

Cluster: Children, Adults and Families (CAF)

Note that the following represents preliminary recommendations only. The material has not yet been analyzed or approved by the DAS Budget & Management division or by the Governor's Office.

		2003-05 Fiscal Impact							
Program Description (in priority order)	Impact of reduction	Implementation date if not 5/1	General Fund	Lottery Funds	Tobacco Tax	Other Funds	Federal Funds	Total	FTE
			HB 5077 Disappropriation Target			11,981,200	0	0	0
January 2004 Estimated Problems			12,430,396	0	0	(1,941,803)	27,021,592	37,510,185	6.67
Sub-total of Disappropriation and problems			24,411,596	0	0	(1,941,803)	27,021,592	49,491,385	6.67
January 2004 Estimated Savings			(3,033,240)	0	0	(650,984)	(627,643)	(4,311,867)	
January 2004 Planned Management Actions			(17,736,158)	0	0	920,612	17,585,270	769,724	
Sub-Total of savings actions			(20,769,398)	0	0	269,628	16,957,627	(3,542,143)	0.00
Net position after Disappropriation and Rebalance			3,642,198	0	0	(1,672,175)	43,979,219	45,949,242	6.67
A. Additional Actions to meet need									
1 Discontinue Regular Emergency Assistance program	Regular Emergency Assistance is the first alternative to meet the emergent financial needs of families to avoid long-term assistance. This program was dramatically reduced by the Feb 2002 Special Session. The maximum assistance benefit was reduced from \$350 to \$100. Before Legislative reductions the program served about 1,063 families a month. This reduction eliminates all remaining funds as of May 2004.	5/1/2004	(2,375,510)					(2,375,510)	
2 Discontinue Student Daycare program	This program was serving about 325 low income families and about 600 children per month while parents were working on advanced certifications or degrees. Loss of the program may place children in higher risk childcare settings or force parents to discontinue their education. This reduction assumes the elimination of all funds remaining after four months of operation (Jan, 1 2004 to May 1, 2004).	5/1/2004	(879,750)					(879,750)	
3 System of Care Flex Funds Reduction	Some children could be denied needed services with a potential for increased length of stay in foster care. At an estimated average expenditure of \$1,122 per child, we estimate that at least 500 children would be affected by each million dollar reduction in flex funds. Of these children, approximately 1/3 will either remain in care three more months or be placed in care when it would otherwise be prevented through the use of flex funds.	5/1/2004	(509,246)			(27,068)	(157,586)	(693,900)	
4 Foster Care caseload increase resulting from SOC reduction above	For each million dollar reduction in SOC, the estimated Foster Care offset could then be as many as 167 children for three months at \$407 per month. This reduction action would result in an estimated additional cost to Foster Care of approximately \$122,308 GF for the remainder of the biennium.	5/1/2004	122,308			27,408	99,450	249,166	
Sub-Total of actions to meet disappropriations and rebalance needs:			(3,642,198)	0	0	340	(58,136)	(3,699,994)	0.00
Net position after disappropriation: (s/b = 0)									
			0	0	0	(1,671,835)	43,921,083	42,249,248	6.67
B. OHP Cost Shifts									
1 OMAP - Eliminate medical assistance for OHP Standard population (Adult/Couples and Families)	Approximately 1,000 TANF clients are placed every month and are removed from the caseload. An estimated 10% of these clients will return to TANF for medical coverage. The estimated impact to CAF-TANF Basic and UN caseload is an increase of 100 cases per month at a rate of \$503 per month, per case.	8/1/2004	553,300					553,300	
2 Vision	As a result of this action in HS, an estimated 588 JOBS clients would access these services each month at a rate of \$68.00 per month, per case.	8/1/2004	440,460					440,460	
3 Dental	As a result of this action in HS, an estimated 588 JOBS clients would access these services each month at a rate of \$104.00 per month, per case.	8/1/2004	673,644					673,644	
4 OMAP - Eliminate Mental Health & Chemical Dependency for Plus Adults	An estimated 40 children per month will enter the foster care system with significant family Alcohol and Drug issues which will need to be addressed. An additional 725 children per month are estimated to remain in Foster Care longer as a result of Alcohol and Drug Treatment needs for the parents, which will delay reunification. The estimated impact to CAF-Foster Care caseload is an increase of 765 cases per month at a rate of \$425 per month, per case. Also, should residential treatment beds be reduced, approximately 200 children will enter Foster Care with special rates estimated to be \$1,725 per month, per case.	8/1/2004	3,492,682			588,623	3,290,071	7,371,376	
5 OMAP - Eliminate Mental Health & Chemical Dependency for Plus Adults	Approximately 2,000 TANF adults (25% of the 8,000 required to participate in employment related services each month) have mental health and/or chemical dependency issues that must be treated before the clients can become self sufficient. This action will create a cost shift from OHP to TANF GF, based on 2,000 cases per month at a rate of \$61.20 per month.	8/1/2004	1,346,400					1,346,400	
6 Potential added costs related to a reduction of the OMAP drug benefit.	Impact to be determined - specific OMAP drug benefit reduction has not been established.							0	
Sub-Total of OHP Cost Shifts			6,506,486	0	0	588,623	3,290,071	10,385,180	0.00
C. Actions to meet OHP Cost Shifts									
1 Additional System of Care Flex Funds Reduction	Some children could be denied needed services with a potential for increased length of stay in foster care. At an estimated average expenditure of \$1,122 per child, we estimate that at least 500 children would be affected by each million dollar reduction in flex funds. Of these children, approximately 1/3 will either remain in care three more months or be placed in care when it would otherwise be prevented through the use of flex funds.	5/1/2004	(1,886,359)			(84,107)	(583,734)	(2,554,200)	
2 Foster Care caseload increase resulting from SOC reduction above	For each million dollar reduction to SOC, the estimated Foster Care offset could then be as many as 167 children for three months at \$407 per month. This reduction action would result in an estimated additional cost to Foster Care of approximately \$475,916 GF for the remainder of the biennium.	5/1/2004	475,916			106,649	386,971	969,536	

Cluster: Children, Adults and Families (CAF)

Note that the following represents preliminary recommendations only. The material has not yet been analyzed or approved by the DAS Budget & Management division or by the Governor's Office.

		2003-05 Fiscal Impact								
Program Description (in priority order)	Impact of reduction	Implementation date if not 5/1	General Fund	Lottery Funds	Tobacco Tax	Other Funds	Federal Funds	Total	FTE	
3	Establish household income standards for TANF No-Parent Households at 185% of Federal Poverty Level	This would establish an income standard for non-needy caretaker relative households who receive TANF benefits for children under their care and supervision. Currently, caretaker relative's income is exempt from consideration in determining eligibility for TANF benefits for the children. There are approximately 297 TANF cases at or above 185% of the Federal Poverty Level that would be affected by this reduction action.	5/1/2004	(945,098)				(945,098)		
4	Establish household income standards for TANF No-Parent Households at 150% of Federal Poverty Level	There are approximately 280 additional TANF cases between 150% and 185% of the Federal Poverty Level that would be affected by this reduction action. This action is in addition to the cases and dollars identified above in action #5.	5/1/2004	(937,160)				(937,160)		
5	Foster Care caseload increase resulting from new 150% FPL income standard for TANF No-Parent Households	There are approximately 577 cases in this population. If 10% of these relative caregivers chose not to continue to care for these children, it would result in a corresponding increase to the Foster Care caseload and offset the savings in action #4.	5/1/2004	84,102		43,077	214,701	341,880		
6	Eliminate the use of JOBS support service payments to address job retention and related issues for families "at risk" of coming into the TANF system (includes assessment, on-going, and cases in transition).	This would restrict support service payments to families in formal assessment, ongoing TANF, and transition (those leaving TANF due to employment) for 12mo. This assumes approximately 250 cases per month would return to the TANF caseload as a result of this action. It would also restrict support service payments for families in transition to a maximum of \$1,000.	5/1/2004	(1,400,000)				(1,400,000)		
7	Eliminate remaining System of Care Flex Funds	Some children could be denied needed services with a potential for increased length of stay in foster care. At an estimated average expenditure of \$1,122 per child, we estimate that at least 500 children would be affected by each million dollar reduction in flex funds. Of these children, approximately 1/3 will either remain in care three more months or be placed in care when it would otherwise be prevented through the use of flex funds.	5/1/2004	(2,502,282)		(132,510)	(919,668)	(3,554,460)	(0.58)	
8	Foster Care caseload increase resulting from SOC reduction above	For each million dollar reduction to SOC, the estimated Foster Care offset could then be as many as 167 children for three months at \$407 per month. This reduction action would result in an estimated additional cost to Foster Care of approximately \$604,395 GF for the remainder of the biennium.	5/1/2004	604,395		135,440	491,438	1,231,273		
Sub-Total of Actions to meet OHP Cost Shifts				(6,506,486)	0	0	68,549	(410,292)	(6,848,229)	(0.58)
Net Position after Disappropriation, Rebalance and OHP Cost Shift actions				0	0	0	(1,014,663)	46,800,862	45,786,199	6.09
D. Proposed Shifts to offset reductions in OHP drug benefits: Action not needed										
E. Other Revenue available Action not needed										

Cluster: Community Human Services (CHS)

Note that the following represents preliminary recommendations only. The material has not yet been analyzed or approved by the DAS Budget & Management division or by the Governor's Office.

		2003-05 Fiscal Impact							
Program Description (in priority order)	Impact of reduction	Implementation date if not 5/1	General Fund	Lottery Funds	Tobacco Tax	Other Funds	Federal Funds	Total	FTE
HB 5077 Disappropriation Target			54,460					54,460	
January 2004 Estimated Problems Staffing related needs , increase limitation needs related to VR OF 225,000 and FF of 831,338			5,982,352			225,000	4,206,990	10,414,342	98.74
Sub-Total of problems			6,036,812	0	0	225,000	4,206,990	10,468,802	98.74
January 2004 Estimated Savings			0	0	0	0	0	0	0
January 2004 Planned Management Actions			(5,982,352)	0	0	0	(3,375,652)	(9,358,004)	(98.74)
Sub-Total of savings actions			(5,982,352)			0	(3,375,652)	(9,358,004)	(98.74)
Net position after Disappropriation and Rebalance			54,460	0	0	225,000	831,338	1,110,798	0.00
A. Additional Actions to meet need									
Reduce Service and Supply; instate travel			(54,460)						
Sub-Total of actions to meet disappropriations and rebalance needs:			(54,460)	0	0	0	0	(54,460)	0.00
Net position after disappropriation: (s/b = 0)			0	0	0	225,000	831,338	1,056,338	0.00
B. OHP Cost Shifts									
Analysis for staffing related impacts is being developed									
1	OMAP - Eliminate medical assistance for OHP Standard population (Adult/Couples and Families).	9/1/2004							
2	OMAP - Reduce PLM program from 185%FPL to 133% FPL	9/1/2004							
3	OMAP - Eliminate CHIP at 185 - 200% FPL	8/1/04 for CHIP							
4	OMAP - Eliminate CHIP at 133 - 185% FPL	8/1/04 for CHIP							
5	OMAP - Eliminate CHIP below 133% FPL	8/1/04 for CHIP							
Sub-Total of OHP Cost Shifts			0	0	0	0	0	0	0.00
C. Field Staffing Impacts of Reductions to offset OHP Cost Shifts									
1	Eliminate Regular Emergency Assistance Program.	5/1/2004							
2	Foster Care Staff Impact due to Reduction of System of Care	5/1/2004							
3	Foster Care Staff Impact due to Reduction of System of Care	5/1/2004							
4	Foster Care Staff Impact due to Reduction of System of Care	5/1/2004							
5	Potential added costs related to a reduction of the OMAP drug benefit.	5/1/2004							
6	Reduce JOBS payments to Retention clients	5/1/2004							
7	Reducing eligibility for Non-Needy Caretaker Households to 150% of FPL	5/1/2004							
8	OMAP- Eliminate medical assistance for OHP Standard population (Adult/Couples and Families)	8/1/2004							

Cluster: Community Human Services (CHS)

Note that the following represents preliminary recommendations only. The material has not yet been analyzed or approved by the DAS Budget & Management division or by the Governor's Office.

			2003-05 Fiscal Impact							
Program Description (in priority order)	Impact of reduction	Implementation date if not 5/1	General Fund	Lottery Funds	Tobacco Tax	Other Funds	Federal Funds	Total	FTE	
9 OMAP- Eliminate Mental Health & Chemical Dependency for Plus Adults		8/1/2004								
10 System of Care Reduction		5/1/2004								
Sub-Total of Actions to meet OHP Cost Shifts			0	0	0	0	0	0	0.00	
Net Position after Disappropriation, Rebalance and OHP Cost Shift actions			0	0	0	225,000	831,338	1,056,338	0.00	
D. Proposed Shifts to offset reductions in OHP drug benefits: Action not needed										
E. Other Revenue available Action not needed										

Cluster: Health Services (HS)

Note that the following represents preliminary recommendations only. Material has not yet been analyzed or approved by the DAS Budget & Management division or by the Governor's Office.

Program Description (in priority order)	Impact of reduction	Implementation date if not 5/1	2003-05 Fiscal Impact						FTE	
			General Fund	Lottery Funds	Tobacco Tax	Other Funds	Federal Funds	Total		
HB 5077 Disappropriation Target			154,121,800	3,812,200	24,162,000			182,096,000		
January 2004 Estimated Problems			59,787,538	0	0	(4,348,433)	86,127,221	141,566,326	14.47	
Sub-Total of problems			213,909,338	3,812,200	24,162,000	(4,348,433)	86,127,221	323,662,326	14.47	
January 2004 Estimated Savings			(105,703,571)	0	241,207	0	(170,726,905)	(276,189,269)	0.00	
January 2004 Planned Management Actions			(3,530,125)	0	0	(377,149)	(549,429)	(4,456,703)	1.00	
Sub-Total of savings actions			(109,233,696)	0	241,207	(377,149)	(171,276,334)	(280,645,972)	1.00	
Net position after Disappropriation and Rebalance			104,675,642	3,812,200	24,403,207	(4,725,582)	(85,149,113)	43,016,354	15.47	
A. Additional Actions to meet need										
1	OMHAS - Reduction of the budgeted increase in funding for acute adult psychiatric care hospitals.	The total general fund increase in the 2003-05 LAB for acute adult psychiatric care was \$18.2 million. The state will not be able to offer the planned level of relief to acute psychiatric hospitals for long term care services to indigent and OHP patients who have been determined to need state hospital level of care and who are waiting for an available bed. In the past the state contracted directly with acute care hospitals to pay for approved long term care patients. With this reduction, the hospitals may not be paid for these services, which destabilizes the financing of the psychiatric units and creates the potential that some hospitals will close these units.	5/1/2004	(12,000,000)					(12,000,000)	
2	OMHAS - Reduction of funding for the Oregon Children's Plan (a total of \$2 million was included in the LAB for this program).	Loss of these funds increases the number of children and families who are at risk due to parental substance abuse or mental illness or due to the child's emotional disorder who can receive early identification, screening and appropriate services to reduce the risk. Without the services children of parents with substance abuse problems or mental illness, frequently end up in the custody of the state, are at risk of developing these problems themselves and are less likely to succeed at school and may end up in the juvenile justice system.	5/1/2004	(1,000,000)					(1,000,000)	
3	OMHAS - Discontinue Lottery funded Gambling addiction programs effective 03/04.	In order to stop payments in time to stay within the potentially reduced budget, OMHAS needs to give contractors 30 days notice by January 5, 2004. This action will eliminate the gambling addiction program.	3/1/2004	0	(3,812,200)				(3,812,200)	
OMHAS - Subtotal				(13,000,000)	(3,812,200)	0	0	0	(16,812,200)	0
4	PH - Eliminate funding for Juvenile Diabetes Data System.	This funding was provided for staffing the development and maintenance of a data system, providing education to physicians on the new reporting requirements of tracking juvenile diabetes under SB 769, and conducting an annual survey by which to provide summary information to advocates and public inquiries. Loss of funding will prevent DHS from complying with SB 769.	5/1/2004	(58,333)					(58,333)	
5	PH - Reduce Children's Emergency Medical Services (EMSC).	The Office of Public Health Systems would not be able to address elements of SB243 which focuses on Children who receive emergency care in both the prehospital environment and in the system of pediatric specialty care hospitals. The ability to train to nationally accepted standards for care providers would be diminished. The ability to develop a comprehensive system of care would be diminished.	5/1/2004	(116,667)					(116,667)	
Public Health - Subtotal				(175,000)	0	0	0	0	(175,000)	0
6	OMAP - Do not implement MEDS	Eliminate expansion of drug coverage for individuals with income up to 135% of FPL and without other drug coverage. Additionally, they must be 65 years of age or older, have been determined SSI eligible, or have been determined by the agency to meet SSI criteria. This is estimated to impact 6,774 adults. The benefit for HIV and Transplant patients from the Medically Needy population will continue to be funded with GF only.	8/1/2004	(7,144,347)		0		(31,339,103)	(38,483,450)	
7	OMAP - Do not implement CHIP at 185 - 200% FPL	Eliminates expansion of medical assistance for 4,000 children	8/1/2004	(958,319)		0		(2,562,325)	(3,520,644)	
8	OMAP - Related administrative savings to CHIP elimination at 185-200% FPL	Administration associated with above action (elimination of CHIP 185-200% FPL).	8/1/2004	(11,436)	0	(2,476)	0	(6,694)	(20,606)	(0.06)
9	OMAP - Eliminate medical assistance for OHP Standard population (Adult/Couples and Families).	Eliminates medical assistance for 61,000 low-income adults. The savings include an offset from not implementing the waiver. Pricing includes administrative savings for 2.75 FTE. Program impacts include: a. Decreased enrollment impacts OHP managed care plans. Plans will receive decreased revenue from the elimination of capitation for Standard Clients. Some plans may terminate their contracts, thereby reducing client access to services. b. Elimination of coverage will shift costs to hospitals. Clients without will use hospital ERs for health care services. Clients will be seeking access to care currently provided in primary care settings. c. Elimination of coverage will shift costs to Federally Qualified Health Centers and Rural Health Clinics. They are required to see anyone seeking services regardless of ability to pay. d. Clients will lose health care coverage and will delay seeking treatment until conditions are more serious and more expensive to treat. Potential impacts of this action on other DHS Clusters (Health Services pricing does NOT include these impacts): * Elimination of Standard population will increase application workload due to expected increases in those applying for Presumptive Medicaid Disability Determination (in SPD). *Potential for cost shifts to TANF Basic and UN related to caseload growth and services for JOBS clients (in CAF). * Reduction of a net of 12.87 FTE (in CHS).	8/1/2004	(48,094,213)		0		(74,327,209)	(122,421,422)	(2.75)
10	Potential Offset - OMHAS Acute Psych Care.	Cost to continue care of those Civally committed individuals in acute care settings currently receiving benefits as a standard population client.	8/1/2004	2,563,451					2,563,451	

Cluster: Health Services (HS)

Note that the following represents preliminary recommendations only. Material has not yet been analyzed or approved by the DAS Budget & Management division or by the Governor's Office.

Program Description (in priority order)	Impact of reduction	Implementation date if not 5/1	2003-05 Fiscal Impact						Total	FTE
			General Fund	Lottery Funds	Tobacco Tax	Other Funds	Federal Funds			
11 OMAP - Offsetting cost to savings from eliminating OHP Standard. Cost is from clients who continue to receive medical assistance through Presumptive Medicaid Disability Determination. (Increase in OHP Plus cost.)	The OMAP impact is assumed to be an additional 125 cases every month. Of that number, 62 are assumed to presumptively qualify for Plus for 90 days, and 63 are assumed to be approved and qualify for AB/AD.	8/1/2004	622,905					975,927	1,598,832	
12 OMAP - Offsetting cost for no 30 line move.	Added costs for not reducing benefits for the Plus population. (assumes Federal Government will not approve)	8/1/2004	6,768,041		0			10,603,727	17,371,767	
13 OMAP - Reduce PLM (pregnant women) program from 185% FPL to 133% FPL	Eliminates medical assistance for 2,000 pregnant women and 1,700 newborns. Pregnant women and their unborn children in this income group will no longer have access to prenatal and other health care services.	8/1/2004	(8,480,003)		0			(13,285,918)	(21,765,921)	
14 OMAP - reduction in CAWEM - related to PLM reduction to 133% FPL.	Reduces the number of non-US citizen women who would receive child birth (delivery) services.	8/1/2004	(84,291)					(139,411)	(223,702)	
OMAP - Eliminate following Plus Adults services:		8/1/2004							0	
15 Vision	Eliminates vision services for 125,000 low income adults. Potential impacts of this action on other DHS Clusters (HS pricing does NOT include these impacts): As a result of this action in HS, an estimated 588 JOBS clients would access these services each month at a rate of \$68.00 per month, per case. (Children, Adults and Families)	8/1/2004	(1,814,403)		0			(2,842,690)	(4,657,093)	
16 Dental	Eliminates dental services for 125,000 low income adults. Destabilizes current DCO infrastructure. DCOs may not continue if population served is only children. Few fee for service dental providers willing to provide dental care, so children's access to dental care could be impacted significantly. Potential impacts of this action on other DHS Clusters (HS pricing does NOT include these impacts): * Elimination of Dental benefits will increase costs for addressing dental health needs of disabled persons on anti-seizure medicine and quadriplegics who use their mouths in their Activities of Daily Living, and will raise nursing care costs of persons with dementia when mouth pain causes behavioral problems (SPD). *As a result of this action in HS, an estimated 588 JOBS clients would access these services each month at a rate of \$104.00 per month, per case. (CAF)	8/1/2004	(10,809,596)		0			(16,935,773)	(27,745,368)	
17 OMAP Behavioral Add-back	Cost increases due to the increase in hospital emergency department visits for dental pain.	8/1/2004	17,671					29,226	46,897	
18 Therapies (this includes physical, occupational, speech, and language therapies).	Eliminates therapy services for 125,000 low income adults. Potential impacts of this action on other DHS Clusters (HS pricing does NOT include these impacts): * Nursing facilities must provide these types of therapies for people who need them, regardless of outside payment. Hospital discharge planners will increase referrals of Medicaid eligible (for Nursing Home services) clients in need of therapy to nursing homes, rather than other care options. The result is an anticipated increase in Medicaid caseload, and costs, as increased numbers of people in need of 90 to 120 days of therapy are discharged to facilities (Fiscal impact shown on SPD list).	8/1/2004	(1,664,245)		0			(2,607,431)	(4,271,675)	
19 OMAP Administrative savings	Administration savings associated with the above three actions (elimination of dental, vision, and therapy services for OHP plus population).	8/1/2004	(546,604)					(177,837)	(724,441)	(2.29)
20 OMAP - Eliminate Outpatient Mental Health & Chemical Dependency for Plus Adults :	Potential impacts of this action on other DHS Clusters (HS pricing does NOT include these impacts): *Potential for cost shifts to TANF Basic and UN related to caseload growth and services for JOBS clients (CAF).	8/1/2004							0	
21 Mental Health (Outpatient)	Eliminates mental health services for 125,000 low income adults. Potential impacts of this action on other DHS Clusters (HS pricing does NOT include these impacts): * Costs will increase for voluntary placements in foster care and residential treatment for otherwise ineligible children with untreated behavioral health disorders in (CAF).	8/1/2004	(24,046,318)	0	0	0		(37,674,210)	(61,720,528)	
22 Chemical Dependency - (Includes acute care, detox, Methadone, and educational therapies surrounding substance abuse.)	Eliminates chemical dependency services for 125,000 low income adults.	8/1/2004	(3,319,885)	0	0	0		(5,201,381)	(8,521,266)	
23 OMAP Behavioral Add-back	Loss od MH & CD services will increased utilization of other medical services.	8/1/2004	7,559,605					12,519,028	20,078,633	
24 Potential Offset - OMHAS Acute Psyc Care.	OMHAS estimate of costs required to retain Psychiatric inpatient capacity.	8/1/2004	3,615,463					5,979,714	9,595,177	
25 Potential Offset - OMHAS A&D treatment.	Lost federal revenue for Court ordered treatment in A&D residential settings will need to be backfilled with GF.	8/1/2004	1,804,915					(1,804,915)	0	
26 OMAP - Eliminate CHIP at 133-185% FPL	Eliminates medical assistance for 15,500 children	8/1/2004	(3,591,555)		0			(9,602,988)	(13,194,543)	
27 OMAP - Related administrative savings to CHIP elimination at 133-185% FPL	Administration associated with above action (elimination of CHIP 133-185% FPL).	8/1/2004	(44,348)	0	(9,600)	0		(25,957)	(79,905)	(0.23)

Cluster: Health Services (HS)

Note that the following represents preliminary recommendations only. Material has not yet been analyzed or approved by the DAS Budget & Management division or by the Governor's Office.

	Program Description (in priority order)	Impact of reduction	Implementation date if not 5/1	2003-05 Fiscal Impact						FTE
				General Fund	Lottery Funds	Tobacco Tax	Other Funds	Federal Funds	Total	
28	OMAP - Eliminate CHIP at <133% FPL	Eliminates medical assistance for 11,000 children	8/1/2004	(2,572,952)		0		(6,879,479)	(9,452,431)	
29	OMAP - Related administrative savings to CHIP elimination at <133% FPL	Administration associated with above action (elimination of CHIP <133% FPL).	8/1/2004	(31,516)	0	(6,822)	0	(18,445)	(56,783)	(0.17)
30	OMAP - Reduction of Prescription drug benefit (specific action to be determined).	Specific actions and related impacts to be determined. This represents 30.9% reduction of the total General Fund budget for OMAP prescription drug benefits. An increase in drug costs will be incurred in other DHS clusters related to this action.	8/1/2004	(25,622,971)				(41,805,900)	(67,428,871)	
31	OMHAS - Potential added costs related to a reduction of the OMAP drug benefit.	Impact to be determined - specific OMAP drug benefit reduction has not been established. (Note: pricing does not include these unknown, but significant added costs.)	8/1/2004	Pending	Pending	Pending	Pending	Pending	0	
OMAP- Subtotal				(115,884,951)	0	(18,898)	0	(217,130,043)	(333,033,892)	(5.50)
Sub-Total of actions to meet disappropriations and rebalance needs:				(129,059,951)	(3,812,200)	(18,898)	0	(217,130,043)	(350,021,092)	(5.50)
Net position after disappropriation: (s/b = 0)				(24,384,309)	0	24,384,309	(4,725,582)	(302,279,156)	(307,004,738)	9.97
(Note: a surplus of general fund reductions is required to backfill lost tobacco tax revenues.)										

Cluster: Health Services (HS)

Note that the following represents preliminary recommendations only. Material has not yet been analyzed or approved by the DAS Budget & Management division or by the Governor's Office.

Program Description (in priority order)	Impact of reduction	Implementation date if not 5/1	2003-05 Fiscal Impact					Total	FTE
			General Fund	Lottery Funds	Tobacco Tax	Other Funds	Federal Funds		
B. OHP Cost Shifts									
No Action Needed									
Sub-Total of OHP Cost Shifts			0	0	0	0	0	0	0.00
C. Actions to meet OHP Cost Shifts									
No Action Needed									
Sub-Total of Actions to meet OHP Cost Shifts			0	0	0	0	0	0	0.00
Net Position after Disappropriation, Rebalance and OHP Cost Shift actions			(24,384,309)	0	24,384,309	(4,725,582)	(302,279,156)	(307,004,738)	9.97
D. Proposed Shifts to offset reductions in OHP drug benefits:									
Use of net January 2004 estimate savings in excess of disappropriation in SPD.	Use of net January 2004 estimate savings in excess of disappropriation, of \$18.6 million, in SPD to apply toward off-set of Health Services drug reduction action.								
Use of the OHP Special Purpose Appropriation for OPH Standard Hospital benefit.	Use of the OHP Special Purpose Appropriation, of \$8 million, for OPH Standard Hospital benefit to apply toward Health Services drug reduction action.								
Do not restore services for people assessed at survival priority levels 12 and 13.	Do not restore services for people assessed at survival priority levels 12 and 13. These levels were eliminated from coverage during April 2003, but were restored by the 2003 Legislature. Approximately 1200 people who would otherwise be eligible for long-term care services will be impacted. (Impact is \$1.6 million GF in OMAP and \$9.4 million GF in SPD)								
E. Other Revenue available									
House Bill 2747 - Provider Tax	House Bill 2747 obligates Medicaid managed care plans and hospitals to pay an assessment fee, or provider tax. Both become operative after receipt of all necessary Federal approvals. The Department estimates that the Medicaid managed care plan tax will become effective retroactively to January 1, 2004 and the hospital tax will become effective April 1, 2004.								

Cluster: Seniors and People with Disabilities (SPD)

Note that the following represents preliminary recommendations only. Material has not yet been analyzed or approved by the DAS Budget & Management division or by the Governor's Office.

Program Description (in priority order)	Impact of reduction	Implementation date if not 5/1	2003-05 Fiscal Impact						
			General Fund	Lottery Funds	Tobacco Tax	Other Funds	Federal Funds	Total	FTE
HB 5077 Disappropriation Target			12,798,100	0	0	0	0	12,798,100	
January 2004 Estimated Problems			16,674,018	0	0	1,355,325	24,468,454	42,497,797	1.42
Sub-Total of problems			29,472,118	0	0	1,355,325	24,468,454	55,295,897	1.42
January 2004 Estimated Savings			(54,090,714)	0	0	(25,402,468)	(7,906,563)	(87,399,745)	0
January 2004 Planned Management Actions			0	0	0	0	0	0	0
Sub-Total of savings actions			(54,090,714)	0	0	(25,402,468)	(7,906,563)	(87,399,745)	0.00
Net position after Disappropriation and Rebalance			(24,618,596)	0	0	(24,047,143)	16,561,891	(32,103,848)	1.42
A. Additional Actions to meet need									
No Action Needed									
Sub-Total of actions to meet disappropriations and rebalance needs:			0	0	0	0	0	0	0.00
Net position after disappropriation: (s/b = 0)			(24,618,596)	0	0	(24,047,143)	16,561,891	(32,103,848)	1.42
B. OHP Cost Shifts									
1 HS - OMAP - Eliminate medical assistance for OHP Standard population	This action will increase the number of applicants self-reporting as disabled. Federal law requires that a determination of disability status subsequently be made by SPD staff.	8/1/2004	57,395					57,395	0.75
2 HS-OMAP - Eliminate dental services for Plus adults	Costs for approximately 5,000 people who are developmentally disabled costs will increase as a result of increased dental disease secondary to use of anti-epileptic medicines, and the need for increased staffing and services for individuals with significant behavior outbursts caused by mouth pain. Long-term care cost will increase for approximately 700 people who are quadriplegic and use their mouths for Activities of Daily Living. CMS has historically refused to allow such services for Federal match as part of home and community-based waivers.	8/1/2004	3,420,000					3,420,000	
3 HS-OMAP- Eliminate therapy services for Plus adults	Nursing facilities must provide therapies for people who need them, regardless of outside payment. Hospital discharge planners will increase referrals of Medicaid clients (for Nursing Home services) in need of therapy to nursing homes, rather than other care options. The result is an anticipated increase in Medicaid caseload, and costs, as increased numbers of people in need of 90 to 120 days of therapy are discharged to facilities.	8/1/2004	2,520,321				4,168,429	6,688,750	
4 HS-OMAP - Potential added costs related to a reduction of the OMAP drug benefit.	Impact to be determined - specific OMAP drug benefit reduction has not been established.								
Sub-Total of OHP Cost Shifts			5,997,716	0	0	0	4,168,429	10,166,145	0.75
C. Actions to meet OHP Cost Shifts									
No Action Needed									
Sub-Total of Actions to meet OHP Cost Shifts			0	0	0	0	0	0	0.00
Net Position after Disappropriation, Rebalance and OHP Cost Shift actions			(18,620,880)	0	0	(24,047,143)	20,730,320	(21,937,703)	2.17
D. Proposed Shifts to offset reductions in OHP drug benefits:									
1 Use of net January 2004 estimate savings in excess of disappropriation in SPD.	Use of net January 2004 estimate savings in excess of disappropriation in SPD to apply toward off-set of Health Services drug reduction action.		18,620,880					18,620,880	
2 Do not restore services for people assessed at survival priority levels 12 and 13.	These levels were eliminated from coverage during April 2003, but were restored by the 2003 Legislature. Approximately 1200 people who would otherwise be eligible for long-term care services will be impacted.		9,429,942					9,429,942	
E. Other Revenue available									
Action not needed									