

By: Kolkhorst, et al.

S.B. No. 26

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to local mental health authority and local behavioral  
3 health authority audits and mental and behavioral health reporting,  
4 services, and programs.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Subchapter B, Chapter 531, Government Code, is  
7 amended by adding Section 531.099915 to read as follows:

8 Sec. 531.099915. INCENTIVE PAYMENTS FOR CERTAIN PROVIDERS.

9 Not later than September 1, 2025, the commission may, in  
10 consultation with nursing facilities licensed under Chapter 242,  
11 Health and Safety Code, develop an incentive payment under the  
12 Quality Incentive Payment Program (QIPP) for providers that  
13 implement treatment options, such as reserving specifics beds, for  
14 individuals who require a level of care provided by nursing  
15 facilities and who require a high level of behavioral health  
16 supports and services.

17 SECTION 2. Section 531.1025, Government Code, is amended by  
18 adding Subsection (c) to read as follows:

19 (c) The commission's office of inspector general shall  
20 conduct performance audits of each local behavioral health  
21 authority designated under Section 533.0356, Health and Safety  
22 Code, and local mental health authority, as defined by Section  
23 531.002, Health and Safety Code. The office shall:

24 (1) establish an audit schedule that ensures each

1 authority described by this subsection is audited at least once  
2 every 10 years; and

3 (2) conduct additional audits as necessary based on  
4 adverse findings in a previous audit.

5 SECTION 3. Section 534.0535, Health and Safety Code, is  
6 amended to read as follows:

7 Sec. 534.0535. JOINT DISCHARGE PLANNING. (a) The  
8 executive commissioner shall adopt or amend, and the department  
9 shall enforce, rules that require continuity of services and  
10 planning for patient care between department facilities and local  
11 mental health authorities.

12 (b) At a minimum, the rules must:

13 (1) specify the local mental health authority's  
14 responsibility for ensuring the successful transition of patients  
15 who are determined by the facility to be medically appropriate for  
16 discharge; and

17 (2) require participation by a department facility in  
18 joint discharge planning with [~~between a department facility and~~] a  
19 local mental health authority before the [~~a~~] facility discharges a  
20 patient or places the patient on an extended furlough with an intent  
21 to discharge.

22 (c) The local mental health authority shall plan with the  
23 department facility to [~~and~~] determine the appropriate community  
24 services for the patient.

25 (d) The local mental health authority shall arrange for the  
26 provision of the services upon discharge [~~if department funds are~~  
27 ~~to be used and may subcontract with or make a referral to a local~~

1 ~~agency or entity]~~.

2 (e) The commission shall require each facility to designate  
3 at least one employee to provide transition support services for  
4 patients who are determined medically appropriate for discharge  
5 from the facility.

6 (f) Transition support services provided by the local  
7 mental health authority must be designed to complement joint  
8 discharge planning efforts and may include:

9 (1) enhanced services and supports for complex or  
10 high-need patients, including services and supports necessary to  
11 create viable discharge or outpatient management plans; and

12 (2) post-discharge monitoring for up to one year after  
13 the discharge date to reduce the likelihood of readmission.

14 (g) The commission shall ensure that each department  
15 facility concentrates the provision of transition support services  
16 for patients who have been:

17 (1) admitted to and discharged from a facility  
18 multiple times during a 30-day period; or

19 (2) in the facility for longer than 365 consecutive  
20 days.

21 SECTION 4. Subtitle A, Title 7, Health and Safety Code, is  
22 amended by adding Chapter 535 to read as follows:

23 CHAPTER 535. INNOVATION GRANT PROGRAM FOR MENTAL HEALTH EARLY

24 INTERVENTION AND TREATMENT

25 Sec. 535.001. DEFINITIONS. In this chapter:

26 (1) "Inpatient mental health facility" has the meaning  
27 assigned by Section 571.003.

1           (2) "Program" means the grant program established  
2 under this chapter.

3           (3) "State hospital" has the meaning assigned by  
4 Section 552.0011.

5           Sec. 535.002. ESTABLISHMENT OF GRANT PROGRAM. (a) To the  
6 extent money is appropriated to the commission for that purpose,  
7 the commission shall establish a grant program to provide support  
8 to eligible entities for community-based initiatives that promote  
9 identification of mental health issues and improve access to early  
10 intervention and treatment for children and families. The  
11 initiatives may:

12           (1) be evidence-based or otherwise demonstrate  
13 positive outcomes, including:

14                   (A) improved relationship skills;

15                   (B) improved self-esteem;

16                   (C) reduced involvement in the juvenile justice  
17 system;

18                   (D) participation in the relinquishment  
19 avoidance program under Subchapter E, Chapter 262, Family Code; and

20                   (E) avoidance of emergency room use; and

21           (2) include:

22                   (A) training; and

23                   (B) services and supports for:

24                           (i) community-based initiatives;

25                           (ii) agencies that provide services to  
26 children and families;

27                           (iii) individuals who work with children or

1 caregivers of children showing atypical social or emotional  
2 development or other challenging behaviors; and

3 (iv) children in or at risk of placement in  
4 foster care or the juvenile justice system.

5 (b) The commission may award a grant under the program only  
6 in accordance with a contract between the commission and a grant  
7 recipient. The contract must include provisions under which the  
8 commission is given sufficient control to ensure the public purpose  
9 of providing mental health prevention services to children and  
10 families is accomplished and the state receives the return benefit.

11 Sec. 535.003. GRANT APPLICATION AND ELIGIBILITY  
12 REQUIREMENTS. (a) The executive commissioner by rule shall  
13 establish application and eligibility requirements for an entity to  
14 be awarded a grant under the program.

15 (b) The following entities are eligible for a grant awarded  
16 under the program:

- 17 (1) a hospital licensed under Chapter 241;
- 18 (2) a mental hospital licensed under Chapter 577;
- 19 (3) a hospital district;
- 20 (4) a local mental health authority;
- 21 (5) a school district;
- 22 (6) a child-care facility, as defined by Chapter 42,  
23 Human Resources Code;
- 24 (7) a county or municipality;
- 25 (8) a nonprofit organization that is exempt from  
26 federal income taxation under Section 501(a), Internal Revenue Code  
27 of 1986, by being listed as an exempt entity under Section 501(c)(3)

1 of that code; and

2 (9) any other entity the commission considers  
3 appropriate.

4 (c) In awarding grants under the program, the commission  
5 shall prioritize entities that work with children and family  
6 members of children with a high risk of experiencing a crisis or  
7 developing a mental health condition to reduce:

8 (1) need for future intensive mental health services;

9 (2) the number of children at risk of placement in  
10 foster care or the juvenile justice system; or

11 (3) the demand for placement in state hospitals,  
12 inpatient mental health facilities, and residential behavioral  
13 health facilities.

14 Sec. 535.004. USE OF GRANT MONEY. A grant recipient may use  
15 grant money awarded under this chapter to develop innovative  
16 strategies that provide:

17 (1) resiliency;

18 (2) coping and social skills;

19 (3) healthy social and familial relationships; and

20 (4) parenting skills and behaviors.

21 SECTION 5. Section [1001.084](#), Health and Safety Code, as  
22 redesignated by Chapter 1236 (S.B. 1296), Acts of the 84th  
23 Legislature, Regular Session, 2015, is amended by amending  
24 Subsections (a), (b), (c), and (d) and adding Subsections (d-1) and  
25 (g) to read as follows:

26 (a) The department, in collaboration with the commission,  
27 shall establish and maintain a public reporting system of

1 performance and outcome measures relating to mental health and  
2 substance use [~~abuse~~] services established by the [~~Legislative~~  
3 ~~Budget Board, the department, and the~~] commission. The system must  
4 allow external users to view and compare the performance[~~7~~  
5 ~~outputs,~~] and outcomes of:

6 (1) local mental health authorities [~~community~~  
7 ~~centers established under Subchapter A, Chapter 534, that provide~~  
8 ~~mental health services~~];

9 (2) local behavioral health authorities [~~Medicaid~~  
10 ~~managed care pilot programs that provide mental health services~~];  
11 and

12 (3) local intellectual and developmental disability  
13 authorities [~~agencies, organizations, and persons that contract~~  
14 ~~with the state to provide substance abuse services~~].

15 (b) The public reporting system must allow external users to  
16 view and compare the performance[~~7~~ ~~outputs,~~] and outcomes of the  
17 Medicaid managed care programs that provide mental health services.

18 (c) The department shall post the performance[~~7~~ ~~output,~~]  
19 and outcome measures on the department's Internet website so that  
20 the information is accessible to the public. The department shall  
21 post the measures monthly, or as frequently as possible [~~quarterly~~  
22 ~~or semiannually in accordance with when the measures are reported~~  
23 ~~to the department~~].

24 (d) The [~~department shall consider public input in~~  
25 ~~determining the appropriate outcome measures to collect in the~~]  
26 public reporting system must[~~. To the extent possible, the~~  
27 ~~department shall~~] include outcome measures that capture:

- 1           (1) inpatient psychiatric care diversion;
- 2           (2) [~~7~~] avoidance of emergency room use;
- 3           (3) [~~7~~] criminal justice diversion;
- 4           (4) [~~7~~ and] the numbers of people who are homeless  
5 served;
- 6           (5) access to timely and adequate screening and rapid  
7 crisis stabilization services;
- 8           (6) timely access to and appropriate treatment from  
9 community-based crisis residential services and hospitalization;
- 10           (7) improved functioning as a result of  
11 medication-related and psychosocial rehabilitation services;
- 12           (8) information related to the number of people  
13 referred to a state hospital, state supported living center, or  
14 community-based hospital, the length of time between referral and  
15 admission, the length of stay, and the length of time between the  
16 date a person is determined ready for discharge or transition and  
17 the date of discharge or transition;
- 18           (9) the rate of denial of services or requests for  
19 assistance from jails and other entities and the reason for denial;
- 20           (10) quality of care in community-based mental health  
21 services and state facilities;
- 22           (11) the average number of hours of service provided  
23 to individuals in a full level of care compared to the recommended  
24 number of hours of service for each level of care; and
- 25           (12) any other relevant information to determine the  
26 quality of services provided during the reporting period.

27           (d-1) This subsection and Subsection (d) expire September



1 1, 2025.

2 (g) In this section:

3 (1) "Local behavioral health authority" means an  
4 authority designated by the commission under Section 533.0356.

5 (2) "Local intellectual and developmental disability  
6 authority" and "local mental health authority" have the meanings  
7 assigned by Section 531.002.

8 (3) "State hospital" has the meaning assigned by  
9 Section 552.0011.

10 (4) "State supported living center" has the meaning  
11 assigned by Section 531.002.

12 SECTION 6. Section 1001.084(e), Health and Safety Code, as  
13 redesignated by Chapter 1236 (S.B. 1296), Acts of the 84th  
14 Legislature, Regular Session, 2015, is repealed.

15 SECTION 7. If before implementing any provision of this Act  
16 a state agency determines that a waiver or authorization from a  
17 federal agency is necessary for implementation of that provision,  
18 the agency affected by the provision shall request the waiver or  
19 authorization and may delay implementing that provision until the  
20 waiver or authorization is granted.

21 SECTION 8. This Act takes effect September 1, 2023.