

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

May 31, 2003

TO: Honorable David Dewhurst , Lieutenant Governor, Senate
Honorable Tom Craddick, Speaker of the House, House of Representatives

FROM: John Keel, Director, Legislative Budget Board

IN RE: SB1182 by Deuell (Relating to local area service planning by local mental health or mental retardation authorities.), **Conference Committee Report**

No significant fiscal implication to the State is anticipated.

The bill would require the Health and Human Service Commission (HHSC) to monitor and regularly evaluate contractors and subcontractors that provide or arrange for mental health and substance abuse services for clients enrolled in the Medicaid program and the state child health plan.

Based on an analysis by the HHSC, implementation could occur using existing resources.

The bill would also amend the Health and Safety Code to require each local mental health (MH) or mental retardation (MR) authority to develop a local service area plan to maximize the authority's services using the best and most cost-effective means of using federal, state, and local resources. The bill would require the plans to be consistent with Health and Safety Codes that relate to administration and coordination of mental health and mental retardation services at the state and local levels and that relate to the long-range plan of the Texas Department of Mental Health and Mental Retardation (TDMHMR).

TDMHMR and the local authorities would be required to enter into a performance agreement contract that specifies required standard outcomes for the programs administered by the local authority. Requirements related to the performance measures are included in the bill along with a requirement that the local MH and MR authorities record outputs and units of service delivered in an authority's automated data systems. Copies of output/service reports would be sent to the TDMHMR at least annually, as determined by the agency.

In developing the plans, local MH and MR authorities would be required to solicit input from certain local community representatives, MHMR consumers and their families, and others. The local plan would become the basis for the performance contract between the agency and the local MH or MR authority.

Under current statute, the local authorities' plan is based on "best practices" and the contract between TDMHMR and a local authority is performance-based. According to TDMHMR, the proposed change in the contract requirements and process would have a minimal fiscal impact on the agency.

The bill would additionally authorize a judge or magistrate to permit a physician or a nonphysician mental health professional to testify at a hearing or proceeding related to court-ordered mental health services by closed-circuit video teleconferencing under certain circumstances and outlines the procedures.

The bill would take effect immediately if it receives a two-thirds vote in each house; otherwise, it would take effect September 1, 2003 and would apply only to contracts executed between the agency and the local authorities on or after January 1, 2004.

Local Government Impact

It is anticipated that the requirements that would apply to local authorities under the provisions of the bill would have a minimal fiscal impact.

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 529 Health and Human Services Commission, 655 Department of Mental Health and Mental Retardation

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