

**HHS System
Annual Federal Funds
Report for
State Fiscal Year 2021**

**As Required by
Texas Government Code
Section 531.028 (c)**

Health and Human Services

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TEXAS
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Summary

The Texas Health and Human Services Commission is submitting the annual federal funds report for state fiscal year 2021 in accordance with Government Code, Section 531.028(c). This report highlights the critical role of federal funding in the Texas Health and Human Services system. For state fiscal year 2021, two state agencies comprised the Texas HHS system:

- Department of State Health Services (DSHS)
- Health and Human Services Commission (HHSC)

For state fiscal year 2021, Texas HHS agencies expended approximately \$50.9 billion in All Funds. Federal Funds comprised 68 percent or approximately \$34.7 billion of agency funds. (See Figure 1)

Figure 1. HHS System Federal Funds as a Percent of All Funds, State Fiscal Year 2021

Agency ¹	Federal Funds ²	All Funds	Percent Federal Funds of All Funds
DSHS	\$6,782,354,429	\$7,397,333,898	92%
HHSC	\$27,963,307,106	\$43,489,256,485	64%
TOTAL	\$34,745,661,535	\$50,886,590,383	68%

The Texas HHS system agencies used almost 200 different sources of federal funds. Of those sources, the top 30 major federal funding streams accounted for approximately 95 percent of all federal funds to the Texas HHS agencies. Medicaid is the largest federal funding source at \$21.1 billion, accounting for 61 percent of all federal funding. The next largest is Children’s Health Insurance Program (CHIP) at approximately \$1 billion, accounting for 3 percent of federal funding. A table of the top 30 federal funding sources used by the Texas HHS system is attached as Appendix A.

¹ DSHS numbers are derived from state fiscal year 2021 Operating Budget in the September 2021 Monthly Financial Report and HHSC numbers are derived from state fiscal year 2021 Expenditures as reported in the state fiscal year 2022 Governor’s Operating Budget.

² Excludes employee benefits, certain payments made as a result of local funding sources (Intergovernmental Transfers), and the value of Supplemental Nutrition Assistance Program (SNAP) benefits.

This report outlines key federal issues which challenge Texas HHS agencies and identifies federal funds management practices undertaken to maximize receipt of federal funds to meet the mission of each HHS agency. It also includes highlights of the current federal budget outlook, pending program authorizations, and agency specific issues associated with federal appropriations or actions.

The effort to ensure that Texas optimizes federal funding consistent with state policy goals to the extent allowable is a basic premise in the financial management of all HHS agencies. With the development of federal cost allocation plans, active analysis of federal legislations, and careful assessment of opportunities to enhance federal funds for the state, Texas HHS agencies are continually monitoring federal funding opportunities to ensure efficient and effective use of those dollars as well as any associated general revenue.

1. Introduction

The Annual Federal Funds Report identifies strategies to maximize the receipt and use of federal funds and to improve federal funds management. This report also outlines key federal issues impacting the Texas HHS agencies; highlights the current federal budget outlook; discusses pending program authorizations; and notes agency specific issues associated with federal appropriations or actions.

2. Background

Pursuant to Texas Government Code, Section 531.028, HHSC is responsible for planning and managing use of all federal funds for the Texas HHS system, including ensuring the system meets the federal requirements relating to state matching money and maintenance of effort.

Government Code, Section 531.028, requires HHSC to prepare an annual report that identifies strategies to maximize the receipt and use of federal funds and to improve federal funds management. HHSC must file the report with the Governor, the Lieutenant Governor, and the Speaker of the House of Representatives, no later than December 15 of each year.

Before 2020, during even-numbered years, this report was included within the Consolidated Budget Request for the Texas HHS system. During odd-numbered years, the report was submitted as a stand-alone report. Beginning with state fiscal year 2020, the report was submitted as a stand-alone report for each year.

3. Federal Funds: Current Issues

Current issues affecting federal funding include fragmented continuing resolutions due to delays in passages of federal appropriations bills, budget sequestration, and the debt ceiling.

A. Federal Budget Outlook

1. Federal Appropriations Bills

The federal government is currently funded under a continuing resolution through February 18, 2022. To avoid a government shutdown, Congress must either pass annual appropriations bills for federal fiscal year 2022 or pass another short-term continuing resolution. A government shutdown might affect Texas HHS system operations in federal funding drawdowns.

The most recent consolidated appropriations act was signed into law December 27, 2020, funding the government through September 30, 2021. On September 30, 2021, a continuing resolution was signed into law, funding the government through December 3, 2021, at prior-year levels. On December 3, 2021, another continuing resolution was signed into law, funding the government through February 18, 2022.

2. Future Sequestration Impact

Some federal funding for federal fiscal year 2022 might be reduced because of potential budget sequestrations triggered from the Budget Control Act of 2011 (BCA) and the Statutory Pay-As-You-Go Act of 2010 (S-PAYGO). Sequestration is a budget enforcement tool that automatically reduces certain federal spending if certain budget objectives aren't met.

Budget Control Act Sequester

BCA established statutory limits on discretionary spending from federal fiscal year 2012 through federal fiscal year 2021, required annual reductions to the discretionary spending limits for the 10-year period, and required annual sequester of nonexempt mandatory spending programs.

Federal fiscal year 2022 will be the first year without discretionary spending limits, and the president's budget request reflects level-funds or increases in budget for every department.

BCA also requires annual sequester of nonexempt mandatory spending programs through federal fiscal year 2021, which has been extended to federal fiscal year 2031 through subsequent legislations. Medicaid, Children's Health Insurance Plan (CHIP), Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF) are exempt, but Social Services Block Grant (SSBG) is continually subject to BCA mandatory sequester.

Statutory Pay-As-You-Go Act Sequester

S-PAYGO requires all legislations related to direct mandatory spending and revenues to not increase the deficit over a 5-year and 10-year period (S-PAYGO does not apply to discretionary spending). If such legislation were to become law, a sequester of certain mandatory spending would be required.

Although Congress has passed legislation that has been estimated to increase the deficit since S-PAYGO was enacted, the sequestration from S-PAYGO has never been triggered because Congress has voted to prohibit the effects of specific legislations from being counted as increasing the deficit.

The \$1.9 trillion American Rescue Plan Act of 2021 (ARPA) would trigger the S-PAYGO sequester unless Congress votes to prohibit the effects of S-PAYGO before the end of the current session.

Sequester Impacts to HHSC

The Texas HHS system currently does not anticipate any discretionary spending sequestration, however mandatory spending sequestration is possible, which would impact HHS system's Medicare and SSBG funding. In addition, Medicare benefit payments are currently anticipating a 2 percent BCA mandatory sequester January 1, 2022, as well as a 4 percent S-PAYGO sequester in mid-January 2022.

The Texas HHS system agencies continue to monitor and analyze available information and assess the potential impact of a future federal sequestration to clients and services. Federal agencies have not provided specific guidance about future sequestration reductions.

3. Debt Ceiling

The Bipartisan Budget Act of 2019 suspended the debt limit until 2021. On September 30, 2021, Congress passed a \$480 billion increase in the debt limit, which will have to be raised again in mid-December 2021. If Congress doesn't

raise the debt limit again, it will trigger a federal government shutdown, which might affect Texas HHS operations in federal funding drawdowns.

B. Pending Federal Reauthorizations

Many of the Texas HHS system federal grant programs are pending program reauthorizations, some for many years. Historically, federal grant programs are extended through the federal appropriations bills passed by Congress for each federal fiscal year. The following summarizes the status of key programs as of December 2021.

1. Temporary Assistance for Needy Families (TANF)

The TANF program was created in 1996 (P.L. 104-193) and replaced the Aid to Families with Dependent Children (AFDC). The U.S. Department of Health and Human Services administers TANF, which is an entitlement to the states. The basic TANF block grant has been set at \$16.5 billion each year since 1996. As a result, the real value of TANF has fallen by almost 40 percent because of inflation.

TANF has four program goals:

- Provide assistance to needy families so children can be cared for in their own homes or in the homes of relatives.
- End the dependence of needy parents on government benefits by promoting job preparation, work, and marriage.
- Prevent and reduce the incidence of out of wedlock pregnancies and establish annual numerical goals for preventing and reducing the incidence of these pregnancies.
- Encourage the formation and maintenance of two-parent families.

Congress last reauthorized TANF in the Deficit Reduction Act of 2005 (P.L. 109-171) and has renewed the program through a series of short-term extensions since its expiration in 2010. TANF has been re-extended through February 18, 2022, through a continuing resolution (P.L. 117-70).

2. Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)

The Child Nutrition Act of 1966 authorizes the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC). The program was last

reauthorized through September 30, 2015, by the Healthy, Hunger-Free Kids Act of 2010. Although the authorization for the program has expired, the program has maintained operations through continuous funding in appropriation laws. The Consolidated Appropriations Act of 2021 provided funding for WIC through September 30, 2022, and the program is currently operating under a continuing resolution through February 18, 2022 through a continuing resolution (P.L. 117-70).

C. Agency Specific Federal Issues

This section includes information on federal funding issues affecting specific Texas HHS agencies.

1. Disability Determination Services (HHSC)

The Disability Determination Services (DDS) program is 100 percent federally funded by the Social Security Administration (SSA) and is exempt from the sequestration legislation. The DDS program has operated under a federal hiring freeze the last few years. Staffing levels have consistently seen a decline since 2014. Currently, DDS has 335 vacant positions. COVID-19 and staffing shortages continue to have a significant impact on the national workload. Since this is a national program, the DDS program continues to work with the SSA to discuss alternatives for workload capacity and staffing strategies.

2. Early Childhood Intervention (HHSC)

Early Childhood Intervention (ECI) is a statewide program for families with children two and younger who have disabilities and developmental delays. Based on available appropriations, HHSC funds a portion of the total ECI program budget through a variety of state and federal funding sources including:

- General Revenue
- Foundation School Funds
- Individual with Disabilities Education Act (IDEA) Part C
- IDEA Part B
- Temporary Assistance for Needy Families (TANF)
- Medicaid
- American Rescue Plan Act Funds

The federal agency administering IDEA Part C funding is the Office of Special Education Programs (OSEP), which is part of the Department of Education. The

federal requirements for ECI are similar to regulations for public education and require states to provide all eligible children with early intervention services as defined by 34 C.F.R. §303.13, although states determine the eligibility requirements. Despite federal regulations requiring the ECI program to largely function as an entitlement program where any child who is screened eligible is served, IDEA Part C funding for the program is capped. The Code of Federal Regulations, Title 34, §303.732, requires that for each fiscal year, the Department of Education allot IDEA Part C funds to each state in an amount that bears the same ratio to the aggregate amount as the number of infants and toddlers in the state bears to the number of infants and toddlers in all states. Federal funding has remained fairly level for multiple years, despite increased population and caseload growth in Texas. In 2020, ECI applied for and received an additional three-year, \$750,000 grant from OSEP to fund early intervention personnel retention efforts, with the potential for two additional years of funding. ECI also received \$19,807,340 in American Rescue Plan Act Funds in federal fiscal year 2021 to support ECI initiatives in state fiscal years 2022 and 2023.

3. Public Health Preparedness (DSHS)

Congress reauthorized the 2013 Pandemic and All-Hazards Preparedness and Advancing Innovation Act in 2019. The act provides states and independently funded jurisdictions with funding for public health and medical preparedness programs, such as the Hospital Preparedness Program (HPP) and the Public Health Emergency Preparedness (PHEP) Cooperative Agreement grants. Additionally, the act provides increased flexibility allowing states to temporarily deploy federally funded state personnel, funded in programs other than preparedness, to meet critical community needs in a disaster. Texas uses dollars from these federally funded programs to fund public health and medical preparedness activities at the local, regional, and state level. In state fiscal year 2020 and state fiscal year 2021, Texas received mostly level funding to sustain public health and health care systems preparedness activities.

In state fiscal year 2018, the Centers for Disease Control and Prevention (CDC) established the Public Health Crisis Response (PHCR) funding program. This program established an Approved-But-Unfunded (ABU) list of grantees to enhance the states' ability to rapidly mobilize and respond to public health emergencies identified by the CDC. Texas submitted and was approved for inclusion on the ABU list of grantees. CDC used the ABU mechanism in state fiscal year 2020 for the COVID-19 pandemic response. In state fiscal year 2021 the CDC used the ABU mechanism. Although the funding flows through the

Division of State and Local Readiness at the CDC, the response projects are located across divisions within DSHS. Application for inclusion on the ABU is solicited every year.

In state fiscal year 2020, Texas received one-time COVID-19 funding via the ABU mechanism described above. Funding was intended for the highest priority COVID-19 response needs in the following domains:

- Incident management for early crisis response
- Jurisdictional recovery
- Information management
- Countermeasures and mitigation
- Surge management
- Bio-surveillance

The bulk of funding has been disseminated to local health departments for COVID-19 response activities in each domain as determined by local need, and DSHS Central Office has retained the remaining funding for state COVID-19 response activities. The Public Health Crisis Response COVID-19 funding originally scheduled to expire March 15, 2021, received a no-cost extension and will expire March 15, 2022.

In state fiscal year 2020, Texas received two rounds of administrative supplemental HPP funding for COVID-19 response. These rounds of funding were disseminated to the existing HPP subcontractors, the eight Trauma Service Area-Regional Advisory Councils, referred to as HPP providers. These organizations, which manage the 20 Healthcare Coalitions in Texas and coordinate the eight Texas Emergency Medical Task Force (EMTF) units, are using the emergency funding to support the urgent preparedness and response needs of hospitals, health systems, and health care workers on the front lines of the COVID-19 pandemic response. This supplemental HPP funding expired on June 30, 2021.

In state fiscal year 2020, Texas also received three rounds of administrative supplemental HPP Ebola and other special pathogen preparedness funding, two specifically for COVID-19 response. These rounds of funding support The University of Texas Medical Branch (UTMB), the HHS Region VI designated special pathogens center. UTMB uses the Ebola Part B administrative supplemental funding to maintain readiness of the special pathogen center and its staff, and support the urgent preparedness and response needs of network hospitals and long-term care facilities through the provision of training, information sharing, and the purchase of personal protective equipment for the

COVID-19 pandemic response. This HPP Ebola funding expired June 14, 2021. DSHS continues to monitor activities at the federal level to assess potential future impacts to public health preparedness funding to Texas. If the federal government reduces future federal allocations for Texas it might diminish state, regional, and local public health and healthcare partners' capacity in an all-hazards response. Such capacity might include, but isn't limited to:

- Epidemiologic surveillance
- Investigation and response to disease outbreaks and environmental health concerns
- Provision of medical surge of essential healthcare providers and services
- Planning, training and exercising efforts for mitigating the health impact of natural and man-made disasters

4. Title V Maternal and Child Health Services Block Grant (DSHS)

Title V of the Social Security Act authorizes the federal Maternal and Child Health Block Grant. It is the longest-standing public health legislation in American history. The original authorization occurred in 1935. The Title V block grant funds essential maternal and child health services while maintaining state flexibility determining priority needs to improve the health and well-being of women and children. The federal Health Resources and Services Administration (HRSA) determines the allocation formula for the Title V Maternal and Child Health Services Block Grant using the American Community Survey poverty estimates, collected annually. The formula is based on the number of children living in poverty (in an individual state) as compared to the total number of children living in poverty in the United States.

As a Title V Block Grant recipient, the State of Texas must spend at least 30 percent of funds on preventative and primary care for children and adolescents, at least 30 percent of funds on children with special health care needs, and no more than 10 percent on administrative costs. Texas must submit an annual application and report to HRSA, submit a statewide needs assessment every five years, and report ongoing needs assessment findings in each annual block grant application. Texas submitted the most recent five-year needs assessment in September 2020.

Texas remains committed to the Title V vision of improving the health and well-being of the nation's mothers, infants, children and youth, including children and youth with special care needs and their families.

DSHS is the sole grantee for Title V Block Grant funds in Texas. DSHS contracts with various organizations and state agencies, including HHSC, to carry out Title V funded initiatives. DSHS' total federal award in state fiscal year 2021 was \$35,734,420.

5. Epidemiology and Laboratory Capacity (DSHS)

The Epidemiology and Laboratory Capacity (ELC) receives annual funding through a cooperative agreement. During the funding opportunity announcement phase, the guidance typically proposes to level fund current ELC recipients. With this information, DSHS proposes activities based on local need, factoring in the cost of staff and sub-recipient contracts with a goal of preventing gaps in services. In recent budget cycles, CDC has repurposed the level funding available dollars for projects that are of CDC's special interest. DSHS has been able to undertake the additional activities with the level funding while in most cases continuing the previous year's activities that didn't receive funding under the level funding continuation. Generally, these previous year's activities are funded by carrying forward unspent funds from the previous year, such as sub-recipient contractor funds remaining at year end, salary savings from vacancies and any indirect cost category funds remaining at year end. This grant operates on five-year project periods and any funds remaining at the end of the period might be available for use and are contingent on the approval of the federal partner.

However, with level funding often resulting in "new" activities and the need to continue providing the previous activities, or less than level funding in future ELC budget periods, coupled with the escalating costs of materials, labor, and overhead DSHS might be forced to scale back on proposed activities, positions, and contracts. DSHS continues to anticipate and plan for these issues to allow required activities to continue to take place.

6. 1115 Waiver (HHSC)

Section 1115 of the Social Security Act provides the Secretary of Health and Human Services with broad authority to waive certain statutory requirements for states to conduct research and demonstration projects that further the goals of Medicaid. States like Texas use the Section 1115 waiver authority to test new or existing ways to deliver and pay for health care services in Medicaid. Texas has two 1115 demonstration waivers.

Healthcare Transformation and Quality Improvement Plan

Texas received approval for the Section 1115 Transformation Waiver in December 2011. The five-year demonstration waiver allowed Texas to expand its use of Medicaid managed care to achieve program savings while preserving locally funded supplemental payments to safety net hospitals. In May 2016, the federal government extended the waiver through December 2017. In December 2017, the Centers for Medicare and Medicaid Services (CMS) approved a five-year extension of the waiver from October 2017 through September 2022, or Demonstration Years 7-11. In January 2021, CMS granted Texas a 10-year extension of the waiver. In April 2021, CMS issued a letter that purported to rescind its approval and Texas sought legal redress. A federal court has ordered a preliminary injunction against the rescission letter and set forth clarifying sanctions by which HHSC and CMS are to comply with the January 15, 2021, Special Terms and Conditions.

The waiver provides the authority under which most of Medicaid managed care in Texas is authorized. The waiver also includes Uncompensated Care (UC) and Public Health Provider – Charity Care Program (PHP-CCP) funding pools. The UC pool provides payments to hospitals and other providers for a portion of their uncompensated care. The waiver included a Delivery System Reform Incentive Payment (DSRIP) program pool, which expired September 30, 2021. DSRIP payments go to hospitals and other providers based on the implementation of initiatives which improve health care quality for Medicaid and low-income populations. CMS approved a DSRIP extension,³ and Texas initiated a one-year extension in October 2021. The non-federal share for the waiver supplemental payments is primarily provided by local governmental entities.

Healthy Texas Women

The Healthy Texas Women (HTW) Demonstration is an 1115 Waiver that provides women's health and family planning services at no cost to eligible, low-income Texas women on a fee-for-service basis. In January 2020, CMS approved the HTW waiver through December 2024 (for five years). HHSC estimates it will receive approximately \$350 million in federal funding for the HTW Demonstration. In state fiscal year 2021, HTW had a budget of \$57,960,141 for Federal Funds. The Demonstration provides funding to HHSC through Federal Financial Participation (FFP) at an enhanced 90 percent (90 percent federal funding/10 percent state general revenue match) for family

³ On August 13, 2021, CMS offered to extend DSRIP for an additional year, through September 30, 2022.

planning services and at the Federal Medical Assistance Percentage (FMAP) for all other HTW demonstration covered services.

In accordance with Senate Bill 750, 86th Legislature, Regular Session, 2019, HHSC is working to amend the HTW 1115 waiver to receive federal matching funds for HTW Plus services. HHSC submitted the waiver amendment in December 2020 and is currently awaiting CMS approval.

In accordance with House Bill 133, 87th Legislature, Regular Session, 2021, HHSC is working to transition HTW into managed care. HHSC is working on the implementation of H.B. 133 but doesn't expect to implement this component of H.B. 133 until at least the end of 2023.

7. Disaster Funding (HHSC)

Figure 2 lists federal funding amounts received to respond to disasters for state fiscal year 2021.

Figure 2. Disaster Funding Received by HHSC, State Fiscal Year 2021

Agency	Award Date	FEMA Declaration Number	Disaster	Federal Funding	Amount
HHSC	9/28/2020	4454 / 4466	Rio Grande Valley Flooding/Imelda	SAMHSA Texas Disaster Response 2020	\$7,000,000
HHSC	9/29/2020	4485	COVID-19	SAMHSA Crisis Counseling Assistance and Training Program	\$20,686,221
HHSC	2/25/2021	4586	Texas Severe Winter Storms	FEMA Other Needs Assistance	\$21,000,000
				Total HHS	\$48,686,221

Beginning June 24, 2019, and ending June 25, 2019, severe storms and flooding affected Cameron, Hidalgo, and Willacy counties in Texas. Hundreds of streets flooded, including 30 Texas-managed highways. The flooding "destroyed" or caused "major" damages requiring significant repairs to 1,188 homes. An additional 182 homes sustained "minor" damage or were mildly affected. The

president signed a major disaster declaration (FEMA 4454-DR-TX) on July 17, 2019.

On September 17, 2019, Tropical Storm Imelda made landfall near Freeport in Brazoria County. Within two days, Imelda was a catastrophic rain and flood event across Brazoria, Chamber, Galveston, Hardin, Harris, Jefferson, Liberty, Matagorda, and Montgomery Counties. Flooding continued along rivers and bayous throughout Southeast Texas, adding Jasper, Newton, Orange, and San Jacinto to the counties Imelda affected. On October 1, 2019, Governor Greg Abbott requested a major disaster declaration. The president signed a major disaster declaration (FEMA 4466-DR-TX) on October 4, 2019.

On September 28, 2021, HHSC received a \$7 million grant from Substance Abuse and Mental Health Services Administration (SAMHSA) Fiscal Year 2020 Disaster Response State Grant Program. HHSC used the grant to provide mental and substance use disorder treatment to adults and children affected by Tropical Storm Imelda and severe flooding in the Rio Grande Valley.

On March 13, 2020, a major disaster declaration was issued by the president for the COVID-19 pandemic beginning on January 20, 2020. HHSC received \$20.7 million from SAMHSA for crisis counseling assistance and training.

Beginning February 11, 2021, and ending February 21, 2021, a severe winter storm dropped prolific amounts of snow across Texas. As a result of the winter storm and a concurrent cold wave, power grids could not sustain the higher-than-normal energy and heating residential and business customers required. This resulted in rolling blackouts and power failures across the Texas Interconnection. The rolling blackouts coupled with unusually cold temperatures caused 210 deaths in Texas, widespread disruptions to water distribution systems and burst pipes in residential and business buildings⁴. The president signed a major disaster declaration (FEMA 4586-DR-TX) on February 19, 2021. HHSC received \$21 million from Federal Emergency Management Agency (FEMA) for Other Needs Assistance (ONA), a program which provides financial assistance for necessary expenses and serious needs directly caused by the disaster.

⁴ <https://www.dshs.state.tx.us/news/updates.shtm#wl>

8. Social Services Block Grant (HHSC/DFPS/TWC)

Title XX Social Services Block Grant (SSBG) funds are appropriated by the Texas Legislature to Texas state agencies to help meet specified social service needs for defined low income and at-risk populations.

The Omnibus Budget Reconciliation Act of 1981, PL 97-35 made Title XX a block grant. Under this block grant, the state may provide social services directed at the goals of Title XX and may make expenditures for administration and training. The goals for the people the grant serves include:

- Achieving or maintaining self-sufficiency – economic, physical, and otherwise to include preventing, eliminating, or reducing dependency.
- Preventing or remedying neglect, abuse, and exploitation of children and adults, and preserving, rehabilitating, or reuniting families.
- Preventing or reducing inappropriate institutional care by providing for community-based care, home-based care, or other forms of less intensive care.
- Securing referral or admission for institutional care when other forms of care are not appropriate or providing services to individuals in institutions.

Achievement of these goals is sought through several programs administered by HHSC, the Department of Family and Protective Services (DFPS), and the Texas Workforce Commission (TWC).

As in previous years, the state fiscal year 2021 federal budget allows 10 percent of TANF funding to be transferred to SSBG. For state fiscal year 2021, Texas received a slight increase from \$138.2 million in state fiscal year 2020 to \$139.9 million in state fiscal year 2021 because of demographic factors. SSBG funding is listed in Figure 3 below.

Figure 3. Social Services Block Grant Funds by State Agency, State Fiscal Year 2021

Agency	SSBG Funds
DFPS	\$28,983,072
HHSC	\$95,204,203
TOTAL	\$124,187,275⁵

⁵ Excludes employee benefits.

9. Money Follows the Person (HHSC)

In 2007, HHSC and the Department of Aging and Disability Services (DADS) successfully competed for a Deficit Reduction Act of 2005 Money Follows the Person (MFP) Demonstration grant award to build on and enhance existing Promoting Independence/Money Follows the Person initiatives. The MFP Demonstration provides financial incentives to move people from institutions to community settings and includes an enhanced FMAP for client services costs. The MFP Demonstration helps people who live in a nursing home or intermediate care facility for people with intellectual disabilities (ICF/IID). It provides people long-term services, in the community setting of their choice, without having to be placed on an interest list. The MFP Demonstration also supports direct services, such as behavioral health and relocation assistance, as well as projects designed to enhance the infrastructure of community-based services. Examples of these projects include customized employment services, and enhanced services and service coordination for people with intellectual and developmental disability with complex medical or behavioral health needs.

Congressional authorization for the initial MFP Demonstration ended September 30, 2016. CMS awarded a supplemental grant for states to implement sustainability strategies. However, Congress allocated fewer supplemental funds than expected. As a result, the state planned to close-out activities one year earlier than expected. Transitions from institutional services to home and community-based services continued as before the state received the MFP Demonstration grant. The state also stopped collecting enhanced match for people who transitioned after December 31, 2017.

In 2019, Congress passed The Medicaid Extenders' Act and Sustaining Excellence in Medicaid Act of 2019 to provide a short-term extension and interim funding for the MFP demonstration. The funding was made available to existing MFP states through federal fiscal year 2021 to help states continue to operate MFP by funding transitions until an extension was authorized. In 2021, Congress passed the Consolidated Appropriations Act H.R. 133, RCP 116-68. Title II, Section 204 of the Act extends funding for the MFPD at \$450 million per fiscal year beginning on December 19, 2020, through fiscal year 2023.

In addition to administrative grant funding, in 2021 CMS made \$165 million in supplemental funding available to states currently operating MFP programs to help states maintain efforts to transition people with disabilities, and older adults, from institutions to home and community-based settings of their

choosing. HHSC successfully applied for these funds, receiving more than \$4.7 million for the period of August 2021 through September 2024.

Texas also earns Enhanced Federal Medical Assistance Percentage (EFMAP) through MFP. EFMAP increases the federal match rate by approximately 20 percentage points (an 80/20 match) for eligible services, generating freed-up general revenue, referred to as "rebalancing funds." In 2020, the state allocated \$2.9 million in rebalancing funds. Most of these funds were used to expand the availability of affordable housing for people exiting institutions. The amount of rebalancing funds to be allocated in 2021 is \$446,980.

10. Affordable Care Act Funding to HHS System (HHSC)

In 2010, the Patient Protection and Affordable Care Act of 2010 and the Health Care and Education Affordability Reconciliation Act of 2010, collectively known as the Affordable Care Act (ACA), became federal law.

ACA established the Prevention and Public Health Fund (PPHF) to provide expanded and sustained national investments in prevention and public health, to improve health outcomes, and to enhance health care quality. Beginning in 2010, the PPHF began funding public health efforts such as building public health infrastructure for immunizations, tobacco prevention, and public health workforce and training. Since 2010, funding for certain core public health activities has shifted from CDC-appropriated funds to funds made available through the ACA PPHF. Texas has received funding for several core public health activities through the PPHF including breast and cervical cancer screenings, suicide prevention, the Preventive Health and Health Services Block Grant, abstinence education programs, and several chronic disease prevention activities. Although Texas has received more funding, the ACA has caused increases in caseloads that have resulted in significant cost to the state.

Beginning in calendar year 2014, ACA required covered entities under Section 9010 to pay the ACA health insurance provider (HIP) fee. The fee is an excise tax, and therefore is non-deductible for federal tax purposes. Covered entities were assessed the calendar year 2016 ACA HIP fee based on premiums paid to the affected Managed Care Organizations (MCOs) and Dental Maintenance Organizations (DMOs), or "insurers," in calendar year 2015. The 2016 payment by the insurers was made to the Internal Revenue Service (IRS) by September 30, 2016. HHSC reimbursed insurers for this payment in March 2017. The total state fiscal year 2017 ACA HIP fee payment to all MCOs/DMOs (including HHSC

and DSHS programs) was approximately \$275 million, of which \$113.1 million was state general revenue.

Covered entities were assessed the calendar year 2018 ACA HIP fee based on premiums paid to the affected MCOs and DMOs in calendar year 2017. Insurers made the 2018 payment to the IRS by September 30, 2018. HHSC reimbursed insurers for this payment in July 2019.⁶ The total state fiscal year 2019 ACA HIP fee payment to all MCOs and DMOs was approximately \$290 million, of which \$112.9 million was state general revenue.

Covered entities were assessed the final ACA HIP Fee in calendar year 2020 based on the premiums paid to the affected MCOs and DMOs in calendar year 2019. Insurers made the 2020 payment made to the IRS by September 30, 2020. HHSC reimbursed insurers for this payment in October 2021. The total state fiscal year 2021 ACA HIP fee payment to all MCOs and DMOs was approximately \$276.1 million, of which \$87.9 million was state general revenue.

There was a moratorium on the fee for calendar year 2017 and there was a suspension on the fee for calendar year 2019. The fee was repealed for calendar years beginning after December 31, 2020.

State of Texas, et al v. HHS and IRS (ACA HIP Fee). Texas and several other states are challenging payment of the Health Insurance Provider Fee (HIPF) charged to MCOs under the Affordable Care Act on several bases, including that it is an unconstitutional tax on the states, violates the spending clause, and was imposed without proper notice and comment rulemaking. (2014-2016 years at issue)

- On August 21, 2018, the federal district court declared that HHS's regulation was unlawful under the U.S. Constitution and the federal Administrative Procedure Act. The court found that the HIPF is a "fee" for purposes of the federal Administrative Procedure Act and Declaratory Judgment Act, but a "tax" for purposes of the federal Anti-Injunction Act. So, while the states may not be entitled to a "tax refund," the court found that the state are entitled to an "equitable disgorgement" of the HIPF payments to enforce compliance with the ACA's mandate specifically exempting a state from paying the

⁶ These amounts include a minor adjustment that is still in the process of being paid, approximately \$1.75 million, of which \$635,000 is state general revenue.

HIPF. Finally, the court did not enter a permanent injunction, instead assuming that federal HHS will comply with the ACA going forward.

- The federal HHS has appealed the district court's decision to the Fifth Circuit Court of Appeals. The State of Texas and other states are cross-appealing arguing that the HIPF is unconstitutional as it applies to the States because it (1) represents an impermissible condition on Medicaid spending, and/or (2) is a violation of intergovernmental tax immunity.
- On July 31, 2020, the Fifth Circuit upheld in part and reversed in part, the district court opinion. The Fifth Circuit determined that the certification component of the actuarial soundness definition in the federal regulation and the section of the ACA outlining the HIP fee are not unconstitutional, and therefore, the states are not entitled to equitable disgorgement.
- On September 14, 2020, Texas & the Other States filed a Motion Requesting an En Banc Rehearing at the Fifth Circuit COA. On February 22, 2021, the Fifth Circuit issued a revised opinion. As predicted, it clarified some of its reasoning, but the outcome did not change.
- On September 3, 2021, a Writ of Certiorari was filed with the U.S. Supreme Court. The Respondent brief was filed on November 8, 2021. As the HIPF is no longer in force, it is unlikely the Court will grant review.

Beginning in June 2015 under ACA, certain public and mental health activities were covered by private health insurance plans. These activities included:

- Infectious disease control, prevention, and treatment
- Health promotion and chronic disease prevention
- Laboratory services
- Primary care and nutrition services
- Behavioral health services
- Community capacity
- State-owned and privately-owned hospital services.

The Texas Health and Human Services system continued implementing certain ACA-related programs and initiatives during state fiscal year 2021, such as the Community First Choice program.

Community First Choice (HHSC)

Community First Choice (CFC) is a set of services available to people who are eligible for Medicaid, meet an institutional level of care, and need help with activities of daily living and instrumental activities of daily living. This includes people getting services through one of the four intellectual and developmental disability waivers HHSC administered through a fee-for-service model:

- Home and Community-based Services (HCS)
- Texas Home Living (TxHmL)
- Deaf Blind with Multiple Disabilities (DBMD)
- Community Living Assistance and Support Services (CLASS)

CFC is also available to eligible people in traditional Medicaid or enrolled in the STAR program through fee-for-service and in STAR Health, STAR+PLUS, or STAR Kids Medicaid managed care. States that offer CFC receive a 6 percent increase in federal matching funds for these services, which are provided as a state plan benefit.

Texas provides the following CFC services:

- Personal Assistance Services;
- Habilitation Services;
- Emergency Response Services; and
- Support Management Services.

Disproportionate Share Hospital (DSH) Program Reductions (HHSC)

States make Medicaid Disproportionate Share Hospital (DSH) payments to hospitals serving a disproportionate share of low-income patients and experiencing high levels of uncompensated care costs. While DSH payments predate the Affordable Care Act, the ACA included reductions to state DSH allotments.

The ACA provisions related to expanded coverage through private insurance and Medicaid were intended to reduce the amount of uncompensated care covered by hospitals and providers, however, courts ruled certain Medicaid expansions the ACA required are optional to states.

Under ACA, DSH reductions were to have occurred from federal fiscal year 2014 through federal fiscal year 2020. However, DSH reductions have been amended several times, most recently from Consolidated Appropriations Act of 2021, delaying DSH reductions until federal fiscal year 2024. Under current law, Medicaid DSH reductions are to occur from federal fiscal year 2024 through federal fiscal year 2027, with reductions of \$8 billion for each year.

11. COVID-19 Relief Funding

The Secretary of Health and Human Services renewed the declaration of public health emergency (PHE) due to the COVID-19 pandemic 4 times in state fiscal year 2021. The current PHE expires January 16, 2022.

In response to the national public health and economic impacts caused by the pandemic, Congress passed several COVID-19 relief legislations, appropriating additional federal funds to households, businesses and government services. The Texas HHS system received additional funds for new and existing federal programs appropriated by the following acts:

- Families First Act of 2020
- CARES Act of 2020
- Coronavirus Response and Relief Supplemental Appropriations Act of 2021
- American Rescue Plan Act of 2021

FMAP Increases

In addition to appropriating additional federal awards, Families First Coronavirus Response Act increased Medicaid FMAP by 6.2 percent for the duration of PHE in effect, retroactive to January 2020. Texas' increased federal funding from FMAP increase is estimated to be more than \$2 billion per year⁷.

On top of the 6.2 percent FMAP increase from Families First Act, American Rescue Plan Act increased HCBS FMAP by 10 percent. Texas' increased federal funding from HCBS FMAP increase is estimated to be over \$862 million a year⁸.

⁷ <https://www.cbpp.org/blog/families-firsts-medicaid-funding-boost-a-useful-first-step-but-far-from-enough>

⁸ <https://www.kff.org/medicaid/issue-brief/potential-impact-of-additional-federal-funds-for-medicaid-hcbs-for-seniors-and-people-with-disabilities/>

HHSC

The following figure lists all federal COVID-19 relief funds received by HHSC.

Figure 4. HHSC Federal COVID-19 Relief Funds

Public Law #	CFDA #	CFDA Program Title	Awarded
116-127	10.557	WIC SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN	\$ 17,914,383
116-127	10.557	WIC SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN	\$ 23,043,192
116-127	10.649	PANDEMIC EBT ADMINISTRATIVE COSTS	\$ 30,220,768
		Families First Coronavirus Response Act	\$ 71,178,343
116-136	21.019	Coronavirus Relief Fund	\$ 347,221,596
116-136	93.777	STATE SURVEY AND CERTIFICATION OF HEALTH CARE PROVIDERS AND SUPPLIERS (TITLE XVIII) MEDICARE	\$ 4,860,480
		Coronavirus Aid, Relief, and Economic Security Act	\$ 352,082,076
116-260	10.561	STATE ADMINISTRATIVE MATCHING GRANTS FOR THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM	\$ 7,956,465
116-260	93.044	SPECIAL PROGRAMS FOR THE AGING, TITLE III, PART B, GRANTS FOR SUPPORTIVE SERVICES AND SENIOR CENTERS	\$ 3,397,292
116-260	93.045	SPECIAL PROGRAMS FOR THE AGING, TITLE III, PART C, NUTRITION SERVICES	\$ 11,414,900
116-260	93.048	SPECIAL PROGRAMS FOR THE AGING, TITLE IV, AND TITLE II, DISCRETIONARY PROJECTS	\$ 1,562,836
116-260	93.665	EMERGENCY GRANTS TO ADDRESS MENTAL AND SUBSTANCE USE DISORDERS DURING COVID-19	\$ 4,859,649

Public Law #	CFDA #	CFDA Program Title	Awarded
116-260	93.747	LTC OMBUDSMAN SSA TITLE XX ELDER ABUSE	\$ 271,783
116-260	93.958	BLOCK GRANTS FOR COMMUNITY MENTAL HEALTH SERVICES	\$ 74,580,936
116-260	93.959	BLOCK GRANTS FOR PREVENTION AND TREATMENT OF SUBSTANCE ABUSE	\$ 135,636,613
		Coronavirus Response and Relief Supplemental Appropriations Act	\$ 239,680,474
117-2	10.557	WIC SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN	\$ 51,779,020
117-2	10.561	STATE ADMINISTRATIVE MATCHING GRANTS FOR THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM	\$ 18,936,433
117-2	84.181	SPECIAL EDUCATION-GRANTS FOR INFANTS AND FAMILIES	\$ 19,807,340
117-2	93.042	SPECIAL PROGRAMS FOR THE AGING, TITLE VII, CHAPTER 2, LONG TERM CARE OMBUDSMAN SERVICES FOR OLDER INDIVIDUALS	\$ 676,061
117-2	93.043	Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services	\$ 2,974,669
117-2	93.044	SPECIAL PROGRAMS FOR THE AGING, TITLE III, PART B, GRANTS FOR SUPPORTIVE SERVICES AND SENIOR CENTERS	\$ 31,098,809
117-2	93.045	SPECIAL PROGRAMS FOR THE AGING, TITLE III, PART C, NUTRITION SERVICES	\$ 20,281,832
117-2	93.045	SPECIAL PROGRAMS FOR THE AGING, TITLE III, PART C, NUTRITION SERVICES	\$ 30,422,747
117-2	93.052	NATIONAL FAMILY CAREGIVER SUPPORT, TITLE III, PART E	\$ 9,328,836
117-2	93.558	Pandemic Emergency Assistance Fund	\$ 49,518,884

Public Law #	CFDA #	CFDA Program Title	Awarded
117-2	93.671	FAMILY VIOLENCE PREVENTION AND SERVICES/DOMESTIC VIOLENCE SHELTER AND SUPPORTIVE SERVICES	\$ 10,206,485
117-2	93.958	BLOCK GRANTS FOR COMMUNITY MENTAL HEALTH SERVICES	\$ 128,821,616
117-2	93.958	BLOCK GRANTS FOR COMMUNITY MENTAL HEALTH SERVICES	\$ 4,433,226
117-2	93.959	BLOCK GRANTS FOR PREVENTION AND TREATMENT OF SUBSTANCE ABUSE	\$ 117,140,711
117-2	93.959	BLOCK GRANTS FOR PREVENTION AND TREATMENT OF SUBSTANCE ABUSE	\$ 4,715,901
		American Rescue Plan Act	\$ 500,142,570
		Total	\$1,163,083,463

DSHS

The following figure lists all federal COVID-19 relief funds received by DSHS.

Figure 5. DSHS Federal COVID-19 Relief Funds

Purpose	Funding Source	Funding Amount
The Cooperative Agreement for Emergency Response: Public Health Crisis Response	P.L. 116-123	\$55,066,699
The Epidemiology and Laboratory Capacity Firstline IPC Training	P.L. 116-123	\$3,698,466
Rape Prevention & Education: Using the Best Available Evidence for Sexual Violence Prevention	P.L. 116-123	\$298,547
Hospital Preparedness Program (HPP) Supplemental Rounds 1 and 2 COVID-19	P.L. 116-123	\$8,686,359
Hospital Preparedness Program (HPP) Ebola Preparedness and Response Activities Part B COVID-19 Administrative Supplement Round 1	P.L. 116-123	\$300,000
ATSDR's Partnership to Promote Local Efforts to Reduce Environmental Exposure – COVID-19	P.L. 116-136	\$102,075
CARES HPP COVID-19 Ebola Part B, Round 2	P.L. 116-136	\$350,000
Epidemiology & Laboratory Capacity - Reopen America	P.L. 116-136	\$39,141,025
Coronavirus Relief Fund	P.L. 116-136 & 116.260	\$1,788,756,973
Housing Opportunities for Persons with AIDS (HOPWA)	P.L. 116-136	\$724,936
Ryan White HIV/AIDS	P.L. 116-136	\$1,500,000
COVID-19 Supplemental Funding - Rounds 1 & 2 - Immunization	P.L. 116-136	\$24,505,406
Occupational Safety and Health Surveillance Program- COVID supplemental for Worker Safety and Health (WSH)	P.L. 116-136	\$81,818
COVID-19 Vaccine Influenza Preparedness	P.L. 116-136	\$10,093,854
Epidemiology & Laboratory Capacity - Multisystem Inflammatory Syndrome in Children (MIS-C)	P.L. 116-136	\$100,000

Purpose	Funding Source	Funding Amount
Epidemiology & Laboratory Capacity - Border Survey COVID-19	P.L. 116-136	\$2,000
Epidemiology & Laboratory Capacity – Project C1: HIS	P.L. 116-136	\$84,666
Epidemiology & Laboratory Capacity – Project J: BIDS	P.L. 116-136	\$375,000
Epidemiology & Laboratory Capacity – C2 Data Modernization Tier 1	P.L. 116-136	\$2,018,348
Epidemiology & Laboratory Capacity – C2 Data Modernization Tier 2	P.L. 116-136	\$1,100,000
Epidemiology & Laboratory Capacity – C2 Data Modernization Tier 3	P.L. 116-136	\$1,350,000
Epidemiology & Laboratory Capacity for Enhanced Detection	P.L. 116-139	\$473,597,520
Epidemiology & Laboratory Capacity -AMD Technologies	P.L. 116-139	\$865,000
Epidemiology & Laboratory Capacity -Public Health Laboratory Preparedness (PHL)	P.L. 116-139	\$3,605,000
Epidemiology & Laboratory Capacity -Travelers Health	P.L. 116-139	\$937,500
Epidemiology & Laboratory Capacity -Project B Leadership	P.L. 116-139	\$4,381
Hospital Preparedness Program (HPP) Ebola Preparedness and Response Activities Part B COVID-19 Administrative Supplement Rounds 1 & 2	P.L. 116-139	\$650,000
DIS Workforce Development	P.L. 116-260	\$18,681,523
COVID-19 Vaccine Implementation and Expansion	P.L. 116-260	\$97,634,147
COVID-19 Vaccine Implementation and Expansion	P.L. 116-260	\$227,056,156
National Initiative to Address COVID-19 Health Disparities	P.L. 116-260	\$38,950,306

Purpose	Funding Source	Funding Amount
Behavioral Risk Factor Surveillance System (BRFSS): Impact in Population Health	P.L. 116-260	\$35,475
Epidemiology & Laboratory Capacity – Enhanced Detection Expansion	P.L. 116-260	\$1,535,405,092
Epidemiology & Laboratory Capacity – Border Region Partnerships	P.L. 116-260	\$400,000
Epidemiology & Laboratory Capacity – Border Region Partnerships	P.L. 116-260	\$200,000
COVID-19 Vaccine Implementation and Expansion	P.L. 117-2	\$129,422,009
COVID-19 Vaccine Implementation and Expansion	P.L. 117-2	\$18,448,313
The Cooperative Agreement for Emergency Response: Public Health Workforce	P.L. 117-2	\$157,015,371
Enhancing the Capacity and Capability of Human Food and Environmental Testing Laboratory	P.L. 117-2	\$180,151
Epidemiology & Laboratory Capacity – Reopening Schools	P.L. 117-2	\$803,456,353
Epidemiology & Laboratory Capacity – AMD Sequencing & Analytics	P.L. 117-2	\$15,555,044
Epidemiology & Laboratory Capacity – Strengthening PH Lab	P.L. 117-2	\$997,311
Epidemiology & Laboratory Capacity – Detection and Mitigation of COVID in Confinement Facilities	P.L. 117-2	\$75,950,000
Federal Emergency Management Agency - Public Assistance		\$7,875,197,434
TOTAL		\$13,412,580,258

E. Federal Funds Enhancement Initiatives

Texas HHS agencies were successful in efforts to enhance revenues and maximize the use of federal funds to provide services during the last state fiscal year. By working with various federal agencies, the state identified expenditures where additional federal funds could be accessed and qualified for new opportunities to bring additional dollars to Texas. Agencies continue to seek available funding and identify innovative ways for increasing access to federal funds to support the state's mission and interests related to health and human services.

1. TANF Contingency Fund (HHSC)

The TANF Contingency fund provides states with additional federal funds to help meet the needs of low-income families during periods of economic downturn. States may access TANF Contingency funds by meeting certain criteria. States may only use contingency funds in the fiscal year for which they are awarded and may not carry them over for use in a succeeding fiscal year. These funds can be used for any purpose for which regular TANF funds are used.

Unlike the regular TANF block grant that provides a fixed funding amount to states, the TANF Contingency Fund provides additional TANF funds to states which meet certain criteria. Previously, Texas met the requirements, based on SNAP caseload. Since 2012, Texas has received more than \$397 million in funding through the TANF Contingency Fund. If the state remains eligible and if Congress continues appropriations, HHSC will continue to apply for TANF Contingency Funds.

For state fiscal year 2021, Texas applied for and received approximately \$48.5 million in additional funds through the TANF Contingency Fund.

List of Acronyms

Acronyms	Description
ABU	Approved-But-Unfunded
ACA	Affordable Care Act
AFDC	Aid to Families with Dependent Children
ARPA	American Rescue Plan Act
CDC	Center for Disease Control and Prevention
CHIP	Children's Health Insurance Plan
CLASS	Community Living Assistance and Support Services
CMS	Center for Medicare and Medicaid Services
CYSHCN	Children and youths with special care needs
DADS	Department of Aging and Disability Services
DDS	Disability Determination Services
DFPS	Department of Family & Protective Services
DMO	Dental Maintenance Organization
DSH	Disproportionate Share Hospital
DSRIP	Delivery System Reform Incentive Program
ECI	Early Childhood Intervention
ELC	Epidemiology and Laboratory Capacity
EMTF	Emergency Medical Task Force
FEMA	Federal Emergency Management Agency
FFP	Federal Financial Participation
FMAP	Federal Medicaid Assistance Percentage
FY	Fiscal Year
HCBS	Home and Community-based Services
HIP	Health Insurance Provider
HIPF	Health Insurance Provider Fee
HPP	Hospital Preparedness Program
HRSA	Health Resources and Services Administration
ICF/IID	Intermediate Care Facility for Individuals with Intellectual Disabilities
IDEA	Individuals with Disabilities Education Act

IRS	Internal Revenue Service
MCO	Managed Care Organization
MFP	Money Follows the Person
ONA	Other Needs Assistance
OSEP	Office of Special Education Programs
PHCR	Public Health Crisis Response
PHE	Public Health Emergency
PHEP	Public Health Emergency Preparedness
PL	Public Law
PPHF	Prevention and Public Health Fund
SNAP	Supplemental Nutrition Assistance Program
SSA	Social Security Agency
SSBG	Social Services Block Grant
TANF	Temporary Assistance for Needy Families
TWC	Texas Workforce Commission
TxHmL	Texas Home Living
UC	Uncompensated Care
WIC	Special Supplemental Nutrition Program for Women, Infants, and Children

Appendix A. Top 30 Federal Funding Sources for HHSC and DSHS, State Fiscal Year 2021

HHSC

Figure 6. Top 30 Federal Funds for HHSC, State Fiscal Year 2021

Assistance Listing #	Program Title	Amount ⁹
93.778	Medical Assistance Program	\$21,230,234,485
93.767	State Children's Insurance Program (CHIP)	\$1,051,400,631
93.778	School Health and Related Services (SHARS)	\$734,654,886
93.767	CHIP for Medicaid (EFMAP)	\$625,232,286
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	\$555,762,342
93.778	XIX Medical Assistance Program Administration at 75 percent	\$389,131,231
93.778	XIX Medical Assistance Program Administration at 50 percent	\$288,257,707
10.561	State Administrative Matching for Supplemental Nutrition Assistance Program	\$190,698,124
93.959	Block Grants for Prevention and Treatment of Substance Abuse	\$146,196,452
93.778	XIX Medical Assistance Program Administration at 100 percent	\$131,059,265
96.001	Social Security Disability Insurance	\$110,698,576
93.778	XIX FMAP at 90 percent	\$107,000,783
93.667	Social Services Block Grant	\$95,211,648

⁹ HHSC numbers are derived from state fiscal year 2021 Expenditures as reported in the state fiscal year 2022 Governor's Operating Budget.

Assistance Listing #	Program Title	Amount⁹
93.788	Opioid State Targeted Response	\$71,993,626
93.958	Block Grants for Community Mental Health	\$68,704,636
93.778	Medicaid Stimulus	\$51,549,685
84.181	Special Education Grants for Infants and Families with Disabilities	\$50,597,271
93.045	Special Programs for the Aging Title III Part C	\$44,539,719
93.558	Temporary Assistance for Needy Families to Title XX	\$31,668,706
93.558	Temporary Assistance for Needy Families	\$30,275,077
93.044	Special Programs for the Aging Title III Part B	\$28,758,498
93.791	Money Follows the Person Rebalancing Demonstration	\$26,127,219
93.575	Child Care and Development Block Grant	\$24,912,056
93.777	State Survey and Certification of Health Care Providers and Suppliers	\$24,837,646
93.796	State Survey and Certification of Health Care Providers and Suppliers Title XIX Medicaid at 75 percent	\$23,600,985
93.778	XIX Medicaid Specialized Skills Training (SST)	\$23,336,599
93.045	COV19 Special Programs for Aging Title III	\$22,201,940
97.088	Disaster Assistance Projects (Case Management Pilot)	\$21,919,148
93.994	Maternal and Child Health Services Block Grant Program	\$13,152,458
93.053	Nutrition Services Incentive Program	\$11,565,487
	Total	\$26,225,279,171

Figure 7. Top 30 Federal Funds for DSHS, State Fiscal Year 2021

Assistance Listing #	Program Title	Amount¹⁰
97.036	Public Assistance Grants	\$4,277,351,170
21.019	Coronavirus Relief Fund	\$1,607,106,127
93.323	Epidemiology & Lab Capacity (ELC)	\$429,891,783
93.917	HIV Care Formula Grants	\$112,919,305
93.268	Immunization Grants	\$102,204,542
93.069	Public Health Emergency Preparedness	\$37,418,255
93.354	Public Health Emergency Response: Cooperative Agreement for Emergency Response	\$33,812,845
93.994	Maternal and Child Health Services Block Grants to the States	\$31,062,796
93.268	Immunization Grants	\$26,139,927
93.940	HIV Prevention Program - Category A: HIV Prevention Core	\$18,667,551
93.889	National Bioterrorism Hospital Preparedness Program	\$16,061,933
93.778	Medical Assistance Program - 50%	\$8,599,635
93.977	Preventive Health Services-STD Control Grants	\$8,177,019
93.116	Project & Cooperative Agreements for Tuberculosis Control	\$7,500,021

¹⁰ DSHS numbers are derived from state fiscal year 2021 Operating Budget in the September 2021 Monthly Financial Report

Assistance Listing #	Program Title	Amount¹⁰
93.991	Preventive Health and Health Services Block Grant	\$7,315,276
93.940	HIV Prevention Activities-Health Department Based	\$7,115,772
14.241	Housing Opportunities for Persons with AIDS	\$5,330,688
93.323	Epidemiology & Lab Capacity (ELC)	\$4,980,575
10.475	Coop-Agreements w/States Intrastate Meat & Poultry Inspection	\$4,042,772
93.944	HIV/AIDS Surveillance	\$3,787,033
93.387	Tobacco	\$3,319,715
93.426	Improving the Health of Americans through the Prevention and Management of Diabetes, Heart Disease, and Stroke	\$3,254,238
10.561	State Admin Match SNAP	\$2,199,766
93.898	Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	\$2,171,825
93.136	Rape Prevention Education	\$1,692,076
93.354	Public Health Emergency Response: Cooperative Agreement for Emergency Response	\$1,630,675
93.778	Medical Assistance Program - 90%	\$1,451,429
93.435	Innovative health strategy to prevent heart disease and diabetes	\$1,315,727
93.439	Tx Physical Activity Nutrition	\$1,055,275
93.070	TX Asthma Control Program	\$804,316
	Total	\$6,768,380,067