



**HHS System  
Annual Federal Funds  
Report for  
State Fiscal Year 2024**

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

**Health and Human Services  
Commission**

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**TEXAS**  
Health and Human  
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## Summary

The Texas Health and Human Services Commission is submitting the annual federal funds report for state fiscal year 2024 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 (HHS) system. For state fiscal year 2024, two state agencies comprised the Texas HHS system:

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

For state fiscal year 2024, Texas HHS agencies expended approximately \$49.5 billion in All Funds. Federal funds comprised 55 percent or approximately \$27.4 billion of agency funds. (See Figure 1)

**Figure 1. HHS System Federal Funds as a Percent of All Funds, State Fiscal Year 2024**

Agency <sup>1</sup>	Federal Funds <sup>2</sup>	All Funds	Percent Federal Funds of All Funds
<b>DSHS</b>	\$ 990,888,584	\$ 1,653,610,703	60%
<b>HHSC</b>	\$ 26,869,487,588	<b>\$ 47,850,324,419</b>	56%
<b>TOTAL</b>	<b>\$ 27,426,247,798</b>	<b>\$ 49,503,935,122</b>	<b>55%</b>

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 99 percent of all federal funds to the Texas HHS agencies. Medicaid is the largest federal funding source at \$25.5 billion, accounting for 93 percent of all federal funding. The next largest is Children’s Health Insurance Program (CHIP) at approximately \$981.3 million, accounting for four percent of federal funding. A table of the top 30 federal funding sources used by the Texas HHS system is attached as Appendix A.

<sup>1</sup> DSHS numbers are derived from state fiscal year 2023 Expenditures as reported in the 2026-27 Legislative Appropriations Request and HHSC numbers are derived from state fiscal year 2024 Expenditures as reported in the 2024 Operating Budget.

<sup>2</sup> 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.

## 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 Further Continuing Appropriations and Other Extensions Act, 2024 provided fiscal year 2024 appropriations for federal agencies and extended several expiring programs and authorities. The Continuing Appropriations and Extensions Act, 2025, was signed into law on September 26, 2024, providing fiscal year 2025 appropriations through December 20, 2024.

#### 2. Future Sequestration Impact

The Balanced Budget and Emergency Deficit Control Act of 1985 established the sequester as a budget enforcement tool that automatically reduces certain federal spending if certain budget objectives are not met. Federal funding for federal fiscal year 2023 was not reduced due to budget sequestrations triggered from the Budget Control Act of 2011 (BCA) or the Statutory Pay-As-You-Go Act of 2010 (PAYGO).

#### Budget Control Act Sequester

The Budget Control Act (BCA) of 2011, which 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 a "Joint Committee process" to achieve additional budgetary savings from 2013-2021. Since the committee did not propose a reduction in spending by January 15, 2012, the BCA's automatic spending reductions were enacted to achieve \$1.2 trillion in budgetary savings by reducing both discretionary and mandatory spending in each year through fiscal year 2021.

The largest share of the \$1.2 trillion in additional savings was to be achieved by reducing the discretionary spending caps and the remainder through annual across-the-board cuts (sequestration) in all nonexempt mandatory spending. The mandatory spending portion of the automatic reductions, sometimes

referred to as the “Joint Committee sequester,” has been fully implemented in each year since federal fiscal year 2013.

Currently, sequestration percentages are 8.3 percent for mandatory defense spending, 5.7 percent for mandatory non-defense spending, and 2.0 percent for Medicare, Community, and migrant health centers. For 2032, mandatory defense and mandatory non-defense decrease to 4.0 percent and 2.8 percent, respectively, while Medicare remains at 2.0 percent through the first eight months of 2033.<sup>3</sup>

Medicaid, Children’s Health Insurance Program (CHIP), Supplemental Nutrition Assistance Program (SNAP), and Temporary Assistance for Needy Families (TANF) are exempt, but the Social Services Block Grant (SSBG) is continually subject to BCA mandatory sequester.

### **Statutory Pay-As-You-Go Act Sequester**

Statutory Pay-As-You Go (PAYGO) requires all legislations related to direct mandatory spending and revenues to not increase the deficit over a 5-year and 10-year period. PAYGO does not apply to discretionary spending. If such legislation were to become law, a sequester of certain mandatory spending would be required. The same 200-plus budget accounts that are sequestered by the BCA sequester are also used for the PAYGO sequester.

Although Congress has passed legislation that has been estimated to increase the deficit since PAYGO was enacted, the sequestration from 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 have triggered the PAYGO sequester in federal fiscal year 2022, however, Congress voted to defer action on waiving the PAYGO. Without additional congressional action, reductions under PAYGO could occur in 2025.<sup>4</sup>

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<sup>3</sup> <https://www.whitehouse.gov/wp-content/uploads/2018/06/s100.pdf>

<sup>4</sup> <https://crsreports.congress.gov/product/pdf/R/R45106>



## **Fiscal Responsibility Act of 2023**

On June 3, 2023, President Biden signed into law the Fiscal Responsibility Act (FRA) of 2023. This act:

- Suspends the limit on federal debt through January 1, 2025.
- Places caps on both non-defense and defense discretionary spending for federal fiscal years 2024 and 2025.
- Places caps on total discretionary spending for federal fiscal years 2026 through 2029.
- Includes a penalty for the use of a continuing resolution (CR) in federal fiscal years 2024 and 2025. The penalty would reduce both defense and non-defense funding levels by one percent if all appropriation bills are not enacted by January 1 and would take effect through a sequestration order to be issued by April 30, 2024, or April 30, 2025, respectively.
- Made amendments to SNAP and TANF eligibility requirements:
  - Changed certain thresholds related to the caseload reduction credit states may request related to work activities states must meet to receive the full TANF block grant. Those thresholds are calculated based on a benchmark year which was changed from 2005 to 2015. In addition, the changes exclude people receiving less than \$35 per month from counting toward the work activity thresholds.
  - Amended the work requirements for childless recipients aged 18-49, expanding the range through age 54. Veterans, people experiencing homelessness, and people ages 18 to 24 who were in foster care at age 18 are fully exempt from work requirements.

## **Sequester Impacts to HHSC**

In August 2024, the Congressional Budget Office reported that a sequestration will not be required for 2024. However, the Office of Management and Budget (OMB) reported that the estimated 12 annual appropriations bills for fiscal year 2025 would breach both the defense and non-defense caps.<sup>5</sup>

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<sup>5</sup> <https://www.cbo.gov/system/files/2024-08/60382-sequestration-update.pdf>

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**

In early 2023, the United States reached the established debt ceiling level of \$31.4 trillion. The Fiscal Responsibility Act of 2023, signed into law on June 3, 2023, suspended the limit on the debt ceiling until January 2, 2025.

## **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 2024.

### **1. Temporary Assistance for Needy Families (TANF)**

The TANF program was created in 1996 (Public Law 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 (Public Law 109-171) and has renewed the program through a series of short-term extensions since its expiration in 2010. The TANF authorization was extended with the Continuing Appropriations and Extension Act, 2025 (P.L. 118-83) through December 20, 2024.

## **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 Continuing Appropriations and Extensions Act, 2025 extended WIC funding through December 20, 2024.<sup>6</sup>

## **C. Agency Specific Federal Issues**

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

### **1. CHIP**

For federal fiscal year 2023, CHIP enhanced Federal Medical Assistance Percentages (eFMAs) reflect higher federal matching funding made available through the Families First Coronavirus Response Act (amended by the Coronavirus Aid, Relief, and Economic Security Act). The additional funds were available to states from January 1, 2020, through December 31, 2023. During the PHE, FMAP rates included an extra 6.2 percent in federal matching funds and eFMAs are derived from those stimulus FMAPs. Beginning April 1, 2023, the FMAP increase was phased down to no FMAP increase for the remaining quarters in calendar year 2023.

### **2. 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

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<sup>6</sup> <https://www.congress.gov/118/bills/hr9747/BILLS-118hr9747enr.pdf>

sequestration legislation. Staffing levels have consistently seen a decline since 2014. Currently, DDS has 935 authorized positions, of which 389 are currently vacant. Staffing shortages continue to have a significant impact on the national workload. In addition, the SSA Disability Case Processing System (DCPS) remains inconsistent and lacks needed functionality to process the volume of cases from a state the size of Texas. Since this is a national program, the DDS program has had several one-on-one meetings with SSA to demonstrate the day-to-day delays within their system. SSA has committed to identifying more federal resources to fast track the needed business processes and functionality. Until then, SSA continues to offer workload assistance by having Texas claims worked by other national sites.

### **3. Early Childhood Intervention (HHSC)**

Early Childhood Intervention (ECI) is a statewide program for families with children from birth to 36 months with developmental delays or disabilities. 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
- Preschool Development Grant Birth Through Five (PDG B-5)

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 determined eligible must be 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 allots 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. In August 2024, ECI was awarded \$250,000 from OSEP to build upon the four-year success of the Personnel Retention Grant project for year five of the grant cycle, through October 2025. This project is a collaboration between HHSC and the University of Texas at El Paso that supports the implementation of evidence-based strategies for effectively recruiting and retaining staff by ECI subrecipients. For fiscal year 2024, \$125,653 was allocated to ECI subrecipients with the highest turnover rates to support the implementation of retention activities.

In 2022, ECI received approximately \$3.3 million ARPA funds through a grant from the Texas Workforce Commission (TWC). These funds allowed ECI to provide training and support to early intervention and early childhood education providers. The grant period ran from June 2022 through January 2024.

Through the Preschool Development Grant Birth Through Five (PDG B-5), the Administration for Children and Families at the Department of Health and Human Services, and the Department of Education awarded Texas \$16 million for calendar year 2024, which is the second in a three-year funding cycle. TWC administers federal grant funding to three partnering state agencies, including HHSC-ECI. Collaborative efforts focus on supporting local system building, expanding access to high quality programs, strengthening, and building the early childhood care and education (ECCE) workforce, and developing an early childhood integrated data system. For calendar year 2024, year two of the PDG B-5, ECI allotted a little more than \$4.3 million to support direct ECI service delivery, \$800,000 to support the recruitment, retention, and mentoring of ECI therapists, \$789,600 to deliver trainings to childcare programs, and \$510,400 to support the professional development of early childhood personnel. ECI plans to build upon the success of these initiatives in year three of the grant.

#### **4. Public Health Preparedness (DSHS)**

Congress reauthorized the 2013 Pandemic and All-Hazards Preparedness and Advancing Innovation Act (PAHPA) in 2019. Many existing PAHPA provisions were set to expire in September 2023. Congress has temporarily extended several provisions until December 31, 2024. 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 Agreements. 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 for public health and medical preparedness activities at the local, regional, and state level. In state fiscal year 2023 and state fiscal year 2024, Texas received mostly level funding to sustain core public health and health care systems preparedness activities.

Additionally, the Centers for Disease Control and Prevention (CDC) established the Public Health Crisis Response (PHCR) funding program in 2018. CDC uses the PHCR Cooperative Agreement as a vehicle to quickly award response funding to states.

If the federal government reduces future federal allocations, it may diminish the capacity of state, regional, and local public health, and healthcare partners in an all-hazards response.

## **5. Strengthening Sexually Transmitted Disease (STD) Prevention and Control for Health Departments (DSHS)**

DSHS was awarded the CDC “Strengthening STD Prevention and Control for Health Departments” cooperative agreement in 2019 for a five-year period to conduct STD surveillance, respond to STD-related outbreaks, and conduct partner services for persons with a new STD. In 2021, CDC issued supplemental funds from the Disease Intervention Specialists Workforce Development Funding (DISWDF) to help deliver funding to jurisdictions for hiring and training new Disease Intervention Specialists (DIS) to address COVID-19 and other infectious diseases, including STDs. In June 2023, Congress rescinded these supplemental funds during debt ceiling negotiations. CDC has extended the five-year cooperative agreement through February of 2026 to allow states to expend any remaining DISWDF funds.

These reductions will diminish the capacity of state, regional, and local public health departments to retain DIS and STD surveillance staff and respond to STD-related outbreaks and other emerging infections.

## **6. Epidemiology and Laboratory Capacity (DSHS)**

CDC provides DSHS annual funding through the Epidemiology and Laboratory Capacity (ELC) cooperative agreement. During the funding opportunity announcement phase, CDC provides guidance that typically supports level funding to current ELC recipients. DSHS then 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 portions of this for special interest projects. To date, DSHS has been able to absorb the additional activities while, in most cases, continuing the previous year's activities.

Since CDC requires additional activities without increased funding, DSHS anticipates increased difficulties in meeting new ELC requirements given the context of escalating costs of materials and labor. DSHS continues to anticipate and plan for these issues to allow required activities to continue to take place.

## **7. Disaster Funding (DSHS)**

DSHS receives Federal Emergency Management Agency (FEMA) funds for disaster response. Since 2020, DSHS has conducted cost recovery activities to obtain FEMA reimbursement for eligible pandemic response activities. In state fiscal year 2024, DSHS responded to Hurricane Beryl, and will seek FEMA reimbursement for response activities.

## **8. 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.

### **Texas Healthcare Transformation and Quality Improvement Program**

Texas received approval for the Texas Healthcare Transformation and Quality Improvement Program 1115 Demonstration 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 the waiver from January 1, 2018, through September 2022. In January 2021, CMS approved a 10-year extension of the waiver.

The waiver provides the authority for most of Medicaid managed care in Texas. The initial waiver and extension included a Delivery System Reform Incentive Payment (DSRIP) program pool, which expired September 30, 2021. DSRIP payments were made to hospitals and other providers for demonstrating achievement on selected outcome measures demonstrating improved health care quality and health outcomes for Medicaid and low-income populations. Final DSRIP payments were made in January 2023. The January 2021 waiver continues the Uncompensated Care (UC) funding pool and established a Public Health Provider – Charity Care Program (PHP-CCP) funding pool. The UC pool provides payments to hospitals and other providers for a portion of their uncompensated care. The PHP-CCP program provides payments to public health providers, including local health departments and local mental health authorities, to cover the costs of charity care. 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 31, 2024 (for five years). HHSC estimates it will receive approximately \$365 million in federal funding for the HTW Demonstration. 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 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 requested an HTW 1115 waiver amendment to receive federal matching funds for HTW Plus services. HHSC submitted the waiver amendment in December 2020 with a requested effective date of April 1, 2021, and is currently awaiting CMS approval.

On March 28, 2024, HHSC submitted a HTW demonstration extension application to CMS requesting a 5-year extension from January 1, 2025, through



December 31, 2029; and CMS deemed the extension packet complete on April 4, 2024. HHSC continues to have regular discussions with CMS regarding the HTW 1115 demonstration and on July 30, 2024, HHSC requested a temporary 12-month approval of federal funds from January 1 – December 31, 2025. Both HTW 1115 demonstration extensions (the 12-month temporary extension and 5-year full extension) remain pending with CMS.

House Bill 133, 87th Texas Legislature, Regular Session, 2021, requires HHSC to seek federal approval to contract with Medicaid managed care organizations to provide HTW program services. The transition to managed care was included in the 5-year HTW demonstration extension request.

## **9. Disaster Funding (HHSC)**

Severe storms across Southeast Texas in April 2024 resulted in a federal disaster declaration that included Individual Assistance in 35 Texas counties. In coordination with the Texas Division of Emergency Management (TDEM), HHSC received funding from FEMA for the Crisis Counseling Assistance and Training Program (CCP). CCP DR-4781-TX, Severe Storms, received an award in the amount of \$1,585,930 for the Immediate Service Program (ISP) and \$4,968,036 for the Regular Service Program (RSP). The ISP, concluded on October 31, 2024, supported Local Mental Health Authorities (LMHA) and Local Behavioral Health Authorities (LBHA) staff to conduct outreach and provided mental health support for 1,274,223 Texans.

In July of 2024, Hurricane Beryl impacted the Texas coast, further exacerbating the impacts from the recent severe storms in the area. In coordination with TDEM, HHSC received funding from FEMA for the Immediate Services CCP. DR-4798-TX will allow for the provision of community-based crisis counseling services through July 2025. This CCP program received an award in the amount of \$1,295,315 for the ISP and \$3,791,898 for the RSP. The ISP, concluded on October 31, 2024, supported LMHAs and LBHAs staff to conduct outreach and provided mental health support for over 30,000 Texans.

Federal funding provided under the Community Mental Health Block Grant (MHBG) carry-forward dollars supports the Sustainable, Technical Assistance, Training, & Engagement (STATE) program and awarded \$930,433 for fiscal year 2024. This project uses a multiphasic strategy to engage community leaders and organizations providing mental health services in and around Uvalde, Texas as well as across the State of Texas. This program emphasizes the importance of (1) planning and preparedness, (2) trauma-informed communications, services,

and training, as well as (3) building a body of knowledge/resources that focuses on interventions for children and families, first responders, community mental health providers and the community at-large at the local and statewide level. Disaster Behavioral Health Coordination (DBHC) and contractor the University of Texas Health Science Center at San Antonio have administered 165 trainings to 3693 participants across the state of Texas with a focus on the community of Uvalde. Through the STATE project, DBHC developed customized tip sheets and accompanying social media content for LMHAs, each tailored to specific audiences: the public, first responders, public health professionals, and youth. DBHC also collaborated with providers in the Uvalde community to deliver technical assistance, training, and engagement in the aftermath of the Uvalde school shooting. This included supporting the anniversary event and facilitating the expansion and transition of the Uvalde Together Resiliency Center.

The Bipartisan Safer Communities Act (BSCA) supplement grant was awarded to DBHC from MHBG funds in the amount of \$3,690,918 from fiscal year 2023 through fiscal year 2024. BSCA awarded a second allotment to Texas with \$2,156,499 allocated to DBHC for fiscal year 2025 to accomplish the following objectives:

- Design and develop comprehensive Readiness, Response, and Resiliency Toolkits – an effort to mitigate the effects of mass violence incidents (MVI) on Local Mental Health Authority (LMHA)/Local Behavioral Health Authority (LBHA) continuity of operations.
- Develop guidelines for LMHAs/LBHAs to develop and conduct Multidisciplinary Community Action Plans (MCAP) to gather key community leaders to plan a coordinated response to address the community mental health needs after an MVI.
- A total of four educational workshops will be conducted throughout Texas specifically to outline elements of preparedness, response, and recovery from a community perspective.

Federal funding provided under the Other Needs Assistance (ONA) provision of FEMA's Individuals and Households Program is another source of funding that can be made available to people in Texas in the event of a presidentially declared disaster event. In state fiscal year 2024, the ONA program received a total of \$612,412,500.00 to assist disaster victims after experiencing two major disasters.

The Disaster Case Management (DCM) program was awarded federal funds through FEMA's Individuals and Households Program. The DCM program received the first obligation of \$4,675,934.00 during state fiscal year 2024. This is the first allocation with a total award of \$18,703,735.71. The remainder of the funds will be distributed over the grant period of performance.

## **10. 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 TWC.

As in previous years, the federal fiscal year 2024 budget allows 10 percent of TANF funding to be transferred to SSBG. For state fiscal year 2024, Texas received approximately \$145.2 million. SSBG funding as appropriated by the legislature is listed in Figure 3 below.

**Figure 3. Social Services Block Grant Funds by State Agency, State Fiscal Year 2024<sup>7</sup>**

Agency	SSBG Funds
<b>HHSC</b>	\$104,908,388
<b>DFPS</b>	\$34,498,325
<b>TWC</b>	\$2,000,000
<b>TOTAL</b>	<b>\$141,406,713</b>

### **11. 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 projects designed to enhance the infrastructure needed to provide community-based services. Examples of these projects include customized employment services, and enhanced services and service coordination for people with intellectual and developmental disabilities with complex medical or behavioral health needs.

In 2021, CMS made \$165 million in supplemental funding available to states with 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 \$91.2 million for the period of January 2021 through December 2024. MFP has federal funds allocated for its implementation through federal fiscal year 2027.

Texas also earns eFMAP through MFP. This eFMAP increases the federal match rate by approximately 20 percentage points (an 80/20 match) for eligible

<sup>7</sup> Rider 137 Unexpended Balance Report

services, generating freed-up general revenue referred to as "rebalancing funds." In 2022, the state allocated approximately \$1.1 million in rebalancing funds. These funds were used to provide on-line learning about employment opportunities for people with intellectual and developmental disabilities (IDD) and to provide financial wellness training to people with mental health conditions. Approximately \$1 million was allocated to the Texas State Affordable Housing Corporation (TSAHC) to use as incentives for affordable housing developers to set aside units for people transitioning from institutions. The amount of rebalancing funds to be allocated in 2023 is yet to be determined.

## **12. 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 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.

## **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 (nursing facility, intermediate care facility, or an institution for mental disease), and need help with activities of daily living and instrumental activities of daily living.

States that offer CFC receive a six 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.

People enrolled in State of Texas Access Reform (STAR) Health, STAR+PLUS, or STAR Kids receive CFC through Medicaid managed care. Eligible children under age 21 in the STAR managed care program or traditional Medicaid receive CFC through fee-for-service. People enrolled in one of the four fee-for-service IDD waivers receive CFC services through their waiver provider.<sup>8</sup>

## **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. DSH reductions have been amended several

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<sup>8</sup> Home and Community-based Services (HCS); Texas Home Living (TxHmL); Deaf Blind with Multiple Disabilities (DBMD); Community Living Assistance and Support Services (CLASS)

times, most recently in the Consolidated Appropriations Act of 2024, delaying reductions until federal fiscal year 2025. DSH reductions are set to occur from federal fiscal year 2025 through federal fiscal year 2027, with reductions of \$8 billion for each year. The federal fiscal year 2025 reductions will occur during the period of January 1, 2025, through September 30, 2025.<sup>9</sup>

### **13. COVID-19 Relief Funding**

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:

- Coronavirus Preparedness and Response Supplemental Appropriations Act, 2020
- Families First Coronavirus Response Act
- Coronavirus Aid, Relief, and Economic Security (CARES) Act
- Coronavirus Response and Relief Supplemental Appropriations Act, 2021
- American Rescue Plan Act of 2021

#### **FMAP Increases**

In addition to appropriating additional federal awards, Families First Coronavirus Response Act increased the Medicaid FMAP by 6.2 percent points. Texas' increased federal funding from the FMAP increase is estimated to be more than \$2 billion per full year in which the PHE is in effect. A phase down of this increase continued the 6.2 percentage points through March 2023, 5 percentage points through June 2023, 2.5 percentage points through September 2023, and 1.5 percentage points through December 2023 ending entirely as of January 1, 2024. For October 1, 2023, through September 30, 2024, the FMAP for Texas was 60.15 percent, and enhanced FMAP was 72.11 percent.<sup>10</sup>

#### **HHSC**

Figure 4 lists all federal COVID-19 relief funds received by HHSC.

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<sup>9</sup> <https://crsreports.congress.gov/product/pdf/IF/IF10422>

<sup>10</sup> <https://www.federalregister.gov/documents/2022/12/05/2022-26390/federal-financial-participation-in-state-assistance-expenditures-federal-matching-shares-for>

**Figure 4. HHSC Federal COVID-19 Relief Funds**

<b>Public Law #</b>	<b>ALN/CFDA #</b>	<b>Program Title</b>	<b>Awarded</b>
<b>116-127</b>	10.557	WIC SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN	\$17,914,383.00
<b>116-127</b>	10.557	WIC SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN	\$23,043,192.00
<b>117-2</b>	10.557	WIC SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN	\$27,616,814.94
<b>117-2</b>	10.557	WIC SPECIAL PROGRAMS DISCRETIONARY	\$4,462,579.00
<b>117-2</b>	10.557	TEXAS WIC EBT OFFLINE TO OFFLINE	\$25,000,000.00
<b>117-2</b>	10.561	STATE ADMINISTRATIVE MATCHING GRANTS FOR THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM	\$34,394,745.15
<b>116-260</b>	10.561	STATE ADMINISTRATIVE MATCHING GRANTS FOR THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM	\$7,956,484.73
<b>117-2</b>	10.561	STATE ADMINISTRATIVE MATCHING GRANTS FOR THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM	\$18,936,432.72
<b>116-136</b>	10.649	PANDEMIC EBT ADMINISTRATIVE COSTS	\$15,110,384.00
<b>116-127</b>	10.649	PANDEMIC EBT ADMINISTRATIVE COSTS	\$30,220,768.00
<b>116-136</b>	21.019	CORONAVIRUS RELIEF FUND	\$210,730,028.00
<b>116-136</b>	21.019	CORONAVIRUS RELIEF FUND	\$347,221,596.00
<b>117-2</b>	21.027	CORONAVIRUS STATE FISCAL RECOVERY FUND	\$237,800,000.00
<b>117-2</b>	21.027	CORONAVIRUS STATE FISCAL RECOVERY FUND	\$378,300,000.00
<b>117-2</b>	21.027	CORONAVIRUS STATE FISCAL RECOVERY FUND	\$15,000,000.00
<b>117-2</b>	21.027	CORONAVIRUS STATE FISCAL RECOVERY FUND	\$20,000,000.00
<b>117-2</b>	21.027	CORONAVIRUS STATE FISCAL RECOVERY FUND	\$5,000,000.00
<b>117-2</b>	21.027	CORONAVIRUS STATE FISCAL RECOVERY FUND	\$14,250.00



<b>Public Law #</b>	<b>ALN/CFDA #</b>	<b>Program Title</b>	<b>Awarded</b>
<b>117-2</b>	21.027	CORONAVIRUS STATE FISCAL RECOVERY FUND	\$75,000,000.00
<b>117-2</b>	21.027	CORONAVIRUS STATE FISCAL RECOVERY FUND	\$8,750,000.00
<b>117-2</b>	84.181	SPECIAL EDUCATION-GRANTS FOR INFANTS AND FAMILIES	\$22,241,906.00
<b>117-2</b>	93.042	SPECIAL PROGRAMS FOR THE AGING, TITLE VII, CHAPTER 2, LONG TERM CARE OMBUDSMAN SERVICES FOR OLDER INDIVIDUALS	\$676,061.00
<b>116-136</b>	93.042	SPECIAL PROGRAMS FOR THE AGING, TITLE VII, CHAPTER 2, LONG TERM CARE OMBUDSMAN SERVICES FOR OLDER INDIVIDUALS	\$1,350,483.00
<b>117-2</b>	93.043	SPECIAL PROGRAMS FOR THE AGING, TITLE III, PART D, DISEASE PREVENTION AND HEALTH PROMOTION SERVICES	\$2,974,669.00
<b>117-2</b>	93.044	SPECIAL PROGRAMS FOR THE AGING, TITLE III, PART B, GRANTS FOR SUPPORTIVE SERVICES AND SENIOR CENTERS	\$31,098,809.00
<b>117-2</b>	93.044	SPECIAL PROGRAMS FOR THE AGING, TITLE III, PART B, GRANTS FOR SUPPORTIVE SERVICES AND SENIOR CENTERS	\$2,201,074.00
<b>116-136</b>	93.044	SPECIAL PROGRAMS FOR THE AGING, TITLE III, PART B, GRANTS FOR SUPPORTIVE SERVICES AND SENIOR CENTERS	\$13,504,830.00
<b>116-260</b>	93.044	SPECIAL PROGRAMS FOR THE AGING, TITLE III, PART B, GRANTS FOR SUPPORTIVE SERVICES AND SENIOR CENTERS	\$3,397,292.00
<b>117-2</b>	93.045	SPECIAL PROGRAMS FOR THE AGING, TITLE III, PART C, NUTRITION SERVICES	\$20,281,832.00
<b>117-2</b>	93.045	SPECIAL PROGRAMS FOR THE AGING, TITLE III, PART C, NUTRITION SERVICES	\$30,422,747.00
<b>116-127</b>	93.045	SPECIAL PROGRAMS FOR THE AGING, TITLE III, PART C, NUTRITION SERVICES	\$5,401,932.00
<b>116-136</b>	93.045	SPECIAL PROGRAMS FOR THE AGING, TITLE III, PART C, NUTRITION SERVICES	\$32,411,593.00

<b>Public Law #</b>	<b>ALN/CFDA #</b>	<b>Program Title</b>	<b>Awarded</b>
<b>116-260</b>	93.045	SPECIAL PROGRAMS FOR THE AGING, TITLE III, PART C, NUTRITION SERVICES	\$11,414,900.00
<b>116-127</b>	93.045	SPECIAL PROGRAMS FOR THE AGING, TITLE III, PART C, NUTRITION SERVICES	\$10,803,864.00
<b>116-136</b>	93.048	SPECIAL PROGRAMS FOR THE AGING, TITLE IV, AND TITLE II, DISCRETIONARY PROJECTS	\$3,005,454.00
<b>116-260</b>	93.048	SPECIAL PROGRAMS FOR THE AGING, TITLE IV, AND TITLE II, DISCRETIONARY PROJECTS	\$1,562,836.00
<b>117-2</b>	93.052	NATIONAL FAMILY CAREGIVER SUPPORT, TITLE III, PART E	\$9,328,836.00
<b>116-136</b>	93.052	NATIONAL FAMILY CAREGIVER SUPPORT, TITLE III, PART E	\$6,432,408.00
<b>117-2</b>	93.243	SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES PROJECTS OF REGIONAL AND NATIONAL SIGNIFICANCE	\$8,367,877.00
<b>117-2</b>	93.243	SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES PROJECTS OF REGIONAL AND NATIONAL SIGNIFICANCE	\$2,000,000.00
<b>117-2</b>	93.369	EXPANDING THE PUBLIC HEALTH WORKFORCE WITHIN THE DISABILITY NETWORK: IL PART B	\$121,081.00
<b>117-2</b>	93.497	FAMILY VIOLENCE PREVENTION AND SERVICES/ SEXUAL ASSAULT/RAPE CRISIS SERVICES AND SUPPORTS	\$11,658,974.00
<b>117-2</b>	93.498	PROVIDER RELIEF FUND	\$6,324,585.28
<b>117-2</b>	93.498	PROVIDER RELIEF FUND	\$2,585,360.33
<b>116-136</b>	93.498	PROVIDER RELIEF FUND	\$19,509,679.00
<b>117-2</b>	93.558	PANDEMIC EMERGENCY ASSISTANCE FUND	\$49,518,884.00
<b>117-2</b>	93.575	CHILD CARE AND DEVELOPMENT BLOCK GRANT	\$3,241,513.00
<b>116-260</b>	93.575	SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES PROJECTS OF REGIONAL AND NATIONAL SIGNIFICANCE	\$428,477.00

<b>Public Law #</b>	<b>ALN/CFDA #</b>	<b>Program Title</b>	<b>Awarded</b>
<b>116-260</b>	93.665	EMERGENCY GRANTS TO ADDRESS MENTAL AND SUBSTANCE USE DISORDERS DURING COVID-19	\$4,859,649.00
<b>117-2</b>	93.671	FAMILY VIOLENCE PREVENTION AND SERVICES/DOMESTIC VIOLENCE SHELTER AND SUPPORTIVE SERVICES	\$10,206,485.00
<b>117-2</b>	93.671	FAMILY VIOLENCE PREVENTION AND SERVICES/DOMESTIC VIOLENCE SHELTER AND SUPPORTIVE SERVICES	\$26,814,190.00
<b>116-136</b>	93.671	FAMILY VIOLENCE PREVENTION AND SERVICES/DOMESTIC VIOLENCE SHELTER AND SUPPORTIVE SERVICES	\$3,003,345.37
<b>117-2</b>	93.747	ELDER ABUSE PREVENTION INTERVENTIONS PROGRAM	\$1,237,799.00
<b>116-260</b>	93.747	LTC OMBUDSMAN SSA TITLE XX ELDER ABUSE	\$271,783.00
<b>116-136</b>	93.777	STATE SURVEY AND CERTIFICATION OF HEALTH CARE PROVIDERS AND SUPPLIERS (TITLE XVIII) MEDICARE	\$549,545.00
<b>116-136</b>	93.777	STATE SURVEY AND CERTIFICATION OF HEALTH CARE PROVIDERS AND SUPPLIERS (TITLE XVIII) MEDICARE	\$1,308,221.00
<b>116-136</b>	93.777	STATE SURVEY AND CERTIFICATION OF HEALTH CARE PROVIDERS AND SUPPLIERS (TITLE XVIII) MEDICARE	\$671,520.84
<b>117-2</b>	93.958	BLOCK GRANTS FOR COMMUNITY MENTAL HEALTH SERVICES	\$4,433,226.00
<b>117-2</b>	93.958	BLOCK GRANTS FOR COMMUNITY MENTAL HEALTH SERVICES	\$128,821,616.00
<b>116-260</b>	93.958	EMERGENCY GRANTS TO ADDRESS MENTAL AND SUBSTANCE USE DISORDERS DURING COVID-19	\$74,580,936.00
<b>117-2</b>	93.959	BLOCK GRANTS FOR PREVENTION AND TREATMENT OF SUBSTANCE ABUSE	\$4,715,901.00
<b>117-2</b>	93.959	BLOCK GRANTS FOR PREVENTION AND TREATMENT OF SUBSTANCE ABUSE	\$117,140,711.00
<b>116-260</b>	93.959	BLOCK GRANTS FOR PREVENTION AND TREATMENT OF SUBSTANCE ABUSE	\$135,636,613.00
<b>117-2</b>	94.011	FOSTER GRANDPARENT PROGRAM	\$633,567.00
		<b>Total</b>	<b>\$2,329,624,722.00</b>

## **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 \$682.1 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 2024, Texas applied for and received approximately \$55.2 million in additional funds through the TANF Contingency Fund.

## List of Acronyms

Acronyms	Description
<b>ABU</b>	Approved-But-Unfunded
<b>ACA</b>	Affordable Care Act
<b>AFDC</b>	Aid to Families with Dependent Children
<b>ALN</b>	Assistance Listing Number
<b>ARPA</b>	American Rescue Plan Act
<b>BSCA</b>	Bipartisan Safer Communities Act
<b>CDC</b>	Center for Disease Control and Prevention
<b>CFDA</b>	Catalog of Federal Domestic Assistance
<b>CHIP</b>	Children's Health Insurance Plan
<b>CLASS</b>	Community Living Assistance and Support Services
<b>CMS</b>	Center for Medicare and Medicaid Services
<b>CYSHCN</b>	Children and youths with special care needs
<b>DADS</b>	Department of Aging and Disability Services
<b>DBHC</b>	Disaster Behavioral Health Coordination
<b>DBMD</b>	Deaf Blind with Multiple Disabilities
<b>DDS</b>	Disability Determination Services
<b>DFPS</b>	Department of Family & Protective Services
<b>DIS</b>	Disease Intervention Specialists
<b>DMO</b>	Dental Maintenance Organization
<b>DSH</b>	Disproportionate Share Hospital
<b>DSRIP</b>	Delivery System Reform Incentive Program
<b>ECI</b>	Early Childhood Intervention
<b>eFMAP</b>	Enhanced Federal Medical Assistance Percentage
<b>ELC</b>	Epidemiology and Laboratory Capacity
<b>EMTF</b>	Emergency Medical Task Force
<b>FEMA</b>	Federal Emergency Management Agency
<b>FFP</b>	Federal Financial Participation

<b>Acronyms</b>	<b>Description</b>
<b>FMAP</b>	Federal Medicaid Assistance Percentage
<b>HCBS</b>	Home and Community Based Services
<b>HIP</b>	Health Insurance Provider
<b>HIPF</b>	Health Insurance Provider Fee
<b>HPP</b>	Hospital Preparedness Program
<b>HRSA</b>	Health Resources and Services Administration
<b>ICF/IID</b>	Intermediate Care Facility for Individuals with Intellectual Disabilities
<b>IDEA</b>	Individuals with Disabilities Education Act
<b>LBHA</b>	Local Behavioral Health Authority
<b>LMHA</b>	Local Mental Health Authority
<b>MFP</b>	Money Follows the Person
<b>ONA</b>	Other Needs Assistance
<b>OSEP</b>	Office of Special Education Programs
<b>PEAF</b>	Pandemic Emergency Assistance Funds
<b>PHCR</b>	Public Health Crisis Response
<b>PHE</b>	Public Health Emergency
<b>PHEP</b>	Public Health Emergency Preparedness
<b>PL</b>	Public Law
<b>PPHF</b>	Prevention and Public Health Fund
<b>SAMHSA</b>	Substance Abuse and Mental Health Services Administration
<b>SNAP</b>	Supplemental Nutrition Assistance Program
<b>SSA</b>	Social Security Agency
<b>SSBG</b>	Social Services Block Grant
<b>TANF</b>	Temporary Assistance for Needy Families
<b>TWC</b>	Texas Workforce Commission
<b>TxHmL</b>	Texas Home Living
<b>UC</b>	Uncompensated Care
<b>WIC</b>	Special Supplemental Nutrition Program for Women, Infants, and Children

## Appendix A. Top 30 Federal Funding Sources for HHSC and DSHS, State Fiscal Year 2024

### HHSC

Figure 6. Top 30 Federal Funds for HHSC, State Fiscal Year 2024

Assistance Listing #	Program Title	Amount <sup>11</sup>
93.778	Medical Assistance Program	\$21,168,677,981
93.778	School Health and Related Services (SHARS)	\$821,379,849
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	\$786,891,425
93.778	XIX Medical Assistance Program Administration at 75 Percent	\$589,302,300
93.767	CHIP for Medicaid (EFMAP)	\$583,730,713
93.778	XIX Medical Assistance Program Administration at 50 Percent	\$400,067,028
93.767	State Children’s Insurance Program (CHIP)	\$390,100,173
93.778	XIX FMAP at 90 Percent	\$345,344,256
10.561	State Administrative Matching for Supplemental Nutrition Assistance Program	\$236,240,663
93.959	Block Grants for Prevention and Treatment of Substance Abuse	\$188,317,820
93.778	XIX Medical Assistance Program Administration at 100 Percent	\$186,389,217
96.001	Social Security Disability Insurance	\$113,190,937
93.667	Social Services Block Grant	\$101,304,484
93.958	Block Grants for Community Mental Health Services	\$88,263,698

<sup>11</sup> HHSC numbers are derived from state fiscal year 2024 Expenditures as reported in the 2025 Operating Budget.

<b>Assistance Listing #</b>	<b>Program Title</b>	<b>Amount<sup>11</sup></b>
93.788	Opioid State Targeted Response	\$65,363,101
84.181	Special Education Grants for Infants and Families with Disabilities	\$53,077,846
93.558	TANF to Title XX	\$45,104,976
93.045	Special Programs for the Aging Title III Part C	\$44,226,443
93.796	State Survey Certification of Health Care Providers and Suppliers (Title XIX) Medicaid	\$31,467,790
93.044	Special Programs for the Aging Title III Part B	\$30,206,986
93.791	Money Follows the Person Rebalancing Demonstration	\$26,237,485
93.777	State Survey and Certification of Health Care Providers and Suppliers	\$24,724,769
93.778	XIX Medical Assistance Program – Specialized Skills Training	\$21,129,642
93.575	Child Care and Development Block Grant	\$19,897,043
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) - Breastfeeding Peer Counseling	\$17,660,933
93.558	Temporary Assistance for Needy Families	\$16,166,164
93.053	Nutrition Services Incentive Program	\$11,565,487
93.052	National Family Caregiver Support Title III Part E	\$11,292,259
93.671	Family Violence Prevention and Services	\$9,885,288
93.994	Maternal and Child Health Services Block Grant	\$8,152,458
	<b>Total</b>	<b>\$26,435,359,214</b>



**Figure 7. Top 30 Federal Funds for DSHS, State Fiscal Year 2024**

<b>Assistance Listing #</b>	<b>Program Title</b>	<b>Amount<sup>12</sup></b>
<b>93.323</b>	COVID Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	\$333,102,517
<b>93.917</b>	HIV Care Formula Grants	\$154,103,784
<b>93.268</b>	COVID Immunization Cooperative Agreements	\$125,190,860
<b>93.069</b>	Bioterrorism	\$45,526,330
<b>93.268</b>	Core Immunization Cooperative Agreements	\$37,503,805
<b>93.354</b>	Public Health Emergency Response: Cooperative Agreement for Emergency Response	\$36,577,009
<b>93.967</b>	COVID PH Infrastructure Grant	\$32,064,481
<b>93.994</b>	Federal Maternal and Child Health	\$30,574,817
<b>93.889</b>	National Bioterrorism Hospital Preparedness Program	\$18,128,590
<b>93.940</b>	HIV Prevention Program	\$17,842,198
<b>93.977</b>	COVID Preventive Health Services-Sexually Transmitted Diseases (STD) Control Grants	\$17,238,787
<b>93.391</b>	COVID Health Equity Grant	\$12,900,856
<b>93.940</b>	HIV Prevention Activities-Health Department Based	\$11,426,108
<b>93.967</b>	Core PH Infrastructure Grant	\$11,072,999
<b>93.116</b>	Tuberculosis Elimination	\$8,722,689
<b>14.241</b>	AIDS Housing Opportunities	\$7,499,131

<sup>12</sup> DSHS numbers are derived from state fiscal year 2024 expenditures as reported in the 2026-27 Legislative Appropriations Request.

<b>Assistance Listing #</b>	<b>Program Title</b>	<b>Amount<sup>12</sup></b>
<b>93.991</b>	Federal Preventive Health Block Grant	\$6,887,737
<b>93.977</b>	Core Preventive Health Services-STD Control Grants	\$5,798,417
<b>10.475</b>	Cooperative Meat Inspection	\$4,710,754
<b>93.323</b>	Core Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	\$4,041,674
<b>93.136</b>	Injury Prev & Control Research	\$3,574,700
<b>93.136</b>	Rape Prevention Education	\$3,112,343
<b>93.387</b>	Tobacco	\$2,572,232
<b>93.426</b>	Diabetes/Heart Disease/Stroke	\$1,571,501
<b>93.008</b>	Texas MRC-STTRONG	\$1,269,840
<b>93.988</b>	Prev & Management of Diabetes	\$1,063,610
<b>93.103</b>	Food and Drug Administration Research	\$905,200
<b>93.439</b>	Tx Physical Activity Nutrition	\$777,185
<b>93.070</b>	Texas Asthma Control Program	\$763,500
<b>93.478</b>	Preventing Maternal Deaths	\$643,582
	<b>Total</b>	<b>\$937,167,236</b>