DADS Vision and Mission

**Vision**

- Older Texans and persons with disabilities will be supported by a comprehensive and cost-effective service delivery system that promotes and enhances individual well-being, dignity, and choice.

**Mission**

- To provide a comprehensive array of aging and disability services, supports and opportunities that are easily accessed in local communities.
DADS Organization

DADS is organized into three main functional areas:

- **Access and Intake**
  - Area Agencies on Aging
  - Local Authorities
  - Community Services and Program Operations
  - Guardianship Services
  - Community Services Contracts
  - Utilization Management and Review

- **Regulatory Services**
  - Licensing
  - Survey
  - Enforcement

- **State Supported Living Centers**
FY 2012-13 Accomplishments

- Implemented electronic Visit Verification development and expansion

- In FY 2012, assisted more than 3,200 individuals in moving from institutional settings to community settings

- Continued STAR+PLUS transition:
  - Maintained continuity of care for all individuals served
  - Implemented DADS Community Services staffing reductions resulting from the STAR+PLUS expansion

- Expanded utilization review for waiver and state plan services
FY 2012-13 Accomplishments, Cont.

- State Supported Living Centers (SSLCs) Settlement Agreement:
  - All 13 centers making steady, sustained progress toward full compliance as care and services to residents continue to improve
  - Significant improvements still needed before full compliance is achieved in all areas
  - Goal to establish systemic, long-term changes to address increasingly complex behavioral and medical needs
FY 2013 Additional Funding Needs

- DADS FY 2012-13 biennial additional funding needed:
  - DADS estimate totals $1.06 billion general revenue
## Comparison of Current Biennium with H.B. 1

<table>
<thead>
<tr>
<th>Description</th>
<th>FY2012-13 Exp/Bud</th>
<th>FY2014-15 House Bill 1</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GOAL 1 - Long Term Services and Supports</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Obj 1 - Intake, Access, and Eligibility</td>
<td>$12,544,201,181</td>
<td>$12,739,053,327</td>
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<tr>
<td>Obj 2 - Community Services and Supports - Entitlement</td>
<td>$464,395,356</td>
<td>$470,530,454</td>
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<tr>
<td>Obj 3 - Community Services and Supports - Waivers</td>
<td>$1,481,238,762</td>
<td>$1,351,911,871</td>
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<td>Obj 4 - Community Services and Supports - State</td>
<td>$2,618,870,588</td>
<td>$2,652,330,548</td>
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<td>Obj 5 - Program of All-inclusive Care for the Elderly (PACE)</td>
<td>$398,674,682</td>
<td>$389,765,929</td>
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<td>Obj 6 - Nursing Facility and Hospice Payments</td>
<td>$70,297,831</td>
<td>$70,602,540</td>
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<tr>
<td>Obj 7 - Intermediate Care Facilities – Individuals w/ Intellectual Disability</td>
<td>$5,508,825,417</td>
<td>$5,737,198,856</td>
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<tr>
<td>Obj 8 - State Supported Living Centers (SSLC)</td>
<td>$590,037,790</td>
<td>$589,169,458</td>
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<td>Obj 9 - Capital Repairs and Renovations</td>
<td>$1,311,323,051</td>
<td>$1,271,839,300</td>
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<tr>
<td>Obj 10 - Balancing Incentive Program (BIP)</td>
<td>$15,537,704</td>
<td>$704,371</td>
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<td><strong>GOAL 2 - Regulation, Certification and Outreach</strong></td>
<td>$143,531,424</td>
<td>$143,521,102</td>
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<td><strong>GOAL 3 - Indirect Administration</strong></td>
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<tr>
<td><strong>TOTAL AGENCY REQUEST</strong></td>
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<td>$13,024,335,007</td>
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<tr>
<td>General Revenue</td>
<td>$5,146,519,170</td>
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<tr>
<td>General Revenue-Dedicated</td>
<td>$133,032,997</td>
<td>$131,395,403</td>
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<tr>
<td>Other Funds</td>
<td>$62,587,896</td>
<td>$47,256,104</td>
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<td>Federal Funds</td>
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<td><strong>TOTAL, METHOD OF FINANCING</strong></td>
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<tr>
<td>FTEs</td>
<td>17,499.00</td>
<td>17,499.00</td>
</tr>
</tbody>
</table>
Summary of H.B.1

- Funding for Medicaid entitlement services matches projected caseload growth
- Waivers and PACE funding maintained at August 2013 levels
- No funding built in to address medical inflation, higher utilization or increased acuity
- Balancing Incentive Program funding:
  - BIP funding included in separate strategy
  - $205 million GR assumed for FY 2014-15
  - $85 million GR assumed for FY 2013
- No funding for new requirements related to nursing facility Pre-Admission Screening and Resident Review (PASRR) assessments and additional therapies
- SSLC funding does not provide for costs associated with recruitment and retention of clinical professionals and direct service staff
## Clients Served in Selected Programs

<table>
<thead>
<tr>
<th>Program</th>
<th>LBE FY 2013</th>
<th>HB 1 FY 2014</th>
<th>HB 1 FY 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average number of individuals served per month: Medicaid non-waiver Community Services and Supports</td>
<td>62,541</td>
<td>65,688</td>
<td>68,855</td>
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<tr>
<td>Number of individuals served end of year: Waivers</td>
<td>43,563</td>
<td>43,563</td>
<td>43,563</td>
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<tr>
<td>Average monthly caseload: Nursing Facility clients (Medicaid, Medicare Co-pay, and Hospice)</td>
<td>70,861</td>
<td>71,770</td>
<td>72,679</td>
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<tr>
<td>Average number of individuals served in Community ICF/IID Medicaid beds per month</td>
<td>5,616</td>
<td>5,616</td>
<td>5,616</td>
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<tr>
<td>Average number of SSLC residents</td>
<td>3,674</td>
<td>3,465</td>
<td>3,256</td>
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</tbody>
</table>
# Summary of Exceptional Items

## FY 2014 FY 2015 Biennium FTEs

<table>
<thead>
<tr>
<th>Agency Exceptional Items</th>
<th>GR-Related</th>
<th>ALL FUNDS</th>
<th>GR-Related</th>
<th>ALL FUNDS</th>
<th>GR-Related</th>
<th>ALL FUNDS</th>
<th>FY14</th>
<th>FY15</th>
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<tbody>
<tr>
<td>HB 1 Introduced</td>
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<td>6,482,596,152</td>
<td>2,743,345,524</td>
<td>6,541,738,855</td>
<td>5,428,816,815</td>
<td>13,024,335,007</td>
<td>17,499.0</td>
<td>17,499.0</td>
</tr>
</tbody>
</table>

### Exceptional Items:

1. **Maintain Operations at SSLCs**
   - FY 2014: 10,284,568
   - FY 2015: 24,926,242
   - Biennium: 11,941,419

2. **Enhance Pre-Admission Screening and Resident Review (PASRR)**
   - FY 2014: 5,186,453
   - FY 2015: 12,734,952
   - Biennium: 10,439,417

3. **Cost Trends**
   - FY 2014: 13,288,369
   - FY 2015: 33,115,778
   - Biennium: 64,920,775

4. **Promoting Independence**
   - FY 2014: 8,148,740
   - FY 2015: 20,195,248
   - Biennium: 25,207,095

5a. **Community Expansion**
   - FY 2014: 54,438,508
   - FY 2015: 130,946,935
   - Biennium: 219,982,250

5b. **Provide attendant & habilitation services to IDD population**
   - FY 2014: 41,665,743
   - FY 2015: 371,415,655
   - Biennium: 41,665,743

6. **Protecting Vulnerable Texans**
   - FY 2014: 10,047,033
   - FY 2015: 13,817,995
   - Biennium: 19,922,768

7. **Improving Support for SSLC Residents**
   - FY 2014: 12,895,659
   - FY 2015: 109,885,900
   - Biennium: 20,921,973

8. **PACE Expansion**
   - FY 2014: 392,971
   - FY 2015: 1,000,944
   - Biennium: 10,902,990

### Total, Exceptional Items
- FY 2014: 114,682,301
- FY 2015: 346,623,995
- Biennium: 442,809,051

### Total DADS Request = HB 1 Introduced + Exceptional Items
- FY 2014: 2,800,153,592
- FY 2015: 6,829,220,147
- Biennium: 14,409,961,718

<table>
<thead>
<tr>
<th>GR-Related</th>
<th>ALL FUNDS</th>
<th>GR-Related</th>
<th>ALL FUNDS</th>
<th>GR-Related</th>
<th>ALL FUNDS</th>
<th>GR-Related</th>
<th>ALL FUNDS</th>
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</thead>
<tbody>
<tr>
<td>17,499.0</td>
<td>17,499.0</td>
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</tr>
</tbody>
</table>

Note: FTEs represent full-time equivalents.
Appendix – Exceptional Item Requests
Maintain Operations at SSLCs

- Funding SSLC operations at the FY 2013 expenditure level through the FY 2014-15 biennium to:
  - meet the needs of individuals with complex medical and behavioral challenges
  - meet the requirements of the Department of Justice settlement agreement

- Recruitment and retention efforts focused on:
  - Physicians and psychiatrists
  - Nurses
  - Therapists
  - Qualified Developmental Disability Professionals

- Recruitment and retention efforts will reduce the need for more expensive supplemental staffing contracts

- Funding to improve recruitment and retention of direct service staff included in HHSC request – will help reduce overtime costs

<table>
<thead>
<tr>
<th></th>
<th>FY 2014</th>
<th>FY 2015</th>
<th>Biennial Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Revenue</td>
<td>$10.3</td>
<td>$11.9</td>
<td>$22.2</td>
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<tr>
<td>All Funds</td>
<td>$24.9</td>
<td>$28.6</td>
<td>$53.5</td>
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</tbody>
</table>
Item #2

Enhance Pre-Admission Screening & Resident Review

- To fully fund requirements for the Pre-Admission Screening and Resident Review (PASRR) process

- PASRR: a federally required screening to identify individuals with mental illness and/or intellectual disability seeking admission to a nursing facility

- This funding request is necessary to meet federally mandated requirements for the PASRR process
  - Expanded and more thorough evaluation procedures
  - Funding for additional specialized therapies identified as needed from the PASRR evaluation

<table>
<thead>
<tr>
<th>($ in millions)</th>
<th>FY 2014</th>
<th>FY 2015</th>
<th>Biennial Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Revenue</td>
<td>$5.2</td>
<td>$5.2</td>
<td>$10.4</td>
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<tr>
<td>All Funds</td>
<td>$12.7</td>
<td>$12.7</td>
<td>$25.5</td>
</tr>
<tr>
<td>Average Individuals Served</td>
<td>1,350</td>
<td>1,350</td>
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</tr>
</tbody>
</table>

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Item #3

Cost Trends

- DADS is experiencing increases in average cost per individual served in many programs, primarily due to:
  - Acuity
  - Utilization

- Impacted programs include:
  - Primary Home Care (PHC)
  - Community Attendant Services (CAS)
  - Home and Community-based Services (HCS)
  - Community Living Assistance and Support Services (CLASS)
  - Deaf Blind with Multiple Disabilities (DBMD)
  - Texas Home Living (TxHmL)
  - Nursing Facilities

<table>
<thead>
<tr>
<th>($ in millions)</th>
<th>FY 2014</th>
<th>FY 2015</th>
<th>Biennial Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Revenue</td>
<td>$13.3</td>
<td>$51.6</td>
<td>$64.9</td>
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<tr>
<td>All Funds</td>
<td>$33.1</td>
<td>$125.4</td>
<td>$158.5</td>
</tr>
</tbody>
</table>

- Increases in cost occur every year, affecting the state’s ability to finance its long-term services and supports.
Supports movement of individuals into more integrated community-based settings supported through HCS and Community Based Alternatives (CBA) waivers:

- **400 slots for persons from:**
  - medium and large intermediate care facilities for individuals with an intellectual disability
  - SSLCs
- **400 slots for individuals in crisis situations and at imminent risk of institutionalization**
  - 300 slots for HCS waiver program
  - 100 slots for CBA waiver/STAR+PLUS programs
- **360 HCS slots for transition of individuals with an intellectual or developmental disability (IDD) currently residing in nursing facilities**

HCS slots for individuals currently served by the Department of Family and Protective Services (DFPS):

- **192 for children aging-out of foster care**
- **25 for children with IDD who are now receiving services in a DFPS residential facility**
Funding continues DADS efforts to increase services in community programs that have individuals waiting for services on an interest list:

- HCS and CLASS – funding to serve 20 percent of individuals currently on an interest list who are determined eligible for services

<table>
<thead>
<tr>
<th></th>
<th>FY 2014</th>
<th>FY 2015</th>
<th>Biennial Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Revenue</td>
<td>$54.4</td>
<td>$165.6</td>
<td>$220.0</td>
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<tr>
<td>All Funds</td>
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<td>$394.1</td>
<td>$525.0</td>
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<tr>
<td>FTEs</td>
<td>53.4</td>
<td>107.2</td>
<td>107.2</td>
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<tr>
<td>Average Individuals Served</td>
<td>3,755</td>
<td>11,266</td>
<td>---</td>
</tr>
</tbody>
</table>

- Other community programs – funding to increase services by 10 percent over August 2013 caseload levels
Funding for new program to begin service delivery in FY 2015:

- Provides 6 percent enhanced federal match for attendant and habilitation services for all eligible individuals with physical or intellectual disabilities

- Would serve 11,902 additional individuals (by comparison, same amount would fund 1,811 HCS slots)

<table>
<thead>
<tr>
<th></th>
<th>FY 2014</th>
<th>FY 2015</th>
<th>Biennial Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Revenue</td>
<td>---</td>
<td>$41.7</td>
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<tr>
<td>All Funds</td>
<td>---</td>
<td>$371.4</td>
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<tr>
<td>FTEs</td>
<td>---</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Average Individuals Served</td>
<td>---</td>
<td>11,902</td>
<td>---</td>
</tr>
</tbody>
</table>
Protecting Vulnerable Texans

To better protect health, safety and welfare of individuals receiving DADS services:

- 11 guardianship specialist positions to address caseload growth
- Contract ombudsman position at each Area Agency on Aging to ensure adequate monitoring and advocacy for persons in assisted living facilities
- Improvements to DADS regulatory services, including:
  - 20 positions to address growth in community IDD services
  - 18.5 positions to address the proposed certification of day habilitation providers
  - 30 positions to address growth of assisted living and adult day care facilities
  - Automation and mobile technology initiatives to support regulatory functions

<table>
<thead>
<tr>
<th>($ in millions)</th>
<th>FY 2014</th>
<th>FY 2015</th>
<th>Biennial Total</th>
</tr>
</thead>
<tbody>
<tr>
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<tr>
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<td>80.5</td>
<td>80.5</td>
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</table>
Item #7

**Improving Support for SSLC Residents**

- Funding for technology enhancements including:
  - Expansion of electronic health/life record system, including:
    - Computer software and hardware
    - Mobile technology
  - Improvements to information technology applications, including:
    - Database systems
    - Document imaging/archiving system expansion

<table>
<thead>
<tr>
<th></th>
<th>FY 2014</th>
<th>FY 2015</th>
<th>Biennial Total</th>
</tr>
</thead>
<tbody>
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<td>$25.6</td>
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<tr>
<td>All Funds</td>
<td>$109.9</td>
<td>$20.9</td>
<td>$130.8</td>
</tr>
</tbody>
</table>

- Funding for critical infrastructure repairs and renovations:
  - Funding to maintain overall compliance of buildings with the requirements of the Life Safety Code, including:
    - Fire and emergency safety systems – alarms, sprinklers, emergency generators, etc.
    - Air conditioning/heating systems
    - Plumbing and electrical systems
    - Roof replacements
  - 219 vehicles as part of a 10-year replacement plan to ensure resident and staff safety
  - Replacement of aging equipment/furniture in resident living and training locations
Program of All-inclusive Care for the Elderly (PACE):
- PACE combines Medicare/Medicaid funding in a single capitated model to provide long term community-based services and supports for individuals 55 years of age or older who qualify for nursing facility placement.

Exceptional Item Description:
- Funding for additional service expansion:
  - 48 slots for Bienvivir in El Paso
  - 24 slots for Jan Werner in Amarillo
  - 24 slots for Silver Star in Lubbock
- Funding for development of two additional PACE sites in Texas:
  - Each site would have the capacity to serve 150 individuals
  - Each site would become operational in FY 2015

<table>
<thead>
<tr>
<th></th>
<th>FY 2014</th>
<th>FY 2015</th>
<th>Biennial Total</th>
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<td>General Revenue</td>
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<td>All Funds</td>
<td>$1.0</td>
<td>$10.9</td>
<td>$11.9</td>
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</tbody>
</table>
Items Funded in HHSC Request

Items impacting DADS services included in HHSC request

- Funding to improve recruitment and retention of direct service staff in SSLCs (provides a 10% salary increase)

- Funding for a wage increase for attendants assisting Medicaid clients in community settings at DADS and HHSC

- Maintaining support of state-operated facilities at DADS and DSHS (replacement of laundry equipment; enhancements to frozen food and storage operations; and upgrades to critical inventory systems)

- Replacement of client care automation system jointly used by DADS, DSHS and HHSC

- Funding to improve security of information entrusted to DADS in providing services. Includes additional firewalls, audit logging of data entry and blocking unauthorized access