Fund Summary

Fund Name	:	**Essential Public Health Services Fund**
Business Area	:	**Houston Health Department**
Fund No./Bus. Area No.	:	**2010 / 3800**

	FY2025 Current Budget	FY2025 Estimate	FY2026 Budget
Beginning Fund Balance	48,296,109	48,296,109	**41,246,227**
Current Revenues	9,613,000	10,539,875	**9,030,000**
Total Available Resources	57,909,109	58,835,984	**50,276,227**
Maintenance and Operations	22,907,877	17,589,757	**23,504,079**
Total Expenditures	22,907,877	17,589,757	**23,504,079**
Planned Ending Fund Balance	35,001,232	41,246,227	**26,772,148**
Total Budget	57,909,109	58,835,984	**50,276,227**
Fund Balance Distribution			
Non-Spendable	0	0	**0**
Restricted	35,001,232	41,246,227	**26,772,148**
Committed	0	0	**0**
Assigned	0	0	**0**
Unassigned	0	0	**0**

The above summarizes the FY2025 Budget, the FY2025 Estimate and the FY2026 Budget for the Essential Public Health Services Fund. Also included are the beginning and ending fund balances, total revenues and total expenditures.

The Essential Public Health Services Fund was created in FY2013 for the purpose of offsetting costs associated with the administration of Medicaid Transformation Waiver projects and to perform other essential public health services as defined in Chapter 121 of the Texas Health and Safety Code. This fund will capture the costs and reimbursement of the expenses for the projects. The expected reimbursements are for costs that are incurred for the expansion of health and human services.

The Centers for Medicare and Medicaid Services (CMS) approved Texas' request for a new Medicaid Demonstration Waiver in accordance with section 1115 of the Social Security Act. The waiver was approved through September 30, 2016. The waiver allows the state to expand Medicaid managed care while preserving hospital funding and provides incentive payments for health care improvements. Participants who implement the projects will earn payments by meeting performance targets.

As a participant, the City of Houston submitted a plan that identifies projects to carry out as well as the performance targets to be met semi-annually for each project. The Houston Health Department (HHD) will proceed with each project, meet the performance targets, report the progress, and simultaneously request payment for reimbursement. CMS will review reports submitted by the City of Houston and reimburse an assigned value for the project based upon achievement of specific objectives. The assigned value includes 100% reimbursement of the program costs and the required 42% local match for the project.