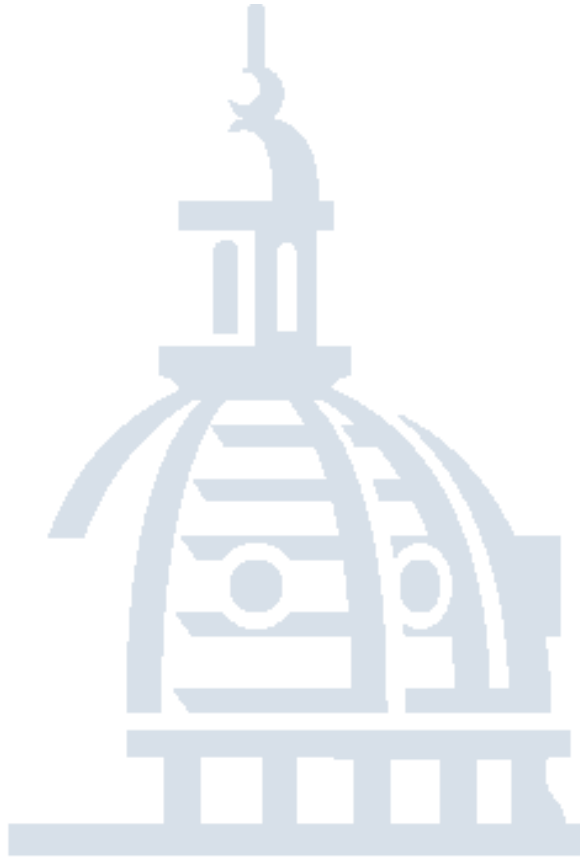

**HEALTH AND HUMAN SERVICES
APPROPRIATIONS SUBCOMMITTEE
DETAILED ANALYSIS OF THE
FY 2011 GOVERNOR'S RECOMMENDATIONS**



FISCAL SERVICES DIVISION

FEBRUARY 2010



TABLE OF CONTENTS

	Page
Subcommittee Members and Staff	1
Summary of FY 2011 Recommendations	3
Department on Aging.....	4
Department of Public Health.....	5
Department of Human Services.....	8
Department of Veterans Affairs.....	19
Board of Regents – University of Iowa Hospitals and Clinics.....	20
Department of Inspections and Appeals – Assisted Living and Adult Day Care.....	21
Iowa Finance Authority	21
Interim Committees, Meetings, and Publications.....	21
Appendix A – General Fund	23
Appendix B – Other Funds	29
Appendix C – FTE positions	35
Appendix D – FY 2010 – 10.0% Across-the-Board (ATB) Implementation Plans	41
Appendix E – Medicaid	55

HEALTH AND HUMAN SERVICES APPROPRIATIONS SUBCOMMITTEE MEMBERS

SENATE

Jack Hatch, Chairperson

Amanda Ragan, Vice Chairperson

David Johnson, Ranking Member

David Hartsuch

Becky Schmitz

HOUSE

Lisa Heddens, Chairperson

Phyllis Thede, Vice Chairperson

Dave Heaton, Ranking Member

Linda Miller

Henry Rayhons

Renee Schulte

Paul Shomshor

Mark Smith

Beth Wessel-Kroeschell

LEGISLATIVE SERVICES AGENCY

Fiscal Services Division

Jess Benson (Ext. 1-4611)

Deborah Helsen (Ext. 1-6764)

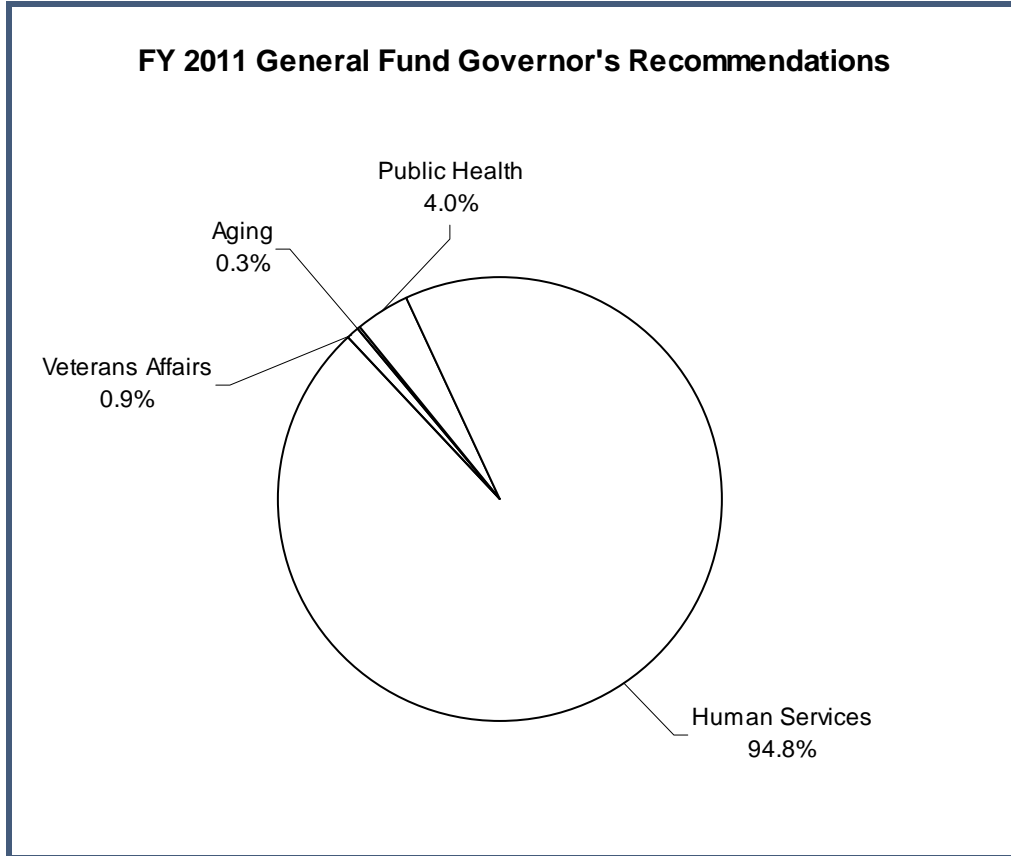
Sue Lerdal (Ext. 1-7794)

Legal Services Division

Patty Funaro (Ext. 1-3040)

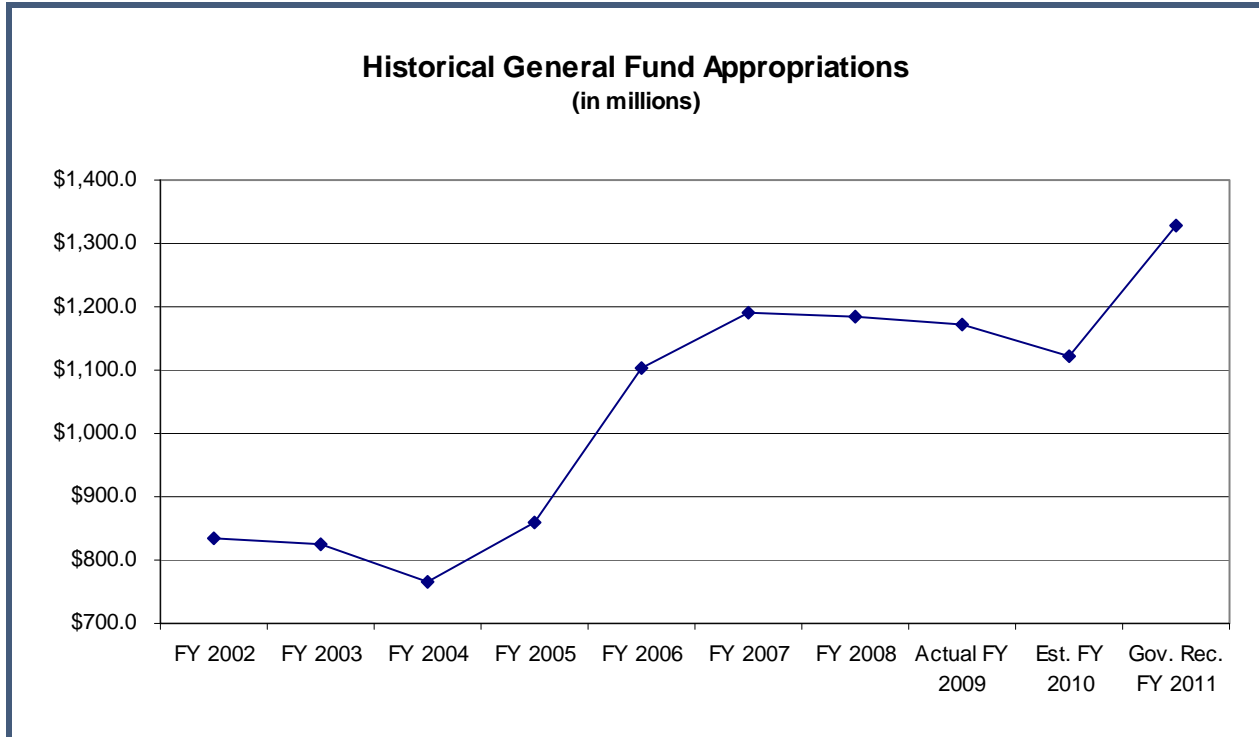
John Pollak (Ext. 1-3818)

HEALTH AND HUMAN SERVICES APPROPRIATIONS SUBCOMMITTEE



FY 2011 General Fund Governor's Recommendations

Aging	\$ 4,462,407
Public Health	52,408,912
Human Services	1,258,244,725
Veterans Affairs	11,504,030
	<u>\$ 1,326,620,074</u>



FY 2011 GOVERNOR'S RECOMMENDATIONS

Department on Aging

The Department on Aging is designated as the State Unit on Aging. The Department advocates for Iowans age 60 and older and is responsible for developing a comprehensive and coordinated system of services and activities for older Iowans through the 13 local Area Agencies on Aging (AAAs) across the State.

The Governor is recommending an FY 2011 General Fund appropriation of \$4.5 million. This is no change compared to estimated net FY 2010. The Governor is also recommending a Senior Living Trust Fund appropriation of \$8.5 million for FY 2010. This is no change compared to estimated FY 2010.

General Fund Recommendation

	<u>Estimated FY 2010</u>	<u>Gov Rec FY 2011</u>	<u>Gov Rec vs Est FY 2010</u>
<u>Aging, Dept. on</u>			
Aging Programs	\$ 4,462,407	\$ 4,462,407	\$ 0
Total Aging, Dept. on	<u>\$ 4,462,407</u>	<u>\$ 4,462,407</u>	<u>\$ 0</u>

Other Fund Recommendation

	<u>Estimated FY 2010</u>	<u>Gov Rec FY 2011</u>	<u>Gov Rec vs Est FY 2010</u>
<u>Aging, Dept. on</u>			
Aging, Dept. on			
Seamless computer system	\$ 200,000	\$ 0	\$ -200,000
Elder Affairs Operations-SLTF	<u>8,486,698</u>	<u>8,486,698</u>	<u>0</u>
Total Aging, Dept. on	<u><u>\$ 8,686,698</u></u>	<u><u>\$ 8,486,698</u></u>	<u><u>\$ -200,000</u></u>

Issues

Senior Living Trust Fund – The Governor recommends depleting the Senior Living Trust Fund with several appropriations in FY 2011. The Governor recommends \$8.5 million to the Department on Aging from the Senior Living Trust Fund in FY 2011. This is no change from the estimated FY 2010 appropriation.

Department of Public Health

The Department of Public Health (DPH) works with local public health agencies to ensure quality health services in Iowa communities through contracts with all 99 counties to provide population-based health services and a limited number of personal health services. The Department assists in the prevention of epidemics and the spread of disease; protection against environmental hazards; preventing injuries; promoting and encouraging healthy behaviors and mental health; preparing for and responding to public health emergencies and assisting communities in recovery; and assuring the quality and accessibility of health services.

The Governor is recommending FY 2011 General Fund appropriations totaling \$52.4 million. This is a decrease of \$4.4 million (9.1%) compared to estimated net FY 2010. The Governor is recommending other fund appropriations totaling \$6.3 million for FY 2011. This is a decrease of \$3.0 million (32.4%) compared to estimated FY 2010 due one-time funding from the American Recovery and Reinvestment Act of 2009.

General Fund Recommendations

	<u>Estimated FY 2010</u>	<u>Gov Rec FY 2011</u>	<u>Gov Rec vs Est FY 2010</u>
<u>Public Health, Dept. of</u>			
Addictive Disorders	\$ 25,787,250	\$ 28,414,782	\$ 2,627,532
Healthy Children and Families	2,024,250	2,353,517	329,267
Chronic Conditions	2,480,612	2,802,255	321,643
Community Capacity	3,705,162	3,728,162	23,000
Elderly Wellness	7,511,201	8,345,779	834,578
Environmental Hazards	900,352	965,950	65,598
Infectious Diseases	1,467,595	1,605,967	138,372
Public Protection	3,212,987	3,236,235	23,248
Resource Management	956,265	956,265	0
Prevention and Chronic Care Management	0	0	0
Medical Home System	0	0	0

Health and Human Services Appropriations Subcommittee

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
Public Health, Dept. of, cont.			
Healthy Communities Initiative	0	0	0
Gov. Council on Physical Fitness and Nutrition	0	0	0
Iowa Health Information Technology System	0	0	0
Health Care Access	0	0	0
Total Public Health, Dept. of	\$ 48,045,674	\$ 52,408,912	\$ 4,363,238

Significant changes include:

- **Addictive Disorders** – An increase of \$2.6 million to restore the ATB reduction in FY 2010 in FY 2011. This is no change compared to FY 2010 when the Governor's recommended supplemental appropriation is included. The increases are as follows:
 - \$1.2 million for substance abuse treatment.
 - \$164,000 for substance abuse prevention.
 - \$115,000 for three culturally competent substance abuse treatment pilot projects.
 - \$350,000 for tobacco use, prevention and control.
 - \$723,000 for gambling treatment.
- **Healthy Children and Families** – An increase of \$329,000 to restore the ATB reduction in FY 2010 in FY 2011. This is no change compared to FY 2010 when the Governor's recommended supplemental appropriation is included. The increases are as follows:
 - \$257,000 for the Healthy Opportunities for Parents to Experience Success (HOPES) Program.
 - \$23,000 for Oral Health services in the Early and Periodic Screening, Diagnosis and Treatment (EPSDT) Program.
 - \$500 for the Assuring Better Child (Mental) Health and Development (ABCD) II Program.
 - \$14,000 for childhood obesity prevention.
 - \$34,000 for the Audiological Services for Kids Program.
- **Chronic Conditions** – An increase of \$322,000 to restore the ATB reduction in FY 2010 in FY 2011. This is no change compared to FY 2010 when the Governor's recommended supplemental appropriation is included. The increases are as follows:
 - \$57,000 for Child Health Specialty Clinics.
 - \$2,000 for muscular dystrophy.
 - \$29,000 for birth defects.
 - \$24,000 for the AIDS Drug Assistance Program (ADAPT).
 - \$56,000 for phenylketonuria (PKU) assistance.
 - \$11,000 for the Prescription Drug Donation Program.
 - \$32,000 for epilepsy education.
 - \$28,000 for the Brain Injury Council.

- \$21,000 for the Brain Injury Services Program.
- \$62,000 for the Comprehensive Cancer Control Program.
- **Community Capacity** – An increase of \$23,000 for the Governor’s Physical Fitness Council to restore the ATB reduction in FY 2010 in FY 2011. This is no change compared to FY 2010 when the Governor's recommended supplemental appropriation is included.
- **Elderly Wellness** – An increase of \$834,000 to restore the ATB reduction in FY 2010 in FY 2011. This is no change compared to FY 2010 when the Governor's recommended supplemental appropriation is included. The increases are as follows:
 - \$229,000 for Local Public Health Nursing services.
 - \$605,000 for Home Care Aide Services.
- **Environmental Hazards** – An increase of \$66,000 for the Childhood Lead Poisoning Program to restore the ATB reduction in FY 2010 in FY 2011. This is no change compared to FY 2010 when the Governor's recommended supplemental appropriation is included.
- **Infectious Diseases** – An increase of \$138,000 to restore the ATB reduction in FY 2010 in FY 2011. This is no change compared to FY 2010 when the Governor's recommended supplemental appropriation is included. The increases are as follows:
 - \$119,000 for the Vaccine Preventable Diseases for Children Program.
 - \$7,000 for hepatitis education, treatment, and prevention.
 - \$6,000 for prescription services for persons with Chlamydia, Gonorrhea, or latent Tuberculosis.
 - \$3,000 for testing services related to sexually transmitted diseases (STD).
 - \$3,000 for treatment for Tuberculosis.
- **Public Protection** – An increase of \$23,000 for children sex violence protection programs to restore the ATB reduction in FY 2010 in FY 2011. This is no change compared to FY 2010 when the Governor's recommended supplemental appropriation is included.

Other Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
Public Health, Dept. of			
Public Health, Dept. of			
Community Capacity-FRRF	\$ 500,000	\$ 0	\$ -500,000
Healthy Aging-FRRF	700,000	0	-700,000
Resource Management-FRRF	1,800,000	0	-1,800,000
Addictive Disorders-HCTF	2,473,823	2,473,823	0
Healthy Children and Families-HCTF	444,217	444,217	0
Chronic Conditions-HCTF	899,297	899,297	0
Community Capacity-HCTF	2,448,456	2,448,456	0
Total Public Health, Dept. of	\$ 9,265,793	\$ 6,265,793	\$ -3,000,000

The decrease of \$3.0 million is due one-time funding from the American Recovery and Reinvestment Act of 2009.

Issues

FY 2010 Budget Reductions – The 10.0% across-the-board (ATB) reduction for the Department of Public Health was \$1.2 million for General Fund appropriations and \$432,000 for other fund appropriations. For a summary of the Department’s plan to implement the reductions see the Health and Human Services ATB Explanation of this document.

FY 2010 Supplemental Recommendations – The Governor has recommended that the General Assembly provide the Department with a \$4.4 million supplemental appropriation from the General Fund for FY 2010, including:

- \$2.6 million for addictive disorders.
- \$329,000 for healthy children and families.
- \$322,000 for chronic conditions.
- \$23,000 for community capacity.
- \$835,000 for elderly wellness.
- \$204,000 for infectious diseases.
- \$23,000 for public protection.

The Governor has also recommended a supplemental appropriation of \$21,000 from the General Fund for the standing appropriation for the Birth Institute Registry.

These FY 2010 supplemental recommendations for the Department reflect the same programs recommended for restoration in the Governor’s FY 2011 budget recommendations.

Federal ARRA Funds – For FY 2010, the Department received a one-time appropriation of \$3.0 million that was used for various programs under the Addictive Disorders, Healthy Children and Families, and Chronic Conditions appropriations budget units. The Department did not request replacement of these funds for FY 2011. The Department continues to apply for ARRA grants as they become available however, no additional funding has been awarded as of the date of this publication.

Public Works Efficiency Report – The Public Works Efficiency Report recommends the elimination of TANF funding that is currently transferred from the Department of Human Services (DHS) to the DPH for Health Opportunities for Parents to Experience Success (HOPES). According to the Public Works Report, this funding would be directed to the DHS’ field operations. HOPES provides family support through home visiting for families that begin during pregnancy or at the birth of a child and can continue for up to 4 years of the child’s age. The Iowa Department of Public Health will need to absorb this reduction or reduce services provided. For FY 2010, \$200,000 was appropriated for this transfer in HF 811 (FY 2010 Health and Human Services Budget Appropriations Act).

Department of Human Services

The Department of Human Services (DHS) is responsible for administering cash assistance for needy families (Family Investment Program), food assistance, Medicaid, child support enforcement, subsidized adoption, child abuse assessments, dependent adult abuse assessments, foster care, various family preservation and strengthening programs, child care registration and subsidy, two institutions for juveniles, refugee services, and services for the mentally ill and developmentally disabled, including the operation of four mental health institutes, and two resource centers for people with mental retardation.

The Governor is recommending FY 2010 General Fund appropriations totaling \$1.258 billion. This is an increase of \$199.7 million (18.9%) compared to estimated net FY 2010. The Governor is also recommending other fund appropriations totaling \$467.4 million for FY 2010. This is a decrease of \$3.0 million compared to estimated net FY 2010.

General Fund Recommendations

	<u>Estimated FY 2010</u>	<u>Gov Rec FY 2011</u>	<u>Gov Rec vs Est FY 2010</u>
Human Services, Dept. of			
Toledo Juvenile Home			
Licensed Classroom Teachers	\$ 103,950	\$ 103,950	\$ 0
General Administration			
General Administration	\$ 13,727,271	\$ 13,727,271	\$ 0
Field Operations			
Child Support Recoveries	\$ 12,078,414	\$ 12,078,414	\$ 0
Field Operations	56,729,548	56,729,548	0
Total Field Operations	\$ 68,807,962	\$ 68,807,962	\$ 0
Toledo Juvenile Home			
Toledo Juvenile Home	\$ 6,079,283	\$ 6,189,283	\$ 110,000
Eldora Training School			
Eldora Training School	\$ 9,646,008	\$ 9,536,008	\$ -110,000
Cherokee CCUSO			
Civil Commit. Unit for Sex Offenders	\$ 6,174,184	\$ 6,174,184	\$ 0
Cherokee			
Cherokee MHI	\$ 4,892,468	\$ 4,892,468	\$ 0
Clarinda			
Clarinda MHI	\$ 5,604,601	\$ 5,604,601	\$ 0
Independence			
Independence MHI	\$ 8,553,210	\$ 8,553,210	\$ 0
Mt Pleasant			
Mt Pleasant MHI	\$ 1,614,663	\$ 1,614,663	\$ 0
Glenwood			
Glenwood Resource Center	\$ 15,808,438	\$ 15,489,063	\$ -319,375
Woodward			
Woodward Resource Center	\$ 9,786,280	\$ 9,703,456	\$ -82,824
Assistance			
Family Investment Program/JOBS	\$ 31,133,430	\$ 31,735,539	\$ 602,109
Medical Assistance	610,096,134	790,982,609	180,886,475
Health Insurance Premium Payment	457,210	457,210	0
Medical Contracts	12,286,353	10,413,090	-1,873,263
State Supplementary Assistance	16,457,833	18,259,235	1,801,402
State Children's Health Insurance	13,166,847	23,637,040	10,470,193
Child Care Assistance	32,547,464	32,768,964	221,500
Child and Family Services	81,532,306	80,425,523	-1,106,783
Adoption Subsidy	31,395,307	34,202,696	2,807,389

Health and Human Services Appropriations Subcommittee

	<u>Estimated FY 2010</u>	<u>Gov Rec FY 2011</u>	<u>Gov Rec vs Est FY 2010</u>
<u>Human Services, Dept. of (continued)</u>			
Family Support Subsidy	1,522,998	1,522,998	0
Conners Training	33,622	33,622	0
MI/MR/DD State Cases	10,295,207	10,295,207	0
MH/DD Community Services	14,211,100	14,211,100	0
Volunteers	84,660	84,660	0
Family Planning	-45,654	0	45,654
Pregnancy Counseling	71,688	71,688	0
MH/DD Growth Factor	48,697,893	48,697,893	0
Medical Assist, Hawk-i, Hawk-i Expansion	3,786,301	10,049,532	6,263,231
Total Assistance	<u>\$ 907,730,699</u>	<u>\$ 1,107,848,606</u>	<u>\$ 200,117,907</u>
Total Human Services, Dept. of	<u>\$ 1,058,529,017</u>	<u>\$ 1,258,244,725</u>	<u>\$ 199,715,708</u>

Significant changes include:

Toledo Juvenile Home – An increase of \$110,000 compared to estimated net FY 2010 due to a transfer of funds from the Eldora Training School to Toledo to partially restore ATB reductions in FY 2010 in FY 2011.

- **Eldora Training School** – A decrease of \$110,000 compared to estimated net FY 2010 due to a transfer from Eldora to the Toledo Juvenile Home to partially restore Toledo’s ATB reduction.
- **Economic Assistance** – An increase of \$600,000. This includes:
 - A net increase of \$600,000 for the Family Investment Program, including:
 - An increase of \$7.5 million to restore ARRA funding from FY 2010.
 - An increase of \$8.2 million due to increased caseload growth and cost per case.
 - An increase of \$11.7 million to replace TANF carryforward from FY 2009 to FY 2010.
 - A decrease of \$3.5 million due to projected carryforward available at the end of FY 2010.
 - A decrease of \$11.6 million due to the availability of TANF Emergency ARRA funding.
 - A decrease of \$13.5 million due to the elimination of a transfer to Child Care.
 - An increase of \$78,000 for increased caseloads for the Promise Jobs Program.
 - A decrease of \$854,000 due to savings from a new EBT vendor contract.
 - A decrease of \$64,000 due to savings from issuing electronic benefits cards.
 - An increase of \$2.0 million due to additional cases from less reviews.
 - An increase of \$602,000 for a partial restoration of the FY 2010 10.0% ATB.
- **Medicaid** – A net increase of \$180.9 million, including:
 - An increase of \$120.1 million to replace enhanced FMAP dollars from ARRA.
 - An increase of \$37.6 million due to increase in enrollment, utilization and cost based reimbursement for fee-for-service providers.
 - An increase of \$8.6 million due to increase in Medicare-related payments to cover dual eligibles.

- An increase of \$7.5 million to reflect increased utilization of mental health services including, remedial services, the Iowa Plan, habilitation services, Psychiatric Medical Institute for Children (PMIC), and Psychiatric Services.
- An increase of \$4.7 million due to increases in the Elderly Waiver and increases in utilization and inflation across all waivers.
- An increase of \$985,000 for Money Follows the Person due to increased program enrollment from 54 to 114.
- An increase of \$800,000 to reflect increases in both utilization and growth for Targeted Case Management Services.
- An increase of \$1.2 million for all other Medicaid Programs including PACE and Non-Emergency Transportation.
- An increase of \$1.8 million to replace a one-time transfer of funding to rebase hospitals in FY 2010.
- A decrease of \$3.8 million due to an increase in the federal share of the FMAP rate.
- A decrease of \$12.2 million due to expenditure decreases for nursing facility bed days, normal rebate and recovery increases and a one-time payment paid in FY 2010.
- A decrease of \$20.1 million due to revised estimates for the Senior Living Trust Fund.
- An increase of \$48.3 million to match the Medicaid Projections Workgroup Estimates.
- A decrease of \$12.8 million due to savings from annualizing the ATB savings initiatives, including the provider rate cuts.
- A decrease of \$1.8 million due to elimination of a transfer to the State Supplementary Assistance Program.
- **Medical Contracts** – An decrease of \$1.9 million, including:
 - An increase of \$915,000 for contract and other inflation costs.
 - A decrease of \$150,000 due costs of re-procuring IME contracts going away in FY 2011.
 - An increase of \$34,000 for upgrades related to the Health Insurance Portability and Accountability Act (HIPAA).
 - A decrease of \$191,000 due to moving away from paper transactions and towards electronic methods.
 - A decrease of \$609,000 due to increased funds available from the Pharmaceutical Settlement Account.
 - A decrease of \$1.9 million due to a transfer of state matching funds to the DIA for surveys and certification costs.
- **State Supplementary Assistance Program** – An increase of \$1.8 million due to additional funded that was transferred from Medicaid in FY 2010 to meet federal Maintenance of Effort requirements.
- **State Children’s Health Insurance Program (SCHIP)** – An increase of \$10.5 million, including:
 - An increase of \$7.2 million to maintain services and replace carryforward from FY 2008.
 - An increase of \$2.0 million to fund an additional children for both health and dental coverage.

- An increase of \$1.3 million to match hawk-i estimating workgroup projections.
- **Child Care Assistance** – A net increase of \$222,000 compared to estimated net FY 2010, including:
 - A decrease of \$1.8 million due to declining caseload growth.
 - An increase of \$13.0 million to replace the FY 2009 carryforward and to maintain funding at the FY 2010 service level.
 - A decrease of \$8.9 million due to available carryforward funding from FY 2010.
 - An increase of \$13.5 million to eliminate direct TANF funding for child care.
 - A decrease of \$15.8 million due to available federal ARRA Child Care Development Funds that decreases the need for General Funds.
 - An increase of \$590,000 to fund anticipated caseload growth for the PROMISE JOBS Program child care subsidies.
 - A decrease of \$592,000 to continue funding for child care wraparound grants at the FY 2010 level and redirect funding to maintain child care assistance.
 - An increase of \$222,000 to restore the ATB reduction in FY 2010 in FY 2011. This includes the following increases:
 - \$175,000 for a Special Needs Children Grant in Polk County.
 - \$46,500 for a Low Income Special Needs Children Grant in Polk County.
- **Child Abuse Prevention Standing Appropriation** - An increase of \$44,000 to restore the ATB reduction for child abuse prevention standing appropriation (Prevent Child Abuse Iowa Contract) in FY 2010 in FY 2011 using General Funds.
- **Child and Family Services** – A net decrease of \$1.1 million compared to estimated net FY 2010, including:
 - An increase of \$1.3 million to restore the loss of the one-time ARRA funding, including:
 - An increase \$500,000 for shelter care services.
 - An increase of \$784,000 to replace the loss of the ARRA increased federal Title IV-E FMAP share that will expire in December of 2010.
 - A decrease of \$47,000 to update the estimated portion of federal Title IV-E funding that reduces the need for State General Funds.
 - A decrease of \$1.4 million due to the enhanced ARRA FMAP for Title IV-E eligible expenditures in CFS for the first six months of FY 2011. In FY 2010, the Department transferred the State funding that was replaced by the FMAP increase to the Human Resources Reinvestment Fund. In FY 2011, this transferred is not required. The Department will not need as much State funding since they will be keeping the increased federal funding.
 - An increase of \$1.7 million to restore the ATB reductions in FY 2010 in FY 2011. This includes:
 - \$101,000 for child abuse prevention programs.
 - \$66,000 for the Preparation of Adult Living (PAL) Program.
 - \$413,000 for shelter care provider payments.
 - \$1.1 million for empty guaranteed bed payments.

- A decrease of \$2.7 million to transfer funding to the Adoption Subsidy appropriation to partially restore the ATB reduction in FY 2010 in FY 2011 and to annualize savings from continuing ATB savings strategies in FY 2011.
- **Adoption Subsidy** – A net increase of \$2.8 million compared to estimated net FY 2010. This includes:
 - An increase of \$1.5 million to replace the reduction in ARRA increased Title IV-E funding in FY 2011. The increased FMAP is scheduled to expire after December 2010.
 - A decrease of \$122,000 to update the estimated portion of federal Title IV-E funding that reduces the need for State General Funds.
 - A decrease of \$314,000 due to estimated carryforward funding from FY 2010 that will reduce the need for State General Funds.
 - A reduction of \$1.1 million to reflect the annualized reduction from continuing the ATB provider rate 5.0% decrease from FY 2010 in FY 2011.
 - An increase of \$2.8 million from a transfer to adoption subsidy from child and family services. The transfer is a reflection of child and family services savings incurred from the ATB reduction in FY 2010.
- **Mental Health/Mental Retardation/Developmental Disabilities/Brain Injury** – A net decrease of \$402,000, including:
 - A decrease of \$319,000 for the Glenwood Resource Center due to the availability of ARRA dollars and an FMAP adjustment.
 - A decrease of \$83,000 for the Woodward Resource Center due to an FMAP adjustment.
- **Medical Assistance, hawk-i, hawk-i Expansion** – An increase of \$6.3 million to restore funding appropriated from the Federal Recovery and Reinvestment Fund.

Other Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
<u>Human Services, Dept. of</u>			
General Administration			
FIP-TANF	\$ 28,584,403	\$ 36,797,711	\$ 8,213,308
Promise Jobs-TANF	13,026,796	13,084,528	57,732
FaDDS-TANF	2,448,980	2,448,980	0
Field Operations-TANF	21,659,136	21,659,136	0

Health and Human Services Appropriations Subcommittee

	<u>Estimated FY 2010</u>	<u>Gov Rec FY 2011</u>	<u>Gov Rec vs Est FY 2010</u>
Human Services, Dept. of, cont.			
General Administration-TANF	3,744,000	3,744,000	0
Local Admin. Cost-TANF	1,094,915	1,094,915	0
State Day Care-TANF	18,986,177	12,382,687	-6,603,490
MH/DD Comm. Services-TANF	4,894,052	4,894,052	0
Child & Family Services-TANF	32,084,430	32,084,430	0
Child Abuse Prevention-TANF	125,000	125,000	0
Training & Technology-TANF	1,037,186	1,037,186	0
0-5 Children-TANF	6,850,000	6,850,000	0
General Administration-DHSRF	1,500,000	0	-1,500,000
Child Care Direct Assistance-TANF	6,845,000	0	-6,845,000
FIP Emergency ARRA- TANF	10,226,991	23,119,822	12,892,831
Total General Administration	\$ 153,107,066	\$ 159,322,447	\$ 6,215,381
Field Operations			
Field Operations-FRRF	\$ 680,596	\$ 0	\$ -680,596
Field Operations-DHSRF	8,386,761	0	-8,386,761
Total Field Operations	\$ 9,067,357	\$ 0	\$ -9,067,357
Toledo Juvenile Home			
Toledo-DHSRF	\$ 836,515	\$ 0	\$ -836,515
Eldora Training School			
Eldora-DHSRF	\$ 1,327,300	\$ 0	\$ -1,327,300
Cherokee CCUSO			
CCUSO-DHSRF	\$ 503,554	\$ 0	\$ -503,554
Cherokee			
Cherokee MHI-DHSRF	\$ 673,209	\$ 0	\$ -673,209
Clarinda			
Clarinda MHI-DHSRF	\$ 804,256	\$ 0	\$ -804,256
Independence			
Independence MHI-DHSRF	\$ 1,177,799	\$ 0	\$ -1,177,799
Mt Pleasant			
Mt Pleasant MHI-DHSRF	\$ 222,694	\$ 0	\$ -222,694
Assistance			
Medical Contracts-HCTA	\$ 1,300,000	\$ 1,300,000	\$ 0
MH Property Tax Relief - Cash Reserve	0	22,792,000	22,792,000
Medical Assistance-FRRF	6,237,173	0	-6,237,173
Covering All Kids-FRRF	6,263,231	0	-6,263,231
MH Risk Pool-FRRF	10,000,000	0	-10,000,000
Child and Family Services-FRRF	2,500,000	0	-2,500,000
Volunteer Health Care-FRRF	20,000	0	-20,000
Health Insurance Pilot-FRRF	400,000	0	-400,000
MH Property Tax Replacment-FRRF	10,480,000	0	-10,480,000
MH/MR State Cases-DHSRF	325,430	0	-325,430
Pregnancy Prevention-TANF	1,327,878	1,327,878	0
Medical Supplemental-SLTF	17,686,827	37,740,908	20,054,081
Medical Contracts-Pharm. Settlement	1,323,833	3,298,191	1,974,358

	<u>Estimated FY 2010</u>	<u>Gov Rec FY 2011</u>	<u>Gov Rec vs Est FY 2010</u>
Human Services, Dept. of, cont.			
Broadlawns Hospital-ICA	46,000,000	46,000,000	0
Medical Examinations-HCTA	556,800	556,800	0
Medical Information Hotline-HCTA	100,000	100,000	0
Health Partnership Activities-HCTA	600,000	600,000	0
Audits, Perf. Eval., Studies-HCTA	125,000	125,000	0
IowaCare Admin. Costs-HCTA	1,132,412	1,132,412	0
Dental Home for Children-HCTA	1,000,000	1,000,000	0
MH/DD Workforce Development-HCTA	50,000	50,000	0
Medical Assistance-HCTF	100,650,740	100,650,740	0
Broadlawns Admin-HCTA	290,000	290,000	0
Total Assistance	<u>\$ 208,369,324</u>	<u>\$ 216,963,929</u>	<u>\$ 8,594,605</u>
Total Human Services, Dept. of	<u>\$ 376,089,074</u>	<u>\$ 376,286,376</u>	<u>\$ 197,302</u>

Significant changes include:

- A decrease of \$1.5 million to General Administration from the Human Services Reinvestment Fund. This was a one time funding source and the Governor has not recommended backfilling this appropriation.
- A decrease of \$9.1 million to DHS Field Operations from the Human Services Reinvestment Fund and the Federal Recovery and Reinvestment Fund. This was a one time funding source and the Governor has not recommended backfilling this appropriation.
- A decrease of \$837,000 to the Toledo Juvenile Home from the Human Services Reinvestment Fund. This was a one time funding source and the Governor has not recommended backfilling this appropriation.
- A decrease of \$1.3 million to the Eldora Training School from the Human Services Reinvestment Fund. This was a one time funding source and the Governor has not recommended backfilling this appropriation.
- A decrease of \$504,000 to the Civil Commitment Unit for Sex Offender from the Human Services Reinvestment Fund. This was a one time funding source and the Governor has not recommended backfilling this appropriation.
- A decrease of \$673,000 to the Cherokee Mental Health Institute from the Human Services Reinvestment Fund. This was a one time funding source and the Governor has not recommended backfilling this appropriation.
- A decrease of \$804,000 to the Clarinda Mental Health Institute from the Human Services Reinvestment Fund. This was a one time funding source and the Governor has not recommended backfilling this appropriation.
- A decrease of \$1.2 million to the Independence Mental Health Institute from the Human Services Reinvestment Fund. This was a one time funding source and the Governor has not recommended backfilling this appropriation.
- A decrease of \$223,000 to the Mt. Pleasant Mental Health Institute from the Human Services Reinvestment Fund. This was a one time funding source and the Governor has not recommended backfilling this appropriation.

- A decrease of \$6.2 million to the Medicaid Program from the Federal Recovery and Reinvestment Fund. The Governor is recommending funding this obligation as part of the General Fund appropriation.
- A decrease of \$6.2 million to Covering all Children appropriation from the Federal Recovery and Reinvestment Fund. The Governor is recommending funding this obligation as part of the General Fund appropriation.
- A decrease of \$10.0 million to Mental Health Risk Pool from the Federal Recovery and Reinvestment Fund. This was a one time funding source and the Governor has not recommended backfilling this appropriation.
- A decrease of \$2.5 million to Child and Family Services appropriation from the Federal Recovery and Reinvestment Fund. This was a one time funding source however the Governor has recommended backfilling \$500,000 of this appropriation to restore the loss to shelter care provider payments.
- A decrease of \$20,000 to Volunteer Health Care Program from the Federal Recovery and Reinvestment Fund. This was a one time funding source and the Governor has not recommended backfilling this appropriation.
- A decrease of \$400,000 to Direct Care Workers Health Insurance Pilot Program from the Federal Recovery and Reinvestment Fund. This was a one time funding source and the Governor has not recommended backfilling this appropriation.
- A decrease of \$10.5 million for Mental Health Property Tax Replacement from the Federal Recovery and Reinvestment Fund. This was a one time funding source and the Governor has not recommended backfilling this appropriation.
- A decrease of \$325,000 to Mental Health State Cases Program from the Human Services Reinvestment Fund. This was a one time funding source and the Governor has not recommended backfilling this appropriation.
- An increase of \$20.1 million for the Medicaid Program from the Senior Living Trust Fund. There are additional funds available in FY 2011 compared to FY 2010 and the Governor recommends using the balance of the fund for Medicaid.
- An increase of \$2.0 million from the Pharmaceutical Settlement Account for Medical Contracts. There was additional revenue in fund from legal settlements with drug manufacturers.
- An increase of \$21.1 million for the Family Investment Program. The majority of the increase will be paid for with Emergency TANF funds received from ARRA.
- An increase of \$58,000 for the Promise Jobs Program.
- A decrease of \$13.5 million which was transferred to Child Care Assistance.

Issues

Federal ARRA Funds – FY 2011 is the final Fiscal Year for federal American Recovery and Reinvestment Funding. The Medicaid FMAP increase expires mid way through the FY 2011, which means the State will have to increase their share by \$122.0 million for FY 2011 to cover the decrease. Emergency TANF funding also expires at the end of the first quarter of FY 2011. The State has been receiving an 80.0% match on any new cases. The expiration of these funds has the potential to leave significant budget gaps for FY 2012.

The ARRA provided an increase of approximately \$18.1 million for the Iowa allocation for the federal FY 2009 Child Care Development Block Grant (CCDBG). The funding must be expended before FY 2012. The targeted funds for quality expansion and infant and toddler care of approximately \$2.4 million were appropriated for FY 2010 in HF 820 (FY 2010 Federal Funds Appropriations Act). Approximately \$15.8 million remains available in FY 2011 for child care programs.

The ARRA also provided a 6.20% increase in the Federal Medical Assistance Percentage (FMAP) match over 27 months. This time period covered nine months in State FY 2009, all of State FY 2010, and will end by January of State FY 2011. This increase impacts Title IV-E Federal matching funds resulting in an increase in the FMAP formula to offset State dollars needed to fund the adoption subsidy and foster care programs. For State FY 2011, the increase is estimated to offset General Funds of \$1.7 million.

Child Care Assistance - Due to increasing caseloads in the Family Investment Program (FIP), the Governor has recommended that the General Assembly reduce TANF funding for Child Care Services by \$13.4 million and instead, direct it to the FIP appropriation to go toward increasing caseload growth. The Governor also recommends replacing the redirected TANF funding with the unobligated Child Care Development Fund American Reinvestment and Recovery Act (ARRA) funding of \$15.8 million. The redirected TANF money and the ARRA funding are both one-time sources of funding for FY 2011 and will create a potential shortfall in FY 2012 when this funding needs to be replaced.

Iowa Care Waiver - The IowaCare Waiver is an agreement between the State and federal government enabling federal support for the IowaCare Program. The Waiver expires at the end of FY 2010. The Iowa Medicaid Enterprise has made significant progress in the renewal of the waiver with the federal government. The Health and Human Services Subcommittee may wish to continue to monitor the progress of the renewal and any additional requirements the federal government may require of the State.

Senior Living Trust Fund - The Governor recommends depleting the Senior Living Trust Fund with several appropriations in FY 2011. If the Legislature enacts the Governor's recommendations, they may need to find an alternate funding source for the programs funded from the Senior Living Trust Fund in FY 2012.

FY 2010 Supplemental Recommendations - The Governor has recommended that the General Assembly provide a Supplemental appropriation of \$100,000 for the Mental Health State Cases Program. This funding in conjunction with a transfer of \$1.8 million from the Mental Health Risk Pool should allow the Program to operate without disenrolling any individuals. The Program is currently operating with a waiting list.

Public Works Efficiency Report - The LSA analysis of the Government Reorganization Bills in both the House and Senate does not match the savings estimated by the Public Works report. Some of the issues include:

- Public Works assumed different implementation dates for the Medicaid savings. The savings are effected by the FMAP rate which changes annually.
- For the recommendation adding additional prior authorizations for the Home and Community Based Waiver Program, Public Works assumes all of the savings goes to the General Fund when a portion of that savings needs to be returned to counties.
- The Public Works document provided a different plan altogether for the Mental Health Institutes, closing multiple MHI's. The Bill only provides for the closure of Mt. Pleasant.

Health and Human Services Appropriations Subcommittee

For more information on the LSA analysis of the Government Reorganization Bills, please visit <http://www3.legis.state.ia.us/noba/>.

Other ideas from the Public Works Efficiency document that would affect the Departments under the purview of the Health and Human Service Budget Appropriation Subcommittee if implemented are as follows:

- Eliminating enrollment in the DHS Family Support Subsidy Program. For the first year savings estimates, LSA must take into account the across the board reductions that occurred in FY 2010. Public Works did not assign a specific fiscal year to their savings estimates and therefore, did not incorporate the ATB reductions.
- Expand the use of electronic payments in DHS. LSA could not provide for any savings since the language in both of the bills is a general directive and does not specify which programs should pursue the use of electronic payments.
- Modify funding for the child care assistance program. The Public Works report suggests a reduction in the TANF transfer from DHS to the Empowerment Program in the Department of Management (DOM). The report also recommends eliminating funding for two pilot projects in Polk County.
- Reduce funding for the Adoption Subsidy Program. For the first year savings estimates, LSA must take into account the across the board reductions that occurred in FY 2010. Public Works did not assign a specific fiscal year to their savings estimates and therefore, did not incorporate the ATB reductions.
- Implement some reductions to the Child and Family Services budget appropriation. The Report identifies savings if reductions are made to foster care group home beds and juvenile detention beds, funding to the Four Oaks autism earmark, the Linn County runaway pilot program earmark, and the PMIC transition pilot programs are eliminated, and if maintenance rate for family foster care, supervised apartment living and the PALS program are maintain at the FY 2009 level. LSA does not disagree with these estimates necessarily however, current legislation eliminates the Juvenile Detention Home Fund and is therefore, different than the estimates in the Public Works report.
- Transfer TANF funding into field operations. The Public Works document delineates several recommended changes to TANF appropriations including some reductions and eliminations. The Report recommends directing these reductions and eliminated funding to the DHS field operations.
- Eliminate requirement for Guardian ad litem to be conducted in person. Public Works recommended making statutory changes to the duties of a guardian ad litem, and limiting judicial discretion in such matters. A guardian ad litem is a person appointed to represent the interests of a juvenile with respect to a single action in litigation. The Department of Human Services (DHS) has procedures in place, including reciprocity agreements with other states, for certain out-of-state placements. Certain children are placed outside of Iowa and are the responsibility of Juvenile Court Officers (Judicial Branch) and their parents. If a child's parents are indigent, certain guardian ad litem are paid through the State Public Defender's Office. This statutory change is estimated to reduce costs for the Indigent Defense Fund by \$112,000 in FY 2011.

Executive Order Number 20 identifies and implements several recommendations from the Public Works Efficiency Report that do not need action from the General assembly. The following are related to Health and Human Services:

- Increase Title IV-E claims for Juvenile Court Services. This would increase federal match for Juvenile Court Services and may reduce the need for State General Funds. However, the federal

Administration for Children and Families within the US Department of Health and Human Services must approve a time study methodology in order to allocate costs. It is unknown when this may occur, therefore LSA determined that savings for a specific fiscal year is undeterminable at this time.

- Claim Title IV-E for eligible placement and relative care. The costs and revenue associated with these recommendations have not been estimated for FY 2011.

Department of Veterans Affairs

The Department of Veteran Affairs includes the Department and the Iowa Veterans Home. The Department provides services to veterans regarding federal pension applications, identifying services to reimburse from the Veterans Trust Fund interest revenues, establishing the Veterans Cemetery, and providing assistance for the County Grant Program, the Injured Veterans Grant Program, and the Vietnam Veterans Bonus Program. The Iowa Veterans Home provides services to veterans at the Home in Marshalltown, including domiciliary, residential, and pharmaceutical.

The Governor is recommending FY 2011 General Fund appropriations totaling \$11.5 million. This is a decrease of \$38,000 (0.3%) compared to estimated net FY 2010. The Governor is also recommending other fund appropriations totaling \$1.0 million for FY 2010 from the Transportation, Infrastructure, and Capitals Appropriations Subcommittee budget. This is a decrease of \$600,000 compared to estimated FY 2010. The other funds comparison is included in the Transportation, Infrastructure, and Capitals Appropriations Subcommittee section of this document.

General Fund Recommendations

	<u>Estimated FY 2010</u>	<u>Gov Rec FY 2011</u>	<u>Gov Rec vs Est FY 2010</u>
<u>Veterans Affairs, Dept. of</u>			
General Administration	\$ 960,453	\$ 960,453	\$ 0
War Orphans Educational Assistance	12,731	12,731	0
Injured Veterans Grant Program	-128,145	0	128,145
Veterans County Grants	990,000	900,000	-90,000
Iowa Veterans Home	9,630,846	9,630,846	0
Total Veterans Affairs, Department of	\$ 11,465,885	\$ 11,504,030	\$ 38,145

Significant changes include:

- **Injured Veterans Grant Program** – An increase of \$128,145 due to comparing a recommendation of \$0 for FY 2011 to a negative number of \$128,145 for FY 2010. The negative number is due to the 10.0% across-the-board reduction in FY 2010 to the carryforward from an appropriation in a previous fiscal year that is permitted to be carried forward. The remaining carryforward available for this Grant Program was \$1.0 million as of December 31, 2009.
- **Veterans County Grants Program** – A decrease of \$90,000. This is a result of the \$10,000 per county from the \$1,000,000 FY 2010 appropriation being expended for the 99 counties (\$990,000) prior to the 10.0% across-the-board reduction, leaving only \$10,000 to be captured by that reduction. The Governor recommended for FY 2011 what that amount would have been in FY 2010 if funds had been available in this Program for the reduction.

Issues

Impact of Net Budgeting - With the Veterans Home net budgeted the impact of the across-the-board reduction is less than other Departments. With the 10.00% ATB reduction, the Iowa Veterans Home FY 2010 budget is 18.8% State General Fund and the across-the-board reduction only impacts that 18.8%. The information from the Home did not indicate an impact to the outside funding. A small decrease in reimbursement is expected due to the State funding reduction for the Medicaid Program. Since the adoption of the original budget, the Home has increased their expected revenue from the Veterans Administration per diem reimbursement and decreased their expected revenue from resident support; neither of these adjustments are a result of the across - the - board reduction.

Public Works Efficiency Report – The Public Works Efficiency Report recommends changing the Veteran County Grant Program from a \$10,000 grant per county to an application process to specify the use of the funds in the application to target funding to the geographic areas of need. The Report did not recommend a change in the appropriation.

The Report also referred to possible cost savings at the Iowa Veterans Home as one of eight print shops in State government. An estimated \$200,000 annual savings was projected if centralized at the Department of Administrative Services but the Report did not delineate the amount for each location. Executive Order 20 does not specifically include this recommendation although general language references may result in the inclusion.

The Governor’s Executive Order 20 includes many cost saving measures that may impact the Department of Veterans Affairs and the Veterans Home. An estimate of the amount of savings attributable to the Commission has not been reported.

FY 2010 Appropriation Transfers – The Department of Veterans Affairs did receive a FY 2010 transfer of \$85,609 as a result of the Governor transferring funds made available from other Departments furlough salary savings. The Governor does not recommend replacing this \$85,609 in FY 2011.

Construction Funds – The Subcommittee may want to review the amount of funds within the Iowa Veterans Home Construction Account and the timing of the availability of federal matching funds.

Board of Regents

The Board of Regents oversees the University of Iowa Hospitals and Clinics (UIHC) and receives funding for IowaCare through the Health and Human Services Appropriations Subcommittee.

The Governor is recommending other fund appropriations totaling \$74.3 million for FY 2011. This is no change compared to estimated FY 2010.

Other Fund Recommendations

	<u>Estimated FY 2010</u>	<u>Gov Rec FY 2011</u>	<u>Gov Rec vs Est FY 2010</u>
<u>Regents, Board of</u>			
Regents, Board of			
BOR UIHC - Expansion Population-ICA	\$ 47,020,131	\$ 47,020,131	\$ 0
BOR UIHC - ICA	27,284,584	27,284,584	0
Total Regents, Board of	<u>\$ 74,304,715</u>	<u>\$ 74,304,715</u>	<u>\$ 0</u>

Department of Inspections and Appeals

The Department of Inspections and Appeals (DIA) is a regulatory agency charged with protecting the health, safety, and well-being of Iowans. The Department receives funding from the Senior Living Trust Fund to inspect Assisted Living Centers and Adult Day Cares.

The Governor is recommending a Senior Living Trust Fund appropriation of \$1.3 million for FY 2011. This is no change compared to estimated FY 2010.

Other Fund Recommendations

	<u>Estimated FY 2010</u>	<u>Gov Rec FY 2011</u>	<u>Gov Rec vs Est FY 2010</u>
<u>Inspections & Appeals, Dept. of</u>			
Inspections and Appeals, Dept. of			
Assisted Living/Adult Day Care-SLTF	\$ 1,339,527	\$ 1,339,527	\$ 0
Total Inspections & Appeals, Dept. of	<u>\$ 1,339,527</u>	<u>\$ 1,339,527</u>	<u>\$ 0</u>

Iowa Finance Authority

The Iowa Finance Authority (IFA) was created in 1975 to assist in the attainment of housing for low- and moderate-income Iowans. Iowa Finance Authority receives funding from the Senior Living Trust Fund for a Rent Subsidy Program.

The Governor is recommending a Senior Living Trust Fund appropriation of \$700,000 for FY 2011. This is no change compared to estimated FY 2010.

Other Fund Recommendations

	<u>Estimated FY 2010</u>	<u>Gov Rec FY 2011</u>	<u>Gov Rec vs Est FY 2010</u>
<u>Iowa Finance Authority</u>			
Iowa Finance Authority			
Rent Subsidy Program-SLTF	\$ 700,000	\$ 700,000	\$ 0
Total Iowa Finance Authority	<u>\$ 700,000</u>	<u>\$ 700,000</u>	<u>\$ 0</u>

INTERIM COMMITTEES, MEETINGS, AND PUBLICATIONS

Legislative Health Care Coverage Commission

The Legislative Health Care Coverage Commission was created in Senate File 389 (2009 Health Care Omnibus II) and charged to develop an Iowa health care reform strategic plan which includes but is not limited to a review and analysis of and recommendations and prioritization of recommendations for various options for health care coverage of Iowa's children, adults, and families. Three Workgroups for the Commission were also established to work on issues as follows:

Health Care Coverage for Adults

Use/Creation of a State Pool

Administration of Health Reform in Iowa

The Commission has met three times in Des Moines and the three Workgroups within the Commission have each met multiple times. The Commission has compiled a list of 11 recommendations and submitted those recommendations in their annual progress report to the General Assembly. For more information on those recommendations and their fiscal impact, please visit:

http://www.legis.state.ia.us/scripts/docmgr/docmgr_comdocs.dll/showtypeinterim?id=true&type=ih&com=484

The Commission is required to provide another annual report to the General Assembly by January 1, 2011, and is directed to conclude its deliberations by July 1, 2011. A final report to the General Assembly is due by October 1, 2011. The Commission will be dissolved as of December 31, 2011.

Adult MH/DD Stakeholders Task Force

The Adult Mental Health/Developmental Disabilities Stakeholders Task Force met multiple times throughout then interim to work on both short and long term solutions for the Mental Health system and the way it is funded. The Taskforce submitted a report to the General Assembly on January 8th providing a list of recommendations and several options for pilot projects. For a copy of the report please visit:

<http://www.legis.state.ia.us/lsadocs/IntReport/2010/IPJCP000.PDF>.

LSA Publications

The following publications have been published by the LSA that relate to the Health and Human Services Appropriations Subcommittee:

- *Fiscal Topic:* [Medicaid Overview](#)
- *Fiscal Topic:* [State Children's Health Insurance Program Overview](#)
- *Fiscal Topic:* [Iowa Veterans Home](#)
- *Fiscal Topic:* [Shelter Care](#)
- *Fiscal Topic:* [Social Services Emergency Disaster Relief Grant](#)
- *Issue Review:* [Education Benefits for Children of Deceased Veterans](#)

Staff Contacts: Jess Benson (515-281-4611) jess.benson@legis.state.ia.us
Deborah Helsen (515-281-6764) deborah.helsen@legis.state.ia.us
Sue Lerdal (515-281-7794) sue.lerdal@legis.state.ia.us

Appendix A

General Fund Tracking

Health and Human Services General Fund

	Actual FY 2009 (1)	Estimated FY 2010 (2)	Gov Rec Supp FY 2010 (3)	Gov Rec Net FY 2010 (4)	Gov Rec FY 2011 (5)	Gov Rec FY 11 vs Gov Rec Net FY 10 (6)	Percent Change (7)
Aging, Dept. on							
Aging, Dept. on							
Aging Programs	\$ 5,274,444	\$ 4,462,407	\$ 0	\$ 4,462,407	\$ 4,462,407	\$ 0	0.0%
Total Aging, Dept. on	\$ 5,274,444	\$ 4,462,407	\$ 0	\$ 4,462,407	\$ 4,462,407	\$ 0	0.0%
Public Health, Dept. of							
Public Health, Dept. of							
Addictive Disorders	\$ 3,035,917	\$ 25,787,250	\$ 2,627,532	\$ 28,414,782	\$ 28,414,782	\$ 0	0.0%
Healthy Children and Families	2,584,835	2,024,250	329,267	2,353,517	2,353,517	0	0.0%
Chronic Conditions	2,169,991	2,480,612	321,643	2,802,255	2,802,255	0	0.0%
Community Capacity	1,722,362	3,705,162	23,000	3,728,162	3,728,162	0	0.0%
Elderly Wellness	9,095,475	7,511,201	834,578	8,345,779	8,345,779	0	0.0%
Environmental Hazards	721,737	900,352	0	900,352	965,950	65,598	7.3%
Infectious Diseases	2,795,546	1,467,595	203,970	1,671,565	1,605,967	-65,598	-3.9%
Public Protection	3,115,215	3,212,987	23,248	3,236,235	3,236,235	0	0.0%
Resource Management	1,194,098	956,265	0	956,265	956,265	0	0.0%
Prevention and Chronic Care Management	188,165	0	0	0	0	0	0.0%
Medical Home System	163,379	0	0	0	0	0	0.0%
Healthy Communities Initiative	874,682	0	0	0	0	0	0.0%
Gov. Council on Physical Fitness and Nutrition	108,160	0	0	0	0	0	0.0%
Iowa Health Information Technology System	188,069	0	0	0	0	0	0.0%
Health Care Access	171,965	0	0	0	0	0	0.0%
Total Public Health, Dept. of	\$ 28,129,596	\$ 48,045,674	\$ 4,363,238	\$ 52,408,912	\$ 52,408,912	\$ 0	0.0%
Human Services, Dept. of							
Toledo Juvenile Home							
Licensed Classroom Teachers	\$ 0	\$ 103,950	\$ 0	\$ 103,950	\$ 103,950	\$ 0	0.0%
General Administration							
General Administration	\$ 16,848,360	\$ 13,727,271	\$ 0	\$ 13,727,271	\$ 13,727,271	\$ 0	0.0%
Field Operations							
Child Support Recoveries	\$ 15,082,461	\$ 12,078,414	\$ 0	\$ 12,078,414	\$ 12,078,414	\$ 0	0.0%
Field Operations	69,234,591	56,729,548	0	56,729,548	56,729,548	0	0.0%
Total Field Operations	\$ 84,317,052	\$ 68,807,962	\$ 0	\$ 68,807,962	\$ 68,807,962	\$ 0	0.0%

Health and Human Services General Fund

	Actual FY 2009 (1)	Estimated FY 2010 (2)	Gov Rec Supp FY 2010 (3)	Gov Rec Net FY 2010 (4)	Gov Rec FY 2011 (5)	Gov Rec FY 11 vs Gov Rec Net FY 10 (6)	Percent Change (7)
Toledo Juvenile Home							
Toledo Juvenile Home	\$ 7,591,274	\$ 6,079,283	\$ 0	\$ 6,079,283	\$ 6,189,283	\$ 110,000	1.8%
Eldora Training School							
Eldora Training School	\$ 12,045,087	\$ 9,646,008	\$ 0	\$ 9,646,008	\$ 9,536,008	\$ -110,000	-1.1%
Cherokee CCUSO							
Civil Commit. Unit for Sex Offenders	\$ 6,701,758	\$ 6,174,184	\$ 0	\$ 6,174,184	\$ 6,174,184	\$ 0	0.0%
Cherokee							
Cherokee MHI	\$ 6,109,285	\$ 4,892,468	\$ 0	\$ 4,892,468	\$ 4,892,468	\$ 0	0.0%
Clarinda							
Clarinda MHI	\$ 7,298,531	\$ 5,604,601	\$ 0	\$ 5,604,601	\$ 5,604,601	\$ 0	0.0%
Independence							
Independence MHI	\$ 10,693,858	\$ 8,553,210	\$ 0	\$ 8,553,210	\$ 8,553,210	\$ 0	0.0%
Mt Pleasant							
Mt Pleasant MHI	\$ 2,023,008	\$ 1,614,663	\$ 0	\$ 1,614,663	\$ 1,614,663	\$ 0	0.0%
Glenwood							
Glenwood Resource Center	\$ 18,903,764	\$ 15,808,438	\$ 0	\$ 15,808,438	\$ 15,489,063	\$ -319,375	-2.0%
Woodward							
Woodward Resource Center	\$ 12,561,726	\$ 9,786,280	\$ 0	\$ 9,786,280	\$ 9,703,456	\$ -82,824	-0.8%

Health and Human Services General Fund

	Actual FY 2009 (1)	Estimated FY 2010 (2)	Gov Rec Supp FY 2010 (3)	Gov Rec Net FY 2010 (4)	Gov Rec FY 2011 (5)	Gov Rec FY 11 vs Gov Rec Net FY 10 (6)	Percent Change (7)
Assistance							
Family Investment Program/JOBS	\$ 42,060,901	\$ 31,133,430	\$ 0	\$ 31,133,430	\$ 31,735,539	\$ 602,109	1.9%
Medical Assistance	593,302,330	610,096,134	0	610,096,134	790,982,609	180,886,475	29.6%
Health Insurance Premium Payment	570,924	457,210	0	457,210	457,210	0	0.0%
Medical Contracts	13,953,067	12,286,353	0	12,286,353	10,413,090	-1,873,263	-15.2%
State Supplementary Assistance	18,332,214	16,457,833	0	16,457,833	18,259,235	1,801,402	10.9%
State Children's Health Insurance	13,660,852	13,166,847	0	13,166,847	23,637,040	10,470,193	79.5%
Child Care Assistance	40,483,732	32,547,464	0	32,547,464	32,768,964	221,500	0.7%
Child and Family Services	88,971,729	81,532,306	0	81,532,306	80,425,523	-1,106,783	-1.4%
Adoption Subsidy	33,656,339	31,395,307	0	31,395,307	34,202,696	2,807,389	8.9%
Family Support Subsidy	1,907,312	1,522,998	0	1,522,998	1,522,998	0	0.0%
Connors Training	41,984	33,622	0	33,622	33,622	0	0.0%
MI/MR/DD State Cases	13,067,178	10,295,207	100,163	10,395,370	10,295,207	-100,163	-1.0%
MH/DD Community Services	18,017,890	14,211,100	0	14,211,100	14,211,100	0	0.0%
Volunteers	105,717	84,660	0	84,660	84,660	0	0.0%
Family Planning	738,750	-45,654	0	-45,654	0	45,654	-100.0%
Pregnancy Counseling	197,000	71,688	0	71,688	71,688	0	0.0%
MH/DD Growth Factor	54,081,310	48,697,893	0	48,697,893	48,697,893	0	0.0%
Medical Assistance, Hawk-i, Hawk-i Expansion	4,728,000	3,786,301	0	3,786,301	10,049,532	6,263,231	165.4%
Total Assistance	\$ 937,877,229	\$ 907,730,699	\$ 100,163	\$ 907,830,862	\$ 1,107,848,606	\$ 200,017,744	22.0%
Total Human Services, Dept. of	\$ 1,122,970,932	\$ 1,058,529,017	\$ 100,163	\$ 1,058,629,180	\$ 1,258,244,725	\$ 199,615,545	18.9%
Veterans Affairs, Dept. of							
Veterans Affairs, Department of							
General Administration	\$ 1,199,329	\$ 960,453	\$ 0	\$ 960,453	\$ 960,453	\$ 0	0.0%
War Orphans Educational Assistance	25,785	12,731	0	12,731	12,731	0	0.0%
Injured Veterans Grant Program	-23,550	-128,145	0	-128,145	0	128,145	-100.0%
Veterans County Grants	585,599	990,000	0	990,000	900,000	-90,000	-9.1%
Total Veterans Affairs, Department of	\$ 1,787,163	\$ 1,835,039	\$ 0	\$ 1,835,039	\$ 1,873,184	\$ 38,145	2.1%
Veterans Affairs, Dept. of							
Iowa Veterans Home	\$ 14,391,435	\$ 9,630,846	\$ 0	\$ 9,630,846	\$ 9,630,846	\$ 0	0.0%
Total Veterans Affairs, Dept. of	\$ 16,178,598	\$ 11,465,885	\$ 0	\$ 11,465,885	\$ 11,504,030	\$ 38,145	0.3%
Total Health and Human Services	\$ 1,172,553,570	\$ 1,122,502,983	\$ 4,463,401	\$ 1,126,966,384	\$ 1,326,620,074	\$ 199,653,690	17.7%

Appendix B

Other Funds Tracking

Health and Human Services Other Funds

	Actual FY 2009 (1)	Estimated FY 2010 (2)	Gov Rec FY 2011 (3)	Gov Rec vs Est FY 2010 (4)	Percent Change (5)
<u>Aging, Dept. on</u>					
Aging, Dept. on					
Seamless computer system	\$ 0	\$ 200,000	\$ 0	\$ -200,000	-100.0%
Elder Affairs Operations-SLTF	8,486,698	8,486,698	8,486,698	0	0.0%
Total Aging, Dept. on	\$ 8,486,698	\$ 8,686,698	\$ 8,486,698	\$ -200,000	-2.3%
<u>Public Health, Dept. of</u>					
Public Health, Dept. of					
Community Capacity-FRRF	\$ 0	\$ 500,000	\$ 0	\$ -500,000	-100.0%
Healthy Aging-FRRF	0	700,000	0	-700,000	-100.0%
Resource Management-FRRF	0	1,800,000	0	-1,800,000	-100.0%
Ad. Dis.-Substance Abuse Treatment-GTF	2,215,000	0	0	0	0.0%
Ad. Dis.-Gambling Treatment Prog.-GTF	5,068,101	0	0	0	0.0%
Ad. Dis.-Tobacco Use Prev.-HITT	6,928,265	0	0	0	0.0%
Ad. Dis.-Sub. Abuse Treatment-HITT	13,800,000	0	0	0	0.0%
Ad. Dis.-Sub. Abuse Prev. for Kids-HITT	1,050,000	0	0	0	0.0%
Chr. Con-PKU Assistance-HITT	100,000	0	0	0	0.0%
Chr. Con.-Iowa Stillbirth Eval.-HITT	26,000	0	0	0	0.0%
Chr. Con.-AIDS Drug Assist. Prog.-HITT	275,000	0	0	0	0.0%
Healthy Iowans 2010-HITT	2,509,960	0	0	0	0.0%
Epilepsy Education-HITT	100,000	0	0	0	0.0%
Addictive Disorders-HCTF	3,178,713	2,473,823	2,473,823	0	0.0%
Healthy Children and Families-HCTF	664,262	444,217	444,217	0	0.0%
Chronic Conditions-HCTF	1,158,187	899,297	899,297	0	0.0%
Community Capacity-HCTF	2,775,635	2,448,456	2,448,456	0	0.0%
Total Public Health, Dept. of	\$ 39,849,123	\$ 9,265,793	\$ 6,265,793	\$ -3,000,000	-32.4%

Health and Human Services Other Funds

	Actual FY 2009 <u>(1)</u>	Estimated FY 2010 <u>(2)</u>	Gov Rec FY 2011 <u>(3)</u>	Gov Rec vs Est FY 2010 <u>(4)</u>	Percent Change <u>(5)</u>
Human Services, Dept. of					
General Administration					
FIP-TANF	\$ 26,101,513	\$ 28,584,403	\$ 36,797,711	\$ 8,213,308	28.7%
Promise Jobs-TANF	13,334,528	13,026,796	13,084,528	57,732	0.4%
FaDDS-TANF	2,998,675	2,448,980	2,448,980	0	0.0%
Field Operations-TANF	18,507,495	21,659,136	21,659,136	0	0.0%
General Administration-TANF	3,744,000	3,744,000	3,744,000	0	0.0%
Local Admin. Cost-TANF	2,189,830	1,094,915	1,094,915	0	0.0%
State Day Care-TANF	18,986,177	18,986,177	12,382,687	-6,603,490	-34.8%
MH/DD Comm. Services-TANF	4,894,052	4,894,052	4,894,052	0	0.0%
Child & Family Services-TANF	32,084,430	32,084,430	32,084,430	0	0.0%
Child Abuse Prevention-TANF	250,000	125,000	125,000	0	0.0%
Training & Technology-TANF	1,037,186	1,037,186	1,037,186	0	0.0%
HOPES - Transfer to DPH-TANF	200,000	0	0	0	0.0%
0-5 Children-TANF	7,350,000	6,850,000	6,850,000	0	0.0%
Child Support Recovery-TANF	200,000	0	0	0	0.0%
General Administration-DHSRF	0	1,500,000	0	-1,500,000	-100.0%
Child Care Direct Assistance-TANF	8,900,000	6,845,000	0	-6,845,000	-100.0%
FIP Emergency ARRA- TANF	0	10,226,991	23,119,822	12,892,831	126.1%
Total General Administration	\$ 140,777,886	\$ 153,107,066	\$ 159,322,447	\$ 6,215,381	4.1%
Field Operations					
Field Operations-FRRF	\$ 0	\$ 680,596	\$ 0	\$ -680,596	-100.0%
Field Operations-DHSRF	0	8,386,761	0	-8,386,761	-100.0%
Total Field Operations	\$ 0	\$ 9,067,357	\$ 0	\$ -9,067,357	-100.0%
Toledo Juvenile Home					
Toledo-DHSRF	\$ 0	\$ 836,515	\$ 0	\$ -836,515	-100.0%
Eldora Training School					
Eldora-DHSRF	\$ 0	\$ 1,327,300	\$ 0	\$ -1,327,300	-100.0%
Cherokee CCUSO					
CCUSO-DHSRF	\$ 0	\$ 503,554	\$ 0	\$ -503,554	-100.0%
Cherokee					
Cherokee MHI-DHSRF	\$ 0	\$ 673,209	\$ 0	\$ -673,209	-100.0%
Clarinda					
Clarinda MHI-DHSRF	\$ 0	\$ 804,256	\$ 0	\$ -804,256	-100.0%

Health and Human Services Other Funds

	Actual FY 2009 (1)	Estimated FY 2010 (2)	Gov Rec FY 2011 (3)	Gov Rec vs Est FY 2010 (4)	Percent Change (5)
Independence					
Independence MHI-DHSRF	\$ 0	\$ 1,177,799	\$ 0	\$ -1,177,799	-100.0%
Mt Pleasant					
Mt Pleasant MHI-DHSRF	\$ 0	\$ 222,694	\$ 0	\$ -222,694	-100.0%
Assistance					
Medical Contracts-HCTA	\$ 0	\$ 1,300,000	\$ 1,300,000	\$ 0	0.0%
MH Property Tax Relief - Cash Reserve	0	0	22,792,000	22,792,000	0.0%
Medical Assistance-FRRF	0	6,237,173	0	-6,237,173	-100.0%
Covering All Kids-FRRF	0	6,263,231	0	-6,263,231	-100.0%
MH Risk Pool-FRRF	0	10,000,000	0	-10,000,000	-100.0%
Child and Family Services-FRRF	0	2,500,000	0	-2,500,000	-100.0%
Volunteer Health Care-FRRF	0	20,000	0	-20,000	-100.0%
Health Insurance Pilot-FRRF	0	400,000	0	-400,000	-100.0%
MH Property Tax Replacment-FRRF	0	10,480,000	0	-10,480,000	-100.0%
MH/MR State Cases-DHSRF	0	325,430	0	-325,430	-100.0%
Iowa Unmet Needs Disaster Grant Program	7,850,000	0	0	0	0.0%
Pregnancy Prevention-TANF	1,930,067	1,327,878	1,327,878	0	0.0%
Medical Supplemental-SLTF	111,753,195	17,686,827	37,740,908	20,054,081	113.4%
Medical Contracts-Pharm. Settlement	1,323,833	1,323,833	3,298,191	1,974,358	149.1%
Broadlawns Hospital-ICA	46,000,000	46,000,000	46,000,000	0	0.0%
State Hospital-Cherokee-ICA	3,164,766	0	0	0	0.0%
State Hospital-Clarinda-ICA	687,779	0	0	0	0.0%
State Hospital-Independence-ICA	3,146,494	0	0	0	0.0%
State Hospital-Mt Pleasant-ICA	2,000,961	0	0	0	0.0%
Medical Examinations-HCTA	556,800	556,800	556,800	0	0.0%
Medical Information Hotline-HCTA	150,000	100,000	100,000	0	0.0%
Health Partnership Activities-HCTA	900,000	600,000	600,000	0	0.0%
Audits, Perf. Eval., Studies-HCTA	400,000	125,000	125,000	0	0.0%
IowaCare Admin. Costs-HCTA	1,132,412	1,132,412	1,132,412	0	0.0%
Dental Home for Children-HCTA	1,000,000	1,000,000	1,000,000	0	0.0%
Mental Health Trans. Pilot-HCTA	250,000	0	0	0	0.0%
MH/DD Workforce Development-HCTA	500,000	50,000	50,000	0	0.0%
Medical Assistance-HCTF	114,351,496	100,650,740	100,650,740	0	0.0%
MH/MR/DD Growth-HCTF	7,553,010	0	0	0	0.0%
General Administration-HITT	274,000	0	0	0	0.0%
POS Provider Increase-HITT	146,750	0	0	0	0.0%
Other Service Providers Inc.-HITT	182,381	0	0	0	0.0%
Child and Family Services-HITT	3,786,677	0	0	0	0.0%
Broadlawns Admin-HCTA	230,000	290,000	290,000	0	0.0%
MH PTRF Medical Asst.	624,000	0	0	0	0.0%
Total Assistance	\$ 309,894,621	\$ 208,369,324	\$ 216,963,929	\$ 8,594,605	4.1%
Total Human Services, Dept. of	\$ 450,672,507	\$ 376,089,074	\$ 376,286,376	\$ 197,302	0.1%

Health and Human Services

Other Funds

	Actual FY 2009 <u>(1)</u>	Estimated FY 2010 <u>(2)</u>	Gov Rec FY 2011 <u>(3)</u>	Gov Rec vs Est FY 2010 <u>(4)</u>	Percent Change <u>(5)</u>
<u>Inspections & Appeals, Dept. of</u>					
Inspections and Appeals, Dept. of Assisted Living/Adult Day Care-SLTF	\$ 1,339,527	\$ 1,339,527	\$ 1,339,527	\$ 0	0.0%
Total Inspections & Appeals, Dept. of	\$ 1,339,527	\$ 1,339,527	\$ 1,339,527	\$ 0	0.0%
<u>Regents, Board of</u>					
Regents, Board of BOR UIHC - Expansion Population-ICA	\$ 35,969,365	\$ 47,020,131	\$ 47,020,131	\$ 0	0.0%
BOR UIHC - ICA	27,284,584	27,284,584	27,284,584	0	0.0%
Total Regents, Board of	\$ 63,253,949	\$ 74,304,715	\$ 74,304,715	\$ 0	0.0%
<u>Iowa Finance Authority</u>					
Iowa Finance Authority Rent Subsidy Program-SLTF	\$ 700,000	\$ 700,000	\$ 700,000	\$ 0	0.0%
Total Iowa Finance Authority	\$ 700,000	\$ 700,000	\$ 700,000	\$ 0	0.0%
Total Health and Human Services	\$ 564,301,804	\$ 470,385,807	\$ 467,383,109	\$ -3,002,698	-0.6%

Appendix C

FTE Positions Tracking

Health and Human Services

FTE

	Actual FY 2009 <u>(1)</u>	Final Action FY 2010 <u>(2)</u>	Estimated FY 2010 <u>(3)</u>	Est FY 2010 vs Final Action <u>(4)</u>	Gov Rec FY 2011 <u>(5)</u>	Gov Rec vs Final Action FY 10 <u>(6)</u>
<u>Aging, Dept. on</u>						
Aging, Dept. on						
Aging Programs	38.11	37.50	38.50	1.00	36.50	-1.00
Total Aging, Dept. on	38.11	37.50	38.50	1.00	36.50	-1.00
<u>Public Health, Dept. of</u>						
Public Health, Dept. of						
Addictive Disorders	4.36	18.00	15.00	-3.00	15.45	-2.55
Healthy Children and Families	11.00	14.00	13.75	-0.25	12.50	-1.50
Chronic Conditions	1.00	3.00	4.10	1.10	3.60	0.60
Community Capacity	10.19	21.00	19.15	-1.85	18.10	-2.90
Environmental Hazards	1.01	4.50	4.50	0.00	4.50	0.00
Infectious Diseases	4.52	5.00	5.00	0.00	4.50	-0.50
Public Protection	125.49	130.00	130.20	0.20	128.75	-1.25
Resource Management	9.06	10.00	10.00	0.00	9.75	-0.25
Ad. Dis.-Gambling Treatment Prog.-GTF	2.78	0.00	0.00	0.00	0.00	0.00
Ad. Dis.-Tobacco Use Prev.-HITT	2.96	0.00	0.00	0.00	0.00	0.00
Healthy Iowans 2010-HITT	2.69	0.00	0.00	0.00	0.00	0.00
Ad. Dis.-Sub. Abuse Prev. for Kids-HITT	0.27	0.00	0.00	0.00	0.00	0.00
Gifts & Grants Fund	242.06	242.00	260.75	18.75	253.50	11.50
Vital Records Modernization	30.74	32.20	37.35	5.15	36.60	4.40
Medical Home System	1.36	0.00	0.00	0.00	0.00	0.00
Healthy Communities Initiative	2.65	0.00	0.00	0.00	0.00	0.00
Iowa Health Information Technology System	0.24	0.00	0.00	0.00	0.00	0.00
Health Care Access	1.35	0.00	0.00	0.00	0.00	0.00
Addictive Disorders-HCTF	3.46	0.00	2.50	2.50	2.50	2.50
Healthy Children and Families-HCTF	0.77	0.00	0.25	0.25	0.25	0.25
Chronic Conditions-HCTF	0.72	0.00	0.40	0.40	0.40	0.40
Community Capacity-HCTF	0.61	0.00	1.85	1.85	1.85	1.85
Iowa Health IT	0.00	2.00	0.00	-2.00	0.00	-2.00
Medical Home	0.00	4.00	0.00	-4.00	0.00	-4.00
Health Care Access	0.00	3.00	0.00	-3.00	0.00	-3.00
Healthy Communities	0.00	3.00	0.00	-3.00	0.00	-3.00
Total Public Health, Dept. of	459.26	491.70	504.80	13.10	492.25	0.55

Health and Human Services

FTE

	Actual FY 2009 <u>(1)</u>	Final Action FY 2010 <u>(2)</u>	Estimated FY 2010 <u>(3)</u>	Est FY 2010 vs Final Action <u>(4)</u>	Gov Rec FY 2011 <u>(5)</u>	Gov Rec vs Final Action FY 10 <u>(6)</u>
Human Services, Dept. of						
General Administration						
General Administration	323.89	354.33	346.00	-8.33	318.00	-36.33
FEMA Mental Health	1.32	0.00	0.00	0.00	0.00	0.00
Child Abuse Project	3.90	6.00	6.00	0.00	6.00	0.00
Community MH Block Grant	1.00	2.00	1.00	-1.00	1.00	-1.00
IV-E Independent Living Grant	9.03	9.00	9.00	0.00	9.00	0.00
MH/MR Federal Grants	0.94	1.00	1.00	0.00	1.00	0.00
Total General Administration	<u>340.09</u>	<u>372.33</u>	<u>363.00</u>	<u>-9.33</u>	<u>335.00</u>	<u>-37.33</u>
Field Operations						
Child Support Recoveries	501.72	520.00	520.00	0.00	481.50	-38.50
Field Operations	2,007.13	2,000.13	2,017.13	17.00	1,939.13	-61.00
MI/MR/DD Case Management	203.73	198.00	211.97	13.97	210.97	12.97
Iowa Refugee Service Center	21.93	20.03	22.47	2.44	22.47	2.44
Refugee Resettlement	1.05	0.97	1.03	0.06	1.03	0.06
Total Field Operations	<u>2,735.56</u>	<u>2,739.13</u>	<u>2,772.60</u>	<u>33.47</u>	<u>2,655.10</u>	<u>-84.03</u>
Toledo Juvenile Home						
Toledo Juvenile Home	120.83	125.00	112.00	-13.00	100.00	-25.00
Eldora Training School						
Eldora Training School	192.72	202.70	188.90	-13.80	168.20	-34.50
Cherokee CCUSO						
Civil Commit. Unit for Sex Offenders	86.16	105.50	75.14	-30.36	72.17	-33.33
Cherokee						
Cherokee MHI	198.95	205.00	202.66	-2.34	201.00	-4.00
Clarinda						
Clarinda MHI	102.50	114.95	106.73	-8.22	100.68	-14.27
Independence						
Independence MHI	279.47	287.85	265.47	-22.38	265.78	-22.07
Mt Pleasant						
Mt Pleasant MHI	107.50	116.44	111.64	-4.80	107.64	-8.80
Mt. Pleasant Canteen Fund	0.00	0.50	0.00	-0.50	0.00	-0.50
Total Mt Pleasant	<u>107.50</u>	<u>116.94</u>	<u>111.64</u>	<u>-5.30</u>	<u>107.64</u>	<u>-9.30</u>

Health and Human Services

FTE

	Actual FY 2009 <u>(1)</u>	Final Action FY 2010 <u>(2)</u>	Estimated FY 2010 <u>(3)</u>	Est FY 2010 vs Final Action <u>(4)</u>	Gov Rec FY 2011 <u>(5)</u>	Gov Rec vs Final Action FY 10 <u>(6)</u>
Glenwood						
Glenwood Resource Center	921.07	947.24	960.91	13.67	960.91	13.67
Glenwood Canteen Fund	1.00	1.00	1.00	0.00	1.00	0.00
Total Glenwood	<u>922.08</u>	<u>948.24</u>	<u>961.91</u>	<u>13.67</u>	<u>961.91</u>	<u>13.67</u>
Woodward						
Woodward Resource Center	751.86	737.16	792.27	55.11	792.27	55.11
Woodward Warehouse Revolving Fund	5.46	5.20	5.20	0.00	5.20	0.00
Total Woodward	<u>757.32</u>	<u>742.36</u>	<u>797.47</u>	<u>55.11</u>	<u>797.47</u>	<u>55.11</u>
Assistance						
Family Investment Program/JOBS	14.99	16.50	12.00	-4.50	12.00	-4.50
Health Insurance Premium Payment	14.98	19.00	17.00	-2.00	11.00	-8.00
Medical Contracts	2.01	6.00	6.00	0.00	2.00	-4.00
Child and Family Services	4.34	0.00	4.50	4.50	0.00	0.00
Child Care Assistance	2.01	0.00	1.00	1.00	1.00	1.00
Total Assistance	<u>38.33</u>	<u>41.50</u>	<u>40.50</u>	<u>-1.00</u>	<u>26.00</u>	<u>-15.50</u>
Total Human Services, Dept. of	<u>5,881.51</u>	<u>6,001.50</u>	<u>5,998.02</u>	<u>-3.48</u>	<u>5,790.95</u>	<u>-210.55</u>
<u>Veterans Affairs, Dept. of</u>						
Veterans Affairs, Department of						
General Administration	15.98	0.00	15.20	15.20	14.00	14.00
Veterans Affairs, Dept. of						
General Administration	0.00	17.20	0.00	-17.20	0.00	-17.20
Iowa Veterans Home	917.77	972.71	943.68	-29.03	949.27	-23.44
Iowa Veterans Home Canteen	4.71	4.00	5.11	1.11	5.11	1.11
Total Veterans Affairs, Dept. of	<u>922.47</u>	<u>993.91</u>	<u>948.79</u>	<u>-45.12</u>	<u>954.38</u>	<u>-39.53</u>
Total Veterans Affairs, Dept. of	<u>938.45</u>	<u>993.91</u>	<u>963.99</u>	<u>-29.92</u>	<u>968.38</u>	<u>-25.53</u>
<u>Regents, Board of</u>						
Regents, Board of						
BOR UIHC - ICA	7,073.99	6,432.00	7,099.66	667.66	7,099.66	667.66
University of Iowa-Psychiatric Hospital	291.49	269.65	303.53	33.88	0.00	-269.65
Total Regents, Board of	<u>7,365.48</u>	<u>6,701.65</u>	<u>7,403.19</u>	<u>701.54</u>	<u>7,099.66</u>	<u>398.01</u>
Total Health and Human Services	<u>14,682.80</u>	<u>14,226.26</u>	<u>14,908.50</u>	<u>682.24</u>	<u>14,387.74</u>	<u>161.48</u>

Appendix D

FY 2010 – 10.0%

Across-the-Board (ATB)

Reduction

Implementation Plans

HEALTH AND HUMAN SERVICES SUBCOMMITTEE

Department on Aging (formerly Elder Affairs)

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
<u>Aging, Dept. on</u>			
Aging Programs	\$ 4,958,230	\$ -495,823	\$ 4,462,407
Total Aging, Dept. on	\$ 4,958,230	\$ -495,823	\$ 4,462,407

- ATB Implementation Plan: Approved as submitted.
- Positions Eliminated: 1.0. This includes 0.5 FTE position for an upcoming retirement and 0.5 FTE position for a vacant position eliminated.
- Portion of the FY 2010 budget funded by the General Fund: State funding for the Department on Aging represents approximately 44.0% of the budget. The Department has a number of federal grants that provide direct services to the elderly.
- Impact to federal funds: None
- Other impacts: The Department will reduce the transfer to Medicaid Case Management by 10.0%. This reduced transfer does not impact federal funds in this budget, but would reduce federal funds in the Medicaid budget by \$622,345. The Dementia Standards Education Project will be eliminated. The Department will eliminate part of their support to the Resident Advocate Community Coordinator Program for new applications.
- Funding backfill needs and recommendations: None.

Department of Public Health

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
<u>Public Health, Dept. of</u>			
Addictive Disorders	\$ 28,652,500	\$ -2,865,250	\$ 25,787,250
Healthy Children and Families	2,249,167	-224,917	2,024,250
Chronic Conditions	2,756,236	-275,624	2,480,612
Community Capacity	4,116,847	-411,685	3,705,162
Elderly Wellness	8,345,779	-834,578	7,511,201
Environmental Hazards	1,000,391	-100,039	900,352
Infectious Diseases	1,630,661	-163,066	1,467,595
Public Protection	3,569,986	-356,999	3,212,987
Resource Management	1,062,517	-106,252	956,265
Prevention and Chronic Care Management	0	0	0
Medical Home System	0	0	0
Healthy Communities Initiative	0	0	0
Gov. Council on Physical Fitness and Nutrition	0	0	0
Iowa Health Information Technology System	0	0	0
Health Care Access	0	0	0
Total Public Health, Dept. of	\$ 53,384,084	\$ -5,338,410	\$ 48,045,674

ATB Implementation Plan: Approved with backfills.

- Positions Affected: 12.7. This includes 3.4 positions that were shifted to federal funding, 4.3 layoffs and 5.0 vacant positions that will not be filled or hiring will be delayed.
- Portion of the FY 2010 budget funded by the General Fund: A majority of the Department’s budget is federally funded (53.2%). The General Fund represents 23.4% and the Health Care Trust Fund provides for approximately 3.0% of the budget. The rest of the Department’s funding (19.0%) comes from “other” funding sources, such as fees collected and retained by individual programs or via memoranda of understanding that have been established with other State agencies, grants received from private foundations, and Rebuild Iowa Infrastructure (RIIF) funds. For FY 2010, 1.0% of the Department’s funding came from the federal ARRA stimulus funds.
- Impact to federal funds: Yes. The ATB reduction will result in the loss of \$26,000 in federal funds for the following:
 - \$15,000 for the oral health portion of the Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) Program. The Department receives federal matching funds from the Department of Human Services. General funds will be reduced by \$15,000 for a loss of \$30,000 total. One FTE position will be shifted to federal funds.
 - \$11,000 for the local public health liaisons services federal match for health care access programs. The General Fund reduction to services will be \$36,000. There will be a reduction in consultation and technical assistance to local boards of health and local public health agencies as well as a reduction to in-state travel.
- Other impacts to the Department include:
 - For tobacco use, prevention, and cessation services the Department will reduce funding for JEL-related youth activities, provide a reduced amount of free cessation products to the public, reduce contracts with local tobacco control program grantees and the Alcohol Beverages Division of the Department of Commerce, reduce travel and vehicle use, and an impact study related to Iowa’s Smokefree Air Act will not be conducted.
 - The Perinatal Program will reduce travel and make adjustments to contracted University of Iowa staff.
 - The mental health program, Assuring Better Child Health and Development (ABCD II Program) will not fill a vacant FTE position and will reduce funding to community-based contractors.
 - The Prevention and Chronic Care Management, Medical Homes, Health Information Technology, the Governor’s Physical Fitness and Nutrition, and Health Care Access Health Care Advisory Councils will all receive a reduction resulting in a decrease in operations.
 - Contracts will be reduced for the following areas within the Community Capacity appropriation budget unit: child vision screening, local boards of health, the University of Iowa Mental Health Program, and the Cherokee Mental Health Institution.
 - The Department will shift 0.75 FTE position to federal funding in the health delivery system area. This will impact the amount of technical assistance and consultation provided to hospitals and safety net providers.
 - The Department’s Wellness Initiative Grants will be reduced by two and support staff travel and operating expenses will be reduced.

- The Local Board of Health Environmental Liaisons will reduce in-state travel. Other support expenses will be shifted to fee-based programs or federal grants.
- The Department will not fill a vacant FTE position for the Public Health Redesign/Modernization initiative and will reduce in-state travel.
- The Division of Environmental Health will reduce travel and office supplies and may reduce the contract with Iowa State University for mosquito surveillance.
- The Department's water-related regulatory programs (i.e. drinking fountains and swimming pools) will reduce travel to local public health agencies. Some expenses will be moved to fee based programs.
- The Milk Certification Program will eliminate overtime paid to staff and will shift some expenses to other funding sources.
- The contract with the Iowa State Poison Control Center will be reduced resulting in less capacity for the Center to receive public phone calls.
- Storage facility costs for Iowa's Antiviral Stockpile and other medical resources will be moved to federal funding instead of funding from the General Fund.
- The Department's Emergency Medical Services (EMS) will conduct 100 less inspections per year and will reduce in-state travel and consultation to ambulance service programs and hospitals. Unobligated funds from the EMS Fund will be used to maintain local service contracts.
- The State Medical Examiner will not fill a new FTE position.
- The Certificate of Need Program will shift 0.10 FTE position to federal funding.
- Under the resource management budget appropriation unit, the salary of the Director of the DPH will be reduced by 10.0%, two FTE positions will not be filled, 0.50 FTE position will be shifted to federal funding, future utility rate increases billed from the Department of Administrative Services will not be funded, and dependent adult abuse curriculum activities will be discontinued.
- The Department receives appropriations from the Health Care Trust Fund (HCTF). The HCTF appropriations to the Addictive Disorders and Community Capacity appropriations budget units were reduced by \$160,000 and \$272,000, respectively. For Addictive Disorders, the Department will reduce grants already awarded to the Tobacco Priority Population Networks by 10.0%; eliminate 1.0 filled FTE position in the Division of Tobacco Use, Prevention, and Control; eliminate funding for the Tobacco Partners Website; and reduce funding for education and youth marketing campaigns. For Community Capacity, the Department will reduce contracts related to the Iowa Collaborative Safety Net Network, reduce stipends awarded to four entities for mental health work, reduce the contract with the Greater Sioux Community Health Center and to local boards of health for accreditation, and reduce activities and leave a vacant FTE position unfilled relating to direct care workers initiatives.

Backfill Funding

The Governor recommended backfill funding for various programs and services under the Department of Public Health. These include:

- \$2.5 million to continue efforts relating to gambling and substance abuse treatment and prevention, and tobacco use, prevention, and control.

Appendix D – FY 2010 – 10.0% Across-the-Board (ATB) Reduction Implementation Plans

- \$23,000 for oral health programming. Delta Dental provides referral services for eligible Iowans to receive free dental care; this contract will not be reduced.
- \$57,000 for the Healthy Opportunities for Parents to Experience Success (HOPES) Program. Service levels will continue for all participating families.
- \$18,000 to restore the child health specialty clinics contract with the University of Iowa. Services will continue to children with special health care needs at clinics in Iowa City and 13 regional centers.
- \$31,000 to restore the contract with the University of Iowa relating to services provided for persons with muscular dystrophy and birth defects.
- \$24,000 to restore case management contracts related to the Ryan White AIDS Drug Assistance Program.
- \$56,000 to continue the contract with the University of Iowa to provide 82 individuals with funding for special foods for children affected by Phenylketonuria (PKU).
- \$11,000 to restore the contract with the Iowa Prescription Drug Corporation and to continue administrative support for the Prescription Drug Donation Program.
- \$32,000 to restore the contract with the Epilepsy Foundation of North Central Illinois, Iowa and Nebraska to provide education and support services for persons with epilepsy.
- \$49,000 to fill 0.30 FTE position for the Brain Injury Advisory Council and to continue brain injury services for 200 persons in Iowa.
- \$23,000 to partially backfill the proposed reduction to operations of \$35,000 for the Governor's Council on Physical Fitness and Nutrition.
- \$229,000 to continue services and restore contracts for local public health nursing. Prior to the backfill, the Department estimated a reduction of 988 home visits statewide in addition to less access to services for 488 Iowans.
- \$605,000 to continue local Home Care Aide service contracts. Prior to the backfill the Department estimated a reduction of 16,000 hours of personal care.
- \$66,000 to restore lead screenings for children and follow-up services for those with positive results for lead poisoning.
- \$119,000 to continue Dtap [diphtheria, tetanus, and pertussis (whooping cough)] vaccinations services to children.
- \$7,000 to restore reductions in contracts and services relating to Hepatitis C virus tests and Hepatitis B vaccinations.
- \$13,000 for prescription drug assistance and testing services related to persons with chlamydia, gonorrhea, or tuberculosis.

Department of Human Services

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
Human Services, Dept. of			
Toledo Juvenile Home			
Licensed Classroom Teachers	\$ 115,500	\$ -11,550	\$ 103,950
General Administration			
General Administration	\$ 15,252,523	\$ -1,525,252	\$ 13,727,271
Field Operations			
Child Support Recoveries	\$ 13,420,460	\$ -1,342,046	\$ 12,078,414
Field Operations	63,032,831	-6,303,283	56,729,548
Total Field Operations	<u>\$ 76,453,291</u>	<u>\$ -7,645,329</u>	<u>\$ 68,807,962</u>
Toledo Juvenile Home			
Toledo Juvenile Home	\$ 6,754,759	\$ -675,476	\$ 6,079,283
Eldora Training School			
Eldora Training School	\$ 10,717,787	\$ -1,071,779	\$ 9,646,008
Cherokee CCUSO			
Civil Commit. Unit for Sex Offenders	\$ 6,860,204	\$ -686,020	\$ 6,174,184
Cherokee			
Cherokee MHI	\$ 5,436,076	\$ -543,608	\$ 4,892,468
Clarinda			
Clarinda MHI	\$ 6,227,335	\$ -622,734	\$ 5,604,601
Independence			
Independence MHI	\$ 9,503,567	\$ -950,357	\$ 8,553,210
Mt. Pleasant			
Mt. Pleasant MHI	\$ 1,795,552	\$ -180,889	\$ 1,614,663
Glenwood			
Glenwood Resource Center	\$ 17,620,487	\$ -1,812,049	\$ 15,808,438
Woodward			
Woodward Resource Center	\$ 10,929,200	\$ -1,142,920	\$ 9,786,280
Assistance			
Family Investment Program/JOBS	\$ 34,592,700	\$ -3,459,270	\$ 31,133,430
Medical Assistance	681,949,840	-71,853,706	610,096,134
Health Insurance Premium Payment	508,011	-50,801	457,210
Medical Contracts	13,651,503	-1,365,150	12,286,353
State Supplementary Assistance	18,412,646	-1,954,813	16,457,833
State Children's Health Insurance	14,629,830	-1,462,983	13,166,847
Child Care Assistance	37,974,472	-5,427,008	32,547,464
Child and Family Services	90,591,451	-9,059,145	81,532,306
Adoption Subsidy	34,883,674	-3,488,367	31,395,307
Family Support Subsidy	1,697,137	-174,139	1,522,998
Connors Training	37,358	-3,736	33,622
MI/MR/DD State Cases	11,446,288	-1,151,081	10,295,207
MH/DD Community Services	15,790,111	-1,579,011	14,211,100
Volunteers	94,067	-9,407	84,660
Family Planning	10,000	-55,654	-45,654
Pregnancy Counseling	100,000	-28,312	71,688
MH/DD Growth Factor	54,108,770	-5,410,877	48,697,893
Medical Assistance, Hawk-i, Hawk-i Expansion	4,207,001	-420,700	3,786,301
State Mental Health Systems	0	0	0
Total Assistance	<u>\$ 1,014,684,859</u>	<u>\$ -106,954,160</u>	<u>\$ 907,730,699</u>
Total Human Services, Dept. of	<u>\$ 1,182,351,140</u>	<u>\$ -123,822,123</u>	<u>\$ 1,058,529,017</u>

Appendix D – FY 2010 – 10.0% Across-the-Board (ATB) Reduction Implementation Plans

- ATB Implementation Plan: Approved with backfills.
- Positions Eliminated: 184.0. This includes 35.0 layoffs and 149.0 vacant positions eliminated. Of the layoffs, 25.0 positions will be eliminated as part of a planned Department reorganization of the General Administration Division. The 10.0 remaining layoffs will occur at the Juvenile Home in Toledo and the Mental Health Institute at Independence. The original plan submitted to the Governor projected 79.0 layoffs but that has been revised as a result of the memorandum of understanding (MOU) with the employee unions.
- Portion of the FY 2010 budget funded by the General Fund: A majority of the Department's budget is federally funded (approximately 71.0%). State funding serves as a match or to meet maintenance of effort (MOE) requirements. The match or MOE requirements vary by program.
- Impact to federal funds: Yes. Impacts for the Department are as follows:
 - The ATB reduction will result in a loss of \$1.8 million in federal funds for General Administration. The Department receives an approximate federal match of 45.0% for FTE positions and support activities. A total of 60.0 FTE positions will be reduced including 24.0 authorized but unfunded positions, 11.0 vacant positions, and 25.0 filled positions. Support activities such as travel and information technology purchases will be reduced and contracts may be delayed or reprioritized. Reorganization of the central office in Des Moines will also occur.
 - The ATB reduction will result in a loss of \$2.8 million in federal funds for Field Operations. The Department receives an approximate federal match of 25.0% for FTE positions and support activities relating to field operations. The Department will not fill 78.0 vacant positions and will begin a process of reorganization including a reduction of service areas, increasing the amount of less-than-full-time offices, and centralization of some services like child abuse intakes.
 - The ATB reduction will result in a loss of \$2.2 million in federal funds for the Child Support Recovery Unit (CSRU). All State appropriations for the CSRU are matched by approximately a 66.0% match rate. The loss in funding will result in approximately \$15.4 million less in collection of support for Iowa parents.
 - The ATB reduction will result in a loss of \$227.0 million in federal funds for the Medical Assistance appropriation, including funds transferred from the Medical Assistance, hawk-i, and hawk-i Expansion appropriations. All State funds are matched at approximately a 72.2% match rate for FY 2010. A portion of the loss in federal funds is for dollars that would have been carried forward as part of a surplus and spent in FY 2011. The loss in funding will result in rate reductions for providers and a reduction in various services. For more information please refer to the Medical Assistance section of this document.
 - The ATB reduction will result in a loss of \$118,000 in federal funds for the Health Insurance Premium Payment Program. This will result in delayed applications and renewals.
 - The ATB reduction will result in a loss of \$5.9 million in federal funds for the Medical Contracts appropriation. This will result in delayed implementation of various computer projects related to Health Information Technology.
 - The ATB reduction will result in a loss of \$1.6 million in federal funds for the Adoption Subsidy Program. The Department receives federal Title IV-E funding for the Adoption Subsidy Program. For FY 2010, the federal match will be approximately 68.8%. The USDA maintenance rates will be reduced by 5.0%, legal services will be capped, and there may be a reduction in

special services such as counseling, transportation, and payment of health insurance premiums for eligible children.

- The ATB reduction will result in a loss of \$539,000 in federal funds for various programs under the Child and Family Services appropriation budget unit. For family foster care maintenance rates and services, there will be a loss of \$389,000 in federal funding. The reduction in group care maintenance rates will result in a loss of \$99,000 in federal funding. The 25.0% reduction to the child welfare training contract with the Coalition for Child and Family Services will result in a loss of \$51,000 in federal funding. These services are governed under Title IV-B and IV-E of the federal Social Security Act and the Child Abuse Prevention and Treatment Act and receive federal matching dollars for eligible children and services. For FY 2009, Title IV-E paid approximately 37.0% of the cost of family foster care maintenance rates and 14.0% of the cost of group care maintenance rates. The USDA maintenance rates will be reduced by 5.0% for family foster care and group care, the contract with the Iowa Foster and Adoptive Parents Association (IFAPA) for support services will be reduced by 5.0%, the contract with Kids Net for foster parent recruitment and retention will be reduced by 5.0%, and unobligated funds from the Family Foster Care and Foster Home Insurance Fund will be used in FY 2010 instead of future years. Foster care and group care allocations to DHS Service Areas will also be reduced.
- Other impacts to the Department include:
 - The juvenile institutions at Toledo and Eldora will be eliminated and will not fill 21.0 vacant FTE positions (5.0 at Toledo and 19.0 at Eldora). Toledo will close one living unit after a reduction of seven treatment beds for girls and Eldora will close an 18-bed special needs unit.
 - The four Mental Health Institutes will reduce treatment and psychiatric services. Independence MHI will combine the children and adolescent unit. There will be an increased waiting time for new admissions.
 - The two State Resource Centers will defer facility infrastructure repairs and improvements and reduce supply and equipment expenditures. All services to existing clients will continue.
 - For the programs within the Family Investment Program, the earned income tax credit contract will be eliminated. The mileage rate for the Promise Jobs Program will be decreased. The TANF transfer to Empowerment will be reduced by \$500,000 resulting in a reduction to all 58 Empowerment Areas. Funding for the FaDSS Program will be reduced by 10.0% resulting in a reduction in services. The Department will provide less assistance to counties for the cost of housing DHS staff offices.
 - For the MH/DD Growth Factor, Community Services and Property Tax Relief, the ATB of \$14.8 million may result in counties having to institute waiting lists or to reduce services. This may result in increased visits to the emergency room or increased costs to the criminal justice system.
 - The MI/MR/DD State Cases Program will begin a waiting list. Approximately 132 cases are expected to be added to the waiting list per month with a total of 1,056 cases added by the end of the fiscal year.
 - The appropriation for State Family Planning funding will be eliminated and the carryforward of \$293,413 will be transferred to Medicaid.
 - The Pregnancy Counseling contract will be eliminated effective January 1, 2010.

- Select services under the Quality Rating System (QRS) will be temporarily suspended beginning January 1, 2010, through June 30, 2010. Suspended services will include National Administrator Credentialing and training and Environmental Rating Scale (ERS) assessments and trainings.
- The Department will not transfer Professional Development funding to the Department of Education that would be used for local professional development activities primarily related to the Community Empowerment Program.
- The Department will reduce projected carryforward for the Child Care Assistance Subsidy Program for FY 2010.
- The following programs will be impacted under the Child and Family Services appropriation unit:
 - Funding for child protection medical exams will be reduced but core services should not be affected.
 - Funding for Child Protection Centers will be reduced but core services should not be affected.
 - The Department will eliminate the Linn County Runaway and Four Oaks Autism earmarks. Each Program serves one county and neither program has signed a contract for FY 2010.
 - The contract with Elevate, a youth foster care advocacy group, will be reduced by 5.0%.
 - For Juvenile Justice, the Department will reduce funding for tracking, supervised community treatment, life skills, and school based supervision and will eliminate funding for the family drug courts beginning January 1, 2010. The drug courts are located in five counties. Court ordered services for children and youth adjudicated child in need of assistance (CINA) or delinquent will also be reduced.
 - The PMIC multi-dimensional foster care treatment pilot program will be eliminated beginning on January 1, 2010. This pilot program operated in two counties.
 - Provider rates for the Supervised Apartment Living Program will be reduced by 5.0%. An estimated average of 76 youth will utilize this service per month for FY 2010.
 - The Department will reduce the contract for administering the State Supplemental Security Income (SSI) benefits. These federal benefits assist in offsetting the cost of foster care for eligible children.
 - The Department will divert unobligated funds from the Juvenile Detention Fund to replace State funding for juvenile delinquency programs. These funds are normally used for reimbursements to counties.

Backfill Funding

The Governor recommended backfill funding for various programs or services by using \$5.0 million of the Medicaid surplus to offset the cost. These include:

- \$44,000 to restore the contract reduction for Prevent Child Abuse Iowa.
 - \$602,000 for Pregnancy Prevention under the TANF appropriation.
 - \$200,000 for the HOPES Program.
 - \$195,000 to keep Mental Health drugs off the Preferred Drug List (PDL) in the Medicaid Program.
-

Appendix D – FY 2010 – 10.0% Across-the-Board (ATB) Reduction Implementation Plans

- \$1.2 million to maintain Chiropractic Services under the Medicaid Program, but with the same 5.0% rate reduction assessed to other providers.
- \$500,000 for Children’s Mental Health under the Medicaid Program, so the program will not need to be moved under a managed care plan.
- \$118,000 to eliminate the need to charge a \$6 dollar emergency room copayment to Medicaid clients.
- \$326,000 to continue the implementation of the Dental Only program under hawk-i for children who have health insurance, but no dental insurance.
- \$63,000 to continue initiatives for presumptive eligibility, express lane eligibility, paperless administrative renewal process, and premium assistance for the hawk-i Program.
- \$175,000 to proceed with a grant for special needs children in Polk County. The Department proposed to eliminate this grant prior to the backfill.
- \$47,000 to proceed with a low-income special needs children grant in Polk County. The Department proposed to eliminate this grant prior to the backfill.
- \$101,000 to proceed with a child abuse prevention grant that specifically targets child sexual abuse prevention.
- \$66,000 for Preparation for Adult Living to restore the reduction in payments for children aging out of the foster care system.
- \$413,000 to restore the 5.0% shelter care and child welfare emergency services provider rate reduction.
- \$1.1 million to continue payments for empty guaranteed shelter beds. For FY 2009, the State paid approximately \$2.3 million to shelters for empty but contracted guaranteed beds. For FY 2010 year-to-date through October, the Department has paid \$714,000 for these beds.

Department of Veterans Affairs

	<u>Estimated FY 2010</u>	<u>ATB Reduction FY 2010</u>	<u>Est Net FY 2010</u>
<u>Veterans Affairs, Dept. of</u>			
Veterans Affairs, Department of			
General Administration	\$ 1,067,170	\$ -106,717	\$ 960,453
War Orphans Educational Assistance	22,944	-10,213	12,731
Injured Veterans Grant Program	0	-128,145	-128,145
Veterans County Grants	1,000,000	-10,000	990,000
Total Veterans Affairs, Department of	\$ 2,090,114	\$ -255,075	\$ 1,835,039

- ATB Implementation Plan: Approved as submitted. Impacts include:
 - General Administration:
 - A decrease of \$71,000 by eliminating 1.00 FTE positions. As of November 13, 2009, the two positions have not been identified.

Appendix D – FY 2010 – 10.0% Across-the-Board (ATB) Reduction Implementation Plans

- A decrease of \$35,717 that is expected to be replaced with funds from the Cemetery Fund; this money is supplied by the federal Veterans Administration for each burial at the Iowa Veterans Cemetery.
- War Orphans Educational Assistance Program – A decrease of \$10,213 that will be replaced by utilizing carryforward funds available from previous fiscal years.
- Injured Veterans Grant Program – A decrease of \$128,145 that will be replaced by utilizing carryforward funds available from a previous appropriation.
- Veteran County Grants Program – A decrease of \$10,000 that will eliminate the training component provided by the Department for the counties.
- Positions Eliminated: 1.0 FTE position. This includes 1.0 layoff. The original plan submitted to the Governor projected 2.0 layoffs but that has been revised as a result of the memorandum of understanding (MOU) with the employee unions.
- Portion of the FY 2010 budget funded by the General Fund for the general operation expenditures of the Department is 100.0%. However, this is supplemented by various outside funding when needs are determined, including:
 - The Department of Veterans Affairs has access through approval by the Veterans Affairs Commission to utilize funds from the Veterans License Plate Fund. For FY 2010, the Department is using \$50,000 from this Fund for a veterans needs study.
 - A Merchant Marine Bonus Fund is available via appropriation by the General Assembly. As of November 1, 2009, there was \$134,829.
 - The interest from the Veterans Trust Fund is available for expenditure by the Commission for various needs of veterans. As of November 1, 2009, there was approximately \$9.0 million in the Trust Fund. Expected interest for FY 2010 available for expenditure is \$60,000.
- Impact to federal funds: None
- Other impacts: Cemetery – Without adequate staff, the maintenance of the Veterans Cemetery could be diminished. Additional volunteers for that effort could be sought.
- Funding backfill needs and recommendations: None

Department of Veterans Affairs – Iowa Veterans Home

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
<u>Veterans Affairs, Dept. of</u>			
Iowa Veterans Home	\$ 11,326,650	\$ -1,695,804	\$ 9,630,846
Total Veterans Affairs, Dept. of	\$ 11,326,650	\$ -1,695,804	\$ 9,630,846

- ATB Implementation Plan for the Iowa Veterans Home: Approved as submitted. Impacts include:
 - A decrease of \$140,000 in less overtime costs.
 - A decrease of \$516,706 for nondirect care vacant funded positions.
 - A decrease of \$10,692 for a reduction in the Commandant’s salary.

- A decrease of \$45,060 for various travel and training cost decreases.
- A decrease of \$29,300 for various supplies and related cost decreases.
- A decrease of \$149,870 for a reduction in inventories.
- A decrease of \$98,007 for various contracted services.
- A decrease of \$143,030 for equipment purchase deferrals.
- A decrease of \$563,139 from the available carryforward that would have been utilized in FY 2011.
- Positions Eliminated: 11.8. This includes no expected layoffs and 11.8 vacant positions eliminated.
- Portion of the FY 2010 budget funded by the General Fund: With the 10.00% ATB reduction, the Iowa Veterans Home FY 2010 budget is 18.8% State General Fund. The report included with the approved reductions did not indicate an impact to the outside funding. A small decrease in reimbursement is expected due to the State funding reduction for the Medicaid Program. Since the adoption of the original budget, the Home has increased their expected revenue from the Veterans Administration per diem reimbursement and decreased their expected revenue from resident support; neither of these adjustments are a result of the across-the-board reduction. The Veterans Home is net-budgeted; an across-the-board reduction impacts revenues less than if not net budgeted.
- Impact to federal funds: Not directly; a decrease in Medicaid reimbursements is possible due to reductions in the Medicaid Program State funding.
- Other impacts: Although a decrease in funding available for FY 2011 due to the decision to utilize the earlier expected carryforward from FY 2010 is occurring, the Veterans Home projects a greater increase in the carryforward after the across-the-board and utilization of \$563,139 of FY 2010 funds. The estimated carryforward into FY 2011 is revised to \$2.9 million and is expected to increase prior to the end of FY 2010 to reflect a typical historical pattern.
- Funding backfill needs and recommendations: None.

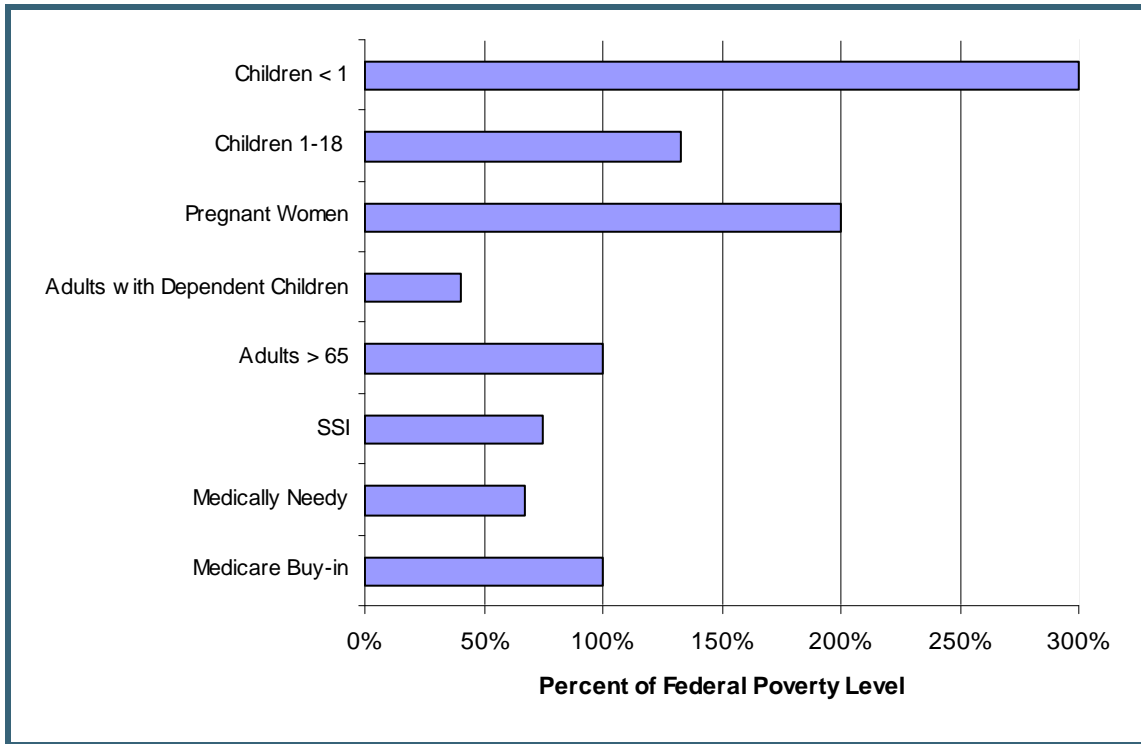
Appendix E

Medicaid

MEDICAL ASSISTANCE PROGRAM (MEDICAID)

Medicaid is funded jointly by State and federal funds to provide health care services to low-income persons that are elderly, blind, disabled, pregnant, children under age 21, or members of families with dependent children. For Federal Fiscal Year (FFY) 2009, the federal matching rate for Iowa was 68.82%. The estimated match rate for FFY 2010 is 74.46% which includes the enhanced American Reinvestment and Recovery FMAP rate.

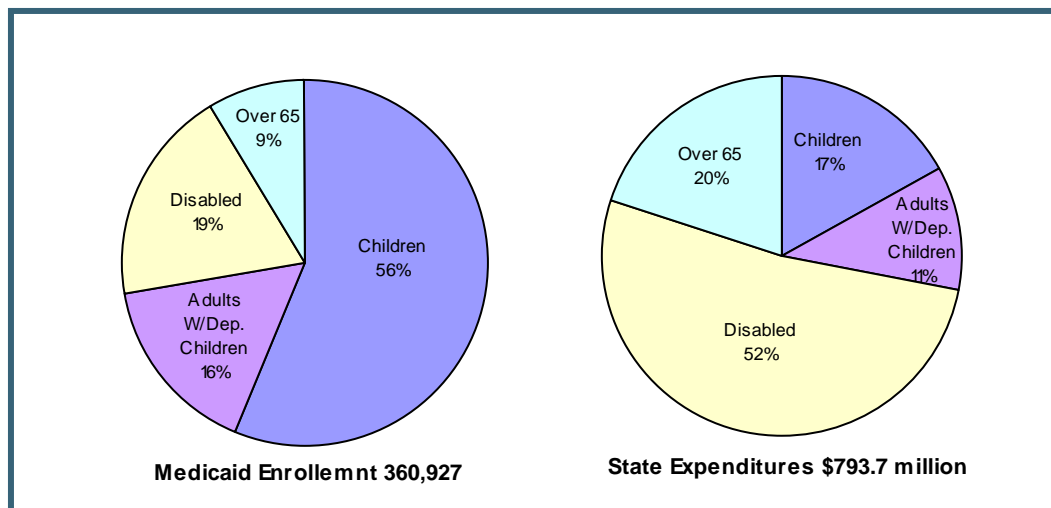
**Table 1
Medicaid Eligibility by Income Level**



The Iowa Medicaid Program covers individuals at various levels of income as allowed under federal law. **Table 1** shows the maximum income level for children, pregnant women, adults with dependent children, recipients of Supplemental Security Income (SSI), the Medicare Buy-in Program, and the Medically Needy Program. The income levels are based on the percentage of the Federal Poverty Level (FPL) calculated annually by the federal government and varies by the size of the household. The FPL for a family of four is \$22,050 for 2009.

In January 2010, 360,927 Iowans were enrolled in Medicaid. Of this amount, 56.1% were children, 16.0% were adults with dependent children, 19.4% were disabled, and 8.5% were over age 65. Fiscal Year 2009 State expenditures totaled \$793.7 million. Of the total expenditures, 17.0% was for children, 11.0% was for adults with dependent children, 52.0% was for the disabled, and 20.0% was for adults over age 65. While children account for approximately half of the enrollment, they consume less than 17.0% of Medicaid expenditures. Adults over age 65 and the disabled individuals account for 27.9% of enrollment but utilize 72.0% of expenditures. **Table 2** shows Medicaid enrollment and expenditures by category.

Table 2
Medicaid Expenditures and Enrollment by Category



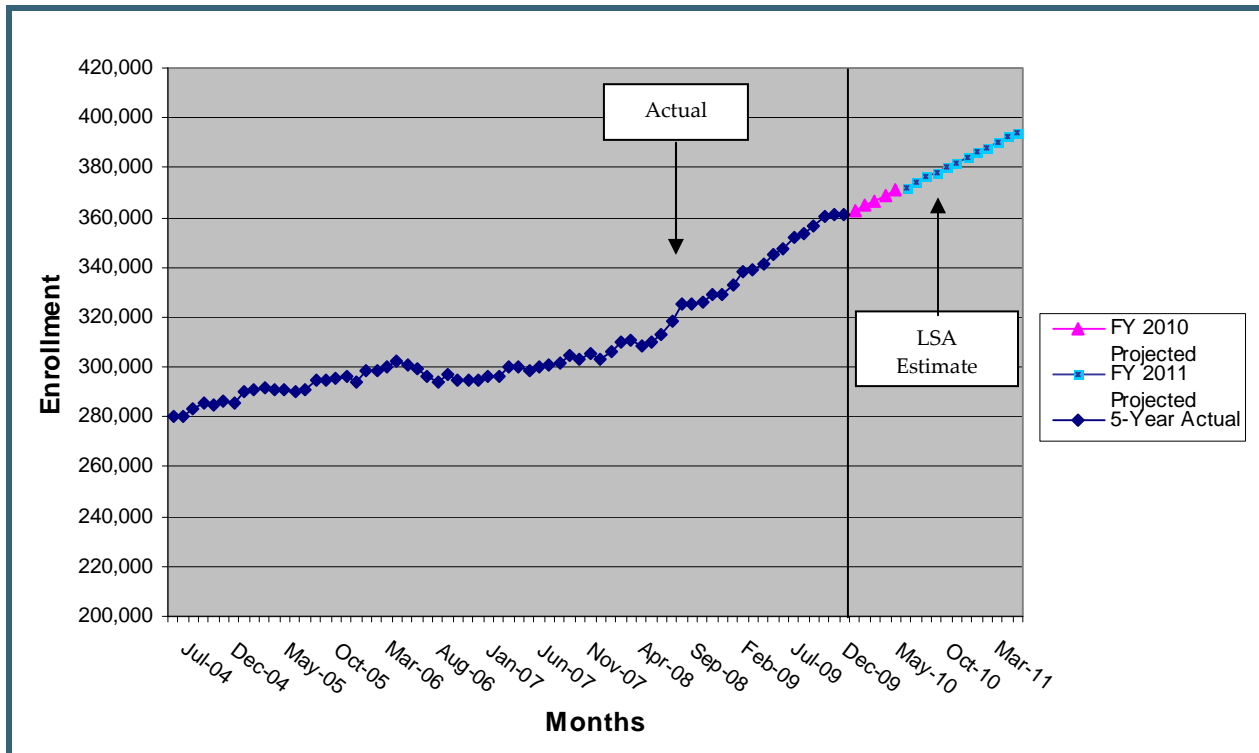
American Recovery and Reinvestment Act (ARRA)

On February 17, 2009, the President signed the American Recovery and Reinvestment Act of 2009. The Act provides a 6.2% increase in the Federal Medical Assistance Percentage (FMAP) match over 27 months, with nine of the months falling in State FY 2009. The Act also provides for additional FMAP increases based on state unemployment rates. An increase in the FMAP formula offsets State dollars needed to fund the Medicaid Program. For FY 2009, the FMAP change reduced the amount of State funds needed to fund the Medicaid Program by \$114.0 million. Iowa will receive an estimated \$216.2 million in FMAP savings for FY 2010. This includes \$148.9 million for the 6.2% FMAP increase, \$40.7 million for reaching tier one of the unemployment FMAP, \$18.0 for reaching tier two of the unemployment FMAP, and \$8.6 million from Government Stabilization funds. To reach the third and final unemployment FMAP tier the State would need a three-month average unemployment rate of 7.2%. As of December 2009, the three-month average rate is 6.6% and appears to be leveling out. If Iowa were to qualify, the amount of additional savings would depend on when the State qualifies. Iowa will receive an estimated \$93.0 million in FMAP savings for FY 2011. This includes tier two of the unemployment FMAP.

Enrollment

Table 3 shows the enrollment growth in Iowa over the past five years. Average enrollment increased by 5.8% in FY 2005 and 3.4% in FY 2006. In FY 2007 there was negligible growth as a result of additional citizenship requirements at the federal level. In FY 2008 the Program increased by 2.9% and in FY 2009 with the poor economy the program grew by 8.2%.

**Table 3
Medicaid Enrollment**



With continued weak economic conditions, enrollment is projected to increase steadily in FY 2010 and FY 2011. The Fiscal Services Division of the Legislative Services Agency (LSA) estimates Medicaid enrollment will increase by 9.2% in FY 2010 and 6.3% in FY 2011. The Program added a total of 31,794 individuals in FY 2009, including 25,935 children. In the first seven months of FY 2010, the Program added an additional 15,535 individuals for total enrollment of 360,927.

Expenditures

Table 4 shows actual State expenditures for Medicaid for FY 2007 through FY 2009 and the projected need for FY 2010 and FY 2011. The appropriation for FY 2010, less the 10.0% ATB, is \$768.4 million. This is \$3.0 million more than the projected need.

**Table 4
State Medicaid Expenditures – All State Funds
(Dollars in Millions)**

	<u>State Actual</u>	<u>FMAP Savings</u>	<u>Adjusted State Total</u>
FY 2007 Actual	\$ 767.5	\$ -	\$ 767.5
FY 2008 Actual	849.0	-	849.0
FY 2009 Actual	907.7	-114.0	793.7
FY 2010 Projected Need	981.6	-216.2	765.4
FY 2011 Projected Need	1,045.0	-93.0	952.0

Medical Assistance Program (Medicaid)

Table 5 shows expenditures for FY 2009 compared to year-to-date FY 2010 including the monthly savings received from the ARRA FMAP adjustment.

Table 5
State Expenditures for FY 2009 and FY 2010 including FMAP Savings

	Actual FY 2009	FY 2009 Savings	Year-to-Date FY 2010	FY 2010 FMAP Savings
July	\$ 17,089,004	\$ -	\$ 22,583,274	\$ 4,289,640
August	55,816,607	-	49,352,971	11,807,919
September	82,001,324	-	64,305,702	16,176,390
October	56,230,349	9,164,466	69,543,809	18,222,597
November	63,205,736	10,930,532	58,988,009	16,780,289
December	69,457,065	11,705,494	53,057,942	15,559,631
January	55,068,190	9,471,952	-	-
February	63,691,919	10,773,986	-	-
March	77,900,524	13,976,502	-	-
April	60,891,296	12,439,866	-	-
May	62,762,013	10,749,869	-	-
June	68,235,913	10,959,095	-	-
June +60	61,411,462	13,805,145	-	-
Total Expenditures	<u>\$ 793,761,402</u>	<u>\$ 113,976,907</u>	<u>\$ 317,831,707</u>	<u>\$ 82,836,466</u>

Across-the Board Reductions

In October 2009, the Governor ordered a 10.0% across-the-board reduction for all General Fund appropriations, including the General Fund transfer to the Property Tax Relief Fund and the Health Care Trust Fund. The Department of Human Services (DHS) submitted a plan to the Governor to meet the \$83.7 million dollar reduction and the Governor accepted the plan but chose to backfill a number of line items with the Medicaid surplus. The Governor also used the surplus to backfill additional line items in the Department budget. The Governor's final plan reduced Medicaid by \$86.6 million. With a 72.1% federal match rate, this will reduce federal funds to the State by approximately \$227.0 million. The reductions are as follows:

- \$315,000 to require prior authorization on all high cost imaging such as MRI's.
- \$3.0 million to implement a correct coding initiative. Savings will be recouped from overpayments to providers for claim coding errors.
- \$15.5 million to implement a 5.0% provider rate reduction to all providers except critical access hospitals, federally qualified health centers, drug product costs, local education agencies, area education agencies, ICF/MRs, habilitation, medical transportation, patient management fees, Money Follows the Person, and the Program of All-Inclusive Care for the elderly (PACE).
- \$1.3 million to implement a 2.5% provider reduction for Home and Community-Based Services (HCBS) Waivers, targeted case management, dental services, and community mental health centers.
- \$973,000 to implement changes to the State Maximum Allowable Cost policy for generic drugs.
- \$244,000 to implement changes to the State Maximum Allowable Cost policy for specialty drugs.

- \$2.2 million as a result of changes from a class action lawsuit regarding inflated Average Wholesale Price (AWP).
- \$65,000 from the removal of the 30-day Preferred Drug List (PDL) override for nonpreferred drugs.
- \$132,000 to implement changes to the policy for renting durable medical equipment. Medicaid will now only pay up to 100.0% of the purchase price when renting equipment.
- \$291,000 as a result of reducing bed hold days paid by Medicaid to nursing facilities.
- \$969,000 to implement an increase in the minimum occupancy rate for nursing facilities.
- \$1.0 million from a change in funding sources for the nursing facility pay-for-performance add-on. The funding source will be moved from the General Fund to the new funds raised from the nursing facility quality assessment fee.
- \$551,000 to implement a reduction in nonemergency transportation. Mileage reimbursement will be reduced from \$0.34 to \$0.30 per mile and public transportation will be capped at \$1.40 per mile.
- \$166,000 to reduce transportation reimbursement under the HCBS Waivers.
- \$30,000 from a reduction in the reimbursement amount for home and vehicle modification.
- \$818,000 from a reduction in the IowaCare Plan cap.
- \$293,000 in savings as a result of family planning dollars that are being redirected from another appropriation.
- \$140,000 to delay the implementation of presumptive eligibility for children.
- \$58.5 million from capturing a portion of the Medicaid surplus in FY 2010. This will increase the need for FY 2011.

FY 2010 Estimate

A forecasting group consisting of staff from the Department of Management, the DHS, and the Fiscal Services Division of the LSA meet monthly to discuss current enrollment and expenditure data in the Medicaid Program and set a range for projected FY 2010 and FY 2011 expenditures. The forecasting group last met on January 4, 2010. For FY 2010, the forecasting group agreed to a range of a supplemental need of \$10.0 million to a surplus of \$16.0 million, with a midpoint of a \$3.0 million surplus. The range includes the 6.2% ARRA FMAP adjustment and both tier one and two unemployment FMAP increases. The budget reduction plans submitted to the Governor by the DHS were also included in these estimates.

FY 2011 Estimate

For FY 2011, the forecasting group agreed Medicaid will have a supplemental need of \$151.0 to \$216.0 million, with a midpoint of \$183.5 million, when compared to the adjusted FY 2010 appropriation. The adjusted FY 2010 appropriation includes the 10.0% across-the-board reduction and statutory appropriations for a total of \$730.8 million. The range includes the 6.2% FMAP increase, including tier one and two of the FMAP unemployment increase. The range also assumes there will be \$37.0 million in funding available from the Senior Living Trust Fund for FY 2011 and that a minimum of \$28.0 million from the Department's reduction strategies submitted to the Governor will continue in FY 2011.

Medical Assistance Program (Medicaid)

Governor FY 2011 Recommendation

The Governor is recommending fully funding the Medicaid Program for FY 2011. The largest increase for the program is due to phasing out of ARRA FMAP stimulus. The State Share for FMAP will increase by \$122.0 million for FY 2011. The Governor is recommending making up that difference with an increased General Fund appropriation. For more information please see **Table 6**.

Table 6
Governor's FY 2011 Recommendation Compared to FY 2010 Estimated Net

	Actual FY 2009	Net FY 2010	FY 2011 Gov's Recomm.	Difference: FY 10 vs. Gov's Rec
General Fund	\$ 593,302,330	\$ 610,096,134	\$ 790,982,609	\$ 180,886,475
Previous Year Carryforward	0	36,587,215	3,000,000	-33,587,215
HCTF	114,351,496	100,650,740	100,650,740	0
SLTF	111,753,195	17,686,828	37,740,908	20,054,080
Covering All Kids	2,758,000	2,297,649	2,297,649	0
Property Tax Relief	6,501,000	3,271,911	3,271,911	0
Transfers	3,819,318	-2,145,368	0	2,145,368
ARRA	113,976,907	216,164,791	94,206,702	-121,958,089
Total	\$ 946,462,246	\$ 984,609,900	\$ 1,032,150,519	\$ 47,540,619
Total Estimated Need*	\$ 909,875,031	\$ 981,609,900	\$ 1,032,150,519	-
Additional Need	\$ 36,587,215	\$ 3,000,000	\$ 0	-

* The total estimated need is the midpoint of the Medicaid forecasting work group projections.

Federal Health Care Reform

Health care reform legislation continues to move through Congress. The House version is HR 3962 (Affordable Health Care for America Act of 2009) and the Senate version (amendment to HR 3590) is titled The Patient Protection and Affordable Care Act. It is unclear at this time when legislation will be finalized. Both the House and the Senate have different plans for reform legislation that would have major impacts on the Medicaid Program. Both are proposing expansion of Medicaid eligibility to either 133.0% of the federal poverty level (Senate Plan) or 150.0% of the federal poverty level (House Plan), along with new mandatory enrollment group categories. Both the House and Senate have proposed different funding formulas to help the states finance the new plan scheduled to begin in FY 2013 or FY 2014. There are a number of other provisions that will have a significant impact on states. For recent information and analysis, including complete text of HR 3962, visit the National Conference on State Legislature's (NCSL) Health Care Reform webpage at: <http://www.ncsl.org/?tabid=17639#new>.

For additional information, see the *Fiscal Topic* titled [Medicaid HCBS Waivers](#).

Staff Contact: Jess Benson (515-281-4611) (jess.benson@legis.state.ia.us)