

Impact of SB 1 - Conference Committee Report on Travis County, Texas

Scope: This document is intended to identify the impact of proposed state agency funding on the health and human services community in Travis County, Texas. This includes impact to both consumers of these services and agencies providing these services. Note that some programs or groups of programs are included that pertain directly to specific TCHHS/VS investments and may be incongruous with the aforementioned criteria. Relatively small proposed changes in funding levels are not included in this analysis, nor are changes in funding in areas of administration, IT, travel, training and other "overhead" costs. Changes to funding levels in these areas can result in loss of service or the diminishing quality of services to clients.

Methodology: Calculations were performed using Legislative Budget Estimates for the House and Senate for the 2014-2015 Biennium, agency 14-15 LARs and House and Senate Summary Recommendations. Note that 12-13 figures do not reflect actual spending and anticipated federal budget reductions in the Budget Control Act of 2011 which may considerably change some of these allocations. Nondefense discretionary and mandatory programs are estimated to be cut by 8-9%. Impact statements are taken from LARs, information collected from agencies and other sources as cited in the document.

Note: Some of the impact statements do not correspond to the reductions shown in the biennial change columns. This is because a program group may show an increase overall, while a specific program or sub-program within that group will have been reduced. Sometimes a reduction is shown, but the amount of the reduction does not match what is reflected in the impact column.

Department of Family and Protective Services (DFPS)			SB 1 - Conference Committee Report					
Goal/Objective/Strategy	Affected Programs/Program Groups	estimated/ budgeted 2012-13	recommended 2014-15	Biennial Change \$	Biennial Change %	Federal Funds Loss	Local Funding Recipient/Provider	Impact
B.1	Child Protective Services [B.1.1-B.1.13]	\$ 2,265,451,117	\$ 2,525,889,587	\$ 260,438,470	11%	Loss of Title IV E monies	n/a	Changes in this goal include a decrease in federal funds due to the decline in Title IV E foster care population ratio as more children are placed with relatives in non-verified foster homes and the continual decline in Title IV E financial participation.
C. 1	Prevention and Early Intervention Programs [C.1.1-1.6]	\$ 66,791,050	\$ 88,864,886	\$ 22,073,836	33%	Reduction of \$2.7 M in federal Community-based Child Abuse Prevention Funds.	Any Baby Can LifeWorks	Prevention programs are essential in deterring youth from poor outcomes and for controlling costs related to the effects of abuse and neglect.

Department of State Health Services (DSHS)		SB 1 Conference Committee Report						
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A.2.2	HIV/STD Prevention	\$ 385,121,075	\$ 380,551,552	\$ (4,569,523)	-1%		Local ASOs	Includes loss of \$4.2 M statewide reduction in HIV Prevention Grants.
B.1.1	WIC/Famer's Market Nutrition Services	\$ 1,634,304,583	\$ 1,622,868,877	\$ (11,435,706)	-1%		COA?	Proposed funding for these services may not be sufficient to address demand. Lack of sufficient services may create more demand for area food banks and other providers of basic needs services. Unsure if there are locally funded farmer's markets under this strategy.
B.1.2	Women and Children's Health Services	\$ 169,289,036	\$ 162,753,233	\$ (6,535,803)	-4%	Mostly attributable to decrease in Title V Block Grant.	area clinics	Statewide reductions to staff in public health regions providing women and children access to healthcare, including screenings and counseling as well as referrals to social services such as case management.

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B. 1.3	Family Planning Services	\$ 43,164,601	\$ 43,164,601	\$ -	0%	\$3.7 M in Title XX SSBG and \$1M in Title V Block Grant. \$6.5M in Title X funds that has gone to DSHS Family Planning Services was awarded to the Austin-based Women's Health and Family Planning Association of Texas in late March of 2013.		Not to be confused with D.2.3 under HHSC, now referred to as the Texas Women's Health Program. Unclear about what exactly this strategy includes. House Committee Substitute indicates that this \$32M increase in GR funds is a "contingency for this program in the event that the state is not awarded Title X funds". See note in loss of Federal Funds. See Riders 50, 65 and 90.
B.1.4	Community Primary Care Services	\$ 28,205,018	\$ 126,398,840	\$ 98,193,822	348%		Area clinics	This program contracts with community health clinics and non profit organizations to provide a range of services for poor Texans who don't qualify for other state health programs. The proposed addition of \$100M would provide services to an additional 170,000 statewide. See rider 82.
B.2.1	Mental Health Services for Adults	\$ 556,240,488	\$ 664,999,081	\$ 108,758,593	20%	Decrease in the Community Mental Health Block Grant	ATCIC	

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B.2.2	Mental Health Services for Children	\$ 126,182,344	\$ 200,976,804	\$ 74,794,460	59%	Decrease in the Community Mental Health Block Grant	ATCIC	This increase will "fund the mental health children wait list". See Rider 85.
B.2.3	Community Mental Health Crisis Services	\$ 168,553,850	\$ 221,182,624	\$ 52,628,774	31%		ATCIC and others	See rider 66
B.2.5	Substance Abuse Prevention /Intervention /Treatment	\$ 289,333,463	\$ 315,625,153	\$ 26,291,690	9%		ATCIC and others	Lack of a substantive increase in state funds for these services will mean continuing spill-over into County jail and ERs. Rider 4 indicates that DSHS has Substance Abuse Prevention and Treatment federal block grant funds in excess of appropriations in B.2.5 totaling more than \$270 M to use in 2014 and 2015.

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C.1.3	Mental Health State Hospitals	\$ 791,225,670	\$ 835,796,441	\$ 44,570,771	6%		ASH	Travis County lacks sufficient beds in the Austin State Hospital. Bed shortages combined with increased use of beds by forensic patients could potentially impact hospitals' receipt of Medicaid match dollars. With inadequate supply of state beds, persons in need access ERs. Others are incarcerated. Some must be transported by law enforcement officials to hospitals with open beds in other areas of the state for treatment. See rider 8.
C.2.1	Mental Health Community Hospitals	\$ 139,006,192	\$ 153,140,973	\$ 14,134,781	10%			Local impact unknown.

Health and Human Services Commission (HHSC)		SB 1 - Conference Committee Report						
Goal/Objective/Strategy	Affected Programs/Program Groups	estimated/budgeted 2012-13	recommended 2014-15	Biennial Change \$	Biennial Change %	Federal Funds Loss	Local Funding Recipient/Provider	Impact
B.1.1-B.3.1	Medicaid	\$ 40,144,104,602	\$ 43,597,632,027	\$ 3,453,527,425	9%		n/a	Increase related to projected caseload growth in FY 14-15, restoration of the 2% provider rate reduction for primary care physicians to July 2009 levels and the transfer of CHIP eligibles between the ages of 6 and 19 between 100 and 138 % FPL to Medicaid per the PPACA. The revised Federal Medical Assistance Percentage (FMAP) for FYs 14 and 15 is anticipated to result in a net decline in the federal share of Medicaid expenditures from FYs 12 and 13.
C.1.1-C.1.4	CHIP	\$ 2,351,300,678	\$ 1,994,661,191	\$ (356,639,487)	-15%			Decrease related to the transfer of current CHIP enrollees ages 6-18 between 100% and 138% FPL onto Medicaid in 2014 per the PPACA.
D.1.1	TANF Grants	\$ 190,034,820	\$ 187,725,283	\$ (2,309,537)	-1%			Reduced funding for TANF translates locally into increased demand for basic needs.
D.2.3.	Texas Women's Health Program	\$ 29,507,462	\$ 71,268,654	\$ 41,761,192	142%	\$1.4 M in Medicaid funding in Travis County alone		This is the state replacement program for the now-defunct Women's Health Program which was a Medicaid pilot program. SB 7 [82 R] banned some family planning providers from participating in the Women's Health Program and all Medicaid dollars have been withdrawn (which have constituted 90% of the program funding since the program's inception), as the exclusion of Planned Parenthood and other providers referenced in the bill defies federal law. Since passage of SB 7, at least three Travis County clinics have been completely defunded of their WHP Medicaid funds, totaling a local loss of \$1.4 million in federal funds for 2012. In 2011, these three clinics served a total of 8,615 clients under the original WHP program. The Texas Women's Health program is in operation at the time of this writing, but changes in the pool of participating local providers may be a barrier to access to care for Travis County clients. This increase is 24 months of funding for the program and marks a 142% increase because state funding under the previously 90% Medicaid-funded program constituted only 8 months of funding for the program.

Texas Department of Housing and Community Affairs (TDHCA)								
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A.1.1-1.6	Affordable Housing	\$ 78,967,101	\$ 79,185,914	\$ 218,813	0.3%	<p>A.1.2: HOME Program - A loss of at least \$1.5 M in CDBG over the biennium statewide.</p> <p>Statewide HUD cuts resulting from Sequestration total \$59.3 M for 2013-14.</p>	<p>HUD cuts for 2013-2014 resulting from Sequestration include a 5% cut to HOPWA for the City of Austin (at least \$50k but could be as much as \$1M) in either housing or services. Other HUD Sequestration cuts effective in 2014 include a 5% cut (an estimated \$269,500) to local Continuum of Care grants which fund permanent supportive housing, transitional housing, rapid re-housing, the Homeless Management Information System (HMIS) and Passages, a case management program. Many agencies in the Travis County community will be affected by these cuts.</p>	Any decrease in funds for affordable housing allocation puts greater pressure on local agencies. Locally, with failure of November 2012 affordable housing bonds, there is a critical need for dedicated funds to house families at or below 50% MFI. See Rider 5.
C.1.1	Poverty-Related Funds	\$ 79,204,247	\$ 85,158,396	\$ 5,954,149	8%	<p>Loss of at least \$4M in Emergency Shelter Grants (ESG) over the biennium statewide</p>	<p>Local ESG funds cut from Sequestration total \$107,000 or 18% of the local allocation for 2013-2014. This includes a \$73K reduction in maintenance and operations at Austin Resource Center for the Homeless (ARCH), run by Front Steps, a Travis County contractor. Other local housing and social service agencies receive these funds, such as Foundation for the Homeless and Caritas of Austin.</p>	Funds for Housing and Homeless Services provide case management and housing placement and retention services for homeless individuals and families. If sufficient funds are not allocated to these services, we will see an increase in homelessness and near-homelessness, as well as demand for shelter bed nights and homelessness prevention services.
C.2.1	Energy Assistance Programs	\$ 269,734,818	\$ 266,400,000	\$ (3,334,818)	-1%	<p>Decrease of \$2M due to lower allotment of funds for energy assistance programs and appropriated receipts of \$1.4 M due to the discontinuation of Investor Owned Utility contracts.</p>	<p>Travis County HHS/VS and others</p>	<p>Some of the decrease reflects the discontinuation of Investor Owned Utility contracts to provide energy efficiency services to low income customers. Unsure if this will have a local impact. Decreased revenue for energy assistance programs can result in mounting debt, increases in foreclosure, poverty rates, homelessness and near-homelessness. Note that there are two relevant exceptional items: 1) to create a credit enhancement loan program in the amount of \$10M, which will assist in the financing of energy efficiency and weatherization projects and 2) transferring \$46M from the PUC to the Weatherization Assistance Program.</p>

Agency	Goal/Objective/ Strategy	Affected Programs/Program Groups	estimated/budgeted 2012- 13	SB 1 - Conference Committee Report			Federal Funding Loss	Local Funding Recipient/Provider	Impact
				recommended 2014-15	Biennial Change \$	Biennial Change %			
Texas Veteran's Commission	A.1.1	Claims Representation and Counseling to Veterans and their Families	\$ 9,633,326	\$ 13,284,624	\$ 3,651,298	38%	Reductions to claims staff, counseling and services to Veterans and their families reduces the amount of federal funds TVC can draw down to serve Central Texas Veterans		The end of combat in Iraq and a decreased military presence in Afghanistan will continue to contribute to a spike in the number of Veterans who are claiming benefits. Sizable backlog of an average of 393 days in Central Texas - in processing claims creates delays in Veterans obtaining benefits they are eligible for. The TVC claims that in FY 2011, payments to more than 179,000 veterans and survivors totaled more than \$2.2B and returned \$16 in sales tax revenue for every \$1 spent in general revenue. Increases in this program allocation will mitigate some effects of the backlog.
	A.1.2-A.1.5	Other services to Veterans: Employment, Education, Assistance Grants and Outreach	\$ 40,812,907	\$ 36,188,420	\$ 4,624,487	-11%	Reductions to claims staff, counseling and services to Veterans and their families reduces the amount of federal funds TVC can draw down to serve Central Texas Veterans	unknown	Both budgets include a statewide decrease of \$7.7 M due to a decline in lottery ticket sales used for veteran's service grants. Cuts to A.1.2 through A.1.5 will mean greater unemployment for Veterans and poor outcomes for Veterans and their families who are not able to receive needed services. See riders 6 and 9.
General Land Office and Veteran's Land Board	C.1.1-1.3	Veteran's Land Board	\$ 44,265,380	\$ 42,166,591	\$ 2,098,789	-5%	Texas will receive \$1.8M less for Veteran Cemeteries for the 14-15 biennium		May have no local impact, as most of decrease is attributable to \$1.8M in federal funds for Corpus Christi veteran's cemetery.