

TCDD Summary of Department of Aging and Disability Services Legislative Appropriations Request Exceptional Items – FY 2016 - 2017

Exceptional Items

1. Caseloads: Maintain Current Services Levels

DADS is requesting \$53.5 million in General Revenue (GR)¹ and \$112.0 million in All Funds (AF)² so that people who were enrolled in waiver services during the FY 2014–15 biennium as a result of decisions made by the 83rd Texas Legislature do not lose their waiver services.

The FY 2014–15 budget included funding for more people to receive waiver services and assumed steady enrollment over the course of the two-year biennium. The Legislative Budget Board required DADS to base their budget request on funds appropriated for FY 15 which allows funding only for the number of people enrolled at mid-year of FY 15. This exceptional item is needed to fully fund the total number of people expected to be enrolled at the end of FY 2015. If DADS Exceptional Item One is not funded, some people who are receiving services at the end of the biennium, particularly in the HCS waiver program, will lose their waiver services on August 31, 2015.

Waiver	People Impacted
Home and Community-based Services (HCS)	857 people would lose services.
Community Living Assistance & Support Services (CLASS)	195 people would lose services.
Deaf-Blind Multiple Disabilities (DBMD)	18 people would lose services.
Medically Dependent Children Program (MDCP)	89 people would lose services.
Texas Home Living Waiver (TxHmL)	319 people would lose services.

2. Cost Trends

Client-related increases in costs and acuity are expected to require a need for about \$23.7 million in GR and \$55.4 million in AF over the next biennium. These funds are for DADS entitlement programs [State Supported Living Centers (SSLCs), Primary Home Care, Community Attendant Services and Nursing Facilities]; the agency has little discretion in paying for these services and costs have increased by about 2% in some programs.

3. Interest List Reduction

This item would provide funds for community-based DADS waiver services for an additional 15,145 people. Services would cost about \$305.0 million in GR and \$725.7 million in AF. This

¹ General Revenue Funds are state funds. The general revenue fund receives money from the sales tax, the motor vehicle sales and rental taxes, the franchise tax, insurance premium taxes, and various other taxes and fees.

² All Funds are the combination of state general revenue funds, federal funds and other revenue.

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amount fully funds the STAR+PLUS waiver and DBMD interest lists. It would also fund services for 20% of the estimated number of people eligible and likely to accept services on the HCS, MDCP, TxHmL, CLASS, and Title XX services interest lists. Finally, the interest lists for In Home and Family Support and IDD Community services would be reduced by 10% from FY 2014-15 levels. The request is comprehensive and includes funding for long term care, acute care, drug and administrative costs at HHSC, as well as long-term care and administrative costs at DADS.

Waiver	FY 2016 # of People	FY 2017 # of People
HCS	3,396	6,792
CLASS	2,076	4,151
DBMD	10	21
MDCP	641	1,282
TxHmL	520	1,040
STAR+Plus	823	1,646

4. Promoting Independence

The Promoting Independence Initiative makes community waiver services available to people who are otherwise entitled to institutional services. DADS is requesting \$31.2 million in GR and \$85.1 million in AF for waivers services for 1,260 people to move to the least restrictive setting to meet their needs.

Promoting Independence Groups	# of people
People Moving from large and medium ICFs – including SSLCs	500
Children Aging out of Foster Care	216
Persons at Imminent Risk of Entering an ICF	400
Individuals with IDD Moving from State Hospitals	120
Children Transitioning from a general residence operations (GRO) facility (DFPS)	25

Promoting Independence makes community waiver services available to people in institutions within one year of the date of referral for community placement. Not funding this item would eliminate the department’s ability to meet the requirement and people would remain in institutions that are more restrictive than necessary. It provides residential options for children with developmental disabilities whose conservatorship ends with DFPS. This item also provides services to prevent institutionalization of people waiting on interest lists who are at imminent risk of going into one.

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5. Enhancing Community Services for Persons w/IDD and Complex Needs

DADS is requesting \$41.1 million in GR and \$58.3 million in AF to support people with complex needs.

- Behavior Intervention and Crisis Respite Services (\$27.5M GR)
- Eight regional medical, behavioral and psychiatric teams would be housed at local authorities across the state (\$4.2M)
- An add-on rate of \$75.76 per day will be piloted to assist ICF and HCS providers to serve people with complex medical support needs (\$5.9M)
 - FY 2016 – 150 people in ICFs only
 - FY 2017 – 175 people in ICFs and 175 people in HCS
- Enhanced transition services for people leaving SSLCs (\$3.5M)

6. PASRR Compliance

To bring Texas into compliance with federal Preadmission Screening and Resident Review (PASRR) requirements for persons entering or seeking admission to a Nursing Facility (NF) with IDD, DADS is requesting \$43.3 million in GR and \$117.7 in AF for the FY 2016-17 biennium. Half of this request would be used to provide community services and is offset by the lower number of persons expected to be in NFs.

- HCS services for 700 people with IDD moving from NFs (\$13.6M GR, \$48.9 AF)
- HCS service for 600 people diverted from NF admission (\$18.1M GR, \$42.1M AF)
- TxHmL services for 200 people diverted from NF admission (\$1.9M GR, \$4.4M AF)
- Specialized services & enhanced service coordination for people in NFs (\$35.9M GR, \$86.1M AF)

If this item is not funded, DADS may not be able to meet federal and court-ordered mandates regarding people with ID residing in NFs.

7. Protecting Vulnerable Texans

DADS is requesting funds, about \$21.2 million in GR and \$41.8 million in AF, to improve the safety of persons receiving DADS services.

- Expand the guardianship program (\$1.7M GR/AF)
- Additional contracted assisted living facility contract ombudsmen (\$1.9M GR/AF)
- Expanding the number of providers reached by the Lifespan Respite Care Program (\$2M GR/AF)
- Raise the HCS cap on dental expenses from \$1,000 to \$2,000 per person per year (\$8.3M GR, \$19.2M AF)
- Assist HCS group homes to install sprinkler systems (\$5.9MGR, \$13.8MAF)
- Regulatory oversight of home health providers (\$1.4M GR, \$3M AF)

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8. Maintenance/Improving SSLC Operations

This item requests \$11.2 million in GR and \$112.0 million in AF, including \$94.0 million in bond proceeds, to make life/safety repairs and renovations at the 13 SSLCs. This includes funds for the 10-year vehicle replacement plan and would reclassify Qualified Intellectual Disabilities Professionals (QIDP) in order to raise their salaries. It would also expand an outcomes-based Quality Improvement Program for the 3,439 people living in SSLCs as they transition into an integrated community setting.

9. Specialized Resource Navigation for Veterans

DADS is requesting \$2.2 million in GR and AF to support a Veterans Resource Navigation Specialist at each of Texas' 22 Aging and Disability Resource Centers to streamline access to programs and benefits.

REDUCTION OPTIONS

Agencies were instructed to provide options for an up to 10% budget reduction. The reductions are provided in 5% and 10% increments.

First 5% Reduction

1. DADS proposes to reduce staff (29 FTEs) in Central Administration and IT Support by 5% (\$4.2M).
2. DADS proposes to cut services to 5% of persons served; **1,560 individuals in Non-Medicaid services, 117 in IDD Community, and 302 in In Home and Family Support** (\$12.6M)
3. DADS proposes a 2.66% provider rate reduction in select services [Primary Home Care (PHC), Community Attendant Services (CAS), DAHS, HCS, CLASS, DBMD, MDCP, TxHmL, Nursing Facilities, Hospice, ICFs].

Second 5% Reduction

1. If an additional 5% reduction is necessary, DADS proposes a 3.4% provider rate reduction in select services [PHC, CAS, DAHS, HCS, CLASS, DBMD, MDCP, TxHmL, Nursing Facilities, Hospice, ICFs] (\$76.6M).