



Presentation to the House Appropriation Sub-Committee on Health and Human Services

Department of State Health Services
Legislative Appropriations Request

February 13, 2007

- Mental Health Services
- Trauma Funds
- Fee Funded Programs
- Sexually Violent Predator Program
- Reduced Federal Funds

- Community Mental Health and Substance Abuse Services
- State Mental Health Hospital System
- Public Health Services
 - Regulatory Mandates
 - Public Health Preparedness
 - State Laboratory
- Prevention of Chronic Diseases
- Control of Infectious Disease
- Outdated Technology

Comparison of Key Caseloads

Performance Measure	FY 2006 Estimated	FY2007 Budgeted	FY 2008 LBB Recommended	FY 2009 LBB Recommended	FY 2008 Exceptional Item Funding	FY 2009 Exceptional Item Funding
Incidence Rate of TB Among Texas Residents	7.5	7.7	7.5	7.5	(0.15)	(0.15)
Number of LHD Contractors Carrying Out Essential Public Health Services	63	63			3	5
Number of Requests for Records Services Completed	319,204	343,723	343,723	343,723	64,155	64,155
Number of Immunization Doses Administered	11,663,452	12,120,374	12,246,628	12,246,628		
Number of Persons Served by the HIV Medication Program	15,125	13,385	14,187	15,039	230	505
Number of Clients with HIV/AIDS Receiving Medical and Supportive Services	27,424	27,708			235	235
Number of Disease Investigations Conducted	102,058	88,200	102,000	102,000		
Number of CSHCN Clients Receiving Medical Services	2,232	2,897	2,240	2,240		
Number of Laboratory Tests Performed	2,802,796	2,970,963			48,627	48,627
Number of WIC Participants Provided Nutrious Food Supplements	901,489	924,026	963,177	1,005,000		
Number of Infants <1 and Children Age 1 to 21 Years Provided Services	38,988	39,534	44,700	44,700		
Average Monthly Number of Persons Receiving Community MH Crisis Services	4,432	5,008			2,415	4,830
Average Monthly Number of Adults Served in Substance Abuse Treatment Programs	3,667	3,695	3,695	3,695	198	198
Average Daily Census of State Mental Health Facilities	2,295	2,477	2,477	2,477		
Number of Health Care Professional & LCDCs Licensed, Permitted, Certified, Registered	104,219	77,524	77,524	77,524		

Summary of Exceptional Items

EXCEPTIONAL ITEM	FY 2008		FY 2009		BIENNIAL TOTAL		FY 08	FY 09
	GR*	All Funds	GR	All Funds	GR	All Funds	FTEs	FTEs
LBB Recommended Funding	\$ 1,233,313,637	\$ 2,546,390,420	\$ 1,236,153,428	\$ 2,513,488,068	\$ 2,469,467,065	\$ 5,059,878,488	11,623.1	11,623.1
1 Fund Ancillary and Support Costs	2,807,397	2,807,397	3,011,311	3,011,311	5,818,708	5,818,708	18.00	18.00
2 Reduce the Spread of Tuberculosis and HIV	8,813,246	8,813,246	10,565,429	10,565,429	19,378,675	19,378,675	11.0	11.0
3 Mental Health Community Crisis Services	27,455,390	27,455,390	54,881,040	54,881,040	82,336,430	82,336,430	4.0	4.0
4 Prevention, Preparedness & Emergency Response	36,507,969	36,507,969	3,705,488	3,705,488	40,213,457	40,213,457	17.0	33.0
5 Prevent/Reduce Smoking in Children and Adults	20,740,477	20,740,477	28,428,293	28,428,293	49,168,770	49,168,770	6.0	6.0
6 Recruit and Retain Critical Shortage Professionals	3,222,372	3,222,372	3,620,582	3,620,582	6,842,954	6,842,954	46.0	46.0
7 Substance Abuse Treatment	5,460,353	13,132,839	5,460,353	13,132,839	10,920,706	26,265,678	-	-
8 School Cafeteria Inspections	462,928	462,928	621,133	621,133	1,084,061	1,084,061	14.0	14.0
9 Technology and Equipment for Critical Agency Functions	18,536,363	18,798,863	16,238,790	16,588,790	34,775,153	35,387,653	3.0	3.0
10 Reduce Obesity & Related Chronic Diseases Among Children & Families	5,078,603	5,078,603	8,171,397	8,171,397	13,250,000	13,250,000	9.0	9.0
11 Repair & Renovation of Facilities Including Equipment & Furniture	4,541,203	28,821,595	3,224,454	36,923,109	7,765,657	65,744,704	-	-
12 Monitoring of Sexually Violent Predators	1,106,191	1,106,191	1,460,037	1,460,037	2,566,228	2,566,228	3.0	3.0
13 Medicaid Rate Restoration	1,555,842	1,555,842	1,555,842	1,555,842	3,111,684	3,111,684	-	-
<i>Total Request</i>	136,288,334	168,503,712	140,944,149	182,665,290	277,232,483	351,169,002	131.00	147.00
<i>Grand Total LBB Recommended Plus Exceptional Items</i>	\$ 1,369,601,971	\$ 2,714,894,132	\$ 1,377,097,577	\$ 2,696,153,358	\$ 2,746,699,548	\$ 5,411,047,490	11,754.1	11,770.1

* Includes General Revenue Dedicated

Exceptional Item 1 Fund Ancillary and Support Costs

- Restoration of the 5% reduction in support costs for each year of the biennium.
- Covers increasing operating costs in order to maintain hospital capacity at 06-07 levels
 - 6% utility rate increase.
 - 3.5% increase in food and storage costs.
- Provides additional fees collected and appropriated in this biennium necessary to support vital records and regulatory functions.

MOF	FY 2008	FY 2009	Totals
GR Related	2,807,397	3,011,311	5,818,708
All Funds	2,807,397	3,011,311	5,818,708

FTEs	18.0	18.0	N/A
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Program Impact	FY 2008	FY 2009
Average Daily Census	6	6
Number of Requests for Records Completed	64,155	64,155

Tuberculosis

- In 2005, the incidence of Tuberculosis in Texas was 39% higher than the U.S. incidence rate.
- TB Treatment Cost Based on Susceptibility
 - Drug Susceptible TB \$126 - 335 per case
 - Drug Resistant TB \$936 - 6,772 per case
 - Multi-drug Resistant TB \$21,307+ per case

MOF	FY 2008	FY 2009	Totals
GR Related	8,813,246	10,565,429	19,378,675
All Funds	8,813,246	10,565,429	19,378,675

FTEs	11.0	11.0	N/A
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Program Impact	FY 2008	FY 2009
# of Persons Served by the HIV Medication Program	230	505
# of Clients with HIV/AIDS Receiving Medical and Supportive Services	235	235
# of Clients Receiving TB Medication	14,000	14,000
# of New STD Cases Identified Through Lab Testing	1,500	1,500

HIV

- The number of Texas HIV Medication Program (THMP) clients served has increased 44% from 10,041 clients in 2000 to 14,474 clients in 2005.
- THMP Cost per Client has increased by 33% from \$4,249 per client in 2000 to \$5,639 per client in 2005.

Exceptional Item 3 Mental Health Community Crisis Services

- Reduced use of costly care settings, i.e., emergency rooms, and jails
- Reduced need for transportation to state hospitals for short-term stabilization
- Reduced suicides
- Every \$1 spent on mental health services saves \$5 in overall health care costs (Am. Psychological Association)

MOF	FY 2008	FY 2009	Totals
GR Related	27,455,390	54,881,040	82,336,430
All Funds	27,455,390	54,881,040	82,336,430

FTEs	4.0	4.0	N/A
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Program Impact	FY 2008	FY 2009
# of Children Receiving In-Home Mental Health Crisis Services	600	1,200
# of Persons Receiving Mobile Outreach	17,633	35,266
# of Persons Receiving 23 Hour Observation	10,750	21,500

- Strengthens local public health services by supporting
 - New health departments
 - Expansion of existing health departments to support additional counties

- Prepare for a possible pandemic flu through the:
 - Purchase of antiviral medication
 - Increased surveillance

MOF	FY 2008	FY 2009	Totals
GR Related	36,507,969	3,705,488	40,213,457
All Funds	36,507,969	3,705,488	40,213,457

FTEs	17.0	33.0	N/A
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Program Impact	FY 2008	FY 2009
Courses of antiviral medication	2,320,701	0
Number of LHD Contractors Carrying out Essential Public Health Services	3	5

Exceptional Item 5 Prevent/Reduce Smoking in Children & Adults

- Five year return on investment of \$1.4 billion in total medical care and productivity costs (\$69 M investment for 5 years)
- Leverages current state funds to achieve a \$3 per capita program
- Estimated 163,000 fewer smokers in Texas in the first year of a statewide program
- Increased productivity and reduced health care costs

MOF (\$ in millions)	FY 2008	FY 2009	Totals
GR Related	20,740,477	28,428,293	49,168,770
All Funds	20,740,477	28,428,293	49,168,770
FTEs	6.0	6.0	N/A

Program Impact	FY 2008	FY 2009
Percentage of TX High School Students Who Stop Smoking	5%	10%
Percentage of Middle School Students Who Stop Smoking	5%	10%
Percentage of TX Adults Who Stop Smoking	6%	12%

Exceptional Item 6

Recruit and Retain Critical Shortage Professionals

- Establishes psychiatrist, psychologist and pharmacists residency placements in the state hospitals
- Enhances salaries of critical positions to decrease high turnover which negatively affect direct services and increase costs to the state

MOF (\$ in millions)	FY 2008	FY 2009	Totals
GR Related	3,222,372	3,620,582	6,842,954
All Funds	3,222,372	3,620,582	6,842,954
FTEs	46.0	46.0	N/A

Strategies to recruit/retain nurses are included in HHSC exceptional items

Exceptional Item 7 Substance Abuse Treatment

- Reduces use of medical services, leading to cost savings
 - Fiscal Year 2005 Texas average monthly Emergency Room (ER) costs were almost 35 percent lower for Medicaid clients receiving needed DSHS substance abuse treatment
- Leverages state funds with federal funds (40 percent state/60 percent federal)
- Lowers medical costs by reducing low birth weight babies, Fetal Alcohol Spectrum Disorders and use of neonatal ICU
- Provides substance abuse treatment for drug court participants

MOF (\$ in millions)	FY 2008	FY 2009	Totals
GR Related	5,460,353	5,460,353	10,920,706
All Funds	13,132,839	13,132,839	26,265,678

FTEs	0	0	N/A
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Program Impact	FY 2008	FY 2009
Number of Clients Receiving Outpatient Chemical Dependency Services	11,023	11,023
Average Monthly Number of Adults Served in Substance Abuse Treatment Programs	198	198

Exceptional Item 8 School Cafeteria Inspections

- The number of school cafeteria inspections increases dramatically with the new federal mandate of two inspections per year.
- If Texas does not comply, funding for the National School Lunch Program and School Breakfast Program may be jeopardized.
- DSHS is responsible for 2,500 school in rural areas where no local health department exists.

MOF (\$ in millions)	FY 2008	FY 2009	Totals
GR Related	462,928	621,133	1,084,061
All Funds	462,928	621,133	1,084,061

FTEs	14.0	14.0	N/A
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Program Impact	FY 2008	FY 2009
Number of Surveillance Activities Conducted	5,000	5,000

Exceptional Item 9 Technology and Equipment for Critical Agency Functions

- Reduces inefficiencies
- Improves security
- Improves productivity

Funds:

- Pharmaceutical Dispensing Systems
- Laboratory Systems
- Software
- Hardware

MOF (\$ in millions)	FY 2008	FY 2009	Totals
GR Related	18,536,363	16,238,790	34,775,153
All Funds	18,798,863	16,588,790	35,387,653
FTEs	3.0	3.0	N/A

Exceptional Item 10 Reduce Obesity & Related Chronic Diseases Among Children & Families

- Strengthens Obesity Prevention through the Regional Education Service Centers
- Provides grants to local health departments and agencies to assess, develop, and implement policies and activities that improve the nutrition and physical health of children and their families
- Funds Texas Council on Cardiovascular Disease and Stroke Initiatives

MOF (\$ in millions)	FY 2008	FY 2009	Totals
GR Related	5,078,603	8,171,397	13,250,000
All Funds	5,078,603	8,171,397	13,250,000

FTEs	9.0	9.0	N/A
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Program Impact	FY 2008	FY 2009
Number of School Districts Receiving Training or Technical Assistance in Implementation of the coordinates school health programs	240	240
Number of Communities Receiving Support for Obesity Prevention, Targeted Primary Prevention, and Cardiovascular Projects.	8	8

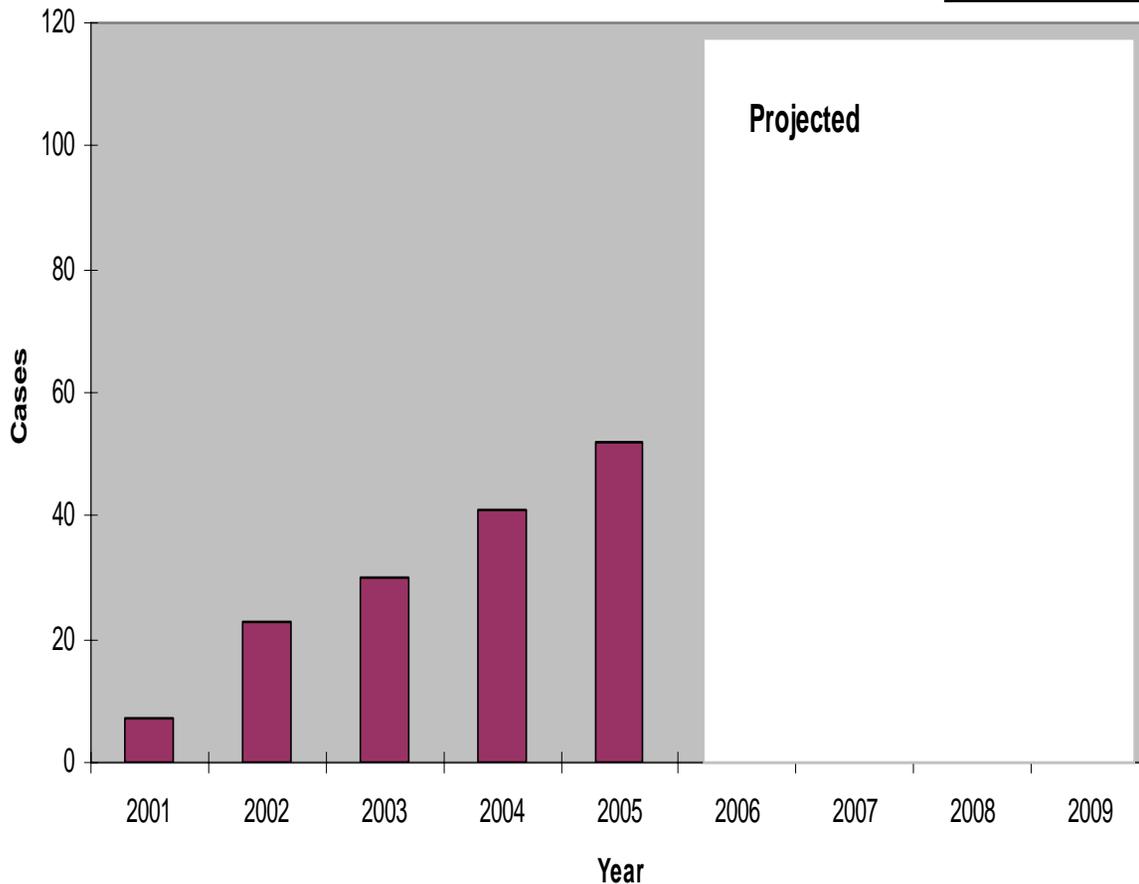
Exceptional Item 11 Repair & Renovation of Facilities Including Equipment & Furniture

- \$198.9 million in capital construction needs have been identified for FY08-09 funding for State Hospitals.
 - \$45 million has been identified as the most critical
 - \$12.7 million to complete construction at TCID
- Replacement of 206 Critical Client Service Vehicles to:
 - Provide safe transportation of clients
 - Decrease maintenance and operating costs

MOF (\$ in millions)	FY 2008	FY 2009	Totals
GR Related	4,541,203	3,224,454	7,765,657
All Funds	28,821,595	36,923,109	65,744,704
FTEs	0.0	0.0	N/A

Exceptional Item 12 Monitoring of Sexually Violent Predators

SVP Case Load



MOF (\$ in millions)	FY 2008	FY 2009	Totals
GR Related	1,106,191	1,406,037	2,566,228
All Funds	1,106,191	1,460,037	2,566,228

FTEs	FY 2008	FY 2009	Totals
	3.0	3.0	N/A

Program Impact	FY 2008	FY 2009
Number of Civil Commitments Monitored	15	15

Exceptional Item 13 Medicaid Rate Restoration

A number of DSHS rates are based on established Medicaid rates. This exceptional item reflects restoration of the 2.5% reduction for:

- Children with Special Health Care Needs
- Maternal and Child Health Services
- Breast and Cervical Cancer Control
- County Indigent Health Care
- Family Planning

MOF (\$ in millions)	FY 2008	FY 2009	Totals
GR Related	1,555,842	1,555,842	3,111,684
All Funds	1,555,842	1,555,842	3,111,684

FTEs	0.0	0.0	N/A
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Program Impact	FY 2008	FY 2009
Maternal and Child Health Clients Served	68	68
Number of Adults and Adolescents Receiving Family Planning Services	900	900