



# **Presentation to the Senate Finance Committee**

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Health and Human Services Commission

November 17, 2005

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## **Disasters Impacting Texas – Hurricane Katrina Relief Efforts**

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- **Summary of Potential Fiscal Impact for the Health and Human Services (HHS) System**
- **Texas Hurricane Katrina 1115 Demonstration Waiver**
- **TANF Emergency Response and Recovery Act of 2005 (H.R. 3672) - One-Time Payments**
- **Estimating the Future Impact on Health and Human Services**

## Hurricane Katrina Relief Efforts HHS System - Potential Costs

	Expended Sept 2005		Projected Oct 2005		Projected FY 2006	
	GR / GRD	All Funds	GR / GRD	All Funds	GR / GRD	All Funds
<b>Dept. of Aging &amp; Disability Services</b>	\$10,385	\$3,243,605	\$0	\$4,745,948	\$13,770,629	\$68,964,304
<b>Dept. of Assistive and Rehabilitative Services</b>	\$0	\$131,811	\$0	\$29,325	\$0	\$808,523
<b>Dept. of Family and Protective Services</b>	\$27,847	\$190,073	\$0	\$32,361	\$32,045	\$516,692
<b>Dept. of State Health Services</b>	\$360,727	\$682,366	\$119,643	\$1,765,997	\$480,370	\$11,254,929
<b>Health &amp; Human Services Commission</b>	\$805,240	\$2,041,035	\$173,136	\$513,268	\$106,778,180	\$685,658,678
<b>Total</b>	<b>\$1,204,199</b>	<b>\$6,288,890</b>	<b>\$292,779</b>	<b>\$7,086,899</b>	<b>\$121,061,224</b>	<b>\$767,203,126</b>

Note: Figures above do not include approximately \$30.4 million in federally funded food stamp benefits provided to Katrina evacuees.

- The projected costs are the best estimates available and will require revision as more complete client data becomes available.
- Of the total projected costs the vast majority will be reimbursed through federal funding sources, such as the Katrina Medicaid Waiver, FEMA Grants, and FEMA Public Assistance Projects. The only state costs currently anticipated are related to employees' regular hours spent on Katrina response and clients services in the Medicaid program after the Katrina Medicaid Waiver expires. The funding identified here assumes the waiver expires as of January 31, 2006. However, an extension to the waiver will be requested.

<b>Total FY 2006 Estimated Costs - Katrina (\$ in millions)</b>	<b>\$767.2</b>
Katrina Medicaid Waiver (Acute Care)	(\$318.1)
Post Katrina Waiver Medicaid Federal Share (Acute Care)	(\$163.1)
Katrina Medicaid Waiver (Long Term Care)	(\$32.8)
Post Katrina Waiver Medicaid Federal Share (Long Term Care)	(\$21.2)
One-time TANF Grants (HHSC)	(\$97.0)
FEMA Crisis Counseling Grant (DSHS)	(\$5.6)
FEMA Public Assistance Grant (DSHS)	(\$2.8)
Substance Abuse and Mental Health Admin. Grant (DSHS)	(\$0.2)
Women, Infants and Children Program (DSHS)	(\$0.4)
Department of Education Grant (DARS)	(\$0.8)
<b>Remaining Katrina Response Costs</b>	<b>\$125.2</b>

- Of the remaining costs approximately \$121 million is GR-match for Medicaid after the waiver expires. The remaining \$4.2 million will be primarily reimbursed by FEMA projects that are currently being developed.

## Key Assumptions for Hurricane Katrina Cost Projections

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Projected costs for Medicaid long term care and acute care are based on the following assumptions:

- **Federal matching assumptions** - Under the Medicaid Katrina Waiver, applicants can apply through January 31, 2006 for five months' coverage at 100 percent Federal, after which Federal participation reverts to the regular Medicaid match. An extension of the Texas Hurricane Katrina 1115 Demonstration Waiver will be requested.
- **Long Term Care Assumptions - Department on Aging and Disability Services (DADS)**  
With the exception of the September data, estimates are based on caseloads in Louisiana extrapolated to Texas and an assumption that movement from current "care" circumstances (family, friends, churches, etc.) to assistance by the state -- either in community settings or in residential settings.
  - **Nursing Facility (NF) population**
    - Used recent caseload reports from providers, interpolated an average daily growth rate, and assumed that rate of growth would continue through November 30, 2005.
    - Assumed an attrition rate of 2 percent per month.
    - Assumed costs at \$95 per patient day or the average rate for Texas Medicaid residents.
  - **Community Care and "CBA-like waiver" populations**
    - Assumed 3.06 percent of Texas' population is at risk of needing Long Term Care services
    - Applied the 3.06 percent estimate to the 322,000 evacuees in Texas yields 9,867 potential Long Term Care clients.
    - Excluded the number of evacuees in NFs as of September 22, 2005 and assumed that one-third of the remaining population would begin receiving community care services on a phased-in basis beginning October 2005, reaching full phase-in by the end of December 2005.
    - Assumed a monthly attrition of 1.6 percent per month.
    - Assumed a distribution of 80.6 percent "regular" community care costs, and 19.4 percent "CBA-like" costs, based upon Texas' distribution between regular Medicaid Community Care and CBA.

## Key Assumptions for Hurricane Katrina Cost Projections, continued

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- **“HCS waiver-like services” population**
  - Reviewed data from Louisiana’s fiscal year 2004 Annual Report that reflected an estimated 4,433 persons received MR waiver services statewide.
  - Estimated that 28.6 percent of personal care (which was primarily DD waiver services) was delivered in the counties impacted by Hurricane Katrina.
  - Obtained further data from Louisiana that showed the average NF census in affected counties was 5,321.
  - Applied the estimate of evacuees served in NF at peak of 1,250
  - Estimated 23.5 percent of Louisiana’s impacted NF population is currently being served in Texas.
  - Estimated that 298 individuals are being served.
  
- **Acute Care Medicaid Assumptions - Health and Human Services Commission (HHSC)**
  - Medicaid projections for fiscal year 2006 are based on an estimate of 155,903 FEMA registered households from Louisiana in Texas, each household with 2.7 individuals.
  
  - Using census data from Jefferson and Orleans parishes, assumptions were made on the breakout of potential clients by age, income, and disability (SSI) status. The projected average monthly number of clients served in fiscal year 2006 is 134,596.
  
  - Costs were taken from the Spring 2005 forecast, using fee-for-service costs of \$302.60 per recipient month, which includes \$80.50 for drugs.

A separate cost for disabled and blind clients was used. Approximately 12 percent of the total clients are assumed to be disabled at an estimated cost of \$785.53 per recipient month, which includes \$220.99 for drugs.

## Texas Hurricane Katrina 1115 Demonstration Waiver

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On September 15, 2005, CMS approved an 1115 demonstration waiver submitted by Texas to provide health care coverage for Hurricane Katrina evacuees in Texas. The waiver program covers services for individual evacuees for a five-month period ending no later than June 30, 2006. **The costs of services provided through the waiver will be paid solely from federal funds.**

**Medicaid Coverage** – Applies to persons within existing Medicaid eligibility groups.

### *Eligible Populations*

- Children up to age 19 if the family's income is at or below 200 percent of the federal poverty level (FPL). One hundred percent of the FPL for a family of four is \$1,613 in monthly income; \$19,350 annual income.
- Parents of these children if the family's income is at or below 100 percent of the FPL.
- Pregnant women up to 185 percent of the FPL. Individuals with disabilities and individuals in need of long-term care up to 300 percent of the Supplemental Security Income (SSI) level. Three hundred percent of SSI for 2005 for one individual is \$2,394 monthly; \$28,728 annually.
- Budget neutrality is assumed.

### *Program Benefits*

- The benefits for evacuees are the same as provided for within the Medicaid and CHIP state plans through a fee-for-service system.
- The cost of services provided does not count against any other waiver the state may have.
- Cost-sharing will be waived, including applied income for nursing home or other long-term care programs identified by the state.

### *Eligibility Determination and Eligibility Period*

- The waiver creates a separate temporary eligibility category for evacuees from the counties and parishes damaged by Hurricane Katrina.
- Evacuees may use a simplified application. Eligibility determination will waive normal documentation requirements – the evacuee must attest to displacement, resources, income, and immigration status.

## Texas Hurricane Katrina 1115 Demonstration Waiver, continued

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- For individuals who need community care services such as Community Attendant Services, Primary Home Care, and Day Activity and Health Services, Texas will waive the requirement for functional assessment scores and accept a physician's statement as to eligibility for these programs.
- Individuals can apply for retroactive coverage back to August 24, 2005. Retroactive coverage from August 24, 2005, through August 31, 2005, will not count against the five-month eligibility period.
- Individuals can apply through January 31, 2006.
- Individuals will receive five months of temporary eligibility.
- Individuals applying after their first five months of temporary eligibility must meet Texas' regular eligibility criteria.

**Uncompensated Care Pool** – Applies to persons not eligible for Medicaid.

Created to reimburse providers for medically necessary services and supplies provided to evacuees who have no other coverage for these services and supplies through insurance, including Medicaid and CHIP. The pool is established for five months starting August 24, 2005. **The costs of uncompensated care services will be paid solely from federal funds.**

### *Program Benefits*

- Benefits not currently covered in the Texas Medicaid program for adults, but which will be added to the program, such as hearing aids; eyeglasses; services provided by podiatric and chiropractic providers; and services provided by licensed clinical social workers, licensed marriage and family therapists, licensed psychologists and professional counselors, and substance abuse treatment. Payment for these benefits will be from the Uncompensated Care Pool until these benefits are added to the Texas Medicaid benefit.
- Outpatient substance abuse treatment for adults 21 and older.
- Psychiatric inpatient care in freestanding psychiatric facilities for individuals ages 21 to 64.



## Texas Hurricane Katrina 1115 Demonstration Waiver, continued

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### *Eligibility*

- Individuals, including childless adults, up to an income limit to be identified by HHSC, who have no other insurance, Medicaid, or SCHIP coverage.

***Under the terms of the waiver:***

- ***Texas is authorized to amend the waiver to conform with the passage of any federal legislation related to providing disaster relief related to Hurricane Katrina.***
- ***If legislation passes that extends the temporary eligibility period for evacuees, CMS will automatically extend the waiver eligibility period to conform to federal legislation.***
- ***Texas has the right to suspend or terminate the waiver in whole or in part at any time before the date of expiration.***

## **TANF Emergency Response and Recovery Act of 2005 (H.R. 3672)**

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On September 21, 2005, the President signed into law, the "TANF Emergency Response and Recovery Act of 2005" (H.R. 3672).

This new federal legislation authorizes a limited amount of 100 percent federal funds to states that provide short-term nonrecurring TANF cash assistance to Hurricane Katrina evacuees who have relocated to the state, even temporarily. Texas' share is \$97.0 million for fiscal year 2006.

In order to ensure this funding is used for the evacuees, they will be required to pursue One-Time Temporary Assistance for Needy Families (OTTANF) cash benefits (\$1,000 per household) rather than being considered for regular TANF, based on this federal law that requires the assistance to be short-term and nonrecurring. Texas will not accept any OTTANF disaster applications for this type benefit after June 2006.

### **Disaster OTTANF Eligibility Criteria**

Applicants must:

- not be currently receiving TANF benefits in any state;
- not have received OTTANF benefits in Texas during the past 12 months;
- include a TANF-eligible child living with an adult relative who is within the required degree of relationship;
- provide identification;
- provide a social security number for adults or apply for one through the Social Security Administration before certification;
- pursue and accept all income to which they are entitled, including unemployment benefits (Applicants who were working before evacuating to Texas due to Hurricane Katrina must provide proof they were denied unemployment benefits before being certified for OTTANF or they must meet the income limits.);
- have countable gross income below the 100 percent Federal Poverty Income Limit (FPIL) for the household size; and
- comply with finger imaging requirements, and can only be exempt due to a technical reason (i.e., a low quality image, equipment failure, or if they cannot provide a finger image because of physically disabled fingers).

## Estimating the Future Impact on Health and Human Services

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- HHSC has begun collecting data on enrollment by Hurricane Katrina evacuees in two major programs - Medicaid and Food Stamps.
  - Food Stamp enrollment data has been collected since September 2005. To date, over 125,000 evacuees have received services.
  - Medicaid data is preliminary, as services became available on November 1, 2005.
- Current data indicate that Hurricane Katrina evacuees are very different demographically than the typical Medicaid or Food Stamp Caseload in Texas.
  - African Americans make up the majority of both Food Stamp and Medicaid evacuees' caseloads.
  - Evacuees enrolled tend to be older; proportionally more adults are enrolled.
- Preliminary Medicaid enrollment data show that the evacuees differ in terms of case-mix than the Texas Medicaid caseload.
  - More adult evacuees are enrolled.
  - Fewer aged, blind and disabled evacuees are enrolled.
- Because of these differences, using data from the Texas caseload makes estimating service costs very difficult.
- Racial/ethnic distribution is important when estimating costs, because utilization rates differ markedly across race/ethnicity.
- Further data is needed to determine how many evacuees plan on staying in Texas, where they would become part of the Texas caseload.

### Demographic Snapshot - Services Provided to Hurricane Katrina Evacuees as of October 21, 2005

Food Stamps	125,135
Medicaid	9,028
Uncompensated Care	2,224

## Demographic Snapshot, continued

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### *Food Stamp Enrollment By Age Group and Gender*

<b>Age</b>	<b>Female</b>	<b>Male</b>	<b>Total</b>
0 - 5	6,382	6,639	<b>13,021</b>
6 - 17	12,848	13,295	<b>26,143</b>
18 - 64	41,213	35,782	<b>76,995</b>
65 +	<u>5,501</u>	<u>3,356</u>	<u><b>8,857</b></u>
<b>Total</b>	<b>65,944</b>	<b>59,072</b>	<b>125,016</b>

### *Food Stamp Enrollment By Household Size*

<b>Household Size</b>	<b>Number</b>	<b>Percent</b>
1	27,741	22.2%
2	26,554	21.2%
3	24,639	19.7%
4	23,311	18.6%
5	13,037	10.4%
6	5,618	4.5%
7	2,435	1.9%
8 +	<u>1,800</u>	1.4%
<b>Total</b>	<b>125,135</b>	

## Demographic Snapshot, continued

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### *Medicaid Enrollment By Age Group and Gender*

<b>Age</b>	<b>Female</b>	<b>Male</b>	<b>Total</b>
< 1	204	205	<b>409</b>
1 - 5	772	767	<b>1,539</b>
6 - 18	1,656	1,645	<b>3,301</b>
19 - 65	2,564	902	<b>3,466</b>
> 65	<u>257</u>	<u>74</u>	<u><b>331</b></u>
<b>Total</b>	<b>5,453</b>	<b>3,593</b>	<b>9,048</b>

### *Medicaid Enrollment By Category*

<b>Description</b>	<b>Number</b>	<b>Percent</b>
Children Under Age 19	5,071	56.0%
Pregnant Women	267	3.0%
Low Income Parents of Children < 19	3,154	34.9%
Low Income Medicare Recipients	148	1.6%
Low Income Individuals Needing LT Care	245	2.7%
Individuals w/ Disabilities	<u>163</u>	1.8%
<b>Total</b>	<b>9,048</b>	

## Estimating Future Demands on the Texas HHS Delivery System

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The Governor's Office, the Health and Human Services Commission, and the other affected State agencies are working on a comprehensive survey of all evacuees from Hurricane Katrina.

- The Gallup organization has been approached to conduct a survey of Hurricane Katrina evacuees in the State of Texas.
- The survey will be designed to provide Texas state agencies with:
  - A complete demographic description of the evacuees;
  - An assessment of the types of services the evacuees would need or that would likely be accessed during their stay in Texas;
  - An evaluation of the evacuees' future intentions regarding residency within the State of Texas (i.e., what are their future plans regarding their possible moving back to Louisiana or becoming Texas residents); and
  - A basis for the estimation of the cost of serving the evacuees, and the future integration of the evacuees as Texas residents.

## **Disasters Impacting Texas - Hurricane Rita Relief Efforts**

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### **Summary of Fiscal Impact for the Health and Human Services (HHS) System**

## Hurricane Rita Relief Efforts HHS System - Projected Costs

	Expended Sept 2005		Projected Oct 2005		Projected FY 2006	
	GR / GRD	All Funds	GR / GRD	All Funds	GR / GRD	All Funds
<b>Dept. of Aging &amp; Disability Services</b>	\$768,228	\$1,102,391	\$0	\$0	\$768,228	\$1,102,391
<b>Dept. of Assistive and Rehabilitative Services</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Dept. of Family and Protective Services</b>	\$4,783	\$26,826	\$360	\$11,187	\$5,868	\$141,896
<b>Dept. of State Health Services</b>	\$504,819	\$1,196,812	\$699,754	\$1,847,256	\$1,204,573	\$6,215,507
<b>Health &amp; Human Services Commission</b>	\$2,294	\$4,954	\$5,411,669	\$21,637,505	\$22,608,971	\$91,265,511
<b>Total</b>	<b>\$1,280,124</b>	<b>\$2,330,983</b>	<b>\$6,111,783</b>	<b>\$23,495,948</b>	<b>\$24,587,640</b>	<b>\$98,725,305</b>

Note: Figures above do not include approximately \$8.1 million in federally funded food stamp benefits provided to Rita victims.

- The projected costs are the best estimates currently available and will require revision as more complete client data becomes available.
- Hurricane Rita costs, with the exception of the state share of disaster assistance payments and regular hours for state employees, are expected to be covered through federal sources, primarily FEMA.

<b>Total FY 2006 Estimated Costs - Rita (\$ in millions)</b>	<b>\$98.7</b>
Disaster Assistance Payments to Individuals (HHSC)	(\$68.6)
FEMA Crisis Counseling Grant (DSHS)	(\$1.3)
FEMA Public Assistance Grant (DSHS)	(\$1.9)
Administration on Aging Grant (DADS)	(\$0.3)
<b>Remaining Rita Response Costs</b>	<b>\$26.6</b>

- Of the remaining costs, \$22.5 million is for the state share (25%) of disaster assistance payments. The remainder of the costs (\$4.1 million) is expected to be primarily covered by FEMA projects currently being developed.



# Medicaid (Acute Care) Fiscal Trends for the 2006-07 Biennium

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## Fall 2005 Forecast

### Reconciliation to Senate Bill 1

- FY 2006
- FY 2007

## Medicaid (Acute Care) Fiscal Update for the 2006-07 Biennium

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### Fall 2005 Forecast (*General Revenue in Millions*)

Based on the HHSC Fall Forecast, Medicaid GR expenditures are projected to exceed current appropriations for the 2006-07 biennium.

	FY 2006	FY 2007	Biennial
Base Increased GR Demand	(\$24.0)	(\$534.4)	(\$558.4)

### Major Adjustments to Senate Bill 1

#### Revenue Adjustments

- House Bill 10 (Supplemental Appropriations) carry forward of \$131.7 million GR from FY 2005 to FY 2006
- Additional drug rebate revenue of \$69.2 million (state share) over S.B. 1 amounts of \$403.8 million
- Transfer of \$26 million GR as FEMA match for Hurricane Rita Disaster Assistance
- Transfer of \$14 million GR per HHSC Rider 9 relating to Integrated Eligibility and Enrollment (IEE) implementation
- Reduction of \$34.6 million GR related to System Benefit fund revenue restoring adult mental health benefits

#### Expenditure Adjustments

- Adjusts for actual FY 2007 FMAP (.3923 state FY 2007) and lower forecast increased GR demand by \$89.8 million
- Includes \$109.5 million GR savings due to managed care for Medicaid Aged, Blind and Disabled services
- Includes increased Medicaid administrative expenses - \$13 million All Funds
- Includes Medicare Part D "Clawback" estimated payments of \$444.2 million GR
- Assumes no savings in FY 2006 for implementation of CHIP Perinatal coverage pursuant to HHSC Rider 70
- Assumes no restoration of Adult Medically Needy services due to lack of Intergovernmental Transfers (IGTs)
- Assumes Upper Payment Limit Reimbursement for Children's Hospitals of \$12.5 million GR per year pursuant to HHSC Rider 73
- Makes no adjustments relating to Hurricane Katrina evacuees

## FY 2006 HHSC Medicaid Goal B Estimated Income and Expenses

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### General Revenue Including Other Match Funds\*

#### Income

Senate Bill 1	4,900,605,201
Integrated Care Management, Article II, Special Provisions, Sec. 49	(36,500,000)
Governor's Veto Proclamation	(154,004,346)
Article IX, General Provisions, Sec.14.21 VDP Multi-state Purchase (SB1863)	(5,626,901)
H.B. 10 Supplemental Appropriations Carryforward	131,700,000
Transfer Authority, HHSC Rider 9, Integrated Care Management Model	(14,000,000)
Article II, HHSC Rider 68, Contingency Appropriations for Mental Health Svcs.	(17,314,248)
Legislative Salary Increase	177,847
Hurricane Rita Transfer for FEMA Match	(26,000,000)
VDP Rebates Increase/(Decrease), including HHSC Rider 54 Physician Rx Rebates	10,437,162
<b>Adjusted Operating Budget</b>	<b><u>4,789,474,715</u></b>

#### Expenses

Client Service Forecast (Fall 2005)	4,496,657,924
UPL/GME/UPL for Children's Hospitals/S.B. 376	12,500,000
Net CashPush	(19,931,612)
Mental Health Adult Services Forecast (HHSC Rider 68)	15,846,122
Other Adult Services - Podiatry, Vision, Hearing, Chiropractic	5,659,836
NorthSTAR Behavioral Health Waiver Interagency Agency Contract	15,165,000
Medicare Federal "Clawback"	154,004,346
Medicaid Buy-In - S.B. 566	1,029,768
Cost Pool	27,863,096
TMHP	57,187,947
TxHealth Steps - Department of State Health Services (DSHS) Admin	32,500,000
Unanticipated Needs	15,000,000
<b>Adjusted Expenses</b>	<b><u>4,813,482,426</u></b>

**Budget Variance** **(24,007,711)**

\* Other matched funds include Subrogation Receipts, Highway Fund Six, Hospital Cost Containment IGT

## FY 2007 HHSC Medicaid Goal B Estimated Income and Expenses

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### General Revenue Including Other Match Funds\*

#### Income

Senate Bill 1	5,076,452,457
Integrated Care Management, Article II, Special Provisions, Sec. 49	(73,000,000)
Governor's Veto Proclamation	(290,251,488)
Article II, Special Provisions, Sec. 7 FMAP Change	(126,817,726)
Article IX, General Provisions, Sec.14.21 VDP Multi-state Purchase (SB1863)	(11,934,280)
Article II, HHSC Rider 68, Contingency Appropriations for Mental Health Svcs.	(17,314,248)
VDP Rebates Increase/(Decrease), including HHSC Rider 54 Physician Rx Rebates	58,745,169
<b>Adjusted Operating Budget</b>	<b>4,615,879,883</b>

#### Expenses

Client Service Forecast (Fall 2005)	4,966,692,137
UPL/GME/UPL for Children's Hospitals/S.B. 376	12,500,000
Net CashPush	3,187,751
Article II, Rider 66, Medicaid/CHIP August Payment 2007 Deferral	(52,700,000)
Perinatal Implementation, September 2006	(137,685,822)
Mental Health Adult Services Forecast (HHSC Rider 68)	23,315,541
Other Adult Services - Podiatry, Vision, Hearing, Chiropractic	6,245,793
NorthSTAR Behavioral Health Waiver Interagency Agency Contract	15,165,000
Medicare Federal "Clawback"	290,251,488
Medicaid Buy-In - S.B. 566	4,520,377
Integrated Care Management (ICM) Savings	(109,500,000)
Cost Pools	27,863,096
TMHP	52,970,541
TxHealth Steps - Department of State Health Services (DSHS) Admin	32,500,000
Unanticipated Needs	15,000,000
<b>Adjusted Expenses</b>	<b>5,150,325,902</b>

**Budget Variance** **(534,446,019)**

**Biennial Budget Variance** **(558,453,730)**

\* Other matched funds include Subrogation Receipts, Highway Fund Six, Hospital Cost Containment IGT

## **Medicaid Trends for the 2006-07 Biennium**

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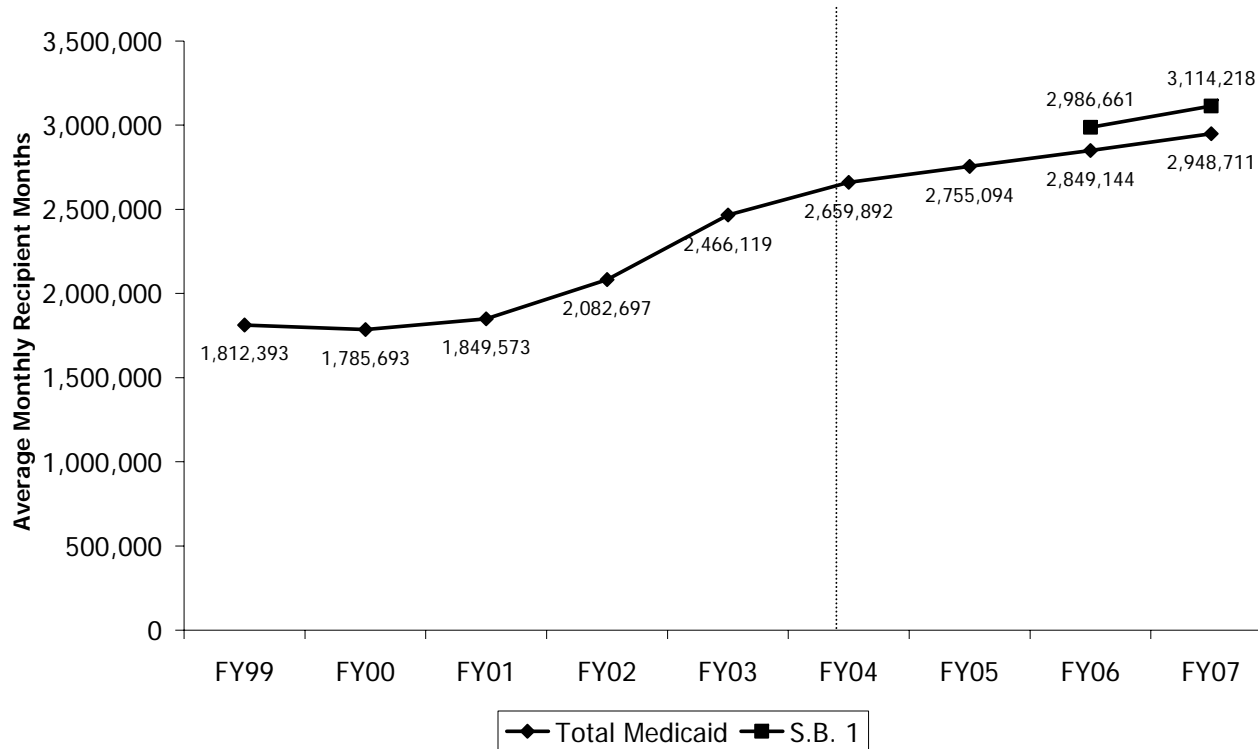
**Total Medicaid Caseload**

**Total Children Medicaid Caseload**

**Total Aged, Blind and Disabled**

# Medicaid Caseload History and Forecasts

## Total Medicaid Caseload

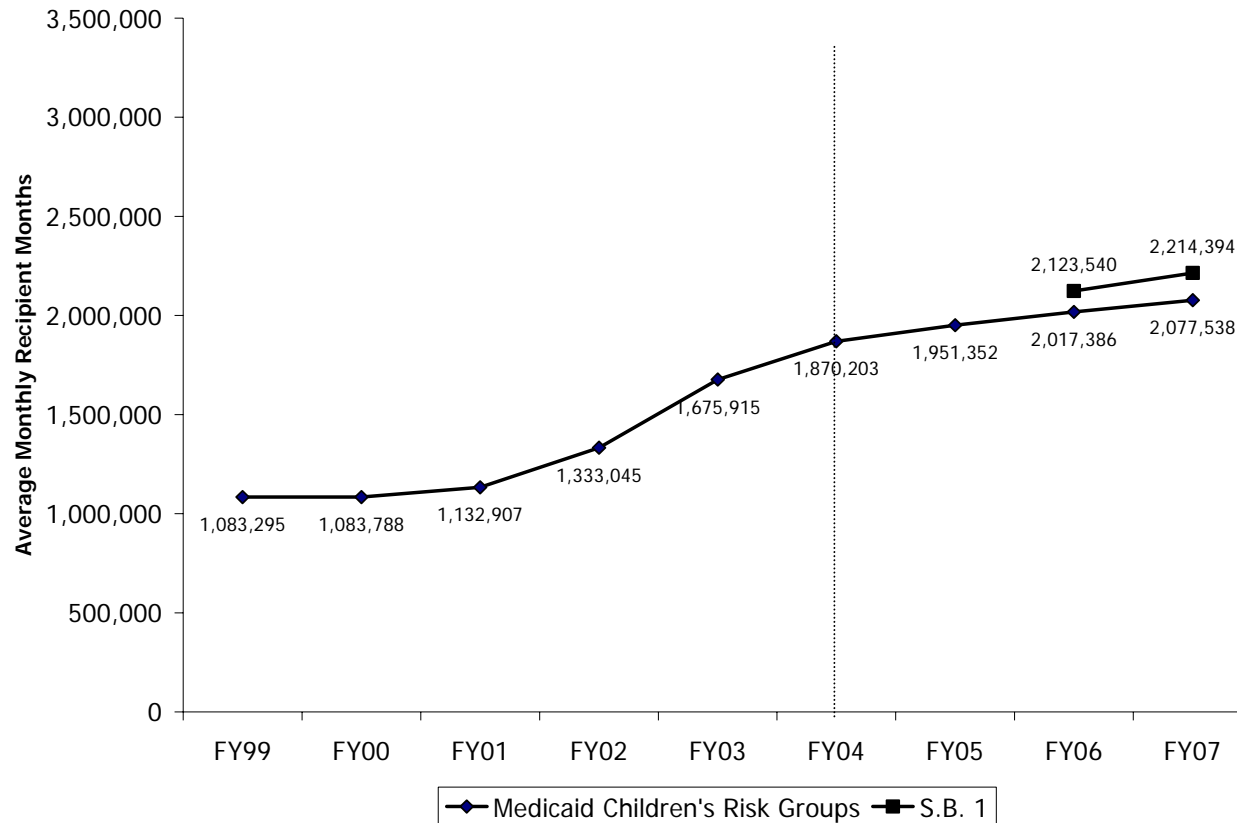


Current forecasts show overall caseload under S.B. 1; however, there remains increased GR demand due to:

- Fiscal year 2007 utilization cost increases not assumed in S.B. 1
- FMAP (state share) increase not assumed in S.B.1
- Differential growth among risk groups (case mix)
- Medicare Part D Clawback payments to the federal government
- Provision of adult mental health benefits without system benefit fund as state match

# Medicaid Forecast Trends Update

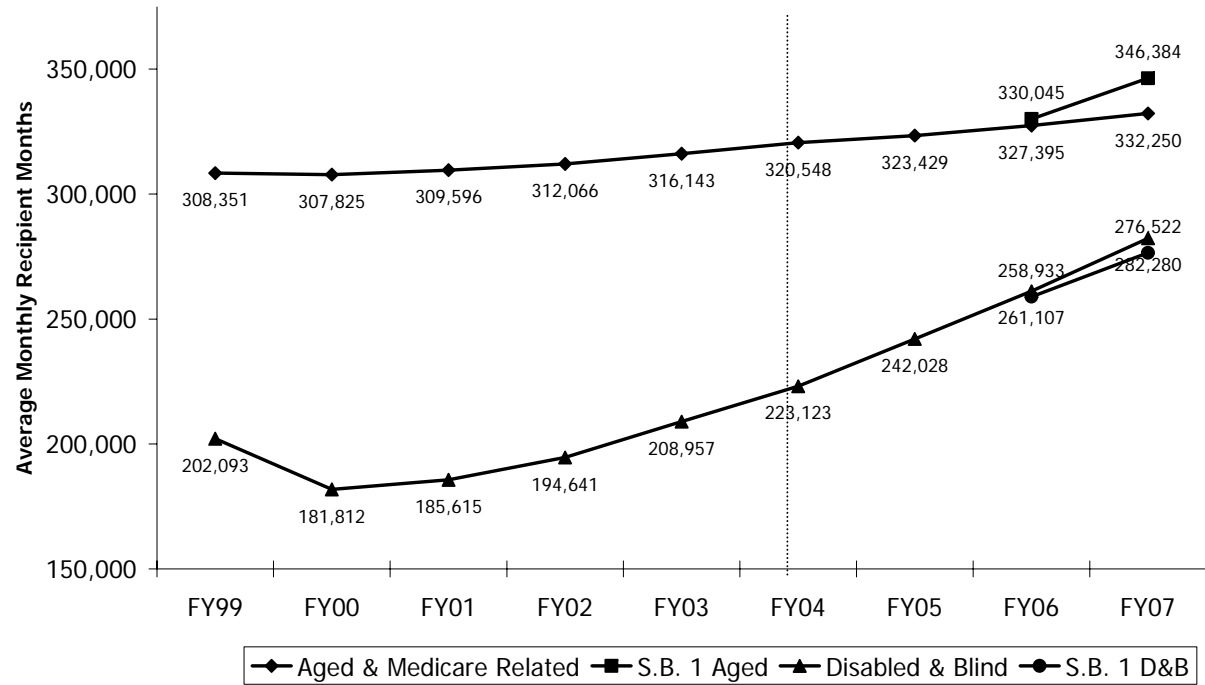
## Total Medicaid Children Caseloads



- Medicaid Children are all non-disabled children ages 0 through 18.
- Children ages 1 through 18 have historically shown double-digit increases from 2001 until January 2005. Growth has stabilized in the last part of fiscal year 2005.
- TANF Children have significantly declined due to movement to other risk groups and leaving Medicaid.

# Medicaid Forecast Trends Update

## Total Aged, Blind and Disabled Caseloads



Disabled and Blind caseloads continue positive growth, greatest for clients under age 21.

- Growth trends for clients under age 21 have consistently been above 10 percent since March 2003.



# **APPENDICES**

## Hurricane Katrina Relief Efforts – Agency Details

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- Department of Aging and Disability Services (DADS)
- Department of Assistive and Rehabilitative Services (DARS)
- Department of Family and Protective Services (DFPS)
- Department of State Health Services (DSHS)
- Health and Human Services Commission (HHSC)

## Hurricane Katrina Relief Efforts – Department of Aging and Disability Services

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	GR/GR-D	All Funds
Expended – September 2005	\$ 10,385	\$ 3,243,605
Projected – October 2005	\$ 0	\$ 4,745,948
Projected – Fiscal Year 2006	\$13,770,629	\$68,964,304

- **Facility Admissions**

- Continuously monitored nursing facility admissions and the number of available beds in each facility, posting this information on the DADS website.
- Closely tracked and coordinated ICF/MR admissions to determine whether time-limited increases in licensed capacity should be considered.

- **Provider Services**

- DADS is projecting to serve 1,112 clients in local nursing facilities and 12 clients in Institutional Care Facilities for Mentally Retarded.
- Approximately 2,707 clients will receive “waiver like” home and community based services, including 298 persons with mental retardation.
- Continued coordination with provider trade associations regarding service availability.
- Posted information regarding Louisiana enrollment requirements on DADS website to facilitate development of a provider base for Louisiana Medicaid recipients relocated to Texas during the period prior to establishment of 1115 Katrina waiver.
- Served as a resource for provider questions and regulatory interpretations for services in all regulated provider types.
- Providers were directed to the DADS website for information on how to verify Medicaid eligibility status of evacuees.
- Worked with Board of Medical Examiners, Texas Medical Association and other professional organizations to identify available providers.
- Maintained information on DADS website for health care providers interested in volunteering their services.

- **Assessment and Referral**

- Staff from DADS regional offices, mental retardation authorities and local area agencies on aging assisted in completing assessments of shelter populations.
- Staff from DADS regional offices, mental retardation authorities and local area agencies on aging responded to referrals from other state and local agencies, and provided information regarding available services and benefits to non-shelter and shelter evacuees.

## Hurricane Katrina Relief Efforts – Department of Aging and Disability Services, continued

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- **Assessment and Referral, continued**
  - DADS staff developed a special needs survey document with input from other HHS agencies. DSHS staff conducted the survey via telephone, and resultant data will inform short and long-term planning efforts.
  - Maintained widespread public information via websites, news releases, etc., to notify evacuees who to contact if long-term care services and supports are needed. This will continue to be made available to the public.
  - Developed systems to maintain lists of evacuees receiving facility and community-based services to facilitate continuity of care, eligibility determination, and reunification of evacuees with family members and caregivers.
  - DADS staff worked in coordination with DFPS to identify displaced residents or wards in need of guardianship services.
  - Information about availability of DADS services in each region was made available to 2-1-1.
  
- **Local Area Agencies on Aging Coordination**
  - Local Area Agencies on Aging worked with service providers to expedite client enrollment.
  - Local area agencies on Aging ombudsman staff and volunteers coordinated efforts with regulatory staff and nursing facilities to identify available beds.
  
- **Interagency Coordination**
  - DADS staff worked closely with HHSC and CMS to develop draft 1115 Katrina demonstration waiver.
  - DADS staff served on a 24-hour/7-day per week basis at the State Operations Center (SOC) and the DSHS Emergency Support Center (ESC) for Hurricanes Katrina and Rita.

## Hurricane Katrina Relief Efforts – Department of Assistive and Rehabilitative Services

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	GR/GR-D	All Funds
Expended – September 2005	\$0	\$131,811
Projected – October 2005	\$0	\$ 29,325
Projected – Fiscal Year 2006	\$0	\$808,523

- The Texas Department of Assistive and Rehabilitative Services (DARS) has provided shelters with wheelchairs and durable medical equipment, including wheelchairs for children. Approximately 192 clients received services.
- Referred families to Early Childhood Intervention Services from WIC or other agencies who were provided certain exceptions to intake and evaluation procedures such as verbal reports on the physical status of the child and a family cost share of \$0.
- Met extensively with shelter officials, organizations, and other entities around the state to ensure adequate knowledge of our services in an effort to reach evacuees.
- Maintained a presence at the George R. Brown Convention Center in Houston, the Austin Convention Center, and Kelly USA providing brochures about our services and meeting with evacuees possibly eligible for our services. Staff was instructed to issue talking watches and canes to evacuees with visual impairments.
- Coordinated with the Texas Workforce Commission to co-locate job placement assistance booths at all shelters where access was granted to state agencies.
- Coordinated with the DSHS Interdisciplinary Service Delivery Team by attending meetings, distributing materials, and coordinating referrals.
- Assisted evacuees across the state in locating interpreters via the Office for Deaf and Hard of Hearing, which compiled a contact information sheet of regional specialists for distribution.
- DARS Division for Blind Services staff continues to cover the Call Center for Special Needs at the University of Texas Health Sciences Center.

## Hurricane Katrina Relief Efforts – Department of Family and Protective Services

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	GR/GR-D	All Funds
Expended – September 2005	\$27,849	\$190,643
Projected – October 2005	\$ 0	\$ 32,361
Projected – Fiscal Year 2006	\$32,045	\$516,692

- DFPS Adult Protective Services (APS) and Child Protective Services (CPS) maintained frequent communication with counterparts in Louisiana.
- APS and CPS set up booths in all of the major shelters to assist evacuees.
  - Nearly 24,000 evacuees were assisted by DFPS staff in shelters.
  - Technology such as computers, phones, and printers were made available to shelter staff to better serve evacuees.
- DFPS Statewide Intake opened a toll-free line for shelter staff to call in to file reports.
- CPS assisted in reuniting more than 160 children with their families.
- DFPS communicated with providers to assess available bed space.
- Volunteer coordinators organized local donation drives.
- DFPS Child Care Licensing (CCL) staff assisted in setting up safe and adequate child care in shelters.
- APS worked with health and human service system counterparts to assist special needs victims.

## Hurricane Katrina Relief Efforts – Department of State Health Services

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	GR/GR-D	All Funds
Expended – September 2005	\$360,727	\$ 682,366
Projected – October 2005	\$119,643	\$ 1,765,997
Projected – Fiscal Year 2006	\$480,370	\$11,254,929

- DSHS is expediting licensing for certain healthcare professionals, including respiratory care practitioners, medical radiological technologists, and social workers.
- DSHS has activated a toll-free information line for searches of the Louisiana Immunization Registry. School nurses, shelters, health care professionals, and parents can call 1-800-252-9152 or 512-458-7269 from 7:00 a.m. to 7:00 p.m., Monday through Friday.
- DSHS has activated a mental health and substance abuse help line (1-800-252-8154) that serves as an information resource for victims of Katrina needing public mental health and substance abuse services. Help line assistance is available from 5:00 a.m. to 11:00 p.m. daily.
- DSHS is coordinating an assessment of the longer-term health care needs and other special arrangements for evacuees who are hospital patients, medically fragile, injured, ill or have other special needs.
- **Crisis Counseling**  
Disaster mental health interventions include outreach and education for disaster survivors, their families, local government, rescuers, disaster services workers, business owners, religious groups and other special populations.
  - As of November 3, 2005, an estimated 5,283 persons received crisis counseling services.
  - DSHS mental health service contractors had 820 persons engaged in the relief effort providing mental health services to evacuees at the highest point.
  - DSHS had a 24 hour crisis line for mental health and substance abuse crisis counseling, routing persons to mental health workers in affected areas by connecting them with local crisis intake systems and providing general assistance to evacuees.
  - DSHS mental health staff debriefed “211” phone line workers and on-the-ground relief workers.

## Hurricane Katrina Relief Efforts – Department of State Health Services, continued

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- **EMS Ambulance Services**

DSHS dispatched 50 ambulances to Louisiana at the request of the Louisiana EOC to provide rescue and recovery services to the affected areas in Louisiana. The State also dispatched 15 ambulances to support the evacuation center at Reliant Park in Houston to provide medical evaluation, treatment and transport for the evacuees from Louisiana.

- **Staffing for Emergency Service Center**

- DSHS operated ESC in Austin to manage and coordinate response and to interface with the state SOC on health and medical issues. For Katrina, the ESC was activated on August 31 and deactivated on September 16<sup>th</sup>.
- ESC coordinated provision of drugs and medical supplies to shelters. Many evacuees arrived at shelters without needed over-the-counter drugs such as cough medications, pain relievers, etc. Others needed prescription drugs, such as insulin or medications to control high blood pressure.
- DSHS Health Services Regions in the affected areas staffed emergency support operations centers and/or participated in local EOC activities. Health Services Regions staff in non-affected areas provided relief staff to affected regions to help provide services such as case management for sheltered populations.
- DSHS supported local public health agencies in coordination of volunteer medical professionals to provide medical care and triage and general health inspection at shelters.

- **Substance Abuse and Methadone Clinics**

DSHS reports 273 persons receiving methadone daily, and a total of 140 persons receiving substance abuse residential or outpatient services.

- **WIC -- Provided WIC food stamps and baby formula to shelters.**

DSHS is providing almost 6,000 WIC (Women, Infants and Children Program) clients access to food and nutrition benefits in Texas.

- **Immunizations –**

Medically indicated immunizations were provided for persons evacuated from flooded areas, such as vaccines to protect against hepatitis and tetanus. Vaccines were also made available for children in need of scheduled childhood immunizations. DSHS shipped over 500,000 doses of vaccine to locations across the state.

- **Psychiatric Services**

As of November 3, 2005, more than 50 persons were admitted for in-patient hospital mental health services; total number of bed days provided was 862.



## Hurricane Katrina Relief Efforts - Health and Human Services Commission

	GR/GR-D	All Funds
Expended – September 2005	\$ 805,240	\$ 2,041,035
Projected – October 2005	\$ 173,136	\$ 513,268
Projected – Fiscal Year 2006	\$106,778,180	\$685,658,678

- HHSC certified 124,988 evacuee households for food stamp benefits (approximately 255,000 persons).
- The 2-1-1 Information and Referral Network handled 179,639 calls. This system continues to assist evacuees with long-term recovery assistance of housing, medical assistance, government assistance and employment.
- HHSC shipped 80,000 pounds of ready-to-eat meals, cheese, peanut butter, and pudding to Baton Rouge.
- USDA commodities distributed to Hurricane Katrina evacuees include: an estimated 575,000 pounds valued at \$798,100 donated by schools from school inventories; an estimated 1,151,967 pounds estimated at \$1.3 million donated by food banks; and an estimated 780,000 pounds at an estimated value of \$1,120,510 school commodities that were diverted to shelters before delivery by the Special Nutrition Program.
- Effective September 1, HHSC maintained extended hours in local offices, including the holiday weekend and the following weekends, to provide assistance to evacuees without transportation.
- HHSC provided staff and connectivity for staff to process food stamp applications in the larger shelters and in the Disaster Recovery Centers in Houston, Dallas, San Antonio, Austin, Beaumont, and Forth Worth.
- HHSC continues to identify those who need prescription drug support. HHSC has provided Texas pharmacies and providers information on how to assist Louisiana, Mississippi, and Alabama residents on Medicaid who need to fill their prescriptions or obtain services in Texas. Participating chain pharmacy locations include CVS, RiteAid, Walgreens, Wal-Mart, HEB, and Kroger.
- Provided family violence services through local shelters. Services include shelter, transportation and counseling services.
- On September 15, 2005, the Centers for Medicare and Medicaid Services approved a waiver for HHSC to ensure that evacuees in Texas continue to have access to medical services. The waiver covers care provided to Medicaid eligible and non-Medicaid eligible displaced by the disaster. Since October 1, 2005, HHSC has processed over 8,000 households for Medicaid services under this waiver.
- Effective November 1, 2005, HHSC began processing applications for short-term, non-recurring TANF assistance funded by a federal allotment.

## Hurricane Katrina Relief Efforts - Health and Human Services Commission, continued

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- Over Labor Day weekend, Retailer Management vendor processed emergency card orders from local office staff, and card vendor produced and shipped (via overnight delivery) 200,000 EBT cards to local offices.
- Personal Identification Number (PIN) vendor produced and shipped 50,000 emergency PIN packets to accommodate backlog caused by telecommunication network connectivity problems, which prevented clients from calling the Call Center to self-select a PIN.
- Central Processing / Software Application Development vendor developed and integrated the "TexKat" batch processing application to systematically load benefits into EBT accounts. This step eliminated the need for Administrative Terminal benefit issuance by the Centralized Issuance staff, thus minimizing errors. In addition, joint troubleshooting was accomplished to remedy individual benefit issuance problems without adversely affecting Katrina evacuees.

## Hurricane Rita Relief Efforts – Agency Details

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- Department of Aging and Disability Services (DADS)
- Department of Assistive and Rehabilitative Services (DARS)
- Department of Family and Protective Services (DFPS)
- Department of State Health Services (DSHS)
- Health and Human Services Commission (HHSC)

## Hurricane Rita Relief Efforts – Department of Aging and Disability Services

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	GR/GR-D	All Funds
Expended – September 2005	\$768,228	\$1,102,391
Projected – October 2005	\$ 0	\$ 0
Projected – Fiscal Year 2006	\$768,228	\$1,102,391

- **Coordination Activities Similar to Katrina Activities (above)**
- **Status of Facility Evacuation Plans**
  - DADS' staff called (or attempted to call) each of the 2,081 licensed or certified facilities in the projected impact region to determine the status of their evacuation plans and whether assistance was required in implementing those plans.
- **Facility Evacuations**
  - DADS evacuated approximately 368 residents and 225 staff from Corpus Christi State School to San Antonio State School and 526 residents and 250 staff from Richmond State School to Brenham State School.

## Hurricane Rita Relief Efforts – Department of Assistive and Rehabilitative Services

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	GR/GR-D	All Funds
Expended – September 2005	\$0	\$0
Projected – October 2005	\$0	\$0
Projected – Fiscal Year 2006	\$0	\$0

- Coordinated with the American Red Cross to house evacuees from at Webb Middle School in Austin. Staff secured 30 beds solely for deaf evacuees and provided bedding and other essentials. The Office for Deaf and Hard of Hearing also worked to ensure interpreters and mental health workers were available and on location at Lyndon B. Johnson High School in Austin.
- DARS Division for Early Childhood Intervention Services staff worked with agencies in areas of the projected hurricane path to get families with children that need electricity for breathing equipment, suction, etc. relocated.
- DARS Division for Blind Services staff worked with officials in San Antonio to identify potential sites to move evacuees with special needs to the Hill Country Area, such as the Lion's Camp, Star Ranch, etc in Kerr and Gillespie counties.
- DARS Division for Rehabilitation Services worked with the Transitional Learning Center (TLC) in Galveston County, which houses consumers with Post-Acute Brain Injury (PABI), to ensure residents were safely evacuated to the Brown-Karhan facility in Dripping Springs.

## Hurricane Rita Relief Efforts – Department of Family and Protective Services

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	GR/GR-D	All Funds
Expended – September 2005	\$4,783	\$ 26,826
Projected – October 2005	\$ 360	\$ 11,187
Projected – Fiscal Year 2006	\$5,868	\$141,896

- DFPS created a continuity of business plan to ensure essential services remained available in affected areas.
- DFPS Child Care Licensing staff worked with shelters to ensure safe and adequate child care was available to evacuees.
- APS participated in planning groups to ensure evacuees with special needs were being served.
- A toll-free phone number was set up for foster parents, displaced staff, and adoptive/relative caregivers to “check-in.”
- Technology such as laptop computers and cell phones were deployed to assist field staff in affected regions.

## Hurricane Rita Relief Efforts – Department of State Health Services

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	GR/GR-D	All Funds
Expended – September 2005	\$ 504,819	\$1,196,812
Projected – October 2005	\$ 699,754	\$1,847,256
Projected – Fiscal Year 2006	\$1,204,573	\$6,215,507

- **EMS Ambulance Service**

The Department of State Health Services (DSHS) dispatched approximately 137 ambulances and 17 helicopters to assist with the evacuation of UTMB. The state also dispatched 35 ambulances to support needs of the communities in the affected areas. The Office of EMS/Trauma Systems Coordination Staff manned an “EMS Command Center” at their offices 24/7 to assist with coordinating the EMS and ambulance needs for Hurricane Rita events.

- **Emergency Service Center**

- DSHS operated an Emergency Support Center (ESC) in Austin to manage and coordinate response and to interface with the state SOC on health and medical issues. The ESC assisted in location of evacuated hospital and nursing home patients, and in the coordination of repatriation efforts to return evacuated patients.
- ESC was activated on September 21, 2005 and deactivated on October 25, 2006. The ESC operated 24 hours a day seven days a week between September 22, 2005 and September 28, 2005.
- ESC coordinated provision of drugs and medical supplies to shelters.
- DSHS Health Services Regions in the affected areas, worked with local officials to open special needs shelters as needed, staffed emergency support operations centers and/or participated in local emergency operations center (EOC) activities. Health Services Regions staff in non-affected areas provided relief staff to affected regions to help provide services such as case management for sheltered populations, epidemiology, and environmental sanitation surveys.
- DSHS coordinated federal and volunteer medical professionals to provide medical care and triage and general health inspection at shelters.

- **Immunizations – Replaced Destroyed Vaccines**

The majority of the state-owned vaccines for the Texas Vaccines for Children Program in private provider offices were evacuated. DSHS replaced destroyed vaccines that were not recovered or were ruined when refrigeration systems failed.

- **Crisis Counseling**

Disaster MH interventions (outreach and education for disaster survivors, their families, local government, rescuers, disaster services workers, business owners, religious groups and other special populations) have been provided to 884 persons.

## Hurricane Rita Relief Efforts – Health and Human Services Commission

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	GR/GR-D	All Funds
Expended – September 2005	\$ 2,294	\$ 4,954
Projected – October 2005	\$ 5,411,669	\$21,637,505
Projected – Fiscal Year 2006	\$22,608,971	\$91,265,511

- 31,141 evacuee households certified for food stamp benefits. HHSC continues to identify evacuees and process applications for food stamps.
  - HHSC maintained extended office hours and staffed eligibility offices with employees from across the state to assist with processing applications for evacuees, providing food, water and ice to evacuees, providing staff to process food stamp applications in the larger shelters and disaster recovery centers and in providing additional temporary staff to help alleviate the increased volume of calls to the 2-1-1 system.
  - 176,708 calls handled through 2-1-1 Texas Information and Referral Network for Rita evacuees. Evacuees called this number for evacuation routes, shelter locations, food and gasoline along evacuation routes, the system triaged evacuation assistance for persons with special needs and assisted 1,348 persons with high-risk special medical needs. The 2-1-1 system assisted with identification for search and rescue of person who were cut off from evacuation routes and is the first point of contact in the repatriation of special medical needs evacuees. The 2-1-1 system continues to assist evacuees with long-term recovery.
  - Redirected school commodities, as permitted by USDA, statewide to 79 shelters serving 5,160 evacuees.
  - USDA commodities distributed to Hurricane Rita evacuees include: an estimated 101,910 pounds valued at \$134,852 donated by schools from school inventories; an estimated 243,820 pounds estimated at \$322,635 donated by food banks; and an estimated 141,910 pounds at an estimated value of \$187,782 school commodities that were diverted to shelters before delivery by the Special Nutrition Program.
  - HHSC provided staff and connectivity for staff to process food stamp applications in the larger shelters and in the Disaster Recovery Centers in Houston, Dallas, San Antonio, Austin, Beaumont, and Forth Worth.
  - Call Center vendor modified the Interactive Voice Response (IVR) message to inform clients of the 20 percent food stamp replacement benefits approved by USDA.
  - Lone Star Technology EBT Business Continuity Specialist along with EBT Retailer Management Vendor Support Manager made an onsite visit to Beaumont to assess damage and assist retailers and clients with timely access to benefits.
- Provided family violence services through local shelters. Services include shelter, transportation, and counseling services.