A BILL TO BE ENTITLED
AN ACT
relating to local mental health authority and local behavioral
health authority audits and mental and behavioral health reporting,
services, and programs.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
SECTION 1. Subchapter B, Chapter 531, Government Code, is
amended by adding Section 531.099915 to read as follows:
Sec. 531.099915. INCENTIVE PAYMENTS FOR CERTAIN PROVIDERS.
Not later than September 1, 2025, the commission may, in
consultation with nursing facilities licensed under Chapter 242,
Health and Safety Code, develop an incentive payment under the
Quality Incentive Payment Program (QIPP) for providers that
implement treatment options, such as reserving specifics beds, for
individuals who require a level of care provided by nursing
facilities and who require a high level of behavioral health
supports and services.

SECTION 2. Section 531.1025, Government Code, is amended by
adding Subsection (c) to read as follows:
(c) The commission's office of inspector general shall
conduct performance audits of each local behavioral health
authority designated under Section 533.0356, Health and Safety
Code, and local mental health authority, as defined by Section
531.002, Health and Safety Code. The office shall:
(1) establish an audit schedule that ensures each
authority described by this subsection is audited at least once every 10 years; and

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

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

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

(b) At a minimum, the rules must:

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

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

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

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

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

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

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

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

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

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

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

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

CHAPTER 535. INNOVATION GRANT PROGRAM FOR MENTAL HEALTH EARLY INTERVENTION AND TREATMENT

Sec. 535.001. DEFINITIONS. In this chapter:

(1) "Inpatient mental health facility" has the meaning assigned by Section 571.003.
"Program" means the grant program established under this chapter.

"State hospital" has the meaning assigned by Section 552.0011.

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

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

(A) improved relationship skills;
(B) improved self-esteem;
(C) reduced involvement in the juvenile justice system;
(D) participation in the relinquishment avoidance program under Subchapter E, Chapter 262, Family Code; and
(E) avoidance of emergency room use; and

(2) include:

(A) training; and
(B) services and supports for:

(i) community-based initiatives;
(ii) agencies that provide services to children and families;

(iii) individuals who work with children or
caregivers of children showing atypical social or emotional
development or other challenging behaviors; and

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

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

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

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

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

(9) any other entity the commission considers appropriate.

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

(1) need for future intensive mental health services;

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

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

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

(1) resiliency;

(2) coping and social skills;

(3) healthy social and familial relationships; and

(4) parenting skills and behaviors.

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

(a) The department, in collaboration with the commission, shall establish and maintain a public reporting system of
performance and outcome measures relating to mental health and substance use services established by the Legislative Budget Board, the department, and the commission. The system must allow external users to view and compare the performance, outputs, and outcomes of:

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

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

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

(b) The public reporting 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.

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

(d) The [department shall consider public input in determining the appropriate outcome measures to collect in the] public reporting system must [. To the extent possible, the department shall] include outcome measures that capture:
(1) inpatient psychiatric care diversion;
(2) avoidance of emergency room use;
(3) criminal justice diversion;
(4) the numbers of people who are homeless served;
(5) access to timely and adequate screening and rapid crisis stabilization services;
(6) timely access to and appropriate treatment from community-based crisis residential services and hospitalization;
(7) improved functioning as a result of medication-related and psychosocial rehabilitation services;
(8) information related to the number of people referred to a state hospital, state supported living center, or community-based hospital, the length of time between referral and admission, the length of stay, and the length of time between the date a person is determined ready for discharge or transition and the date of discharge or transition;
(9) the rate of denial of services or requests for assistance from jails and other entities and the reason for denial;
(10) quality of care in community-based mental health services and state facilities;
(11) the average number of hours of service provided to individuals in a full level of care compared to the recommended number of hours of service for each level of care; and
(12) any other relevant information to determine the quality of services provided during the reporting period.

(d-1) This subsection and Subsection (d) expire September
(g) In this section:

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

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

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

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

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

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

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