

3.A. STRATEGY REQUEST
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/10/2010
 TIME: 9:29:18AM

Agency code: **539** Agency name: **Aging and Disability Services, Department of**

GOAL: 1 Long-term Services and Supports Statewide Goal/Benchmark: 3 1
 OBJECTIVE: 6 Nursing Facility and Hospice Payments Service Categories:
 STRATEGY: 3 Hospice Service: 26 Income: A.1 Age: B.3

CODE	DESCRIPTION	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
Output Measures:						
KEY 1	Average Number of Individuals Receiving Hospice Services Per Month	6,179.00	6,562.00	7,043.00	7,607.00	8,199.00
Efficiency Measures:						
KEY 1	Average Net Payment Per Individual Per Month for Hospice	2,746.69	2,902.02	2,923.42	2,908.36	2,908.36
Objects of Expense:						
3001	CLIENT SERVICES	\$203,820,120	\$228,516,948	\$247,075,393	\$266,854,572	\$287,621,223
TOTAL, OBJECT OF EXPENSE		\$203,820,120	\$228,516,948	\$247,075,393	\$266,854,572	\$287,621,223
Method of Financing:						
758	GR Match For Medicaid	\$62,995,609	\$67,387,362	\$90,473,862	\$105,274,129	\$113,466,572
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$62,995,609	\$67,387,362	\$90,473,862	\$105,274,129	\$113,466,572
Method of Financing:						
369	Fed Recovery & Reinvestment Fund					
	93.778.014 Medicaid - Stimulus	\$19,490,394	\$26,690,780	\$8,444,213	\$0	\$0
CFDA Subtotal, Fund	369	\$19,490,394	\$26,690,780	\$8,444,213	\$0	\$0
555	Federal Funds					
	93.778.000 XIX FMAP	\$121,334,117	\$134,438,806	\$148,157,318	\$161,580,443	\$174,154,651
CFDA Subtotal, Fund	555	\$121,334,117	\$134,438,806	\$148,157,318	\$161,580,443	\$174,154,651
SUBTOTAL, MOF (FEDERAL FUNDS)		\$140,824,511	\$161,129,586	\$156,601,531	\$161,580,443	\$174,154,651

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CODE	DESCRIPTION	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$266,854,572	\$287,621,223
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$203,820,120	\$228,516,948	\$247,075,393	\$266,854,572	\$287,621,223

FULL TIME EQUIVALENT POSITIONS:

STRATEGY DESCRIPTION AND JUSTIFICATION:

The Medicaid Hospice strategy provides services to Medicaid recipients who no longer desire curative treatment and who have a physician's prognosis of six months or less to live. Available services include physician and nursing care; medical social services; counseling; home health aide; personal care, homemaker, and household services; physical, occupational, or speech language pathology services; bereavement counseling; medical appliances and supplies; drugs and biologicals; volunteer services; general inpatient care (short-term); and respite care. Service settings can be in the home, community settings, or in long-term-care facilities.

Medicaid rates for community-based Hospice are based on Medicare rates set by the Center for Medicare and Medicaid Services (CMS). For individuals residing in a nursing facility or an ICF/MR and receiving hospice services, the facility also receives a payment of 95% of the established nursing facility rate for that individual.

Hospice eligibility is available for all age groups, including children, during their final stages of life.

Statutory Authority. Social Security Act, Title XIX; Human Resources Code, Chapters 32 and 161; and Government Code, Chapter 531.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

Hospice was included in the Five Percent Biennial Budget Reduction plan and met its reduction goal through a 1.5% percent rate reduction in FY 2012. In accordance with the general budget instructions for the FY 2012-FY 2013 Legislative Appropriations Request (LAR), the full Five Percent Biennial Budget Reduction was carried to FY2013.

The projected annual increase in the rates for FY 2012 and FY 2013 equates to an increased cost per client per month of \$52.33 for FY 2012 and \$105.60 for FY 2013. Funding for this utilization/acuity-related increase has been included in the departments' "Maintain FY2010-2011 Service Levels-Cost Trends (entitlement and non-entitlement)" exceptional item.