By: Kolkhorst, et al.
 (Jetton)

S.B. No. 26

Substitute the following for S.B. No. 26:

By: Klick C.S.S.B. No. 26

A BILL TO BE ENTITLED

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- 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 531.09915 to read as follows:
- 8 Sec. 531.09915. INNOVATION MATCHING GRANT PROGRAM FOR
- 9 MENTAL HEALTH EARLY INTERVENTION AND TREATMENT. (a) In this
- 10 section:

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- 11 (1) "Inpatient mental health facility" has the meaning
- 12 <u>assigned by Section 571.003, Health and Safety Code.</u>
- 13 (2) "Program" means the grant program established
- 14 under this section.
- 15 <u>(3) "State hospital" has the meaning assigned by</u>
- 16 Section 552.0011, Health and Safety Code.
- 17 (b) To the extent money is appropriated to the commission
- 18 for that purpose, the commission shall establish a matching grant
- 19 program to provide support to eligible entities for community-based
- 20 initiatives that promote identification of mental health issues and
- 21 improve access to early intervention and treatment for children and
- 22 families. The initiatives may:
- 23 (1) be evidence-based or otherwise demonstrate
- 24 positive outcomes, including:

1	(A) improved relationship skills;		
2	(B) improved self-esteem;		
3	(C) reduced involvement in the juvenile justice		
4	system;		
5	(D) participation in the relinquishment		
6	6 avoidance program under Subchapter E, Chapter 262, Family Code; and		
7	(E) avoidance of emergency room use; and		
8	(2) include:		
9	(A) training; and		
10	(B) services and supports for:		
11	(i) community-based initiatives;		
12	(ii) agencies that provide services to		
13	<pre>children and families;</pre>		
14	(iii) individuals who work with children or		
15	caregivers of children showing atypical social or emotional		
16	development or other challenging behaviors; and		
17	(iv) children in or at risk of placement in		
18	foster care or the juvenile justice system.		
19	(c) The commission may award a grant under the program only		
20	in accordance with a contract between the commission and a grant		
21	recipient. The contract must include provisions under which the		
22	commission is given sufficient control to ensure the public purpose		
23	of providing mental health prevention services to children and		
24	families is accomplished and the state receives the return benefit.		
25	(d) The executive commissioner by rule shall establish		
26	application and eligibility requirements for an entity to be		
27	awarded a grant under the program.		

- C.S.S.B. No. 26 1 (e) The following entities are eligible for a grant awarded 2 under the program: 3 (1) a hospital licensed under Chapter 241, Health and 4 Safety Code; 5 (2) a mental hospital licensed under Chapter 577, Health and Safety Code; 6 7 (3) a hospital district; 8 (4) a local mental health authority; 9 (5) a child-care facility, as defined by Chapter 42, 10 Human Resources Code; (6) a county or municipality; and 11 12 (7) a nonprofit organization that is exempt from federal income taxation under Section 501(a), Internal Revenue Code 13 14 of 1986, by being listed as an exempt entity under Section 501(c)(3) 15 of that code. 16 (f) In awarding grants under the program, the commission 17 shall prioritize entities that work with children and family members of children with a high risk of experiencing a crisis or 18 19 developing a mental health condition to reduce: 20 (1) the need for future intensive mental health 21 services; 22 (2) the number of children at risk of placement in foster care or the juvenile justice system; or 23
 - (g) The commission shall condition each grant awarded under

(3) the demand for placement in state hospitals,

inpatient mental health facilities, and residential behavioral

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health facilities.

- 1 the program on the grant recipient providing matching money in an
- 2 amount that is equal to at least 10 percent of the grant amount.
- 3 (h) A grant recipient may only use grant money awarded under
- 4 the program and matching money provided by the recipient to develop
- 5 innovative strategies that provide:
- 6 <u>(1) resiliency;</u>
- 7 (2) coping and social skills;
- 8 (3) healthy social and familial relationships; and
- 9 (4) parenting skills and behaviors.
- 10 (i) A grant recipient may not use grant money awarded under
- 11 the program or matching money provided by the recipient to:
- 12 (1) reimburse an expense or pay a cost that another
- 13 source, including the Medicaid program, is obligated to reimburse
- 14 or pay by law or under a contract; or
- 15 (2) supplant or be a substitute for money awarded to
- 16 the recipient from a non-Medicaid federal funding source, including
- 17 <u>federal grant funding.</u>
- 18 (j) A Medicaid provider's receipt of a grant under the
- 19 program does not affect any legal or contractual duty of the
- 20 provider to comply with requirements under the Medicaid program.
- 21 (k) The commission may use a reasonable amount of the money
- 22 appropriated by the legislature for the purposes of the program,
- 23 not to exceed five percent, to pay the administrative costs of
- 24 implementing and administering the program.
- 25 SECTION 2. Subchapter B, Chapter 531, Government Code, is
- 26 amended by adding Section 531.09991 to read as follows:
- Sec. 531.09991. PLAN FOR THE TRANSITION OF CARE OF CERTAIN

- 1 INDIVIDUALS. (a) Not later than January 1, 2025, the commission
- 2 shall, in consultation with nursing facilities licensed under
- 3 Chapter 242, Health and Safety Code, develop a plan for
- 4 transitioning from a hospital that primarily provides behavioral
- 5 health services to a nursing facility individuals who require:
- 6 (1) a level of care provided by nursing facilities;
- 7 and
- 8 (2) a high level of behavioral health supports and
- 9 services.
- 10 (b) The plan must include:
- 11 (1) recommendations for providing incentives to
- 12 providers for the provision of services to individuals described by
- 13 Subsection (a), including an assessment of the feasibility of
- 14 including incentive payments under the Quality Incentive Payment
- 15 Program (QIPP) for those providers;
- 16 (2) recommendations for methods to create bed
- 17 capacity, including reserving specific beds; and
- 18 <u>(3)</u> a fiscal estimate, including estimated costs to
- 19 nursing facilities and savings to hospitals that will result from
- 20 transitioning individuals under Subsection (a).
- 21 <u>(c) The commission may implement the plan, including</u>
- 22 recommendations under the plan, only if the commission determines
- 23 that implementing the plan would increase the amount of available
- 24 state general revenue.
- 25 (d) This section expires September 1, 2025.
- SECTION 3. Section 531.1025, Government Code, is amended by
- 27 adding Subsection (c) to read as follows:

- 1 (c) The commission's office of inspector general shall
- 2 conduct performance audits and require financial audits to be
- 3 conducted of each local behavioral health authority designated
- 4 under Section 533.0356, Health and Safety Code, and local mental
- 5 health authority, as defined by Section 531.002, Health and Safety
- 6 Code. The office shall:
- 7 (1) establish a performance audit schedule that
- 8 ensures the office audits each authority described by this
- 9 subsection at least once every five years;
- 10 (2) establish a financial audit schedule that ensures
- 11 each authority described by this subsection:
- 12 (A) undergoes a financial audit conducted by an
- 13 independent auditor at least once every three years; and
- 14 (B) submits to the office the results of the
- 15 financial audit; and
- 16 (3) require additional audits to be conducted as
- 17 necessary based on adverse findings in a previous audit or as
- 18 requested by the commission.
- 19 SECTION 4. Section 534.0535, Health and Safety Code, is
- 20 amended to read as follows:
- Sec. 534.0535. JOINT DISCHARGE PLANNING. (a) The
- 22 executive commissioner shall adopt or amend, and the department
- 23 shall enforce, rules that require continuity of services and
- 24 planning for patient care between department facilities and local
- 25 mental health authorities.
- 26 (b) At a minimum, the rules must:
- 27 (1) specify the local mental health authority's

- 1 responsibility for ensuring the successful transition of patients
- 2 who are determined by the facility to be medically appropriate for
- 3 discharge; and
- 4 (2) require participation by a department facility in
- 5 joint discharge planning with [between a department facility and] a
- 6 local mental health authority before $\underline{\text{the}}$ [$\underline{\textbf{a}}$] facility discharges a
- 7 patient or places the patient on an extended furlough with an intent
- 8 to discharge.
- 9 (c) The local mental health authority shall plan with the
- 10 department facility to [and] determine the appropriate community
- 11 services for the patient.
- 12 (d) The local mental health authority shall arrange for the
- 13 provision of the services upon discharge [if department funds are
- 14 to be used and may subcontract with or make a referral to a local
- 15 agency or entity].
- 16 <u>(e) The commission shall require each facility to designate</u>
- 17 at least one employee to provide transition support services for
- 18 patients who are determined medically appropriate for discharge
- 19 from the facility.
- 20 (f) Transition support services provided by the local
- 21 mental health authority must be designed to complement joint
- 22 discharge planning efforts and may include:
- 23 (1) enhanced services and supports for complex or
- 24 high-need patients, including services and supports necessary to
- 25 create viable discharge or outpatient management plans; and
- 26 (2) post-discharge monitoring for up to one year after
- 27 the discharge date to reduce the likelihood of readmission.

- 1 (g) The commission shall ensure that each department
- 2 facility concentrates the provision of transition support services
- 3 for patients who have been:
- 4 (1) admitted to and discharged from a facility
- 5 multiple times during a 30-day period; or
- 6 (2) in the facility for longer than 365 consecutive
- 7 days.
- 8 SECTION 5. Chapter 572, Health and Safety Code, is amended
- 9 by adding Section 572.0026 to read as follows:
- 10 Sec. 572.0026. VOLUNTARY ADMISSION RESTRICTIONS. The
- 11 <u>facility administrator of an inpatient mental health facility or</u>
- 12 the administrator's designee may only approve the admission of a
- 13 person for whom a proper request for voluntary inpatient services
- 14 is filed if, at the time the request is filed, there is available
- 15 space at the inpatient mental health facility.
- 16 SECTION 6. Section 1001.084, Health and Safety Code, as
- 17 redesignated by Chapter 1236 (S.B. 1296), Acts of the 84th
- 18 Legislature, Regular Session, 2015, is amended by amending
- 19 Subsections (a), (b), (c), and (d) and adding Subsections (d-1),
- 20 (d-2), and (g) to read as follows:
- 21 (a) The department, in collaboration with the commission,
- 22 shall establish and maintain a public reporting system of
- 23 performance and outcome measures relating to mental health and
- 24 substance use [abuse] services established by the [Legislative
- 25 Budget Board, the department, and the] commission. The system must
- 26 allow external users to view and compare the performance $[\tau]$
- 27 outputs, and outcomes of:

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local mental health authorities [community
 1
               (1)
 2
   centers established under Subchapter A, Chapter 534, that provide
   mental health services];
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4
                    local behavioral health authorities [Medicaid
 5
   managed care pilot programs that provide mental health services];
6
    and
7
                    local intellectual and developmental disability
               (3)
   authorities [agencies, organizations, and persons that contract
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9
   with the state to provide substance abuse services].
10
          (b)
               The <u>public reporting</u> system must allow external users to
   view and compare the performance [, outputs,] and outcomes of the
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12
   Medicaid managed care programs that provide mental health services.
              The department shall post the performance[, output,]
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14
    and outcome measures on the department's Internet website so that
15
   the information is accessible to the public. The department shall
   post the measures monthly, or as frequently as possible [quarterly
16
   or semiannually in accordance with when the measures are reported
17
   to the department].
18
                     [department shall consider public input in
19
   determining the appropriate outcome measures to collect in the]
20
   public reporting system \underline{\text{must}}[. To the extent possible, the
21
   department shall] include outcome measures that capture:
22
23
                    inpatient psychiatric care diversion;
               (1)
24
               (2)
                     [\tau] avoidance of emergency room use;
25
               (3)
                     [7] criminal justice diversion;
               (4) [_{7} and] the numbers of people who are homeless
26
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served;

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1 (5) access to timely and adequate screening and rapid 2 crisis stabilization services; 3 (6) timely access to and appropriate treatment from community-based crisis residential services and hospitalization; 4 5 (7) improved functioning as a result of 6 medication-related and psychosocial rehabilitation services; 7 (8) information related to the number of people referred to a state hospital, state supported living center, or 8 community-based hospital, the length of time between referral and 9 admission, the length of stay, and the length of time between the 10 date a person is determined ready for discharge or transition and 11 12 the date of discharge or transition; (9) the rate of denial of services or requests for 13 14 assistance from jails and other entities and the reason for denial; 15 (10) quality of care in community-based mental health services and state facilities; 16 17 (11) the average number of hours of service provided to individuals in a full level of care compared to the recommended 18 19 number of hours of service for each level of care; and (12) any other relevant information to determine the 20 quality of services provided during the reporting period. 21 (d-1) A local intellectual and developmental disability 22 authority is only required to report information described by 23 Subsection (d)(8) that is <u>related to a state supported living</u> 24 25 center. 26 (d-2) This subsection and Subsections (d) and (d-1) expire

September 1, 2025.

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- 1 (g) In this section:
- 2 (1) "Local behavioral health authority" means an
- 3 authority designated by the commission under Section 533.0356.
- 4 (2) "Local intellectual and developmental disability
- 5 authority" and "local mental health authority" have the meanings
- 6 assigned by Section 531.002.
- 7 (3) "State hospital" has the meaning assigned by
- 8 Section 552.0011.
- 9 (4) "State supported living center" has the meaning
- 10 assigned by Section 531.002.
- SECTION 7. Section 1001.084(e), Health and Safety Code, as
- 12 redesignated by Chapter 1236 (S.B. 1296), Acts of the 84th
- 13 Legislature, Regular Session, 2015, is repealed.
- 14 SECTION 8. If before implementing any provision of this Act
- 15 a state agency determines that a waiver or authorization from a
- 16 federal agency is necessary for implementation of that provision,
- 17 the agency affected by the provision shall request the waiver or
- 18 authorization and may delay implementing that provision until the
- 19 waiver or authorization is granted.
- 20 SECTION 9. This Act takes effect September 1, 2023.