TEXAS
Department of
State Health Services

Overview of the Mental Health System

Michael D. Maples
Assistant Commissioner

MENTAL HEALTH &
SUBSTANCE ABUSE

Mental Health Funding

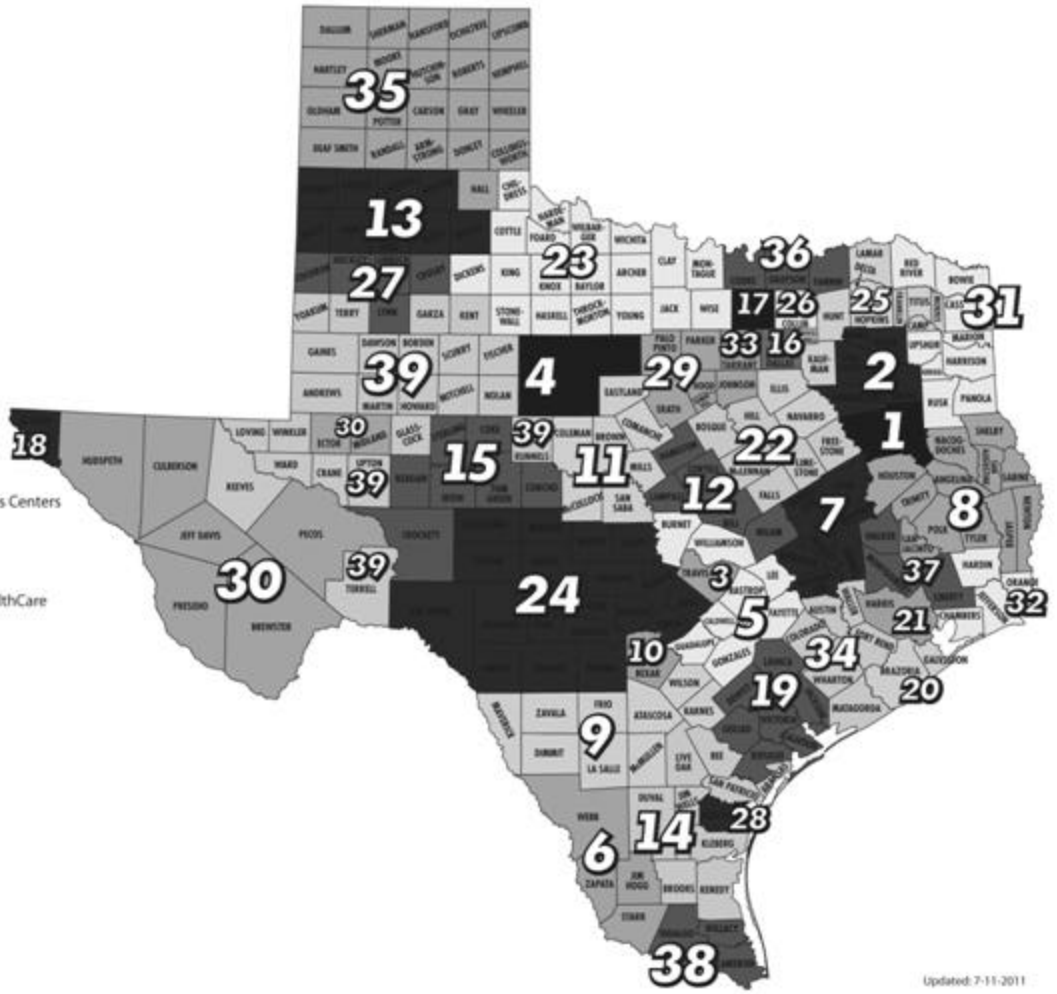
Strategy	FY10-11	FY12-13
MH Adult Services	$570,219,568	$562,881,043
MH Children Services	$132,932,210	$130,498,386
MH Crisis Services	$164,953,850	$168,553,850
NorthSTAR Behavioral Health	$201,403,108	$206,833,519
Community Hospitals	$68,936,154	$114,206,192
MH State Hospitals	$775,709,016	$783,400,983
Total	$1,914,153,906	$1,966,373,973

LMHA Payment Methodology

- Current LMHA allocations are based on historical funding levels and continued at base levels to maintain current service delivery.
- General Revenue funds are paid at the beginning of each quarter in the following distribution: 1st Q-30%, 2nd Q-30%, 3rd Q-20%, 4th Q- 20%
- Federal funds (MHBG, Title XX, SSBG) are paid at the end of each quarter at 25% per quarter.
- Since FY10, 3rd and 4th quarter payments have been reduced for Medicaid State Match based upon historical billing patterns of Case Management and Rehabilitative Services.

Local Mental Health Authority Areas of Service

1. ACCESS
2. Andrews Center Behavioral Healthcare System
3. Austin Travis County Integral Care
4. Betty Hardwick Center
5. Bluebonnet Trails Community Services
6. Border Region Behavioral Health Center
7. MHMR Authority of Brazos Valley
8. Burke Center
9. Camino Real Community Services
10. The Center for Health Care Services
11. Center for Life Resources
12. Central Counties Services
13. Central Plains Center
14. Coastal Plains Community Center
15. MHMR Services for the Concho Valley
16. Metrocare Services
17. Denton County MHMR Center
18. Emergence Health Network
19. Gulf Bend Center
20. Gulf Coast Center
21. MHMR Authority of Harris County
22. Heart of Texas Region MHMR Center
23. Helen Farabee Centers
24. Hill Country Mental Health and Developmental Disabilities Centers
25. Lakes Regional MHMR Center
26. LifePath Systems
27. StarCare Specialty Health System
28. MHMR of Nueces County
29. Pecan Valley Centers for Behavioral & Developmental HealthCare
30. Permian Basin Community Centers
31. Community Healthcore
32. Spindletop Center
33. MHMR of Tarrant County
34. Texana Center
35. Texas Panhandle Centers
36. Texoma Community Center
37. Tri-County Services
38. Tropical Texas Behavioral Health
39. West Texas Centers



Community Mental Health Numbers Served

- **FY2011:**
  - **Front-Door Crisis Services = 49,582**
  - **On-Going Adult Services = 158,010** (including NorthSTAR)
  - **On-Going Child Services = 46,463** (including NorthSTAR)

TEXAS Department of State Health Services

Community Mental Health
OUTCOMES & PERFORMANCE

PERFORMANCE MEASURES

- Performance measures evaluate DSHS-funded community mental health centers' adherence to targets associated with certain outputs for a 6 month period. These are divided by 6 to compute an average monthly amount. Examples include:
  - Number of Clients Served
  - Minimum Service Hours
  - Uniform Assessment Completion Rate
- Performance measures are monitored by DSHS staff on a semi-annual basis through the use of ready reports accessed through a shared data warehouse. Sanctions may be applied for lack of performance.

TEXAS Department of State Health Services

Community Mental Health
OUTCOMES & PERFORMANCE

CLINICAL OUTCOMES

- Clinical outcomes are measured by evaluating client progress from their first to last clinical assessment during the state fiscal year at DSHS-funded community mental health centers in critical life domains. Examples include:
  - General functioning;
  - Housing;
  - Employment/school;
  - Criminal/juvenile justice involvement; and
  - Co-occurring substance use.
- Clinical outcomes are monitored by DSHS staff on an ongoing basis through the use of dashboards, data books, news briefs, and special reports. Achieving targets for certain outcomes may result in the waiving of performance requirements for minimum service hours performance target.
- Clinical outcomes are reported to State (e.g., LBB) and Federal (e.g., SAMHSA) partners on an annual basis as a means of accountability for funds received.

OTHER SYSTEM MEASURES

- Other performance measures assess whether or not financial, quality, crisis, continuity of care, waiting list, clinical outcome, and performance measure milestones are achieved at DSHS-funded community mental health centers. Examples include:
  - Percent of Claims Paid for Invalid Service Package (financial);
  - Percent of Clients Receiving Services within 14 Days of Assessment (quality);
  - Hospital Readmission Rate (quality);
  - Percent of Clients Under-Authorized with a Crisis or Hospital Service (crisis);
  - Percent of Clients Receiving Front Door or Community Crisis Services at Community Mental Health Centers that Result in a Psychiatric Hospitalization at a State or Community Mental Health Hospital within 30 Days (crisis);
  - Follow-Up with Community Services within 7 Days of Hospital Discharge (continuity of care);
  - Crisis Discharge with 7 Day Follow-up with Community Services (continuity of care);
  - Percent of Clients on Waiting List with a Crisis and/or Hospitalization (waiting list);
  - Percent of Clients on Waiting List with No Contact in 90 Days (waiting list); and
  - Percent of Clinical Outcomes and Performance Measures Failed (clinical outcome and performance measure).
- Center performance related to performance measures (and clinical outcomes) are utilized in risk assessment determinations for heightened oversight and intervention by DSHS.

Accountability for Performance

- Financial sanctions are imposed for failure to achieve key targets and performance measures at 6 month intervals during the 2 year contract term.
- Liquidated damages are imposed for failure to submit timely information or other breaches of contractual requirements.
- All funds recouped are redistributed to other LMHAs for like services per rider.

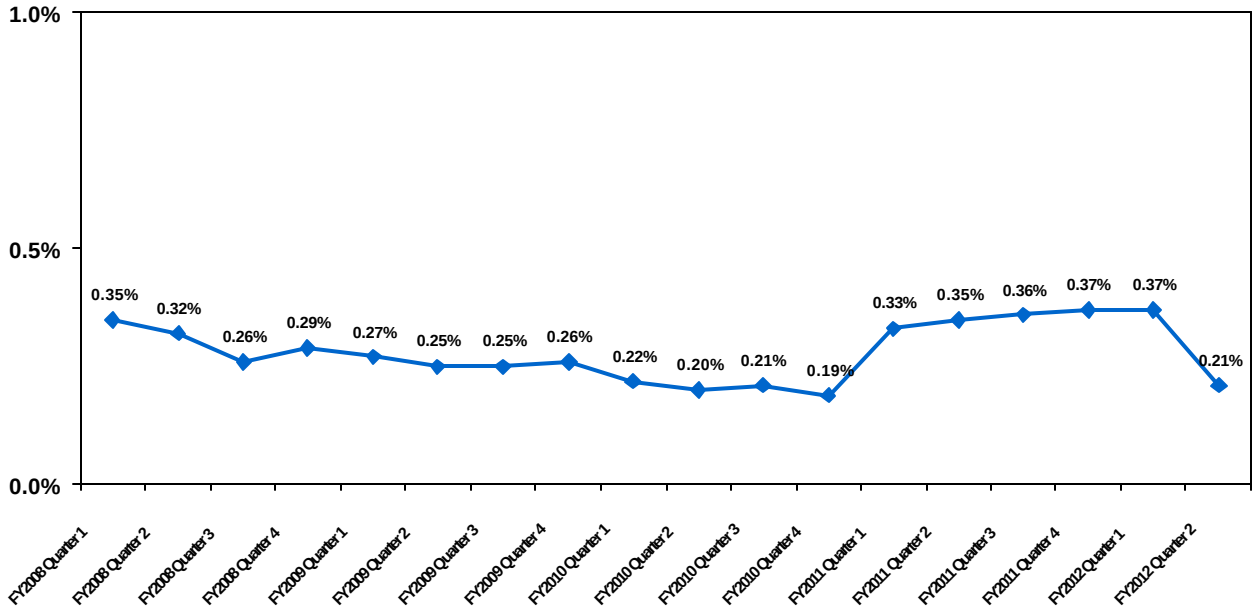
Rider 65

Directs DSHS, in consultation with Health and Human Services Commission, to conduct a comparative analysis of publicly funded behavioral health systems in Texas that serve the medically indigent and Medicaid clients. A report would be submitted on the findings to the Legislative Budget Board and the Governor by December 1, 2012.

- **Requested for Report date to be extended to December 1, 2014.**
- **Implementation will provide enhanced assessment data that will allow a more robust measurement of MH client outcomes for adults and youth.**
- **Implementation Date: September 2013**

Community Mental Health
HOSPITAL RECIDIVISM

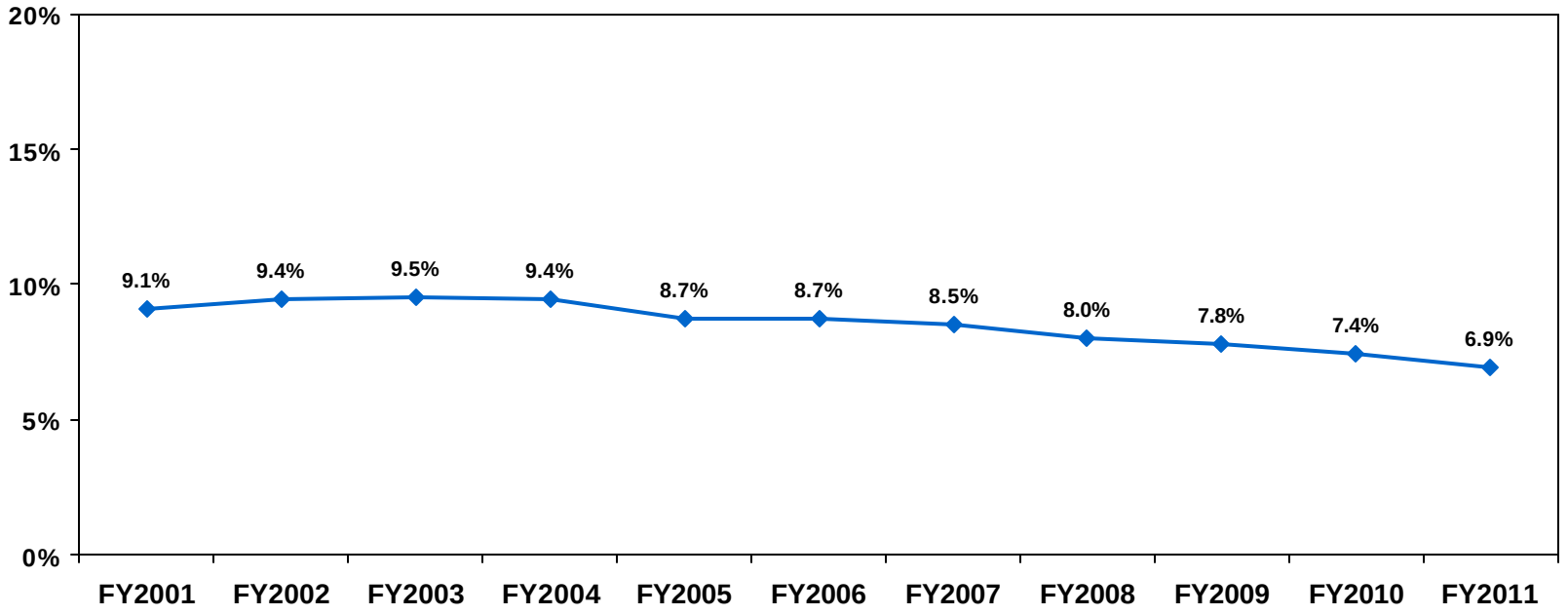
Figure 1.7. **Percentage of adults in community mental health services admitted 3 or more times in 180 days to a state or community psychiatric hospital**



Source: DSHS, Mental Retardation and Behavioral Health Outpatient Wareh ouse (MBOW), *DATA BOOK - Percentage of Adults and Children in Full RDM Packages Admitted 3 or More Times in 180 Days to a State or Community Psychiatric Ho spital.* For methodology, see report query.

Community Mental Health
HOSPITAL RECIDIVISM (continued)

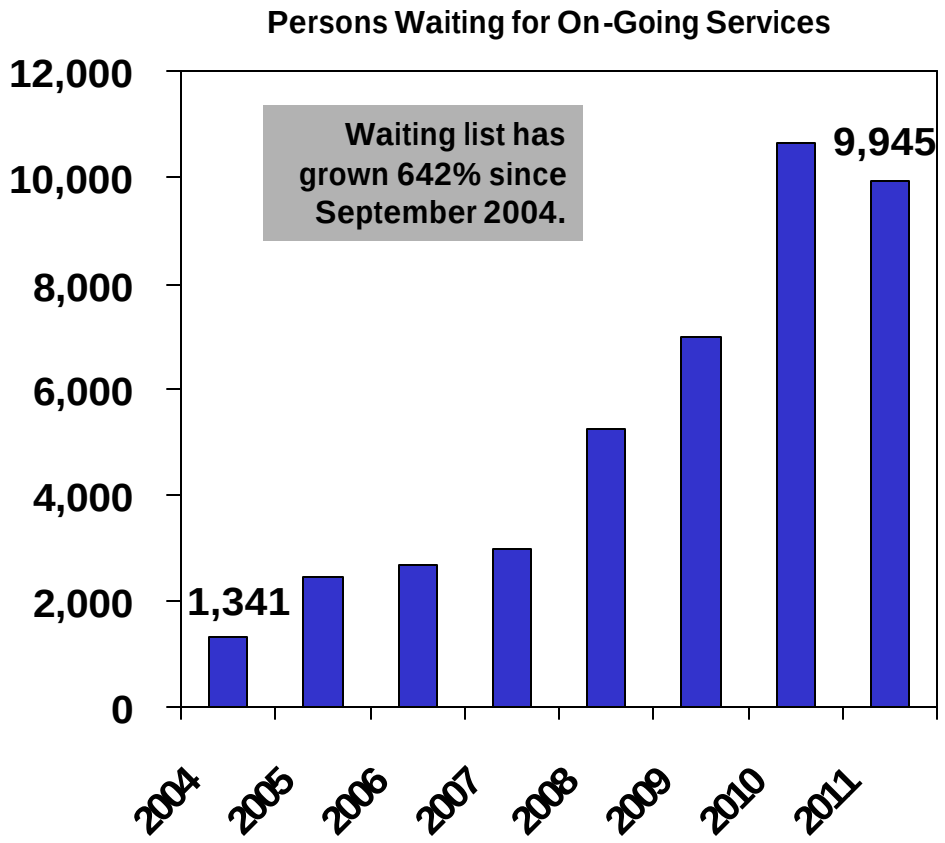
Percent of Persons Readmitted to State Facilities within 30 Days



Source: DSHS Client Assignment Registration (CARE) system.
Notes:
• State Hospital direct (non-transfer discharges with reassignment to a DSHS-funded community mental health center) discharges of clients who were admitted on a civil commitment.
• Includes counts of readmissions of same clients following these discharges that were within 30 days of the discharge.
• Readmission can be civil or forensic.

Challenges

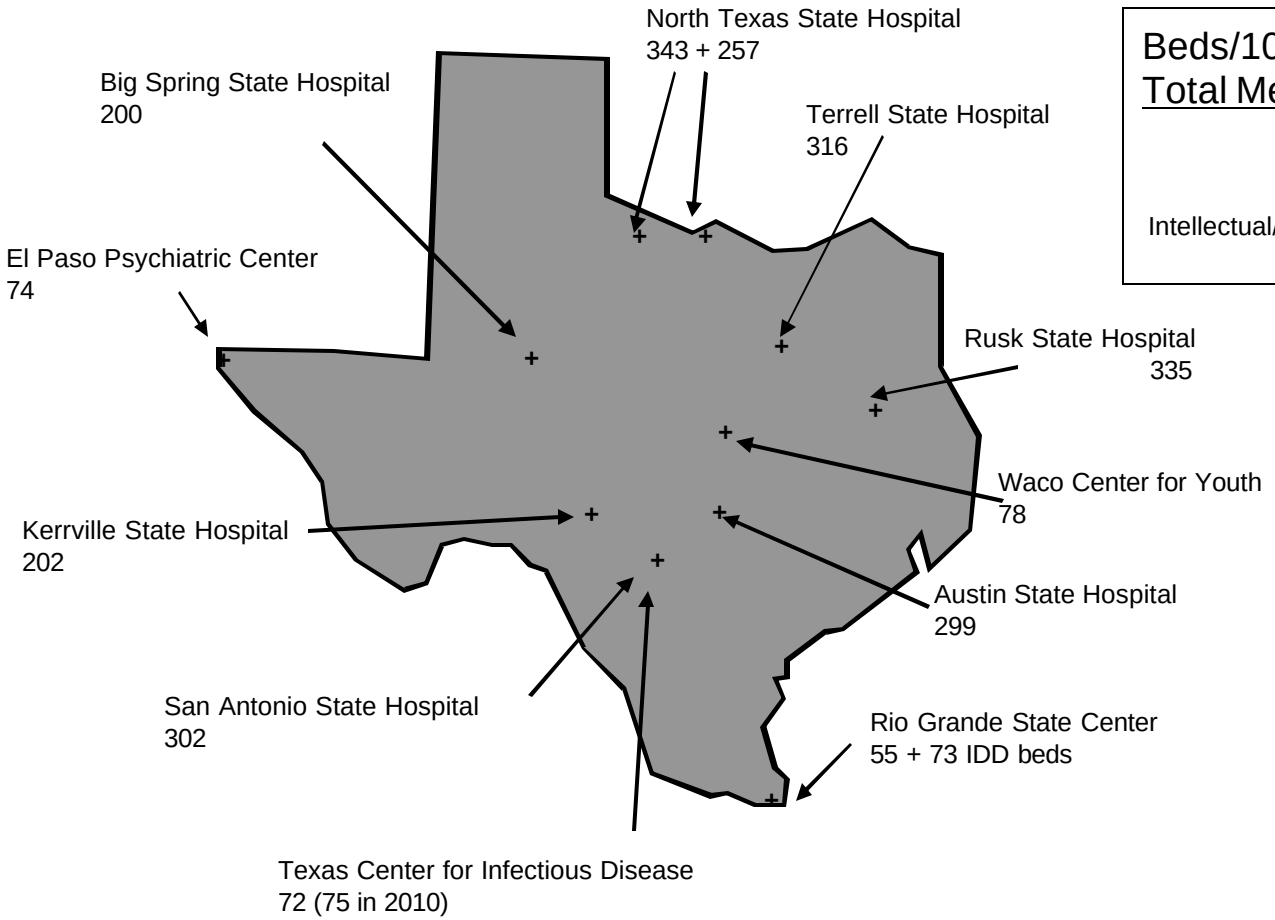
Waiting List (Community)



NorthSTAR

- Publicly funded insurance program in a 7 county area of North Texas that provides mental health and substance abuse services in an integrated service delivery system.
- Combines services/dollars provided by former HHSC legacy agencies TDMHMR, TCADA, TCOOMMI, traditional Medicaid, and local dollars.
- Public-private partnership.
- Eligible individuals include most Medicaid recipients in service area, and medically indigent (<=200% federal poverty level) who reside in service area and meet clinical criteria.

11 Texas State Hospitals



Beds/100,000 pop	10.3
Total Mental Health Beds	2,461

Adults + Children
Adults Only
Children Only
Intellectual/Development Disabilities (IDD)Also

How do People enter the System?

Civil Commitments

- Criteria

  Presence of Symptoms of Mental Illness which result in Patient's:

  - Danger to themselves
  - Danger to others
- Who Gets Involved
  - Magistrates/Peace Officers
  - Adult Relatives and Guardians
  - Admissions Physician
  - Treatment Team
- Types
  - Emergency Detention (24 hour)
  - Orders of Protective Custody (30 day maximum)
  - Court Ordered MH Services (90 day Temp/ 12 month Extended)

Forensic Commitments

- Criteria
  - Charged with a crime or determined Not Guilty by Reason of Insanity
  - Mental Illness or Instability
- Who Gets Involved
  - Courts/Judges/Juries
  - Admissions Physician
  - Treatment Team
- Types
  - Awaiting Adjudication
    - Competency Restoration
  - Post-Adjudicated
    - Not Guilty by Reason of Insanity (NGRI)

When do People exit the System?

Civil Commitments

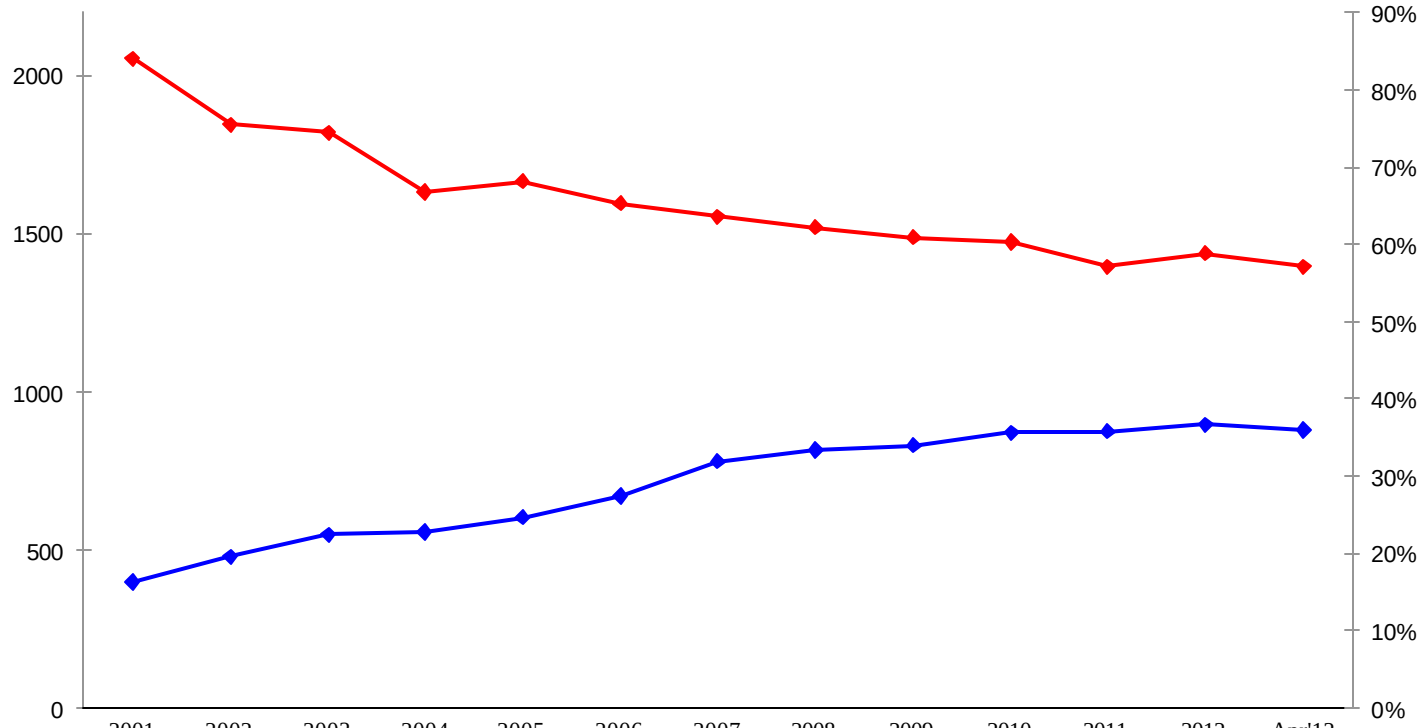
- Treatment team determines the person is no longer an imminent risk to self or others and can safely be treated in a less restrictive setting
- An appropriate community placement exists

Forensic Commitments

- Treatment team recommends when the person is competent to stand trial, or (for NGRI) the person is no longer an imminent risk to self or others and can safely be treated in a less restrictive setting
- Courts/Judges must approve discharges or changes in commitment status.
- State Hospitals and Local Mental Health Authorities have little control over the actual discharge of patients.

Civil vs. Forensic Snapshot

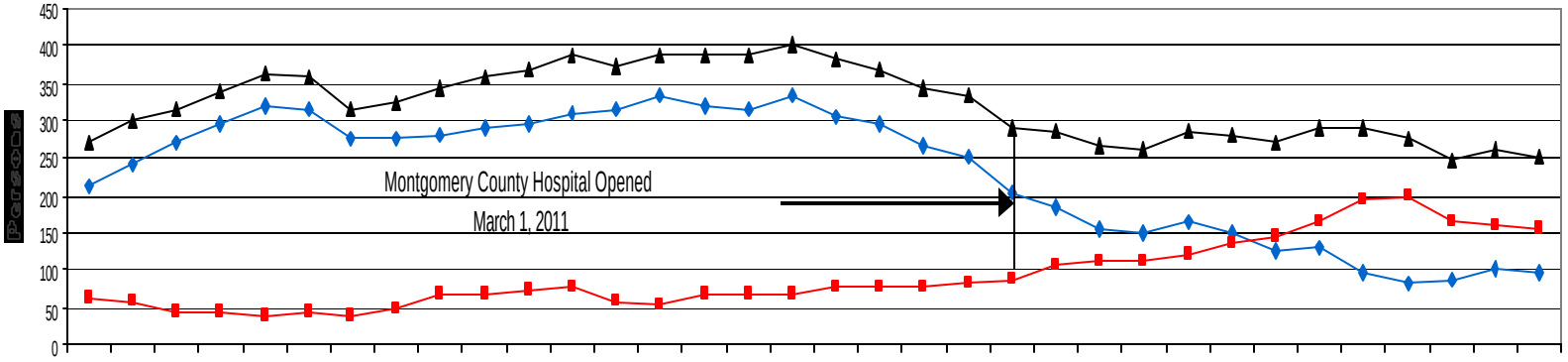
Civil vs Forensic Census Snapshots on January 21 of Each Specified Year Unless Otherwise Indicated:
FY 2001 to Present



	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Apr'12
Civil	2054	1847	1817	1631	1667	1596	1557	1520	1487	1473	1397	1437	1397
Forensic_Pts	399	480	550	560	603	671	781	818	832	871	876	897	882
Total_Pts	2453	2327	2367	2191	2270	2267	2338	2338	2319	2344	2273	2334	2279
%Forensic	16%	21%	23%	26%	27%	30%	33%	35%	36%	37%	39%	38%	39%
%Civil	84%	79%	77%	74%	73%	70%	67%	65%	64%	63%	61%	62%	61%

State Hospital Forensic Waiting List

Forensic Waiting List for State Mental Hospitals: CY 2008 - CYTD March 2012



	Jun-09	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12
Clearinghouse Waiting List	211	242	270	295	320	314	275	278	279	289	296	309	316	334	319	317	334	306	293	268	253	205	183	155	152	164	148	126	128	97	82	86	101	97
MSU Waiting List	61	60	45	45	41	45	41	46	66	68	74	77	58	54	70	69	67	77	76	78	83	85	105	111	109	122	135	147	164	195	196	163	162	156
Total	272	302	315	340	361	359	316	324	345	358	370	386	375	389	388	385	400	383	369	345	336	290	288	266	261	286	283	273	292	292	278	249	263	253

Source: DSHS State Mental Health Hospital Dashboard.

Efforts to Expand Capacity: Purchasing Bed Space

- DSHS contracted with four LMHAs and one county to purchase a total of 348 beds
  - Gulf Coast (Galveston) 16 beds
  - Lubbock 30 beds
  - Houston 186 beds
  - Kerrville 16 beds
  - Montgomery County 100 beds

Efforts to Expand Capacity: Purchasing Bed Space

- 121 of the 348 beds specifically are designated for non-maximum security forensic patients
- 21 beds are in the Harris County Psychiatric Center (HCPC)
- 100 beds are in the Montgomery County Psychiatric Treatment Facility
- Average bed day cost for the 348 community psychiatric beds is $433 per bed per day

Efforts to Expand Capacity: Montgomery County MH Treatment Center

- Montgomery County applied for, and received, a DSHS contract to manage a facility under the terms of Rider 97 (81st session)
- Facility opened on March 1, 2011
- Serves non-maximum security forensic patients with goal to restore to competency
- 82nd Legislature appropriated $30 million in GR to continue facility operations

Efforts to Expand Capacity: Psychiatric Residential Rehabilitation Beds (Step-Down Treatment)

- Growing number of patients identified in state hospitals that require extended or residential treatment. Most of these individuals are referred to state hospitals under the Texas Criminal Code as incompetent to stand trail or not guilty by reason of insanity.
- On March 1, 2011, Big Spring State Hospital, Rusk State Hospital, and San Antonio State Hospital each converted 40 psychiatric hospital beds to 40 psychiatric residential rehabilitation beds.
- $3.0 million annual savings realized by providing rehabilitative residential level of care instead of hospital level of care in these 120 beds. Cost savings are due primarily to reduced staffing costs. Over this past year, these programs served 142 patients and discharged 36 patients.

Forensic Bed Lawsuit: State Hospital Capacity Options

Background

- Disability Rights Texas filed a lawsuit against DSHS in February 2007.
  - Referred to as the *forensic patient capacity lawsuit*.
  - Claimed that there was an excessive amount of time between a criminal defendant being found incompetent to stand trial and time of admission to state hospital.
- Judge ruled in plaintiffs' favor in January 2012.
- Judge ordered DSHS to make a bed available to a detainee who is incompetent to stand trial within 21 days of a notice to DSHS.

Forensic Bed Lawsuit: State Hospital Capacity Options

- DSHS has considered options for ensuring individuals committed to state mental health hospitals are admitted in a timelier manner as per the judge's order.
- The challenge for admitting patients more timely is maximum security capacity.
  - There are currently approximately 141individuals waiting for admission to a maximum security bed.
- In addition to maximum security beds, transitional forensic beds must be added to allow for patients to transition out of maximum security.
- DSHS is also looking at contracting for civil beds in order to free up current state hospital resources for use with forensic patients.

Forensic Bed Lawsuit: State Hospital Capacity Options

Proposed Option

Maximum Security Beds	100
Transitional Forensic Beds	54
Civil (contracted) Beds	90
Net New Beds to State System	40
FTEs Needed	132
Biennial Cost FY12-13	$36.3M

New Outpatient Competency Restoration (OCR) Pilots

- Rider 78 of the 82nd Legislature directed DSHS to fund at least five new OCR pilots and to continue funding the current four.
- Awards were announced at the end of December and include 7 new OCR sites around the state.
- Funding for these programs increased by 1.8 million dollars annually.
- 662 clients served since inception in 2008

OCR Facts: Outcomes

Program Outcomes

- The majority of clients (67%) who completed program had positive outcomes and were either
  - Restored to competency (49%) or
  - Improved enough to have their charges dropped (18%) and enrolled in mental health and other services in the community.
  - A minority (26%) were not restored or had an extended commitment (4%)

OCR: Average Costs

- All OCR clients would have been added to the Clearinghouse 46B Waitlist for Forensic Hospital beds, further impinging upon civil bed availability in hospital systems that are often already at full capacity.
- Approximately $140 per day as compared $407 per day in the state forensic hospitals or $12,013 per treatment episode compared to an average of $33,238 per forensic treatment episode in the state hospitals (based on average 86-day duration).

Certified Peer Specialists

- People who have experienced mental illness, treatment and recovery
- Because of their lived experience peers are able inspire hope and engage others in self-management by demonstrating recovery is possible
- Certified Peer Specialists are a critical adjunct to clinical services, not a replacement
- Research on use of peers demonstrates that service outcomes are at least equal to those provided by non-peers
- Via Hope provides peer training and certification for DSHS
- 9 trainings in 2 years, 230 Certified Peer Specialists
- Working in at least 26 LMHAs and 6 State Hospitals

TEXAS
Health and Human
Services Commission

Behavioral Health Issues in Medicaid

Lisa Kirsch

Medicaid and CHIP Division

Deputy Director for Healthcare Transformation Waiver Operations and Cost Containment

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Medicaid Behavioral Health Services

Medicaid Covered Behavioral Health Services

- ✓ Counseling
- ✓ Psychotherapy
- ✓ Diagnostic Evaluations
- ✓ Psychological and Neuropsychological Testing
- ✓ Medication Management
- ✓ Prescription Medication
- ✓ Hospital Based Services
- ✓ Substance Abuse Treatment Services
- ✓ Mental Health Targeted Case Management (through Mental Health Centers)
- ✓ Mental Health Rehabilitative Services (through Mental Health Centers)

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Behavioral Health Providers

Medicaid Behavioral Health Providers

- ✓ Psychologists
- ✓ Psychiatrists
- ✓ Licensed Clinical Social Workers
- ✓ Licensed Professional Counselors
- ✓ Licensed Marriage and Family Therapists
- ✓ Hospitals
- ✓ Mental Health Centers
- ✓ Substance Use Disorder Treatment Centers

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Service Delivery Models

Medicaid clients may access behavioral health services through the following service delivery models:

- Managed care (STAR, STAR+PLUS and STAR Health)
- Fee-For-Service (Traditional Medicaid)
- NorthSTAR-
  - Administered by DSHS
- Youth Empowerment Services (YES) Waiver for Children with Serious Emotional Disturbance
  - Administered by DSHS

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Federal Health Reform Impacts

- Texas will experience caseload growth from newly eligible individuals and those individuals who are currently eligible but not enrolled.
- The Medicaid expansion population will be eligible for benefits modeled on commercial insurance, including behavioral health services.
- Behavioral health services must be provided at the same level (parity) that physical health services are provided.
- Some services for individuals with severe and persistent mental illness funded through DSHS may not be funded through Medicaid.
- There where will be an increase in demand on behavioral specialty providers due to the growth in caseload.

TEXAS
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1915(b) Selective Contracting Waiver DSHS Mental Health Rehabilitation Services

TEXAS Health and Human Services Commission

1915(b) Selective Contracting Waiver

- On September 22, 2011, HHSC submitted a Medicaid waiver to the Center for Medicare & Medicaid Services (CMS).

- Purpose of the waiver is to allow the Texas to selectively contract with local mental health authorities (LMHAs) for the provision of Medicaid mental health rehabilitative services.

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1915(b) Selective Contracting Waiver

- December 16, 2011 - CMS requested additional information from HHSC.
- April 19, 2012 - HHSC re-submitted the waiver and responded to the CMS' information request.
- CMS has up to 90 days from April 19, 2012 to review, request additional questions, approve or deny the waiver.
- The waiver cannot be implemented until CMS formally approves it.

1115 Transformation Waiver: Overview

Texas Healthcare Transformation and Quality Improvement Program 1115 Waiver

- Managed care expansion
  - Allows statewide Medicaid managed care services.
  - Includes legislatively mandated pharmacy carve-in and dental managed care.

- Hospital financing component
  - Preserves upper payment limit (UPL) hospital funding under a new methodology.
  - Creates Regional Healthcare Partnerships (RHPs).

- Waiver approved for a five year period
  - December 2011 to December 2016.

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1115 Waiver: Funding Pools

Under the waiver, trended historic UPL funds and additional new funds are distributed to hospitals through two pools:

- Uncompensated Care (UC) Pool
  - Costs of care provided to individuals who have no third party coverage for the services provided by hospitals or other providers (beginning in first year).

- Delivery System Reform Incentive Payments (DSRIP)
  - Support coordinated care and quality improvements through Regional Healthcare Partnerships (RHPs) to transform care delivery systems (beginning in later waiver years).

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1115 Waiver: Behavioral Health

- Each RHP will engage in a five-year regional planning process to conduct a needs assessment and propose DSRIP projects aimed at addressing regional needs.

- HHSC expects that behavioral health-related projects will play a large role in the waiver and encourages BH stakeholders to engage in RHP planning.

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1115 Waiver: Behavioral Health

CMS confirmed that community mental health centers may Participate in the waiver in the following ways:

- IGT Entity – Like public hospitals and other governmental entities, the centers may contribute IGT to be used in the waiver to draw down federal matching funds.
- Performing provider – As a public, Medicaid provider, the centers may serve as a performing provider for an approved DSRIP project.

- Waiver participants must collaborate regionally and include their projects in their region's RHP plan that will be reviewed and approved by HHSC and CMS.

1115 Waiver: DSRIP Development

Examples of Behavioral Health in draft DSRIP menu

- Project: Implement technology-assisted services (telemedicine, telephonic guidance) to support/deliver behavioral health.
  - Outcome: # of patients receiving behavioral health services through new technology.
  - Outcome: # of patients receiving health management intervention.
- Project: Provide early intervention for targeted population to prevent unnecessary use of services in a specified setting (i.e., criminal justice system, ER, etc.).
  - Outcome: % utilization of behavioral health and substance abuse services in the right setting, in a timely manner.
- Project: Enhance service availability (i.e., hours, clinic locations, etc) to appropriate levels of care.
  - Outcome: % of behavioral health care encounters.

1115 Waiver: DSRIP Development

Examples of Behavioral Health in draft DSRIP menu

- Project: Develop care management function that integrates primary and behavioral health needs of patients.
  - Outcome: Evaluation report of integrated care management services including rate of urgent care sought by patients served.
  - Outcome: Cost benefit analysis.
- Project: Co-locate primary and behavioral health care services.
  - Outcome: # of integrated health providers.
  - Outcome: # of encounters.
- Project: Provide telephonic psychiatric and clinical guidance to primary care providers delivering services to behavioral health patients regionally.
  - Outcome: # of integrated health providers.
  - Outcome: # of encounters.