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$189	\$189	\$378	
758 GR Match For Medicaid	\$0	\$0	\$0	\$10,122	\$10,122	\$20,244	
8010 GR Match For Title XXI	\$0	\$0	\$0	\$79	\$79	\$158	
8014 GR Match Food Stamp Adm	\$0	\$0	\$0	\$11,280	\$11,280	\$22,560	
<b>General Revenue Funds Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$21,670</b>	<b>\$21,670</b>	<b>\$43,340</b>	
<u>Federal Funds</u>							
555 Federal Funds	\$23,216	\$23,216	\$46,432				
<b>Federal Funds Total</b>	<b>\$23,216</b>	<b>\$23,216</b>	<b>\$46,432</b>				
<u>Other Funds</u>							
777 Interagency Contracts	\$7,674	\$7,674	\$15,348				
<b>Other Funds Total</b>	<b>\$7,674</b>	<b>\$7,674</b>	<b>\$15,348</b>				

**6.I. Percent Biennial Base Reduction Options**

**10 % REDUCTION**

83rd Regular Session, Agency Submission, Version 1  
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Date: 8/27/2012  
Time: 4:52:47PM

Agency code: **529** Agency name: **Health and Human Services Commission**

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2014	2015	Biennial Total	2014	2015	Biennial Total	
<b>Item Total</b>	<b>\$468,395</b>	<b>\$468,395</b>	<b>\$936,790</b>	<b>\$354,296</b>	<b>\$354,296</b>	<b>\$708,592</b>	
<b>FTE Reductions (From FY 2014 and FY 2015 Base Request)</b>							
<b>5 Reduction in Administrative Travel</b>							
<b>Category:</b> Administrative - Travel							
<b>Item Comment:</b> This \$0.1 million general revenue reduction would affect in-state travel activities at HHSC for programmatic areas other than Eligibility Services. This travel reduction and the travel reduction in Eligibility represents about 2% of the total identified reductions. This reduction is not expected to a significant impact on the agency's mission or the delivery of services. The associated revenue loss in federal funds and Interagency contracts is \$0.1 million for the biennium.							
Strategy: 1-1-1 Enterprise Oversight and Policy							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$6	\$6	\$12	
758 GR Match For Medicaid	\$0	\$0	\$0	\$14,628	\$14,628	\$29,256	
8010 GR Match For Title XXI	\$0	\$0	\$0	\$1,254	\$1,254	\$2,508	
8014 GR Match Food Stamp Adm	\$0	\$0	\$0	\$393	\$393	\$786	
<b>General Revenue Funds Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$16,281</b>	<b>\$16,281</b>	<b>\$32,562</b>	
<u>Federal Funds</u>							
555 Federal Funds	\$18,111	\$18,111	\$36,222				
<b>Federal Funds Total</b>	<b>\$18,111</b>	<b>\$18,111</b>	<b>\$36,222</b>				
<u>Other Funds</u>							
777 Interagency Contracts	\$7,644	\$7,644	\$15,288				
<b>Other Funds Total</b>	<b>\$7,644</b>	<b>\$7,644</b>	<b>\$15,288</b>				

Strategy: 2-3-1 Medicaid Contracts and Administration

General Revenue Funds

**6.I. Percent Biennial Base Reduction Options**

**10 % REDUCTION**

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Agency code: **529** Agency name: **Health and Human Services Commission**

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2014	2015	Biennial Total	2014	2015	Biennial Total	
758 GR Match For Medicaid	\$0	\$0	\$0	\$12,415	\$12,415	\$24,830	
<b>General Revenue Funds Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$12,415</b>	<b>\$12,415</b>	<b>\$24,830</b>	
<u>Federal Funds</u>							
555 Federal Funds	\$35,132	\$35,132	\$70,264				
<b>Federal Funds Total</b>	<b>\$35,132</b>	<b>\$35,132</b>	<b>\$70,264</b>				
Strategy: 3-1-4 CHIP Contracts and Administration							
<u>General Revenue Funds</u>							
8010 GR Match For Title XXI	\$0	\$0	\$0	\$19	\$19	\$38	
<b>General Revenue Funds Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$19</b>	<b>\$19</b>	<b>\$38</b>	
<u>Federal Funds</u>							
555 Federal Funds	\$46	\$46	\$92				
<b>Federal Funds Total</b>	<b>\$46</b>	<b>\$46</b>	<b>\$92</b>				
Strategy: 5-1-1 Central Program Support							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$11	\$11	\$22	
758 GR Match For Medicaid	\$0	\$0	\$0	\$578	\$578	\$1,156	
8010 GR Match For Title XXI	\$0	\$0	\$0	\$5	\$5	\$10	
8014 GR Match Food Stamp Adm	\$0	\$0	\$0	\$644	\$644	\$1,288	
<b>General Revenue Funds Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,238</b>	<b>\$1,238</b>	<b>\$2,476</b>	
<u>Federal Funds</u>							
555 Federal Funds	\$1,326	\$1,326	\$2,652				
<b>Federal Funds Total</b>	<b>\$1,326</b>	<b>\$1,326</b>	<b>\$2,652</b>				

**6.I. Percent Biennial Base Reduction Options**

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Agency code: **529** Agency name: **Health and Human Services Commission**

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2014	2015	Biennial Total	2014	2015	Biennial Total	
<u>Other Funds</u>							
777 Interagency Contracts	\$439	\$439	\$878				
<b>Other Funds Total</b>	<b>\$439</b>	<b>\$439</b>	<b>\$878</b>				
<b>Item Total</b>	<b>\$62,698</b>	<b>\$62,698</b>	<b>\$125,396</b>	<b>\$29,953</b>	<b>\$29,953</b>	<b>\$59,906</b>	
<b>FTE Reductions (From FY 2014 and FY 2015 Base Request)</b>							
<b>6 Reduction in Eligibility Services Travel</b>							
<b>Category:</b> Administrative - Travel							
<b>Item Comment:</b> This \$3.0 million general revenue reduction would affect in-state travel activities in Eligibility Services at HHSC. Together, this travel reduction and the travel reduction in Administration represents about 2% of the total identified reductions. This reduction is not expected to a significant impact on service delivery unless gasoline cost increases result in the Internal Revenue Services substantially increasing the mileage reimbursement. The associated revenue loss in federal funds and Interagency contracts is \$3.2 million for the biennium.							
Strategy: 1-1-2 Integrated Eligibility and Enrollment (IEE)							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$5,605	\$5,605	\$11,210	
758 GR Match For Medicaid	\$0	\$0	\$0	\$844,027	\$844,027	\$1,688,054	
8010 GR Match For Title XXI	\$0	\$0	\$0	\$1,380	\$1,380	\$2,760	
8014 GR Match Food Stamp Adm	\$0	\$0	\$0	\$644,247	\$644,247	\$1,288,494	
<b>General Revenue Funds Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,495,259</b>	<b>\$1,495,259</b>	<b>\$2,990,518</b>	
<u>Federal Funds</u>							
555 Federal Funds	\$1,590,658	\$1,590,658	\$3,181,316				
<b>Federal Funds Total</b>	<b>\$1,590,658</b>	<b>\$1,590,658</b>	<b>\$3,181,316</b>				
<u>Other Funds</u>							
777 Interagency Contracts	\$28	\$28	\$56				

**6.I. Percent Biennial Base Reduction Options**

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Date: 8/27/2012  
Time: 4:52:47PM

Agency code: **529** Agency name: **Health and Human Services Commission**

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2014	2015	Biennial Total	2014	2015	Biennial Total	
<b>Other Funds Total</b>	<b>\$28</b>	<b>\$28</b>	<b>\$56</b>				
<b>Item Total</b>	<b>\$1,590,686</b>	<b>\$1,590,686</b>	<b>\$3,181,372</b>	<b>\$1,495,259</b>	<b>\$1,495,259</b>	<b>\$2,990,518</b>	
<b>FTE Reductions (From FY 2014 and FY 2015 Base Request)</b>							
<b>7 Reduction in Vacant Administrative FTEs</b>							
<b>Category:</b> Administrative - FTEs / Hiring and Salary Freeze							
<b>Item Comment:</b> This \$0.1 million general revenue reduction is not expected to have a significant impact on the agency's mission. HHSC implemented a hiring freeze in February 2010; however, this has not applied to critical areas including direct client contact positions, Office of Inspector General (OIG) positions, and any position specifically required by statute, rule, regulation, court order, settlement, grievance hearing, audit or other legal authority binding on an HHS agency. During fiscal year 2012, HHSC has experienced a vacancy rate of approximately three percent. The associated revenue loss in federal and Interagency contracts is \$0.3 million for the biennium.							
Strategy: 1-1-2 Integrated Eligibility and Enrollment (IEE)							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$26	\$26	\$52	
758 GR Match For Medicaid	\$0	\$0	\$0	\$6,975	\$6,975	\$13,950	
8010 GR Match For Title XXI	\$0	\$0	\$0	\$253	\$253	\$506	
8014 GR Match Food Stamp Adm	\$0	\$0	\$0	\$10,319	\$10,319	\$20,638	
<b>General Revenue Funds Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$17,573</b>	<b>\$17,573</b>	<b>\$35,146</b>	
<u>Federal Funds</u>							
555 Federal Funds	\$19,106	\$19,106	\$38,212				
<b>Federal Funds Total</b>	<b>\$19,106</b>	<b>\$19,106</b>	<b>\$38,212</b>				
<u>Other Funds</u>							
777 Interagency Contracts	\$1,057	\$1,057	\$2,114				
<b>Other Funds Total</b>	<b>\$1,057</b>	<b>\$1,057</b>	<b>\$2,114</b>				

**6.I. Percent Biennial Base Reduction Options**

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Date: 8/27/2012  
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Agency code: **529** Agency name: **Health and Human Services Commission**

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2014	2015	Biennial Total	2014	2015	Biennial Total	
Strategy: 1-2-1 Consolidated System Support							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$67	\$67	\$134	
758 GR Match For Medicaid	\$0	\$0	\$0	\$3,750	\$3,750	\$7,500	
8010 GR Match For Title XXI	\$0	\$0	\$0	\$29	\$29	\$58	
8014 GR Match Food Stamp Adm	\$0	\$0	\$0	\$4,178	\$4,178	\$8,356	
<b>General Revenue Funds Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$8,024</b>	<b>\$8,024</b>	<b>\$16,048</b>	
<u>Federal Funds</u>							
555 Federal Funds	\$8,594	\$8,594	\$17,188				
<b>Federal Funds Total</b>	<b>\$8,594</b>	<b>\$8,594</b>	<b>\$17,188</b>				
<u>Other Funds</u>							
777 Interagency Contracts	\$57,801	\$57,801	\$115,602				
<b>Other Funds Total</b>	<b>\$57,801</b>	<b>\$57,801</b>	<b>\$115,602</b>				
Strategy: 5-1-3 Regional Program Support							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$58	\$58	\$116	
758 GR Match For Medicaid	\$0	\$0	\$0	\$5,708	\$5,708	\$11,416	
8010 GR Match For Title XXI	\$0	\$0	\$0	\$18	\$18	\$36	
8014 GR Match Food Stamp Adm	\$0	\$0	\$0	\$7,132	\$7,132	\$14,264	
<b>General Revenue Funds Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$12,916</b>	<b>\$12,916</b>	<b>\$25,832</b>	
<u>Federal Funds</u>							

**6.I. Percent Biennial Base Reduction Options**

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Agency code: **529** Agency name: **Health and Human Services Commission**

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2014	2015	Biennial Total	2014	2015	Biennial Total	
555 Federal Funds	\$13,862	\$13,862	\$27,724				
<b>Federal Funds Total</b>	<b>\$13,862</b>	<b>\$13,862</b>	<b>\$27,724</b>				
<u>Other Funds</u>							
777 Interagency Contracts	\$45,206	\$45,206	\$90,412				
<b>Other Funds Total</b>	<b>\$45,206</b>	<b>\$45,206</b>	<b>\$90,412</b>				
<b>Item Total</b>	<b>\$145,626</b>	<b>\$145,626</b>	<b>\$291,252</b>	<b>\$38,513</b>	<b>\$38,513</b>	<b>\$77,026</b>	
<b>FTE Reductions (From FY 2014 and FY 2015 Base Request)</b>				<b>1.0</b>	<b>1.0</b>		
<b>8 Salary Savings in Administrative Areas</b>							
<b>Category:</b> Administrative - FTEs / Hiring and Salary Freeze							
<b>Item Comment:</b> This \$0.2 million general revenue reduction is not expected to have a significant impact on the agency's mission. The majority of salary savings would come from three vacant positions supporting the regional offices housing HHS employees. This would reduce effectiveness of maintaining business processes and decrease ability to respond to customer needs in a timely manner. The associated revenue loss in federal and Interagency contracts is \$1.0 million for the biennium.							
Strategy: 1-1-1 Enterprise Oversight and Policy							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$25	\$25	\$50	
758 GR Match For Medicaid	\$0	\$0	\$0	\$1,413	\$1,413	\$2,826	
8010 GR Match For Title XXI	\$0	\$0	\$0	\$11	\$11	\$22	
8014 GR Match Food Stamp Adm	\$0	\$0	\$0	\$1,575	\$1,575	\$3,150	
<b>General Revenue Funds Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,024</b>	<b>\$3,024</b>	<b>\$6,048</b>	
<u>Federal Funds</u>							
555 Federal Funds	\$3,239	\$3,239	\$6,478				
<b>Federal Funds Total</b>	<b>\$3,239</b>	<b>\$3,239</b>	<b>\$6,478</b>				

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Agency code: **529** Agency name: **Health and Human Services Commission**

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2014	2015	Biennial Total	2014	2015	Biennial Total	
<u>Other Funds</u>							
777 Interagency Contracts	\$21,786	\$21,786	\$43,572				
<b>Other Funds Total</b>	<b>\$21,786</b>	<b>\$21,786</b>	<b>\$43,572</b>				
Strategy: 1-2-1 Consolidated System Support							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$95	\$95	\$190	
758 GR Match For Medicaid	\$0	\$0	\$0	\$5,191	\$5,191	\$10,382	
8010 GR Match For Title XXI	\$0	\$0	\$0	\$40	\$40	\$80	
8014 GR Match Food Stamp Adm	\$0	\$0	\$0	\$5,781	\$5,781	\$11,562	
<b>General Revenue Funds Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$11,107</b>	<b>\$11,107</b>	<b>\$22,214</b>	
<u>Federal Funds</u>							
555 Federal Funds	\$11,893	\$11,893	\$23,786				
<b>Federal Funds Total</b>	<b>\$11,893</b>	<b>\$11,893</b>	<b>\$23,786</b>				
<u>Other Funds</u>							
777 Interagency Contracts	\$70,685	\$70,685	\$141,370				
<b>Other Funds Total</b>	<b>\$70,685</b>	<b>\$70,685</b>	<b>\$141,370</b>				
Strategy: 2-3-1 Medicaid Contracts and Administration							
<u>General Revenue Funds</u>							
758 GR Match For Medicaid	\$0	\$0	\$0	\$38	\$38	\$76	
<b>General Revenue Funds Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$38</b>	<b>\$38</b>	<b>\$76</b>	
<u>Federal Funds</u>							
555 Federal Funds	\$38	\$38	\$76				

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Agency code: **529** Agency name: **Health and Human Services Commission**

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2014	2015	Biennial Total	2014	2015	Biennial Total	
<b>Federal Funds Total</b>	<b>\$38</b>	<b>\$38</b>	<b>\$76</b>				
Strategy: 5-1-1 Central Program Support							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$77	\$77	\$154	
758 GR Match For Medicaid	\$0	\$0	\$0	\$4,106	\$4,106	\$8,212	
8010 GR Match For Title XXI	\$0	\$0	\$0	\$32	\$32	\$64	
8014 GR Match Food Stamp Adm	\$0	\$0	\$0	\$4,576	\$4,576	\$9,152	
<b>General Revenue Funds Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$8,791</b>	<b>\$8,791</b>	<b>\$17,582</b>	
<u>Federal Funds</u>							
555 Federal Funds	\$736	\$736	\$1,472				
<b>Federal Funds Total</b>	<b>\$736</b>	<b>\$736</b>	<b>\$1,472</b>				
<u>Other Funds</u>							
777 Interagency Contracts	\$3,113	\$3,113	\$6,226				
<b>Other Funds Total</b>	<b>\$3,113</b>	<b>\$3,113</b>	<b>\$6,226</b>				
Strategy: 5-1-3 Regional Program Support							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$367	\$367	\$734	
758 GR Match For Medicaid	\$0	\$0	\$0	\$36,401	\$36,401	\$72,802	
8010 GR Match For Title XXI	\$0	\$0	\$0	\$115	\$115	\$230	
8014 GR Match Food Stamp Adm	\$0	\$0	\$0	\$45,492	\$45,492	\$90,984	
<b>General Revenue Funds Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$82,375</b>	<b>\$82,375</b>	<b>\$164,750</b>	
<u>Federal Funds</u>							

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Agency code: **529** Agency name: **Health and Human Services Commission**

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2014	2015	Biennial Total	2014	2015	Biennial Total	
555 Federal Funds	\$42,916	\$42,916	\$85,832				
<b>Federal Funds Total</b>	<b>\$42,916</b>	<b>\$42,916</b>	<b>\$85,832</b>				
<u>Other Funds</u>							
777 Interagency Contracts	\$288,311	\$288,311	\$576,622				
<b>Other Funds Total</b>	<b>\$288,311</b>	<b>\$288,311</b>	<b>\$576,622</b>				
<b>Item Total</b>	<b>\$442,717</b>	<b>\$442,717</b>	<b>\$885,434</b>	<b>\$105,335</b>	<b>\$105,335</b>	<b>\$210,670</b>	

**FTE Reductions (From FY 2014 and FY 2015 Base Request)** **3.0**      **3.0**

**9 Salary Savings in Eligibility Services**

**Category:** Programs - Service Reductions (FTEs-Hiring Freeze)

**Item Comment:** This \$7.7 million general revenue reduction impacts HHSC's eligibility determination function. The freezing of eligibility positions could impact the program's ability to maintain a low vacancy rate for eligibility determination staff even though the program continues to explore changes that could ensure the most efficient use of local office staff to modernize offices, and to maximize the use of self-service options, web-based automation, document imaging and electronic case files, shared work flow between local benefit offices, and contracted support of eligibility and enrollment functions.

There are several factors which impact the staffing levels including 1) caseload/workload growth and caseload mix changes; 2) laws and standards for case decision timeliness and benefit determination accuracy, including state compliance with federal standards that determine receipts of bonuses or imposition of sanctions and financial penalties; 3) re-procurements of contracted services; 4) federal programs and policy changes such as federal health care reform; 5) implementation of program and policy changes from state legislation; 6) disasters; and 7) federal and state review and oversight. Maintaining a certain level of vacancies to generate salary savings may not be feasible without impacting timeliness, accuracy, etc. The associated revenue loss in federal and Interagency contracts is \$8.3 million for the biennium.

Strategy: 1-1-2 Integrated Eligibility and Enrollment (IEE)

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$13,250	\$13,250	\$26,500
758 GR Match For Medicaid	\$0	\$0	\$0	\$2,391,810	\$2,391,810	\$4,783,620

**6.I. Percent Biennial Base Reduction Options**

**10 % REDUCTION**

83rd Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

Date: 8/27/2012  
Time: 4:52:47PM

Agency code: **529** Agency name: **Health and Human Services Commission**

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2014	2015	Biennial Total	2014	2015	Biennial Total	
8010 GR Match For Title XXI	\$0	\$0	\$0	\$643	\$643	\$1,286	
8014 GR Match Food Stamp Adm	\$0	\$0	\$0	\$1,468,094	\$1,468,094	\$2,936,188	
<b>General Revenue Funds Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,873,797</b>	<b>\$3,873,797</b>	<b>\$7,747,594</b>	
<u>Federal Funds</u>							
555 Federal Funds	\$4,145,798	\$4,145,798	\$8,291,596				
<b>Federal Funds Total</b>	<b>\$4,145,798</b>	<b>\$4,145,798</b>	<b>\$8,291,596</b>				
<b>Item Total</b>	<b>\$4,145,798</b>	<b>\$4,145,798</b>	<b>\$8,291,596</b>	<b>\$3,873,797</b>	<b>\$3,873,797</b>	<b>\$7,747,594</b>	

**FTE Reductions (From FY 2014 and FY 2015 Base Request)**

**10 Reduction in Filled Administrative FTEs**

**Category:** Administrative - FTEs / Layoffs

**Item Comment:** This \$0.1 million general revenue reduction would result in the loss of six FTEs in currently filled positions in HHS Consolidated Purchasing Division. This Unit is responsible for system wide purchasing of goods and services. Risks include diminished responsiveness in support of HHS system contracting which could impact the delivery of services. The associated revenue loss in federal and Interagency contracts is \$0.5 million for the biennium.

Strategy: 1-2-1 Consolidated System Support

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$186	\$186	\$372	
758 GR Match For Medicaid	\$0	\$0	\$0	\$10,566	\$10,566	\$21,132	
8010 GR Match For Title XXI	\$0	\$0	\$0	\$83	\$83	\$166	
8014 GR Match Food Stamp Adm	\$0	\$0	\$0	\$11,796	\$11,796	\$23,592	
<b>General Revenue Funds Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$22,631</b>	<b>\$22,631</b>	<b>\$45,262</b>	

Federal Funds

555 Federal Funds	\$24,265	\$24,265	\$48,530				
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**6.I. Percent Biennial Base Reduction Options**

**10 % REDUCTION**

83rd Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

Date: 8/27/2012  
Time: 4:52:47PM

Agency code: **529** Agency name: **Health and Human Services Commission**

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2014	2015	Biennial Total	2014	2015	Biennial Total	
<b>Federal Funds Total</b>	<b>\$24,265</b>	<b>\$24,265</b>	<b>\$48,530</b>				
<u>Other Funds</u>							
777 Interagency Contracts	\$219,253	\$219,253	\$438,506				
<b>Other Funds Total</b>	<b>\$219,253</b>	<b>\$219,253</b>	<b>\$438,506</b>				
<b>Item Total</b>	<b>\$243,518</b>	<b>\$243,518</b>	<b>\$487,036</b>	<b>\$22,631</b>	<b>\$22,631</b>	<b>\$45,262</b>	
<b>FTE Reductions (From FY 2014 and FY 2015 Base Request)</b>				<b>6.0</b>	<b>6.0</b>		

**11 Reduction in Contracted Administrative Services**

**Category:** Administrative - Contracted Admin Services

**Item Comment:** This \$1.1 million general revenue reduction would result in the loss of 8 out of 28 IT contractors providing application support for the Medical Transportation Program and Managed Care operations. Additionally, these contractors provide Claims Administrator oversight. This reduction reduces the ability to support enhancements to existing applications to meet business needs for various HHS program areas. Risks include potential delays in implementing responses to federal/state and other policy changes. The associated revenue loss in federal and Interagency contracts is \$1.5 million for the biennium.

Strategy: 1-2-1 Consolidated System Support

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$71	\$71	\$142
758 GR Match For Medicaid	\$0	\$0	\$0	\$3,834	\$3,834	\$7,668
8010 GR Match For Title XXI	\$0	\$0	\$0	\$31	\$31	\$62
8014 GR Match Food Stamp Adm	\$0	\$0	\$0	\$4,270	\$4,270	\$8,540
<b>General Revenue Funds Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$8,206</b>	<b>\$8,206</b>	<b>\$16,412</b>

Federal Funds

555 Federal Funds	\$130,925	\$130,952	\$261,877
<b>Federal Funds Total</b>	<b>\$130,925</b>	<b>\$130,952</b>	<b>\$261,877</b>

Other Funds

**6.I. Percent Biennial Base Reduction Options**

**10 % REDUCTION**

83rd Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

Date: 8/27/2012  
Time: 4:52:47PM

Agency code: **529** Agency name: **Health and Human Services Commission**

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2014	2015	Biennial Total	2014	2015	Biennial Total	
777 Interagency Contracts	\$109,522	\$109,522	\$219,044				
<b>Other Funds Total</b>	<b>\$109,522</b>	<b>\$109,522</b>	<b>\$219,044</b>				
Strategy: 2-3-1 Medicaid Contracts and Administration							
<u>General Revenue Funds</u>							
758 GR Match For Medicaid	\$0	\$0	\$0	\$517,980	\$517,980	\$1,035,960	
<b>General Revenue Funds Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$517,980</b>	<b>\$517,980</b>	<b>\$1,035,960</b>	
<u>Federal Funds</u>							
555 Federal Funds	\$517,980	\$517,980	\$1,035,960				
<b>Federal Funds Total</b>	<b>\$517,980</b>	<b>\$517,980</b>	<b>\$1,035,960</b>				
Strategy: 3-1-4 CHIP Contracts and Administration							
<u>General Revenue Funds</u>							
8010 GR Match For Title XXI	\$0	\$0	\$0	\$3,611	\$3,611	\$7,222	
<b>General Revenue Funds Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,611</b>	<b>\$3,611</b>	<b>\$7,222</b>	
<u>Federal Funds</u>							
555 Federal Funds	\$9,469	\$9,469	\$18,938				
<b>Federal Funds Total</b>	<b>\$9,469</b>	<b>\$9,469</b>	<b>\$18,938</b>				
<b>Item Total</b>	<b>\$767,896</b>	<b>\$767,923</b>	<b>\$1,535,819</b>	<b>\$529,797</b>	<b>\$529,797</b>	<b>\$1,059,594</b>	

**FTE Reductions (From FY 2014 and FY 2015 Base Request)**

**12 Partial Reduction in GR Funded Programs**

Category: Programs - Service Reductions (Contracted)

**6.I. Percent Biennial Base Reduction Options**

**10 % REDUCTION**

83rd Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

Date: 8/27/2012  
Time: 4:52:47PM

Agency code: **529** Agency name: **Health and Human Services Commission**

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2014	2015	Biennial Total	2014	2015	Biennial Total	
<b>Item Comment:</b> This \$1.4 million GR reflects a 10 percent reduction to those programs at HHSC with 100 percent GR-funding and programs with GR and little matching to federal or other funds.							
The \$451,712 GR reduction in Strategy 1-1-1 would reduce the contract grant for the Umbilical Cord Blood Bank by \$200,000, reduce the support of the Promoting Independence program by \$241,712 and reduce the Autism Pilot by \$10,000.							
The \$45,234 GR reduction in Strategy 1-2-1 would reduce the Faith Based Initiatives program by \$4,628 and the Computers for Learning program by \$40,606. There would be a minimal loss in matching federal funds and interagency contract funding.							
The \$715,606 GR reduction in Strategy 4-1-1 would reduce cash assistance grants to Two-Parent Families. The monthly grant award would be reduced to \$64.62 for approximately 3,700 families.							
The \$230,000 GR reduction in Strategy 4-2-2 would reduce the amount of funding to contractors promoting childbirth and pregnancy support services.							
Strategy: 1-1-1 Enterprise Oversight and Policy							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$225,856	\$225,856	\$451,712	
<b>General Revenue Funds Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$225,856</b>	<b>\$225,856</b>	<b>\$451,712</b>	
Strategy: 1-2-1 Consolidated System Support							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$20,323	\$20,323	\$40,646	
758 GR Match For Medicaid	\$0	\$0	\$0	\$1,081	\$1,081	\$2,162	
8010 GR Match For Title XXI	\$0	\$0	\$0	\$8	\$8	\$16	
8014 GR Match Food Stamp Adm	\$0	\$0	\$0	\$1,205	\$1,205	\$2,410	
<b>General Revenue Funds Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$22,617</b>	<b>\$22,617</b>	<b>\$45,234</b>	
<u>Federal Funds</u>							

**6.I. Percent Biennial Base Reduction Options**

**10 % REDUCTION**

83rd Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

Date: 8/27/2012  
Time: 4:52:47PM

Agency code: **529** Agency name: **Health and Human Services Commission**

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2014	2015	Biennial Total	2014	2015	Biennial Total	
555 Federal Funds	\$2,480	\$2,480	\$4,960				
<b>Federal Funds Total</b>	<b>\$2,480</b>	<b>\$2,480</b>	<b>\$4,960</b>				
<u>Other Funds</u>							
777 Interagency Contracts	\$820	\$820	\$1,640				
<b>Other Funds Total</b>	<b>\$820</b>	<b>\$820</b>	<b>\$1,640</b>				
Strategy: 4-1-1 Temporary Assistance for Needy Families Grants							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$357,803	\$357,803	\$715,606	
<b>General Revenue Funds Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$357,803</b>	<b>\$357,803</b>	<b>\$715,606</b>	
Strategy: 4-2-2 Alternatives to Abortion. Nontransferable.							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$115,000	\$115,000	\$230,000	
<b>General Revenue Funds Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$115,000</b>	<b>\$115,000</b>	<b>\$230,000</b>	
<b>Item Total</b>	<b>\$3,300</b>	<b>\$3,300</b>	<b>\$6,600</b>	<b>\$721,276</b>	<b>\$721,276</b>	<b>\$1,442,552</b>	
<b>FTE Reductions (From FY 2014 and FY 2015 Base Request)</b>							
<b>AGENCY TOTALS</b>							
<b>General Revenue Total</b>				<b>\$66,174,778</b>	<b>\$66,174,778</b>	<b>\$132,349,556</b>	<b>\$132,349,555</b>
<b>Agency Grand Total</b>	<b>\$97,996,218</b>	<b>\$98,081,674</b>	<b>\$196,077,892</b>	<b>\$66,174,778</b>	<b>\$66,174,778</b>	<b>\$132,349,556</b>	
<b>Difference, Options Total Less Target</b>							<b>\$1</b>
<b>Agency FTE Reductions (From FY 2014 and FY 2015 Base Request)</b>				<b>10.0</b>	<b>10.0</b>		