



# **Staff Compensation Report**

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**As Required by  
Texas Government Code  
Section 659.026**

**Health and Human Services  
Commission  
January 2020**



**TEXAS**  
Health and Human  
Services

# Executive Summary

As required by Section 659.026 of Texas Government Code, certain executive and non-executive compensation information must be made available to the public on the agency's internet website. To comply with this requirement, the following compensation information on Health and Human Services Commission (HHSC) employees is reported.

As of August 31, 2019, HHSC employed 36,346.46 full-time equivalent employees (FTEs). An FTE is a unit equivalent to an employee working an eight-hour day. The total work hours used to calculate FTEs may come from full- time or part-time positions.

## Appropriations

As reported in Article II of the General Appropriations Act, the agency received the following legislative appropriations for each fiscal year of the current biennium:

<b>Method of Financing:</b>	<b>FY 2018</b>	<b>FY 2019</b>
General Revenue Fund	\$14,681,854,307	\$14,599,273,714
Federal Funds	\$20,359,386,073	\$20,539,809,270
Other Funds	\$1,072,596,482	\$1,071,546,981
Total Method of	\$36,113,836,862	\$36,210,629,965

## Executive Salary Determination Methodology

### Non-Classified Executive Staff

The annual compensation for the agency's Executive Commissioner, Courtney Phillips, is legislatively set in Article II of the General Appropriations Act at \$275,000 and falls within Salary Group 8 (for positions exempt from the State's Position Classification Plan).

As reported in the State Auditor's Office (SAO) Report on Executive Compensation at State Agencies (August 2018, Report No. 18-705), the SAO provides the legislature with recommended salary ranges for executive officer positions, based on an analysis of:

- executive officer salaries and assigned salary groups;
- the amount of annual appropriations for the agency;
- the number of authorized full-time equivalent employees at the agency;
- market average compensation for similar executive positions;
- the agency's mission;
- salaries of classified employees; and
- specialized education required for the position.

To obtain the market average compensation for similar executive positions, the SAO reviewed data from public, nonprofit, and private sector salary sources, and sent salary surveys to populous states outside of Texas, quasi-governmental agencies, and major Texas cities and counties.

Through this methodology, the SAO reported the market average for the HHSC Executive Commissioner as \$305,535.

### **Classified Executive Staff**

The annual compensation of executive staff in classified positions is determined by the executive commissioner based on a number of factors, including the complexity of the work performed, skill and experience requirements, education required, budget and staff oversight, and the internal relationship to comparable positions in the agency. In addition, the agency monitors and reviews these positions to ensure that proper reporting relationships are maintained.

The minimum and maximum salary ranges for these positions are specified in the State's Position Classification Plan in Article IX of the General Appropriations Act. As reported in the SAO Biennial Report on the State's Position Classification Plan for the 2020-2021 Biennium (September 2018, Report No. 19-702), the SAO conducts market analyses and recommends changes to the legislature when established salary ranges are identified as no longer equitable or competitive. To conduct this analysis and review, the SAO collected market data from multiple salary survey sources for positions representative of the work performed in state government.

Note: The agency's executive staff are not eligible for a salary supplement.

### **Market Average for Executive Staff**

The following table provides the annual state and national wages for public and chief executives, based on the Bureau of Labor Statistics data for Standard Occupational Code 11-1011.00, Chief Executives:

#### **May 2018 Salary Data**

**Average**

Location	10%	25%	Salary	75%	90%
United States	\$68,360	\$115,960	\$189,600	- -	- -
Texas	\$108,040	\$167,070	- -	- -	- -

The following table provides market average data for state agency executive staff in Texas, based on August 31, 2019, data provided by Comptroller of Public Accounts Fiscal Integrity Division Fiscal Analysis Section:

**State of Texas  
Fiscal Management Division  
Statewide Data on Director and Deputy Director Jobs  
As of August 31, 2019**

	Class Title	Number of Non-Missing Salary	Mean Salary	Highest Salary	Median Salary	Smallest Salary	Most Frequent Salary
<b>1</b>	Director I	445	\$7,825	\$10,516	\$7,867	\$5,785	\$8,000
<b>2</b>	Director II	805	\$8,736	\$10,761	\$8,833	\$6,363	\$9,143
<b>3</b>	Director III	613	\$9,796	\$12,766	\$9,823	\$7,100	\$10,000
<b>4</b>	Director IV	374	\$10,915	\$13,021	\$10,683	\$7,892	\$10,000
<b>5</b>	Director V	154	\$12,414	\$14,323	\$12,356	\$9,167	\$11,644
<b>6</b>	Director VI	205	\$13,205	\$15,756	\$13,417	\$10,083	\$13,761
<b>7</b>	Director VII	56	\$15,294	\$17,167	\$15,833	\$11,554	\$16,514
<b>8</b>	Deputy Director I	81	\$15,624	\$19,065	\$15,387	\$12,083	\$15,000
<b>9</b>	Deputy Director II	28	\$17,842	\$20,971	\$18,306	\$12,400	\$17,083
<b>10</b>	Deputy Director III	20	\$21,148	\$23,068	\$22,083	\$16,614	\$23,068

**Non-Executive Staff Compensation**

The average base salary for non-executive staff on August 31, 2019, was \$33,278.97.

## Executive Salaries Compared to Appropriations

The following table show the percentage changes in HHSC's legislative appropriations and the executive salaries during the five preceding fiscal years:

Method of Financing	FY 2015	Percent Change	FY 2016	Percent Change	FY 2017	Percent Change	FY 2018	Percent Change	FY 2019	Percent Change
General Revenue Fund	12,719,301,239	36.53%	\$13,400,559,133	5.36%	\$13,873,951,153	3.53%	\$15,587,558,652	12.35%	\$14,599,273,714	-6.34%
Federal Funds	19,871,199,132	37.21%	\$20,183,974,810	1.57%	\$19,595,666,668	-2.91%	\$21,497,653,992	9.71%	\$20,539,809,270	-4.46%
Other Funds	635,772,377	18.92%	\$644,344,794	1.35%	\$717,296,330	11.32%	\$1,066,346,855	48.66%	\$1,071,546,981	0.49%
Total Method of Financing	\$33,226,272,748	36.55%	\$34,228,878,737	3.02%	\$34,186,914,151	-0.12%	\$38,151,559,499	11.60%	\$36,210,629,965	-5.09%

\*\*Source: FY 2020-21 LAR

Positions	FY 2015	Percent Change	FY 2016	Percent Change	FY 2017	Percent Change	FY 2018	Percent Change	FY 2019	Percent Change
Executive Commissioner	\$259,999.92	0.0%	\$266,499.96	2.4%	\$266,499.96	0.0%	\$266,499.96	0.0%	\$274,999.92	3.1%
Chief Deputy Executive Commissioner	\$239,699.88	2.0%	\$245,692.32	2.4%	\$245,692.32	0.0%	\$245,692.32	0.0%	\$245,692.32	0.0%
Chief of Staff	\$164,831.88	2.0%	\$159,999.96	-3.0%	\$190,000.08	15.8%	\$184,992.00	-2.7%	NA	NA
Inspector General	\$220,000.08	15.6%	\$225,500.04	2.4%	\$225,500.04	0.0%	\$225,500.04	0.0%	\$225,500.04	0.0%
Chief Counsel	\$201,450.00	2.0%	\$206,486.16	2.4%	\$206,486.16	0.0%	\$206,486.16	0.0%	\$206,486.16	0.0%
Chief Operating Officer		NA	\$234,999.96	NA	\$234,999.96	0.0%	\$234,999.96	0.0%	\$230,000.04	-2.2%
Chief Policy Officer		NA		NA		NA	\$230,000.04	NA	\$230,000.04	0.0%
Chief Program & Service Officer		NA		NA		NA	\$210,000.00	NA	\$227,000.04	7.5%
Internal Audit Director		NA		NA		NA	\$162,855.00	NA	\$169,092.84	3.7%