

PRELIMINARY ESTIMATES OF GENERAL REVENUE AVAILABILITY IN STATE HEALTH CARE PROGRAMS

ANALYSIS BY BILLY HAMILTON CONSULTING

Technical Report Prepared for

Texas Impact

&

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"Serving Humanity to Honor God"



This report provides preliminary estimates of the amount of General Revenue (GR) that would become available in state programs that currently serve the eligible population under a Medicaid expansion to adults. The Affordable Care Act (ACA) provides federal funding for the extension of Medicaid to adults aged 18-64 below 138% FPL.

Conservative estimates indicate that as much as **\$1.2 billion or more in unrestricted GR** from agency base Legislative Appropriation Requests (LARs) for these programs would become available for the FY 2014-15 biennium, assuming that these requests were otherwise appropriated. ***These funds are within current spending limits and not subject to the state's spending cap, effectively freeing them for appropriation to any budgetary purpose.*** For the GR availability to materialize, however, the state would need to opt in to the expansion, which would require an estimated **\$300 million** in GR for administrative expenses during the FY 2014-15 biennium.

The estimates demonstrate that the state will spend enough GR on health care for the eligible population over the next ten years to fund the state share of the Medicaid adult expansion to 2023—about \$8.9 billion—given comparable caseload and health care cost increase factors used in the Health and Human Services Commission's adult expansion projections. The estimate of GR availability without caseload and cost increase factors is \$7.3 billion—substantially higher than the \$4 billion that the Legislative Budget Board has estimated the state would need to fund the state share of the expansion over the next ten years.

State GR is the sole method of finance for some of these programs. Others receive federal matching funds, but at less favorable matching rates than the Medicaid expansion, which would receive 100% match for 2014-2016, declining to 95% in 2017, 94% in 2018, 93% in 2019 and 90% in 2020 and beyond. Although the federal government reduces its funding for block grants by the amount that a state reduces its non-federal spending in affected programs, the beneficiaries would receive the same services under Medicaid at the more favorable match rates. Legislators also have the option of leaving the GR in the programs to provide for enhanced services or other populations.

This report does not estimate the effect on federal or other funding in these programs, or GR *net* savings, but only measures the GR that would become available in these programs if the affected population became eligible for Medicaid under an expansion. Exceptional item and rider appropriation requests are also not included in these estimates, although the methodologies would be the same to determine the GR available in these items and would substantially increase GR availability. The estimates exclude Medicaid-ineligible populations, including those in programs serving adults with incomes greater than 138% FPL under the assumption that they would continue to receive benefits although some may be eligible for subsidized insurance under the ACA. The impact of ACA's insurance subsidies on these programs would result in additional unrestricted GR available to the extent that the affected population enrolled in insurance. The agencies have included some of these estimated effects in Schedule 6.J. of their Legislative Appropriations Requests.

These estimates are preliminary only and may be revised and refined in the future by Billy Hamilton Consulting or state agencies that have access to more detailed data and information through the state's automated budgeting system, internal executive management reports, and budget and program analysts that have intimate knowledge of these programs and the policies that affect them.

Download one-pagers on the expansion impact by legislative district at
www.texasimpact.org/Local-Taxpayers-Win-With-Medicaid
Download the full report at www.mhm.org
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For more information about the report, "Smart, Affordable and Fair" call Texas
Impact at 512/472-3903 or email medicaidreport@texasimpact.org

Preliminary Estimates of General Revenue Availability In State Health Care Programs If Texas Extends Medicaid to Low-Income Adults

Estimates of General Revenue Availability in State Health Care Programs With Medicaid Extension to Adults									
#	Agency	Goal/ Obj/ Strat	State Program	LAR Base Requested - GR Funds Only			GR Available Due to Adult Extension		
				FY 2014	FY 2015	FY 2014-2015	FY 2014	FY 2015	FY 2014-2015
			Total	\$ 1,713,998,370	\$ 1,732,484,633	\$ 3,446,483,003	\$ 454,365,386	\$ 749,476,292	\$ 1,203,841,678
1	HHSC	02-01-03	Medicaid Pregnant Women	\$ 433,837,136	\$ 437,955,011	\$ 871,792,147	\$ 79,303,112	\$ 180,125,636	\$ 259,428,748
2	HHSC	02-01-04-01	Medicaid Health Services-Other Adults-TANF Level	\$ 246,263,754	\$ 251,263,754	\$ 497,527,508	\$ 121,425,305	\$ 182,200,312	\$ 303,625,617
3	HHSC	02-02-01-01	Women's Health Services	\$ 29,745,425	\$ 30,399,825	\$ 60,145,250	\$ 11,322,216	\$ 17,356,958	\$ 28,679,175
4	HHSC	02-02-01-03	Undocumented Aliens & Legal Permanent Residents	\$ 154,139,977	\$ 158,753,467	\$ 312,893,444	\$ 11,050,171	\$ 17,071,362	\$ 28,121,533
5	HHSC	02-02-01-04	Breast and Cervical Cancer Program	\$ 19,758,283	\$ 19,737,241	\$ 39,495,524	\$ 2,377,475	\$ 11,269,093	\$ 13,646,568
6	HHSC	02-02-01-05	Non-Full Benefit Payments-Other	\$ 34,345,817	\$ 34,311,676	\$ 68,657,493	\$ 12,144,960	\$ 18,199,331	\$ 30,344,291
7	HHSC	02-02-03-01	Medical Transportation-Full Risk Broker Model	\$ 29,800,590	\$ 31,166,163	\$ 60,966,753	\$ 529,819	\$ 1,264,782	\$ 1,794,602
8	HHSC	02-02-03-02	Medical Transportation-Fee for Service	\$ 59,687,623	\$ 62,477,734	\$ 122,165,357	\$ 1,061,175	\$ 2,535,466	\$ 3,596,641
9	DSHS	01-02-01-01	Immunize Children & Adults in Texas	\$ 29,301,846	\$ 29,301,846	\$ 58,603,692	\$ 5,782,067	\$ 5,913,478	\$ 11,695,545
10	DSHS	01-02-02-01	HIV/STD Medications	\$ 32,396,044	\$ 32,396,044	\$ 64,792,088	\$ 11,455,505	\$ 17,183,257	\$ 28,638,761
11	DSHS	01-02-02-02	HIV/STD Services	\$ 16,208,791	\$ 16,208,791	\$ 32,417,582	\$ 5,158,404	\$ 7,737,606	\$ 12,891,011
12	DSHS	01-03-03-01	Kidney Health Care	\$ 25,438,516	\$ 25,438,516	\$ 50,877,031	\$ 5,292,911	\$ 7,939,366	\$ 13,232,277
13	DSHS	02-01-04-01	Community Primary Care Services	\$ 13,448,723	\$ 13,448,723	\$ 26,897,446	\$ 5,434,071	\$ 8,151,106	\$ 13,585,177
14	DSHS	02-02-01-01	Mental Health Services for Adults-Outpatient Services	\$ 194,419,383	\$ 194,419,383	\$ 388,838,766	\$ 38,323,156	\$ 57,484,733	\$ 95,807,889
15	DSHS	02-02-01-02	Mental Health Services for Adults-Inpatient Services	\$ 4,792,246	\$ 4,792,246	\$ 9,584,492	\$ 1,049,587	\$ 1,574,380	\$ 2,623,967
16	DSHS	02-02-04-01	NorthSTAR Behavioral Health Waiver Medicaid PMPM	\$ 5,603,459	\$ 5,603,459	\$ 11,206,918	\$ 505,043	\$ 1,744,337	\$ 2,249,380
17	DSHS	02-02-04-02	NorthSTAR Behavioral Health Waiver Indigent PMPM	\$ 26,665,099	\$ 26,665,099	\$ 53,330,198	\$ 13,358,288	\$ 20,037,432	\$ 33,395,719
18	DSHS	02-02-05-03	Substance Abuse Treatment	\$ 12,543,000	\$ 12,543,000	\$ 25,086,000	\$ 3,771,800	\$ 5,657,700	\$ 9,429,500
19	DSHS	02-03-03-01	Indigent Health Care Reimbursement (UTMB)	\$ 5,750,000	\$ 5,750,000	\$ 11,500,000	\$ 2,202,800	\$ 3,304,200	\$ 5,507,001
20	DSHS	02-03-04-01	County Indigent Health Care Services	\$ 581,301	\$ 581,301	\$ 1,162,602	\$ 581,301	\$ 581,301	\$ 1,162,602
21	DSHS	03-01-01-01	Texas Center for Infectious Diseases (TCID)	\$ 10,123,968	\$ 10,123,968	\$ 20,247,936	\$ 6,411,846	\$ 9,617,770	\$ 16,029,616
22	DSHS	03-01-02-01	South Texas Health Care System	\$ 3,160,665	\$ 3,160,664	\$ 6,321,329	\$ 1,464,218	\$ 2,196,326	\$ 3,660,544
23	DSHS	03-01-03-04	Mental Health State Hospital Off-Campus Medical Care	\$ 9,756,776	\$ 9,756,776	\$ 19,513,552	\$ 2,443,903	\$ 3,113,500	\$ 5,557,403
24	DSHS	03-02-01-01	Mental Health Community Hospitals Inpatient Services	\$ 69,503,096	\$ 69,503,096	\$ 139,006,192	\$ 19,325,197	\$ 28,987,796	\$ 48,312,993
25	TDCJ	01-01-04	Treatment Alternatives to Incarceration	\$ 10,435,848	\$ 10,435,848	\$ 20,871,696	\$ 6,433,631	\$ 9,650,447	\$ 16,084,078
26	TDCJ	02-01-01	Special Needs Programs and Services	\$ 18,929,945	\$ 18,929,945	\$ 37,859,890	\$ 11,670,186	\$ 16,376,283	\$ 28,046,469
27	TDCJ	03-01-08	Inpatient and Clinical Care for Incarcerated Adults	\$ 157,311,042	\$ 157,311,041	\$ 314,622,083	\$ 61,875,677	\$ 92,813,514	\$ 154,689,191
28	TDCJ	03-02-04	Substance Abuse Felony Punishment Facilities	\$ 57,383,359	\$ 57,383,359	\$ 114,766,718	\$ 11,589,977	\$ 17,384,966	\$ 28,974,943
29	UTMB	05-01-04	UTMB Indigent Care	\$ 2,666,658	\$ 2,666,658	\$ 5,333,316	\$ 1,021,585	\$ 2,003,854	\$ 3,025,439

Note: Several health programs are not included, such as Women and Children's Health Services, Hepatitis C immunizations, TB, Epilepsy, Hemophilia, Health Promotion & Chronic Disease Prevention, Infectious Disease Prevention, Community Mental Health Crisis, Family Planning Services, TDCJ Diversion Programs (substance abuse treatment), and inpatient costs for adults 18 and over being served in Texas Youth Commission facilities, due to the difficulty in separating client services to eligible adults under the expansion versus other client populations or other services and purposes financed by the strategy, minimal funding amounts or numbers served, or minimal GR funding amounts for services that are provided primarily with federal funds; however, these programs would have GR available to the extent that they serve adults with covered services who would be eligible for a Medicaid extension to adults. In addition, an undetermined amount of GR would be made available due to the reduction in

Estimates of General Revenue Availability in State Health Care Programs With Medicaid Extension to Adults

1

HHSC

Medicaid Pregnant Women

Goal/ Obj/ Strat 02-01-03

Texas chooses to extend Medicaid eligibility to pregnant women and infants up to 185 percent of the federal poverty level (FPL). If Texas opts to extend Medicaid to adults below 138% FPL, beginning in January 2014, women who enroll in Medicaid before they become pregnant would be eligible for the program, and the state would continue to receive the enhanced federal match (FMAP) rate during their pregnancy. The enhanced rate is 100% for 2014-2016, 95% in 2017, 94% in 2018, 93% in 2019 and 90% in 2020 and beyond. The state would receive the regular FMAP for women who enroll after they become pregnant (currently 59.3%). Texas had 128,739 women enrolled in the program in August 2012. HHSC has requested an exceptional item for this strategy (03) to bring the base level of funding to the level of expense required to maintain current services. Although exceptional items are not included in this analysis, in calculating GR available for this item, the same methodology would apply.

LAR Base Requested - GR Funds Only

FY 2014	FY 2015	FY 2014-2015	
\$ 433,837,136	\$ 437,955,011	\$ 871,792,147	0758 GR Match for Medicaid

GR Available Due to Adult Extension

FY 2014	FY 2015	FY 2014-2015
\$ 79,303,112	\$ 180,125,636	\$ 259,428,748

Methodology

To ensure a conservative estimate, reduced GR funds were assumed to be available for FY 2014 since (1) the extension would not begin until January 2014, providing only 8 months until the fiscal year ends at the end of August; (2) after January 2014, women who seek help from the state after becoming pregnant will continue to be served in the Pregnant Women program at the regular FMAP federal match rate. It is further assumed that women in the program as of January 2014 would be immediately enrolled in the adult program after losing their eligibility due to no longer being pregnant. The estimate assumes that about 5% of women served in the program are teens below age 18 who would not be eligible for the adult expansion. Although clients in state health care programs are concentrated in the population below 138% FPL, to ensure a conservative estimate, this methodology assumes concentration levels of clients in income groups that are equivalent to those in the general population. The estimate assumes that the portion of the uninsured population aged 18-64 below 138% FPL is 76% of those with incomes to 185% FPL, and is 24% for those between 138% FPL and 185% FPL, according to estimates based on the U.S. Census, American Community Survey. The estimate is further adjusted in 2014 to account for a first-year phase-in of the expansion of 50% and an uptake rate of 75% of the eligible population, according to HHSC estimates. Based on this assumption, of eligible women who become pregnant in FY 2015, 56.25 percent would have enrolled as adults before becoming pregnant in 2015. No Medicaid-ineligible immigrant adults are served in this program. GR availability resulting from the ACA Health Benefit Exchanges, which will provide subsidized insurance for adults above 138% to 400% FPL, are excluded from the total estimated GR available resulting from the adult expansion.

Estimate

FY 2014	
\$ 433,837,136	Requested
	8 Number of months in FY 2014 for adult Medicaid extension
\$ 289,224,757	Total amount available (8 months)
	95% Percent of women in program who are adults
	76% Estimated portion of women in program below 138% FPL
	50% HHSC phase-in factor for Medicaid extension to adults for 2014
	75% HHSC uptake rate factor for Medicaid extension to adults
\$ 79,303,112	Estimated GR available due to Medicaid extension to adults
FY 2015	
\$ 437,955,011	Requested
	95% Percent of women in program who are adults
	76% Estimated portion of women in program below 138% FPL
	75% HHSC phase-in factor for Medicaid extension to adults
	75% HHSC uptake rate factor for Medicaid extension to adults
\$ 180,125,636	Estimated GR available due to Medicaid extension to adults

Note: Additional GR funds may be available due to the impact of subsidized insurance under the ACA for those with certain income levels above 138% FPL. This estimate excludes additional GR that may be available due to subsidized insurance in the total estimated GR available due to the Medicaid extension to adults. HHSC and DSHS have estimated some of the ACA effects on populations with incomes above 138% FPL in some of their programs and strategies in Schedule 6.J. of their LARs.

Sources: Agency 2014-2015 Legislative Appropriations Requests.

American Community Survey, "Table B27016: Health Insurance Coverage Status and Type By Ratio of Income to Poverty Level in the Past 12 Months By Age," (2011 1-yr. estimates).

Kost, K., & Henshaw, S. (2013). "U.S. Teenage Pregnancies, Births and Abortions, 2008: State Trends by Age, Race and Ethnicity," <http://www.guttmacher.org/pubs/USTPtrendsstate08.pdf>.

Health and Human Services Commission, "Medicaid and CHIP in Perspective," ("Pink Book"), January 2013, p. 5-18, www.hhsc.state.tx.us/medicaid/reports/PB9/PinkBook.pdf.

Estimates of General Revenue Availability in State Health Care Programs With Medicaid Extension to Adults

2

HHSC

Medicaid Health Services-Other Adults-TANF Level

Goal/ Obj/ Strat 02-01-04-01

Parents with incomes up to 14 percent of the federal poverty level (FPL) are eligible for Medicaid in Texas. If Texas opts to extend Medicaid to adults below 138% FPL, beginning in January 2014, the state would receive the enhanced federal match (EFMAP) rate of 100% instead of the current match rate for these parents during 2014-2015. The state would continue to receive the regular FMAP for parents enrolled in the strategy prior to January 2014. Texas had 113,264 Temporary Assistance for Needy Families (TANF) and other adults that received Medicaid in this strategy in August 2012. HHSC has an exceptional item for this strategy (04) to bring the base level of funding to the level of expense required to maintain current services. This exceptional item is not included in the following analysis. However, in calculating GR available for this sub-strategy's share of this item, the same methodology would apply.

LAR Base Requested - GR Funds Only

	FY 2014	FY 2015	FY 2014-2015	
\$	246,263,754	\$ 251,263,754	\$ 497,527,508	0758 GR Match for Medicaid

GR Available Due to Adult Extension

	FY 2014	FY 2015	FY 2014-2015
\$	121,425,305	\$ 182,200,312	\$ 303,625,617

Methodology

The methodology provides for 8 full months of funding in FY 2014 as the Medicaid extension to adults would begin on January 2014. Since the population in this strategy is below 138% FPL, beginning in January 2014 all newly eligible adults would enroll in Medicaid as adults below 138% FPL, receiving the EFMAP rate of 100% for the next biennium. Adults enrolled prior to January 2014 would continue to be served at the regular FMAP. Over time, then, this strategy will phase out. HHSC estimates that it will have 139,469 adults in 2014 and 142,252 in 2015 in this strategy at an average cost per person of \$1,766. Texas approved an average of 8,596 TANF applications per month in FY 2011. Although not all TANF applicants get Medicaid, most do, and although TANF applications sometimes include two adults, most are single adults. This methodology uses the average approved TANF applications as a proxy for average approved Medicaid applications in this strategy. No Medicaid-ineligible immigrant adults are served in this strategy.

Estimate

FY 2014

\$	246,263,754	Requested
	139,469	Number served in strategy
\$	1,766	Avg. cost per person served in strategy
	8,596	Avg. TANF applications approved per month in 2011
	8	Number of months in FY 2014 for adult Medicaid extension
	68,768	Newly eligible adults out of total served (8 months)
	121,425,305	Total cost of newly eligible adults
\$	121,425,305	Estimated GR available due to Medicaid extension to adults

FY 2015

\$	251,263,754	Requested
	142,252	Number served in strategy
\$	1,766	Avg. Cost per person served
	8,596	Avg. TANF applications approved in 2011
	12	Number of months in FY 2015 for adult Medicaid extension
	103,152	Newly eligible adults out of total served
	182,200,312	Total cost of newly eligible adults (8 months)
\$	182,200,312	Estimated GR available due to Medicaid extension to adults

Sources: Agency 2014-2015 Legislative Appropriations Requests.

U.S. Department of Health and Human Services, "TANF: Average Monthly Number of Applications Approved FY 2011," <http://archive.acf.hhs.gov/strategies/ofa/data-reports/caseload/applications/application.html>.

Estimates of General Revenue Availability in State Health Care Programs With Medicaid Extension to Adults

3

HHSC

Women's Health Services

Goal/ Obj/ Strat 02-02-01-01

This sub-strategy includes the women ages 18-44 in the Women's Health Services Program (WHP). Clients receiving WHP services include women under 185% FPL who are not otherwise Medicaid eligible. Women in this program can access family planning services and related health screenings. From January 2007 through October 2012, women's health services operated under a Medicaid waiver funded with 90 percent federal funding. Effective October 2012, the program is supported with state funding. An extension of Medicaid to adults aged 18-64 below 138% FPL would absorb some of this population; however, this population also includes Medicaid-ineligible immigrants as well as individuals with incomes between 138% FPL and 185% FPL. HHSC estimates that the program will serve 19,173 in 2014 and 19,894 in 2015.

LAR Base Requested - GR Funds Only

	FY 2014	FY 2015	FY 2014-2015	
\$	29,745,425	\$ 30,399,825	\$ 60,145,250	0001 General Revenue Fund

GR Available Due to Adult Extension

	FY 2014	FY 2015	FY 2014-2015
\$	11,322,216	\$ 17,356,958	\$ 28,679,175

Methodology

The methodology provides for 8 full months of funding in FY 2014 as the Medicaid extension to adults would begin on January 2014. The estimate has been adjusted to provide continued funding for uninsured Medicaid-ineligible immigrants aged 18-64 below 138% FPL and uninsured adults aged 18-64 between 138% FPL and 185% FPL. About 25.8% of uninsured adults aged 18-64 below 138% FPL in Texas would be Medicaid-ineligible due to their immigration status, as would about 24% of uninsured adults aged 18-64 with incomes between 138% and 185% FPL in Texas. (It should be noted that this amount includes women no longer of child-bearing age, resulting in a conservative estimate.) GR availability resulting from the ACA Health Benefit Exchanges, which will provide subsidized insurance for adults above 138% to 400% FPL, are excluded from the total estimated GR available resulting from the adult expansion.

Estimate

FY 2014

\$	29,745,425	Requested
	8	Number of months in FY 2014 for adult Medicaid extension
\$	19,830,283	Total amount available (8 months)
	76.0%	Estimated portion of women in program below 138% FPL
\$	15,067,202	Remaining adjusted amount available
	24.9%	Percent of uninsured adults aged 18-64 below 138% FPL ineligible due to immigration status
\$	11,322,216	Estimated GR available due to Medicaid extension to adults

FY 2015

\$	30,399,825	Requested
	12	Number of months in FY 2015 for adult Medicaid extension
\$	30,399,825	Total amount available (12 months)
	76.0%	Estimated portion of women in program below 138% FPL
\$	23,098,021	Remaining adjusted amount available
	24.9%	Percent of uninsured adults aged 18-64 below 138% FPL ineligible due to immigration status
\$	17,356,958	Estimated GR available due to Medicaid extension to adults

Note: Additional GR funds may be available due to the impact of subsidized insurance under the ACA for those with certain income levels above 138% FPL. This estimate excludes additional GR that may be available due to subsidized insurance in the total estimated GR available due to the Medicaid extension to adults. HHSC and DSHS have estimated some of the ACA effects on populations with incomes above 138% FPL in some of their programs and strategies in Schedule 6.J. of their LARs.

Sources: Agency 2014-2015 Legislative Appropriations Requests.

Estimates by Michael E. Cline, Ph.D. and Steve Murdock, Ph.D., based on data used in developing the report "Estimates of the Impact of the Affordable Care Act on Counties in Texas", p. 16, (San Antonio, Texas: Methodist Healthcare Ministries of South Texas, Inc, April 2012).

U.S. Department of Homeland Security, "Persons Obtaining Legal Permanent Resident Status During Fiscal Year by State of Residence and Selected Characteristics," 2007-2011, 2011 Yearbook of Immigration Statistics, www.dhs.gov/sites/default/files/.../yearbook/2011/ois_yb_2011.pdf.

**Estimates of General Revenue Availability in State Health Care Programs With Medicaid Extension to Adults
4**

HHSC

Undocumented Aliens & Legal Permanent Residents

Goal/ Obj/ Strat 02-02-01-03

This sub-strategy provides services in accordance with the Omnibus Reconciliation Act of 1986, which mandates Medicaid coverage for aliens residing legally or illegally in the U.S. who have an emergency condition. An applicant must meet all Medicaid eligibility (TANF-level income) criteria, except citizenship, and have an emergency medical condition. Medicaid coverage is limited to services related to the emergency condition.

LAR Base Requested - GR Funds Only

	FY 2014	FY 2015	FY 2014-2015	
\$	154,139,977	\$ 158,753,467	\$ 312,893,444	0758 GR Match for Medicaid

GR Available Due to Adult Extension

	FY 2014	FY 2015	FY 2014-2015
\$	11,050,171	\$ 17,071,362	\$ 28,121,533

Methodology

The methodology provides for 8 full months of funding in FY 2014 as the Medicaid extension to adults would begin on January 2014. Although undocumented immigrants would not be eligible for Medicaid under an extension to adults, immigrants here legally who have resided here for more than five years would be eligible. Approximately 20.2% of total immigrants residing in Texas are legal permanent residents who have been in the state since 1996, and 79.8% are undocumented. Of the immigrants here legally, 179,154 arrived from 2007-2011, according to the U.S. Department of Homeland Security, which is about 46.8% of the total, leaving 53.2% who would be eligible for Medicaid if it is extended to adults. The estimate has been adjusted to remove undocumented immigrants and legal permanent residents arriving in the past five years from those who would be eligible under the adult extension. HHSC did not estimate ACA-related savings for this sub-strategy. Under the ACA, legal aliens would be eligible for subsidized insurance if they have resided here for more than five years. The estimated GR available for the adult expansion excludes any GR availability due to ACA subsidized insurance.

Estimate

	FY 2014	
\$	154,139,977	Requested
	8	Number of months in FY 2014 for adult Medicaid extension
\$	102,759,985	Total amount available (8 months)
	79.8%	Less undocumented immigrants
\$	20,756,256	Amount available after providing for undocumented immigrants
	53.2%	Legal permanent residents residing longer than five years as share of total legal immigrants
\$	11,050,171	Estimated GR available due to Medicaid extension to adults
	FY 2015	
\$	158,753,467	Requested
	12	Number of months in FY 2015 for adult Medicaid extension
\$	158,753,467	Total amount available (12 months)
	79.8%	Less undocumented immigrants
\$	32,066,253	Amount available after providing for undocumented immigrants
	53.2%	Legal permanent residents residing longer than five years as share of total legal immigrants
\$	17,071,362	Estimated GR available due to Medicaid extension to adults

Note: Additional GR funds may be available due to the impact of subsidized insurance under the ACA for those with certain income levels above 138% FPL who are legal permanent residents who have been in the state for more than five years. This estimate excludes the additional GR that may be available due to subsidized insurance in the total estimated GR available due to the Medicaid extension to adults. HHSC and DSHS have estimated some of the ACA effects on populations with incomes above 138% FPL in some of their programs and strategies in Schedule 6.J. of their LARs.

Sources: Agency 2014-2015 Legislative Appropriations Requests.

Estimates by Michael E. Cline, Ph.D. and Steve Murdock, Ph.D., based on data used in developing the report "Estimates of the Impact of the Affordable Care Act on Counties in Texas", p. 16, (San Antonio, Texas: Methodist Healthcare Ministries of South Texas, Inc, April 2012).

U.S. Department of Homeland Security, "Persons Obtaining Legal Permanent Resident Status During Fiscal Year by State of Residence and Selected Characteristics," 2007-2011, 2011 Yearbook of Immigration Statistics, www.dhs.gov/sites/default/files/.../yearbook/2011/ois_yb_2011.pdf.

Estimates of General Revenue Availability in State Health Care Programs With Medicaid Extension to Adults

5

HHSC

Breast and Cervical Cancer Program

Goal/ Obj/ Strat 02-02-01-04

This sub-strategy of the Medicaid Health Services-Non-Full Benefit Payments strategy includes medical payments for Medicaid Breast and Cervical Cancer (MBCC) which provides Medicaid to eligible women aged 18-64 at or below 200% FPL who are screened under the Centers for Disease Control and Prevention's (CDC) National Breast and Cervical Cancer Early Detection Program (NBCCEDP) and are found to have breast or cervical cancer, including pre-cancerous conditions. A woman eligible for MBCC receives full Medicaid benefits beginning the day after she received a qualifying diagnosis and for the duration of her cancer treatment. Services are not limited to the treatment of breast and cervical cancer. A woman can continue to receive full Medicaid benefits as long as she meets the eligibility criteria at her coverage renewal period and provides proof from her treating physician that she is receiving active treatment for breast or cervical cancer. These services are matched at the CHIP enhanced matching rate or EFMAP (71.51), which is derived from the Medicaid match rate. The average number of non-citizens recipient months per month is 11,020 for FY 2014 and 11,344 for FY 2015 for the Non-Full Benefit Payments strategy (02-02-01), which includes this sub-strategy.

LAR Base Requested - GR Funds Only

FY 2014	FY 2015	FY 2014-2015	
\$ 19,758,283	\$ 19,737,241	\$ 39,495,524	0758 GR Match for Medicaid

GR Available Due to Adult Extension

FY 2014	FY 2015	FY 2014-2015
\$ 2,377,475	\$ 11,269,093	\$ 13,646,568

Methodology

The methodology provides for 8 full months of funding in FY 2014 as the Medicaid extension to adults would begin on January 2014. The estimate is adjusted to provide continued funding for uninsured adults aged 18-64 between 138% FPL and 200% FPL, about 29.4% of the population with incomes below 200% FPL in Texas, and uninsured Medicaid-ineligible immigrant adults aged 18-64 below 138% FPL, about 24.9% of uninsured adults aged 18-64 below 138% FPL. GR availability resulting from the ACA Health Benefit Exchanges, which will provide subsidized insurance for adults above 138% to 400% FPL, are excluded from the total estimated GR available resulting from the adult expansion.

Estimate

FY 2014

\$ 19,758,283	Requested
	8 Number of months in FY 2014 for adult Medicaid extension
\$ 13,172,189	Total amount available (8 months)
	24.0% Estimated portion of women in program below 138% FPL
\$ 3,163,859	Remaining adjusted amount available
	24.9% Percent of uninsured adults aged 18-64 below 138% FPL ineligible due to immigration status
\$ 2,377,475	Estimated GR available due to Medicaid extension to adults

FY 2015

\$ 19,737,241	Requested
	12 Number of months in FY 2015 for adult Medicaid extension
\$ 19,737,241	Total amount available (12 months)
	76.0% Estimated portion of women in program below 138% FPL
\$ 14,996,507	Remaining adjusted amount available
	24.9% Percent of uninsured adults aged 18-64 below 138% FPL ineligible due to immigration status
\$ 11,269,093	Estimated GR available due to Medicaid extension to adults

Note: Additional GR funds may be available due to the impact of subsidized insurance under the ACA for those with certain income levels above 138% FPL. This estimate excludes additional GR that may be available due to subsidized insurance in the total estimated GR available due to the Medicaid extension to adults. HHSC and DSHS have estimated some of the ACA effects on populations with incomes above 138% FPL in some of their programs and strategies in Schedule 6.J. of their LARs.

Sources: Agency 2014-2015 Legislative Appropriations Requests.

American Community Survey, "Table B27016: Health Insurance Coverage Status and Type By Ratio of Income to Poverty Level in the Past 12 Months By Age," (2011 1-yr. estimates).

Estimates by Michael E. Cline, Ph.D. and Steve Murdock, Ph.D., based on data used in developing the report "Estimates of the Impact of the Affordable Care Act on Counties in Texas", p. 16, (San Antonio, Texas: Methodist Healthcare Ministries of South Texas, Inc, April 2012).

U.S. Department of Homeland Security, "Persons Obtaining Legal Permanent Resident Status During Fiscal Year by State of Residence and Selected Characteristics," 2007-2011, 2011 Yearbook of Immigration Statistics, www.dhs.gov/sites/default/files/.../yearbook/2011/ois_yb_2011.pdf.

Estimates of General Revenue Availability in State Health Care Programs With Medicaid Extension to Adults 6

HHSC

Non-Full Benefit Payments-Other

Goal/ Obj/ Strat 02-02-01-05

This sub-strategy includes Fee For Service, Substance Abuse, Rural Health Clinics, and Tuberculosis Clinics and provides client services for those with incomes up to 200% FPL. An extension of Medicaid to adults aged 18-64 below 138% FPL would absorb some of this population; however, this population also includes undocumented immigrants as well as individuals between 138% FPL and 200% FPL.

LAR Base Requested - GR Funds Only

	FY 2014	FY 2015	FY 2014-2015	
\$	34,345,817	\$ 34,311,676	\$ 68,657,493	0758 GR Match for Medicaid

GR Available Due to Adult Extension

	FY 2014	FY 2015	FY 2014-2015
\$	12,144,960	\$ 18,199,331	\$ 30,344,291

Methodology

The methodology provides for 8 full months of funding in FY 2014 as the Medicaid extension to adults would begin on January 2014. The estimate is adjusted to provide continued funding for uninsured adults aged 18-64 between 138% FPL and 200% FPL, about 29.4% of the Texas population with incomes below 200% FPL, who would be ineligible for the expansion. In addition, about 24.9% of uninsured adults aged 18-64 below 138% FPL would be ineligible due to their immigration status. The estimate has been adjusted to provide continued funding for these adults, although citizens and legal permanent residents in the U.S. longer than five years with incomes between 138%-200% FPL would be eligible for insurance subsidies under the ACA. DSHS has identified \$326,772 in savings in 2015 in GR as a result of the ACA Health Benefit Exchanges impact. This nominal amount is included in the 29.4% excluded from the estimate to accommodate the adults between 138%-200% FPL. GR availability resulting from the ACA Health Benefit Exchanges, which will provide subsidized insurance for adults between 138% to 400% FPL, are excluded from the total estimated GR available resulting from the adult expansion.

Estimate

FY 2014

\$	34,345,817	Requested
	8	Number of months in FY 2014 for adult Medicaid extension
\$	22,897,211	Total amount available (8 months)
	29.4%	Percent of uninsured adults aged 18-64 with incomes to 200% FPL who are between 138%-200% FPL
\$	15,162,080	Remaining adjusted amount available
	24.9%	Percent of uninsured adults aged 18-64 below 138% FPL ineligible due to immigration status
\$	12,144,960	Estimated GR available due to Medicaid extension to adults

FY 2015

\$	34,311,676	Requested
	12	Number of months in FY 2015 for adult Medicaid extension
\$	34,311,676	Total amount available (12 months)
	29.4%	Percent of uninsured adults aged 18-64 with incomes to 200% FPL who are between 138%-200% FPL
\$	24,219,021	Remaining adjusted amount available
	24.9%	Percent of uninsured adults aged 18-64 below 138% FPL ineligible due to immigration status
\$	18,199,331	Estimated GR available due to Medicaid extension to adults

Note: Additional GR funds may be available due to the impact of subsidized insurance under the ACA for those with certain income levels above 138% FPL. This estimate excludes additional GR that may be available due to subsidized insurance in the total estimated GR available due to the Medicaid extension to adults. HHSC and DSHS have estimated some of the ACA effects on populations with incomes above 138% FPL in some of their programs and strategies in Schedule 6.J. of their LARs.

Sources: Agency 2014-2015 Legislative Appropriations Requests.

American Community Survey, "Table B27016: Health Insurance Coverage Status and Type By Ratio of Income to Poverty Level in the Past 12 Months By Age," (2011 1-yr. estimates).

Estimates by Michael E. Cline, Ph.D. and Steve Murdock, Ph.D., based on data used in developing the report "Estimates of the Impact of the Affordable Care Act on Counties in Texas", p. 16, (San Antonio, Texas: Methodist Healthcare Ministries of South Texas, Inc, April 2012).

U.S. Department of Homeland Security, "Persons Obtaining Legal Permanent Resident Status During Fiscal Year by State of Residence and Selected Characteristics," 2007-2011, 2011 Yearbook of Immigration Statistics, www.dhs.gov/sites/default/files/.../yearbook/2011/ois_yb_2011.pdf.

Estimates of General Revenue Availability in State Health Care Programs With Medicaid Extension to Adults

7

HHSC

Medical Transportation-Full Risk Broker Model

Goal/ Obj/ Strat 02-02-03-01

This sub-strategy includes payments made to Full Risk Brokers (FRBs) who manage non-emergency medical transportation (NEMT) services in the Houston/Beaumont and Dallas/Fort Worth service delivery areas. FRBs arrange NEMT services on a full-risk basis. HHSC pays each vendor a set per-Medicaid-eligible person-per-month rate. The vendor arranges transportation-related services for program-eligible clients. During FY 2012 non-emergency medical transportation (NEMT) services were expanded to include full-risk broker services in the Dallas/Fort Worth and Houston/Beaumont areas. The contractors in these areas coordinate non-emergency travel planning, coordination, and services to the Medicaid-eligible residents within their service delivery areas. The full-risk broker contracts with transportation providers within their delivery areas. Although most Medicaid beneficiaries that use medical transportation are children, a portion of riders are adults that over time would be replaced with adults who would be eligible for the more favorable Medicaid federal match rate that newly eligible adults will receive under the expansion.

LAR Base Requested - GR Funds Only			
FY 2014	FY 2015	FY 2014-2015	
\$ 29,800,590	\$ 31,166,163	\$ 60,966,753	0758 GR Match for Medicaid

GR Available Due to Adult Extension			
FY 2014	FY 2015	FY 2014-2015	
\$ 529,819	\$ 1,264,782	\$ 1,794,602	

Methodology

The methodology provides for 8 full months of funding in FY 2014 as the Medicaid extension to adults would begin on January 2014. The estimate has been adjusted to account for the share of adults in the Medicaid population (TANF-Level Adults (3.35%) and Pregnant Women (3.6%)), as well as the phase-in and uptake rate effects of an extension of Medicaid to adults. Since the more favorable match rate provided by the extension would not be available to Medicaid beneficiaries who are already in the program, the TANF-level portion of the estimate has been adjusted to account for the turnover rate in the program since 2014 using the methodology in the TANF-Level Income Medicaid Health Services strategy (49.3% each year from 2014). Since not all Pregnant Women adults would enroll before they become pregnant, in 2014, the Pregnant Women adults share is adjusted to account for HHSC's assumption of a 50% implementation phase-in of the adult expansion and an uptake rate of 75% of uninsured adults. According to HHSC, Pregnant Women account for 3.6% of the Medicaid population, and 76% of the population below 185% FPL are estimated to be below 138% FPL. In 2015, the Pregnant Women expansion adults share is adjusted to account for HHSC's assumption of a 75% implementation phase-in of the adult expansion and an uptake rate of 75% of uninsured adults. Medicaid-ineligible adults are not served in this program. Since not all Pregnant Women adults would enroll before they become pregnant, in 2015, the Pregnant Women expansion adults share is adjusted to account for HHSC's assumption of an uptake rate of 75% of uninsured adults and a 75% implementation phase-in of the adult expansion.

Estimate

FY 2014	
\$ 29,800,590	Requested
\$ 19,857,060	8 Number of months in FY 2014 for adult Medicaid extension Total amount available (8 months)
\$ 666,469	3.4% TANF-level adults as percentage of total Medicaid population Adult share of funds requested (8 months)
\$ 328,616	49.3% Estimated turnover in TANF-level population TANF-level adults adjusted share of requested funding
\$ 706,156	3.6% Pregnant Women adults as percentage of total Medicaid population Pregnant Women adults share of requested funding
\$ 536,543	76.0% Estimated portion of women in program below 138% FPL Adult share of funds requested (12 months)
\$ 201,203	50.0% HHSC program phase-in factor (2014) 75.0% HHSC uptake rate factor Pregnant Women adults adjusted share of requested funding
\$ 529,819	TANF-level adults and Pregnant Women adults adjusted share of requested funding
\$ 529,819	Estimated GR available due to Medicaid extension to adults
FY 2015	
\$ 31,166,163	Requested
\$ 31,166,163	12 Number of months in FY 2015 for adult Medicaid extension Total amount available (12 months)
\$ 1,045,513	3.4% TANF-level adults as percentage of total Medicaid population TANF-level adults share of requested funding
\$ 791,330	75.7% Estimated newly eligible TANF-level adult population given turnover rate TANF-level adults adjusted share of requested funding
\$ 1,107,772	3.6% Pregnant Women adults as percentage of total Medicaid population Pregnant Women adults share of requested funding
\$ 841,693	76.0% Estimated portion of women in program below 138% FPL Adult share of funds requested (12 months)
\$ 473,453	75.0% HHSC program phase-in factor (2015) 75.0% HHSC uptake rate factor Pregnant Women adults adjusted share of requested funding
\$ 1,264,782	TANF-level adults and Pregnant Women adults adjusted share of requested funding
\$ 1,264,782	Estimated GR available due to Medicaid extension to adults

Note: Additional GR funds may be available due to the impact of subsidized insurance under the ACA for those with certain income levels above 138% FPL. This estimate excludes additional GR that may be available due to subsidized insurance in the total estimated GR available due to the Medicaid extension to adults. HHSC and DSHS have estimated some of the ACA effects on populations with incomes above 138% FPL in some of their programs and strategies in Schedule 6.J. of their LARs.

Sources: Agency 2014-2015 Legislative Appropriations Requests.

American Community Survey, "Table B27015: Health Insurance Coverage Status and Type By Ratio of Income to Poverty Level in the Past 12 Months By Age," (2011 1-yr. estimates).

Health and Human Services Commission, "Medicaid and CHIP in Perspective," ("Pink Book"), January 2013, p. 5-18, www.hhsc.state.tx.us/medicaid/reports/PBS/PinkBook.pdf.

Health and Human Services Commission, "Final Count - Medicaid Enrollment by County - August 2012," <http://www.hhsc.state.tx.us/research/MedicaidEnrollment/ME/201208.html>.

U.S. Department of Health and Human Services, "TANF: Average Monthly Number of Applications Approved FY 2011," <http://archive.acf.hhs.gov/strategies/ofa/data-reports/caseload/applications/application.html>.

Estimates of General Revenue Availability in State Health Care Programs With Medicaid Extension to Adults

8

HHSC

Medical Transportation-Fee for Service

Goal/ Obj/ Strat 02-02-03-02

The Medical Transportation Program (MTP) strategy includes funding for non-emergency medical transportation (NEMT) for Medicaid clients who have no other means of transportation available to access Medicaid-covered services. States are federally required to provide NEMT for clients to and from Medicaid-covered services provided by a Medicaid enrolled qualified service provider. DSHS clients in the Children with Special Health Care Needs (CSHCN) Services Program and the Transportation for Indigent Cancer Patient (TICP) Program also use MTP services. MTP services include: bus passes [including passes for Special Transit Services]; demand-response transportation services when fixed route public transportation services are not available or may not meet a client's needs; and mileage reimbursement for a family member or friend to drive a client to health care services. Transportation services which cannot be arranged through bus pass, demand response or mileage reimbursement, as well as lodging and meal services, may be arranged through special authorization for clients through age 20. Federal law also requires states to provide an attendant during transportation if medically necessary. Although most Medicaid beneficiaries that use medical transportation are children, a portion of riders are adults that over time would be replaced with adults who would be eligible for the more favorable Medicaid federal match rate that newly eligible adults will receive. GR availability resulting from the ACA Health Benefit Exchanges, which will provide subsidized insurance for adults above 138% to 400% FPL, are excluded from the total estimated GR available resulting from the adult expansion.

LAR Base Requested - GR Funds Only			
FY 2014	FY 2015	FY 2014-2015	
\$ 513,396	\$ 513,396	\$ 1,026,792	0001 General Revenue Fund
\$ 59,174,227	\$ 61,964,338	\$ 121,138,565	0758 GR Match for Medicaid
\$ 59,687,623	\$ 62,477,734	\$ 122,165,357	

GR Available Due to Adult Extension			
FY 2014	FY 2015	FY 2014-2015	
\$ 1,061,175	\$ 2,535,466	\$ 3,596,641	

Methodology

The methodology provides for 8 full months of funding in FY 2014 as the Medicaid extension to adults would begin on January 2014. The estimate has been adjusted to account for the share of adults in the Medicaid population (TANF-Level Adults (3.35%) and Pregnant Women (3.6%)), as well as the phase-in and uptake rate effects of an extension of Medicaid to adults. Since the more favorable match rate provided by the extension would not be available to Medicaid beneficiaries who are already in the program, the TANF-level portion of the estimate has been adjusted to account for the turnover rate in the program since 2014 using the methodology in the TANF-Level Income Medicaid Health Services strategy (49.3% each year from 2014). Since not all Pregnant Women adults would enroll before they become pregnant, in 2014, the Pregnant Women adults share is adjusted to account for HHSC's assumption of a 50% implementation phase-in of the adult expansion and an uptake rate of 75% of uninsured adults. According to HHSC, Pregnant Women account for 3.6% of the Medicaid population, and 76% of the population below 185% FPL are estimated to be below 138% FPL. In 2015, the Pregnant Women adults share is adjusted to account for HHSC's assumption of a 75% implementation phase-in of the adult expansion and an uptake rate of 75% of uninsured adults. Medicaid-ineligible adults are not served in this program. Since not all Pregnant Women adults would enroll before they become pregnant, in 2015, the Pregnant Women adults share is adjusted to account for HHSC's assumption of an uptake rate of 75% of uninsured adults and a 75% implementation phase-in of the adult expansion.

Estimate

FY 2014	
\$ 59,687,623	Requested
8	Number of months in FY 2014 for adult Medicaid extension
\$ 39,791,749	Total amount available (8 months)
3.4%	TANF-level adults as percentage of total Medicaid population
\$ 1,334,870	Adult share of funds requested (8 months)
49.3%	Estimated turnover in TANF-level population
\$ 658,185	TANF-level adults adjusted share of funds requested (8 months)
3.6%	Pregnant Women adults as percentage of total Medicaid population
\$ 1,414,360	Pregnant Women adults share of requested funding
76.0%	Estimated portion of women in program below 138% FPL
\$ 1,074,642	Adult share of funds requested (8 months)
50.0%	HHSC program phase-in factor (2015)
75.0%	HHSC uptake rate factor
\$ 402,991	Pregnant Women adults adjusted share of requested funding
\$ 1,061,175	TANF-level adults and Pregnant Women adults adjusted share of requested funding
\$ 1,061,175	Estimated GR available due to Medicaid extension to adults
FY 2015	
\$ 62,477,734	Requested
12	Number of months in FY 2015 for adult Medicaid extension
\$ 62,477,734	Total amount available (12 months)
3.4%	TANF-level adults as percentage of total Medicaid population
\$ 2,095,904	TANF-level adults share of requested funding
75.7%	Estimated newly eligible TANF-level adult population given turnover rate
\$ 1,586,351	TANF-level adults adjusted share of requested funding
3.6%	Pregnant Women adults as percentage of total Medicaid population
\$ 2,220,712	Pregnant Women adults share of requested funding
76.0%	Estimated portion of women in program below 138% FPL
\$ 1,587,314	Adult share of funds requested (12 months)
75.0%	HHSC program phase-in factor (2015)
75.0%	HHSC uptake rate factor
\$ 949,114	Pregnant Women adults adjusted share of requested funding
\$ 2,535,466	TANF-level adults and Pregnant Women adults adjusted share of requested funding
\$ 2,535,466	Estimated GR available due to Medicaid extension to adults

Note: Additional GR funds may be available due to the impact of subsidized insurance under the ACA for those with certain income levels above 138% FPL. This estimate excludes additional GR that may be available due to subsidized insurance in the total estimated GR available due to the Medicaid extension to adults. HHSC and DSHS have estimated some of the ACA effects on populations with incomes above 138% FPL in some of their programs and strategies in Schedule 6.J. of their LARs.

Data Sources: Agency 2014-2015 Legislative Appropriations Requests.
 American Community Survey, "Table B27016: Health Insurance Coverage Status and Type By Ratio of Income to Poverty Level in the Past 12 Months By Age," (2011 1-yr. estimates).
 Health and Human Services Commission, "Final Count - Medicaid Enrollment by County - August 2012, <http://www.hhsc.state.tx.us/research/MedicaidEnrollment/ME/201208.html>.
 U.S. Department of Health and Human Services, "TANF: Average Monthly Number of Applications Approved FY 2011," <http://archive.acf.hhs.gov/strategies/ofa/data-reports/caseload/applications/application.html>.

Estimates of General Revenue Availability in State Health Care Programs With Medicaid Extension to Adults

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DSHS

Immunize Children & Adults in Texas

Goal/ Obj/ Strat 01-02-01-01

This strategy provides immunization services to prevent, control, reduce and eliminate vaccine-preventable diseases in children and adults, with emphasis on children under 36 months of age. This strategy also provides for program planning and evaluation; management of the immunization registry, ImmTrac; quality assurance for providers enrolled in the Texas Vaccines for Children (TVFC); perinatal hepatitis B prevention; adolescent immunizations; adult immunizations; education, information, training and partnership; epidemiology and surveillance; population assessment activities such as monitoring school and day care compliance with the immunization requirements; and linkage with WIC. Services also include accounting for vaccines distributed to clinics enrolled in the TVFC; educating providers with educational and promotional materials for parents, providers and the public; and assuring compliance with regulations for handling vaccines by participating local health departments or DSHS Public Health Regional (PHR) clinics. Immunization services and education are coordinated across agency program such as Title V HIV/STD, Breast and Cervical Cancer Services, WIC, Texas Health Steps, Community Preparedness, and the Infectious Disease Control Unit.

LAR Base Requested - GR Funds Only			
FY 2014	FY 2015	FY 2014-2015	
\$ 15,711,680	\$ 15,711,679	\$ 31,423,359	0001 General Revenue
\$ 10,298,389	\$ 10,298,389	\$ 20,596,778	8003 GR For Mat & Child Health
\$ 3,291,777	\$ 3,291,778	\$ 6,583,555	8042 Insurance Maint Tax Fees
\$ 29,301,846	\$ 29,301,846	\$ 58,603,692	

GR Available Due to Adult Extension			
FY 2014	FY 2015	FY 2014-2015	
\$ 5,782,067	\$ 5,913,478	\$ 11,695,545	

Methodology
 The methodology provides for 8 full months of funding in FY 2014 as the Medicaid extension to adults would begin on January 2014. The estimate is adjusted to provide for funding for all services except the cost of adult immunizations for the eligible adult population under an extension of Medicaid to adults. DSHS estimates that 400,000 doses of vaccines would be administered in each year of the biennium to adults with a cost of \$44 in FY 2014 and \$45 in FY 2015. Although adults in the program are likely concentrated in the under 138% FPL category, to ensure a conservative estimate, the methodology has been adjusted using the percent of uninsured adults aged 18-64 with incomes above 138% FPL in the Texas population, which account for about 56.3%, in order to provide continued funding for those above 138% FPL. The estimate is also adjusted to provide continued funding for about 24.9% of adults aged 18-64 below 138% FPL who would be ineligible for the Medicaid extension to adults due to their immigration status. DSHS estimates that the ACA insurance exchange will result in a reduction in GR spending of \$937,477 in FY 2015 only; however, by accounting for nearly \$10 million for those above 138% FPL, the methodology already accounts for more than that amount. GR availability resulting from the ACA Health Benefit Exchanges, which will provide subsidized insurance for adults above 138% to 400% FPL, are excluded from the total estimated GR available resulting from the adult expansion.

Estimate

FY 2014	
\$ 29,301,846	Requested
	8 Number of months in FY 2014 for adult Medicaid extension
\$ 19,534,564	Total amount available (8 months)
	400,000 Doses administered to adults
\$ 44.00	State cost per dose
\$ 17,600,000	Remaining adjusted amount available
	56.3% Percent of uninsured population above 138% FPL
\$ 7,694,568	Remaining adjusted amount available
	24.9% Percent of uninsured adults aged 18-64 below 138% FPL ineligible due to immigration status
\$ 5,782,067	Estimated GR available due to Medicaid extension to adults

FY 2015	
\$ 29,301,846	Requested
	12 Number of months in FY 2015 for adult Medicaid extension
\$ 29,301,846	Total amount available (12 months)
	400,000 Doses administered to adults
\$ 45.00	State cost per dose
\$ 18,000,000	Remaining adjusted amount available
	56.3% Percent of uninsured population above 138% FPL
\$ 7,859,445	Remaining adjusted amount available
	24.9% Percent of uninsured adults aged 18-64 below 138% FPL ineligible due to immigration status
\$ 5,913,478	Estimated GR available due to Medicaid extension to adults

Note: Additional GR funds may be available due to the impact of subsidized insurance under the ACA for those with certain income levels above 138% FPL. This estimate excludes additional GR that may be available due to subsidized insurance in the total estimated GR available due to the Medicaid extension to adults. HHSC and DSHS have estimated some of the ACA effects on populations with incomes above 138% FPL in some of their programs and strategies in Schedule 6.J. of their LARs.

Sources: Agency 2014-2015 Legislative Appropriations Requests.
 American Community Survey, "Table B27016: Health Insurance Coverage Status and Type By Ratio of Income to Poverty Level in the Past 12 Months By Age," (2011 1-yr. estimates).
 Estimates by Michael E. Cline, Ph.D. and Steve Murdock, Ph.D., based on data used in developing the report "Estimates of the Impact of the Affordable Care Act on Counties in Texas", p. 16, (San Antonio, Texas: Methodist Healthcare Ministries of South Texas, Inc, April 2012).
 U.S. Department of Homeland Security, "Persons Obtaining Legal Permanent Resident Status During Fiscal Year by State of Residence and Selected Characteristics," 2007-2011, 2011 Yearbook of Immigration Statistics, www.dhs.gov/sites/default/files/.../yearbook/2011/ois_yb_2011.pdf.

Estimates of General Revenue Availability in State Health Care Programs With Medicaid Extension to Adults

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DSHS

HIV/STD Medications

Goal/ Obj/ Strat 01-02-02-01

HIV/STD Medication activities include the purchase and distribution of life-sustaining medications to treat HIV infection. HIV medications delay the onset of symptomatic disease, prevent life-threatening opportunistic infections, and extend the life span of persons living with HIV disease. Proper treatment regimens effectively control the level of virus in the patient's body and reduce the infectiousness of that patient, lessening the danger of transmission to others. AIDS Drug Assistance Programs (ADAPs) are authorized under Part B of the Federal Ryan White Treatment Extension Act of 2009. The Texas ADAP, which is part of the Texas HIV Medication Program (THMP), provides medications for HIV-infected Texans who are uninsured or underinsured for prescription medications and have incomes of 200% or less of the current Federal Poverty Level. In FY2011, the THMP assisted more than 16,000 Texans with HIV, providing more than 350,000 prescriptions. This sub-strategy also includes the activity of providing medications to prevent and treat sexually transmitted diseases (STD) including syphilis, gonorrhea, and chlamydia. An extension of Medicaid to adults aged 18-64 below 138% FPL would absorb some of this population; however, this population also includes undocumented immigrants as well as individuals above 138% FPL and below 200% FPL. The program will serve 19,173 in 2014 and 19,894 in 2015.

LAR Base Requested - GR Funds Only

	FY 2014	FY 2015	FY 2014-2015	
\$	32,396,044	\$ 32,396,044	\$ 64,792,088	8005 GR For HIV Services

GR Available Due to Adult Extension

	FY 2014	FY 2015	FY 2014-2015
\$	11,455,505	\$ 17,183,257	\$ 28,638,761

Methodology

The methodology provides for 8 full months of funding in FY 2014 as the Medicaid extension to adults would begin on January 2014. In addition, about 24.9% of uninsured adults aged 18-64 below 138% FPL would be ineligible under a Medicaid extension to adults due to their immigration status. The estimate has been adjusted to provide continued funding for these adults. Although adults in the program are likely concentrated in the under 138% FPL category, to ensure a conservative estimate, the methodology has been adjusted using the number of uninsured adults aged 18-64 with incomes between 138% and 200% FPL as a share of those with incomes below 200% FPL, about 29.4%. This population would be eligible for subsidized insurance under the ACA Health Benefit Exchange. DSHS has identified \$326,772 in savings in 2015 in GR as a result of the ACA Health Benefit Exchanges impact. This methodology includes these savings by excluding 29.4% of the requested amount to serve adults between 138%-200% FPL. GR availability resulting from the ACA Health Benefit Exchanges, which will provide subsidized insurance for adults above 138% to 400% FPL, are excluded from the total estimated GR available resulting from the adult expansion.

Estimate

FY 2014

\$	32,396,044	Requested
	8	Number of months in FY 2014 for adult Medicaid extension
\$	21,597,363	Total amount available (8 months)
	29.4%	Percent of uninsured adults aged 18-64 with incomes to 200% FPL who are between 138%-200% FPL
\$	15,244,577	Remaining adjusted amount available
	24.9%	Percent of uninsured adults aged 18-64 below 138% FPL ineligible due to immigration status
\$	11,455,505	Estimated GR available due to Medicaid extension to adults

FY 2015

\$	32,396,044	Requested
	12	Number of months in FY 2015 for adult Medicaid extension
\$	32,396,044	Total amount available (12 months)
	29.4%	Percent of uninsured adults aged 18-64 with incomes to 200% FPL who are between 138%-200% FPL
\$	22,866,865	Remaining adjusted amount available
	24.9%	Percent of uninsured adults aged 18-64 below 138% FPL ineligible due to immigration status
\$	17,183,257	Estimated GR available due to Medicaid extension to adults

Note: Additional GR funds may be available due to the impact of subsidized insurance under the ACA for those with certain income levels above 138% FPL. This estimate excludes additional GR that may be available due to subsidized insurance in the total estimated GR available due to the Medicaid extension to adults. HHSC and DSHS have estimated some of the ACA effects on populations with incomes above 138% FPL in some of their programs and strategies in Schedule 6.J. of their LARs.

Sources: Agency 2014-2015 Legislative Appropriations Requests.

American Community Survey, "Table B27016: Health Insurance Coverage Status and Type By Ratio of Income to Poverty Level in the Past 12 Months By Age," (2011 1-yr. estimates).

Estimates by Michael E. Cline, Ph.D. and Steve Murdock, Ph.D., based on data used in developing the report "Estimates of the Impact of the Affordable Care Act on Counties in Texas", p. 16, (San Antonio, Texas: Methodist Health care Ministries of South Texas, Inc, April 2012).

U.S. Department of Homeland Security, "Persons Obtaining Legal Permanent Resident Status During Fiscal Year by State of Residence and Selected Characteristics," 2007-2011, 2011 Yearbook of Immigration Statistics, www.dhs.gov/sites/default/files/.../yearbook/2011/ois_yb_2011.pdf.

Estimates of General Revenue Availability in State Health Care Programs With Medicaid Extension to Adults

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DSHS

HIV/STD Services

Goal/ Obj/ Strat 01-02-02-02

HIV/STD services include: outpatient medical care; case management; dental care; some assistance with HIV medications not provided through the Texas HIV Medication Program; mental health care; housing assistance; food bank; transportation; hospice care; insurance assistance; nutrition services; home health care; substance abuse treatment/counseling; and referral. Most, but not all, services would be available through an extension of Medicaid to adults. The extension would cover adults aged 18-64 below 138% FPL; however, this population also includes ineligible immigrants as well as individuals above 138% FPL and below 200% FPL. The program will serve 43,833 in 2014 and 47,620 in 2015.

LAR Base Requested - GR Funds Only

FY 2014	FY 2015	FY 2014-2015	
\$ 2,029,747	\$ 2,029,747	\$ 4,059,494	0001 General Revenue Fund
\$ 14,179,044	\$ 14,179,044	\$ 28,358,088	8005 GR For HIV Services
\$ 16,208,791	\$ 16,208,791	\$ 32,417,582	

GR Available Due to Adult Extension

FY 2014	FY 2015	FY 2014-2015
\$ 5,158,404	\$ 7,737,606	\$ 12,896,011

Methodology

The methodology provides for 8 full months of funding in FY 2014 as the Medicaid extension to adults would begin on January 2014. Although adults in the program are likely concentrated in the under 138% FPL category, to ensure a conservative estimate, the methodology has been adjusted using the share of uninsured adults aged 18-64 with incomes between 138% and 200% FPL in the under 200% FPL Texas population, about 29.4%. Many in this group may be eligible for subsidized insurance under the ACA Health Benefit Exchange. The estimate has been adjusted further to provide for about 24.9% of uninsured adults aged 18-64 below 138% FPL who would be ineligible for an extension of Medicaid to adults due to their immigration status. About 10% of funding related to the expansion-eligible adults is not included since some services in this strategy would not be covered by Medicaid. GR availability resulting from the ACA Health Benefit Exchanges, which will provide subsidized insurance for adults above 138% to 400% FPL, are excluded from the total estimated GR available resulting from the adult expansion.

Estimate

FY 2014	
\$ 16,208,791	Requested
	8 Number of months in FY 2014 for adult Medicaid extension
\$ 10,805,861	Total amount available (8 months)
	29.4% Percent of uninsured adults aged 18-64 with incomes to 200% FPL who are between 138%-200% FPL
\$ 7,627,356	Remaining adjusted amount available
	24.9% Percent of uninsured adults aged 18-64 below 138% FPL ineligible due to immigration status
\$ 5,731,560	Remaining adjusted amount available
	10% Percent of funding for services not covered by Medicaid
\$ 5,158,404	Estimated GR available due to Medicaid extension to adults
FY 2015	
\$ 16,208,791	Requested
	12 Number of months in FY 2015 for adult Medicaid extension
\$ 16,208,791	Total amount available (12 months)
	29.4% Percent of uninsured adults aged 18-64 with incomes to 200% FPL who are between 138%-200% FPL
\$ 11,441,034	Remaining adjusted amount available
	24.9% Percent of uninsured adults aged 18-64 below 138% FPL ineligible due to immigration status
\$ 8,597,340	Remaining adjusted amount available
	10% Percent of funding for services not covered by Medicaid
\$ 7,737,606	Estimated GR available due to Medicaid extension to adults

Note: Additional GR funds may be available due to the impact of subsidized insurance under the ACA for those with certain income levels above 138% FPL. This estimate excludes additional GR that may be available due to subsidized insurance in the total estimated GR available due to the Medicaid extension to adults. HHSC and DSHS have estimated some of the ACA effects on populations with incomes above 138% FPL in some of their programs and strategies in Schedule 6.J. of their LARs.

Sources: Agency 2014-2015 Legislative Appropriations Requests.

American Community Survey, "Table B27016: Health Insurance Coverage Status and Type By Ratio of Income to Poverty Level in the Past 12 Months By Age," (2011 1-yr. estimates).

Estimates by Michael E. Cline, Ph.D. and Steve Murdock, Ph.D., based on data used in developing the report "Estimates of the Impact of the Affordable Care Act on Counties in Texas", p. 16, (San Antonio, Texas: Methodist Healthcare Ministries of South Texas, Inc, April 2012).

U.S. Department of Homeland Security, "Persons Obtaining Legal Permanent Resident Status During Fiscal Year by State of Residence and Selected Characteristics," 2007-2011, 2011 Yearbook of Immigration Statistics, www.dhs.gov/sites/default/files/.../yearbook/2011/ois_yb_2011.pdf.

Estimates of General Revenue Availability in State Health Care Programs With Medicaid Extension to Adults

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DSHS

Kidney Health Care

Goal/ Obj/ Strat 01-03-03-01

In April 1973, the Kidney Health Care Act established the Kidney Health Care (KHC) Program under the Texas Department of Health. This law allows State funds and resources to be used for the care and treatment of persons suffering from chronic kidney failure, also known as end-stage renal disease (ESRD). Most dialysis patients do not receive any medical benefits from Medicare for a three-month period after the initiation of dialysis, and Medicare does not offer any coverage for most travel expenses associated with the treatment of ESRD. This strategy funds kidney health care specialty services and the infrastructure required to determine client eligibility and to process claims. Kidney health benefits include medical, drug, and transportation services and payment of Medicare Part D premiums. Allowable services are limited to inpatient and outpatient dialysis treatments and to services required for access surgery, which include hospital, surgeon, and anesthesiology charges. These services are provided to eligible recipients during the Medicare qualifying period, (normally a three month period following the initiation of chronic dialysis treatments), or to recipients who can document that they are not eligible to receive Medicare or Medicaid benefits. The strategy also funds the Glenda Dawson Donate Life Texas Registry Program, including a statewide Internet-based registry and opportunities for education. (The registry is also supported by \$1 donations made when drivers register or renew their licenses.) Most, but not all, services would be available through an extension of Medicaid to adults. The extension would cover adults aged 18-64 below 138% FPL; however, this population also includes ineligible immigrants as well as individuals above 138% FPL. The program will serve 20,000 in each year of the biennium.

LAR Base Requested - GR Funds Only				
	FY 2014	FY 2015	FY 2014-2015	
\$	12,764,918	\$ 12,764,917	\$ 25,529,835	0001 General Revenue Fund
\$	12,673,598	\$ 12,673,598	\$ 25,347,196	8046 Vendor Drug Rebates-Pub Health
\$	25,438,516	\$ 25,438,515	\$ 50,877,031	

GR Available Due to Adult Extension			
	FY 2014	FY 2015	FY 2014-2015
\$	5,292,911	\$ 7,939,366	\$ 13,232,277

Methodology

The methodology provides for 8 full months of funding in FY 2014 as the Medicaid extension to adults would begin on January 2014. The estimate has been adjusted to provide for those with incomes between 138% and 522% FPL (\$60,000 per year). Although adults in the program are likely concentrated in the under 138% FPL category, to ensure a conservative estimate, the methodology has been adjusted using the percent of uninsured adults aged 18-64 with incomes above 138% FPL in the Texas population, which account for about 56.3%. This population up to 400% FPL would be eligible for subsidized insurance under the ACA Health Benefit Exchange. The estimate has also been adjusted to provide for immigrants who would be ineligible under an extension of Medicaid to adults. About 24.9% of uninsured adults aged 18-64 below 138% FPL are ineligible due to their immigration status. The estimate has also been adjusted by 5% of the total remaining GR available to provide for services that may not be covered by the Medicaid expansion for the affected population. DSHS has estimated the impact of the ACA insurance exchange as saving \$1,594,620 in FY 2015 only. The methodology includes this amount by providing for about \$10 million in FY 2014 and \$14 million in FY 2015 for this population. GR availability resulting from the ACA Health Benefit Exchanges, which will provide subsidized insurance for adults above 138% to 400% FPL, are excluded from the total estimated GR available resulting from the adult expansion.

Estimate

FY 2014	
\$ 25,438,516	Requested
	8 Number of months in FY 2014 for adult Medicaid extension
\$ 16,959,011	Total amount available (8 months)
	56.3% Percent of uninsured adults aged 18-64 between 138%-500%+ FPL
\$ 7,414,333	Remaining adjusted amount available
	24.9% Percent of uninsured adults aged 18-64 below 138% FPL ineligible due to immigration status
\$ 5,571,485	Remaining adjusted amount available
	5.0% Less percentage for ineligible services under Medicaid
\$ 5,292,911	Estimated GR available due to Medicaid extension to adults
FY 2015	
\$ 25,438,515	Requested
	12 Number of months in FY 2015 for adult Medicaid extension
\$ 25,438,515	Total amount available (12 months)
	56.3% Percent of uninsured adults aged 18-64 between 138%-500%+ FPL
\$ 11,121,500	Remaining adjusted amount available
	24.9% Percent of uninsured adults aged 18-64 below 138% FPL ineligible due to immigration status
\$ 8,357,227	Remaining adjusted amount available
	5.0% Less percentage for ineligible services under Medicaid
\$ 7,939,366	Estimated GR available due to Medicaid extension to adults

Note: Additional GR funds may be available due to the impact of subsidized insurance under the ACA for those with certain income levels above 138% FPL. This estimate excludes additional GR that may be available due to subsidized insurance in the total estimated GR available due to the Medicaid extension to adults. HHSC and DSHS have estimated some of the ACA effects on populations with incomes above 138% FPL in some of their programs and strategies in Schedule 6.J. of their LARs.

Sources: Agency 2014-2015 Legislative Appropriations Requests. American Community Survey, "Table B27016: Health Insurance Coverage Status and Type By Ratio of Income to Poverty Level in the Past 12 Months By Age," (2011 1-yr. estimates).

Estimates by Michael E. Cline, Ph.D. and Steve Murdock, Ph.D., based on data used in developing the report "Estimates of the Impact of the Affordable Care Act on Counties in Texas", p. 15, (San Antonio, Texas: Methodist Healthcare Ministries of South Texas, Inc, April 2012).

U.S. Department of Homeland Security, "Persons Obtaining Legal Permanent Resident Status During Fiscal Year by State of Residence and Selected Characteristics," 2007-2011, 2011 Yearbook of Immigration Statistics, www.dhs.gov/sites/default/files/.../yearbook/2011/ois_yb_2011.pdf.

Estimates of General Revenue Availability in State Health Care Programs With Medicaid Extension to Adults

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DSHS

Community Primary Care Services

Goal/ Obj/ Strat 02-01-04-01

This strategy provides funding for two programs to expand access to primary health care services. The Primary Health Care (PHC) program (authorized by Chapter 31, Health and Safety Code) provides services to the medically uninsured, underinsured, and indigent persons who are not eligible to receive the same services from other funding sources. These services include comprehensive medical assessment; health screening and lab tests, and client education as clinically indicated. The Primary Care Office activities portion of this sub-strategy have been excluded from this analysis since they do not include services. Services provided in the PHC program would be available through an extension of Medicaid to adults. The extension would cover adults aged 18-64 below 138% FPL; however, the population that this program serves also includes ineligible immigrants as well as individuals above 138% FPL and below 150% FPL, who would not be eligible. The program will serve 85,000 in each year of the biennium at a cost of \$138 per person served. This strategy also includes funding from GR-Dedicated Funds of \$68,820 in each year of the biennium from 0524: Pub Health Svc Fee Acct, which has not been included in this analysis.

LAR Base Requested - GR Funds Only			
FY 2014	FY 2015	FY 2014-2015	
\$ 13,448,723	\$ 13,448,723	\$ 26,897,446	0001 General Revenue Fund

GR Available Due to Adult Extension			
FY 2014	FY 2015	FY 2014-2015	
\$ 5,434,071	\$ 8,151,106	\$ 13,585,177	

Methodology

The methodology provides for 8 full months of funding in FY 2014 as the Medicaid extension to adults would begin on January 2014. Although adults in the program are likely concentrated in the under 138% FPL category, to ensure a conservative estimate, the methodology has been adjusted using the number of uninsured adults aged 18-64 with incomes between 138%-150% FPL as a percentage of the total with incomes below 150% in Texas, which is about 7.5%. Adults with incomes from 138% to 400% FPL would be eligible for subsidized insurance under the ACA Health Benefit Exchange. The estimate has also been adjusted to provide for about 24.9% of uninsured adults aged 18-64 below 138% FPL who are ineligible due to their immigration status. The estimate has also been adjusted to remove the portion of funding not spent on direct services (\$1,718,723). GR availability resulting from the ACA Health Benefit Exchanges, which will provide subsidized insurance for adults above 138% to 400% FPL, are excluded from the total estimated GR available resulting from the adult expansion.

Estimate

FY 2014	
\$ 13,448,723	Requested
85,000	Number served
\$ 138	Cost per person served
\$ 11,730,000	Remaining adjusted amount available
8	Number of months in FY 2014 for adult Medicaid extension
\$ 7,820,000	Total amount available (8 months)
7.5%	Percent of uninsured adults aged 18-64 below 150% FPL who are between 138%-150% FPL
\$ 7,231,457	Remaining adjusted amount available
24.9%	Percent of uninsured adults aged 18-64 below 138% FPL ineligible due to immigration status
\$ 5,434,071	Estimated GR available due to Medicaid extension to adults
FY 2015	
\$ 13,448,723	Requested
85,000	Number served
\$ 138	Cost per person served
\$ 11,730,000	Remaining adjusted amount available
12	Number of months in FY 2015 for adult Medicaid extension
\$ 11,730,000	Total amount available (12 months)
7.5%	Percent of uninsured adults aged 18-64 below 150% FPL who are between 138%-150% FPL
\$ 10,847,201	Remaining adjusted amount available
24.9%	Percent of uninsured adults aged 18-64 below 138% FPL ineligible due to immigration status
\$ 8,151,106	Estimated GR available due to Medicaid extension to adults

Note: Additional GR funds may be available due to the impact of subsidized insurance under the ACA for those with certain income levels above 138% FPL. This estimate excludes additional GR that may be available due to subsidized insurance in the total estimated GR available due to the Medicaid extension to adults. HHSC and DSHS have estimated some of the ACA effects on populations with incomes above 138% FPL in some of their programs and strategies in Schedule 6.J. of their LARs.

Sources: Agency 2014-2015 Legislative Appropriations Requests.

American Community Survey, "Table B27016: Health Insurance Coverage Status and Type By Ratio of Income to Poverty Level in the Past 12 Months By Age," (2011 1-yr. estimates).

Estimates by Michael E. Cline, Ph.D. and Steve Murdock, Ph.D., based on data used in developing the report "Estimates of the Impact of the Affordable Care Act on Counties in Texas", p. 16, (San Antonio, Texas: Methodist Healthcare Ministries of South Texas, Inc, April 2012).

U.S. Department of Homeland Security, "Persons Obtaining Legal Permanent Resident Status During Fiscal Year by State of Residence and Selected Characteristics," 2007-2011, 2011 Yearbook of Immigration Statistics, www.dhs.gov/sites/default/files/.../yearbook/2011/ois_yb_2011.pdf.

Estimates of General Revenue Availability in State Health Care Programs With Medicaid Extension to Adults

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DSHS

Mental Health Services for Adults-Outpatient Services

Goal/ Obj/ Strat 02-02-01-01

This sub-strategy is part of the funding for Mental Health community services designed to assist the consumer to function as independently as possible in the community. Counseling and psychotherapy (problem resolution services, including assessment and evaluations provided to a consumer in an individual, group, or family counseling setting), skills training (training activities within a natural setting whenever possible that promote community inclusion and maintains the consumer's quality of life by addressing the illness or symptom-related problems and behaviors that mental illness creates), skills maintenance (program-based, long-term services provided to consumers who are in need of day program services to ensure their personal wellbeing and to reduce their risk of, or the duration of, institutionalization), crisis resolution, medication related services, supported housing, supported employment and assertive community treatment (ACT) are some of the services available at the local level. DSHS has requested an exceptional item for additional funds for this strategy. These funds are not included in the base request identified below, although the same methodology would apply to these funds as well. About 96,802 individuals each year receive services through this sub-strategy.

LAR Base Requested - GR Funds Only

FY 2014	FY 2015	FY 2014-2015	
\$ 18,487,003	\$ 18,487,004	\$ 36,974,007	0001 General Revenue Fund
\$ 22,401,998	\$ 22,401,998	\$ 44,803,996	0758 GR Match For Medicaid
\$ 153,530,382	\$ 153,530,381	\$ 307,060,763	8001 GR For MH Block Grant
\$ 194,419,383	\$ 194,419,383	\$ 388,838,766	

GR Available Due to Adult Extension

FY 2014	FY 2015	FY 2014-2015
\$ 38,323,156	\$ 57,484,733	\$ 95,807,889

Methodology

The methodology provides for 8 full months of funding in FY 2014 as the Medicaid extension to adults would begin on January 2014. The estimate has been adjusted to account for 29.4% of adults aged 18-64 below 138% FPL who would be ineligible for the expansion due to their immigration status. Although adults in the program are likely concentrated in the under 138% FPL category, to ensure a conservative estimate, the methodology has been adjusted using the percent of uninsured adults aged 18-64 with incomes above 138% FPL in the Texas population, about 56.3%. This population would be eligible for subsidized insurance under the ACA Health Benefit Exchange. DSHS has identified \$2,214,207 in savings in 2015 as a result of the ACA Health Benefit Exchange impact, which is more than accounted for in the adjustment for those with incomes above 138% FPL. The exchange will provide subsidized insurance for adults above 138% to 400% FPL. Any ACA-related savings are excluded from the estimate of total GR available resulting from the adult expansion.

Estimate

FY 2014	
\$ 194,419,383	Requested
	8 Number of months in FY 2014 for adult Medicaid extension
\$ 129,612,922	Total amount available (8 months)
	56.3% Percent of uninsured adults aged 18-64 between 138%-500%+ FPL
\$ 56,665,653	Remaining adjusted amount
	24.9% Percent of uninsured adults aged 18-64 below 138% FPL ineligible due to immigration status
\$ 42,581,284	Remaining adjusted amount
	10% Percent reserved for services not covered by Medicaid
\$ 38,323,156	Estimated GR available due to Medicaid extension to adults
FY 2015	
\$ 194,419,383	Requested
	12 Number of months in FY 2015 for adult Medicaid extension
\$ 194,419,383	Total amount available (12 months)
	56.3% Percent of uninsured adults aged 18-64 between 138%-500%+ FPL
\$ 84,998,480	Remaining adjusted amount
	24.9% Percent of uninsured adults aged 18-64 below 138% FPL ineligible due to immigration status
\$ 63,871,926	Remaining adjusted amount
	10% Percent reserved for services not covered by Medicaid
\$ 57,484,733	Estimated GR available due to Medicaid extension to adults

Note: Additional GR funds may be available due to the impact of subsidized insurance under the ACA for those with certain income levels above 138% FPL. This estimate excludes additional GR that may be available due to subsidized insurance in the total estimated GR available due to the Medicaid extension to adults. HHSC and DSHS have estimated some of the ACA effects on populations with incomes above 138% FPL in some of their programs and strategies in Schedule 6.J. of their LARs.

Sources: Agency 2014-2015 Legislative Appropriations Requests.

American Community Survey, "Table B27016: Health Insurance Coverage Status and Type By Ratio of Income to Poverty Level in the Past 12 Months By Age," (2011 1-yr. estimates).

Estimates by Michael E. Cline, Ph.D. and Steve Murdock, Ph.D., based on data used in developing the report "Estimates of the Impact of the Affordable Care Act on Counties in Texas", p. 16, (San Antonio, Texas: Methodist Healthcare Ministries of South Texas, Inc, April 2012).

U.S. Department of Homeland Security, "Persons Obtaining Legal Permanent Resident Status During Fiscal Year by State of Residence and Selected Characteristics," 2007-2011, 2011 Yearbook of Immigration Statistics, www.dhs.gov/sites/default/files/.../yearbook/2011/ois_yb_2011.pdf.

Estimates of General Revenue Availability in State Health Care Programs With Medicaid Extension to Adults

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DSHS

Mental Health Services for Adults-Inpatient Services

Goal/ Obj/ Strat 02-02-01-02

This strategy includes funding for inpatient services that are hospital services staffed with medical and nursing professionals who provide 24-hour professional monitoring, supervision, and assistance in an environment designed to provide safety and security during acute psychiatric crisis. Staff provide intensive interventions designed to relieve acute psychiatric symptoms and restore the consumer's ability to function in a less restrictive setting. These services are provided in a local general hospital or a private psychiatric hospital. This sub-strategy does not include state mental health facilities or a legislatively authorized Community Hospital and so services would be eligible under Medicaid. Currently, adults aged 18-64 below 138% FPL are not eligible for Medicaid in Texas. However, if Texas expands Medicaid to this population, then expenses that apply to this population, currently paid for with 100% GR, would be covered with 100% federal funds for 2014-2016, declining to 95% in 2017 and gradually declining to 90% by 2020.

LAR Base Requested - GR Funds Only

	FY 2014	FY 2015	FY 2014-2015	
\$	4,792,246	\$ 4,792,246	\$ 9,584,492	0001 General Revenue Fund

GR Available Due to Adult Extension

	FY 2014	FY 2015	FY 2014-2015
\$	1,049,587	\$ 1,574,380	\$ 2,623,967

Methodology

The methodology provides for 8 full months of funding in FY 2014 as the Medicaid extension to adults would begin on January 2014. If Medicaid were extended to adults aged 18-64 below 138% FPL, then federal funds would replace GR for these services for 2014-2016, declining to 90% coverage by 2020 and beyond. Although adults in the program are likely concentrated in the under 138% FPL category, to ensure a conservative estimate, the methodology has been adjusted using the percent of uninsured adults aged 18-64 with incomes above 138% FPL in the Texas population, which account for about 56.3%. This population would be eligible for subsidized insurance under the ACA Health Benefit Exchange. Individuals receiving services in this strategy with incomes above 150% FPL are charged for services according to a sliding scale; however, the amount of revenue collected from these fees were not accounted for in this methodology, resulting in a conservative estimate. The estimate has also been adjusted to provide for immigrants who would be ineligible under the expansion. The methodology has been adjusted to account for about 24.9% of uninsured adults aged 18-64 below 138% FPL who are ineligible for the expansion due to their immigration status. Any ACA-related savings are excluded from the estimate of total GR available resulting from the adult expansion.

Estimate

FY 2014

\$	4,792,246	Requested
	8	Number of months in FY 2014 for adult Medicaid extension
\$	3,194,831	Total amount available (8 months)
	56.3%	Percent of individuals with incomes above 138% FPL
\$	1,396,752	Remaining amount available
	24.9%	Percent of uninsured adults aged 18-64 below 138% FPL ineligible due to immigration status
\$	1,049,587	Estimated GR available due to Medicaid extension to adults

FY 2015

\$	4,792,246	Requested
	12	Number of months in FY 2015 for adult Medicaid extension
\$	4,792,246	Total amount available (12 months)
	56.3%	Percent of individuals with incomes above 138% FPL
\$	2,095,129	Remaining amount available
	24.9%	Percent of uninsured adults aged 18-64 below 138% FPL ineligible due to immigration status
\$	1,574,380	Estimated GR available due to Medicaid extension to adults

Note: Additional GR funds may be available due to the impact of subsidized insurance under the ACA for those with certain income levels above 138% FPL. This estimate excludes additional GR that may be available due to subsidized insurance in the total estimated GR available due to the Medicaid extension to adults. HHSC and DSHS have estimated some of the ACA effects on populations with incomes above 138% FPL in some of their programs and strategies in Schedule 6.J. of their LARs.

Sources: Agency 2014-2015 Legislative Appropriations Requests.

American Community Survey, "Table B27016: Health Insurance Coverage Status and Type By Ratio of Income to Poverty Level in the Past 12 Months By Age," (2011 1-yr. estimates).

Estimates by Michael E. Cline, Ph.D. and Steve Murdock, Ph.D., based on data used in developing the report "Estimates of the Impact of the Affordable Care Act on Counties in Texas", p. 16, (San Antonio, Texas: Methodist Healthcare Ministries of South Texas, Inc, April 2012).

U.S. Department of Homeland Security, "Persons Obtaining Legal Permanent Resident Status During Fiscal Year by State of Residence and Selected Characteristics," 2007-2011, 2011 Yearbook of Immigration Statistics, www.dhs.gov/sites/default/files/.../yearbook/2011/ois_yb_2011.pdf.

Estimates of General Revenue Availability in State Health Care Programs With Medicaid Extension to Adults

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DSHS

NorthSTAR Behavioral Health Waiver Medicaid PMPM

Goal/ Obj/ Strat 02-02-04-01

This sub-strategy provides funding for the NorthSTAR managed care program that provides behavioral health care to Medicaid-eligible adults. The PMPM (per member per month) budget is the premium payment to the behavioral health organization that pays the providers of service and manages the operations of the program in the NorthSTAR area. This sub-strategy covers Medicaid customers with mental health and/or chemical dependency issues, for a seamless system of care.

LAR Base Requested - GR Funds Only			
FY 2014	FY 2015	FY 2014-2015	
\$ 1,411,970	\$ 1,411,970	\$ 2,823,940	0001 General Revenue
\$ 4,191,489	\$ 4,191,489	\$ 8,382,978	0758 GR Match for Medicaid
\$ 5,603,459	\$ 5,603,459	\$ 11,206,918	

GR Available Due to Adult Extension			
FY 2014	FY 2015	FY 2014-2015	
\$ 505,043	\$ 1,744,337	\$ 2,249,380	

Methodology

The methodology provides for 8 full months of funding in FY 2014 as the Medicaid extension to adults would begin on January 2014. The estimate has been adjusted to account for the share of adults in the Medicaid population (TANF-Level Adults (3.35%) and Pregnant Women (3.6%)), as well as the phase-in and uptake rate effects of an extension of Medicaid to adults. Since the more favorable match rate provided by the extension would not be available to Medicaid beneficiaries who are already in the program, the TANF-level portion of the estimate has been adjusted to account for the turnover rate in the program since 2014 using the methodology in the TANF-Level Income Medicaid Health Services strategy (49.3% each year from 2014). Since not all Pregnant Women adults would enroll before they become pregnant, in 2014, the Pregnant Women adults share is adjusted to account for HHSC's assumption of a 50% implementation phase-in of the adult expansion and an uptake rate of 75% of uninsured adults. According to HHSC, Pregnant Women account for 3.6% of the Medicaid population, and 76% of the population below 138% FPL are estimated to be below 138% FPL. In 2015, the Pregnant Women adults share is adjusted to account for HHSC's assumption of a 75% implementation phase-in of the adult expansion and an uptake rate of 75% of uninsured adults. Medicaid-eligible adults are not served in this program. DSHS has estimated that the ACA insurance exchange will reduce GR spending requirements by \$1,471,093 in FY 2015 only. The methodology includes this amount by excluding \$1.9 million in FY 2014 and \$1.4 million in FY 2015 for this population. GR availability resulting from the ACA Health Benefit Exchanges, which will provide subsidized insurance for adults above 138% to 400% FPL, are excluded from the total estimated GR available resulting from the adult expansion.

Estimate

	FY 2014	
\$	5,603,459	Requested
	8	Number of months in FY 2014 for adult Medicaid extension
\$	3,735,639	Total amount available (8 months)
	49.3%	Estimated turnover in TANF-level population
\$	1,841,932	Remaining amount after accounting for TANF-level adults turnover rate
	96%	Percent of women in program who are adults
	76%	Estimated portion of women in program below 138% FPL
	50%	HHSC phase-in factor for Medicaid extension to adults for 2014
	75%	HHSC uptake rate factor for Medicaid extension to adults
\$	505,043	Estimated GR available due to Medicaid extension to adults
	FY 2015	
\$	5,603,459	Requested
	12	Number of months in FY 2015 for adult Medicaid extension
\$	5,603,459	Total amount available (12 months)
	75.7%	Estimated newly eligible TANF-level adult population given turnover rate
\$	4,241,156	Remaining amount after accounting for TANF-level adults turnover rate
	96%	Percent of women in program who are adults
	76%	Estimated portion of women in program below 138% FPL
	75%	HHSC phase-in factor for Medicaid extension to adults
	75%	HHSC uptake rate factor for Medicaid extension to adults
\$	1,744,337	Estimated GR available due to Medicaid extension to adults

Note: Additional GR funds may be available due to the impact of subsidized insurance under the ACA for those with certain income levels above 138% FPL. This estimate excludes additional GR that may be available due to subsidized insurance in the total estimated GR available due to the Medicaid extension to adults. HHSC and DSHS have estimated some of the ACA effects on populations with incomes above 138% FPL in some of their programs and strategies in Schedule 6.J. of their LARs.

Data Sources: Agency 2014-2015 Legislative Appropriations Requests.

American Community Survey, "Table B27016: Health Insurance Coverage Status and Type By Ratio of Income to Poverty Level in the Past 12 Months By Age," (2011 1-yr. estimates).

Health and Human Services Commission, "Medicaid and CHIP in Perspective," ("Pink Book"), January 2013, p. 5-18, www.hhsc.state.tx.us/medicaid/reports/PB9/PinkBook.pdf.

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Estimates of General Revenue Availability in State Health Care Programs With Medicaid Extension to Adults

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DSHS

NorthSTAR Behavioral Health Waiver Indigent PMPM

Goal/ Obj/ Strat 02-02-04-02

This strategy provides funding for The NorthSTAR managed care program that is funded by multiple sources and has several components. The PMPM (per member per month) budget is the premium payment to the behavioral health organization that pays the providers of service and manages the operations of the program in the NorthSTAR area. The program covers both indigent and Medicaid customers with mental health and/or chemical dependency issues, for a seamless system of care. This sub-strategy covers the indigent portion of the program. The funding for services for indigent customers comes from county contributions, other state substance abuse programs, the Mental Health block grant, some other federal contributions, New Generation Medication funds, and general revenue appropriations. The population that this program serves also serves Medicaid-ineligible immigrants.

LAR Base Requested - GR Funds Only

	FY 2014	FY 2015	FY 2014-2015	
\$	4,173,618	\$ 4,173,619	\$ 8,347,237	0001 General Revenue
\$	22,491,481	\$ 22,491,480	\$ 44,982,961	8001 GR for MH Block Grant
\$	26,665,099	\$ 26,665,099	\$ 53,330,198	

GR Available Due to Adult Extension

	FY 2014	FY 2015	FY 2014-2015
\$	13,358,288	\$ 20,037,432	\$ 33,395,719

Methodology

The methodology provides for 8 full months of funding in FY 2014 as the Medicaid extension to adults would begin on January 2014. The estimate has also been adjusted to provide for Medicaid-ineligible immigrants. About 24.9% of uninsured immigrant adults aged 18-64 below 138% FPL are ineligible for Medicaid due to their immigration status.

Estimate

FY 2014

\$	26,665,099	Requested
	8	Number of months in FY 2014 for adult Medicaid extension
\$	17,776,733	Total amount available (8 months)
	24.9%	Percent of uninsured adults aged 18-64 below 138% FPL ineligible due to immigration status
\$	13,358,288	Estimated GR available due to Medicaid extension to adults

FY 2015

\$	26,665,099	Requested
	12	Number of months in FY 2015 for adult Medicaid extension
\$	26,665,099	Remaining adjusted amount available
	24.9%	Percent of uninsured adults aged 18-64 below 138% FPL ineligible due to immigration status
\$	20,037,432	Estimated GR available due to Medicaid extension to adults

Sources: Agency 2014-2015 Legislative Appropriations Requests.

Estimates by Michael E. Cline, Ph.D. and Steve Murdock, Ph.D., based on data used in developing the report "Estimates of the Impact of the Affordable Care Act on Counties in Texas", p. 16, (San Antonio, Texas: Methodist Healthcare Ministries of South Texas, Inc, April 2012).

U.S. Department of Homeland Security, "Persons Obtaining Legal Permanent Resident Status During Fiscal Year by State of Residence and Selected Characteristics," 2007-2011, 2011 Yearbook of Immigration Statistics, www.dhs.gov/sites/default/files/.../yearbook/2011/ois_yb_2011.pdf.

Estimates of General Revenue Availability in State Health Care Programs With Medicaid Extension to Adults

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DSHS

Substance Abuse Treatment

Goal/ Obj/ Strat 02-02-05-03

This strategy provides funding for a number of programs involved with teen and adult substance abuse prevention, intervention and treatment. The Substance Abuse Treatment sub-strategy provides a full continuum of care that includes residential or ambulatory detoxification. The treatment part of the strategy will serve 7,200 adults each month in each year of the biennium at a cost of \$1,603.24 per person served per month. The Medicaid extension to adults would cover the adults aged 18-64 below 138% FPL currently served in the program; however, the population that this program serves also includes ineligible immigrants as well as individuals above 138% FPL charging a nominal fee based on a sliding scale monthly ability-to-pay starting at 150% FPL. The funding for this sub-strategy is from GR for Substance Abuse Prevention (8002).

LAR Base Requested - GR Funds Only

FY 2014	FY 2015	FY 2014-2015	
\$ 12,543,000	\$ 12,543,000	\$ 25,086,000	8002 GR For Subst Abuse Prev

GR Available Due to Adult Extension

FY 2014	FY 2015	FY 2014-2015
\$ 3,771,800	\$ 5,657,700	\$ 9,429,500

Methodology

The methodology provides for 8 full months of funding in FY 2014 as the Medicaid extension to adults would begin on January 2014. The estimate has been adjusted to isolate the part of the sub-strategy that is substance abuse treatment for adults, which would be a covered service under the Medicaid expansion to adults. The adult treatment share was apportioned by calculating the share of the adult treatment output and efficiency measures as applied to the requested GR. Although adults in the program are likely concentrated in the under 138% FPL category, to ensure a conservative estimate, the methodology has been adjusted using the percent of uninsured adults aged 18-64 with incomes above 138% FPL in the Texas population, about 56.3%. This population would be eligible for subsidized insurance under the ACA Health Benefit Exchange. The estimate has also been adjusted to provide for immigrants who would be ineligible. About 24.9% of uninsured adults aged 18-64 below 138% FPL would be ineligible due to their immigration status. GR availability resulting from the ACA Health Benefit Exchanges, which will provide subsidized insurance for adults above 138% to 400% FPL, are excluded from the total estimated GR available resulting from the adult expansion.

Estimate

FY 2014	
\$ 12,543,000	Requested
\$ 17,221,441	Adult Treatment apportioned amount
	8 Number of months in FY 2014 for adult Medicaid extension
\$ 11,480,961	Requested
	56.3% Less adjustment for individuals above 138%+ FPL
\$ 5,019,377	Remaining adjusted amount available
	24.9% Percent of uninsured adults aged 18-64 below 138% FPL ineligible due to immigration status
\$ 3,771,800	Estimated GR available due to Medicaid extension to adults
FY 2015	
\$ 12,543,000	Requested
\$ 17,221,441	Adult Treatment apportioned amount
	12 Number of months in FY 2015 for adult Medicaid extension
\$ 17,221,441	Adult Treatment apportioned amount
	56.3% Less adjustment for individuals above 138%+ FPL
\$ 7,529,066	Remaining adjusted amount available
	24.9% Percent of uninsured adults aged 18-64 below 138% FPL ineligible due to immigration status
\$ 5,657,700	Estimated GR available due to Medicaid extension to adults

Note: Additional GR funds may be available due to the impact of subsidized insurance under the ACA for those with certain income levels above 138% FPL. This estimate excludes additional GR that may be available due to subsidized insurance in the total estimated GR available due to the Medicaid extension to adults. HHSC and DSHS have estimated some of the ACA effects on populations with incomes above 138% FPL in some of their programs and strategies in Schedule 6.J. of their LARs.

Sources: Agency 2014-2015 Legislative Appropriations Requests.

American Community Survey, "Table B27016: Health Insurance Coverage Status and Type By Ratio of Income to Poverty Level in the Past 12 Months By Estimates by Michael E. Cline, Ph.D. and Steve Murdock, Ph.D., based on data used in developing the report "Estimates of the Impact of the Affordable Care Act on Counties in Texas", p. 16, (San Antonio, Texas: Methodist Healthcare Ministries of South Texas, Inc, April 2012).

U.S. Department of Homeland Security, "Persons Obtaining Legal Permanent Resident Status During Fiscal Year by State of Residence and Selected Characteristics," 2007-2011, 2011 Yearbook of Immigration Statistics, www.dhs.gov/sites/default/files/.../yearbook/2011/ois_yb_2011.pdf.

Estimates of General Revenue Availability in State Health Care Programs With Medicaid Extension to Adults

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DSHS

Indigent Health Care Reimbursement (UTMB)

Goal/ Obj/Strat 02-03-03-01

H.B.1799, 76th Legislature, Regular Session, 1999, established the State-Owned Multi-Categorical Teaching Hospital Account and requires the deposit into this account of unclaimed lottery prize monies. The General Appropriations Acts of the 76th - 82nd Texas Legislatures authorized DSHS to transfer monies to this account. These monies are reimbursed to the University of Texas Medical Branch at Galveston for unpaid health care services provided to indigent patients. DSHS estimates that UTMB would serve 2,973 indigent patients at \$161.19 in each year of the biennium. Indigent patients include adults aged 18-64 below or near the poverty level. An extension of Medicaid to adults aged 18-64 below 138% FPL would absorb most of this group; however, the indigent population also includes ineligible immigrants as well as some individuals above 138% FPL.

LAR Base Requested - GR Funds Only

	FY 2014	FY 2015	FY 2014-2015	
\$	5,750,000	\$ 5,750,000	\$ 11,500,000	5049 Teaching Hospital Account-GR Dedicated

GR Available Due to Adult Extension

	FY 2014	FY 2015	FY 2014-2015
\$	2,202,800	\$ 3,304,200	\$ 5,507,001

Methodology

The methodology provides for 8 full months of funding in FY 2014 as the Medicaid extension to adults would begin on January 2014. DSHS has identified \$1,352,188 in GR-Dedicated availability in 2015 from the Teaching Hospital Account (5049) as a result of the ACA Health Benefit Exchange impact. Although DSHS did not estimate any GR availability in 2014, this methodology uses the percent share of the DSHS estimate for 2015 as a proxy to ensure coverage of this population in 2014. The estimate has also been adjusted to provide continued funding for the estimated 24.9% of adults in this group who are ineligible immigrants. GR availability resulting from the ACA Health Benefit Exchanges, which will provide subsidized insurance for adults above 138% to 400% FPL, are excluded from the total estimated GR available resulting from the adult expansion.

Estimate

FY 2014

\$	5,750,000	Requested
	8	Number of months in FY 2014 for adult Medicaid extension
\$	3,833,333	Total amount available (8 months)
	23.5%	Percent share of ACA-related impact based on DSHS 2015 estimate
\$	2,931,408	ACA-adjusted amount available for adult extension
	24.9%	Percent of uninsured adults aged 18-64 below 138% FPL ineligible due to immigration status
\$	728,508	Amount reserved for ineligible
\$	2,202,800	Estimated GR available due to Medicaid extension to adults

FY 2015

\$	5,750,000	Requested
	12	Number of months in FY 2015 for adult Medicaid extension
\$	5,750,000	Total amount available (12 months)
\$	1,352,888	DSHS savings estimate of ACA impact
\$	4,397,112	ACA-adjusted amount available for adult extension
	24.9%	Percent of uninsured adults aged 18-64 below 138% FPL ineligible due to immigration status
\$	1,092,912	Amount reserved for ineligible
\$	3,304,200	Estimated GR available due to Medicaid extension to adults

Note: Additional GR funds may be available due to the impact of subsidized insurance under the ACA for those with certain income levels above 138% FPL. This estimate excludes additional GR that may be available due to subsidized insurance in the total estimated GR available due to the Medicaid extension to adults. HHSC and DSHS have estimated some of the ACA effects on populations with incomes above 138% FPL in some of their programs and strategies in Schedule 6.J. of their LARs.

Sources: Agency 2014-2015 Legislative Appropriations Requests.

Estimates by Michael E. Cline, Ph.D. and Steve Murdock, Ph.D., based on data used in developing the report "Estimates of the Impact of the Affordable Care Act on Counties in Texas", p. 16. (San Antonio, Texas: Methodist Healthcare Ministries of South Texas, Inc, April 2012).

U.S. Department of Homeland Security, "Persons Obtaining Legal Permanent Resident Status During Fiscal Year by State of Residence and Selected Characteristics," 2007-2011, 2011 Yearbook of Immigration Statistics, www.dhs.gov/sites/default/files/.../yearbook/2011/ois_yb_2011.pdf.

Department of State Health Services, "CIHCP Spending Data," http://www.dshs.state.tx.us/cihcp/cihcp_spending_data.shtm.

Estimates of General Revenue Availability in State Health Care Programs With Medicaid Extension to Adults

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DSHS

County Indigent Health Care Services

Goal/ Obj/ Strat 02-03-04-01

Counties are eligible for reimbursement from the State Assistance Fund for the County Indigent Health Care (CIHC) program for their expenditures that exceed 8% of their previous year's general revenue tax levy depending on the availability of funding up to a maximum of 10% of appropriated funding. DSHS reimbursed 8 counties in 2012. Under authority of Article 4438f, Vernon's Texas Civil Statutes, and Chapters 22 and 32 of the Human Resources Code, this strategy assists county-run programs, public hospitals and hospital districts in meeting their statutory indigent health care responsibilities, which require them to provide medical assistance to eligible individuals who are at or below 21% FPL. The following services are provided: technical assistance and training on program laws, rules, and payment standards for providers, clients, and for entities such as counties, public hospitals, and hospital districts that have indigent health care program responsibilities; allocation of state assistance matching funds to those counties with payments exceeding 8 percent of their General Revenue Tax Levy using a fair and equitable formula; and filing of medical and prescription claims for services provided to Supplemental Security Income (SSI) appellants eligible for the County Indigent Health Care Program (CIHCP) who have won their appeal and have been approved for retroactive Medicaid, in order to reimburse the counties for their expenditures. The state supplemented 8 counties in 2012 and DSHS estimates that 7 counties would receive assistance in 2014 and in 2015.

LAR Base Requested - GR Funds Only

	FY 2014		FY 2015		FY 2014-2015	
\$	486,370	\$	486,370	\$	972,740	0001 General Revenue Fund
\$	94,931	\$	94,931	\$	189,862	0758 GR Match For Medicaid
\$	581,301	\$	581,301	\$	1,162,602	

GR Available Due to Adult Extension

	FY 2014		FY 2015		FY 2014-2015
\$	581,301	\$	581,301	\$	1,162,602

Methodology

Although FY 2014 would have 8 full months before the Medicaid expansion would take effect in January 2014, county expenses for the fiscal year would not exceed 8% of the previous year's general revenue tax levy due to the significant impact on the program during the following 8 months after the Medicaid expansion takes effect. This program supplements counties for their annual expenditures that exceed 8% of the previous year's general revenue tax levy for the CIHC program, and local CIHC programs will have their funding requirements sharply reduced with the extension of Medicaid to adults. Individuals seeking assistance through the program would be enrolled in Medicaid instead. Although counties will still be responsible for individuals that are not eligible for Medicaid, such as ineligible immigrants, the demand will no longer exceed 8% of any county's general revenue tax levy. Counties may seek reimbursement only for expenses incurred in the fiscal year in which reimbursement is requested.

Estimate

	FY 2014	
\$	581,301	Requested
	-	Amount needed after Medicaid extension to adults
\$	581,301	Estimated GR available due to Medicaid extension to adults
	FY 2015	
\$	581,301	Requested
	-	Amount needed after Medicaid extension to adults
\$	581,301	Estimated GR available due to Medicaid extension to adults

Sources: Agency 2014-2015 Legislative Appropriations Requests.

Department of State Health Services, "CIHCP Spending Data," http://www.dshs.state.tx.us/cihcp/cihcp_spending_data.shtm.

Estimates of General Revenue Availability in State Health Care Programs With Medicaid Extension to Adults

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DSHS

Texas Center for Infectious Diseases (TCID)

Goal/ Obj/ Strat 03-01-01-01

This sub-strategy provides funding for the management of inpatient and outpatient care and services of primarily indigent patients through the Texas Center for Infectious Diseases (TCID). DSHS estimates that this sub-strategy will provide funding for 14,600 patient days at a cost of \$75.00 per day (\$11,212,800) in each year of the biennium and financed primarily through GR with \$1,195,500 in additional GR-Dedicated funding for Hospital Capital Improvement and with \$613,457 in Chest Hospital Fees for each year of the biennium, funding which has been excluded from this analysis. With the exception of Medicaid-ineligible immigrant adults, the GR in this strategy serves the uninsured adult population aged 18-64 below 138% FPL that would be eligible for Medicaid if the state extended the program to adults.

LAR Base Requested - GR Funds Only			
FY 2014	FY 2015	FY 2014-2015	
\$ 10,123,968	\$ 10,123,968	\$ 20,247,936	0001 General Revenue Fund

GR Available Due to Adult Extension			
FY 2014	FY 2015	FY 2014-2015	
\$ 6,411,846	\$ 9,617,770	\$ 16,029,616	

Methodology

The methodology provides for 8 full months of funding in FY 2014 as the Medicaid extension to adults would begin on January 2014. An estimated amount of 5% was excluded to insure coverage of services that may not be covered by Medicaid. DSHS identifies indigent patients as the primary patient group, and Medicaid covers both indigent patients and those up to 138% FPL. Although adults in the program are likely concentrated in the under 138% FPL category, to ensure a conservative estimate, the methodology has been adjusted using the number of uninsured adults aged 18-64 with incomes between 138%-150% FPL as a percent of those in the under 150% FPL Texas population, which account for about 7.5%. This population would be eligible for subsidized insurance under the ACA Health Benefit Exchange. The estimate has also been adjusted to provide for an estimated 24.9% of uninsured adults aged 18-64 below 138% FPL that are Medicaid-ineligible immigrants. DSHS estimates a nominal amount due to the ACA insurance exchange, only \$5,775 in FY 2015, which is accounted for in the percentage excluded for the 138%-150% FPL. GR availability resulting from the ACA Health Benefit Exchanges, which will provide subsidized insurance for adults above 138% to 400% FPL, are excluded from the total estimated GR available resulting from the adult expansion.

Estimate

FY 2014	
\$ 10,123,968	Requested
	8 Number of months in FY 2014 for adult Medicaid extension
\$ 6,749,312	Total amount available (8 months)
	7.5% Percent of uninsured adults aged 18-64 below 150% FPL who are between 138%-150% FPL
\$ 6,241,359	Remaining amount available
	24.9% Percent of uninsured adults aged 18-64 below 138% FPL ineligible due to immigration status
\$ 4,690,056	Remaining amount available
	5.0% Estimated amount for services not covered by Medicaid
\$ 6,411,846	Estimated GR available due to Medicaid extension to adults
FY 2015	
\$ 10,123,968	Requested
	12 Number of months in FY 2015 for adult Medicaid extension
\$ 10,123,968	Total amount available (12 months)
	7.5% Percent of uninsured adults aged 18-64 below 150% FPL who are between 138%-150% FPL
\$ 9,362,039	Remaining amount available
	24.9% Percent of uninsured adults aged 18-64 below 138% FPL ineligible due to immigration status
\$ 7,607,634	Remaining amount available
	5.0% Estimated amount for services not covered by Medicaid
\$ 9,617,770	Estimated GR available due to Medicaid extension to adults

Note: Additional GR funds may be available due to the impact of subsidized insurance under the ACA for those with certain income levels above 138% FPL. This estimate excludes additional GR that may be available due to subsidized insurance in the total estimated GR available due to the Medicaid extension to adults. HHSC and DSHS have estimated some of the ACA effects on populations with incomes above 138% FPL in some of their programs and strategies in Schedule 6.J. of their LARs.

Sources: Agency 2014-2015 Legislative Appropriations Requests.

American Community Survey, "Table B27016: Health Insurance Coverage Status and Type By Ratio of Income to Poverty Level in the Past 12 Months By Age," (2011 1-yr. estimates).

Estimates by Michael E. Cline, Ph.D. and Steve Murdock, Ph.D., based on data used in developing the report "Estimates of the Impact of the Affordable Care Act on Counties in Texas", p. 16, (San Antonio, Texas: Methodist Healthcare Ministries of South Texas, Inc, April 2012).

U.S. Department of Homeland Security, "Persons Obtaining Legal Permanent Resident Status During Fiscal Year by State of Residence and Selected Characteristics," 2007-2011, 2011 Yearbook of Immigration Statistics, www.dhs.gov/sites/default/files/.../yearbook/2011/ois_yb_2011.pdf.

Estimates of General Revenue Availability in State Health Care Programs With Medicaid Extension to Adults

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DSHS

South Texas Health Care System

Goal/ Obj/ Strat 03-01-02-01

This sub-strategy provides funding for the South Texas Health Care System. The primary purpose of the Rio Grande State Center (RGSC) is to provide services for those persons who otherwise cannot obtain support, maintenance and medical treatment, either directly or by contract with one or more public or private health care providers or entities, to the residents of the Lower Rio Grande Valley. The RGSC-OPC coordinates, delivers, and supports outpatient primary care/internal medicine clinic; health education on disease prevention, exercise, nutrition and life style changes. The health care system will experience an estimated 35,676 outpatient visits in each year of the next biennium at an average cost of \$97.12 per visit. The RGSC-OPC concentrates on the provision of outpatient care and services primarily for indigent patients in the lower Rio Grande Valley, which is the state's largest metropolitan area without county-based and hospital-based healthcare and services. Outpatient services include: Primary Care, Women's Health, Diabetes and Endocrinology, Diagnostic and Social Services. Overall, this strategy is accomplished by direct care, coordination, cooperation and collaboration with other state and regional healthcare facilities and serves the following four counties: Cameron, Hidalgo, Willacy, and Starr.

LAR Base Requested - GR Funds Only

FY 2014	FY 2015	FY 2014-2015	
\$ 3,160,665	\$ 3,160,664	\$ 6,321,329	0001 General Revenue Fund

GR Available Due to Adult Extension

FY 2014	FY 2015	FY 2014-2015
\$ 1,464,218	\$ 2,196,326	\$ 3,660,544

Methodology

The methodology provides for 8 full months of funding in FY 2014 as the Medicaid extension to adults would begin on January 2014. The estimate accounts for about 24.9% of uninsured adults aged 18-64 below 138% FPL who are ineligible for Medicaid due to their immigration status. Although adults in the program are likely concentrated in the under 138% FPL category, to ensure a conservative estimate, the methodology has been adjusted using the number of uninsured adults aged 18-64 with incomes between 138%-150% FPL as a percent of those with incomes under 150% FPL in the Texas population, about 7.5%. This population would be eligible for subsidized insurance under the ACA Health Benefit Exchange. DSHS estimates a nominal amount of \$5,775 in GR for FY 2015 only to account for the impact of the ACA insurance exchange. The methodology accounts for this reduction, which is included in the amount excluded for those with incomes over 138% FPL. GR availability resulting from the ACA Health Benefit Exchanges, which will provide subsidized insurance for adults above 138% to 400% FPL, are excluded from the total estimated GR available resulting

Estimate

FY 2014	
\$ 3,160,665	Requested
	8 Number of months in FY 2014 for adult Medicaid extension
\$ 2,107,110	Total amount available (8 months)
	7.5% Percent of uninsured adults aged 18-64 below 150% FPL who are between 138%-150% FPL
\$ 1,948,529	Remaining amount available
	24.9% Percent of uninsured adults aged 18-64 below 138% FPL ineligible due to immigration status
\$ 1,464,218	Estimated GR available due to Medicaid extension to adults
FY 2015	
\$ 3,160,664	Requested
	12 Number of months in FY 2015 for adult Medicaid extension
\$ 3,160,664	Total amount available (12 months)
	7.5% Percent of uninsured adults aged 18-64 below 150% FPL who are between 138%-150% FPL
\$ 2,922,793	Remaining amount available
	24.9% Percent of uninsured adults aged 18-64 below 138% FPL ineligible due to immigration status
\$ 2,196,326	Estimated GR available due to Medicaid extension to adults

Note: Additional GR funds may be available due to the impact of subsidized insurance under the ACA for those with certain income levels above 138% FPL. This estimate excludes additional GR that may be available due to subsidized insurance in the total estimated GR available due to the Medicaid extension to adults. HHSC and DSHS have estimated some of the ACA effects on populations with incomes above 138% FPL in some of their programs and strategies in Schedule 6.J. of their LARs.

Sources: Agency 2014-2015 Legislative Appropriations Requests.

American Community Survey, "Table B27016: Health Insurance Coverage Status and Type By Ratio of Income to Poverty Level in the Past 12 Months By Estimates by Michael E. Cline, Ph.D. and Steve Murdock, Ph.D., based on data used in developing the report "Estimates of the Impact of the Affordable Care Act on Counties in Texas", p. 16, (San Antonio, Texas: Methodist Healthcare Ministries of South Texas, Inc, April 2012).

U.S. Department of Homeland Security, "Persons Obtaining Legal Permanent Resident Status During Fiscal Year by State of Residence and Selected Characteristics," 2007-2011, 2011 Yearbook of Immigration Statistics, www.dhs.gov/sites/default/files/.../yearbook/2011/ois_yb_2011.pdf.

Estimates of General Revenue Availability in State Health Care Programs With Medicaid Extension to Adults

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DSHS

Mental Health State Hospital Off-Campus Medical Care

Goal/ Obj/ Strat 03-01-03-04

This strategy provides funding for professional fees and services to residents of state mental health facilities who need medical care outside the facility. Many of the indigent patients admitted to State Mental Health Facilities (SMHFs) have not received good preventative health care, and they often have significant medical issues. Medical care in the community provided to Medicaid eligible patients under age 65 is covered. However, when they are admitted to a SMHF the federal Institutions for Mental Disease (IMD) exclusion for Medicaid eligible patients in a free-standing psychiatric hospital goes into effect. If the patients require medical care during this time, the state mental health facility has to pay for the care for all Medicaid patients under the age of 65 or those who are otherwise indigent. Local medical hospitals often do not accept the Medicaid rate for reimbursement from the SMHFs and charge the SMHFs a higher rate. If the same Medicaid-eligible patient had been directly admitted to the local medical hospital from the community, they would be required to accept the Medicaid rate as payment in full. The Medicaid extension to adults would cover off-campus inpatient hospital stays of the adults aged 18-64 below 138% FPL currently served in the program due to a 1997 HHS ruling that provides Medicaid funding for non-psychiatric inpatient hospital stays of otherwise eligible incarcerated adults. The population that this program serves also includes Medicaid ineligible immigrants.

LAR Base Requested - GR Funds Only

	FY 2014		FY 2015		FY 2014-2015	
\$	9,391,492	\$	9,391,492	\$	18,782,984	0001 General Revenue
\$	365,284	\$	365,284	\$	730,568	8032 GR Match for Medicaid
\$	9,756,776	\$	9,756,776	\$	19,513,552	

GR Available Due to Adult Extension

	FY 2014		FY 2015		FY 2014-2015
\$	2,443,903	\$	3,113,500	\$	5,557,403

Methodology

The methodology provides for 8 full months of funding in FY 2014 as the Medicaid extension to adults would begin on January 2014. The estimate has been adjusted to provide a proxy of 50% of the part of the sub-strategy that is off-campus non-psychiatric inpatient hospital services for adults, which would be a covered service under the Medicaid expansion to adults, and 50% that is outpatient clinical services, which would not be covered. Should more detailed data become available concerning the split between inpatient and other services, then this estimate could be adjusted substantially. The estimate has also been adjusted to provide for Medicaid-ineligible immigrants. About 24.9% of uninsured adults aged 18-64 below 138% FPL would be ineligible for Medicaid due to their immigration status. DSHS estimates a reduction of \$1,470,106 in FY 2015 due to the ACA insurance exchange. The methodology accounts for this reduction. GR availability resulting from the ACA Health Benefit Exchanges, which will provide subsidized insurance for adults above 138% to 400% FPL, are excluded from the total estimated GR available resulting from the adult expansion.

Estimate

	FY 2014	
\$	9,756,776	Requested
	8	Number of months in FY 2014 for adult Medicaid extension
\$	6,504,517	Requested
	50.0%	Estimated percent of off-campus care that is inpatient
\$	3,252,259	Remaining adjusted amount available
	24.9%	Percent of uninsured adults aged 18-64 below 138% FPL ineligible due to immigration status
\$	2,443,903	Estimated GR available due to Medicaid extension to adults
	FY 2015	
\$	9,756,776	Requested
	12	Number of months in FY 2015 for adult Medicaid extension
\$	9,756,776	Requested
\$	1,470,106	DSHS estimate of ACA insurance exchange impact
\$	8,286,670	Remaining adjusted amount available
	50.0%	Estimated percent of off-campus care that is inpatient
\$	4,143,335	Remaining adjusted amount available
	24.9%	Percent of uninsured adults aged 18-64 below 138% FPL ineligible due to immigration status
\$	3,113,500	Estimated GR available due to Medicaid extension to adults

Note: Additional GR funds may be available due to the impact of subsidized insurance under the ACA for those with certain income levels above 138% FPL. This estimate excludes additional GR that may be available due to subsidized insurance in the total estimated GR available due to the Medicaid extension to adults. HHSC and DSHS have estimated some of the ACA effects on populations with incomes above 138% FPL in some of their programs and strategies in Schedule 6.J. of their LARs.

Sources: Agency 2014-2015 Legislative Appropriations Requests.

Estimates by Michael E. Cline, Ph.D. and Steve Murdock, Ph.D., based on data used in developing the report "Estimates of the Impact of the Affordable Care Act on Counties in Texas", p. 16, (San Antonio, Texas: Methodist Healthcare Ministries of South Texas, Inc, April 2012).

U.S. Department of Homeland Security, "Persons Obtaining Legal Permanent Resident Status During Fiscal Year by State of Residence and Selected Characteristics," 2007-2011, 2011 Yearbook of Immigration Statistics, www.dhs.gov/sites/default/files/.../yearbook/2011/ois_yb_2011.pdf.

Estimates of General Revenue Availability in State Health Care Programs With Medicaid Extension to Adults

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DSHS

Mental Health Community Hospitals Inpatient Services

Goal/ Obj/ Strat 03-02-01-01

This strategy provides funding for inpatient psychiatric facilities (this includes both hospitals or Crisis Stabilization Units that are not operated by DSHS) in communities throughout the state. The services provided at these facilities vary from site to site in response to contract specifications and local needs. This strategy provides inpatient services such as assessment, crisis stabilization, skills training, and medication management. Services may be provided to individuals who are on civil or forensic commitments. Some facilities provide inpatient competency restoration. These facilities provide an alternative to persons leaving their local community for inpatient treatment at a state hospital. Some community hospitals are teaching hospitals. In some of these hospitals, the involvement of medical schools is essential to the provision of services. The availability of local community beds addresses the demand for both civil and forensic inpatient state hospital treatment. Services provided in this strategy would be covered through an extension of Medicaid to adults. The extension would cover adults aged 18-64 below 138% FPL; however, the population that this program serves also includes ineligible immigrants as well as some individuals above 138% FPL and below 150% FPL, who would not be eligible. The program will serve 7,708 individuals in each year of the biennium with an Average Daily Number of Occupied MH Community Hospital Beds of 310 at an Average Daily Cost Per Occupied MH Community Hospital Bed of \$483.

LAR Base Requested - GR Funds Only

FY 2014	FY 2015	FY 2014-2015	
\$ 69,503,096	\$ 69,503,096	\$ 139,006,192	0001 General Revenue Fund

GR Available Due to Adult Extension

FY 2014	FY 2015	FY 2014-2015
\$ 19,325,197	\$ 28,987,796	\$ 48,312,993

Methodology

The methodology provides for 8 full months of funding in FY 2014 as the Medicaid extension to adults would begin on January 2014. The estimate has also been adjusted to remove the portion of funding not spent on direct services (\$14,851,646). The estimate has been adjusted to provide for those with incomes above 138% FPL who would be ineligible for the Medicaid expansion to adults. Although adults in the program are likely concentrated in the under 138% FPL category, to ensure a conservative estimate, an adjustment has been for those with incomes above 138% FPL to exclude the number of uninsured adults aged 18-64 with incomes between 138%-200% FPL as a percent of those with incomes up to 200% FPL in the Texas population, about 29.4%. This population would be eligible for subsidized insurance under the ACA Health Benefit Exchange. DSHS estimates a reduction of \$852,175 for FY 2015 from the impact of the ACA insurance exchange, which has been accounted for in the adjustment for those with incomes between 138%-200% FPL. GR availability resulting from the ACA Health Benefit Exchanges, which will provide subsidized insurance for adults above 138% to 400% FPL, are excluded from the total estimated GR available resulting from the adult expansion.

Estimate

FY 2014	
\$ 69,503,096	Requested
113,150	Number of beds filled daily per year
\$ 483	Cost per day per bed
\$ 54,651,450	Remaining adjusted amount available
8	Number of months in FY 2014 for adult Medicaid extension
\$ 36,434,300	Total amount available (8 months)
29.4%	Percent of uninsured adults aged 18-64 with incomes to 200% FPL who are between 138%-200% FPL
\$ 25,717,283	Remaining adjusted amount available
24.9%	Percent of uninsured adults aged 18-64 below 138% FPL ineligible due to immigration status
\$ 19,325,197	Estimated GR available due to Medicaid extension to adults
FY 2015	
\$ 69,503,096	Requested
113,150	Number served
\$ 483	Cost per person served
\$ 54,651,450	Remaining adjusted amount available
12	Number of months in FY 2015 for adult Medicaid extension
\$ 54,651,450	Total amount available (8 months)
29.4%	Percent of uninsured adults aged 18-64 with incomes to 200% FPL who are between 138%-200% FPL
\$ 38,575,924	Remaining adjusted amount available
24.9%	Percent of uninsured adults aged 18-64 below 138% FPL ineligible due to immigration status
\$ 28,987,796	Estimated GR available due to Medicaid extension to adults

Note: Additional GR funds may be available due to the impact of subsidized insurance under the ACA for those with certain income levels above 138% FPL. This estimate excludes additional GR that may be available due to subsidized insurance in the total estimated GR available due to the Medicaid extension to adults. HHSC and DSHS have estimated some of the ACA effects on populations with incomes above 138% FPL in some of their programs and strategies in Schedule 6.J. of their LARs.

Sources: Agency 2014-2015 Legislative Appropriations Requests.

American Community Survey, "Table B27015: Health Insurance Coverage Status and Type By Ratio of Income to Poverty Level in the Past 12 Months By Age," (2011 1-yr. estimates).

Estimates by Michael E. Cline, Ph.D. and Steve Murdock, Ph.D., based on data used in developing the report "Estimates of the Impact of the Affordable Care Act on Counties in Texas", p. 16, (San Antonio, Texas: Methodist Healthcare Ministries of South Texas, Inc, April 2012).

U.S. Department of Homeland Security, "Persons Obtaining Legal Permanent Resident Status During Fiscal Year by State of Residence and Selected Characteristics," 2007-2011, 2011 Yearbook of Immigration Statistics, www.dhs.gov/sites/default/files/.../yearbook/2011/ois_yb_2011.pdf.

Estimates of General Revenue Availability in State Health Care Programs With Medicaid Extension to Adults

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TDCJ

Treatment Alternatives to Incarceration

Goal/ Obj/ Strat 01-01-04

This strategy includes GR funding for both in-patient and out-patient substance abuse treatment services available in the community for offenders on probation. Most adults aged 18-64 below 138% FPL who are no longer incarcerated are currently not eligible for Medicaid in Texas. However, if Texas expands Medicaid to this population, then parolees and probationers would be eligible, and these expenses, currently paid for with 100% GR, would be covered with 100% federal funds for 2014-2016, declining to 95% in 2017 and gradually declining to 90% by 2020. (This strategy receives a nominal amount of other funding in interagency contracts of \$475,565 in each year of the biennium.)

LAR Base Requested - GR Funds Only

	FY 2014	FY 2015	FY 2014-2015	
\$	10,435,848	\$ 10,435,848	\$ 20,871,696	0001 General Revenue Fund

GR Available Due to Adult Extension

	FY 2014	FY 2015	FY 2014-2015
\$	6,433,631	\$ 9,650,447	\$ 16,084,078

Methodology

The methodology provides for 8 full months of funding in FY 2014 as the Medicaid extension to adults would begin on January 2014. Aliens are generally returned to their home country after being incarcerated rather than released on parole or probation into the community, so this methodology does not include an adjustment for this population. Although parolees in substance abuse programs would generally have incomes below 138% FPL, an adjustment has been for those with incomes above 138% FPL by using the number of the uninsured aged 18-64 with incomes between 138%-150% FPL as a percent of those with incomes up to 150% FPL, about 7.5%. These individuals would be eligible for subsidized insurance under the ACA insurance mandate. GR availability resulting from the ACA Health Benefit Exchanges, which will provide subsidized insurance for adults above 138% to 400% FPL, are excluded from the total estimated GR available resulting from the adult expansion.

Estimate

FY 2014	
\$	10,435,848 Requested
	8 Number of months in FY 2014 for adult Medicaid extension
\$	6,957,232 Total amount available (8 months)
	7.5% Percent of uninsured adults aged 18-64 with incomes to 150% FPL who are between 138%-150% FPL
\$	6,433,631 Estimated GR available due to Medicaid extension to adults
FY 2015	
\$	10,435,848 Requested
	12 Number of months in FY 2015 for adult Medicaid extension
\$	10,435,848 Total amount available (12 months)
	7.5% Percent of uninsured adults aged 18-64 with incomes to 150% FPL who are between 138%-150% FPL
\$	9,650,447 Estimated GR available due to Medicaid extension to adults

Note: Additional GR funds may be available due to the impact of subsidized insurance under the ACA for those with certain income levels above 138% FPL. This estimate excludes additional GR that may be available due to subsidized insurance in the total estimated GR available due to the Medicaid extension to adults. HHSC and DSHS have estimated some of the ACA effects on populations with incomes above 138% FPL in some of their programs and strategies in Schedule 6.J. of their LARs.

Sources: Agency 2014-2015 Legislative Appropriations Requests.

American Community Survey, "Table B27015: Health Insurance Coverage Status and Type By Ratio of Income to Poverty Level in the Past 12 Months By Age," (2011 1-yr. estimates).

University of Texas Medical Branch, "Health Care in the Prison System: A Looming Fiscal Crisis," May 2010, p. 1,

<http://www.utmbhealth.com/doc/Page.asp?PageID=DOC000496>.

Estimates of General Revenue Availability in State Health Care Programs With Medicaid Extension to Adults

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TDCJ

Special Needs Programs and Services

Goal/ Obj/ Strat 02-01-01

This strategy includes GR funding for treatment of mentally ill offenders being supervised in the community, to include intensive case management and support services such as psychiatric assessments, medications and counseling; continuity of care services involving pre-release and post-release screening, referral and medical/psychiatric treatment to offenders nearing release from incarceration; processing of offenders eligible for release to Medically Recommended Intensive Supervision; and administering the pre-release Social Security application process for released offenders. Adults aged 18-64 below 138% FPL who are no longer incarcerated are currently not eligible for Medicaid in Texas. However, if Texas expands Medicaid to this population, then parolees and probationers would be eligible for the client services provided by this strategy, and these expenses, currently paid for with 100% GR, would be covered with 100% federal funds for 2014-2016, declining to 95% in 2017 and gradually declining to 90% by 2020.

LAR Base Requested - GR Funds Only

FY 2014	FY 2015	FY 2014-2015	
\$ 18,929,945	\$ 18,929,945	\$ 37,859,890	0001 General Revenue Fund

GR Available Due to Adult Extension

FY 2014	FY 2015	FY 2014-2015
\$ 11,670,186	\$ 16,376,283	\$ 28,046,469

Methodology

The methodology provides for 8 full months of funding in FY 2014 as the Medicaid extension to adults would begin on January 2014. Incarcerated aliens are generally returned to their home country after being incarcerated rather than released on parole or probation into the community, so this methodology does not include an adjustment for this population. Although parolees in substance abuse programs would generally have incomes below 138% FPL, an adjustment has been for those with incomes above 138% FPL by using the number of the uninsured aged 18-64 with incomes from 138%-150% FPL as a percent of those with incomes up to 150% FPL, about 7.5%. These individuals would be eligible for subsidized insurance under the ACA insurance mandate. GR availability resulting from the ACA Health Benefit Exchanges, which will provide subsidized insurance for adults above 138% to 400% FPL, are excluded from the total estimated GR available resulting from the adult expansion.

Estimate

FY 2014

\$ 18,929,945	Requested
\$ 17,709,066	Professional fees and services only
	8 Number of months in FY 2014 for adult Medicaid extension
\$ 12,619,963	Total amount available (8 months)
	7.5% Percent of uninsured adults aged 18-64 with incomes to 150% FPL who are between 138%-150% FPL
\$ 11,670,186	Estimated GR available due to Medicaid extension to adults

FY 2015

\$ 18,929,945	Requested
\$ 17,709,066	Professional fees and services only
	12 Number of months in FY 2015 for adult Medicaid extension
\$ 17,709,066	Total amount available (12 months)
	7.5% Percent of uninsured adults aged 18-64 with incomes to 150% FPL who are between 138%-150% FPL
\$ 16,376,283	Estimated GR available due to Medicaid extension to adults

Data Sources: Agency 2014-2015 Legislative Appropriations Requests.

American Community Survey, "Table B27016: Health Insurance Coverage Status and Type By Ratio of Income to Poverty Level in the Past 12 Months By Age," (2011 1-yr. estimates).

University of Texas Medical Branch, "Health Care in the Prison System: A Looming Fiscal Crisis," May 2010, p. 1,

<http://www.utmbhealth.com/doc/Page.asp?PageID=DOC000496>.

Estimates of General Revenue Availability in State Health Care Programs With Medicaid Extension to Adults

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TDCJ

Inpatient and Clinical Care for Incarcerated Adults

Goal/ Obj/ Strat 03-01-08

This strategy includes funding for non-psychiatric health care – hospital and clinical care. Under a federal HHS rule issued in 1997, incarcerated individuals who would otherwise be eligible for Medicaid are Medicaid-eligible for non-psychiatric hospital inpatient stays in non-prison facilities. Currently, adults aged 18-64 below 138% FPL are not eligible for Medicaid in Texas. However, if Texas expands Medicaid to this population, then these expenses, currently paid for with 100% GR, would be covered with 100% federal funds for 2014-2016, declining to 95% in 2017 and gradually declining to 90% by 2020. TDCJ has requested an exceptional item for this strategy (08) to bring the base level of funding to the level of expense requested by the university providers. This exceptional item is not included in the following analysis. However, in calculating GR available for this item, the same methodology would apply.

LAR Base Requested - GR Funds Only

FY 2014	FY 2015	FY 2014-2015	
\$ 157,311,042	\$ 157,311,041	\$ 314,622,083	0001 General Revenue Fund

GR Available Due to Adult Extension

FY 2014	FY 2015	FY 2014-2015
\$ 61,875,677	\$ 92,813,514	\$ 154,689,191

Methodology

The methodology provides for 8 full months of funding in FY 2014 as the Medicaid extension to adults would begin on January 2014. This strategy includes off-campus non-psychiatric inpatient and clinic care for adults of all ages incarcerated in state prisons. (The strategy 03-01-07 Managed Health Care - Unit and Psychiatric Care provides funding for inmate health and dental care, including outpatient medical visits.) This methodology excludes the funds required for inmates ages 65 and over to determine the GR funding that would be available if Texas expanded Medicaid to adults aged 18-64 below 138% FPL. Although there are more adults below age 65, those over age 65 access inpatient hospital stays more frequently and stay longer. According to the University of Texas Medical Branch (UTMB) that contracts with TDCJ to provide most inpatient hospital care to inmates, older inmates, defined as those over age 50, comprise only about 15.5% of the prison population in FY 2009, but "older offenders [defined as over age 50] are far more likely to require hospitalization than younger offenders, and accounted for 51% of hospital and specialty services costs in FY 2009." This methodology adjusts the 51% to 41% to conservatively account for the population 65 and over should Texas expand Medicaid to adults. To the extent that inmates are served for less than 24 hours at a hospital in this strategy, the GR availability in this methodology would need to be reduced.

Estimate

FY 2014

\$ 157,311,042	Requested
	8 Number of months in FY 2014 for adult Medicaid extension
\$ 104,874,028	Total amount available (8 months)
	41% Estimated percent of hospitalization costs of inmates 65 and over
\$ 61,875,677	Estimated GR available due to Medicaid extension to adults 18-64

FY 2015

\$ 157,311,041	Requested
	12 Number of months in FY 2015 for adult Medicaid extension
\$ 157,311,041	Total amount available (12 months)
	41% Estimated percent of hospitalization costs of inmates 65 and over
\$ 92,813,514	Estimated GR available due to Medicaid extension to adults 18-64

Data Sources: Agency 2014-2015 Legislative Appropriations Requests.

University of Texas Medical Branch, "Health Care in the Prison System: A Looming Fiscal Crisis," May 2010, p. 1,

<http://www.utmbhealth.com/doc/Page.asp?PageID=DOC000496>.

Estimates of General Revenue Availability in State Health Care Programs With Medicaid Extension to Adults

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TDCJ

Substance Abuse Felony Punishment Facilities

Goal/ Obj/ Strat 03-02-04

This strategy includes GR funding for the Substance Abuse Felony Punishment Facility (SAFP) program, which is an intensive 6-month (9-month for special needs offenders) program with 3 phases for offenders with crime-related substance abuse problems. A judge sentences offenders into the program as a condition of probation. The Board of Pardons and Paroles may also place an offender in the program as a modification of parole supervision. Upon completion of the incarceration portion of the SAFP program, offenders are provided substance abuse aftercare as a continuum of care in the community. The aftercare component consists of 3 months of residential or intensive outpatient treatment, followed by outpatient counseling for up to 12 additional months. This analysis is limited to the client services portion requested for this strategy is \$18,799,840 in each year of the next biennium. Most adults aged 18-64 below 138% FPL who are no longer incarcerated are currently not eligible for Medicaid in Texas. However, if Texas expands Medicaid to this population, then parolees and probationers would be eligible for the client services provided by this strategy, and these expenses, currently paid for with 100% GR, would be covered with 100% federal funds for 2014-2016, declining to 95% in 2017 and gradually declining to 90% by 2020. (This strategy receives a nominal amount of other funds (appropriated receipts) of \$14,004 for each year of the biennium that have not been included in this analysis.)

LAR Base Requested - GR Funds Only

	FY 2014	FY 2015	FY 2014-2015	
\$	57,383,359	\$ 57,383,359	\$ 114,766,718	0001 General Revenue Fund

GR Available Due to Adult Extension

	FY 2014	FY 2015	FY 2014-2015
\$	11,589,977	\$ 17,384,966	\$ 28,974,943

Methodology

The methodology provides for 8 full months of funding in FY 2014 as the Medicaid extension to adults would begin on January 2014. The estimate has been adjusted to include only client services expenses (object of expense: 3001); administrative expenses as well as other operating expenses (object of expense: 2009) for this strategy (\$37.6 million in each year of the biennium) have been excluded, since the strategy also includes an incarceration phase in which the inmates would not be eligible for Medicaid. Incarcerated aliens are generally returned to their home country after being incarcerated rather than released on parole or probation into the community, so this methodology does not include an adjustment for this population. Although parolees in need of mental health and other special services would generally have incomes below 138% FPL, an adjustment has been made to account for parolees with incomes above 138% FPL by using the number of the uninsured aged 18-64 with incomes from 138%-150% FPL

Estimate

FY 2014	
\$	57,383,359 Requested
\$	18,799,840 Professional fees and services only
	8 Number of months in FY 2014 for adult Medicaid extension
\$	12,533,227 Total amount available (8 months)
	7.5% Percent of uninsured adults aged 18-64 with incomes to 150% FPL who are between 138%-150% FPL
\$	11,589,977 Estimated GR available due to Medicaid extension to adults
FY 2015	
\$	57,383,359 Requested
\$	18,799,840 Professional fees and services only
	12 Number of months in FY 2015 for adult Medicaid extension
\$	18,799,840 Total amount available (12 months)
	7.5% Percent of uninsured adults aged 18-64 with incomes to 150% FPL who are between 138%-150% FPL
\$	17,384,966 Estimated GR available due to Medicaid extension to adults

Data Sources: Agency 2014-2015 Legislative Appropriations Requests.

American Community Survey, "Table B27016: Health Insurance Coverage Status and Type By Ratio of Income to Poverty Level in the Past 12 Months By Age," (2011 1-yr. estimates).

University of Texas Medical Branch, "Health Care in the Prison System: A Looming Fiscal Crisis," May 2010, p. 1,

<http://www.utmbhealth.com/doc/Page.asp?PageID=DOC000496>.

Estimates of General Revenue Availability in State Health Care Programs With Medicaid Extension to Adults

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UTMB

UTMB Indigent Care

Goal/ Obj/ Strat 05-01-04

The University of Texas Medical Branch at Galveston receives regular appropriations for unpaid health care services provided to indigent patients and maintains contracts with 17 counties and 11 hospital districts for indigent care, and Overall, UTMB provided patient care to indigent patients coming from 122 of Texas' 254 counties in FY 2011. In FY 2012, an estimated 1,349 indigent inpatients and 14,092 indigent outpatient will be seen at UTMB. It also operates the St. Vincent's Nurse Managed Clinic to provide care to medically indigent residents of Galveston. An extension of Medicaid to adults aged 18-64 below 138% FPL would absorb most of this group; however, the indigent population also includes ineligible immigrants.

LAR Base Requested - GR Funds Only

	FY 2014	FY 2015	FY 2014-2015	
\$	2,666,658	\$ 2,666,658	\$ 5,333,316	0001 General Revenue Fund

GR Available Due to Adult Extension

	FY 2014	FY 2015	FY 2014-2015
\$	1,021,585	\$ 2,003,854	\$ 3,025,439

Methodology

The methodology provides for 8 full months of funding in FY 2014 as the Medicaid extension to adults would begin on January 2014. In its estimate of ACA-related impacts on the UTMB Indigent Healthcare Reimbursement, DSHS identified 23.5% of the appropriation request as ACA-related in 2015. To ensure a conservative estimate, this methodology has applied this percentage for both years of the biennium to the UTMB Indigent Healthcare appropriation request. The estimate has also been adjusted to provide continued funding for the estimated 24.9% of adults aged 18-64 below 138% FPL who are ineligible immigrants. Any GR availability resulting from the ACA Health Benefit Exchanges, which will provide subsidized insurance for adults above 138% to 400% FPL, are excluded from the total estimated GR available resulting from the adult expansion.

Estimate

FY 2014	
\$	2,666,658 Requested
	8 Number of months in FY 2014 for adult Medicaid extension
\$	1,777,772 Total amount available (8 months)
	23.5% Percent share of ACA-related impact based on DSHS 2015 estimate
\$	1,359,489 ACA-adjusted amount available for adult extension
	24.9% Percent of uninsured adults aged 18-64 below 138% FPL ineligible due to immigration status
\$	337,904 Amount reserved for ineligible
\$	1,021,585 Estimated GR available due to Medicaid extension to adults
FY 2015	
\$	2,666,658 Requested
	12 Number of months in FY 2015 for adult Medicaid extension
\$	2,666,658 Total amount available (12 months)
	23.5% DSHS savings estimate of ACA impact
\$	2,666,658 ACA-adjusted amount available for adult extension
	24.9% Percent of uninsured adults aged 18-64 below 138% FPL ineligible due to immigration status
\$	662,803 Amount reserved for ineligible
\$	2,003,854 Estimated GR available due to Medicaid extension to adults

Note: Additional GR funds may be available due to the impact of subsidized insurance under the ACA for those with certain income levels above 138% FPL. This estimate excludes additional GR that may be available due to subsidized insurance in the total estimated GR available due to the Medicaid extension to adults. HHSC and DSHS have estimated some of the ACA effects on populations with incomes above 138% FPL in some of their programs and strategies in Schedule 6.J. of their LARs.

Sources: Agency 2014-2015 Legislative Appropriations Requests.

Estimates by Michael E. Cline, Ph.D. and Steve Murdock, Ph.D., based on data used in developing the report "Estimates of the Impact of the Affordable Care Act on Counties in Texas", p. 16, (San Antonio, Texas: Methodist Healthcare Ministries of South Texas, Inc, April 2012).

U.S. Department of Homeland Security, "Persons Obtaining Legal Permanent Resident Status During Fiscal Year by State of Residence and Selected Characteristics," 2007-2011, 2011 Yearbook of Immigration Statistics, www.dhs.gov/sites/default/files/.../yearbook/2011/ois_yb_2011.pdf.

Appendix

Worksheets

**Total Texas Uninsured Aged 18-64 by FPL
(includes Medicaid-ineligible immigrants)**

Federal Poverty Level (FPL) Percentages	Uninsured
0-.5	610,314
.5-1	813,243
1-1.38	679,080
1.38-1.5	171,123
1.5-2.0	705,097

Source:

American Community Survey, "Table B27016: Health Insurance Coverage Status and Type By Ratio of Income to Poverty Level in the Past 12 Months By Age," (2011 1-yr. estimates).

Calculations Based on Source Table Above

1.5-1.85	493,568
1.38-1.85	664,691
Potential Pregnant Women Program Universe*	
0-1.38	2,102,637
Potential Pregnant Women Program Universe*	2,767,328
Income Groups as Percent of Pregnant Woman Universe	
0-1.38 as % of the total P.W. Program Universe	76.0%
1.38-1.85 as % of the total P.W. Program Universe	24.0%

*Note: Includes individuals beyond child-bearing age.

Texas Pregnant Adolescents, 2008

Ages 15-17	26,170
Ages 18-19	50,230
Total	76,400
Ages 15-17 as % of Total	34.3%
Percent of P.W. clients who are adolescents	11%
Percent of P.W. clients who are under 18	3.8%

Sources:

Health and Human Services Commission, "Medicaid and CHIP in Perspective," ("Pink Book"), January 2013, p. 5-18,
www.hhsc.state.tx.us/medicaid/reports/PB9/PinkBook.pdf.
 Kost, K., & Henshaw, S. (2013). "U.S. Teenage Pregnancies, Births and Abortions, 2008: State Trends by Age, Race and Ethnicity,"
<http://www.guttmacher.org/pubs/USTPtrendsstate08.pdf>.

TX Adults as Percent of Total Medicaid Enrollees

Pregnant Women	130,565
TANF-Level Adults	123,227
Total Adults	253,792
Total Enrollees	3,673,329
Adults as % of Total	6.9%
TANF-Level Adults as % of Total	3.4%
Pregnant Women as % of Total	3.6%

Source:

Health and Human Services Commission, "Final Count - Medicaid Enrollment by County - August 2012,"
<http://www.hhsc.state.tx.us/research/MedicaidEnrollment/ME/201208.html>.

Texas Adults 18-64 Below 138% FPL in "Estimates of the Impact of the Affordable Care Act on Counties in Texas"

Group	Total Population	% of Group	Total Uninsured	% of Group Uninsured	% Uninsured
Current Medicaid-Ineligible - Undocumented	720,232	20.1%	432,139	24.0%	60.0%
Current Medicaid - Legal Permanent Residents (LPRs) in last five years	47,914	1.3%	15,332	0.9%	32.0%
Current Medicaid-Ineligible Immigrants	768,146	21.4%	447,471	24.9%	56.5%
Government Workers	231,212	6.5%	20,809	1.2%	9.0%
Total Excluded from Report	1,053,906	29.4%	485,736	27.0%	46.1%
Total FPL < 138% in Report	2,528,031	70.6%	1,314,576	73.0%	52.0%
Total FPL < 138%	3,581,937	100.0%	1,800,312	100.0%	50.3%

* LPRs before 1996 are eligible for Medicaid.

Sources:

Estimates by Michael E. Cline, Ph.D. and Steve Murdock, Ph.D., based on data used in developing the report "Estimates of the Impact of the Affordable Care Act on Counties in Texas", p. 16, (San Antonio, Texas: Methodist Healthcare Ministries of South Texas, Inc, April 2012).

U.S. Department of Homeland Security, "Persons Obtaining Legal Permanent Resident Status During Fiscal Year by State of Residence and Selected Characteristics," 2007-2011, 2011 Yearbook of Immigration Statistics, www.dhs.gov/sites/default/files/.../yearbook/2011/ois_yb_2011.pdf.

New Arrival Permanent Legal Residents - TX

2011	37,994
2010	36,493
2009	36,887
2008	37,689
2007	30,091
Total	179,154
Avg./Yr.	35,831

Texas Immigrants - Statewide

Total Undocumented immigrants	1,513,617
Total Legal Permanent Residents (LPRS) since 1996	383,117
Total-All Ages and Income Levels	1,896,734
Total LPRs as % of Total	20.2%

Calculations Based on Texas Immigrants - Statewide & New Arrival Permanent Legal Residents - TX

Legal Immigrants as % of Total	20.2%
Undocumented immigrants as % of total immigrants	79.8%
Total New Arrivals 2007-2011	179,154
New Arrivals (5 years) as % of Total Legal Residents	46.8%
Share of LPRs here longer than 5 yrs	53.2%

Sources:

U.S. Department of Homeland Security, "Persons Obtaining Legal Permanent Resident Status During Fiscal Year by State of Residence and Selected Characteristics," 2007-2011, 2011 Yearbook of Immigration Statistics, www.dhs.gov/sites/default/files/.../yearbook/2011/ois_yb_2011.pdf.

Michael E. Cline, Ph.D. and Steve Murdock, Ph.D., Estimates of the Impact of the Affordable Care Act on Counties in Texas, p. 16, (San Antonio, Texas: Methodist Healthcare Ministries of South Texas, Inc, April 2012).

Substance Abuse Treatment Sub-Strategy Allocation

	Persons/Mo.	Cost/Mo.	Total	% of Total	Apportioned Amount
Adult-Prevention	39,000	\$ 16.00	\$ 7,488,000	4.0%	\$ 930,943
Youth-Prevention	153,000	\$ 14.00	\$ 25,704,000	13.8%	\$ 3,195,640
Adult-Intervention	12,495	\$ 70.25	\$ 10,533,285	5.7%	\$ 1,309,547
Youth-Intervention	4,467	\$ 64.00	\$ 3,430,656	1.8%	\$ 426,515
Adult-Treatment	7,200	\$ 1,603.24	\$ 138,519,936	74.6%	\$ 17,221,441
Youth-Treatment	1,250	\$ 3,252.32	\$ 48,784,800	26.3%	\$ 6,065,153
Total			\$ 185,675,877	100.0%	
GR Total			\$ 23,084,086		\$ 29,149,239

Source: Department of State Health Services LAR. The base strategy does not include enough GR to fund the persons per month included as an output measure, thus requiring an allocation methodology.

**Texas Uninsured
Aged 18-64 By FPL (2011)**

Aged 18-64	Uninsured
0-.5 FPL	610,314
.5-.99 FPL	813,243
1.0-1.37 FPL	679,080
1.38-1.49 FPL	171,123
1.50-2.0 FPL	705,097
2.0-2.49 FPL	488,588
2.50-2.99 FPL	364,330
3.0-3.99 FPL	456,261
4.0+ FPL	521,384
Total	4,809,420

0-2.0 FPL	2,978,857
1.38-2.0 FPL	876,220
1.38-2.0 FPL as % of Total 0-2.0 FPL	29.4%

0-1.38 FPL	\$ 2,102,637
0-1.38 FPL as % of Total 0+ FPL	43.7%

1.38+ FPL	2,706,783
1.38+ FPL as % of Total 0+ FPL	56.3%

0-1.50 FPL	2,273,760
1.38-1.5 FPL	171,123
1.38-1.5 FPL as % of Total 0-1.5 FPL	7.5%

Source:

American Community Survey, "Table B27016: Health Insurance Coverage Status and Type By Ratio of Income to Poverty Level in the Past 12 Months By Age," (2011 1-yr. estimates).



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