| 1  | AN ACT  |
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| 2  | relating to delivery of and reporting on mental health, behavioral  |
| 3  | health, substance abuse, and certain other services.                |
| 4  | BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:             |
| 5  | SECTION 1. Subchapter A, Chapter 533, Government Code, is           |
| 6  | amended by adding Section 533.00255 to read as follows:             |
| 7  | Sec. 533.00255. BEHAVIORAL HEALTH AND PHYSICAL HEALTH               |
| 8  | SERVICES NETWORK. (a) In this section, "behavioral health           |
| 9  | services" means mental health and substance abuse disorder          |
| 10 | services, other than those provided through the NorthSTAR           |
| 11 | demonstration project.  |
| 12 | (b) The commission shall, to the greatest extent possible,          |
| 13 | integrate into the Medicaid managed care program implemented under  |
| 14 | this chapter the following services for Medicaid-eligible persons:  |
| 15 | (1) behavioral health services, including targeted                  |
| 16 | case management and psychiatric rehabilitation services; and        |
| 17 | (2) physical health services.                                       |
| 18 | (c) A managed care organization that contracts with the             |
| 19 | commission under this chapter shall develop a network of public and |
| 20 | private providers of behavioral health services and ensure adults   |
| 21 | with serious mental illness and children with serious emotional     |
| 22 | disturbance have access to a comprehensive array of services.       |
| 23 | (d) In implementing this section, the commission shall              |
| 24 | ensure that:  |

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| 1  | (1) an appropriate assessment tool is used to                      |
| 2  | authorize services;  |
| 3  | (2) providers are well-qualified and able to provide               |
| 4  | an appropriate array of services;                                  |
| 5  | (3) appropriate performance and quality outcomes are               |
| 6  | measured;  |
| 7  | (4) two health home pilot programs are established in              |
| 8  | two health service areas, representing two distinct regions of the |
| 9  | state, for persons who are diagnosed with:                         |
| 10 | (A) a serious mental illness; and                                  |
| 11 | (B) at least one other chronic health condition;                   |
| 12 | (5) a health home established under a pilot program                |
| 13 | under Subdivision (4) complies with the principles for             |
| 14 | patient-centered medical homes described in Section 533.0029; and  |
| 15 | (6) all behavioral health services provided under this             |
| 16 | section are based on an approach to treatment where the expected   |
| 17 | outcome of treatment is recovery.                                  |
| 18 | (e) The commission and the Department of State Health              |
| 19 | Services shall establish a Behavioral Health Integration Advisory  |
| 20 | Committee:   |
| 21 | (1) whose membership must include:                                 |
| 22 | (A) individuals with behavioral health                             |
| 23 | conditions who are current or former recipients of publicly funded |
| 24 | behavioral health services;  |
| 25 | (B) representatives of managed care                                |
| 26 | organizations that have expertise in offering behavioral health    |
| 27 | services;  |

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| 1  | (C) public and private providers of behavioral                      |
| 2  | health services; and  |
| 3  | (D) providers of behavioral health services who                     |
| 4  | are both Medicaid primary care providers and providers for          |
| 5  | individuals that are dually eligible for Medicaid and Medicare; and |
| 6  | (2) that shall:   |
| 7  | (A) meet at least quarterly to address the                          |
| 8  | planning and development needs of the behavioral health services    |
| 9  | network established under this section;                             |
| 10 | (B) seek input from the behavioral health                           |
| 11 | community on the implementation of this section; and                |
| 12 | (C) issue formal recommendations to the                             |
| 13 | commission regarding the implementation of this section.            |
| 14 | (f) The commission shall provide administrative support to          |
| 15 | facilitate the duties of the advisory committee established under   |
| 16 | Subsection (e). This subsection and Subsection (e) expire           |
| 17 | September 1, 2017.  |
| 18 | (g) The commission shall, if the commission determines that         |
| 19 | it is cost-effective and beneficial to recipients, include a peer   |
| 20 | specialist as a benefit to recipients or as a provider type.        |
| 21 | (h) To the extent of any conflict between this section and          |
| 22 | any other law relating to behavioral health services, this section  |
| 23 | prevails.   |
| 24 | (i) The executive commissioner shall adopt rules necessary          |
| 25 | to implement this section.  |
| 26 | SECTION 2. Subtitle I, Title 4, Government Code, is amended         |
| 27 | by adding Chapter 539 to read as follows:                           |

| 1  | CHAPTER 539. COMMUNITY COLLABORATIVES                               |
|----|---|
| 2  | Sec. 539.001. DEFINITIONS. In this chapter:                         |
| 3  | (1) "Department" means the Department of State Health               |
| 4  | Services.   |
| 5  | (2) "Executive commissioner" means the executive                    |
| 6  | commissioner of the Health and Human Services Commission.           |
| 7  | Sec. 539.002. GRANTS FOR ESTABLISHMENT AND EXPANSION OF             |
| 8  | COMMUNITY COLLABORATIVES. (a) To the extent funds are               |
| 9  | appropriated to the department for that purpose, the department     |
| 10 | shall make grants to entities, including local governmental         |
| 11 | entities, nonprofit community organizations, and faith-based        |
| 12 | community organizations, to establish or expand community           |
| 13 | collaboratives that bring the public and private sectors together   |
| 14 | to provide services to persons experiencing homelessness and mental |
| 15 | illness. The department may make a maximum of five grants, which    |
| 16 | must be made in the most populous municipalities in this state that |
| 17 | are located in counties with a population of more than one million. |
| 18 | In awarding grants, the department shall give special consideration |
| 19 | to entities establishing a new collaborative.                       |
| 20 | (b) The department shall require each entity awarded a grant        |
| 21 | under this section to:  |
| 22 | (1) leverage additional funding from private sources                |
| 23 | in an amount that is at least equal to the amount of the grant      |
| 24 | awarded under this section; and                                     |
| 25 | (2) provide evidence of significant coordination and                |
| 26 | collaboration between the entity, local mental health authorities,  |
| 27 | municipalities, and other community stakeholders in establishing    |

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| 1  | or expanding a community collaborative funded by a grant awarded  |
| 2  | under this section.   |
| 3  | Sec. 539.003. ACCEPTABLE USES OF GRANT MONEY. An entity           |
| 4  | shall use money received from a grant made by the department and  |
| 5  | private funding sources for the establishment or expansion of a   |
| 6  | community collaborative, provided that the collaborative must be  |
| 7  | self-sustaining within seven years. Acceptable uses for the money |
| 8  | <u>include:</u>   |
| 9  | (1) the development of the infrastructure of the                  |
| 10 | collaborative and the start-up costs of the collaborative;        |
| 11 | (2) the establishment, operation, or maintenance of               |
| 12 | other community service providers in the community served by the  |
| 13 | collaborative, including intake centers, detoxification units,    |
| 14 | sheltering centers for food, workforce training centers,          |
| 15 | microbusinesses, and educational centers;                         |
| 16 | (3) the provision of clothing, hygiene products, and              |
| 17 | medical services to and the arrangement of transitional and       |
| 18 | permanent residential housing for persons served by the           |
| 19 | collaborative;  |
| 20 | (4) the provision of mental health services and                   |
| 21 | substance abuse treatment not readily available in the community  |
| 22 | served by the collaborative;                                      |
| 23 | (5) the provision of information, tools, and resource             |
| 24 | referrals to assist persons served by the collaborative in        |
| 25 | addressing the needs of their children; and                       |
| 26 | (6) the establishment and operation of coordinated                |
| 27 | intake processes, including triage procedures, to protect the     |

1 public safety in the community served by the collaborative. 2 Sec. 539.004. ELEMENTS OF COMMUNITY COLLABORATIVES. 3 (a) If appropriate, an entity may incorporate into the community 4 collaborative operated by the entity the use of the Homeless 5 Management Information System, transportation plans, and case managers. An entity may also consider incorporating into a 6 7 collaborative mentoring and volunteering opportunities, strategies 8 to assist homeless youth and homeless families with children, strategies to reintegrate persons who were recently incarcerated 9 into the community, services for veterans, and strategies for 10 11 persons served by the collaborative to participate in the planning, governance, and oversight of the collaborative. 12

13 (b) The focus of a community collaborative shall be the 14 eventual successful transition of persons from receiving services 15 from the collaborative to becoming integrated into the community 16 served by the collaborative through community relationships and 17 family supports.

18 Sec. 539.005. OUTCOME MEASURES FOR COMMUNITY COLLABORATIVES. Each entity that receives a grant from the 19 20 department to establish or expand a community collaborative shall select at least four of the following outcome measures that the 21 entity will focus on meeting through the implementation and 22 23 operation of the collaborative: 24 (1) persons served by the collaborative will find

25 employment that results in those persons having incomes that are at 26 or above 100 percent of the federal poverty level;

27 (2) persons served by the collaborative will find

1 permanent housing; 2 (3) persons served by the collaborative will complete 3 alcohol or substance abuse programs; 4 (4) the collaborative will help start social businesses in the community or engage in job creation, job 5 training, or other workforce development activities; 6 7 (5) there will be a decrease in the use of jail beds by 8 persons served by the collaborative; 9 (6) there will be a decrease in the need for emergency care by persons served by the collaborative; 10 11 (7) there will be a decrease in the number of children 12 whose families lack adequate housing referred to the Department of 13 Family and Protective Services or a local entity responsible for 14 child welfare; and 15 (8) any other appropriate outcome measure that 16 measures whether a collaborative is meeting a specific need of the 17 community served by the collaborative and that is approved by the 18 department. Sec. 539.006. ANNUAL REVIEW OF OUTCOME MEASURES. 19 The 20 department shall contract with an independent third party to verify annually whether a community collaborative is meeting the outcome 21 measures under Section 539.005 selected by the entity that operates 22 23 the collaborative. Sec. 539.007. REDUCTION AND CESSATION OF FUNDING. 24 The department shall establish processes by which the department may 25 reduce or cease providing funding to an entity if the community 26 27 collaborative operated by the entity does not meet the outcome

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1 measures selected by the entity for the collaborative under Section
2 539.005 or is not self-sustaining after seven years. The
3 department shall redistribute any funds withheld from an entity
4 under this section to other entities operating high-performing
5 collaboratives on a competitive basis.

6 Sec. 539.008. RULES. The executive commissioner shall 7 adopt any rules necessary to implement the community collaborative grant program established under this chapter, including rules to 8 9 establish the requirements for an entity to be eligible to receive a grant, the required elements of a community collaborative operated 10 11 by an entity, and permissible and prohibited uses of money received by an entity from a grant made by the department under this chapter. 12 13 SECTION 3. Subchapter D, Chapter 1001, Health and Safety 14 Code, is amended by adding Section 1001.078 to read as follows:

15 Sec. 1001.078. MENTAL HEALTH AND SUBSTANCE ABUSE PUBLIC 16 REPORTING SYSTEM. (a) The department, in collaboration with the 17 commission, shall establish and maintain a public reporting system of performance and outcome measures relating to mental health and 18 substance abuse services established by the Legislative Budget 19 20 Board, the department, and the commission. The system must allow 21 external users to view and compare the performance, outputs, and 22 outcomes of:

## 23 (1) community centers established under Subchapter A, 24 Chapter 534, that provide mental health services;

25 (2) Medicaid managed care pilot programs that provide
 26 mental health services; and
 27 (3) agencies, organizations, and persons that

1 contract with the state to provide substance abuse services.

(b) The system must allow external users to view and compare
the performance, outputs, and outcomes of the Medicaid managed care
programs that provide mental health services.

5 (c) The department shall post the performance, output, and 6 outcome measures on the department's website so that the 7 information is accessible to the public. The department shall post 8 the measures quarterly or semiannually in accordance with when the 9 measures are reported to the department.

10 (d) The department shall consider public input in 11 determining the appropriate outcome measures to collect in the 12 public reporting system. To the extent possible, the department 13 shall include outcome measures that capture inpatient psychiatric 14 care diversion, avoidance of emergency room use, criminal justice 15 diversion, and the numbers of people who are homeless served.

16 (e) The commission shall conduct a study to determine the 17 feasibility of establishing and maintaining the public reporting 18 system, including, to the extent possible, the cost to the state and 19 impact on managed care organizations and providers of collecting 20 the outcome measures required by Subsection (d). Not later than 21 December 1, 2014, the commission shall report the results of the 22 study to the legislature and appropriate legislative committees.

23 (f) The department shall ensure that information reported 24 through the public reporting system does not permit the 25 identification of an individual.

26 SECTION 4. Not later than December 1, 2013, the Health and 27 Human Services Commission shall establish the Behavioral Health

Integration Advisory Committee required by Section 533.00255,
 Government Code, as added by this Act.

3 SECTION 5. Not later than September 1, 2014, the Health and 4 Human Services Commission shall complete the integration of 5 behavioral health and physical health services required by Section 6 533.00255, Government Code, as added by this Act.

7 SECTION 6. Not later than December 1, 2013, the Department 8 of State Health Services shall establish the public reporting 9 system as required under Section 1001.078, Health and Safety Code, 10 as added by this Act.

SECTION 7. Not later than December 1, 2014, the Department of State Health Services shall submit a report to the legislature and the Legislative Budget Board on the development of the public reporting system as required by Section 1001.078, Health and Safety Code, as added by this Act, and the outcome measures collected.

16 SECTION 8. If before implementing any provision of this Act 17 a state agency determines that a waiver or authorization from a 18 federal agency is necessary for implementation of that provision, 19 the agency affected by the provision shall request the waiver or 20 authorization and may delay implementing that provision until the 21 waiver or authorization is granted.

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SECTION 9. This Act takes effect September 1, 2013.

President of the Senate Speaker of the House I hereby certify that S.B. No. 58 passed the Senate on March 27, 2013, by the following vote: Yeas 30, Nays 0; May 22, 2013, Senate refused to concur in House amendments and requested appointment of Conference Committee; May 23, 2013, House granted request of the Senate; May 26, 2013, Senate adopted Conference Committee Report by the following vote: Yeas 31, Nays 0.

## Secretary of the Senate

I hereby certify that S.B. No. 58 passed the House, with amendments, on May 20, 2013, by the following vote: Yeas 142, Nays 4, two present not voting; May 23, 2013, House granted request of the Senate for appointment of Conference Committee; May 26, 2013, House adopted Conference Committee Report by the following vote: Yeas 138, Nays 6, two present not voting.

Chief Clerk of the House

Approved:

Date

Governor