



**HHS System
Annual Federal Funds
Report for
State Fiscal Year 2023**

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

**Health and Human Services
Commission**

December 2023



TEXAS
Health and Human
Services

Table of Contents

Table of Contents	ii
Summary	1
1. Introduction	3
2. Background	4
3. Federal Funds: Current Issues	5
A. Federal Budget Outlook.....	5
1. Federal Appropriations Bills.....	5
2. Future Sequestration Impact.....	5
3. Debt Ceiling	8
B. Pending Federal Reauthorizations	8
1. Temporary Assistance for Needy Families (TANF)	8
2. Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	9
C. Agency Specific Federal Issues	9
1. CHIP	9
2. Disability Determination Services (HHSC)	9
3. Early Childhood Intervention (HHSC).....	10
4. Public Health Preparedness (DSHS).....	11
5. Federal Supplemental Funding (DSHS)	12
6. Strengthening Sexually Transmitted Disease (STD) Prevention and Control for Health Departments (DSHS).....	12
7. Epidemiology and Laboratory Capacity (DSHS)	13
8. Disaster Funding (DSHS).....	13
9. 1115 Waiver (HHSC)	13
10. Disaster Funding (HHSC).....	15
11. Social Services Block Grant (HHSC/DFPS/TWC).....	16
12. Money Follows the Person (HHSC)	17
13. Affordable Care Act Funding to HHS System (HHSC)	18
14. COVID-19 Relief Funding.....	20
E. Federal Funds Enhancement Initiatives	33
1. TANF Contingency Fund (HHSC)	33
List of Acronyms	34
Appendix A. Top 30 Federal Funding Sources for HHSC and DSHS, State Fiscal Year 2023	A-1
HHSC.....	A-1
DSHS.....	A-3

Summary

The Texas Health and Human Services Commission is submitting the annual federal funds report for state fiscal year 2023 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 2023, two state agencies comprised the Texas HHS system:

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

For state fiscal year 2023, Texas HHS agencies expended approximately \$53.8 billion in All Funds. Federal funds comprised 64 percent or approximately \$34.4 billion of agency funds. (See Figure 1)

Figure 1. HHS System Federal Funds as a Percent of All Funds, State Fiscal Year 2023

Agency ¹	Federal Funds ²	All Funds	Percent Federal Funds of All Funds
DSHS	\$ 1,467,243,463	\$ 2,055,556,368	71%
HHSC	\$ 32,914,479,049	\$ 51,760,614,473	64%
TOTAL	\$ 34,381,722,512	\$ 53,816,170,841	64%

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 \$26.3 billion, accounting for 77 percent of all federal funding. The next largest is Children’s Health Insurance Program (CHIP) at approximately \$777.5 million, accounting for 2 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 2023 Expenditures as reported in the September 2023 Monthly Financial Report and HHSC numbers are derived from state fiscal year 2023 Expenditures as reported in the 2024 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

During federal fiscal year 2023, three continuing resolutions were signed into law to fund the federal government until an appropriations package could be passed.

The Continuing Appropriations and Ukraine Supplemental Appropriations Act, 2023 was signed into law on September 30, 2022, making continuing appropriations for federal fiscal year 2023, and for other purposes funding the government through December 16, 2022 at prior-year levels. On December 16, 2022, the Further Continuing Appropriations and Extensions Act, 2023 was signed into law again funding government operations at fiscal year 2022 levels until December 23, 2022. A final continuing resolution was signed into law on December 23, the Further Additional Continuing Appropriations and Extensions Act, 2023. Public Law 117-264 once again funded governmental operations at fiscal year 2022 levels. The Consolidated Appropriations Act, 2023, an omnibus spending bill funding the remainder of federal fiscal year 2023, was signed into law on December 29, 2022.

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). Beginning in 2024, federal funding may be subject to sequestration because of the BCA, PAYGO, and/or the Fiscal Responsibility Act of 2023.

Budget Control Act Sequester

The Budget Control Act (BCA) of 2011, 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 could 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. It has been extended by subsequent legislations through federal fiscal year 2031 with the sequestration of Medicare benefit payments spending extended through federal fiscal year 2032. Medicaid, Children’s Health Insurance Plan (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. Subsequently, a four percent cut to Medicare was supposed to occur in 2023 and 2024, however, the Consolidated Appropriations Act, 2023 halted these cuts.

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 for work activity states must meet to receive the full TANF block grant allowed. 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. These changes may result in the TANF block grant being slightly reduced for Texas.
 - Amended the work requirements for childless recipients ages 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 would be fully exempt from work requirements. These changes will likely result in a net increase to Texas.

Sequester Impacts to HHSC

Due to the FRA, Texas HHS system currently anticipates sequestration should the federal government be operating under a continuing resolution after January 1, 2024.

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 1, 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 2023.

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 Consolidated Appropriations Act of 2023 through September 30, 2023. The current continuing resolution, House Resolution 6363, re-extends the reauthorization of TANF through February 2, 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 Consolidated Appropriations Act, 2023 provided funding for WIC through September 30, 2023 and the program is currently operating under a continuing resolution through February 2, 2024.

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, until the end of the public health emergency (PHE) period for the COVID-19 pandemic, May 11, 2023. During the PHE, FMAP rates included an extra 6.2 percent in federal matching funds and eFMAs are derived from those stimulus FMAPs.

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 sequestration legislation. Staffing levels have consistently seen a decline since 2014. Currently, DDS has 935 authorized positions, of which 295 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-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 younger than three years of age who have 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 2023, ECI was awarded \$500,000 from OSEP to build upon the three-year success of the Personnel Retention Grant project for years four and five of the grant cycle, through October 2025. This project, a collaboration between HHSC and University of Texas at El Paso supports the implementation of evidence-based strategies for

effectively recruiting and retaining staff by ECI contractors. The continuation grant for years four and five was awarded based on the positive improvements seen in retention data in year 3 of the grant.

ECI also received approximately \$22.2 million in American Rescue Plan Act (ARPA) Funds in federal fiscal year 2021 to support ECI initiatives in state fiscal years 2022 and 2023. In 2022, ECI received approximately \$3.2 million in ARPA Funds through a grant from the Texas Workforce Commission. These funds allow ECI to provide training and support to early intervention and early childhood education providers through April 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 2023, which is the first in a three-year funding cycle. The Texas Workforce Commission (TWC) administers federal grant funding to five 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 2023, year 1 of the grant, ECI allotted \$4.1 million to support direct ECI service delivery and \$400,000 to support the recruitment, retention, and mentoring of ECI therapists. ECI plans to build upon the success of these initiatives in years two and three of the grant.

4. 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 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 to fund public health and medical preparedness activities at the local, regional, and state level. In state fiscal year 2022 and state fiscal year 2023, Texas received mostly level funding to sustain public health and health care systems preparedness activities for its core non-COVID-19 related activities.

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

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

5. Federal Supplemental Funding (DSHS)

Since 2020, DSHS received supplemental funds for pandemic response, public health infrastructure, and support efforts comprising special congressional authority attached to existing awarded grants such as: Immunization and Vaccines for Children Program, Epidemiology and Laboratory Capacity for Prevention and Control of Emerging Infectious Disease, Ryan White Part B HIV Care Grant Program, and Hospital Preparedness Program. These supplemental funds support various projects within DSHS as well as activities provided through local health entities. Funds are intended for the highest priority public health response needs.

Federal supplemental funds have enhanced staffing infrastructure and the ability of DSHS to monitor and respond to infectious disease events. Changes in federal funding levels will impact the ability of DSHS to respond to future infectious disease events.

6. 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.

If future federal allocations are delayed or reduced for Texas, it may 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.

7. Epidemiology and Laboratory Capacity (DSHS)

The Epidemiology and Laboratory Capacity (ELC) Program receives annual funding through a cooperative agreement with the CDC. During the funding opportunity announcement phase, the guidance typically proposes to provide level funds to 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.

Since CDC requires additional activities with level funding, DSHS's ability to continue providing previous activities in a context of escalating costs of materials and labor grows increasingly difficult and could result in scaling back on proposed activities. DSHS continues to anticipate and plan for these issues to allow required activities to continue to take place.

8. Disaster Funding (DSHS)

Pandemic response

Since 2020, DSHS received Federal Emergency Management Agency (FEMA) funds for COVID-19 disaster response. In fiscal year 2023, DSHS continued to conduct cost recovery operations with FEMA. During this time, DSHS received approximately \$490.4 million in additional FEMA funds for COVID-19 disaster response. Additional federal funds received were related to multiple disaster response projects conducted by DSHS.

9. 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 2024 (for five years). HHSC estimates it will receive approximately \$350 million in federal funding for the HTW Demonstration. In state fiscal year 2022, HTW had a budget of \$60,160,100 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 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.

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 House Bill 133 but does not expect to implement this component of House Bill 133 until state fiscal year 2026.

10. Disaster Funding (HHSC)

HHSC received federal funding administered by Substance Abuse and Mental Health Services Administration (SAMHSA) to provide recovery efforts to communities affected by disasters and to reframe preparedness into three focal points: Readiness, Response, and Resiliency.

Federal funding provided under the Block Grant for Community Mental Health Services supports the Sustainable, Technical Assistance, Training, & Engagement (STATE) program for federal fiscal years 2023 - 2025, in the amount of \$2.8 million. 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 University of Texas Health Science Center at San Antonio have administered approximately 50 trainings with over 675 individuals receiving training.

The Bipartisan Safer Communities Act (BSCA) supplement grant was awarded to DBHC from mental health block funds administered by Substance Abuse and Mental Health Services Administration in the amount of approximately \$3.6 million from federal fiscal year 2023 through federal fiscal year 2024 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 The Federal Emergency Management Agency's (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. No additional ONA assistance was awarded to HHSC in state fiscal year 2023, as there were no significant weather events severe enough to receive a presidential declaration.

11. 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 federal fiscal year 2023 budget allows 10 percent of TANF funding to be transferred to SSBG. For state fiscal year 2023, Texas received a slight increase from approximately \$140.2 million in federal fiscal year 2022 to approximately \$143.6 million in federal fiscal year 2023 because of demographic factors. 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 2023

Agency	SSBG Funds
HHSC	\$104,907,987
DFPS	\$34,498,325
TWC	\$2,000,000
TOTAL	\$141,406,312

12. 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 addition, 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. Enhanced FMAP 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 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.

13. 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, 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 (IDD) 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)

People in one of the four IDD waivers receive CFC services through their fee-for-service waiver provider.

CFC is also available through fee-for-service to eligible people in traditional Medicaid or enrolled in the State of Texas Access Reform (STAR) program. People enrolled in STAR Health, STAR+PLUS, or STAR Kids get CFC through 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. DSH reductions have been amended several times, most recently in the Consolidated Appropriations Act of 2021, delaying reductions until federal fiscal year 2024. DSH reductions were set to occur from federal fiscal year 2024 through federal fiscal year 2027, with reductions of \$8 billion for each year, however, the Further Continuing Appropriations and Other Extensions Act, 2024 signed on November 16, 2023 further delays these reductions until January 20, 2024.

14. COVID-19 Relief Funding

The Secretary of Health and Human Services renewed the PHE due to the COVID-19 pandemic three times during federal fiscal year 2023. The PHE expired on May 11, 2023.

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.

HHSC

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

Figure 4. HHSC Federal COVID-19 Relief Funds

Public Law #	ALN/CFDA #	Program Title	Awarded
116-127	10.557	WIC SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN	\$17,914,383.00
116-127	10.557	WIC SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN	\$23,043,192.00
117-2	10.557	WIC SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN	\$27,616,814.94
117-2	10.557	WIC SPECIAL PROGRAMS DISCRETIONARY	\$4,462,579.00
117-2	10.557	TEXAS WIC EBT OFFLINE TO OFFLINE	\$25,000,000.00
117-2	10.561	STATE ADMINISTRATIVE MATCHING GRANTS FOR THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM	\$34,394,745.15
116-260	10.561	STATE ADMINISTRATIVE MATCHING GRANTS FOR THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM	\$7,956,484.73

Public Law #	ALN/CFDA #	Program Title	Awarded
117-2	10.561	STATE ADMINISTRATIVE MATCHING GRANTS FOR THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM	\$18,936,432.72
116-136	10.649	PANDEMIC EBT ADMINISTRATIVE COSTS	\$15,110,384.00
116-127	10.649	PANDEMIC EBT ADMINISTRATIVE COSTS	\$30,220,768.00
116-136	21.019	CORONAVIRUS RELIEF FUND	\$210,730,028.00
116-136	21.019	CORONAVIRUS RELIEF FUND	\$347,221,596.00
117-2	21.027	CORONAVIRUS STATE FISCAL RECOVERY FUND	\$237,800,000.00
117-2	21.027	CORONAVIRUS STATE FISCAL RECOVERY FUND	\$378,300,000.00
117-2	21.027	CORONAVIRUS STATE FISCAL RECOVERY FUND	\$15,000,000.00
117-2	21.027	CORONAVIRUS STATE FISCAL RECOVERY FUND	\$20,000,000.00
117-2	21.027	CORONAVIRUS STATE FISCAL RECOVERY FUND	\$5,000,000.00
117-2	21.027	CORONAVIRUS STATE FISCAL RECOVERY FUND	\$14,250.00
117-2	21.027	CORONAVIRUS STATE FISCAL RECOVERY FUND	\$75,000,000.00
117-2	21.027	CORONAVIRUS STATE FISCAL RECOVERY FUND	\$8,750,000.00
117-2	84.181	SPECIAL EDUCATION-GRANTS FOR INFANTS AND FAMILIES	\$22,241,906.00
117-2	93.042	SPECIAL PROGRAMS FOR THE AGING, TITLE VII, CHAPTER 2, LONG TERM CARE OMBUDSMAN SERVICES FOR OLDER INDIVIDUALS	\$676,061.00

Public Law #	ALN/CFDA #	Program Title	Awarded
116-136	93.042	SPECIAL PROGRAMS FOR THE AGING, TITLE VII, CHAPTER 2, LONG TERM CARE OMBUDSMAN SERVICES FOR OLDER INDIVIDUALS	\$1,350,483.00
117-2	93.043	SPECIAL PROGRAMS FOR THE AGING, TITLE III, PART D, DISEASE PREVENTION AND HEALTH PROMOTION SERVICES	\$2,974,669.00
117-2	93.044	SPECIAL PROGRAMS FOR THE AGING, TITLE III, PART B, GRANTS FOR SUPPORTIVE SERVICES AND SENIOR CENTERS	\$31,098,809.00
117-2	93.044	SPECIAL PROGRAMS FOR THE AGING, TITLE III, PART B, GRANTS FOR SUPPORTIVE SERVICES AND SENIOR CENTERS	\$2,201,074.00
116-136	93.044	SPECIAL PROGRAMS FOR THE AGING, TITLE III, PART B, GRANTS FOR SUPPORTIVE SERVICES AND SENIOR CENTERS	\$13,504,830.00
116-260	93.044	SPECIAL PROGRAMS FOR THE AGING, TITLE III, PART B, GRANTS FOR SUPPORTIVE SERVICES AND SENIOR CENTERS	\$3,397,292.00
117-2	93.045	SPECIAL PROGRAMS FOR THE AGING, TITLE III, PART C, NUTRITION SERVICES	\$20,281,832.00
117-2	93.045	SPECIAL PROGRAMS FOR THE AGING, TITLE III, PART C, NUTRITION SERVICES	\$30,422,747.00
116-127	93.045	SPECIAL PROGRAMS FOR THE AGING, TITLE III, PART C, NUTRITION SERVICES	\$5,401,932.00
116-136	93.045	SPECIAL PROGRAMS FOR THE AGING, TITLE III, PART C, NUTRITION SERVICES	\$32,411,593.00
116-260	93.045	SPECIAL PROGRAMS FOR THE AGING, TITLE III, PART C, NUTRITION SERVICES	\$11,414,900.00

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

Public Law #	ALN/CFDA #	Program Title	Awarded
116-260	93.575	SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES PROJECTS OF REGIONAL AND NATIONAL SIGNIFICANCE	\$428,477.00
116-260	93.665	EMERGENCY GRANTS TO ADDRESS MENTAL AND SUBSTANCE USE DISORDERS DURING COVID-19	\$4,859,649.00
117-2	93.671	FAMILY VIOLENCE PREVENTION AND SERVICES/DOMESTIC VIOLENCE SHELTER AND SUPPORTIVE SERVICES	\$10,206,485.00
117-2	93.671	FAMILY VIOLENCE PREVENTION AND SERVICES/DOMESTIC VIOLENCE SHELTER AND SUPPORTIVE SERVICES	\$26,814,190.00
116-136	93.671	FAMILY VIOLENCE PREVENTION AND SERVICES/DOMESTIC VIOLENCE SHELTER AND SUPPORTIVE SERVICES	\$3,003,345.37
117-2	93.747	ELDER ABUSE PREVENTION INTERVENTIONS PROGRAM	\$1,237,799.00
116-260	93.747	LTC OMBUDSMAN SSA TITLE XX ELDER ABUSE	\$271,783.00
116-136	93.777	STATE SURVEY AND CERTIFICATION OF HEALTH CARE PROVIDERS AND SUPPLIERS (TITLE XVIII) MEDICARE	\$549,545.00
116-136	93.777	STATE SURVEY AND CERTIFICATION OF HEALTH CARE PROVIDERS AND SUPPLIERS (TITLE XVIII) MEDICARE	\$1,308,221.00
116-136	93.777	STATE SURVEY AND CERTIFICATION OF HEALTH CARE PROVIDERS AND SUPPLIERS (TITLE XVIII) MEDICARE	\$671,520.84
117-2	93.958	BLOCK GRANTS FOR COMMUNITY MENTAL HEALTH SERVICES	\$4,433,226.00
117-2	93.958	BLOCK GRANTS FOR COMMUNITY MENTAL HEALTH SERVICES	\$128,821,616.00

Public Law #	ALN/CFDA #	Program Title	Awarded
116-260	93.958	EMERGENCY GRANTS TO ADDRESS MENTAL AND SUBSTANCE USE DISORDERS DURING COVID-19	\$74,580,936.00
117-2	93.959	BLOCK GRANTS FOR PREVENTION AND TREATMENT OF SUBSTANCE ABUSE	\$4,715,901.00
117-2	93.959	BLOCK GRANTS FOR PREVENTION AND TREATMENT OF SUBSTANCE ABUSE	\$117,140,711.00
116-260	93.959	BLOCK GRANTS FOR PREVENTION AND TREATMENT OF SUBSTANCE ABUSE	\$135,636,613.00
117-2	94.011	FOSTER GRANDPARENT PROGRAM	\$633,567.00
		Total	\$2,329,624,722.00

DSHS

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

Figure 5. DSHS Federal COVID-19 Relief Funds

Public Law #	CFDA #	CFDA Program Title	Awarded
116-123	93.354	PUBLIC HEALTH EMERGENCY RESPONSE: COOPERATIVE AGREEMENT FOR EMERGENCY RESPONSE	\$55,066,699.00
116-123	93.323	THE EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASES - FIRSTLINE INFECTION PREVENTION AND CONTROL (IPC) TRAINING	\$3,698,466.00
116-123	93.136	INJURY PREVENTION AND CONTROL RESEARCH AND STATE AND COMMUNITY BASED PROGRAMS	\$298,547.00
116-123	93.817	HOSPITAL PREPAREDNESS PROGRAM (HPP) EBOLA PREPAREDNESS AND RESPONSE ACTIVITIES COVID-19	\$300,000.00

Public Law #	CFDA #	CFDA Program Title	Awarded
		ADMINISTRATIVE SUPPLEMENT ROUND 1	
		CORONAVIRUS PREPAREDNESS AND RESPONSE SUPPLEMENTAL APPROPRIATIONS ACT, 2020	\$59,363,712.00
116-136	93.240	STATE CAPACITY BUILDING - COVID-19	\$102,705.00
116-136	93.323	EPIDEMIOLOGY & LABORATORY CAPACITY FOR INFECTIOUS DISEASES - REOPEN AMERICA	\$39,141,025.00
116-136	14.241	HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS	\$724,936.00
116-136	93.917	HIV CARE FORMULA GRANTS	\$1,500,000.00
116-136	93.268	-IMMUNIZATION COOPERATIVE AGREEMENTS - COVID-19 SUPPLEMENTAL ROUND 1 AND 2	\$24,515,406.00
116-136	93.262	OCCUPATIONAL SAFETY AND HEALTH PROGRAM- COVID SUPPLEMENTAL FOR WORKER SAFETY AND HEALTH (WSH)	\$81,818.00
116-136	93.268	IMMUNIZATION COOPERATIVE AGREEMENTS - COVID-19 VACCINE INFLUENZA PREPAREDNESS	\$10,093,854.00
116-136	93.323	EPIDEMIOLOGY & LABORATORY CAPACITY - MULTISYSTEM INFLAMMATORY SYNDROME IN CHILDREN (MIS-C)	\$100,000.00
116-136	93.323	EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASES - PROJECT C1: HEALTH INFORMATION SYSTEMS (HIS)	\$84,000.00
116-136	93.323	EPIDEMIOLOGY & LABORATORY CAPACITY FOR INFECTIOUS DISEASES - PROJECT J: BORDER INFECTIOUS DISEASE SURVEILLANCE (BIDS)	\$375,000.00
116-136	93.323	EPIDEMIOLOGY AND LABORATORY CAPACITY - PROJECT C2 DATA MODERNIZATION TIER 1	\$2,018,348.00
116-136	93.323	EPIDEMIOLOGY & LABORATORY CAPACITY FOR INFECTIOUS DISEASES - C2 DATA MODERNIZATION TIER 2	\$1,100,000.00
116-136	93.323	EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASES - C2 DATA MODERNIZATION TIER 3	\$1,350,000.00

Public Law #	CFDA #	CFDA Program Title	Awarded
116-123 (ROUND 1 AND 116-136 ROUND 2)	93.889	NATIONAL BIOTERRORISM HOSPITAL PREPAREDNESS PROGRAM – COVID-19 SUPPLEMENTAL ROUNDS 1 AND 2	\$8,686,359.00
116-136	93.817	HOSPITAL PREPAREDNESS PROGRAM (HPP) EBOLA PREPAREDNESS AND RESPONSE ACTIVITIES – COVID-19 ADMINISTRATIVE SUPPLEMENT ROUND 2	\$350,000.00
116-136	93.323	EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASES – COVID-19 BORDER SURVEY	\$2,000.00
		CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY ACT	\$90,225,451
116-139	93.323	EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASES – ENHANCING DETECTION SUPPLEMENT	\$473,597,520.00
116-139	93.323	EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASES -ADVANCED MOLECULAR DETECTION (AMD) TECHNOLOGIES SUPPLEMENT	\$865,000.00
116-139	93.323	EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASES -PUBLIC HEALTH LABORATORY PREPAREDNESS (PHL) SUPPLEMENT	\$3,605,000.00
116-139	93.323	EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASES -TRAVELERS HEALTH SUPPLEMENT	\$937,500.00
116-139	93.323	EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASES-PROJECT B: LEADERSHIP	\$4,381.00
116-139	93.323	EPIDEMIOLOGY & LABORATORY CAPACITY FOR INFECTIOUS DISEASES- COVID-19 BORDER INFECTIOUS DISEASES SURVEILLANCE	\$86,661.00
116-139	93.336	BEHAVIORAL RISK FACTOR SURVEILLANCE SYSTEM (BRFSS): COVID-19 LONG COVID MODULE	\$5,536.00
		PAYCHECK PROTECTION PROGRAM AND HEALTH CARE ENHANCEMENT ACT	\$479,101,598.00

Public Law #	CFDA #	CFDA Program Title	Awarded
116-260	93.268	IMMUNIZATION COOPERATIVE AGREEMENTS COVID-19 VACCINE IMPLEMENTATION AND EXPANSION SUPPLEMENT	\$97,634,147.00
116-260	93.268	IMMUNIZATION COOPERATIVE AGREEMENTS - COVID-19 VACCINE IMPLEMENTATION AND EXPANSION SUPPLEMENT	\$227,056,156.00
116-260	93.391	ACTIVITIES TO SUPPORT STATE, TRIBAL, LOCAL, AND TERRITORIAL (STLT) HEALTH DEPARTMENT RESPONSE TO PUBLIC HEALTH OR HEALTHCARE CRISIS	\$38,950,306.00
116-260	93.336	BEHAVIORAL RISK FACTOR SURVEILLANCE SYSTEM (BRFSS)COVID-19	\$35,475.00
116-260	93.336	BEHAVIORAL RISK FACTOR SURVEILLANCE SYSTEM (BRFSS): COVID-19 IMMUNIZATION MODULE	\$5,943.00
116-260	93.323	EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASES - COVID-19 ENHANCING DETECTION EXPANSION	\$1,535,405,092.00
116-260	93.323	EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASES - COVID-19 BORDER REGION PARTNERSHIPS	\$400,000.00
116-260	93.323	EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASES - COVID-19 BORDER REGION PARTNERSHIPS	\$200,000.00
		CORONAVIRUS RESPONSE AND RELIEF SUPPLEMENTAL APPROPRIATIONS ACT	\$1,899,687,119.00
117-2	93.977	SEXUALLY TRANSMITTED DISEASES (STD) PREVENTION AND CONTROL GRANTS - STD DISEASE INTERVENTION SPECIALIST (DIS) WORKFORCE DEVELOPMENT	\$56,044,569.00
117-2	93.268	IMMUNIZATION COOPERATIVE AGREEMENTS - COVID-19 VACCINE IMPLEMENTATION AND EXPANSION SUPPLEMENT	\$129,422,009.00
117-2	93.268	IMMUNIZATION COOPERATIVE AGREEMENTS - COVID-19 VACCINE	\$18,448,313.00

Public Law #	CFDA #	CFDA Program Title	Awarded
		IMPLEMENTATION AND EXPANSION SUPPLEMENT	
117-2	93.354	PUBLIC HEALTH EMERGENCY RESPONSE: COOPERATIVE AGREEMENT FOR EMERGENCY RESPONSE: PUBLIC HEALTH WORKFORCE	\$157,015,371.00
117-2	93.103	FOOD AND DRUG ADMINISTRATION RESEARCH – COVID-19 WHOLE GENOME SEQUENCING SARS-COV-2 WASTEWATER	\$180,151.00
117-2	93.323	EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASES – REOPENING SCHOOLS SUPPLEMENT	\$803,456,353.00
117-2	93.323	EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASES – ADVANCED MOLECULAR DETECTION (AMD) SEQUENCING & ANALYTICS SUPPLEMENT	\$15,555,044.00
117-2	93.323	EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASES – COVID-19 STRENGTHENING PUBLIC HEALTH LABORATORY SUPPLEMENT	\$997,311.00
117-2	93.323	EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASES – DETECTION AND MITIGATION OF COVID IN CONFINEMENT FACILITIES SUPPLEMENT	\$75,950,000.00
117-2	93.323	EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASES – TRAVELERS HEALTH YEAR 2	\$937,500.00
117-2	93.323	EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASES – DETECTION AND MITIGATION OF COVID IN HOMELESS SERVICES SITE SUPPLEMENT	\$2,968,416.00
117-2	93.323	EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASES – STATE-BASED NURSING HOME AND LONG-TERM CARE STRIKE TEAMS (STATE-BASED NURSING FACILITIES SPECIFIC)	\$17,879,647.00
117-2	93.323	EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASES – STATE-BASED NURSING HOME AND LONG-TERM CARE STRIKE TEAMS	\$17,825,738.00

Public Law #	CFDA #	CFDA Program Title	Awarded
		(NURSING HOMES AND LONG-TERM CARE SPECIFIC)	
117-2	93.323	EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASES – STRENGTHENING HEALTHCARE-ASSOCIATED INFECTIONS AND ANTIBIOTIC RESISTANCE PROGRAMS (SHARP)	\$24,146,890.00
117-2	93.323	EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASES – ADVANCED MOLECULAR DETECTION (AMD) CONSTRUCTION SUPPLEMENT	\$1,492,090.00
117-2	93.323	EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASES – LABORATORY RESPONSE NETWORK (LRN) SUPPLEMENT	\$1,404,156.00
117-2	93.323	EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASES– CYCLOSPORA ADVANCED MOLECULAR DETECTION (AMD) SUPPLEMENT	\$145,290.00
117-2	93.323	EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASES – PROJECT C1 LABORATORY DATA EXCHANGE (LDX) COVID-19	\$297,908.00
117-2	93.323	EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASES – ADVANCED MOLECULAR DETECTION (AMD) SEQUENCING & ANALYTICS TIER 1	\$925,000.00
117-2	93.323	EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASES – ADVANCED MOLECULAR DETECTION (AMD) SEQUENCING & ANALYTICS TIER 2	\$9,280,661.00
117-2	93.323	EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASES – DATA MODERNIZATION 2 TIER 1 SUPPLEMENT	\$1,255,300.00
117-2	93.323	EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASES – DATA MODERNIZATION 2 TIER 2 SUPPLEMENT	\$1,140,000
117-2	93.323	EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASES	\$1,385,965.00

Public Law #	CFDA #	CFDA Program Title	Awarded
		- DATA MODERNIZATION 2 TIER 3 SUPPLEMENT	
117-2	93.323	EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASES - NATIONAL WASTEWATER SURVEILLANCE SYSTEM 2 (NWSS2) SUPPLEMENT	\$4,662,000.00
117-2	93.323	EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASES - STRENGTHENING HEALTHCARE-ASSOCIATED INFECTIONS AND ANTIBIOTIC RESISTANCE PROGRAMS (SHARP) TIER 2 SUPPLEMENT	\$15,155,576.00
117-2	93.323	EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASES - HEALTH INFORMATION SYSTEMS	\$38,882.00
117-2	93.268	IMMUNIZATION COOPERATIVE AGREEMENTS - IMMUNIZATION INFORMATION SYSTEM (IIS) SUPPLEMENT	\$5,554,666.00
117-2	93.967	CENTERS FOR DISEASE CONTROL AND PREVENTION COLLABORATION WITH ACADEMIA TO STRENGTHEN PUBLIC HEALTH - PUBLIC HEALTH INFRASTRUCTURE	\$179,381,322.00
117-2	93.967	CENTERS FOR DISEASE CONTROL AND PREVENTION COLLABORATION WITH ACADEMIA TO STRENGTHEN PUBLIC HEALTH - DATA MODERNIZATION ACCELERATION	\$22,794,219.00
117-2	93.967	CENTERS FOR DISEASE CONTROL AND PREVENTION COLLABORATION WITH ACADEMIA TO STRENGTHEN PUBLIC HEALTH - LABORATORY DATA EXCHANGE	\$15,798,896.00
		AMERICAN RESCUE PLAN ACT	\$1,581,539,243.00
		TOTAL	\$4,109,917,123

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 \$454 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 2023, Texas applied for and received approximately \$57.03 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
ALN	Assistance Listing Number
ARPA	American Rescue Plan Act
BSCA	Bipartisan Safer Communities Act
CDC	Center for Disease Control and Prevention
CFDA	Catalog of Federal Domestic Assistance
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
DBHC	Disaster Behavioral Health Coordination
DDS	Disability Determination Services
DFPS	Department of Family & Protective Services
DIS	Disease Intervention Specialists
DMO	Dental Maintenance Organization
DSH	Disproportionate Share Hospital
DSRIP	Delivery System Reform Incentive Program
ECI	Early Childhood Intervention
eFMAP	Enhanced Federal Medical Assistance Percentage
ELC	Epidemiology and Laboratory Capacity
EMTF	Emergency Medical Task Force

Acronyms	Description
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
LBHA	Local Behavioral Health Authority
LMHA	Local Mental Health Authority
MCO	Managed Care Organization
MFP	Money Follows the Person
ONA	Other Needs Assistance
OSEP	Office of Special Education Programs
PEAF	Pandemic Emergency Assistance Funds
PHCR	Public Health Crisis Response
PHE	Public Health Emergency
PHEP	Public Health Emergency Preparedness
PL	Public Law
PPHF	Prevention and Public Health Fund
SAMHSA	Substance Abuse and Mental Health Services Administration

Acronyms	Description
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 2023

HHSC

Figure 6. Top 30 Federal Funds for HHSC, State Fiscal Year 2023

Assistance Listing #	Program Title	Amount ³
93.778	Medical Assistance Program	\$26,324,216,169
93.778	School Health and Related Services (SHARS)	\$932,299,935
93.778	XIX FMAP - COVID	\$733,399,973
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	\$705,308,984
21.027	Coronavirus State and Local Fiscal Recovery Funds	\$575,755,219
93.767	CHIP for Medicaid (eFMAP)	\$497,029,682
93.778	XIX Medical Assistance Program Administration at 75 percent	\$452,143,855
93.778	XIX Medical Assistance Program Administration at 50 percent	\$372,072,769
foo	XIX FMAP at 90 Percent	\$280,955,431
93.767	State Children’s Insurance Program (CHIP)	\$280,505,496
10.561	State Administrative Matching for Supplemental Nutrition Assistance Program	\$238,528,065
93.778	XIX Medical Assistance Program Administration at 100 Percent	\$196,206,402
93.959	Block Grants for Prevention and Treatment of Substance Abuse	\$171,436,456

³ HHSC numbers are derived from state fiscal year 2023 Expenditures as reported in the 2024 Operating Budget.

Assistance Listing #	Program Title	Amount³
96.001	Social Security Disability Insurance	\$111,590,511
93.959	Substance Abuse Block Grant ARPA COVID Mitigation	\$108,808,230
93.667	Social Services Block Grant	\$101,955,296
93.958	Block Grants for Community Mental Health	\$77,521,440
93.958	Block Grants for Community Mental Health COVID	\$76,922,488
93.788	Opioid State Targeted Response	\$63,974,896
93.558	TANF to Title XX	\$48,515,548
93.045	Special Programs for the Aging Title III Part C	\$44,628,281
84.181	Special Education Grants for Infants and Families with Disabilities	\$43,484,198
93.971	Money Follows the Person Rebalancing Demonstration	\$37,771,409
10.561	SNAP Administrative Funding ARPA	\$36,565,354
93.044	Special Programs for the Aging Title III Part B	\$30,130,532
93.777	State Survey and Certification of Health Care Providers and Suppliers	\$28,992,155
10.649	Pandemic EBT Administrative	\$27,595,718
93.796	State Survey and Certification of Health Care Providers and Suppliers Title XIX Medicaid at 75 percent	\$26,708,703
93.778	XIX Medicaid Specialized Skills Training (SST)	\$22,919,711
84.181	COVID IDEA Part C	\$22,091,547
	Total	\$32,670,034,453

Figure 7. Top 30 Federal Funds for DSHS, State Fiscal Year 2023

Assistance Listing #	Program Title	Amount⁴
93.323	Epidemiology and Laboratory Capacity for Infectious Diseases	\$641,147,005
93.917	HIV Care Formula Grants	\$163,043,985
93.268	Immunization Cooperative Agreements	\$160,770,591
93.069	Public Health Emergency Preparedness	\$53,207,963
93.354	Public Health Emergency Response: Cooperative Agreement for Emergency Response	\$47,882,036
93.967	CDC’s Collaboration with Academia to Strengthen Public Health	\$31,409,060
93.994	Maternal and Child Health Services Block Grant to the States	\$29,611,123
93.268	Immunization Cooperative Agreements	\$27,212,543
93.391	Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises	\$23,813,132
93.977	Sexually Transmitted Diseases (STD) Prevention and Control Grants	\$23,090,282
93.940	HIV Prevention Activities Health Department Based	\$19,100,978
93.889	National Bioterrorism Hospital Preparedness Program	\$18,888,697
93.991	Preventive Health and Health Services Block Grant	\$7,843,937
93.977	Sexually Transmitted Diseases (STD) Prevention and Control Grants	\$7,607,787

⁴ DSHS numbers are derived from state fiscal year 2023 Expenditures as reported in the September 2023 Monthly Financial Report.

Assistance Listing #	Program Title	Amount⁴
14.241	Housing Opportunities for Persons with AIDS	\$7,475,643
93.940	HIV Prevention Activities Health Department Based	\$6,652,302
93.116	Project Grants and Cooperative Agreements for Tuberculosis Control Program	\$6,524,993
10.475	Cooperative Agreements with States for Intrastate Meat and Poultry Inspection	\$4,478,001
93.323	Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	\$4,070,727
93.136	Injury Prevention and Control Research and State and Community Based Programs	\$3,200,929
93.387	National and State Tobacco Control Program	\$3,150,910
93.426	Improving the Health of Americans through Prevention and Management of Diabetes and Heart Disease and Stroke-Financed in part by 2018 Prevention and Public Health	\$2,355,904
93.354	Public Health Emergency Response: Cooperative Agreement for Emergency Response	\$1,292,794
93.103	Food and Drug Administration Research	\$1,287,755
93.435	The Innovative Cardiovascular Health Program	\$1,007,263
93.439	State Physical Activity and Nutrition	\$962,116
93.065	Laboratory Leadership, Workforce Training and Management Development, Improving Public Health Laboratory Infrastructure	\$877,458
93.070	Environmental Public Health and Emergency Response	\$777,730
93.967	CDC's Collaboration with Academia to Strengthen Public Health	\$671,625
93.136	Injury Prevention and Control Research and State and Community Based Programs	\$554,871
	Total	\$1,299,970,140