Special Report: House and Senate High-Level Budget Comparisons as Introduced, 87th Legislature— Department of Family and Protective Services and Department of State Health Services, January 25, 2021

This summary provides an overview of the appropriations included in the House and Senate General Appropriations Bills, focusing on the Department of Family and Protective Services (DFPS) and the Department of State Health Services (DSHS). Read Texas Insight's previous report on the Health and Human Services Commission.

Jump to: *more information on the General Appropriations Bill, Constitutional Spending Limits and Health and Human Services Spending.*

DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES

Senate

DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES, BY METHOD OF FINANCE				
(IN MILLIONS) METHOD OF FINANCE	ESTIMATED/BUDGETED 2020–21	RECOMMENDED 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
General Revenue Funds	$2,512.5	$2,537.4	$24.9	1.0%
General Revenue–Dedicated Funds	$11.4	$11.4	$0.0	0.0%
Federal Funds	$1,835.4	$1,862.7	$27.4	1.5%
Other Funds	$15.5	$14.6	($0.9)	(5.6%)
Total, All Methods of Finance	**$4,374.7**	**$4,426.1**	**$51.4**	**1.2%**

House

DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES, BY METHOD OF FINANCE				
(IN MILLIONS) METHOD OF FINANCE	ESTIMATED/BUDGETED 2020–21	RECOMMENDED 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
General Revenue Funds	$2,512.5	$2,501.6	($10.9)	(0.4%)
General Revenue–Dedicated Funds	$11.4	$11.4	$0.0	0.0%
Federal Funds	$1,835.4	$1,860.8	$25.4	1.4%
Other Funds	$15.5	$14.6	($0.9)	(5.6%)
Total, All Methods of Finance	**$4,374.7**	**$4,388.3**	**$13.6**	**0.3%**

Both Senate and House funding recommendations for the Department of Family and Protective Services for the 2022–23 biennium total $4.4 billion in All Funds, including $2.5 billion in General Revenue Funds and $11.4 million in General Revenue–Dedicated Funds. However, because of differing assumptions in method of finance— in the Senate, these amounts represent a $24.9 million, or 1.0 percent, increase in General Revenue Funds and a $51.4 million, or 1.2 percent, increase in All Funds. In the House these amounts represent a $10.9 million, or 0.4 percent, decrease in General Revenue Funds and a $13.6 million, or 0.3 percent, increase in All Funds.

HIGHLIGHTS

• Funding recommendations include a total of $1.9 billion in All Funds and $0.9 billion in General Revenue Funds, an increase of $69.6 (Senate) and $67.3 (House) million in All Funds and $35.6 (Senate) and $33.3 (House) million in General Revenue Funds from 2020–21 biennial spending levels, for the following client services programs:

- Senate and House funding recommendations include $1.1 billion in All Funds, including $0.5 billion in General Revenue Funds, for Foster Care Payments, including those for Community-based Care (CBC). Funding recommendations include a $10.6 (Senate) and $8.3 (House) million increase in All Funds, including a $16.2 (Senate) and $13.9 (House) million increase in General Revenue Funds, from the 2020– 21 biennial base. The increase is due primarily to Senate and House increases of $4.3 million in General Revenue Funds to provide a full biennium of payments to providers to support 24-hour awake supervision. The Senate further provides $2.3 million in General Revenue Funds for network support payments for CBC in Region 8B. Both houses provide $5.5 million in Federal Funds for provider payments for the Qualified Residential Treatment Program (QRTP) pilot. Additionally, both houses provide an increase of $11.2 million in General Revenue Funds is offset by an equal decrease in Federal Funds due to less favorable federal medical assistance percentages (FMAP) and the assumed loss of the 6.2 percentage-point increase in FMAP pursuant to the federal Families First Coronavirus Response Act;
- Senate and House funding recommendations include $636.5 million in All Funds, including $289.7 million in General Revenue Funds, for Adoption Subsidies and Permanency Care Assistance (PCA) Payments. Funding recommendations include a $28.1 million increase in All Funds ($25.7 million in General Revenue Funds) from the 2020–21 biennial base due primarily to an increase of $24.7 million in All Funds ($12.4 million in General Revenue Funds) for projected caseload growth in both adoption subsidies and PCA. Additionally, changes in the proportion of the program funded with General Revenue Funds are attributed to: (1) an increase of $18.9 million in General Revenue Funds offset by an equal decrease in Federal Funds due to less favorable FMAPs and the assumed loss of the 6.2 percentage-point increase in FMAP; and (2) an increase of $7.8 million in Federal Funds offset by an equal decrease in General Revenue Funds due to increased federal Title IV-E eligibility for adoption subsidies;
- Senate and House funding recommendations include $121.8 million in All Funds, including $18.5 million in General Revenue Funds, for Texas Workforce Commission (TWC) contracted day care services. Funding recommendations include a $32.2 million increase in All Funds (a $5.7 million decrease in General Revenue Funds) from the 2020–21 biennial base due to projected growth in caseload, number of days per child, and average daily cost and to maintain a full biennium of rate increases implemented by TWC in October 2019 and October 2020; and
- Senate and House funding recommendations include $49.3 million in All Funds, including $31.9 million in General Revenue Funds, for Relative Caregiver Payments.

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Funding includes a $1.3 million decrease in All Funds ($0.6 million in General Revenue Funds) from the 2020–21 biennial base due to projected decreases in the number of daily and post-permanency payments.

• Funding recommendations include $1.6 billion in All Funds, including $1.2 (Senate) $1.1 (House) billion in General Revenue Funds, for Child Protective Services direct delivery staff, including services provided through CBC. In both houses these amounts include increased funding to biennialize CBC expansion that occurred during fiscal year 2020 for Stage II in Regions 3B and 2 and for Stage I in Region 1. It also includes a full biennium of funding for CBC expansion into Stage II in Region 8A and Stage I in Region 8B, which has not yet occurred. Funding recommendations maintain caseworkers and related staff at fiscal year 2021 levels.

• Both houses provide funding recommendations that include reductions totaling $14.0 million in General Revenue Funds for the 2022–23 biennium. The reduction is associated with the following initiatives identified by the agency: savings for the Statewide Intake Automated Call Distribution System; reduction in mileage reimbursement and other travel savings; reductions in costs for various Prevention and Early Intervention contracts; continued delay of a fingerprint program; savings for the information technology help desk; and savings from conferences and professional development trainings.

• Both houses reflect impact of the federal Family First Prevention Services Act (FFPSA) which is intended to be fully implemented by September 2021. In accordance with FFPSA, the federal government will no longer provide Title IV-E matching funds for children placed in foster care congregate settings after two weeks of placement unless the child is placed in a QRTP or licensed residential family-based treatment facility. FFPSA also provides a 50 percent federal match if the state invests additional General Revenue Funds in approved prevention programs. Texas received $50.3 million in Federal Funds pursuant to the Family First Transition Act (FFTA) to assist in implementation of FFPSA. Funding recommendations for the 2022–23 biennium include $12.0 million in FFTA Federal Funds for a QRTP pilot and system upgrades, an increase of $7.7 million from the amount budgeted for those purposes in fiscal year 2021. The remaining $33.9 million in Federal Funds may be directed by the Legislature. Funding recommendations do not assume increased General Revenue Funds or a loss of Title IV-E Federal Funds for foster care placements, additional funding that may be needed to implement QRTPs, or additional investment in prevention programs to draw additional Title IV-E Federal Funds.

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DEPARTMENT OF STATE HEALTH SERVICES

Senate

DEPARTMENT OF STATE HEALTH SERVICES, BY METHOD OF FINANCE (IN MILLIONS) METHOD OF FINANCE	ESTIMATED/BUDGETED 2020–21	RECOMMENDED 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
General Revenue Funds	$618.5	$466.8	($151.6)	(24.5%)
General Revenue–Dedicated Funds	$322.6	$336.5	$13.9	4.3%
Federal Funds	$2,450.8	$726.9	($1,723.8)	(70.3%)
Other Funds	$242.3	$235.5	($6.8)	(2.8%)
Total, All Methods of Finance	**$3,634.2**	**$1,765.8**	**($1,868.4)**	**(51.4%)**

House

DEPARTMENT OF STATE HEALTH SERVICES, BY METHOD OF FINANCE (IN MILLIONS) METHOD OF FINANCE	ESTIMATED/BUDGETED 2020–21	RECOMMENDED 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
General Revenue Funds	$618.5	$464.5	($154.0)	(24.9%)
General Revenue–Dedicated Funds	$322.6	$338.8	$16.2	5.0%
Federal Funds	$2,450.8	$779.3	($1,671.5)	(68.2%)
Other Funds	$242.3	$235.5	($6.8)	(2.8%)
Total, All Methods of Finance	**$3,634.2**	**$1,818.1**	**($1,816.1)**	**(50.0%)**

Funding recommendations for the Department of State Health Services (DSHS) for the 2022–23 biennium total $1.8 billion in All Funds, including $0.5 billion in General Revenue Funds and $0.3 billion in General Revenue–Dedicated Funds. These amounts represent an All Funds decrease of $1.9 (Senate) and $1.8 (House) billion, or 51.4 (Senate) and 50 (House) percent, and a decrease in General Revenue Funds of $151.6 (Senate) and $154.0 (House) million, or 24.5 and 24.9 percent respectively.

HIGHLIGHTS

- Both Senate and House funding recommendations include $126.8 million in Federal Funds for COVID-19 pandemic response in the 2022–23 biennium. This amount represents a decrease of $1.7 billion in Federal Funds and $50.0 million in General Revenue Funds transferred from the Health and Human Services Commission (HHSC) for COVID-19 pandemic response in the 2020–21 biennium;
- Both houses provide funding recommendations that include a decrease of $23.9 million in General Revenue Funds because one-time funding provided in the 2020–21 biennium is not continued. These funds were provided for laboratory repair and renovation; Laboratory Information Management System upgrade; National

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Electronic Disease Surveillance System upgrade; vehicles; Texas Center for Infectious Disease repair and renovation; laboratory equipment; and one-time laboratory operating costs. Funding recommendations also represent a decrease of $29.0 million in funding from the Economic Stabilization Fund (Other Funds) because one-time funding provided in the 2020–21 biennium for an emergency generator for the laboratory and trauma capacity and response infrastructure is not continued

- Both Senate and House provide funding recommendations that include reductions totaling $32.9 million in General Revenue Funds and General Revenue-Dedicated Funds for the 2022–23 biennium. The reduction is associated with the following initiatives identified by the agency: $6.0 million for the Medical Child Abuse Resource Education Systems; $5.0 million used for maintenance of effort for HIV Care Formula Grants; $4.6 million in administrative support services payments that DSHS makes to HHSC; and $4.0 million to remove the zoster (shingles) vaccine from the formulary for adult immunization.
- Funding recommendations include changes in method of financing that reduce General Revenue Funds by $35.5 (Senate) and $37.8 (House) million and replace those funds with $13.2 (Senate) and $15.5 (House) million in General Revenue-Dedicated Funds and $22.3 million (Senate and House) in Other Funds due to projected revenue and account balances. These changes include replacing General Revenue Funds with $22.3 million from the Public Health Medicaid Reimbursements Account No. 709 (Other Funds); $9.2 million from General Revenue–Dedicated Account No. 524, Public Health Services Fee; $2.0 (Senate) and $2.3 (House) million from General Revenue–Dedicated Account No. 5108, EMS, Trauma Facilities, Trauma Care Systems; and $2.0 million Senate and House) from other General Revenue-Dedicated accounts.

As Background— Department of Family and Protective Services and Department of State Health Services Legislative Appropriations Request Summary.

DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES [Found Here.]

The Department of Family and Protective Services' (DFPS) mission is "promote safe and healthy families and protect children and vulnerable adults from abuse, neglect, and exploitation." More than 12,390 DFPS employees are committed to protecting children, adults who have disabilities and adults who are 65 years old or older from abuse, neglect, and exploitation. Within DFPS, the following program areas are constantly engaged to carry out this crucial work:

- Statewide Intake (SWI) operates twenty-four hours a day, 7 days a week, as the centralized point of intake for reports of suspected incidents of abuse, neglect, and exploitation and child care licensing standards violations.

- Child Protective Services' (CPS) core function is to protect children by investigating reports of abuse and neglect, working with families to prevent abuse and neglect, and placing children in substitute care when they are not safe in their own homes.
- Adult Protective Services (APS) protects adults living in the community who have disabilities or who are 65 years old or older by investigating reports of abuse, neglect, and exploitation and providing short-term services.
- Prevention and Early Intervention (PEI) contracts with and manages community-based programs aimed to prevent abuse, neglect, delinquency, and truancy of Texas children by strengthening their families.

To support these functions, a vision for the agency which can be found in its entirety at https://www.dfps.state.tx.us/About_DFPS/News/2020/Commissioner-Vision.pdf: The vision stresses moving the agency forward in the following mission critical areas:

- Family Preservation and the Family First Prevention Services Act
- Investigations and Entries to Care
- Community-Based Care
- Supports for Kinship Caregivers
- Support for Older Foster Youth
- Protecting the Elderly and Disabled
- Statewide Recruitment and Retention of Staff
- Faith-Based and Community Engagement • Human Trafficking
- Foster Care Lawsuit

2020-2021 BIENNIUM ACCOMPLISHMENTS AND MAJOR CHALLENGES

The 86th Legislature continued the momentum of the 85th Legislature, making significant investments in transforming the child welfare system and addressing critical needs in Adult Protective Services and Statewide Intake, particularly in the area of supporting frontline staff by ensuring competitive salaries.

Major investments in FY 2020-2021 include:

- Adult Protective Services (APS) caseworker and supervisor salary increases of $9,000 per year and additional staff to address growing caseloads for Adult Protective Services workers.
- Statewide Intake (SWI) frontline staff salary increases of $6,000 per year.
- Community-based Care (CBC) rollout funding totaling of $67 million to expand CBC in Stage I to a total of 5 areas and Stage II to 3 of those areas.
- Provider rate increases to address areas that did not receive a rate increase during the 85th session, including Emergency Shelters, Supervised Independent Living and Child Placing Agency support costs.
- Child Protective Services (CPS) front line staffing increases in critical areas, such as eligibility workers, human services technicians, local permanency specialists,

Preparation for Adult Living (PAL) specialists; and Medical Services Well-Being staff.

- Child Protective Investigations (CPI) frontline staff increases in critical areas, such child care facility investigators, screeners, Child Safety Specialists, and risk managers.
- Prevention Early Intervention (PEI) expansion of Health Outcomes through Prevention and Early Support (HOPES) and Texas Nurse-Family Partnership (TNFP).

These key investments have contributed to significant improvements in DFPS programs across the state, ensuring the agency's momentum in protecting vulnerable adults and children continues. Below are several examples of measurable improvements in DFPS services.

- APS caseworker turnover has decreased by 19.4 percent, from 23.6 percent in July 2018 to 19 percent in July 2020. In the same period, APS cases per worker decreased from 32.9 to 20.4.
- SWI frontline worker turnover has decreased by 61 percent, from 16.2 percent in July 2018 to 6.3 percent in July 2020. In the same period, the monthly average hold time at SWI also decreased by 61 percent, from 12.2 minutes to 4.8 minutes.
- The average daily child only caseload for Conservator workers decreased from 17.8 in August 2019 to 15.9 in August 2020 – a decline of 11%.
- CPI cases per worker decreased from 12.7 in July 2018 to 10.1 in July 2020.
- Expansion of CBC continues to proceed successfully. In March and June of 2020, Regions 3B and 2, respectively, expanded into Stage II despite the challenges of COVID-19. Region 8A will begin start-up activities for Stage II in the fall of 2020, with an anticipated go-live date in the spring of 2021. Region 1 began serving children and families in Stage I in January 2020. Region 8B could begin Stage I services beginning in late summer 2021. As of August 1, 2020, CBC is serving 6,201 children, 20% of children in conservatorship in Texas.
- DFPS' Prevention and Early Intervention program increased Healthy Outcomes through Prevention and Early Support services into four new counties as well as hiring nine additional nurses to expand TNFP services and add coverage in four new counties.

Along with these accomplishments two major challenges have arisen since the 86th Legislature adjourned. The most dramatic is COVID-19, which changed all facets of how the agency and its contracted providers deliver child and adult protective services. DFPS staff have overcome barriers and continued to provide services to ensure the safety of children and well-being of families. Many of DFPS' service delivery processes can be adapted to the telework environment but there are many functions that require face-to-face interactions. In March, caseworkers temporarily began virtual visitations in lieu of face-to-face visitations. Face-to-face contact was maintained whenever there were immediate safety concerns. In

May, face-to-face visitations with families resumed once per month unless additional visitations are needed to keep children and youth safe. The use personal of protective equipment (PPE) was introduced and played a critical role in keeping children, families, and staff safe.

Prevention and Early Intervention providers also pivoted to virtual service delivery which ensured families had support in coping with the impacts and stress brought on by COVID-19, including over two million visits in three months to DFPS's HelpandHope.org website.

The response has been successful through the commitment and adaptability of staff and contractors. Frontline staff willingly performed their mission-essential functions despite anxiety about their well-being. Regional staff worked together to perform critical tasks such as packaging PPE to deliver to regions, helping Records Management with file uploads, and driving extra miles to access open drug testing labs. PEI grantees, foster care providers and other service providers all worked together effectively to meet this unprecedented challenge.

The second major challenge impacting services for children in the state's permanent managing conservatorship is the MD Lawsuit.

- Last session, portions of the M.D. v. Abbott federal foster care lawsuit were under appeal. In July 2019, the Fifth Circuit Court of Appeals resolved the appeal, and the mandate in the case was issued. Over the course of the appeal, the Fifth Circuit upheld approximately half of the orders the District Court originally included in the final order. Once the mandate issued, the validated remedial orders took effect, and the Court begin overseeing the agency's implementation and compliance.
- Since July 2019 the agency has undertaken substantial efforts to implement those orders, including:
  - development of overnight monitoring staff and payment structure for 24-hour awake-night supervision for DFPS' contracted congregate care providers;
  - initial implementation of heightened monitoring as ordered by the Court in March 2020;
  - initial improvements around quality and timeliness of Residential Child-Care Investigations; and
  - substantial efforts around recording sexual abuse and aggression history, among other essential, court-directed activities.
- The first report of the Court Monitors on DFPS' (and HHSC's) progress on implementing the Court's orders was issued June 16, 2020. The Monitors generally concluded the agency was not in compliance and that additional reform efforts would need to continue. A primary focus of the Monitors' report was the conduct of investigations by Residential Child-Care Investigations.

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- Several of the Monitors' conclusions formed the basis of a contempt motion pending before the District Court at the time of this writing. The next Monitors report is anticipated in March 2021.

To address these new challenges and continue to build on the recent investments by the Legislature, the FY 2022-2023 Legislative Appropriation Request focuses strictly on identifying the resources needed to continue essential agency operations, including maintaining current service levels, complying with federal court mandates, continuing legislatively directed rollout of community-based care, and investing in prevention and early intervention.

BASE BUDGET REQUEST FOR THE 2022-23 BIENNIUM

DFPS' FY 2020-21 estimated base expenditures total $4.4 billion in All Funds ($2.5 billion in General Revenue-Related funding). The 2020-21 biennial budget, which includes the 5% GR reduction directed by the Governor, Lieutenant Governor and Speaker of the House, assumes a state-funded supplemental appropriation for entitlement programs of $19.1 million, which includes a need of $27.1 million for Foster Care and a lapse of $8.0 million for Adoption Subsidies. In the FY 2020, DFPS has pending transfer requests to use existing appropriations to cover needs related to compliance with federal court orders in the MD lawsuit and to address needs for purchased client services. Similar transfers of existing appropriations are likely to be necessary in FY2021 in order to limit what is requested in supplemental appropriations.

The baseline request for FY 2022-23 complies with the agency's GR limit and totals $4.5 billion in All Funds ($2.6 billion in state funds). This request represents a net increase of $52.4 million in All Funds ($89.4 million in state funds), or 1.2 percent compared to FY 2020-21 expenditures, which is driven by growth in entitlement programs. In non-entitlement areas the FY2022-23 base reflects a decreased of $16.9 million All Funds ($17.1 million GR), primarily due to the 5% reduction in the FY2021.

Compared to the FY2020-2021 GAA, DFPS's non-entitlement base decreases by $94.5 million general revenue. This is primarily due to pending transfers not being recognized in the FY2020-2021 adjusted base.

POLICY LETTER EXCEPTIONS

Three exceptions to the baseline request limitation apply specifically to DFPS: 1) maintain funding for Child Protective Services; 2) maintain funding for behavioral health services programs; and 3) maintain current benefits and eligibility in entitlement programs, which include foster care, adoption subsidies, and the permanency care assistance. For the base request, only the entitlement programs are truly exempt from the general revenue limitations. Increases in entitlement programs are based on forecasts of higher numbers of children in care, the cost for care, and the method of finance expected in the next biennium. In FY2022-

23 the method of finance for children in congregate care is adjusted to remove federal funding for these placements as required by the federal Families First Prevention Services Act (FFPSA).

FY 2022-23 EXCEPTIONAL ITEM REQUESTS

Considering the recent decline in state revenue projections, DFPS has taken a very limited approach to exceptional items, foregoing any requests that are not urgently needed. The Department of Family and Protective Services is requesting funding for 5 exceptional items totaling $85.3 million in general revenue ($89.5 million in all funds) in FY 2022 and $97.7 million in general revenue ($102.9 million in All Funds) in FY 2023. The request includes 361.1 FTEs in FY 2022 and 401.0 FTEs in FY 2023. The exceptional items are as follows:

1. Sustain Child Protective Services - $99,137,702 all funds
2. Comply with Federal Court Orders in MD Lawsuit - $38,990,798 all funds
3. Expand Community Based Care - $44,304,590 all funds
4. Expand Prevention and Early Intervention Services - $10,000,000 all funds
5. Implement Families First Prevention Services Act (place holder) – TBD

BACKGROUND CHECK AUTHORITY

DFPS's statutory authority to conduct background checks is:

- Texas Gov't Code §411.114 with respect to criminal history that DFPS gets from the Department of Public Safety. This section describes the persons on whom DFPS may conduct criminal history checks and the persons/entities to whom DFPS may release this information.
- State statutory provisions are found in the Texas Family Code, Title 5, Chapters 262 and 264; and the Texas Human Resources Code, Title 2, Chapter 40. Federal statutory provisions are found in the Social Security Act, Sections 422, 432, and 471; and 45 CFR 1355.).

ADDITIONAL INFORMATION TO BE DEVELOPED PRIOR TO 87TH LEGISLATURE

Further developments in the MD lawsuit may require updates to the MD Lawsuit exceptional item when the 87th Legislature convenes. There is a hearing expected in January and then again in March at which time the Judge may require further action by the state involving additional resources.

In the area of foster care provider reimbursement, which is critical to maintaining an adequate array of placement options children in foster care, DFPS, in conjunction with HHSC's Provider Finance Department, will prepare a document to show the cost of every 1% increase in foster care provider rates. This document is typically used during legislative deliberations to inform the discussion of potential rate increases for providers who care for children in the state's conservatorship every day. In addition, HHSC has contracted with Public Consulting Group, as directed by Art. II, Special Provisions, Section 32, to undertake a rate study to evaluate the current methodology, both for the legacy system and the community-based care system. The study will determine whether there is an alternative methodology that would increase provider capacity, deliver appropriate and evidence-based services, incentivize quality improvements, and maximize the use of federal funds. DFPS anticipates the recommendations from this study will be provided to the Legislature in February for consideration during the appropriations process in order to ensure a sound reimbursement methodology which enhances provider capacity across the state.

Lastly, over 90% percent of DFPS's appropriations request relies on forecasting to project what future client services and staffing needs will be and, subsequently, what resources to request. As the 87th Legislative Session progresses, DFPS will provide updated forecasts to inform appropriations decisions and to potentially update agency requests.

DEPARTMENT OF STATE HEALTH SERVICES [FOUND HERE.]

DSHS is charged with improving the health, safety and well-being of Texans, and never has that been clearer than in these unprecedented times. Since its emergence in late 2019, the COVID-19 global pandemic has challenged all aspects of life in Texas. As the state's public health agency, DSHS has been on the frontline of Texas' response working to slow the spread of COVID-19 in communities, preserve the state's healthcare system, and provide clear and actionable guidance to the public about this new disease. Public health professionals, in coordination with local health departments across the state and partner agencies, work tirelessly every day to safeguard Texans. DSHS is administratively organized into divisions covering Laboratory and Infectious Disease Services, Regional and Local Health Operations, Consumer Protection, and Community Health Improvement that fulfils the agency mission by:

- preventing, detecting and responding to infectious diseases,
- providing public health and medical response during disasters and emergencies,
- developing evidence-based public health interventions through data analysis and science,
- reducing health risks and threats through consumer protection, and
- promoting healthy lifestyles through disease and injury prevention.

Throughout the pandemic, DSHS has been fully committed as an agency to responding to COVID-19, while remaining vigilant against other infectious diseases, biological or chemical threats, and emerging public health issues. I am proud of the many ways DSHS staff have risen to the challenge of combating COVID-19. The hard work and sacrifice shown by staff embody the very best of public service.

DSHS began taking actions to fight COVID-19 shortly after the US Centers for Disease Control and Prevention confirmed the first case of the novel coronavirus in the United States. Ten days later, on January 31, they officially activated the State Medical Operations Center to prepare for the coming crisis, and by February 17, they activated Regional Medical Operations Centers. On March 4, DSHS announced the first positive test result for COVID-19 in Texas, and a shortly after DSHS confirmed on March 17 the first fatality of a Texas resident who had

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tested positive for COVID-19. Since early spring of 2020, the range of response efforts during the pandemic have covered:

- Coordination of local and state public health efforts;
- Statewide management and provision of lab testing and capacity;
- Data collection, analysis and reporting;
- Health care system support and deployment of medical staffing to hospitals and nursing facilities;
- Statewide public awareness;
- Public Health guidance for individuals and businesses and consultation with local elected leaders; and
- Sourcing and consulting on medical supplies and personal protective equipment.
- Developing the infrastructure to safely and appropriately disseminate vaccine

The scale and scope of COVID-19 necessitated an unprecedented statewide public health response encompassing all parts of DSHS. Staff have been redeployed throughout the agency as they prioritized the COVID-19 response efforts, while still performing other ongoing important public health work Texans expect of us, including vaccinations, newborn screening, chronic disease prevention, vital statistics, food safety, and consumer protection activities.

DSHS developed its 2022–2023 Legislative Appropriations Request in light of its ongoing pandemic response and additional public health obligations. The DSHS appropriations request complies with the guidance provided by the Legislative Budget Board and the Governor's Office of Budget and Policy. DSHS conducts criminal history background checks on a wide variety of positions, such as statewide users of the electronic vital statistics registration system, regional dental teams who work in schools to provide oral health screenings, staff at the Texas Center for Infectious Disease, and certain laboratory personnel as a requirement of the CDC Select Agency Program Registration. Additionally, DSHS conducts background checks through the consumer protection program on license applicants, such as EMS personnel, EMS provider, Prescription or Non-Prescription Drug Wholesaler Distributor, and Consumable Hemp product applicants.

As the pandemic unfolded, DSHS received over $1.5 billion in federal funding to support the state's COVID-19 public health needs. While these additional federal funding sources allow DSHS to address COVID-19, DSHS LAR reflects unmet current and future critical public health funding needs across DSHS' responsibilities aimed at protecting Texans beyond this one infectious disease. The request focuses on those activities at the core of public health.

Based on the guidelines for developing the LAR, DSHS' baseline request includes a 5% reduction of General Revenue Funds and General Revenue–Dedicated Funds budget. Post-Health and Human Services transformation, DSHS has been fully focused on public health. While these reductions are difficult, the agency understands the changing economic environment in Texas and has prioritized core public health programs. Programs partially reduced include HIV, the Adult Safety Net Immunization program, the Texas Primary Care Office, chronic disease programs, and agency administrative support provided by HHSC.

The LAR includes four prioritized exceptional items that span program and infrastructure needs and ensure a stable foundation for state public health services. These exceptional items represent DSHS' refocused mission on public health and seek to provide the Department with the capacity to continue meeting the needs of Texans.

(1) Infectious Disease Respond and Laboratory Capabilities. This request includes funds to ensure the state's ongoing capability to address infectious diseases like COVID-19 and tuberculosis, and to maintain laboratory capacity to test for spinal muscular atrophy.

(2) Frontier Public Health Services. This request seeks to ensure the ongoing availability of essential public health services, such as providing vaccinations, tuberculosis surveillance, and sexually transmittable disease screening. in rural and frontier communities where DSHS is the primary public health service provider. The exceptional item includes additional rural and frontier clinics, mobile clinics, and an electronic health records system for regional offices.

(3) Consumer Protection and Safety. This request addresses audit findings related to consumer protection, seeks to secure adequate consumer protection and licensee support for the new consumable hemp program, maintains a technically skilled workforce related to food safety responsibilities, and improves customer service capabilities for current and future licensees.

(4) Effective Business Operations and Information Technology. This request supports fiscal management, data center services costs, and the long-term viability of certain public health registries required to continue agency operations.

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Learn more. The version of the General Appropriations Bill that becomes law, after being passed by the Legislature and signed by the Governor, is referred to as the General Appropriations Act (GAA). This enacted legislation is the state's budget for a two-year period (biennium). The Legislative Budget Board staff provides a Summary of the General Appropriations Bill for each version of the bill as the budget deliberations unfold during the legislative session. The summary is not a reconciliation of each change in the General Appropriations Bill, but rather a high-level overview of major changes between the biennia and between iterations of the bill. It is a reference for legislators and other stakeholders as they work through budget deliberations.

Senate All Funds Summary

RECOMMENDATIONS BY ARTICLE, ALL FUNDS

(IN MILLIONS) ALL FUNCTIONS	ESTIMATED/BUDGETED 2020–21	RECOMMENDED 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
Article I – General Government	$7,918.0	$6,915.5	($1,002.5)	(12.7%)
Article II – Health and Human Services	$95,695.6	$91,623.7	($4,071.9)	(4.3%)
Article III – Agencies of Education	$95,308.1	$93,930.2	($1,377.9)	(1.4%)
Public Education	*$69,278.2*	*$71,107.2*	*$1,829.0*	*2.6%*
Higher Education	*$26,029.9*	*$22,823.1*	*($3,206.9)*	*(12.3%)*
Article IV – Judiciary	$986.5	$911.2	($75.3)	(7.6%)
Article V – Public Safety and Criminal Justice	$13,172.7	$12,689.3	($483.4)	(3.7%)
Article VI – Natural Resources	$10,954.9	$7,422.3	($3,532.7)	(32.2%)
Article VII – Business and Economic Development	$39,647.7	$36,635.6	($3,012.1)	(7.6%)
Article VIII – Regulatory	$712.8	$664.3	($48.5)	(6.8%)
Article IX – General Provisions	$0.0	$0.0	$0.0	N/A
Article X – Legislature	$408.2	$410.4	$2.2	0.5%
Total, All Articles	**$264,804.4**	**$251,202.3**	**($13,602.1)**	**(5.1%)**

NOTES:
(1) May include anticipated supplemental spending adjustments.
(2) Excludes Interagency Contracts.
(3) Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.
SOURCE: Legislative Budget Board.

House All Funds Summary

RECOMMENDATIONS BY ARTICLE, ALL FUNDS

(IN MILLIONS) ALL FUNCTIONS	ESTIMATED/BUDGETED 2020–21	RECOMMENDED 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
Article I – General Government	$7,918.0	$6,878.5	($1,039.5)	(13.1%)
Article II – Health and Human Services	$95,695.6	$91,910.8	($3,784.8)	(4.0%)
Article III – Agencies of Education	$95,308.1	$93,974.8	($1,333.3)	(1.4%)
Public Education	*$69,278.2*	*$71,152.2*	*$1,874.0*	*2.7%*
Higher Education	*$26,029.9*	*$22,822.6*	*($3,207.3)*	*(12.3%)*
Article IV – Judiciary	$986.5	$909.8	($76.7)	(7.8%)
Article V – Public Safety and Criminal Justice	$13,172.7	$12,647.2	($525.6)	(4.0%)
Article VI – Natural Resources	$10,954.9	$7,430.8	($3,524.1)	(32.2%)
Article VII – Business and Economic Development	$39,647.7	$36,651.5	($2,996.2)	(7.6%)
Article VIII – Regulatory	$712.8	$664.3	($48.5)	(6.8%)
Article IX – General Provisions	$0.0	$0.0	$0.0	N/A
Article X – Legislature	$408.2	$410.4	$2.2	0.5%
Total, All Articles	**$264,804.4**	**$251,477.9**	**($13,326.5)**	**(5.0%)**

NOTES:
(1) May include anticipated supplemental spending adjustments.
(2) Excludes Interagency Contracts.
(3) Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.
SOURCE: Legislative Budget Board.

Senate GR Funds Summary

FIGURE 4
RECOMMENDATIONS BY ARTICLE, GENERAL REVENUE FUNDS

(IN MILLIONS) ALL FUNCTIONS	ESTIMATED/BUDGETED 2020–21	RECOMMENDED 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
Article I – General Government	$3,977.4	$4,147.0	$169.5	4.3%
Article II – Health and Human Services	$35,914.4	$36,573.2	$658.8	1.8%
Article III – Agencies of Education	$60,402.8	$64,486.1	$4,083.3	6.8%
Public Education	*$44,561.5*	*$48,595.2*	*$4,033.7*	*9.1%*
Higher Education	*$15,841.3*	*$15,890.9*	*$49.6*	*0.3%*
Article IV – Judiciary	$553.8	$546.9	($7.0)	(1.3%)
Article V – Public Safety and Criminal Justice	$11,869.5	$11,849.3	($20.2)	(0.2%)
Article VI – Natural Resources	$933.1	$915.5	($17.5)	(1.9%)
Article VII – Business and Economic Development	$520.9	$477.8	($43.1)	(8.3%)
Article VIII – Regulatory	$367.8	$287.3	($80.5)	(21.9%)
Article IX – General Provisions	$0.0	$0.0	$0.0	N/A
Article X – Legislature	$408.1	$410.2	$2.1	0.5%
Total, All Articles	**$114,947.8**	**$119,693.2**	**$4,745.4**	**4.1%**

NOTES:
(1) May include anticipated supplemental spending adjustments.
(2) Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.
SOURCE: Legislative Budget Board.

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House GR Funds Summary

RECOMMENDATIONS BY ARTICLE, GENERAL REVENUE FUNDS (IN MILLIONS) ALL FUNCTIONS	ESTIMATED/BUDGETED 2020–21	RECOMMENDED 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
Article I – General Government	$3,977.4	$4,110.1	$132.7	3.3%
Article II – Health and Human Services	$35,914.4	$36,668.3	$753.9	2.1%
Article III – Agencies of Education	$60,402.8	$64,530.7	$4,127.9	6.8%
Public Education	*$44,561.5*	*$48,640.2*	*$4,078.7*	*9.2%*
Higher Education	*$15,841.3*	*$15,890.4*	*$49.2*	*0.3%*
Article IV – Judiciary	$553.8	$545.5	($8.4)	(1.5%)
Article V – Public Safety and Criminal Justice	$11,869.5	$11,807.2	($62.3)	(0.5%)
Article VI – Natural Resources	$933.1	$916.9	($16.2)	(1.7%)
Article VII – Business and Economic Development	$520.9	$477.8	($43.1)	(8.3%)
Article VIII – Regulatory	$367.8	$287.3	($80.5)	(21.9%)
Article IX – General Provisions	$0.0	$0.0	$0.0	N/A
Article X – Legislature	$408.1	$410.2	$2.1	0.5%
Total, All Articles	**$114,947.8**	**$119,753.9**	**$4,806.1**	**4.2%**

NOTES:
(1) May include anticipated supplemental spending adjustments.
(2) Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.
SOURCE: Legislative Budget Board.

LIMITS ON APPROPRIATIONS In order to understand the availability of funds, it is important to have a little background on constitutional spending limitations. Texas has four Constitutional limits on spending: the balanced budget limit, which is commonly referred to as the pay-as-you go limit; the limit on the rate of growth of appropriations from certain state taxes, commonly referred to as the spending limit; the limit on welfare spending; and the limit on tax-supported debt. The pay-as-you-go limit and the spending limit both restrict appropriations, but in different ways. The pay-as-you-go limit prohibits the General Revenue Fund budget from exceeding available revenue. The spending limit prohibits appropriations funded with tax revenues not dedicated by the Constitution from growing faster than the state's economy. The spending limit does not apply to appropriations funded with non-tax revenues or appropriations funded with tax revenues if the Constitution requires the tax revenue to be spent for a specific purpose. The 2022–23 biennial General Revenue Funds recommendations total $119.7 billion. This amount is $7.2 billion more than the pay-as-you-go limit, based on the 2021 Biennial Revenue Estimate (BRE) from the Comptroller of Public Accounts (CPA), shown in Figure 22. Th e Legislature has options to close the General Revenue shortfall including savings, transfers, speed-ups, and deferrals. General Revenue Funds are $3.2 billion less than the General Revenue Funds capacity in accordance with the spending limit. Final 2020–21 biennial appropriations will affect the 2022–23 biennial spending limit capacity and the pay-as-you-go allowance. Because General Revenue spending authority pursuant to the pay-as-you -go limit is the lower of the two limits, the pay-as-you-go limit is the controlling limit.

ARTICLE III, SECTION 49A, PAY-AS-YOU-GO LIMIT. The Texas Constitution, Article III, Section 49a, sets the so-called pay-as-you-go limit. Th e constitution requires that bills making appropriations are sent to the CPA for certification that the appropriations are within estimates of available revenue. CPA identifies the pay-as-you-go limit for General Revenue Funds appropriations as $112.5 billion in the BRE. Th is total includes estimated 2022–23 biennial General Revenue Funds revenue collections of $119.6 billion, less the amount of $6.1 billion in General Revenue Funds deposits reserved for transfer to the Economic Stabilization Fund, the State Highway Fund, and the Texas Tomorrow Fund. Th is total also includes the negative beginning General Revenue Fund balance and General Revenue–Dedicated Funds account balances available for certification totaling $0.9 billion, shown in Figure 23. Legislative actions increasing or decreasing revenue collections will change the total amount of revenue available. By contrast, the amount of revenue available for the Eighty-sixth Legislature, Regular Session, 2019, in accordance with the pay-as-you-go limit identified in the 2019 BRE was $119.1 billion. Th e $112.5 billion in available revenue applies to 2022–23 biennial General Revenue Funds appropriations and to fi scal year 2021 supplemental General Revenue Funds appropriations. Consequently, any increase in supplemental General Revenue Funds appropriations for fiscal year 2021 will decrease General Revenue Funds spending capacity proportionately for the 2022–23 biennium; a decrease in fiscal year 2021 will increase 2022–23 General Revenue Funds spending capacity.

ARTICLE VIII, SECTION 22, LIMITATION ON THE GROWTH OF CERTAIN APPROPRIATIONS. The Texas Constitution, Article VIII, Section 22, prohibits appropriations funded with state tax revenues not dedicated by the constitution from growing faster than the estimated rate of growth of the state's economy. Consequently, the revenue source funding appropriations determines if the appropriations are subject to the spending limit. Appropriations funded with tax revenues are subject to the spending limit unless the constitution dedicates the tax revenue for a specific purpose. Th e spending limit does not apply to appropriations funded with nontax revenues or appropriations funded with tax revenues if the constitution requires the tax revenue to be spent for a specific purpose. Th e 2022–23 biennial spending limit equals total 2020–21 biennial appropriations funded with tax revenues not dedicated by the constitution of $99.8 billion, grown by the adopted growth rate of 7.06 percent. Th e 2022–23 biennial spending limit is estimated to be $106.8 billion after adjusting for revenue estimates in the CPA's 2021 Biennial Revenue Estimate and updating the 2020–21 biennial base to include estimated supplemental appropriations. Th e 2022–23 biennial appropriations subject to the spending limit total $103.8 billion, $3.0billion less than the spending limit.

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ARTICLE III, SECTION 49 (J), DEBT LIMIT. The Texas Constitution, Article III, Section 49(j), provides that the Legislature may not authorize additional state debt if in any fiscal year the resulting maximum annual debt service payable from the General Revenue Fund, excluding revenues constitutionally dedicated for purposes other than payment of state debt, exceeds 5.0 percent of the average annual unrestricted General Revenue for the previous three years. To monitor where the state stands in relation to the constitutional debt limit (CDL), the Bond Review Board (BRB) calculates two debt ratios. Th e fi rst ratio is the debt service on outstanding or issued debt as a percentage of unrestricted General Revenue Funds. At the end of fi scal year 2020, the BRB reported that the issued debt ratio is 1.23 percent. Th e second debt ratio is the debt service on outstanding debt plus estimated debt service for authorized but unissued bonds. For this ratio, the BRB has reported that the state is at 2.67 percent of unrestricted General Revenue Funds at the end of fiscal year 2020. Th e latter calculation represents a 29.0 percent increase from the 2.07 percent calculated for outstanding and authorized but unissued debt for fiscal year 2019. Th e BRB expects the CDL ratio to continue to decrease with the issuance of authorized debt. However, the CDL ratio could be affected by changes to any of the following factors: the three-year average of unrestricted General Revenue Funds, the amount of debt outstanding and unissued debt authorizations, and actual and assumed interest rates.

ARTICLE III, SECTION 51-A, WELFARE SPENDING LIMIT. The Texas Constitution, Article III, Section 51-a, requires that the amount paid out of state funds for assistance grants to or on behalf of needy dependent children and their caretakers shall not exceed 1.0 percent of the state budget in any biennium. Th e 2022–23 biennial budget defined in the Texas Human Resources Code, Section 31.053, is $251.2 billion. Therefore, the welfare spending limit is $2.5 billion. Th e biennial amount in the Legislative Budget Board recommendations for the 2022–23 biennium that is subject to the limit on state dollars paid out in Temporary Assistance for Needy Families (cash assistance) grants is $93.4 million, which is $2.4 billion less than the 1.0 percent limit.

ECONOMIC STABILIZATION FUND (ESF or "Rainy Day" Fund). The Texas Constitution Article III, Section 49-g, established the Economic Stabilization Fund (ESF). Appropriations can be made from the fund within certain fiscal conditions with a three-fifths vote of each legislative chamber. Appropriations also can be made for any purpose with a two-thirds vote of each legislative chamber. House Bill 903, Eighty-fourth Legislature, 2015, directed the Comptroller of Public Accounts (CPA) to invest a portion of the cash balance of the ESF in assets outside of the Treasury pool, with the goal of obtaining a higher rate of return. Beginning September 1, 2015, CPA established the Texas Economic Stabilization Investment Fund (TESTIF) to invest a portion of the ESF pursuant to this legislation. CPA forecasts the 2022–23 biennial ending cash balance of the ESF plus the total asset value of the TESTIF to be $11.6 billion. The 2022–23 biennial recommendations contain no appropriations from the fund.

ARTICLE II – HEALTH AND HUMAN SERVICES

Senate Recommendations by Method of Finance

ARTICLE II – HEALTH AND HUMAN SERVICES, BY METHOD OF FINANCE				
(IN MILLIONS) METHOD OF FINANCE	ESTIMATED/BUDGETED 2020–21	RECOMMENDED 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
General Revenue Funds	$35,914.4	$36,573.2	$658.8	1.8%
General Revenue–Dedicated Funds	$540.2	$574.0	$33.8	6.3%
Federal Funds	$57,502.8	$53,295.1	($4,207.7)	(7.3%)
Other Funds	$1,738.2	$1,181.4	($556.8)	(32.0%)
Total, All Methods of Finance	**$95,695.6**	**$91,623.7**	**($4,071.9)**	**(4.3%)**

House Recommendations by Method of Finance

ARTICLE II – HEALTH AND HUMAN SERVICES, BY METHOD OF FINANCE				
(IN MILLIONS) METHOD OF FINANCE	ESTIMATED/BUDGETED 2020–21	RECOMMENDED 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
General Revenue Funds	$35,914.4	$36,668.3	$753.9	2.1%
General Revenue–Dedicated Funds	$540.2	$576.3	$36.1	6.7%
Federal Funds	$57,502.8	$53,484.7	($4,018.1)	(7.0%)
Other Funds	$1,738.2	$1,181.4	($556.8)	(32.0%)
Total, All Methods of Finance	**$95,695.6**	**$91,910.8**	**($3,784.8)**	**(4.0%)**

MAJOR FISCAL AND POLICY ISSUES AFFECTING ARTICLE II. In the Senate, All Funds recommendations for the Health and Human Services agencies total $91.6 billion, a decrease of $4.1 billion from the 2020–21 biennium. In the House, the All Funds recommendations for the Health and Human Services agencies total $91.9 billion, a decrease of $3.8 billion from the 2020–21 biennium. General Revenue Funds and General Revenue–Dedicated Funds in the Senate total $37.1 billion, an increase of $0.7 billion from the 2020–21 biennium. General Revenue Funds and General Revenue–Dedicated Funds in the House total $37.2 billion, an increase of $0.8 billion. Appropriations for Health and Human Services encompass many different programs, but the biennial All Funds decrease is primarily the result of the following areas:

- a decrease of $1.8 billion in Federal Funds (in both houses) provided for response to the COVID-19 pandemic;
- a decrease of $1.3 billion in All Funds (Senate) and $1.1 billion (House) associated with Medicaid and Children's Health Insurance Program (CHIP) client services, primarily due to decreases in caseload associated with the assumed end of continued eligibility, which was required for states to receive the 6.2 percentage-point increase in the federal medical assistance percentage (FMAP) and related matches pursuant to the federal Families First Coronavirus Response Act (FFCRA);
- a decrease of $0.6 billion in Other Funds in both houses associated with funds from the Economic Stabilization Fund and bonds appropriated for capital repairs and

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renovations at state facilities and new construction of state mental health hospitals and other state-funded inpatient mental health facilities during the 2020–21 biennium; and

- a decrease of $0.3 billion in All Funds in both houses associated with agency-identified reductions for the 2022–23 biennium.

HIGHLIGHTS

The Senate provides funding of $74.0 billion in All Funds, including $27.3 billion in General Revenue Funds and $0.1 billion in General Revenue–Dedicated Funds, is provided at the three health and human services agencies for the Texas Medicaid program. This amount is a decrease of $0.9 billion in All Funds and an increase of $0.9 billion in General Revenue Funds. The House provides funding of $74.2 billion in All Funds, including $27.4 billion in General Revenue Funds and $0.1 billion in General Revenue–Dedicated Funds for the same purpose. This amount is a decrease of $0.7 billion in All Funds and an increase of $1.0 billion in General Revenue Funds. The detail for each house follows.

- $69.4 billion in All Funds (Senate) and $69.6 billion (House) for Medicaid client services, $1.7 billion (Senate) $1.8 billion (House) in All Funds for programs supported by Medicaid funding, and $2.9 billion (both houses) in All Funds for administration of the Medicaid program and other programs supported by Medicaid funding. The net decrease in Medicaid funding is due to a $0.9 billion (Senate) $0.7 billion (House) decrease in All Funds in Medicaid client services and in both houses a $0.1 billion decrease in All Funds in administrative funding offset by a $0.1 billion increase in All Funds in other programs supported by Medicaid funding;
- In both houses, a less favorable FMAP combined with the assumed loss of the 6.2 percentage-point increase in FMAP pursuant to the federal FFCRA result in a lower proportion of the program being funded with Federal Funds. Full funding for anticipated increases in cost due to medical inflation, higher utilization, or increased acuity is not included; and
- the 2020–21 biennial amounts for Medicaid assume supplemental funding to complete fiscal year 2021 expenditures. That amount is still being determined.

Funding recommendations for non-Medicaid/CHIP behavioral health services at the three health and human services agencies total $3.2 billion (Senate) $3,3 billion (House) in All Funds, including $2.4 billion (Senate) and $2.5 billion (House) in General Revenue Funds and General Revenue–Dedicated Funds, which includes funding for community mental health services; mental health services for veterans; inpatient mental health services at state-owned and community hospitals; and substance abuse prevention, intervention, and treatment services. In both houses, this amount is a decrease of $0.5 billion in All Funds primarily due to a decrease in Other Funds associated with funding from the Economic Stabilization Fund and bonds appropriated for onetime construction projects and certain capital repair and renovation projects at state mental health hospitals and other state-funded inpatient mental

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health facilities. The figure below shows the All Funds recommendation for each agency in Article II, followed by the General Revenue Funds recommendation for each agency.

Senate

ARTICLE II – HEALTH AND HUMAN SERVICES, ALL FUNDS				
(IN MILLIONS) FUNCTION	ESTIMATED/BUDGETED 2020–21	RECOMMENDED 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
Department of Family and Protective Services	$4,374.7	$4,426.1	$51.4	1.2%
Department of State Health Services	$3,634.2	$1,765.8	($1,868.4)	(51.4%)
Health and Human Services Commission	$86,171.9	$83,843.9	($2,328.1)	(2.7%)
Subtotal, Health and Human Services	**$94,180.8**	**$90,035.7**	**($4,145.1)**	**(4.4%)**
Employee Benefits and Debt Service	$2,213.2	$2,264.1	$50.9	2.3%
Less Interagency Contracts	$698.4	$676.2	($22.2)	(3.2%)
Total, All Functions	**$95,695.6**	**$91,623.7**	**($4,071.9)**	**(4.3%)**

NOTES:
(1) May include anticipated supplemental spending adjustments.
(2) Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.
SOURCE: Legislative Budget Board.

House

ARTICLE II – HEALTH AND HUMAN SERVICES, ALL FUNDS				
(IN MILLIONS) FUNCTION	ESTIMATED/BUDGETED 2020–21	RECOMMENDED 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
Department of Family and Protective Services	$4,374.7	$4,388.3	$13.6	0.3%
Department of State Health Services	$3,634.2	$1,818.1	($1,816.1)	(50.0%)
Health and Human Services Commission	$86,171.9	$84,101.6	($2,070.3)	(2.4%)
Subtotal, Health and Human Services	**$94,180.8**	**$90,308.1**	**($3,872.7)**	**(4.1%)**
Employee Benefits and Debt Service	$2,213.2	$2,278.9	$65.7	3.0%
Less Interagency Contracts	$698.4	$676.2	($22.2)	(3.2%)
Total, All Functions	**$95,695.6**	**$91,910.8**	**($3,784.8)**	**(4.0%)**

NOTES:
(1) May include anticipated supplemental spending adjustments.
(2) Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.
SOURCE: Legislative Budget Board.

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Senate

ARTICLE II – HEALTH AND HUMAN SERVICES, GENERAL REVENUE FUNDS				
(IN MILLIONS) FUNCTION	ESTIMATED/BUDGETED 2020–21	RECOMMENDED 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
Department of Family and Protective Services	$2,512.5	$2,537.4	$24.9	1.0%
Department of State Health Services	$618.5	$466.8	($151.6)	(24.5%)
Health and Human Services Commission	$30,799.8	$31,535.7	$736.0	2.4%
Subtotal, Health and Human Services	**$33,930.7**	**$34,539.9**	**$609.2**	**1.8%**
Employee Benefits and Debt Service	$1,983.7	$2,033.3	$49.6	2.5%
Total, All Functions	**$35,914.4**	**$36,573.2**	**$658.8**	**1.8%**

NOTES:
(1) May include anticipated supplemental spending adjustments.
(2) Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.
SOURCE: Legislative Budget Board.

House

ARTICLE II – HEALTH AND HUMAN SERVICES, GENERAL REVENUE FUNDS				
(IN MILLIONS) FUNCTION	ESTIMATED/BUDGETED 2020–21	RECOMMENDED 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
Department of Family and Protective Services	$2,512.5	$2,501.6	($10.9)	(0.4%)
Department of State Health Services	$618.5	$464.5	($154.0)	(24.9%)
Health and Human Services Commission	$30,799.8	$31,654.3	$854.5	2.8%
Subtotal, Health and Human Services	**$33,930.7**	**$34,620.3**	**$689.6**	**2.0%**
Employee Benefits and Debt Service	$1,983.7	$2,048.0	$64.3	3.2%
Total, All Functions	**$35,914.4**	**$36,668.3**	**$753.9**	**2.1%**

NOTES:
(1) May include anticipated supplemental spending adjustments.
(2) Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.
SOURCE: Legislative Budget Board.

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