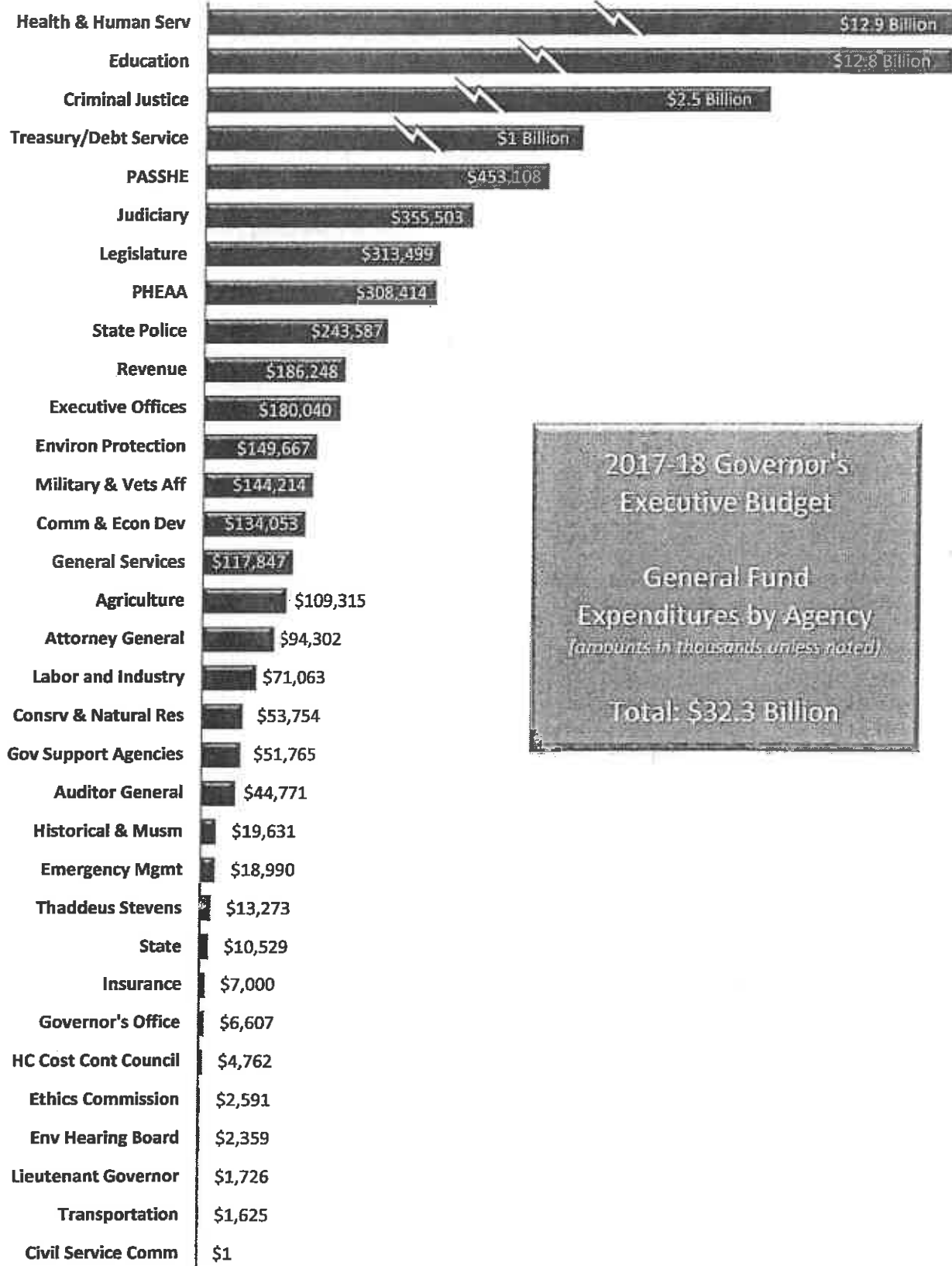


General Fund Expenditures by Agency



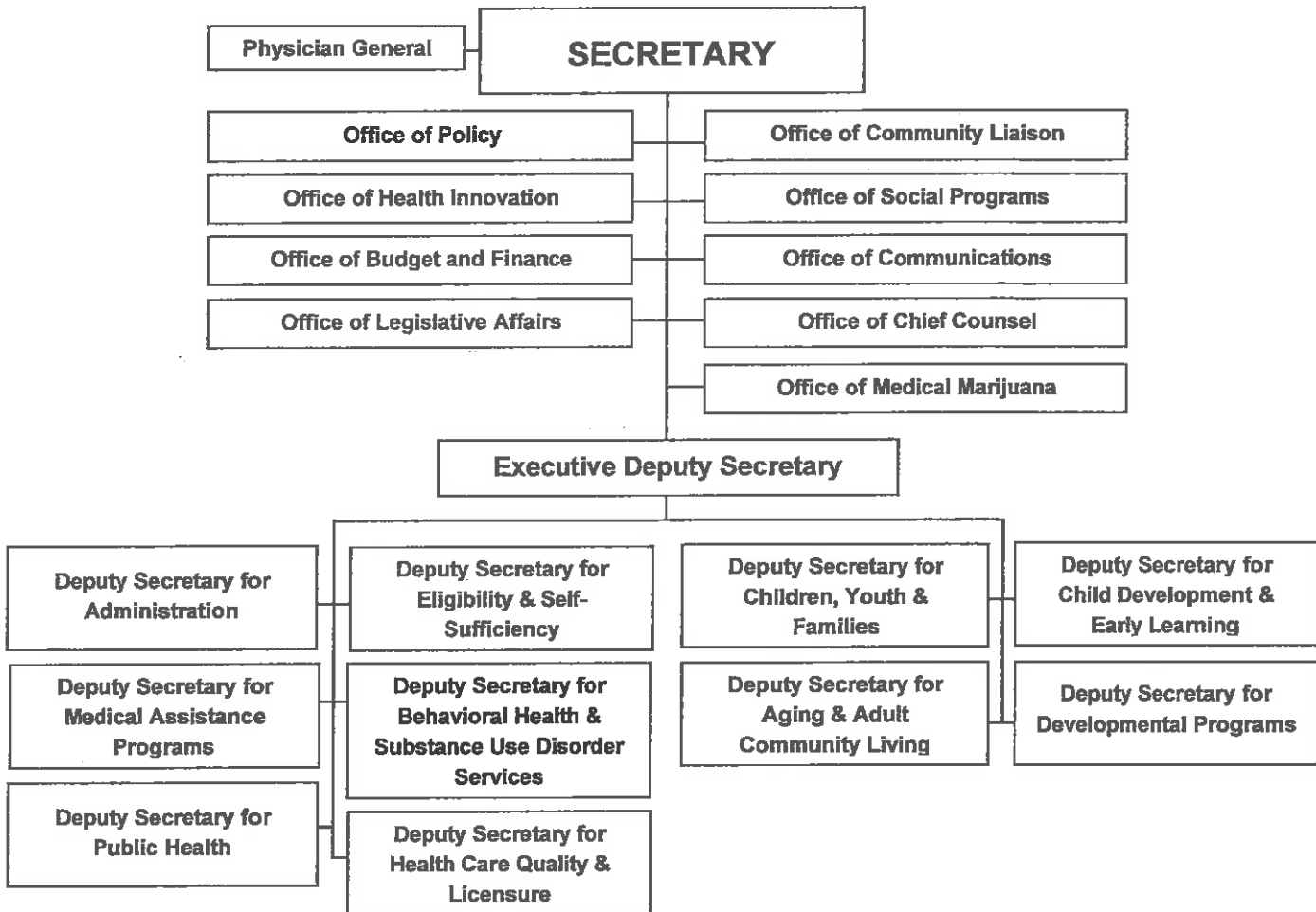
2017-18 Governor's
Executive Budget

General Fund
Expenditures by Agency
(amounts in thousands unless noted)

Total: \$32.3 Billion

Organization Overview

The 2017-18 Budget proposes the consolidation of the Departments of Human Services, Health, Drug and Alcohol Programs and Aging into a new Department of Health and Human Services to encourage more effective collaboration and service delivery, enhance program effectiveness, reduce administrative costs, and eliminate duplicate positions.



- **Deputy Secretary for Administration** oversees the bureaus of Health Statistics and Registries; Human Resources; Financial Operations; Information Systems; Administrative Services; Hearings and Appeals; and Equal Opportunity.
- **Deputy Secretary for Eligibility and Self-Sufficiency** is responsible for the oversight of the Temporary Assistance for Needy Families program; Medical Assistance; Supplemental Nutrition Assistance Program; Women, Infants and Children program; home heating assistance; family assistance; health services; employment and training services; and child support.
- **Deputy Secretary for Children, Youth and Families** oversees the bureaus of Policy, Programs and Operations; Children and Family Services; Juvenile Justice Services; and Budget and Fiscal Support.
- **Deputy Secretary for Child Development and Early Learning** oversees the bureaus of Subsidized Child Care Services; Certification Services; Early Learning Services; and Early Intervention Services.

Organization Overview
Continued

- **Deputy Secretary for Medical Assistance Programs** administers the joint state/federal Medical Assistance (also known as Medicaid) program that purchases health care for nearly 2.5 million Pennsylvania residents; and oversees the bureaus of Pharmacy including the Pharmaceutical Assistance Contract for the Elderly program; and Children’s Health Insurance Program.
- **Deputy Secretary for Behavioral Health and Substance Use Disorder Services** oversees the Office of the Medical Director and the bureaus of Community and Hospital Operations; Policy, Planning and Program Development; Financial Management and Administration; Children’s Behavioral Health; and Quality Management and Data Review.
- **Deputy Secretary for Aging and Adult Community Living** oversees the bureaus of Coordinated and Integrated Services; Provider and Participant Supports; Quality Assurance and Program Analytics; Policy Development and Communications Management; and Finance.
- **Deputy Secretary for Developmental Programs** oversees the bureaus of Financial Management and Budget; Supports for People with Intellectual Disabilities; Policy and Program Support; and Autism Services.
- **Deputy Secretary for Public Health** oversees the bureaus of Health Planning; Public and Emergency Preparedness; Community Health Systems; Health Promotion and Risk Reduction; Family Health; Laboratory and Epidemiology Services; and Communicable Diseases.
- **Deputy Secretary for Health Care Quality and Licensure** oversees the bureaus of Licensure and Certification; Community Program Licensure and Certification; Managed Care; and Program Integrity.

Authorized Complement

2011-12 Actual	2012-13 Actual	2013-14 Actual	2014-15 Actual	2015-16 Actual*
18,640	18,467	18,236	18,535	18,683

* Authorized complement includes Children’s Health Insurance Program positions transferred from the Insurance Department effective July 1, 2015.

Program Funding Summary

(Dollar Amounts in Thousands)

	2015-16 Actual	2016-17 Available	2017-18 Budget	2018-19 Estimated	2019-20 Estimated	2020-21 Estimated	2021-22 Estimated
HEALTH AND HUMAN SERVICES SUPPORT							
GENERAL FUND.....	\$ 163,533	\$ 175,295	\$ 206,948	\$ 206,948	\$ 206,948	\$ 206,948	\$ 206,948
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	255,015	362,259	539,265	539,265	539,265	539,265	539,265
OTHER FUNDS.....	12,426	11,437	19,269	19,269	19,269	19,269	19,269
SUBCATEGORY TOTAL.....	\$ 430,974	\$ 548,991	\$ 765,482	\$ 765,482	\$ 765,482	\$ 765,482	\$ 765,482
MEDICAL ASSISTANCE AND HEALTH CARE DELIVERY							
GENERAL FUND.....	\$ 4,969,637	\$ 4,973,509	\$ 5,023,645	\$ 4,856,005	\$ 4,870,440	\$ 4,985,107	\$ 5,127,309
SPECIAL FUNDS.....	4,900	3,300	128,500	123,500	123,500	123,500	123,500
FEDERAL FUNDS.....	11,682,828	13,059,439	12,625,681	12,745,476	13,064,574	13,500,033	13,982,439
OTHER FUNDS.....	1,966,496	2,145,773	2,220,202	2,192,034	2,184,583	2,183,909	2,183,909
SUBCATEGORY TOTAL.....	\$ 18,623,861	\$ 20,182,021	\$ 19,998,028	\$ 19,917,015	\$ 20,243,097	\$ 20,792,549	\$ 21,417,157
AGING AND ADULT COMMUNITY LIVING							
GENERAL FUND.....	\$ 1,846,979	\$ 2,153,571	\$ 2,339,612	\$ 3,022,908	\$ 3,352,764	\$ 3,568,000	\$ 3,812,970
SPECIAL FUNDS.....	304,749	304,749	677,504	687,459	687,435	694,861	701,876
FEDERAL FUNDS.....	3,158,361	3,455,442	3,806,939	4,542,653	4,862,637	5,100,896	5,362,948
OTHER FUNDS.....	825,717	838,913	845,685	864,897	822,182	776,917	776,917
SUBCATEGORY TOTAL.....	\$ 6,135,806	\$ 6,752,675	\$ 7,669,740	\$ 9,117,917	\$ 9,725,018	\$ 10,140,674	\$ 10,654,711
ELIGIBILITY AND SELF-SUFFICIENCY							
GENERAL FUND.....	\$ 545,301	\$ 580,175	\$ 540,000	\$ 555,000	\$ 555,000	\$ 555,000	\$ 555,000
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	1,415,926	1,442,636	1,739,454	1,739,454	1,739,454	1,739,454	1,739,454
OTHER FUNDS.....	12,270	15,784	17,261	17,261	17,261	17,261	17,261
SUBCATEGORY TOTAL.....	\$ 1,973,497	\$ 2,038,595	\$ 2,296,715	\$ 2,311,715	\$ 2,311,715	\$ 2,311,715	\$ 2,311,715
BEHAVIORAL HEALTH AND SUBSTANCE USE DISORDER SERVICES							
GENERAL FUND.....	\$ 812,551	\$ 843,412	\$ 877,578	\$ 879,514	\$ 875,514	\$ 875,514	\$ 875,514
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	245,358	226,614	354,204	306,490	306,490	306,490	306,490
OTHER FUNDS.....	9,171	8,818	46,620	43,022	42,022	43,022	42,022
SUBCATEGORY TOTAL.....	\$ 1,067,080	\$ 1,078,844	\$ 1,278,402	\$ 1,229,026	\$ 1,224,026	\$ 1,225,026	\$ 1,224,026
INTELLECTUAL DISABILITIES							
GENERAL FUND.....	\$ 1,648,411	\$ 1,772,175	\$ 1,966,874	\$ 2,083,492	\$ 2,157,942	\$ 2,240,398	\$ 2,327,111
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	1,726,631	1,771,449	1,990,912	2,110,221	2,190,436	2,274,730	2,363,358
OTHER FUNDS.....	45,458	47,453	47,378	47,378	47,378	47,378	47,378
SUBCATEGORY TOTAL.....	\$ 3,420,500	\$ 3,591,077	\$ 4,005,164	\$ 4,241,091	\$ 4,395,756	\$ 4,562,506	\$ 4,737,847
HUMAN SERVICES							
GENERAL FUND.....	\$ 1,077,988	\$ 1,275,948	\$ 1,317,270	\$ 1,317,570	\$ 1,317,570	\$ 1,317,570	\$ 1,317,570
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	461,391	462,730	464,646	464,646	464,646	464,646	464,646
OTHER FUNDS.....	1,474	1,846	4,646	1,846	1,846	1,846	1,846
SUBCATEGORY TOTAL.....	\$ 1,540,853	\$ 1,740,524	\$ 1,786,562	\$ 1,784,062	\$ 1,784,062	\$ 1,784,062	\$ 1,784,062

Program: Aging and Adult Community Living

GOAL: To support a community living system that empowers persons with disabilities and older Pennsylvanians to live with dignity and independence in settings they prefer, to provide meaningful choice of community living services and to ensure that those services are delivered in a high-quality, cost-effective manner.

The commonwealth's commitment to supporting people with disabilities and older Pennsylvanians is demonstrated through a continuum of services ranging from independent living with the support of home and community-based services to institutional care. Local Area Agencies on Aging (AAAs) perform eligibility assessments and an Independent Enrollment Broker provides assistance to qualifying individuals who wish to apply for applicable programs. For those who qualify, individual service plans are developed and coordination is provided with an extensive network of providers. The department is responsible for ensuring that services are being provided in a consistent and cost-effective manner.

At-risk older Pennsylvanians require more extensive and personalized services to remain in their homes and communities and avoid relocating to an institutional setting, such as a nursing facility. The level of care assessment program assists older Pennsylvanians and their families in securing and managing intensive in-home services tailored to their needs. The department provides counseling to individuals to apprise them of choices in the continuum of care from community services to nursing facilities. Counseling is also provided to assist individuals currently residing in nursing facilities to transition to community services when their needs can be safely met in the community. A variety of personal support services are available for the growing population of older Pennsylvanians. The continuum of services is available based on the functional and financial qualifications of the participant, ranging from home-delivered meals to intensive in-home services for older Pennsylvanians needing the level of care available in institutional settings. Services are designed to provide the least restrictive alternative to meet the individual's need. Persons with higher incomes share in the cost of services.

Program Element: Nursing Facility Services

Institutional services are provided to eligible persons by nursing facilities that are certified, in accordance with established standards, to participate in the Medical Assistance (MA) program. Nursing facility care is available to MA recipients who are determined nursing facility clinically eligible through a level of care assessment. Nursing facility care involves daily medical treatment and rehabilitation services prescribed by a licensed physician. The services are provided by or under the supervision of licensed professional nursing personnel or other

professional health personnel.

The commonwealth's goal is to serve more people in the community. To reach that goal, it will transition from multiple existing fee-for-service delivery systems to a consolidated, capitated, managed long-term services and supports system called Community HealthChoices (CHC). Under this system both home and community-based and nursing facility MA funded long-term services will be delivered by private managed care organizations. CHC will roll out in three phases beginning in the southwest in January 2018, followed by the southeast in July 2018 and finishing in January 2019 with the remainder of the commonwealth.

CHC will provide necessary services to enrolled individuals and will coordinate funding for dually eligible (Medicare and Medicaid) individuals and those who qualify for MA long-term services and supports. Behavioral health services, while not included in the model, will be strongly coordinated with the CHC program.

Program Element: Home and Community-Based Services

The commonwealth recognizes the value of providing greater independence, choices, and opportunities for individuals with disabilities and older Pennsylvanians by delivering services in the home and community. For qualifying individuals who want to receive services in the community, the department currently administers five home and community-based MA waiver programs.

Pennsylvanians who are in need of the level of care provided in a nursing facility may qualify to receive services in the community through the CHC program or the Living Independence for the Elderly (LIFE) program. These programs provide assistance with activities of daily living, as well as nursing services while encouraging use of informal supports available through family and friends.

A variety of specialized services are provided to enable people with physical and/or cognitive disabilities, as well as people over age 60, to live independently in the community. Personal assistance, service coordination, non-medical transportation, home health aide and nursing services are several of the community-based support services that are provided.

The Attendant Care program provides services to individuals who are over the age of 18 and have physical disabilities. The enhanced level of personal care services is provided until health changes indicate that a change in service level is appropriate.

Program: Aging and Adult Community Living (continued)

Additionally, the LIFE program integrates Medicare funding with MA funding to provide a fully coordinated and comprehensive service package to enrollees.

Program Element: Support Programs

Pennsylvania's vast array of preventive services includes a network of in-home and community-based services addressing the varied needs of older Pennsylvanians. These programs enrich the lives of older Pennsylvanians and enable at-risk older Pennsylvanians to delay or avoid institutionalization. The 52 Area Agencies on Aging, serving all 67 counties, provide aging services at the local level. A basic service of AAAs is to inform them of available supports. AAAs sponsor more than 550 senior centers throughout the commonwealth that provide a full range of social, recreational and educational activities. Congregate meals, served by the centers, provide participating older Pennsylvanians with a hot, nutritionally balanced meal. Transportation services arranged by AAAs allow older Pennsylvanians to visit the doctor, shop or attend senior center events. Job placement services help older

Pennsylvanians find private sector employment and offer job training and subsidized part-time community service employment.

The department assists families who support older, at-risk individuals in their home through the Caregiver Support program. Working through the AAAs, the program provides benefits counseling and depending on income, financial assistance, including supplies, services and home adaptations and devices. The Pennsylvania Caregiver Support Act was amended in 2011 to align the state and federal program requirements, expand the definition of caregiver to include non-relatives, eliminate the requirement that a caregiver live with the care recipient and change the title of the act to Pennsylvania Caregiver Support.

Additionally, under the Older Adult Protection Services Act, protective services are provided to older Pennsylvanians who are at imminent risk of abuse, neglect, exploitation or abandonment. The department, through the AAAs, investigates reports of need and develops individualized plans to eliminate or mitigate the risks.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

	GENERAL FUND		
	Long-Term Care	-34,959	
\$ 8,676	—increase in utilization.		
20,379	—nonrecurring 2015-16 rate reconciliation.		
551	—revision of federal financial participation from 51.78% to 51.82%.		
-1,527	—savings from operating, administrative and other cash flow initiatives.	\$ -14,966	<i>Appropriation Decrease</i>
-13,739	—nonrecurring prior year costs.		
-15,600	—funding reduction.		
9,042	—reflects impact of change in available Tobacco Settlement Funds.	\$ 8,759	Long-Term Care Managed Care
20,000	—one-time use of Tobacco Settlement Funds.	79	—to continue current program, including annualization of prior year expansion.
22,551	—reflects the transfer of Intergovernmental Transfer funds to Mental Health.	7,003	—revision of federal financial participation from 51.78% to 51.82%.
-3,722	—impact of available MCO assessment funds.	7,119	—Initiative—Community Opportunities. To provide home and community-based services to 600 additional older Pennsylvanians.
-345	—Initiative—to modernize operations.	7,119	—Initiative—Community Expansion. To expand LIFE program services in nine counties.
-45,891	—Initiative—cost savings realized through bond funding the Commonwealth Universal Research Enhancement (CURE) grants.	2,828	—Initiative—Community HealthChoices (CHC). To implement CHC in the southwest beginning January 1, 2018, which will improve care coordination and health outcomes while allowing more individuals to live in their community.
150,565	—Initiative—Community HealthChoices (CHC). To implement CHC in the southwest beginning January 1, 2018, which will improve care coordination and health outcomes while allowing more individuals to live in their community.	\$ 25,788	<i>Appropriation Increase</i>
\$ 150,940	<i>Appropriation Increase</i>		
	Home and Community-Based Services		
\$ 22,966	—to continue current program, including annualization of prior year expansion.	\$ 45,972	Services to Persons with Disabilities
294	—revision of federal financial participation from 51.78% to 51.82%.	244	—to continue current program, including annualization of prior year expansion.
-5,039	—reflects impact of increase in available Tobacco Settlement Funds.	-13,517	—revision of federal financial participation from 51.78% to 51.82%.
-11,159	—nonrecurring prior year costs.	21,182	—nonrecurring prior year costs.
12,931	—Initiative—Community Opportunities. To provide home and community-based services to 1,428 additional older		—Initiative—Community Opportunities. To provide home and community-based services to 1,470 additional individuals with disabilities.

Health and Human Services

Program: Aging and Adult Community Living (continued)

-28,528 <hr/> \$ 25,353 \$ 13,786 107 -9,913 7,961 -13,015 <hr/> \$ -1,074 \$ 9,272 -89 -234 <hr/> \$ 8,949 \$ 325,246	—Initiative—Community HealthChoices (CHC). To implement CHC in the southwest beginning January 1, 2018, which will improve care coordination and health outcomes while allowing more individuals to live in their community. Appropriation Increase Attendant Care —to continue current program, including increased utilization and costs. —revision of federal financial participation from 51.78% to 51.82%. —nonrecurring prior year costs. —Initiative—Community Opportunities. To provide home and community-based services to 840 additional individuals with disabilities. —Initiative—Community HealthChoices (CHC). To implement CHC in the southwest beginning January 1, 2018, which will improve care coordination and health outcomes while allowing more individuals to live in their community. Appropriation Decrease LOTTERY FUND General Government Operations —for expenses related to the operation of aging programs. Reflects full-year funding for consolidation into Health and Human Services. —reduction in administrative costs. —reflects increased federal earnings. Appropriation Increase PENNCARE —for expenses related to a continuum of services to support older Pennsylvanians. Reflects full-year funding for consolidation into Health and Human Services.	4,690 31 -1,300 4,015 -3,145 \$ 329,537 \$ 19,916 \$ 12,103 \$ 250 \$ 2,000	—to continue current program, including annualization of prior year expansion. —revision of federal financial participation from 51.78% to 51.82%. —nonrecurring prior year costs. —Initiative—Community Opportunities. To provide attendant care services for an additional 420 recipients. —Initiative—Community HealthChoices (CHC). To implement CHC in the southwest beginning January 1, 2018, which will improve care coordination and health outcomes while allowing more individuals to live in their community. Appropriation Increase Pre-Admission Assessment —for expenses related to the assessment of individuals applying for nursing facility care. Reflects full-year funding for consolidation into Health and Human Services. Caregiver Support —for expenses related to the caregiver support program. Reflects full-year funding for consolidation into Health and Human Services. Alzheimer's Outreach —for expenses related to alzheimer's outreach services. Reflects full-year funding for consolidation into Health and Human Services. Grants to Senior Centers —for grants to senior centers. Reflects full-year funding for consolidation into Health and Human Services.
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Appropriations within this Program:

(Dollar Amounts in Thousands)

	2015-16 Actual	2016-17 Available	2017-18 Budget	2018-19 Estimated	2019-20 Estimated	2020-21 Estimated	2021-22 Estimated
GENERAL FUND:							
Long-Term Care.....	\$ 968,083	\$ 1,036,778	\$ 1,187,718	\$ 2,489,923	\$ 3,087,487	\$ 3,274,039	\$ 3,481,033
Home and Community-Based Services.....	261,945	351,350	336,384	119,003	0	0	0
Long-Term Care Managed Care.....	116,133	127,066	152,854	174,531	199,281	227,542	259,811
Services to Persons with Disabilities.....	339,077	419,874	445,227	155,039	35,635	35,827	38,918
Attendant Care.....	161,741	218,503	217,429	84,412	30,361	30,592	33,208
TOTAL GENERAL FUND.....	\$ 1,846,979	\$ 2,153,571	\$ 2,339,612	\$ 3,022,908	\$ 3,352,764	\$ 3,568,000	\$ 3,812,970
LOTTERY FUND:							
General Government Operations.....	\$ 0	\$ 0	\$ 8,949	\$ 8,949	\$ 8,949	\$ 8,949	\$ 8,949
Medical Assistance - Long-Term Care.....	184,081	184,081	184,081	223,881	363,088	369,000	374,425
Home and Community-Based Services.....	120,668	120,668	120,668	120,668	0	0	0
PENNCARE.....	0	0	329,537	299,692	281,129	282,643	284,233
Pre-Admission Assessment.....	0	0	19,916	19,916	19,916	19,916	19,916
Caregiver Support.....	0	0	12,103	12,103	12,103	12,103	12,103
Alzheimer's Outreach.....	0	0	250	250	250	250	250
Grants to Senior Centers.....	0	0	2,000	2,000	2,000	2,000	2,000
TOTAL LOTTERY FUND.....	\$ 304,749	\$ 304,749	\$ 677,504	\$ 687,459	\$ 687,435	\$ 694,861	\$ 701,876

