

2024-2025 General Appropriations Act		
	HB 1 (as filed)	SB 1 (as filed)
Medicaid		
Total Medicaid Spending	<p>All funds: \$38.4 billion in 2024 and \$38.5 billion in 2025. \$4 billion / year increase from previous biennium.</p> <p>General revenue: \$15.0 billion in 2024 and \$15.1 billion in 2025</p>	<p>All funds: \$38.4 billion in 2024 and \$38.5 billion in 2025. \$4 billion / year increase from previous biennium.</p> <p>General revenue: \$15.0 billion in 2024 and \$15.1 billion in 2025</p>
Safety-net, trauma, and rural hospital add-ons	<p>HHSC Rider 8 provides level funding to last biennium.</p> <ul style="list-style-type: none"> \$180 million AF (5111/FF) annually for trauma add-on \$150 million AF (GR/5111/FF) annually for safety-net add-on \$30 million AF (GR/FF) annually for rural outpatient \$103.8 million AF (GR/FF) in 2024 and \$110.0 million AF (GR/FF) in 2025 for rural inpatient inflation trend, rural inpatient rate maintenance, and additional rural services <p>5111 appropriations to trauma and safety net add-ons are reduced by approx. \$26.5 million annually and replaced with equivalent amount of GR.</p> <p>HHSC Rider 16 provides level funding for \$500 Medicaid add-on payment for labor and delivery services provided by rural hospitals. \$8 million AF (GR/FF) annually.</p>	<p>HHSC Rider 8 provides level funding to last biennium.</p> <ul style="list-style-type: none"> \$180 million AF (5111/FF) annually for trauma add-on \$150 million AF (GR/5111/FF) annually for safety-net add-on \$30 million AF (GR/FF) annually for rural outpatient \$103.8 million AF (GR/FF) in 2024 and \$110.0 million AF (GR/FF) in 2025 for rural inpatient inflation trend, rural inpatient rate maintenance, and additional rural services <p>5111 appropriations to trauma and safety net add-ons are reduced by approx. \$26.5 million annually and replaced with equivalent amount of GR.</p> <p>HHSC Rider 16 provides level funding for \$500 Medicaid add-on payment for labor and delivery services provided by rural hospitals. \$8 million AF (GR/FF) annually.</p>

Benchmarks for Managed Care Organizations	Removes rider requiring HHSC to develop quality of care and cost efficiency benchmarks for managed care organizations participating in Medicaid and CHIP. (MCO benchmarks report completed Aug. 2022)	Removes rider requiring HHSC to develop quality of care and cost efficiency benchmarks for managed care organizations participating in Medicaid and CHIP. (MCO benchmarks report completed Aug. 2022)
Supplemental Payment Reporting	<p>HHSC Rider 15 directs quarterly reporting on supplemental payments, including DSH, UC, and directed payments funded nonfederally with IGT:</p> <ul style="list-style-type: none"> - Appropriates IGT to HHSC for matching funds to offset their administrative costs for supplemental payment programs <i>[section (d)]</i> - Includes 42.0 FTE to administer 1115 waiver directed and supplemental payment programs <i>[section (h)]</i> - Leverages existing reports (CMS-37 and -64) for payments/expenditures by provider/recipient and requires HHSC to provide a copy of the annual independent audit of DSH and UC to select leadership offices <i>[sections (a), (b), (e)]</i> - Removes <i>section (j)</i> requiring a report on funding impact by provider type of DSRIP discontinuation and implementation of replacement programs. (DSRIP transition report was completed Oct. 2022) 	<p>HHSC Rider 15 directs quarterly reporting on supplemental payments, including DSH, UC and directed payments funded nonfederally with IGT:</p> <ul style="list-style-type: none"> - Appropriates IGT to HHSC for matching funds to offset their administrative costs for supplemental payment programs <i>[section (d)]</i> - Includes 42.0 FTE to administer 1115 waiver directed and supplemental payment programs <i>[section (h)]</i> - Leverages existing reports (CMS-37 and -64) for payments/expenditures by provider/recipient and requires HHSC to provide a copy of the annual independent audit of DSH and UC to select leadership offices <i>[sections (a), (b), (e)]</i> - Removes <i>section (j)</i> requiring a report on funding impact by provider type of DSRIP discontinuation and implementation of replacement programs. (DSRIP transition report was completed Oct. 2022)
Cost-containment	<p>HHSC Rider 21 directs HHSC to save \$350 million GR through cost containment initiatives, including those related to fraud, waste, and abuse, and to maximizing federal flexibility in Medicaid under Government Code chapter 537 (Medicaid Reform Waiver).</p> <p>Removes direction to include applying to CMS for IMD exclusion waiver, insourcing contract services,</p>	<p>HHSC Rider 21 directs HHSC to save \$350 million GR through cost containment initiatives, including those related to fraud, waste, and abuse, and to maximizing federal flexibility in Medicaid under Government Code chapter 537 (Medicaid Reform Waiver).</p> <p>Removes direction to include applying to CMS for IMD exclusion waiver, insourcing contract services, encouraging</p>

	encouraging telemedicine/telehealth utilization as required cost containment initiatives.	telemedicine/telehealth utilization as required cost containment initiatives.
Medicaid program efficiencies	Removes rider requiring HHSC to develop initiatives to create program efficiencies in Medicaid and CHIP managed care and fee-for-service delivery, including at minimum streamlining Medicaid provider enrollment, managed care enrollment/disenrollment, reducing paper waste, and modernizing electronic communication including allowing MCOs to communicate with members by text message.	Removes rider requiring HHSC to develop initiatives to create program efficiencies in Medicaid and CHIP managed care and fee-for-service delivery, including at minimum streamlining Medicaid provider enrollment, managed care enrollment/disenrollment, reducing paper waste, and modernizing electronic communication including allowing MCOs to communicate with members by text message.
Hospital Reimbursement	Maintains HHSC Rider 20 stating no funds appropriated for payment of inpatient hospital fees and charges in Medicaid may be expended, except under prospective payment claims system and within efficiency, reasonableness, and quality parameters.	Maintains HHSC Rider 20 stating no funds appropriated for payment of inpatient hospital fees and charges in Medicaid may be expended, except under prospective payment claims system and within efficiency, reasonableness, and quality parameters.
Improving access to pediatric services	Removes rider (formerly Rider 29) directing HHSC to study whether rate increases for services provided to children ages 0-3 in any setting by a physician result in savings to Medicaid through reduced emergency room visits, hospital admissions, NICU stays, and other access to care related savings. Removed rider included permission to implement a pilot if rate increases can be implemented in cost neutral manner. In Rider 29 report completed Dec. 2022, HHSC did not determine rate increases were proven effective to reduce costs and could not implement pilot in cost neutral manner.	Removes rider (formerly Rider 29) directing HHSC to study whether rate increases for services provided to children ages 0-3 in any setting by a physician result in savings to Medicaid through reduced emergency room visits, hospital admissions, NICU stays, and other access to care related savings. Removed rider included permission to implement a pilot if rate increases can be implemented in cost neutral manner. In Rider 29 report completed Dec. 2022, HHSC did not determine rate increases were proven effective to reduce costs and could not implement pilot in cost neutral manner.

Behavioral Health		
1115 Waiver Payments	Maintains HHSC Rider 31 directing GR funds for community mental health services be used to the extent possible to draw down additional funds via the 1115 Transformation Waiver. Report on efforts to leverage these funds due Dec. 1 of each fiscal year.	Maintains HHSC Rider 31 directing GR funds for community mental health services be used to the extent possible to draw down additional funds via the 1115 Transformation Waiver. Report on efforts to leverage these funds due Dec. 1 of each fiscal year.
Community mental health grant program	<p>HHSC Rider 36:</p> <ul style="list-style-type: none"> • \$10 million GR per year for veteran/families mental health programs • \$40,000,000 (increase) in GR per year for grant program to reduce recidivism, arrest, and incarceration among individuals with mental illness • \$27,500,000 (increase) in GR per year for community mental health grant program • \$12,500,000 in GR per year for Healthy Community Collaboratives • (new) \$7,500,000 in GR per year for an innovation grant program to support a variety of community-based initiatives that improve access to care for children and families 	<p>HHSC Rider 36:</p> <ul style="list-style-type: none"> • \$10 million GR per year for veteran/families mental health programs • \$40,000,000 (increase) in GR per year for grant program to reduce recidivism, arrest, and incarceration among individuals with mental illness • \$27,500,000 (increase) in GR per year for community mental health grant program • \$12,500,000 in GR per year for Healthy Community Collaboratives • (new) \$7,500,000 in GR per year for an innovation grant program to support a variety of community-based initiatives that improve access to care for children and families
Inpatient community psychiatric beds	HHSC Rider 40: Purchased Psychiatric Beds. \$126,000,000 per year in Strategy G.2.2 to maintain existing capacity and for 234 additional state-purchased inpatient psychiatric beds, including 85 beds in rural communities and 149 beds in urban communities	HHSC Rider 40: Purchased Psychiatric Beds. \$126,000,000 per year in Strategy G.2.2 to maintain existing capacity and for 234 additional state-purchased inpatient psychiatric beds, including 85 beds in rural communities and 149 beds in urban communities

	Inpatient Capacity Expansion: \$29,500,000 per year in Strategy G.2.2, to contract for an additional 150 competency restoration beds.	Inpatient Capacity Expansion: \$29,500,000 per year in Strategy G.2.2, to contract for an additional 150 competency restoration beds.
IMD Exclusion	Not included	Not included
State Hospitals	<p>HHSC Rider 40: \$47,473,261 per year in Strategy G.2.1, Mental Health State Hospitals, to maintain salary increases for frontline staff at HHSC facilities.</p> <p>Rider 40: State Hospital Contracted Beds. \$10,200,000 per year in Strategy G.2.1, to expand contracted bed capacity by 40 beds</p> <p>Rider 40: State Hospital Transition Teams. \$2,500,000 per year in Strategy G.2.1, to establish state hospital transition teams to support individuals statewide who are at risk of state hospital readmission by providing coordination and support to address mental health needs in the community.</p> <p>(2) Step-Down Housing Expansion. \$8,500,000 per year in Strategy D.2.1, Community Mental Health Services (MHS) for Adults, to expand step-down housing programs statewide to identify, assess, and transition patients with acute mental health and/or medical needs from hospitals to community settings with appropriate supports</p>	<p>HHSC Rider 40: \$47,473,261 per year in Strategy G.2.1, Mental Health State Hospitals, to maintain salary increases for frontline staff at HHSC facilities.</p> <p>Rider 40: State Hospital Contracted Beds. \$10,200,000 per year in Strategy G.2.1, to expand contracted bed capacity by 40 beds</p> <p>Rider 40: State Hospital Transition Teams. \$2,500,000 per year in Strategy G.2.1, to establish state hospital transition teams to support individuals statewide who are at risk of state hospital readmission by providing coordination and support to address mental health needs in the community.</p> <p>(2) Step-Down Housing Expansion. \$8,500,000 per year in Strategy D.2.1, Community Mental Health Services (MHS) for Adults, to expand step-down housing programs statewide to identify, assess, and transition patients with acute mental health and/or medical needs from hospitals to community settings with appropriate supports</p>
Prescription monitoring program	\$10.8 million, an increase of \$5.8 million over prior biennium	\$10.8 million, an increase of \$5.8 million over prior biennium

	(new) Board of Pharmacy Rider 5 directs board to spend \$7.4 million to implement Narxcare and statewide PMP integration	(new) Board of Pharmacy Rider 5 directs board to spend \$7.4 million to implement Narxcare and statewide PMP integration
Behavioral Health Misc.	<p>HHSC Rider 39. Outpatient Integrated Care Clinic Project.</p> <p>(a) Out of amounts appropriated above in Strategy G.2.2, Mental Health Community Hospitals, HHSC shall expend \$6,000,000 in GR in fiscal year 2024 to partner with an acute care hospital with inpatient psychiatric child and adolescent beds in Jefferson County, Texas, to establish an integrated care clinic utilizing the Collaborative Care Model (CoCM) for behavioral health integration, where staff will serve as single point of contact to coordinate and support client needs with community partners</p>	<p>HHSC Rider 39. Outpatient Integrated Care Clinic Project.</p> <p>(a) Out of amounts appropriated above in Strategy G.2.2, Mental Health Community Hospitals, HHSC shall expend \$6,000,000 in GR in fiscal year 2024 to partner with an acute care hospital with inpatient psychiatric child and adolescent beds in Jefferson County, Texas, to establish an integrated care clinic utilizing the Collaborative Care Model (CoCM) for behavioral health integration, where staff will serve as single point of contact to coordinate and support client needs with community partners</p>
Maternal Health		
Healthy Texas Women, Family Planning, & Breast and Cancer Services	<p>HHSC Rider 46: HTW Plus – 2024: \$4,740,087 AF; 2025: \$4,902,986 AF (assuming HHSC receives CMS approval for the waiver to draw down federal funds)</p> <p>HTW: \$268,618,909 AF for biennium (\$38 million increase)</p> <p>Family Planning Program: \$134,965,341 AF for biennium (\$47 million increase)</p> <p>Breast & Cervical Cancer Services: \$11,809,100 per year (approx. level funding)</p>	<p>HHSC Rider 46: HTW Plus – 2024: \$4,740,087 AF; 2025: \$4,902,986 AF (assuming HHSC receives CMS approval for the waiver to draw down federal funds)</p> <p>HTW: \$268,618,909 AF for biennium (\$38 million increase)</p> <p>Family Planning Program: \$134,965,341 AF for biennium (\$47 million increase)</p> <p>Breast & Cervical Cancer Services: \$11,809,100 per year (approx. level funding)</p>

Maternal Mortality and Morbidity & Texas AIM	DSHS Rider 21 Maternal Mortality and Morbidity. Amounts appropriated above to DSHS in Strategy B.1.1, Maternal and Child Health, include \$3,500,000 in All Funds and 8.0 FTEs in each fiscal year (level funding)	DSHS Rider 21 Maternal Mortality and Morbidity. Amounts appropriated above to DSHS in Strategy B.1.1, Maternal and Child Health, include \$3,500,000 in All Funds and 8.0 FTEs in each fiscal year (level funding)
Public Health		
COVID-19 Reporting Requirements	Maintains HHSC Rider 119 Reporting Requirement: COVID-19 Funding to Nursing Facilities and Hospitals. HHSC reports on uses of COVID-19-related Federal Funds, including Provider Relief Funds, provided directly to nursing facilities and hospitals contracting with HHSC since the beginning of the public health emergency. Any facilities that do not provide information requested by the commission necessary to complete the report shall be identified in the report. HHSC submits the report to the Office of the Governor, Legislative Budget Board, and any appropriate standing committee in the Legislature on December 1st and June 1st of each fiscal year.	Maintains HHSC Rider 119 Reporting Requirement: COVID-19 Funding to Nursing Facilities and Hospitals. HHSC reports on uses of COVID-19-related Federal Funds, including Provider Relief Funds, provided directly to nursing facilities and hospitals contracting with HHSC since the beginning of the public health emergency. Any facilities that do not provide information requested by the commission necessary to complete the report shall be identified in the report. HHSC submits the report to the Office of the Governor, Legislative Budget Board, and any appropriate standing committee in the Legislature on December 1st and June 1st of each fiscal year.
EMS/Trauma/Regional Advisory Councils	Total amount of trauma funds from all accts. for biennium (5007, 512, 5108, 5111): \$188,935,847 DSHS Strategy B.2.1 EMS and Trauma Care Systems receives approx. \$97 million per year. Decrease from approx. \$124 million per year in prior biennium. Approx. \$86 million per year in 5111 transfers to DSHS, a decrease from approx. \$113 million per year in prior biennium. 85% of 5111 funds appropriated to DSHS are transferred to HHSC to fund Medicaid SDA	Total amount of trauma funds from all accts. for biennium (5007, 512, 5108, 5111): \$188,935,847 DSHS Strategy B.2.1 EMS and Trauma Care Systems receives approx. \$97 million per year. Decrease from approx. \$124 million per year in prior biennium. Approx. \$86 million per year in 5111 transfers to DSHS, a decrease from approx. \$113 million per year in prior biennium. 85% of 5111 funds appropriated to DSHS are transferred to HHSC to fund Medicaid SDA add-on

	add-on payments; these amounts decrease from approx. \$99 million per year in prior biennium to \$72 million per year in 2024-2025. To cover the insufficient funds an equal amount of GR is appropriated to HHSC to fully fund add-on payments. <i>(See: Medicaid safety-net, trauma, and rural hospital add-ons, p. 2)</i>	payments; these amounts decrease from approx. \$99 million per year in prior biennium to \$72 million per year in 2024-2025. To cover the insufficient funds an equal amount of GR is appropriated to HHSC to fully fund add-on payments. <i>(See: Medicaid safety-net, trauma, and rural hospital add-ons, p. 2)</i>
Hepatitis C antiviral treatment	Rider deleted	Rider deleted
HIV medications	GR for HIV Services Account No. 8005: \$53.2 million annually	GR for HIV Services Account No. 8005: \$53.2 million annually
Article XI		
Art XI and Contingency Riders of Interest	[TBD]	[TBD]
Workforce		
Graduate Medical Education	\$233.1 million for GME, with an increase of \$34 million for GME slots and level funding for planning grants	\$233.1 million for GME, with an increase of \$34 million for GME slots and level funding for planning grants
Loan Repayment Programs	<p>\$29.5 million for Physician Education Loan Repayment Program, level with prior budget</p> <p>\$28 million for Mental Health Loan Repayment Program, an increase of \$25.9 million from prior biennium</p>	<p>\$29.5 million for Physician Education Loan Repayment Program, level with prior budget</p> <p>\$28 million for Mental Health Loan Repayment Program, an increase of \$25.9 million from prior biennium</p> <p>\$7 million for Nurse Faculty Loan Repayment Program, an increase of \$4.1 million from prior biennium</p>

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Professional Nursing Shortage Reduction Program	\$46.8 million, an increase of \$27.9 million from prior biennium	\$46.8 million, an increase of \$27.9 million from prior biennium
Texas Workforce Commission Programs	<p>\$37.7 million for the Skills Development Fund (grant funds for upskilling of businesses' workforces)</p> <p>\$33 million for Apprenticeship programs</p> <p>\$30.7 million for Jobs Education for Texas program (development of career and technical education courses or programs that lead to a license, certificate, or post-secondary degree in a high-demand occupation)</p>	<p>\$37.7 million for the Skills Development Fund (grant funds for upskilling of businesses' workforces)</p> <p>\$33 million for Apprenticeship programs</p> <p>\$30.7 million for Jobs Education for Texas program (development of career and technical education courses or programs that lead to a license, certificate, or post-secondary degree in a high-demand occupation)</p>