

**Tri-County
Behavioral Healthcare
Board of Trustees
Meeting**

August 25, 2016



Notice is hereby given that a regular meeting of the Board of Trustees of Tri-County Behavioral Healthcare will be held on Thursday, August 25, 2016. The Business Committee will convene at 8:30 a.m., the Program Committee will convene at 9:30 a.m. and the Board meeting will convene at 10:00 a.m. at 1506 FM 2854, Conroe, Texas. The public is invited to attend and offer comments to the Board of Trustees between 10:00 a.m. and 10:05 a.m.

AGENDA

- I. **Organizational Items**
 - A. Chair Calls Meeting to Order
 - B. Public Comment
 - C. Quorum
 - D. Review & Act on Requests for Excused Absence

- II. **Approve Minutes - July 28, 2016**

- III. **Executive Director's Report - Evan Roberson**
 - A. IDD
 - 1. HCS/TxHmL Fiscal Audit
 - 2. ICF/IID Sale
 - 3. Community-Based General Revenue Services
 - 4. PASRR Specialized Services
 - B. MH
 - 1. DSHS Transition
 - 2. State Hospital Capacity
 - 3. Adult Waiting List Update

- IV. **Chief Financial Officer's Report - Millie McDuffey**
 - A. 2016 Audit
 - B. New Assistant
 - C. CFO Consortium
 - D. Conroe Furniture Update for New Building
 - E. Workers' Compensation Audit

- V. **Program Committee**
 - Action Items
 - A. Review & Approve Goals & Objectives for FY 2017 *Pages 11-19*
 - Information Items
 - B. Community Resources Report *Pages 20-22*
 - C. Consumer Services Report for July 2016 *Pages 23-24*
 - D. Program Updates *Pages 25-28*

- VI. **Executive Committee**
 - Action Items
 - A. Annual Election of FY 2017 Board Officers *Page 29*
 - B. Executive Director's Evaluation, Compensation & Contract for FY 2017 *Page 30*
 - Information Items
 - C. Review Revisions to Board By-Laws, Board Policy C.1 *Pages 31-40*
 - D. Personnel Report for July 2016 *Pages 41-43*

E. Texas Council Risk Management Fund Claims Summary for July 2016.....	Pages 44-45
F. Texas Council Quarterly Board Meeting Verbal Update.....	Pages 46-113

VII. Business Committee

Action Items

A. Approve July 2016 Financial Statements.....	Pages 114-127
B. Approve FY 2016 Year End Budget Revision.....	Pages 128-130
C. Approve Proposed FY 2017 Operating Budget.....	Pages 131-133
D. Approve Banking Services Contract with JPMorgan Chase Bank, N.A.....	Pages 134-135
E. Approve Purchase of Ford Transit 15 Passenger Wagon XL.....	Page 136
F. Approve FY 2017 Dues Commitment & Payment Schedule for the Texas Council.....	Pages 137-139
G. Approve DSHS Enterprise Agency Contract #537-17-0127-00035.....	Page 140
H. Approve DSHS Mental Health-PATH Contract #2016-048162-001A.....	Page 141
I. Approve DSHS Treatment Adult Services Contract #2016-048497-002.....	Page 142
J. Approve DSHS Mental Health First Aid Program Contract #2017-049421-001.....	Page 143
K. Approve DSHS YES Waiver Pre-Engagement Services Contract #2017-049547-001.....	Page 144
L. Approve FY 2016-17 DADS Amendment Packet #2.....	Page 145
M. Approve FY 2017 ICF/IID Services Contract with Educare Community Living Corporation.....	Page 146
N. Approve FY 2017 Aspire Hospital, LLC Contract.....	Page 147
O. Approve FY 2017 Avail Solutions, Inc. Contract.....	Page 148
P. Approve FY 2017 Cypress Creek Hospital Contract.....	Page 149
Q. Approve FY 2017 Kingwood Pines Hospital Contract.....	Page 150
R. Approve FY 2017 Contract for Dr. Frank Chen.....	Page 151
S. Approve FY 2017 Contract for Dr. Jerri Sethna.....	Page 152

Information Items

T. Board of Trustees Unit Financial Statement for July 2016.....	Pages 153-154
U. Building Consolidation Update.....	Pages 155-161

VIII. Executive Session in Compliance with Texas Government Code Section 551.071, Consultation with Attorney & Section 551.074, Personnel: Executive Director Evaluation

Posted By:

Stephanie Eveland
Executive Assistant

Tri-County Behavioral Healthcare

P.O. Box 3067
Conroe, TX 77305

BOARD OF TRUSTEES MEETING

July 28, 2016

Board Members Present:

Patti Atkins
Tracy Sorensen
Sharon Walker
Richard Duren
Morris Johnson
Cecil McKnight
Jacob Paschal

Board Members Absent:

Gail Page
Janet Qureshi

Tri-County Staff Present:

Evan Roberson, Executive Director
Millie McDuffey, Chief Financial Officer
Annette Adams, Behavioral Health Director
Kenneth Barfield, Director of Management Information Systems
Tanya Bryant, Director of Quality Management and Support
Kathy Foster, Director of IDD Provider Services
Catherine Prestigiovanni, Director of Strategic Development
Breanna Robertson, Director of Crisis Services
Kelly Shropshire, Director of IDD Authority Services
Stephanie Eveland, Executive Assistant
Tabatha Abbott, Cost Accountant
Mary Lou Flynn-DuPart, Legal Counsel
Robyn Gould, Training Coordinator
Anna King, Administrator of IDD Intakes and Enrollments
Darbi Lockridge, Support Staff
Katherine Martinez, Support Services Assistant-Bilingual
Sean McElroy, Rural Clinic Administrator
Sonya Shedd, Receptionist/Financial Counselor
Connie Torres, Provider Team Leader

Guests:

Mike Duncum, WhiteStone Realty

Call to Order: Board Chair, Patti Atkins, called the meeting to order at 10:02 a.m. at 1506 FM 2854, Conroe, Texas.

Public Comment: There were no public comments.

Quorum: There being seven (7) members present, a quorum was established.

Resolution #07-16-01

Motion Made By: Tracy Sorensen

Seconded By: Cecil McKnight, with affirmative votes by Patti Atkins, Sharon Walker, Richard Duren, Morris Johnson and Jacob Paschal that it be...

Resolved:

That the Board excuse the absences of Gail Page and Janet Qureshi.

Resolution #07-16-02

Motion Made By: Morris Johnson

Seconded By: Sharon Walker, with affirmative votes by Patti Atkins, Tracy Sorensen, Richard Duren, Cecil McKnight and Jacob Paschal that it be...

Resolved:

That the Board approve the minutes of the May 26, 2016 meeting of the Board of Trustees.

Longevity Recognitions were presented to Tri-County staff.

Executive Director's Report:

The Executive Director's report is on file.

Chief Financial Officer's Report:

The Chief Financial Officer's report is on file.

PROGRAM COMMITTEE:

The Community Resources Report was reviewed for information purposes only.

The Consumer Services Reports for May and June 2016 were reviewed for information purposes only.

The Program Updates were reviewed for information purposes only.

The FY 2016 Goals and Objectives Progress Report was reviewed for information purposes only.

The 3rd Quarter FY 2016 Corporate Compliance and Quality Management Report was reviewed for information purposes only.

The 4th Quarter FY 2016 Corporate Compliance Training was reviewed for information purposes only.

The Medicaid 1115 Transformation Waiver Project Status Report was reviewed for information purposes only.

EXECUTIVE COMMITTEE:

Patti Atkins, Board Chair, appointed members to the Nominating Committee for FY 2017 Board Officers. The committee members are as follows:

- Cecil McKnight, Chair
- Jacob Paschal
- Sharon Walker

Patti Atkins, Board Chair, appointed members to the Executive Director Evaluation Committee as prescribed by Board policy. The committee members are as follows:

- Morris Johnson, Chair
- Richard Duren
- Gail Page

Resolution #07-16-03

Motion Made By: Sharon Walker

Seconded By: Morris Johnson, with affirmative votes by Patti Atkins, Tracy Sorensen, Richard Duren, Cecil McKnight and Jacob Paschal that it be...

Resolved:

That the Board approve the revised Board Policies E.15 – Reimbursement for Services Rendered, E.16 – Check Signing Authority/Facsimile Signatures, E.17 – Board of Trustees' Travel Policy, and E.19 – Solicitation of Bid Proposals, E.21 – Transportation, E.24 – Retention of Fund Balance, E.25 – Lease of Center Facilities, E.26 – Retirement Plan Investment Policy, E.27 – Acceptance of Charitable Gifts; the new Board Policy G.1 – Management Information Systems; and, the deletion of Board Policy E.23 – Overview of the CARE System.

The Personnel Reports for May and June 2016 were reviewed for information purposes only.

The Texas Council Risk Management Fund Claims Summary as of June 2016 was reviewed for information purposes only.

BUSINESS COMMITTEE:

Board Chair, Patti Atkins, suspended the agenda to move to Business Committee Action Item VIII-C, Authorize Executive Director to Negotiate the Sale of Montgomery County Properties. Mike Duncum, from WhiteStone Realty, presented the report.

Resolution #07-16-04

Motion Made By: Morris Johnson

Seconded By: Tracy Sorensen, with affirmative votes by Patti Atkins, Sharon Walker, Richard Duren, Cecil McKnight and Jacob Paschal that it be...

Resolved:

That the Board authorize the Executive Director, in consultation with Mike Duncum and Jackson Walker, to sell 1506 and 1508 FM 2854, 1020 Riverwood Court Buildings 1-5, 610 N. Loop 336 and 103 North Thompson in Conroe, Texas; and, to sign all necessary documents.

Board Chair, Patti Atkins, suspended the agenda to move to Business Committee Information Item VIII-O, Building Consolidation Update. Mike Duncum, from WhiteStone Realty, presented the report.

Resolution #07-16-05

Motion Made By: Morris Johnson

Seconded By: Tracy Sorensen, with affirmative votes by Patti Atkins, Sharon Walker, Richard Duren, Cecil McKnight, and Jacob Paschal that it be...

Resolved:

That the Board approve the May 2016 Financial Statements.

Resolution #07-16-06

Motion Made By: Morris Johnson

Seconded By: Cecil McKnight, with affirmative votes by Patti Atkins, Tracy Sorensen, Sharon Walker, Richard Duren and Jacob Paschal that it be...

Resolved:

That the Board approve the June 2016 Financial Statements.

Resolution #07-16-07

Motion Made By: Morris Johnson

Seconded By: Richard Duren, with affirmative votes by Patti Atkins, Tracy Sorensen, Sharon Walker, Cecil McKnight and Jacob Paschal that it be...

Resolved:

That the Board approve the purchase of a Ford Explorer not to exceed a cost of \$30,000 contingent upon DADS approval.

Resolution #07-16-08

Motion Made By: Morris Johnson

Seconded By: Cecil McKnight, with affirmative votes by Patti Atkins, Tracy Sorensen, Sharon Walker, Richard Duren and Jacob Paschal that it be...

Resolved:

That the Board approve the recommendation for FY 2017 Employee Health Insurance, Basic Life/Accidental Death and Dismemberment and Long-Term Disability Plans.

Resolution #07-16-09

Motion Made By: Morris Johnson

Seconded By: Sharon Walker, with affirmative votes by Patti Atkins, Tracy Sorensen, Richard Duren, Cecil McKnight and Jacob Paschal that it be...

Resolved:

That the Board approve the amendment to the Interlocal Agreement to participate in the Texas Council Risk Management Fund's Minimum Contribution Plan for Workers' Compensation Coverage.

Resolution #07-16-10

Motion Made By: Morris Johnson

Seconded By: Tracy Sorensen, with affirmative votes by Patti Atkins, Sharon Walker, Richard Duren, Cecil McKnight and Jacob Paschal that it be...

Resolved:

That the Board approve the contract negotiation with David Southern to broker the sale of the ICF/IID licenses.

Resolution #07-16-11

Motion Made By: Morris Johnson

Seconded By: Sharon Walker, with affirmative votes by Patti Atkins, Tracy Sorensen, Richard Duren, Cecil McKnight and Jacob Paschal that it be...

Resolved:

That the Board approve the DSHS Youth Prevention-Selective Contract #2016-048029-002.

Resolution #07-16-12

Motion Made By: Morris Johnson

Seconded By: Tracy Sorensen, with affirmative votes by Patti Atkins, Sharon Walker, Richard Duren, Cecil McKnight and Jacob Paschal that it be...

Resolved:

That the Board ratify the FY 2016-17 DADS Performance Contract Amendment Packet #1.

Resolution #07-16-13

Motion Made By: Morris Johnson

Seconded By: Cecil McKnight, with affirmative votes by Patti Atkins, Tracy Sorensen, Sharon Walker, Richard Duren and Jacob Paschal that it be...

Resolved:

That the Board approve the addendum to extend the FY 2016 Cypress Creek Hospital contract for a total of \$905,000 for Inpatient Psychiatric Services.

Resolution #07-16-14

Motion Made By: Morris Johnson

Seconded By: Cecil McKnight, with affirmative votes by Patti Atkins, Tracy Sorensen, Sharon Walker, Richard Duren and Jacob Paschal that it be...

Resolved:

That the Board approve the addendum to extend the FY 2016 Dr. Chen contract for a total of \$95,000 for Psychiatric Services.

Tri-County's 2014 990 Tax Return prepared by Scott, Singleton, Fincher & Company, P.C. was reviewed for information purposes only.

The 3rd Quarter FY 2016 Investment Report was reviewed for information purposes only.

The Board of Trustees Unit Financial Statements for May and June 2016 were reviewed for information purposes only.

The Cleveland Supported Housing, Inc. Update was reviewed for information purposes only.

There was no need for Executive Session.

The regular meeting of the Board of Trustees adjourned at 11:50 a.m.

Adjournment:

[Redacted signature and date]

Patti Atkins
Chair

Date

Attest:

[Redacted signature and date]

Sharon Walker
Secretary

Date



Executive Director's Report

August 25, 2016

Announcements

- The next regularly scheduled Board meeting will be on Thursday, September 22, 2016.
- The annual Burnham Classic was held on August 5-7th. Each year, I continue to see the same players and families at the tournament and it is so impressive to see the turnout from the community. Much thanks to the Burnham family, Mr. Cecil McKnight and his wife, Mrs. Mable McKnight, for their years of support of the golf tournament.
- Today's cake is in honor of Patti Atkins who celebrated her birthday on August 5th.

Intellectual and Developmental Disability Services

- As the Board is aware, the Department of Aging and Disability Services (DADS) completed the annual Home and Community-based Services (HCS)/Texas Home Living (TxHmL) Provider Services Audit in June. The week of August 2nd, DADS returned to perform a **HCS and TxHmL Billing and Payment Audit**. This particular audit is supposed to be completed every 2 to 2.5 years; however, the Department has been behind schedule and this is the first billing review since 2010.

In the HCS review, eight consumer's charts were pulled for review and the auditors found \$7.48 in disputed billing that will need to be refunded. For the TxHmL program, seven consumer's charts were pulled for review and the auditors found \$5,892 in disputed billing that will need to be refunded. The majority of this disputed billing was due to one claim of \$5,800 which was on a provider log with a copied signature rather than an original signature. We are looking at agency systems to avoid this type of payback in the future.

- We continue to work with our consultant, David Southern, on the **Intermediate Care Facility for Individuals with Intellectual Disabilities (ICF/IID) sale**. I have communicated with all of the family members and Legally Authorized Representatives of the individuals living in the homes and an email address was set up for any questions or concerns they may have. So far, I have not received any responses to the letter. I have also visited with the Intellectual and Developmental Disability Planning Network Advisory Committee (IDDPNAC) about our decision to sell the licenses and homes. IDDPNAC expressed understanding of our need to sell the homes. I have visited with Educare

about the decision to sell the licenses and homes and they have indicated that they may be interested in purchasing both. Mr. Southern has indicated that he has at least two other buyers interested in purchasing the licenses and homes. He believes that the sale could potentially be completed in as little as 60 days but does not expect it take longer than 6 months.

- The Center has been experiencing increasing demand for IDD General Revenue (GR) funded Respite Services in our community as the number of persons served increases. The contract requires the Center to provide Respite Services to persons who are currently enrolled and not served by a waiver program that provides this service. Historically, we have been able to provide other **community-based services with IDD General Revenue**, but this year, Respite will be all that we can afford to provide with the available IDD GR. The last GR service we were providing in the community was Day Habilitation. Kathy Foster has sent out a letter to the affected families and providers. The services will continue through the month of September.
- The Pre-Admission Screening and Resident Review (PASRR) service is designed to screen persons that are in nursing facilities with an identified mental illness or intellectual disability to determine if they would be eligible for placement in the community. We have been able to identify several persons that were eligible for placement in the community; however, in addition to these individuals, we have also identified several persons that are not currently eligible for placement but that could benefit from **PASRR Specialized Services**. These services include specialized therapies and skills training which might ultimately allow clients to move from the nursing home. Kathy and her team will be developing services which will be provided in our three counties. She will have these services ramped up in the next few months.

Mental Health Services

- **The Department of State Health Services (DSHS) Mental Health and Substance Abuse Services** divisions will transition to the Health and Human Services Commission's (HHSC) Medical and Social Services division on September 1, 2016. DSHS will continue to exist to manage public health, but we will start interacting with HHSC moving forward.
- As I mentioned in July, it is getting much more difficult to find a civil bed in the state hospital system after the State decided to sweep the beds for forensic clients. Since then, Disability Rights Texas has filed a lawsuit against the State on behalf of persons that are waiting too long for competency restoration. This lawsuit is sure to put additional pressure on **state hospital civil capacity** in the state hospital system, which in turn puts additional pressure on local hospitalization resources. While this is difficult on the Center, it is also problematic for our law enforcement partners and others that utilize or rely upon the state hospitals.

There is a lot of conversation about mentally ill inmates in the jail system and these persons are generally referred to 'forensic' inmates. However, it should be noted that when the State is referring to the forensic waiting list, they are only talking about persons designated as incompetent to stand (46B) and not guilty by reason of insanity (46C). Most of the inmates in county jails who are thought to have a mental illness do have either one of these designations.

- I want you to let the Board know that while we are very close, we have not yet reached the threshold (105% of the Adult target, or 2,828 consumers) to start the **Adult Waiting List**. A procedure has been developed to ensure that we are putting persons on the waiting list with lower levels of need. We will be reevaluating this list at least twice a year and hope to eliminate the list soon.

CHIEF FINANCIAL OFFICER'S REPORT AUGUST 25, 2016

FY 2016 Audit – We are working on our prep work for the FY 2016 audit. This consists of account reconciliations, copies of contracts, copies of board minutes, backup and approval for any fixed asset purchases. The auditors will be on site for the week starting next Monday, August 29th. They will be returning for their final visit the last part of October or early November. We have received the first listing of 20 items being requested prior to their first visit. We will continue to work on the listing until they return for the final visit. Between the on-site visits, we will be sending data electronic as needed.

New Administrative Assistant – Stella, my former administrative assistant has taken another job in one of my areas. You may remember her; she attended board meetings and occasionally ran the overhead projector. She is now the Senior Billing Specialist. This is good role for her to take since she is so detailed oriented. She will have a big impact on getting our staff credentialed and getting claims processed.

I have hired a new assistant Maegan Richards, who was stolen from the IT department. She is very good with computers and is very detailed as well. She possesses the qualities to keep me time conscious and on track in my area. I am very glad to have her as my Administrative Assistant.

CFO Consortium – The next CFO meeting is scheduled for September 22nd and 23rd. This will conflict with the next board meeting, so I will stay back and send Tabatha in my place. This will be the first CFO meeting of the fiscal year and the agenda usually consists of discussions about contract changes and items that relate to all centers. We have not seen a preliminary agenda as of yet, but will report next month on what the topics of discussions were at the meeting.

Workers Compensation Audit – We received notice of our FY 2016 Workers Compensation audit. Texas Council Risk Management Fund's Contractor will be on-site for a day in early September to review all the payroll documents. They will also review all contractor payments to compare to our monthly W/C payment submitted throughout the fiscal year. The process usually takes a couple of months before we get results from the audit.

<p>Agenda Item: Review and Approve Goals and Objectives for FY 2017</p> <p>Committee: Program</p>	<p>Board Meeting Date</p> <p>August 25, 2016</p>
<p>Background Information:</p> <p>The Management Team met on August 5, 2016 for a Strategic Planning meeting. Subsequently, we have created a Strategic Plan for the Center that will be reviewed by the Board today. The goal of this meeting was to envision an ideal FY 2022 and then discuss how the Center could move toward this direction.</p> <p>The Management Team has proposed Goals and Objectives for FY 2017 as we have done in previous years for the Board to review and approve.</p>	
<p>Supporting Documentation:</p> <p>Strategic Plan</p>	
<p>Recommended Action:</p> <p>Approve the Goals and Objectives for FY 2017</p>	

Introduction

The Management Team of Tri-County Behavioral Healthcare, 'Tri-County' or 'Center', met on August 5, 2016 to develop a 5 year strategic plan. The plan is to go into effect at the beginning of Fiscal Year (FY) 2017 for Tri-County (September 1, 2016). The plan will be reviewed and modified annually by the Board of Trustees and the Management Team with the goal of continued improvement and refinement of the Center's mission and direction.

Executive Summary

Serving Liberty, Montgomery and Walker counties, Tri-County provided services to more people in FY 2016 than at any time in the history of the Center. This growth, along with transitions in almost all levels of Center management staff, has highlighted the need for development or further refinement of Center structures. Management Team members have been, and continue to be, very committed to transforming Tri-County into a system of care that will effectively and efficiently meet the needs of our community.

Management Team staff have identified long term goals in 6 areas of emphasis and have developed a corresponding list of objectives for FY 2017.

Background

In response to legislation signed by President John F. Kennedy in 1963, Texas established Community Centers in 1965 to move persons from Mental Health (MH) or Intellectual/Developmental Disability (IDD) institutions. Formed in 1983 by an interlocal agreement between Liberty, Montgomery and Walker counties, Tri-County is one of 39 Community Centers which provide MH and IDD services to all 254 counties in the State of Texas. Tri-County is a 'Unit of Government' as established by Section 534 of the Texas Health and Safety Code and has also been designated as a non-profit organization by the Internal Revenue Service.

In FY 2016, over 61% of Tri-County's revenue was 'earned' (billing insurance for services). Federal and State General Revenue funding, often referred to as grant funding, has decreased significantly over the years as services were transitioned into Managed Care. State General Revenue is used primarily to cover the cost of care for persons that are medically indigent.

To serve 210 people year round in a State Hospital or State Supported Living Center (SSLC) costs more than the entire budget for the Center. Tri-County will serve over 9,000 persons in FY 2017.

Center Mission and Vision Statement

The Mission of Tri-County is to enhance the quality of life for those we serve and our communities by ensuring the provision of quality services for individuals with mental illness, substance abuse disorders and intellectual/developmental disabilities.

The Vision of Tri-County is to develop a mental health and developmental disability care system with adequate resources that ensures the provision of effective and efficient services to meet the needs of our community. To achieve this vision, we will partner with the community to: 1) expand the availability of new and existing resources; and, 2) assure the availability of technically and culturally competent staff.

Future Visioning

As a part of our planning process, the Management Team spent considerable time 'envisioning' the ideal future for the Center. These visions are the ideal goals for the future of the work we do, short of a cure for the disorders; and, as such, these goals represent the long-term goals for Center operations.

The following ideals were endorsed by the Management Team by area of responsibility:

Intellectual and Developmental Disability Services:

- Service offerings that have moved from what the State funds to services that truly meet the needs of those that contact us for services;
- Standardized whole person care;
- Proactive services are in place to prevent preventable conditions;
- Automation of processes to make the programs more efficient; and,
- Appropriate preparation for and response to the Centers for Medicare and Medicaid Services' 'Final Rule'.

Behavioral Health Services:

- Patient care is fully patient-centered, trauma informed and recovery based;
- Clinical protocols and evidence-based practices have been implemented which have led to a stable, predictable clinical system;
- Programs are trained in and are operating from evidence-based practices which have been clearly proceduralized;

- Adult services include integrated substance abuse treatment protocols which are used to address individuals with complex needs;
- A children's service system has been developed that can expand as needed to meet community demand for services;
- The Center is recognized as a leader in inpatient psychiatric treatment;
- Crisis programs and tools are developed to meet community needs;
- The Center has partnerships with universities which maximize the use of interns for mental health treatment; and,
- The Center is a leader the development of community focus groups that would address system needs for adults and children, outpatient and inpatient.

Development:

- Programs are developed that financial partners want to 'buy into';
- Community Partners ensure that we are always at the table for important conversations about needed services;
- The Centers' Mission and Vision are understood by the community; and,
- Our actions have helped 'normalize' persons with mental illnesses, substance use disorders and or intellectual disabilities.

Support Services:

- Proactive training is in place to ensure staff are better trained and have a better understanding of required tasks;
- Center software systems are updated to meet Human Resources, Fiscal and Clinical needs;
- Technology is implemented which is cutting edge and customer endorsed;
- Consistent validation of Center processes via Accreditation;
- Leadership is developed to continue Component Unit Boards and advisory groups;
- A fund balance exists that supports flexibility and creativity;
- At least 90 days of operations is in reserves at all times; and,
- Revenue has been diversified to ensure Center viability.

Center Structure:

- The Center has professional facilities;
- There is a plan in place for debt retirement;
- Succession Plans have been identified and training is offered for those identified;
- A budget structure is in place which supports a more complex and refined Center operations.

SWOT Analysis

Strengths:

- Tri-County has always had a strong and consistent Board of Trustees that values the mission of the Center. This Board has successfully regenerated many times, including Board leadership, with no disruption to Center services. Board members are connected to the community and are advocates for the persons we serve.
- Our staff is very committed to the consumers and work that we do.
- Tri-County has been and continues to be in a solid fiscal position.
- Tri-County has a strong fiscal services department with experienced staff. We have been a participant in Managed Care billing since 2004 and have developed processes to ensure that we are paid by external payers. This billing expertise is more important than ever with many service lines moving into managed care.
- Tri-County has improving relationships with our community which has been aided by intentional efforts to complete outreach, Mental Health First Aid training and the impact of 1115 Transformation Waiver funding which has allowed us to fill service gaps.
- Tri-County continues to have access to resources that are available in the greater Houston area which are not always available in other parts of the state. In addition to local resources, the Center has developed Crisis Stabilization and Extended Observation units to meet the needs of persons in crisis.
- Tri-County has a history of excellent audit findings including near perfect Fiscal audits in most years.
- Tri-County is in a desirable part of the state to live and recruitment of staff is aided by our location.

Weaknesses:

- Turnover in clinical staff, both mental health and intellectual disabilities, has heightened awareness of our need for more developed clinical protocols and more consistent training to lessen the impact of this turnover.
- Although improving over the past few years, Tri-County's facilities continue to affect productivity and efficiency of services provided. In addition, non-centralized facilities have historically led to distinct cultures and processes which are less efficient.
- While Center staff has historically been able ensure compliance with extensive state contracts and guidelines, they can struggle with rapid change.
- State contract requirements are complex and grow in complexity each year.

- Administrative structures have not grown as the Center has grown and most are stretched and struggle to be proactive.

Opportunities:

- There are requests for the Center to meet more needs in the community, including lines of service which are outside of the Center's historical line of business (e.g. services in the jail/detention).
- Conroe and Liberty facility consolidation will provide opportunity for the providers to unite under a central structure. We also have a true 'no wrong door' in these locations for people seeking our services.
- The Center has the opportunity to be a leader in the discussion of issues related to mental illness or intellectual disabilities in our service area. More and more often, the Center is being invited into groups that are discussing the impact mental illness, suicide, intellectual disabilities, autism and other related issues. The community relationships can be leveraged for further growth.
- Managed Care expansion may offer opportunities for growth in certain lines of business.

Threats:

- 1115 Transformation Waiver programs have added new resources to the Centers and these programs are well utilized. As a rule, these programs have become essential to our operations, but funding for these programs is only guaranteed through calendar 2017. Without these programs, the agency would have a significant hole in the service array that is currently being offered and the community is not likely to understand a 'withdrawal' of these services.
- Currently, the Center receives more Pharmacy Assistance Program (PAP) value in free medications than we get for all Outpatient Mental Health General Revenue from the State of Texas. These PAP values are supporting Adult Outpatient services in a significant way. Threats on the horizon to PAP include changes in the Texas Drug Formulary (which would limit incentives for drug manufactures to provide these medications) and the lack of new medications being developed for psychiatric conditions (older medications become generic and fall off of PAP). Without PAP funds, MH Adult Outpatient services could change drastically.
- Growth in Adult Mental Health services, required with new funding from the State of Texas in recent years, is almost entirely composed of persons who are medically indigent. Medically indigent persons tend to be more complex in presentation, and therefore are more expensive to serve. In FY 2016, only 26% of the adults served in Conroe Outpatient services currently had Medicaid funding.

- The loss of institutional knowledge associated with turn-over remains a concern for the center. Services paid for with state funding are complex and require a level of experience for staff to be effective in providing these services or supports.
- Increased administrative requirements for all services being offered make it more difficult to be efficient in service provision. Each additional requirement has additional associated costs.
- As the population for our service area grows, so does the need for our services. While the Center desires to meet this demand for our services, resources to provide these services are limited.

Center Analysis

Tri-County is the 16th largest Center in Texas based on Center budgets. It is considered as a large, medium-sized Center in the state of Texas. As a result of funding protocols in place at the time of the creation of the Center, Tri-County's base General Revenue allocation was lower than many Texas Centers of the same size for both mental health and Intellectual/Developmental Disability services and, while it has increased, Tri-County's per capita funding remains near the bottom.

Mental health funding in the state of Texas is currently ranked 49th out of 51 (Puerto Rico) and Intellectual/Developmental Disability funding is currently 45th. Centers in Texas must be creative in their program design and efficient in their utilization of resources to meet the needs of their community.

Texas Centers are represented by a strong statewide trade organization, the Texas Council.

Section 7: Fiscal Year 2017 Goals

The 'Future Visioning' section above represents the ideal 5 year goals for Tri-County as envisioned by the Management Team. Goals areas identified would serve as the overall goals for FY 2017.

Community Connectedness
 Clinical Excellence
 Staff Development
 Administrative Competence
 Professional Facilities
 Fiscal Responsibility

FY 2017 Objectives

Professional Facilities:

Objective 1: Tri-County will successfully move into the 233 Sgt. Ed Holcomb S. facility in Conroe by March 31, 2017.

Objective 2: Staff will develop a timeline for facility improvements in Huntsville and Cleveland by March 31, 2017.

Community Connectedness:

Objective 1: The Tri-County's Consumer Foundation will hold at least one fundraising event by May 31, 2017.

Objective 2: Tri-County will launch the 'I Choose Life' website with the youth and caregiver commitments that can be made online by March 31, 2017.

Objective 3: Tri-County will begin a Suicide Postvention group in Conroe by May 31, 2017.

Objective 4: Staff will meet with County Judges and Commissioners quarterly to discuss Tri-County Behavioral Healthcare's services and seek feedback about service gaps.

Clinical Excellence:

Objective 1: Tri-County will implement Co-Occurring Psychiatric Substance Use Disorder rehabilitation programming by April 15, 2017.

Objective 2: A Zero Suicide Clinical team will be developed and four (4) recommendations from this team will be implemented by the Center by May 31, 2017.

Staff Development:

Objective 1: Tri-County will develop a list of evidence-based training courses to be offered to Adult, Child and Intellectual Disability staff by March 31, 2017.

Administrative Competence:

Objective 1: A workgroup will meet to determine if IDD Services can be converted to electronic processes in Anasazi. This analysis will be completed by May 31, 2017.

Objective 2: The Management Team will develop succession plans for their area which will be approved by the Executive Director by May 31, 2017.

Fiscal Responsibility:

Objective 1: Tri-County fiscal and clinical staff will interview other center staff and will create a plan for revenue diversification opportunities by May 31, 2017.

Objective 2: Tri-County will have 90 days in operation by August 31, 2017 without including general revenue fund allocations.

Closing Summary

Management Team staff have identified long-term goals in 6 areas of emphasis and have developed a corresponding list of objectives for FY 2017. These Goals and Objectives will be reviewed, modified as needed and approved by the Board of Trustees at the August 25, 2016 Board meeting.

Agenda Item: Community Resources Report Committee: Program	Board Meeting Date August 25, 2016
Background Information: None	
Supporting Documentation: Community Resources Report	
Recommended Action: For Information Only	

Community Resources Report

July 29, 2016 – August 25, 2016

Volunteer Hours:

Location	July
Conroe	274
Cleveland	0
Liberty	14
Huntsville	33
Total	319

COMMUNITY ACTIVITIES:

8/1/16	Montgomery County Homeless Coalition Board Meeting	Conroe
8/2/16	Mental Health America of Fort Bend County Meeting	Conroe
8/2/16	Montgomery County United Way Health & Wellness Committee	The Woodlands
8/3/16	Montgomery County Public Transportation Meeting	Conroe
8/3/16	Conroe Noon Lions Club Luncheon	Conroe
8/4/16	Annual Suicide Prevention Symposium	San Marcos
8/4/16	Cleveland Chamber of Commerce Luncheon	Cleveland
8/4/16	Walker County Community Resource Coordination Group	Huntsville
8/5/16	Burnham Golf Tournament	Liberty
8/8/16	Train-the-Trainer Veterans Basic Training	Conroe
8/8/16	Chevron-Phillips Veteran Employment Opportunities Meeting	Conroe
8/9/16	Veterans American Legion Meeting	Conroe
8/9/16	Anadarko From The Heart Meeting	The Woodlands
8/10/16	Child Fatality Review Team Meeting	Huntsville
8/10/16	Conroe Noon Lions Club Luncheon	Conroe
8/10/16	The Woodlands Adolescent Roundtable Planning Meeting	The Woodlands
8/10/16	Veterans Treatment Court Meeting	Conroe
8/11/16	Huntsville Chamber of Commerce Breakfast	Huntsville
8/11/16	Plane State Jail Veteran Inmate Interview	Dayton
8/11/16	Bring Everyone in the Zone Facilitators Meeting	Liberty
8/11/16	Liberty County Veterans Service Office FY 17 Planning Meeting	Liberty
8/12/16	Conroe Regional Hospital Substance Abuse Education Training	Conroe
8/12/16	Wounded Warrior Project Outreach Event	Humble
8/12/16	Veterans Inaugural Appreciation Banquet	Montgomery
8/13/16	District 17 Veterans of Foreign Wars Quarterly Convention	Huntsville
8/15/16	Crisis Assistance Center Veterans Resources Presentation	Conroe
8/16/16	Montgomery County Probation Office Veterans Resources Presentation	Conroe
8/16/16	United Way Annual Campaign Training & Breakfast	The Woodlands
8/17/16	Conroe Noon Lions Club Luncheon	Conroe
8/17/16	Montgomery County Community Resource Coordination Group	Conroe

COMMUNITY ACTIVITIES (cont'd):

8/18/16	Montgomery County Homeless Coalition Community Meeting	Conroe
8/18/16	Veterans Affairs Advisory Board Meeting	Huntsville
8/19/16	Liberty City Park – Senior Day	Liberty
8/22/16	Veterans Basic Training	Conroe
8/23/16	Montgomery County Business Women’s Luncheon	Conroe
8/23/16	CHI St. Luke’s Violence Steering Committee Meeting	The Woodlands
8/24/16	Conroe Noon Lions Club Luncheon	Conroe
8/24/16	Veterans Treatment Court	Conroe
8/24/16	Cleveland Job Fair	Cleveland
8/24/16	Huntsville Memorial Hospital – Mental Health Assessment Meeting	Huntsville
8/25/16	Montgomery County United Way Community Partners Meeting	The Woodlands

UPCOMING ACTIVITIES:

8/31/16	Conroe Noon Lions Club Luncheon	Conroe
9/3/16	Cleveland Chamber of Commerce Luncheon	Cleveland
9/5/16	Montgomery County Homeless Coalition Board Meeting	Conroe
9/6/16	Montgomery County United Way Health & Wellness Impact Council Meeting	The Woodlands
9/7/16	Lone Star College Student Nurse Organization Presentation	The Woodlands
9/9/16	Conroe CASA – Youth Mental Health First Aid Training	Conroe
9/15/16	Huntsville Chamber of Commerce Breakfast	Huntsville

<p>Agenda Item: Consumer Services Report for July 2016</p> <p>Committee: Program</p>	<p>Board Meeting Date</p> <p>August 25, 2016</p>
<p>Background Information:</p> <p>None</p>	
<p>Supporting Documentation:</p> <p>Consumer Services Report for July 2016</p>	
<p>Recommended Action:</p> <p>For Information Only</p>	

**Consumer Services Report
July 2016**

Consumer Services	Montgomery County	Cleveland	Liberty	Walker County	Total
Crisis Services, MH Adults/Children					
Persons Screened, Intakes, Other Crisis Services	374	38	22	59	493
Crisis and Transitional Services (LOC 0, LOC 5)	60	1	2	0	63
Psychiatric Emergency Treatment Center (PETC) Served	43	8	1	9	61
Psychiatric Emergency Treatment Center (PETC) Bed Days	206	30	4	34	274
Contract Hospital Admissions	12	1	0	2	15
Diversion Admits	9	1	3	1	14
Total State Hospital Admissions	12	0	0	2	14
Routine Services, MH Adults/Children					
Adult Service Packages (LOC 1m,1s,2,3,4)	1021	163	108	87	1379
Adult Medication Services	768	82	87	105	1042
Child Service Packages (LOC 1-4 and YC)	370	30	14	58	472
Child Medication Services	171	13	4	26	214
TCOOMMI (Adult Only)	104	18	15	14	151
Adult Jail Diversions	2	0	0	0	2
Persons Served by Program, IDD					
Number of New Enrollments for IDD Services	7	0	0	1	8
Service Coordination	631	44	55	64	794
Persons Enrolled in Programs, IDD					
Center Waiver Services (HCS, Supervised Living, TxHmL)	42	5	20	23	90
Contractor Provided ICF-MR	18	11	11	6	46
Substance Abuse Services					
Children and Youth Prevention Services	10	0	0	0	10
Youth Substance Abuse Treatment Services/COPSD	10	0	0	1	11
Adult Substance Abuse Treatment Services/COPSD	23	0	0	4	27
Waiting/Interest Lists as of Month End					
Home and Community Based Services Interest List	1523	121	136	145	1925
July Served by County					
Adult Mental Health Services	1385	170	120	196	1871
Child Mental Health Services	439	33	17	62	551
Intellectual and Developmental Disabilities Services	676	46	55	96	873
Total Served by County	2500	249	192	354	3295
June Served by County					
Adult Mental Health Services	1435	175	112	198	1920
Child Mental Health Services	499	39	19	67	624
Intellectual and Developmental Disabilities Services	705	46	59	69	879
Total Served by County	2639	260	190	334	3423
May Served by County					
Adult Mental Health Services	1420	155	118	156	1849
Child Mental Health Services	529	22	22	71	644
Intellectual and Developmental Disabilities Services	704	50	58	70	882
Total Served by County	2653	227	198	297	3375

Agenda Item: Program Updates	Board Meeting Date August 25, 2016
Committee: Program	
Background Information: None	
Supporting Documentation: Program Updates	
Recommended Action: For Information Only	

Program Updates

July 29, 2016 – August 25, 2016

MH Crisis Services

1. The Chief Nursing Officer from Conroe Regional Medical Center toured the Psychiatric Emergency Treatment Center (PETC). Tri-County continued the discussion on how we can empower healing for mutual clients with substance use disorders.
2. The new generator was installed at the PETC.
3. More durable and secure furniture was delivered to the PETC. Furniture in the lobby, triage rooms, and day room were replaced.

MH Adult Services

1. The new Psychiatrist, who will work in the Adult Mental Health Outpatient Clinic, is scheduled to begin work August 29th. The last day for our current ETBHN televideo prescriber was August 11th. ETBHN has identified a new prescriber who has begun working with us the week of August 15th.
2. There are two (2) nursing positions currently open in Adult Mental Health Services. Nurse staffing continues to be a challenge.
3. Several staff transitions this month including ACT Case Manager moving into supervisory position (official start August 16th). This will open up an ACT Case Manger position. HR has met with management staff to discuss improvements with recruitment. One noted improvement is the layout of the job postings on Tri-County's website as suggested for potential candidates.
4. Our Intake Team has moved to a 4 day/week "walk in" clinic model and has consequently seen an increase in the number of individuals served in the past month.
5. The funding committee for United Way of the Piney Woods met recently and approved our grant proposal -"Keeping our Futures Bright". We will be able to assist our clients that reside within Walker County with their electric bills during these trying summer months and on into the winter. The caseworkers are working to identify potential clients and will send the referrals to the Rural Clinic Administrator who will screen them for eligibility.
6. All of the new rehab staff in the rural clinics have been trained and are seeing clients.

MH Child Services

1. The Child and Adolescent (C&A) Program has focused on building relationships with schools in preparation for the rest of the school year.
2. Service provision for C&A is challenging in August due to limited access to students during the first week of school and family schedules being filled with Back to School activities and preparation.
3. Child and Adolescent training for new hires was held this first week of school, August 22-26th, since service provision is limited due to school start-up activities.

Criminal Justice Services

1. One (1) individual was admitted into the Outpatient Competency Restoration (OCR) program in July making a total of eleven (11) served so far in FY 2016.
2. There was one (1) Jail Diversion admission in July for a total of nine (9) currently in FY 2016 with 111 assessments completed.
3. TCOOMMI adult caseloads are at 151 individuals and revenue continues to be steady.
4. The Jail Services Liaison assessed 41 individuals in July and coordinated the treatment of 53 others in jail.

Substance Abuse Services

1. The C&A Program Administrator is actively recruiting for two (2) full-time Licensed Chemical Dependency Counselor positions for our Youth Substance Abuse Treatment Program.
2. The Youth Substance Abuse Treatment Program Manager has resigned therefore leaving this program unstaffed; a Licensed Chemical Dependency Counselor from the Adult Program will be helping out part-time to provide services until another Licensed Chemical Dependency Counselor can be hired and trained.
3. The Adult Substance Abuse Program Manager met with Montgomery County Probation on August 16th in an effort to build the relationship and secure future referrals.
4. Youth Substance Abuse Prevention staff is preparing for FY 2017 by having meetings with Conroe ISD to outline and finalize service delivery for the year. They have created a rough draft of a plan for districts in Montgomery, Liberty, and Walker counties, which seeks to cover all service targets for the year.
5. The Youth Substance Abuse Prevention Administrator is working on finalizing hiring for the vacant Specialist position to allow for a start date prior to the beginning of the school year.

IDD Services

1. IDD Authority has begun referring children to Easter Seals, who works in partnership with DARS, to provide Autism Applied Behavior Analysis (ABA) Services. Tri-County has allowed Easter Seals to utilize office space at the Loop for these referrals.
2. IDD Authority is continuing to work on the process for IDD Crisis Respite and the Crisis Intervention Specialist position.
3. Medicaid Auditors reviewed HCS and TxHmL program. This review was to bring us in align with the required audits. We will be audited every 2-3 years max.

Support Services

1. **Quality Management:**
 - a. The Administrator of Utilization and Risk Management is serving as the Adult Needs and Strengths Assessment (ANSA) and the Children's Needs and Strengths Assessment (CANS) Super User for the Center. As a requirement of our Contract with the Department of State Health Services our agency Super User is required to train 40% of practitioners that use the ANSA and CANS by

March 15th and another 40% by September 15th. Trainings are ongoing at this time and will be completed the first week of September.

- b. Staff reviewed and submitted one record request to Amerigroup dating back to January 1, 2015.
 - c. Cenpatico conducted their quarterly site visit on August 19th. Four (4) charts were reviewed in preparation for the visit.
2. **Veteran Affairs:** The inaugural Veterans Appreciation Banquet was held on August 12th. The event recognized the Military Veteran Peer Network (MVPN) mentors and other community agencies that help make the program a success. The banquet's Key Note Speaker was Command Sergeant Major (CSM) William Gainey. CSM Gainey served as the first Chairman for the Joint Chiefs of Staff and is a proponent for mental health needs of Veterans. 100 guests also enjoyed dinner, a presentation of accomplishments, awards, and donated gift bags.
 3. **Intellectual/Developmental Disabilities Planning Network Advisory Committee (IDDPNAC):** The IDDPNAC met on August 10th to discuss Center updates and upcoming community activities. The IDDPNAC discussed the progress on their goal to hold at least one meeting for employers in each local service area to discuss employment needs, and the benefits for hiring individuals with IDD. Through coordination with the DADS Employment Recruitment Specialist, several presentations have taken place throughout the year.

Community Activities

1. The Burnham Golf Tournament was a great success – we will have the final numbers sometime in September.
2. From the Heart meetings have begun with several community sponsors including Exxon and Anadarko.
3. Ashley Taylor made the front page of the Courier for her Military Veteran Peer Network Appreciation banquet. Over 70 people attended the event to show their appreciation for our veterans.

<p>Agenda Item: Annual Election of FY 2017 Board Officers</p> <p>Committee: Executive</p>	<p>Board Meeting Date</p> <p>August 25, 2016</p>
<p>Background Information:</p> <p>The By-laws for the Tri-County Board of Trustees require Board officers to be elected each fiscal year. Cecil McKnight, Chair of the Nominating Committee, will present the slate of officers for election. Members of the Nominating Committee also include Sharon Walker and Jacob Paschal.</p>	
<p>Supporting Documentation:</p> <p>None</p>	
<p>Recommended Action:</p> <p>Elect Officers for FY 2017 Board of Trustees</p>	

<p>Agenda Item: Executive Director’s Annual Evaluation, Compensation and Contract for FY 2017</p> <p>Committee: Executive</p>	<p>Board Meeting Date</p> <p>August 25, 2016</p>
<p>Background Information:</p> <p>Annually, the Board of Trustees reviews the Executive Director’s performance and considers the terms of the contract and annual compensation. Performance evaluation surveys and a FY 2016 Progress Report on goals and objectives were distributed to all Trustees and members of the Management Team. The results of the surveys were compiled by Morris Johnson, Chair of the Evaluation Committee. Richard Duren and Gail Page also served on the Evaluation Committee.</p>	
<p>Supporting Documentation:</p> <p>None</p>	
<p>Recommended Action:</p> <p>Review Executive Director’s Evaluation, Compensation and Contract Extension and Take Appropriate Action</p>	

<p>Agenda Item: Review Revisions to Board By-Laws, Board Policy C.1</p> <p>Committee: Executive</p>	<p>Board Meeting Date</p> <p>August 25, 2016</p>
<p>Background Information:</p> <p>As a part of our process to update Board Policy Statements, staff began reviewing the section of policy related to Board Governance.</p> <p>The first of these policies is the By-Laws of the Board which were last updated in 2010. In addition to formatting, the following changes have been proposed:</p> <ul style="list-style-type: none"> • A section has been added regarding the history of the name of the agency. • References to 'Mental Retardation' were changed to 'Intellectual/Developmental Disability' throughout the policy. • Significant changes were made to Section C regarding Agendas and Meeting Minutes. In Chapter II: Section 2.C.4, we are proposing a change to the requirement for paper versions of minutes and agendas to be kept by the Board. Throughout this section, language from the Texas Open Meetings Act regarding 'certified minutes of executive sessions' has been added. In future policy, there will be a discussion of the mechanism for keeping minutes from executive session going forward. <p>According to Board By-Laws Chapter VI: Section 2, Changing the By-Laws:</p> <ul style="list-style-type: none"> • Any changes in By-Laws must be proposed in written form and presented to the Board at a regular or called meeting. • The proposed changes may be voted on at any subsequent meeting that occurs at least twenty-six (26) days after the proposed changes were first presented to the Board. <p>Changes in blue are from Jackson Walker. All other changes noted in red.</p> <p>The final, amended By-Laws will be on the agenda for approval at the Board meeting on September 22, 2016.</p> <p>Proposed changes to the By-Laws have been reviewed and approved by Jackson Walker.</p>	
<p>Supporting Documentation:</p> <p>Board Policy C.1, By-Laws</p>	
<p>Recommended Action:</p> <p>Review Revisions to Board By-Laws, Board Policy C.1</p>	

TRI-COUNTY BEHAVIORAL HEALTHCARE

STATEMENT OF POLICY

Patti Atkins, Chair

August 25, 2016

Date

ORIGINAL EFFECTIVE DATE: June 29, 1995

REVISION DATE(S): August 21, 1997; July 22, 2010; August 25, 2016

SUBJECT: By-Laws

CHAPTER I: PURPOSES

- I. Sponsoring Agencies – The Commissioner’s Courts of Liberty, Montgomery, and Walker Counties, as local agencies, have established **Tri-County Behavioral Healthcare (“Tri-County” or “Center”)** as a community mental health and intellectual/developmental disabilities center to provide a vital component in a continuum of services for persons in its service area who have mental illness or **intellectual/developmental disabilities**.
- II. Center Name – **The Center was originally established 1983 as Tri-County Mental Health Mental Retardation Services. In 2010, Tri-County assumed the ‘doing business as’ name of Tri-County Services and operated the Center under this d/b/a until November of 2014, when they received permission from all three Commissioner’s Courts to officially change their name to Tri-County Behavioral Healthcare. Subsequent to this approval, the name change to Tri-County Behavioral Healthcare was formally recorded in all three counties in February of 2015.**
- III. Goal – The goal of such comprehensive mental health, intellectual and developmental disabilities, and substance addiction programs shall be services which are adequate as to quantity, quality, scope, availability, and accessibility for the Center’s service area. The Center shall plan, coordinate, develop policies, develop and allocate resources, supervise and ensure the provision of community services.
- IV. Reporting – To facilitate the goal of such comprehensive services, cooperative efforts of each county, other governmental agencies, individual practitioners, associations of professional disciplines, and citizen representatives shall be utilized. The Center shall report annually to the three (3) Commissioners Courts as provided by Section 534.014 of the Texas Health and Safety Code.

- V. Authority – Tri-County shall operate as a Community Mental Health and ~~Mental Retardation~~ **Intellectual/Developmental Disability** Center as authorized by Section 534.001 of the Texas Health and Safety Code and in accordance with the rules and regulations of the Texas Department of Aging and Disability Services and the Texas Department of ~~State Health Services~~ **Health and Human Services and their successor agencies.**

CHAPTER II: BOARD OF TRUSTEES

I. Membership

A. Appointment of Members

- 1. The Board of Trustees of Tri-County (“Board”) shall be comprised of nine members (Section 534.003 Health and Safety Code). The Commissioner’s Court of each county shall appoint, in compliance with Section 534.004 of the Texas Health and Safety Code, three Board members from the qualified voters in their counties. The Board members so appointed shall serve staggered terms. All appointments will be for a term of two (2) years or until their successors are appointed.
- 2. The following county appointments for Trustees shall be used:

Liberty County

Place 1

Place 2 & 3

Three Representatives

Term expires September 1, 1995 and thereafter in odd numbered years

Term expires September 1, 1996 and thereafter in even numbered years

Montgomery County

Place 4

Place 5 & 6

Three Representatives

Term expires September 1, 1995 and thereafter in odd numbered years

Term expires September 1, 1996 and thereafter in even numbered years

Walker County

Place 7

Place 8 & 9

Three Representatives

Term expires September 1, 1995 and thereafter in odd numbered years

Term expires September 1, 1996 and thereafter in even numbered years

B. Vacancies

- 1. A vacancy ~~ef~~ **on** the Board shall be filled by the appropriate Commissioner’s Court for the unexpired portion of the term.

2. Any member who does not attend 75% of the scheduled Board meetings, within the preceding twelve months, without excused absences, shall receive recommendation of termination from the Board; at which time, the appointing Commissioner’s Court may replace such trustees by action of the Commissioner’s Court.
- C. Excused Absences – ~~Excused absences are those a~~ Absences approved by a majority of a quorum of the Board **are considered to be excused.**
- D. Orientation and Continuing Education – The Board will maintain a program for orientation of new Board members and continuing education for all Board members consistent with Section 534.006 Health and Safety Code.
- E. Prohibited Activities
1. Violation of Laws – A Board Member shall not violate any law relating to his or her office (Section 39.10 Texas Penal Code).
 2. Conflicting Interests
 - a. Board Members may serve on other boards separate and apart from Tri-County and such is not determined a conflict of interest. Board of Trustee members should abstain from voting on any matter which directly or indirectly relates to contracts or reimbursement to or from Tri-County, or any matter which relates to interrelated issues of the two (2) boards. Such abstentions should be duly noted in the Board minutes.
 - b. A Board Member shall abstain from a Board decision to contract with any entity having on its board a person related in the first degree by consanguinity (blood) or affinity (marriage) to a member of the Board of the Center.
 - c. A Board Member shall abstain from a Board decision to contract with any entity that may provide services to a person related in the first degree by consanguinity (blood) or affinity (marriage) to a member of the Board of the Center.
 - d. A Board Member shall not act as surety for a business entity that has work, business, or a contract with the Center (171.003 Local Government Code).
 - e. A Board Member shall not act as surety on any official bond required of an officer of the Center (171.003 Local Government Code).
 - f. A Board Member shall not rely on official information to acquire or assist another person in acquiring a financial interest in a transaction that may be affected by the information; a Board Member shall not speculate or assist another person in speculating on the basis of official information (39.03 Texas Penal Code).

3. Conflicting Professional Practices
 - a. No Board Member shall be reimbursed for services to consumers referred to his or her private practice by the Center. (Texas Attorney General’s Opinion M-340)
 - b. [As a local public official, each Board Member shall uphold the member's position of public trust by meeting and maintaining the applicable qualifications for membership and by complying with the applicable requirements relating to conflicts of interest.](#) (Section 534.0065 Health and Safety Code).
 - c. No Board Member shall be allowed use of the Center’s facilities free of charge for the purpose of conducting a private practice. Any agreement whereby a Board Member leases property from the Center shall be discussed and voted on by the Board in an open meeting.
 - d. No Board Member shall use his or her unique access to the Center to recruit or build private practice clientele.
 4. Personal Benefit by Board Members
 - a. A Board Member shall not solicit, accept, nor agree to accept from another person: 1) any benefit in return for the Board Member’s decision, opinion, recommendation, vote, or other exercise of discretion as a public servant or (Section 534.0065 Health and Safety Code); or 2) any benefit in return for a violation of a duty imposed by law (Section 36.02, Texas Penal Code).
 - b. A Board Member shall not solicit, accept, nor agree to accept any benefit from a person the Board Member knows is interested or is likely to become interested in contract, purchase, payment, claim, or transaction involving the exercise of the Board Member’s discretion (Section 36.08, Texas Penal Code).
 - c. A Board Member shall not receive any benefit for referral of consumers to the Center or to other service providers.
 - d. A Board Member shall not misapply anything of value belonging to the government that has come into his or her possession by virtue of his or her office (Section 39.01, Texas Penal Code).
- F. Nepotism
1. No Board Member shall appoint or vote for or confirm the appointment of any person related to himself or herself, or to any other Board Member, by affinity (marriage) within the second degree or by consanguinity (blood) within the third degree, to any office or position of employment with the Center paid for directly or indirectly from public funds. (Section 534.0065 Health and Safety Code)
 2. An employee of the Center who is related to a Board Member in the prohibited manner described above may continue to be employed if he or she was employed by the Center at least thirty (30) days prior to the appointment of the Board Member. If the individual has been employed by the Center for less than

thirty (30) days when his or her relative is appointed to the Board, either the employee or the Board Member must resign.

3. When a relative of a Board Member is allowed to continue employment within the provisions outlined above, the Board Member must not participate in deliberation or voting on any issues specific to that employee unless such issues affect an entire class or category of employees (Health and Safety Code 534.0115).

G. A Trustee may be removed from office for any of the following reasons:

1. Conviction of a felony or crime of moral turpitude;
2. Breach of fiduciary duty;
3. Behavior that is detrimental to the goals of the Center;
4. Violation of any provision of the Texas Health and Safety Code, §534.0065; or
5. At the discretion of the appointing Commissioners' Court, for other cause.

II. Organization

A. Officers – The Board shall select from its membership a Chair, Vice-Chair, and Secretary to hold office for one (1) year or until his or her successor is elected. The officers shall have the following duties and authority:

1. Board Chair
 - a. The Board Chair shall be the principal spokesperson and representative of the Center and the Board.
 - b. The Board Chair shall preside at all Board meetings and meetings of the Executive Committee and may sign, with the Secretary or any other designated individual authorized by the Board, all contracts, agreements and documents which the Board has authorized. The Board Chair shall call special meetings of the Board as necessary and shall perform such duties as may be from time to time prescribed by the Board.
 - c. The Board Chair shall be, as all officers, subject to the control of the Board in all things.
2. Vice-Chair – The Vice-Chair shall perform all duties of the Board Chair in the absence, inability, or upon refusal to act of the Board Chair.
3. Secretary – The Secretary shall keep, or cause to be kept, the Minutes of the Board and perform all other duties usually incident to that office.
4. Removal and Vacancy
 - a. A vacancy in office shall exist upon the removal, death or resignation of an officer.
 - b. An officer may resign his or her office by submitting his or her resignation in writing to the Chair or Secretary and shall be effective upon acceptance by the Board. Any officer may resign his or her office without resigning from the Board.
 - c. Any officer may be removed from office upon a vote of five members of the Board.

- d. When a vacancy in office occurs a special election for that office will be held at the next regular or specially called meeting of the Board.
 - 5. Election of Officers
 - a. Elections will be held in August or as soon as possible thereafter.
 - b. A special election may be called prior to the end of any term if a total five Board Members approve of such special election. The terms of such specially elected officers will then coincide and terminate with the terms of the prior officeholders.
- B. Meetings
- 1. The Board shall meet as often as necessary to transact and conduct business of the Center, but shall hold a minimum of six (6) meetings within any one fiscal year conducted at a time and place that makes the meeting accessible to the public. Over fifty percent of the filled Board positions shall constitute a quorum. All meetings shall be conducted in accordance with the Texas Open Meeting Laws and the public shall be invited to attend unless closed meetings are allowed as provided by [Subchapter D of the Texas Open Meetings Act. Article 6252-17 of Vernon's Annotated Civil Statutes](#), or as specifically permitted in the Constitution of the State of Texas. The Board Chair may conduct the meetings in compliance with Robert's Rules of Order.
 - 2. Special Meetings – The Board Chair may call special meetings at any time.
- C. Agendas and Meeting Minutes
- 1. Agendas for Board and Committee meetings will be established by the Chair and Executive Director and shall be posted as provided by the Texas Open Meeting Act. Those materials necessary for adequate consideration and action of agenda items will be distributed to all Board Members sufficiently ahead of time to allow members to prepare for the meetings. **A copy of each posted agenda will be kept indefinitely in compliance with the Texas Open Meetings Act.**
 - 2. Written minutes shall be kept of all meetings of the Board **in compliance with Section 551.021 of the Texas Open Meetings Act. The minutes must: 1) state the subject of each deliberation; and 2) indicate each vote, order, decision or other action taken.**
 - 3. **In compliance with Section 551.022 of the Texas Open Meetings Act, the minutes of an open meeting are public records and shall be available for public inspection and copying on request to the Center's Executive Director.**
 - 4. **Approved Board meeting minutes, meeting agenda, and board materials distributed prior to the meeting shall be maintained indefinitely. An electronic image of the signed minutes, agenda and the board materials shall be maintained as the original. Paper copies will not be maintained. Electronic document storage will be updated periodically to ensure that signed minutes, agendas and board materials are available for public inspection. Minutes and Agendas will be shall be bound and maintained in a safe place.**

5. Copies of the agenda and meeting minutes will be provided to each of the County Commissioner's Courts. Copies of the approved minutes of Board meetings will be distributed to officials of the Texas Department of Aging and Disability Services and the Texas Department of Health and Human Services or their successor agencies State Health Services in Austin, Texas, upon request.
6. In compliance with Section 551.104 of the Texas Open Meetings Act, a certified agenda of any closed meeting shall be maintained for two years after the date of the meeting. The certified agenda of a closed meeting will be destroyed two years after the meeting, unless an action involving the closed meeting is brought within the two year period of time. If such an action is pending the certified agenda of the meeting shall be preserved. No certified agenda of a closed meeting is available for public inspection without a court order as authorized by Section 551.104(b)(3).

D. Committees

1. Standing Committees
 - a. The Board will use a committee structure to conduct major portions of work. Each Board Member will serve on at least one (1) committee and appointments may be changed as necessary.
 - b. Standing committees of the Board will consist of the following: Executive Committee; Business Committee; and Program Committee.
2. Purpose
 - a. Board committees operate as a part of the Board and do not independently function for the Board.
 - b. Committees serve as specific functionaries of the Board.
3. Appointments
 - a. At any time the Board Chair will be responsible for making committee appointments including the appointment of a Chair for such committees. The Board Chair may from time to time find the need for ad hoc committees which may be appointed by the Board Chair for a specific task and period of duration.
 - b. The appointment of committees shall not relieve the Board of its responsibility and accountability. No act of a committee shall be effective or binding upon the Board unless ratified by the Board.
4. Duties – The duties of the aforementioned committees are generally outlined (but not limited to) the following:
 - a. Executive Committee – The Board Officers (including the Chair, Vice-Chair, and Secretary) will make up this Committee. The Board Chair will chair the committee and will call meetings as deemed necessary. Such matters will generally relate to the administration of Tri-County including personnel.
 - b. Business Committee – This committee will in general review those matters pertaining to business operations of Tri-County which might include some detail of financial reports, cash flow matters, business

policies, real estate, etc. The Business Committee will consist of not more than four (4) Board Members appointed by the Board Chair.

- c. Program Committee – This committee will in general review those matters pertaining to program operations of Tri-County. Such reviews might include some detail of monthly program reports, community relations; special needs to be addressed by center programs, etc. The Program Committee will consist of not more than four (4) Board Members appointed by the Board Chair.

III. Functions

- A. Responsibilities – (a) The Board is responsible for the effective administration of the community center. (Section 534.008 Health and Safety Code).
- B. Policies – The Board shall make policies that are consistent with the Texas Department of Aging and Disability Services and the Texas Department of Health and Human State Health Services’ rules and standards (Section 534.008 Health and Safety Code).
- C. Authority – The Board may discharge its responsibility by exercising its authority consistent with the provision of the Health and Safety Code Chapter 534. The Board shall establish, periodically review, and modify as necessary, personnel policies. For this purpose the Executive Director shall submit proposed policies to the appropriate Committee of the Board which shall review and recommend personnel policies to the Board.

CHAPTER III: EXECUTIVE DIRECTOR AND PERSONNEL

- I. Selection – The Board shall appoint the Executive Director for the Center.
- II. Qualifications – The Executive Director shall be a professionally trained person, qualified to administer a comprehensive mental health and intellectual and developmental disabilities program.
- III. Duties – The Executive Director:
 - A. Shall provide the necessary staff services to the Board, attend meetings of the Board, and shall be responsible for the programs of the Board.
 - B. Shall be responsible for the day to day operations of the Center and the implementation of Board policy.

- C. Subject to the policies of the Board, shall be responsible for the selecting, hiring, training, assigning or dismissal of personnel for the administration of services and programs.
- D. Subject to the policies of the Board, may delegate responsibilities to his or her immediate administrative staff or other Services personnel.
- E. Shall attend meetings of Advisory Committees or shall delegate this responsibility to a member of the ~~Leadership~~ **Management** Team.

CHAPTER IV: ADVISORY COMMITTEES

- I. Creation – The Board may appoint advisory committees to advise that body, or other appropriate groups dealing with the planning, provision, and administration of mental health and intellectual and developmental disabilities services. These advisory committees should represent a broad spectrum of community interest.

CHAPTER V: DISSOLUTION

- I. Distribution of Assets – Upon dissolution of the Center any and all assets, of both a real and personal nature, shall revert back to the sponsoring agencies (i.e., Commissioner’s Courts of Liberty, Montgomery and Walker Counties) for exclusive public use or other charitable purposes.

CHAPTER VI: CHANGE OF BY-LAWS

- I. Review of the By-Laws – The Board of Trustees shall from time to time review and amend these By-Laws, if indicated.
- II. Changing the By-Laws
 - A. Any changes in By-Laws must be proposed in written form and presented to the Board at a regular or called meeting.
 - B. The proposed changes may be voted on at any subsequent meeting that occurs at least twenty-six (26) days after the proposed changes were first presented to the Board.
 - C. The Board shall adopt any changes to the By-Laws by majority vote of a duly constituted quorum.

Agenda Item: Personnel Report for July 2016	Board Meeting Date August 25, 2016
Committee: Executive	
Background Information: None	
Supporting Documentation: Personnel Report for July 2016	
Recommended Action: For Information Only	

Personnel Report July 2016

Total Applications received in July = 601

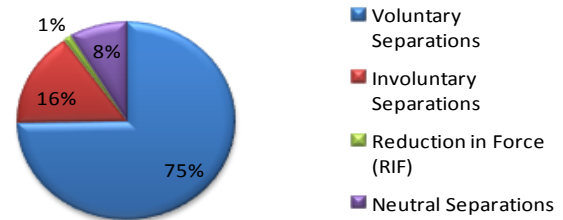
Total New Hires for the month of July = 7

Total New Hires Year to Date = 86

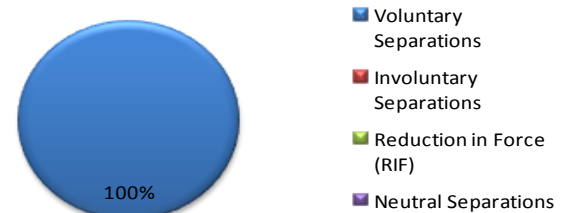
Jul-16	FY16	FY15
Number of Active Employees	326	331
Number of Monthly Separations	11	12
Number of Separations YTD	83	82
Year to Date Turnover Rate	25%	25%
May/July Turnover	3%	4%

Separations by Reason	July Separations	Year to Date
Retired	0	0
Involuntarily Terminated	0	13
Neutral Termination	0	7
Dissatisfied	0	1
Lack of Support from Administration	0	1
Micro-managing supervisor	0	0
Lack of growth opportunities/recognition	0	0
Difficulty learning new job	0	0
Co-workers	0	0
Work Related Stress/Environment	0	2
RIF	0	1
Deceased	0	0
Pay	0	0
Health	0	1
Family	1	6
Relocation	2	10
School	2	2
Personal	2	5
Unknown	0	3
New Job	4	31
Total Separations	11	83

Year to Date Voluntary, Involuntary, RIF and Neutral Separations

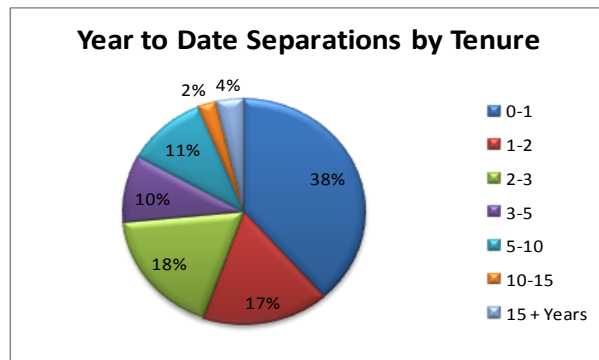
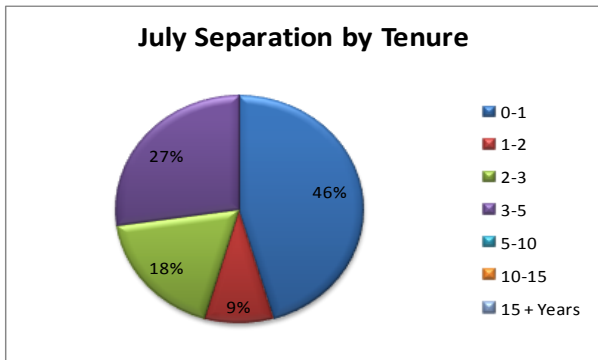


July Voluntary, Involuntary, RIF and Neutral Separations



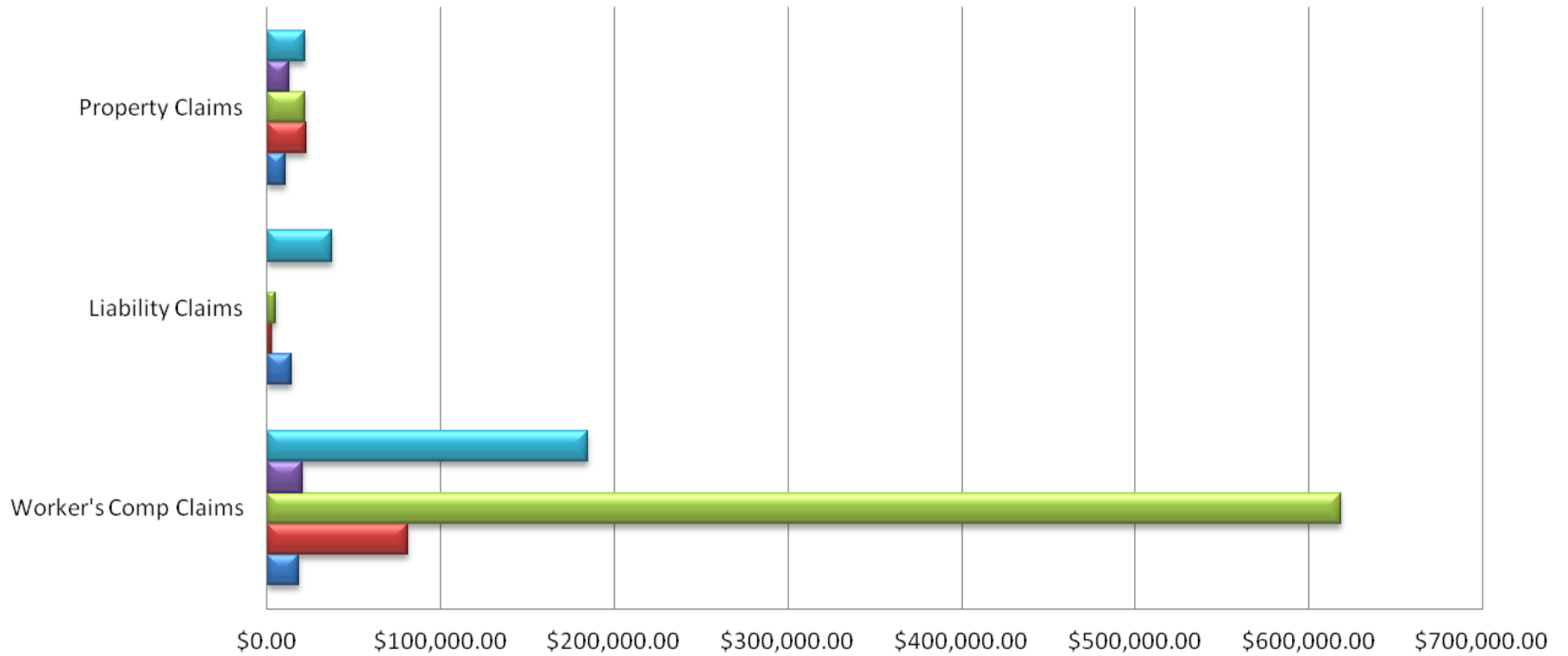
Management Team	# of Employees	Monthly Separations	Year to Date Separations	% July	% YTD
Evan Roberson	15	0	1	0%	7%
Millie McDuffey	44	0	6	0%	14%
Amy Foerster	7	0	1	0%	14%
Tanya Bryant	7	1	2	14%	29%
Annette Adams	127	4	39	3%	31%
Breanna Robertson	49	3	21	6%	43%
Kelly Shropshire	29	3	8	10%	28%
Kathy Foster	38	0	4	0%	11%
Kenneth Barfield	10	0	1	0%	10%
Total	326	11	83		

Separation by EEO Category	# of Employees	Monthly Separations	Year to Date	% July	% Year to Date
Supervisors & Managers	24	0	2	0%	8%
Medical (MD,DO, LVN, RN, APN, PA, Psychologist)	30	2	14	7%	47%
Professionals (QMHP)	91	3	30	3%	33%
Professionals (QIDP)	24	3	9	13%	38%
Licensed Staff (LCDC, LPC...)	20	0	3	0%	15%
Business Services (Accounting)	10	0	1	0%	10%
Central Administration (HR, IT, Executive Director)	25	0	3	0%	12%
Program Support(Financial Counselors, QA, Training, Med. Records)	36	1	9	3%	25%
Nurse Technicians/Aides	19	2	6	11%	32%
Service/Maintenance	21	0	2	0%	10%
Direct Care (HCS, Respite, Life Skills)	26	0	4	0%	15%
Total	326	11	83		



<p>Agenda Item: Texas Council Risk Management Fund Claims Summary for July 2016</p> <p>Committee: Executive</p>	<p>Board Meeting Date</p> <p>August 25, 2016</p>
<p>Background Information:</p> <p>None</p>	
<p>Supporting Documentation:</p> <p>Texas Council Risk Management Fund Claims Summary for July 2016</p>	
<p>Recommended Action:</p> <p>For Information Only</p>	

TCRMF Claims Summary July 2016



	Worker's Comp Claims	Liability Claims	Property Claims
2012	\$184,536.00	\$37,206.00	\$21,595.00
2013	\$20,263.00	\$0.00	\$12,869.00
2014	\$618,762.00	\$5,295.00	\$21,931.00
2015	\$81,039.00	\$2,556.00	\$22,505.00
2016	\$18,591.00	\$14,413.00	\$10,899.00

<p>Agenda Item: Texas Council Quarterly Board Meeting Update</p> <p>Committee: Executive</p>	<p>Board Meeting Date</p> <p>August 25, 2016</p>
<p>Background Information:</p> <p>The Texas Council has requested that Center representatives give updates to Trustees regarding their quarterly Board meeting. A verbal update will be given by Sharon Walker.</p>	
<p>Supporting Documentation:</p> <p>Texas Council Staff Report</p>	
<p>Recommended Action:</p> <p>For Information Only</p>	



Texas Council
of Community Centers

**Texas Council Report
Quarterly Meeting
AUGUST 2016**

Table of Contents

CEO REPORT	3
HEALTHCARE POLICY UPDATE	18
Healthcare Transformation and Quality Improvement Program: 1115 Waiver	18
Healthcare Opportunities Workgroup (HOW)	19
Performance & Outcome Measurement in a Modern Healthcare System	21
Certified Community Behavioral Health Clinics: SAMHSA Grant.....	22
Managed Care Workgroup and Steering Committee.....	23
Upcoming Managed Care Procurements.....	25
Medicaid Managed Care Rules	25
Network Access Improvement Program (NAIP).....	26
Medicaid Provider Re-enrollment.....	26
Telemedicine and Telehealth Survey	27
Transition Medicine.....	27
Meadows Mental Health Policy Institute	28
MENTAL HEALTH AND SUBSTANCE USE DISORDERS UPDATE	29
MCOT and COPSD Reporting	29
Charges Rule	30
Local Mental Health Authority Responsibilities Rule (Informal Comment).....	30
Veterans.....	30
Disaster Behavioral Health.....	31
Peer Opportunities.....	31
Advisory Committees	32
Mental Health First Aid.....	34
Crisis Services	35
Home and Community Based Services.....	37
Behavioral Health Integration Report	37
First Episode Psychosis	39
Children’s Mental Health.....	39
Substance Use Disorders	43
INTELLECTUAL AND DEVELOPMENTAL DISABILITIES UPDATE	43
Overview of Significant IDD Issues	43
Redesign of IDD Services and Supports: FY2014-15/FY2015-16	46
Community First Choice.....	48
PASRR and Related Local IDD Authority Responsibilities	49
DADS Money Follows the Person (MFP) Proposal: Overview.....	53
Transition Support Teams: 8 Regions & LIDDA Hubs	54
Medicaid Home and Community-based Settings Requirements	54
Early Childhood Intervention (ECI): Funding Issues and Other Updates	58
Administrative Penalties for HCS and TxHmL Providers (Proposed).....	60
Texas Achieving a Better Life Experience (ABLE) Act	60
Department of Labor Overtime Rules: Time-Limited Non-Enforcement Policy	61

Chief Executive Officer Report

Engagement Highlights

Since the May 14, 2016 board meeting, the Texas Council engaged in a number of key initiatives and priorities, including:

- Negotiations and meetings with state officials and legislative offices relating to: 1115 Transformation Waiver; Managed Care; Certified Community Behavioral Health Clinics (CCBHC) SAMHSA Grant; Network Access Improvement Program (NAIP); HCBS MH – Adult Program; Local Authority IDD Performance Contract Targets and Access functions; Local Authority IDD Service Coordination; PASRR and related Local Authority responsibilities; Local Authority Crisis Intervention Funds; SB7 (Community First Choice - IDD Future Service System); SB 133 Mental Health First Aid and SB 1507 MH Access to Care; HHSC Reorganization; Interim Charges including MH Select Committee; DEA/Telemedicine; Early Childhood Intervention (ECI).
- Meetings with advocacy organizations and other associations, including Meadows Mental Health Policy Institute (MMHPI); Texas Hospital Association; Association of Substance Addictions Providers (ASAP); Conference of Urban Counties and Texas Association of Counties; Healthy Minds Coalition; Private Providers Association of Texas (PPAT); Providers Association for Community Services of Texas (PACSTX); Texas Developmental Disabilities Council (DD Council); and The Arc of Texas.

Drug Enforcement Agency (DEA) & Telemedicine

DEA officials in some areas of the state cited certain Community Center telemedicine practices as being out of compliance with Drug Enforcement Agency (DEA) controlled substance requirements—potentially placing significant limitations on the current use of telemedicine for both child and adult mental health services.

In a mutual effort to resolve the issue, the Texas Council legal counsel, along with ETBHN and other Center representatives met with DEA officials on June 24, 2014. As a result of this meeting, agreement was reached to move forward with a clinic registration process that involves both Department of Public Safety (DPS) and the DEA. This registration was determined necessary to recognize the practice of telemedicine as being exempt from additional DEA requirements related to prescribing controlled substances.

However, despite months of negotiations with DPS, DEA and HHSC, numerous attempts over many months to navigate clinic registration applications through the DEA were not successful.

In addition to the effort to address this issue at the state level, efforts by other stakeholders have been underway at the Federal level to direct the DEA to issue interim rules that would favorably address the problem created by DEA regulatory action in Texas related to the Ryan Haight Act. Texas Council legal counsel has engaged in discussions with various parties involved in this process and submitted information regarding Community Centers.

On July 22, 2015 the Texas Council released a communication to report positive action by the DEA as a result of the work of Dr. Avrim Fishkind, CEO of JSA Health Tele-psychiatry. Dr. Fishkind engaged at the federal level to urge the DEA to move forward with regulations to *permit special registration for circumstances in which the prescribing practitioners might be unable to satisfy the Act's in-person medical evaluation requirement yet nonetheless has sufficient medical information to prescribe a controlled substance for a legitimate medical purpose in the usual course of professional practice.*

Link to U.S. General Services Administration post reflecting DEA intent to amend the registration requirements to permit such a special registration:

<http://www.reginfo.gov/public/do/eAgendaViewRule?pubId=201504&RIN=1117-AB40>

Although this action by the DEA provides no certainty regarding resolution of this issue it does reflect an important step forward regarding DEA's intent to resolve this issue for legitimate tele-medicine practices. In many of areas of the state psychiatric tele-medicine practices have resumed. Every provider of tele-medicine must make their own assessment of current circumstances and previous statements by DEA officials (in meetings with state officials) that they do not have plans to single out Texas telemedicine providers for enforcement or audit activities.

On March 19, 2016, the Texas Council and Dr. Mark Janes joined a conference call with the National Council policy leadership team and DEA officials to discuss the Texas experience with tele-medicine, the limitations created by application of Ryan Haight Act on tele-medicine, our efforts to register the Texas CMHC Clinics and the DEA rulemaking process for special registration currently underway. During that conference call DEA officials offered to review the Texas situation and consider the possibility the DEA could register our clinics under existing DEA authority. Follow-up information has been submitted to the DEA by National Council legal consultants.

On June 20, 2016, the Acting Chief of Liaison and Policy Section, Office of Diversion, contacted the Texas Council to advise they had completed their review of the documents submitted by the Texas Council through the National Council. He indicated DEA would issue registrations for sites if they received a letter from DSHS stating the Centers request are exempt from state licensure and recognized as a hospital or clinic with controlled substance authority. This information was submitted to HHSC and subsequent communications have been taking place between DSHS legal counsel and the DEA.

We recognize this issue seriously threatens the ability of Community Centers to provide critical mental health services and will continue seeking resolution.

HB 910 (Open Carry)

Passage of HB 910 by the 84th Legislature, relating to the authority of a person who is licensed to carry a handgun continues to generate intense discussion throughout the state, including its impact on Community Center facilities, State Hospitals and State Supported Living Centers. The Texas Council Risk Management Fund and the Texas Council provided training focused on the best interpretations of the law and exceptions that do, do not, or could potentially apply to Community Centers. HHSC has taken the position that persons cannot be denied services if they are lawfully carrying a gun on premise. The apparent inability of Community Center clinics and other service delivery sites to post blanket prohibitions for people to openly or concealed carry continues to raise concerns at the local level.

As expressed by the Texas Council to the media, many doctors, counselors and therapists are uneasy about allowing visitors to carry guns and worry it could make patients feel less safe. This issue will be deliberated by the ED Consortium and the Texas Council Board of Directors as a potential legislative priority for the 85th Legislative Session.

SB 1507 (Forensic Director, Regional Allocation of Inpatient Beds, Local Utilization Review Protocol, Training for Judges and Attorneys and OSAR)

As you are aware, Senate Bill (SB) 1507 by Garcia, establishes a **Forensic Director position** within DSHS to coordinate programs, provide oversight and improve statewide forensic mental health services. The bill also includes provisions from the DSHS Sunset developed by the Texas Council and Texas Conference of Urban Counties related to **regional allocation of inpatient mental health beds**.

In conjunction with DSHS and HHSC, the former HB 3793 (83rd R) advisory panel members (now called the Joint Committee on Access and Forensic Services [JCAFS]) will develop a new bed day allocation methodology based on identification and evaluation of factors that impact the use of state-funded beds including acuity, prevalence of serious mental illness and the availability of resources in each region. In addition, the JCAFS must develop a comprehensive plan for forensic mental health services that takes in to consideration the following areas:

- Emergency services
- Law enforcement
- Post arrest diversion programs
- Services following initial court hearings
- Re-entry and other community-based services and supports

To date, JCAFS has made recommendations to revise the State Hospital Bed Day Allocation Methodology as follows:

1. Maintain the current exclusions for maximum security beds and residential adolescent beds.
2. Update the current bed day allocation methodology to allocate beds based on the poverty-weighted population, which gives double weight to the population with incomes at or below 200 percent of the Federal Poverty Level (FPL):
$$\text{Poverty-weighted Population} = \text{Total Population} + \text{Population} \leq 200\% \text{ FPL}$$
3. Continue to evaluate the utility and potential impact of incorporating factors related to acuity and the availability of local resources.
4. Use the bed day allocation as a metric for analyzing bed day utilization, but do not impose a sanction, penalty, or fine on a local authority for using more than the allocated number of hospital bed days.

The focus of JCAFS efforts has shifted to developing the comprehensive plan for forensic services. Draft recommendations for additional resources are focused on:

1. Inpatient Hospital Bed Capacity
2. Diversion: Emergency Services, Law Enforcement & Post-arrest
3. Re-entry and Community Services and Supports (Treatment)

Texas Council representatives on JCAFS are Dr. Steve Schnee, Executive Director, Harris Center for MH and IDD and Shelley Smith, Chief Executive Officer, West Texas Centers.

We will continue to keep you informed as the JCAFS process progresses.

Key Dates

- HHSC appointed workgroup – appointed by November 1, 2015
- Develop a comprehensive plan – not later than July 1, 2016
- Initial Advisory Panel Recommendations – March 1, 2016
- Executive Commissioner approves allocation methodology & review protocol – June 1, 2016
- Updating Allocation Methodology – not later than December 1st of even numbered years

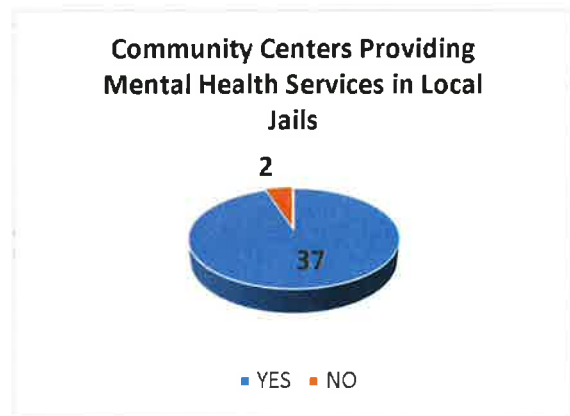
Additional information is available at: <https://www.dshs.state.tx.us/mhsa/SB1507/SB-1507.aspx>

Legislative Budget Board Review: LMHA / Local Jail Interface Survey

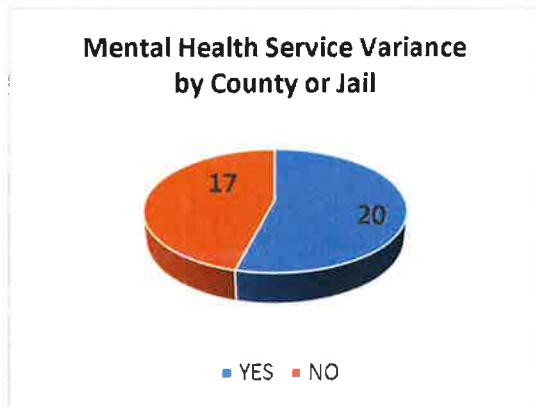
In response to questions from the Legislative Budget Board (LBB), the Texas Council conducted a survey on mental health services provided to jail inmates by Local Mental Health Authorities (LMHAs). All 39 Community Centers responded to the July 2016 survey, including the 37 Centers that serve as LMHAs.

Survey Response Highlights

All 37 LMHAs partner with local jails to provide mental health services. The two Community Centers that do not provide mental health services in jails, Metrocare Services and LifePath Systems, are both in the NorthSTAR service area and are not currently LMHAs. In the Metrocare catchment area, the Parkland Hospital District provides mental health services to the Dallas County Jail. Although LifePath does not provide service in the jail setting, it coordinates with community partners to help inmates with mental health issues.



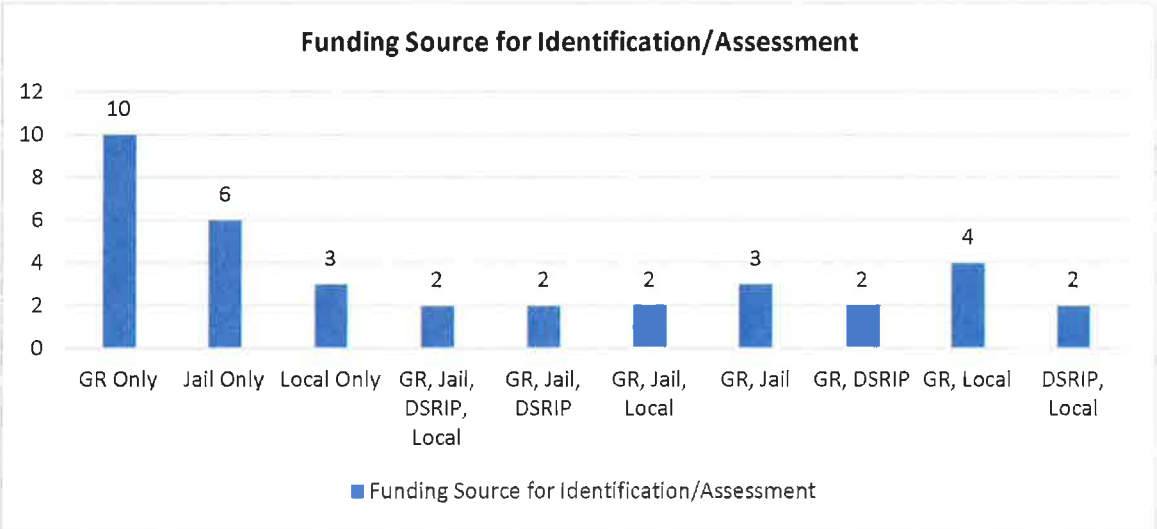
A majority of Community Centers (54% of respondents) indicate that the amount and type of services vary significantly by jail, generally based on differences in geographic location, resources, and service needs. Several Centers identify varied approaches to the use of technology to provide services (tele-psychiatry vs. in-person visits), service setting (jail vs. Center), and staffing (provider housed inside or outside of the jail).



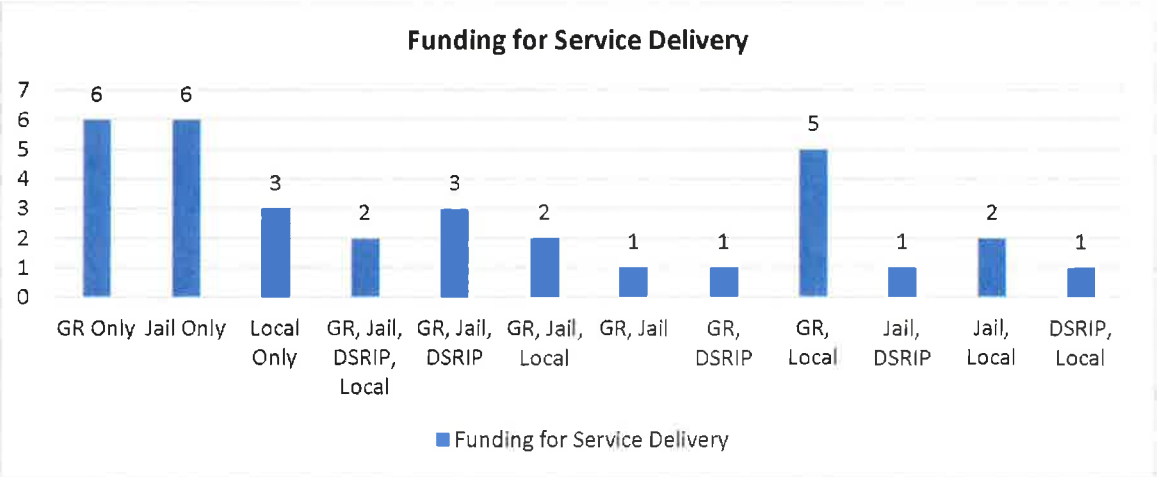
Community Centers engage people with mental illness in all stages of the incarceration process. Some Centers deploy Mobile Crisis Outreach Teams (MCOT) that help divert individuals with mental health conditions from jails. Although some jails use in-house psychiatrists, many contract with Centers for mental health screening, assessment, medication management, case management, treatment, crisis, competency restoration, and other services.

Although a few Centers report supplying psychiatric medications, especially for inmates with established treatment histories with the Center, most note that jails cover medication costs. Finally, the Texas Correctional Office on Offenders with Medical or Mental Impairments (TCOOMMI) program provides continuity of care for inmates upon release throughout the state.

Most Community Centers rely on State General Revenue (GR) funds, or a combination of GR and other funds, to identify mental illness and assess service needs for inmates (69% of the 36 LMHAs responding to this question). The remaining respondents use money generated by contracts with jails (17%), grants and other local funds (8%), or a combination of local funds and 1115 Waiver Delivery System Reform Incentive Payment (DSRIP) payments (6%).



A majority of respondents rely on GR only, or a combination of GR and other funds, to deliver mental health services in jails (61% of the 33 LMHA responses). Others use funds from jail contracts (18%), or a combination of jail and local or DSRIP dollars (9%). Finally, a few Centers rely solely on local dollars (9%), or a combination of local and DSRIP funds (3%).



Across the board, Community Centers emphasize the need for frequent and open communication with local jails, judges, and District Attorneys. Clearly-defined roles, responsibilities, and financial arrangements help promote positive relationships. Many Centers note that mental health training is key to helping law enforcement staff recognize mental health issues and divert people to appropriate treatment settings. Several Centers report that

telemedicine technology helps increase access to mental health services, particularly in rural areas.

The most commonly-cited barriers to mental health care in jails include:

- lack of sufficient funding and resources;
- inconsistent screening processes; and
- the need for more mental health education.

Community Centers consistently note that more funding is needed to strengthen the mental health systems inside and outside of jails. Many identify a need for additional and on-site staffing of mental health providers and telemedicine technology to expand access to assessments and services.

Another common theme is the need for additional funding to promote jail diversion strategies. These strategies help ensure that individuals with severe mental illness are served in the most appropriate, least-restrictive setting.

Centers also identify a need for additional “wrap services,” such as housing, counseling, case management, medication, and skills training. All of these community supports are effective tools in preventing repeat offenses and reducing recidivism.

Many Centers emphasize the need for collaboration with local jails, hospitals, and communities, as well as law enforcement trainings to help recognize mental health issues. Finally, several Centers call for streamlined reporting and more accurate data tracking systems.

NOTE: The Texas Council will release a communication to the field with a summary document that provides additional details from responses received.

State Budget FY2016-17

On June 30, 2016, the Governor, LT. Governor and Speaker of the House released state agency Legislative Appropriations Request (LAR) instructions for FY 2018-2019 biennium.

The instructions direct state agencies to reduce base budget requests by 4%. However, the following select priorities are exempt from this directive:

- Behavioral health services programs
- Child Protective Services (CPS)
- Benefits and eligibility for Medicaid programs (base budget request to include case load growth)
- Children's Health Insurance Program (CHIP)
- Foster care program
- Adoption subsidies and permanency care assistance programs

The full policy letter is available at the following link:

http://gov.texas.gov/files/press-office/BudgetLetter_06302016.pdf

As you will note, the LAR instructions indicate a recognition that cutting funds in certain areas would be detrimental to needed advances in service delivery for vulnerable populations. As the LAR process moves forwards it will be necessary to not only thank legislators for the continued recognition of unmet mental health needs across the state, but to draw their attention to unmet needs for people with intellectual disabilities.

NEXT STEPS

Select state agencies are scheduled to submit LARs as follows:

August 5, 2016

Commission on Jail Standards
Office of Court Administration, Texas Judicial Council
Department of Housing and Community Affairs

August 12, 2016

Veterans Commission
Texas Workforce Commission

August 19, 2016

Department of Family and Protective Services
Department of State Health Services
Juvenile Justice Department

August 26, 2016

Health and Human Services Commission
Department of Criminal Justice
Texas Education Agency
Department of Insurance

Following formal submission, the Legislative Budget Board (LBB) and the Governor's Office of Budget, Policy and Planning (GOBPP) will conduct joint budget hearings on each agency LAR.

These public hearings will occur according to the following schedule:

Tuesday, August 30, 2016

Office of Court Administration, Texas Judicial Council
Starts: 1:00 PM End Time: 3:00 PM Room: E2.028

Friday, September 9, 2016

Housing and Community Affairs, Department of
Starts: 11:00 AM End Time: 12:00 PM Room: E2.028

Insurance, Department of
Starts: 3:00 PM End Time: 4:00 PM Room: E2.028

Monday, September 12, 2016

Criminal Justice, Department of
Starts: 1:00 PM End Time: 2:00 PM Room: E2.028

Jail Standards, Commission on
Starts: 3:00 PM End Time: 4:00 PM Room: E2.028

Juvenile Justice Department
Starts: 4:00 PM End Time: 5:00 PM Room: E2.028

Wednesday, September 21, 2016

Veterans Commission
Starts: 4:00 PM End Time: 5:00 PM Room: E2.028

Thursday, September 22, 2016

Health and Human Services Commission
Aging and Disability Services, Department of
Family and Protective Services, Department of
State Health Services, Department of and the Texas Civil Commitment Office
Starts: 1:00 PM End Time: 5:00 PM Room: JHR 140

Wednesday, September 28, 2016

Workforce Commission, Texas
Starts: 9:00 AM End Time: 10:30 AM Room: E2.028

Texas Education Agency
Starts: 10:30 AM End Time: 12:00 PM Room: E2.028

We will release a communication to the field highlighting key dates and continue to keep you informed as the state budget process unfolds.

NOTE: A summary of Mental Health, Substance Use and Intellectual Disability Services appropriations from the 84th Legislature is available here:

http://www.txcouncil.com/public_policy.aspx

Health and Human Services Agencies Transformation Transition Legislative Oversight Committee

Senate Bill 200 of the 84th Texas Legislature requires establishment of a Health and Human Services Transition Legislative Oversight Committee to help direct the HHS transformation.

The committee includes 11 voting members - 4 members of the Senate appointed by the Lieutenant Governor; 4 members of the House of Representatives appointed by the Speaker; and 3 public members appointed by the Governor. The Texas Health and Human Services Executive Commissioner serves as an ex officio, nonvoting member.

Governor Greg Abbott appointments:

- John D. Colyandro, Austin
- Billy C. Hamilton, Austin
- Heather Griffith Peterson, Austin

Speaker of House Joe Straus appointments:

- State Rep. Four Price (Co-Chair), Amarillo
- State Rep. Richard Raymond, Laredo
- State Rep. Toni Rose, Dallas
- State Rep. Cindy Burkett, Garland

Lieutenant Governor Dan Patrick appointments:

- State Sen. Jane Nelson (Co-Chair), Flower Mound
- State Sen. Brian Birdwell, Granbury
- State Sen. Juan "Chuy" Hinojosa, McAllen
- State Sen. Charles Schwertner, Georgetown

The committee met in January, March and May, 2016. To view the archived hearings visit:

<http://www.senate.state.tx.us/75r/senate/commit/c935/c935.htm>

During the May hearing, HHSC presented proposed changes to the original HHSC System Transition Plan filed in January. HHSC posted the final plan on its website in July. As revised, the plan:

- Places client services under one umbrella at HHSC, the Medical and Social Services Division, effective September 1, 2016. The Chief Deputy Executive Commissioner will oversee this division and the State Operated Facilities Division.

- Consolidates regulatory services at HHSC effective September 1, 2017. The Chief Operating Officer will oversee the Regulatory Services Division and other administrative functions.

Under the new structure, the Department of Assistive and Rehabilitative Services (DARS) will be abolished on September 1, 2016, when client services and vocational rehabilitation-related programs transfer to the Medicaid and Social Services Division and other programs transfer to the Texas Workforce Commission. The Department of Aging and Disability Services (DADS) will also be abolished on September 1, 2017, when its remaining functions transfer to the Regulatory Services and State Operated Facilities Divisions.

To learn more about the transformation process, information is available on the HHS Transformation website:

<http://www.hhsc.state.tx.us/hhs-transformation/index.shtml>

Texas Council Sunset Bill Summaries are available at this link:

http://www.txcouncil.com/public_policy.aspx

The final HHS System Transition Plan is available at this link: <http://www.hhsc.state.tx.us/hhs-transformation/transition-plan.shtml>.

84th Legislative Interim Update

On November 9, 2015, Speaker Straus announced the creation of a select committee to, “take a wide-ranging look at the state’s behavioral health system for children and adults.”

The Speaker’s full press release is available, at the following link:

<http://www.house.state.tx.us/news/member/press-releases/?id=5741>

This select committee will review the behavioral health system, including substance use treatment and make recommendations to:

- improve early identification of mental illness,
- increase collaboration among entities that deliver care; and,
- improve performance measurement and outcomes.

As part of this effort, the select committee will specifically examine the challenges of providing care in underserved and rural areas of the state and identify challenges of providing care to Veterans and homeless Texans.

House Committee on Mental Health, Select		
Legislature: 84(R) - 2015		
Appointment Date: 11/9/2015		
Position	Member	Community Center
Chair:	<u>Rep. Four Price</u>	Texas Panhandle
Vice Chair:	<u>Rep. Joe Moody</u>	Emergence
Members:	<u>Rep. Greg Bonnen</u>	Gulf Coast
	<u>Rep. Garnet Coleman</u>	Harris Center
	<u>Rep. Sarah Davis</u>	Harris Center
	<u>Rep. Rick Galindo</u>	Center for Health Care Services
	<u>Rep. Sergio Muñoz, Jr.</u>	Tropical Texas
	<u>Rep. Andrew S. Murr</u>	Hill Country
	<u>Rep. Toni Rose</u>	Metrocare
	<u>Rep. Kenneth Sheets</u>	Metrocare
	<u>Rep. Senfronia Thompson</u>	Harris Center
	<u>Rep. Chris Turner</u>	MHMR Tarrant
	<u>Rep. James White</u>	Burke, Spindletop

Upcoming Interim Legislative Hearings

August 24, 2016

House Defense and Veterans Affairs

9:00AM at Midwestern State University

Dillard College of Business Building, rm. 121

Focus on military installations

August 24, 2016

House Criminal Jurisprudence

1:00PM at Del Mar College Center for Economic Development, rm. 106

Focus on intervention and prevention of family violence (Charge 1)

September 13, 2016

Senate Health and Human Services Committee

9:00AM Senate Chamber

Focus on 1115 Transformation Wavier (Texas Council invited testimony)

September 14, 2016

Health and Human Services Transition, Oversight (Joint)

10:00AM in E1.036

September 15, 2016

Senate Finance Committee

10:00AM in E1.036

Presentations from all past hearings are available at the following link:

<http://www.house.state.tx.us/schedules/committee-schedules/advanced-search/search-results/index.php?startDate=01-01-2015&endDate=today&committeeCode=C382&chamber=H>

Continue Engaging Local and State Elected Officials

The 85th Texas Legislative Session is less than 13 months away. Every Community Center should organize at least one local legislative forum.

Use the event as an opportunity to hear from state elected officials about what they accomplished during the 84th Session and what they expect is ahead for the 85th Session. These events should be open to the public. You should also invite the media to attend as well.

Hot Topics

1. Criminal Justice / Mental Health Interface
2. Provider Rates
3. 1115 T Waiver Sustainability
4. Veterans Mental Health
5. Availability of Substance Use Disorder Services
6. Workforce Shortages
7. Challenges of Limited Resources and/or Gaps In Local Services
8. HCS expansion (address waiting lists)
9. Increase community-based direct service provider wages
10. IDD in Managed Care (network adequacy, case management role)
11. IDD Crisis Services (local initiatives, new funding)

The topics above are identified as suggestions to begin thinking about how a local legislative forum could be framed and organized.

If you are planning a local forum and have questions, contact Lee Johnson at ljohnson@txcouncil.com

Federal Update

US House Advances Federal Budget Bill for FY 2017.

On July 14, 2016, the US House Appropriations Committee approved a \$161.6 billion Labor-Health and Human Services (HHS) spending bill for Fiscal Year 2017. This bill is responsible for funding the Department of Health and Human Services, the National Institutes of Health and the Centers for Disease Control and Prevention, among others. The approved bill represents a \$500 million decrease in overall funding for these programs compared to FY2016 and nearly \$3 billion below the levels requested by President Obama.

Many funding levels from the subcommittee-approved bill were adopted by the full committee, including:

- Opioid and Heroin Epidemic: \$581 million to address opioid and heroin abuse, including \$500 million for a first-ever comprehensive state grant program that will address the opioid epidemic nationwide. Also, in the funding bill is an additional \$90 million through the CDC to expand efforts for prescription drug abuse prevention and treatment services.
- Mental Health First Aid: \$15 million, level funding to FY2016.
- Substance Abuse Block Grant: \$1.8 billion, level funding to FY2016.
- Criminal justice related activities: \$78 million, level funding to FY2016. This includes \$60 million for drug courts.

Despite these encouraging figures, the final bill did recommends cuts to important initiatives like Primary and Behavioral Health Care Integration – which would see its budget cut nearly in half to a \$26 million dollar appropriation for FY2017. The National Council continues to advocate for protection of this appropriation by seeking level funding for this program moving forward.

Comprehensive Addiction and Recovery Act (CARA), signed into law on Friday, July 22, 2016.

Key provisions include:

- Nurse practitioners and physician assistants as authorized prescribers for medications that support treatment
- Grant programs to help communities fight the opioid epidemic with innovative prevention treatment and recovery programs
- Financial incentives with the outcomes focusing on fewer people becoming addicted to opioids; more access to a comprehensive range of services and supports (includes medication-assisted treatment)
- Incentivizes for Prescription Drug Monitoring Programs to help identify illegal activity and intervene for those in need of addiction treatment by tracking opioid prescriptions.
- Fosters increased collaboration between behavioral health providers, law enforcement officers, criminal justice systems, state agencies and others with a goal to stem the opioid crisis

CARA is a step in the right direction, unfortunately the legislation comes without funding from Congress. Although US House leaders have said they will appropriate \$581 million when they return to Washington in September, many believe it is unlikely the House or Senate will accomplish much on this, and other significant legislation, before the mid-term elections in November.

Public Information – Special Interest Group

Formed in January 2014, the Public Information – Special Interest Group (PI-SIG) of the Texas Council unites communications professionals from Community Centers across the state to share resources, best-practices and develop statewide communications strategies on behalf of our system of care. Membership includes representatives of 32 Centers and is open to all professionals with a communications or outreach role within their Centers.

Mission

To make communication activity at Texas Community Centers more strategic, more collaborative and more effective. This is accomplished by providing all Centers — and their staff — a venue through which they can learn and share new ideas and best practices and work together on challenges and opportunities that will strengthen their local efforts as well as collective communication efforts across the state.

Vision

Where Community Centers and their staff collaborate to promote communication strategies that achieve results locally and state-wide and provide professional development for each member.

The group meets 6 times a year, mostly via webinar, and plans to have two in-person meetings – during the annual Texas Council Conference in June and in October 2016.

PI-SIG is led by an executive committee that includes the following members:

- Catherine Carlton, MHMR Tarrant
- Kinnie Reina, Burke
- Ellen Summey, Betty Hardwick
- Rene Hurtado, Emergence
- Maria Rios, Texas Council

Twenty members gathered in San Antonio to participate in the pre-conference workshop at the 31st Annual Texas Council Conference. The agenda included brainstorming and developing plans for future op-eds, communications best practices, communications strategies for World Mental Health Day in October and preparing for the 85th Legislative Session.

PI-SIG members are continuing efforts initiated at the workshop including are finalizing a set of op-ed templates on the shortage of rural psychiatrists in rural and urban areas. The next in-person workshop takes place in October 2016.

Healthcare Policy Update

Healthcare Transformation and Quality Improvement Program: 1115 Waiver

The State's 1115 Transformation Waiver is in its fifth and final demonstration year. On September 29, 2015, Governor Abbott requested a five-year extension from the Centers for Medicare and Medicaid Services (CMS). The renewal application is on the HHSC website at: <http://www.hhsc.state.tx.us/waiver-renewal.shtml>.

On May 2, 2016, HHSC announced that CMS approved an initial 15-month extension, which provides the state and federal government time to work through a longer term agreement. For the initial 15-month extension, current Demonstration Year 5 funding will be maintained for both the Delivery System Reform Incentive Payment (DSRIP) and Uncompensated Care (UC) pools. This equates to \$3.875 billion per program, and an overall combined amount of \$7.75 billion for 15 months. Amounts are all funds (state and federal shares).

As an extension condition, CMS required HHSC to provide an independent evaluation of Texas uncompensated care (UC) costs and Medicaid hospital payments. The purpose of the study is to provide:

- The impact of DSRIP funding on uninsured and Medicaid shortfall; and
- An estimate of Texas hospital uncompensated care burden if the state fully funded Medicaid costs and if the state opted to expand Medicaid to low-income adults as allowed under the Affordable Care Act (ACA).

Health Management Associates (HMA) prepared the draft report submitted by HHSC on July 15, 2016. The draft report shows \$8.9 billion in uncompensated costs. When reduced by \$3.6 billion in Medicaid shortfall and \$5.3 billion for ACA expansion, the report shows a total UC shortfall of \$2.9 billion. In the draft report, HHSC makes the case that DSRIP funding should not be included in the calculations, and therefore the UC shortfall should be increased by \$1.3 billion to a total of \$4.2 billion. HHSC does not anticipate any major changes to the final report, due to CMS on August 30, 2106.

The Texas Council has and will continue to provide feedback on the state's extension efforts. Working with Bill Rago, former HHSC official, the Texas Council released an Issue Brief. Community Centers and trustees can use the brief as a tool for discussions with HHSC and the legislature regarding the 1115 Waiver extension. The brief emphasizes the value of Center DSRIP projects both in improved services and cost-savings statewide. The brief addresses topics such as the uninsured population, sustainability, valuation, role of General Revenue, and integration into managed care. We anticipate it will inform HHSC negotiations with CMS. The brief is available in the Texas Council intranet site: http://www.txcouncil-intranet.com/wp-content/uploads/2010/06/1115-Waiver-Issue-Brief-3.1.16-Rago_TXC.pdf

Additionally, the Texas Council provided feedback regarding HHSC's Transition Year (DY6) Proposal, the proposed Regional Performance Bonus Pool Measures, and the Transformational Extension Protocol (Menu) with Best Practices/Models. In March 2016, HHSC published draft rules regarding participation in first 12 months of the extension, DY6. The Texas Council submitted written and oral testimony against the proposed rule requiring HHSC to recoup funds if a DSRIP participant drops a project after DY6. HHSC revised the language in the final rule, which now includes a withdrawal window between the 2nd payment period for DY7 and the 1st reporting period for DY8. Projects withdrawn during this window will not have DY6 payments recouped due to withdrawal, subject to CMS approval.

HHSC published the draft second rule packet for the 1115 Waiver Transition Year (DY6) in the July 29 issue of the *Texas Register*. The anticipated effective date for these rules is September 30, 2016. Rule packet #2 pertains to requirements for the DSRIP program and closely mirrors the Texas Delivery System Reform Incentive Payment (DSRIP) Program Funding and Mechanics (PFM) Protocol document language which was posted on HHSC's website June 8, 2016.

A public hearing on these rules is scheduled for August 26, 2016, at 9:00 am CDT at the Brown-Heatly Building, Public Hearing Room in Austin and will be webcast. The Texas Council will be gathering Centers' feedback through August 25, 2016.

Finally, the Texas Council continues active engagement with UT researchers, who are conducting an evaluation of 10 Community Center Physical-Behavioral Health Integration Projects. This review is a component of the 1115 Waiver evaluation funded in part by MMHPI (Meadows). Released in June 2015, the first report was a qualitative review of the projects: http://www.txcouncil-intranet.com/wp-content/uploads/2012/07/TX-1115-MH-PC-integration-baseline-report_05_22_2015.pdf. To be released in 2016, a second report will include quantitative analyses of the projects. Texas Council and participating Centers met with UT researchers and reached an agreement on data elements to be included in the evaluation of the effectiveness of Centers' integrated projects in improving physical health outcomes. UT piloted its data collection tool and is currently collecting data from the Centers. The report will be completed later in 2016.

Healthcare Opportunities Workgroup (HOW)

The HOW adopted its FY2016 Work Plan with emphasis in the following policy areas:

- Intellectual and Developmental Disabilities: The Role of Targeted Case Management in a managed care environment
- Substance Use Disorder Treatment as a Component of Integrated Healthcare
- Performance Contracting & Outcome Measurement in a Modern Healthcare System
- Implications of CMBHS on Innovation

In addition, the HOW will continue to monitor Managed Care Expansion implications through its Managed Care Steering Committee and will receive updates from Texas Council staff on the

Certified Community Behavioral Health Clinics (CCBHCs). The HOW continues to meet monthly and is developing policy documents as deliverables for its FY2016 work.

In July 2016, the HOW began discussions of its work plan for the upcoming fiscal year. There is great interest in working on operational excellence for Community Centers. The environment in which Centers operate continues to grow in complexity and many of the business operations of the past are not keeping up with the challenges of today. The HOW will discuss this in detail at the Executive Directors meeting on August 11, 2016, as we determine the way in which the HOW can support Centers going forward.

IDD: The Role of Targeted Case Management in a Managed Care Environment

The Local Authority Workgroup, in partnership with the HOW, developed two policy documents that clearly lay out the functions of the LIDDA related to targeted case management including contract requirements, data on types of services, financing models and vignettes on consumer experiences. The Executive Director Consortium adopted these documents. The Texas Council published the documents on the Board Books page of the Texas Council intranet site:

<http://www.txcouncil-intranet.com/index.php/board-of-directors/board-minutes/>

Substance Use Disorder Treatment as a Component of Integrated Healthcare

In May 2016, the HOW presented a policy document to the Executive Director Consortium focusing on the integration of Substance Use Disorder (SUD) and Mental Health treatment, with an emphasis on policy issues related to SUD treatment in Texas. The Executive Directors Consortium adopted the document, which is now published on the Texas Council intranet site at <http://www.txcouncil-intranet.com/wp-content/uploads/2010/06/Integrated-Treatment-HOW-final-71916-MHSUD.pdf>

Alternate Models to Provide Healthcare Coverage to the SMI Population

The HOW is exploring options that would provide healthcare coverage to the SMI population who meet specified clinical and financial eligibility without a statewide Medicaid expansion.

An example of alternate coverage is Virginia's Governor's Access Program that provides critical access to behavioral and physical health for uninsured individuals with SMI at an appropriate percentage of the Federal Poverty Level (FPL) established by the state through its 1115 Waiver.

The rationale for this type of coverage model is that without access to treatment, the SMI population is often hospitalized unnecessarily, unable to find or sustain employment, struggles with affordable housing, becomes involved in the criminal justice system, and suffers with social and interpersonal isolation. With treatment, individuals with SMI and co-occurring or co-morbid conditions can recover and live, work, parent, learn and participate fully in their community. A GAP-like model therefore will help alleviate the systemic financial and social burdens caused by untreated SMI.

The most viable options will be discussed at the August quarterly meeting.

Behavioral and Physical Health Integration

The Texas Council has organized monthly conference calls to discuss integration of mental health and physical health. Two calls were held with an average of 50 participants on each call. Topics included, Medicaid reimbursement, MCO/BHO contracting toolkits for diabetes and hypertension management, and sustaining current integrated care initiatives. Agenda topics are identified by the participants. Additionally, relevant materials and webinar notices are sent to all staff on the distribution list.

Performance & Outcome Measurement in a Modern Healthcare System

Endorsed Measure Strategy

On January 17, 2014, the Texas Council Executive Directors' Consortium reviewed and approved an Endorsed Measurement Strategy approach to clinical quality measures that reflects a more balanced method of measurement. This strategy identifies a core set of quality measures that all Community Centers must track. The Behavioral Health Data workgroup completed the measure specifications and the Access database for the calculation of endorsed measures.

During April and May 2015, 19 Centers submitted their measure outcomes and survey results to the Texas Council. All 19 Centers reported outcomes for at least one measure; however, no Center submitted results for all measures. Contact was made with the remaining 20 Centers that did not submit any results. The Endorsed Measure Evaluation and Recommendations report includes results for Centers that submitted outcomes. The report is available here: <http://www.txcouncil-intranet.com/wp-content/uploads/2010/06/Endorsed-Measures-Evaluation-and-Recommendations1.pdf>

As the Behavioral Health Data Workgroup completed their work, a new workgroup was formed, the Data Evaluation Workgroup (DEW). The HOW established the DEW as a place for subject matter experts from our system to meet and carry forward initiatives specific to outcome measurement for Community Centers.

On December 3, 2015, the Texas Council ED Consortium approved the DEW's proposed recommendations/next steps related to the Endorsed Measure Strategy. All Endorsed Measure materials were updated and released to Centers. Texas Council conducted a webinar in March 2016 to outline the second year submission process to answer questions before Center outcomes were submitted on May 13, 2016. Centers were able to resubmit calendar year (CY) 2014 outcomes and submit CY2015 outcomes at that time.

Results of the current submission will be included in the next quarterly meeting report. In response to Center feedback, there will be a relaunch of the Endorsed Measure Strategy to represent quality measure submissions that align with CCBHC measures. A comprehensive plan will outline the rationale, process, timeline and value of the new proposed approach. The DEW presented Why Data-Driven Decisions Matter at the 2016 Texas Council Annual Conference, which included practical applications and examples of how data can be used within

Centers to better inform processes and achieve improvement of desired outcomes. The session was well attended and the participants engaged extensively in the discussion, indicating substantial interest in gaining expertise in this area.

Behavioral Health Services Provider Contracts Review

As directed by Rider 82 (84th Legislature), DSHS contracted with Health Management Associates (HMA) to conduct a third-party review of the current DSHS contract measures. Texas Council will engage with HMA as they conduct their review and make recommendations.

Per Rider direction, the review and report must include:

- a. identification of performance measures and other requirements not necessary by a state or federal requirement that could be eliminated from contracts;
- b. A review of the metrics and methodology associated with the withholding of allocations made under DSHS Rider 58, Mental Health Outcomes and Accountability;
- c. Consideration of performance measures and contracting strategies similar to those used for managed care organizations;
- d. consideration of best practices in performance measurement and contracting, including incentive payments and financial sanctions that are aligned with the models used by the Health and Human Services Commission for purchasing health care services; and
- e. a proposal for a publicly available web-based dashboard to compare performance of behavioral health services providers contracted with DSHS.

Certified Community Behavioral Health Clinics: SAMHSA Grant

On May 20, 2015, the Substance Abuse and Mental Health Administration (SAMHSA) issued a request for applications (RFA) for Certified Community Behavioral Health Clinic (CCBHC) planning grants. Identified as a legislative priority by the Texas Council, the 84th Legislature included Rider 79 in the state budget, directing HHSC to apply for the planning and demonstration grants if cost-effective and consistent with HHSC quality objectives.

In July and August 2015, Texas Council staff engaged extensively with HHSC, MMHPI and DSHS to prepare the planning grant application. The Texas Council extends appreciation to all twenty-five Centers that completed readiness assessments and applied with HHSC to participate in the planning grant.

In October 2015, SAMHSA announced planning grant awards. Texas was one of 24 states selected, and received an award of \$982,000. HHSC can use these funds to support state efforts to certify clinics as CCBHCs, establish prospective payment rates for services covered by Medicaid MCOs, and prepare an application for a two-year demonstration program.

To participate in the demonstration, Texas must submit an application no later than October 31, 2016. Up to 8 states will share \$1.1 billion in demonstration grants. With increased funding provided by SAMHSA, CCBHCs will receive guaranteed minimum payments under the state-designed prospective payment systems for managed care providers, and incentive payments from MCOs for improved performance during the demonstration period.

After identifying ten potential Community Centers participants, HHSC met with candidates in February 2016 and announced the following seven Centers would move forward in the CCBHC initiative:

- Austin Travis County Integral Care
- Bluebonnet Trails Community Services
- Burke
- Helen Farabee Centers
- StarCare Specialty Health System
- MHMR Tarrant
- Tropical Texas Behavioral Health

In addition to the seven Centers, the State also selected one private entity, the Montrose Clinic in Houston. States were only required to select two CCBHC sites, so Texas Council is encouraged by the geographic coverage and number of potential sites included in this next phase of the initiative.

If selected as one of the eight states for the demonstration project, Texas has elected July 1, 2017 as the start date. The eight participants will work with HHSC to be certified or at least the stage of the process where HHSC can attest that the sites will be certified by the July 1, 2017 start date.

Currently, Texas Council, selected CCBHC sites and HHSC are working closely together to meet the requirements for a successful application to SAMHSA. The CCBHC sites are finalizing cost reports and undergoing certification audits. As the process and requirements are finalized, Texas Council will share all related materials.

Managed Care Workgroup and Steering Committee

The Texas Council supports Community Centers as they develop and maintain relationships with Medicaid and CHIP MCOs. The Council provides technical assistance on contract issues, participates in strategic planning, and facilitates meetings to maintain good working relationships with MCOs. The Texas Council also promotes policies to protect managed care enrollees, reduce administrative burdens on providers, and communicates with HHSC and State leadership about important issues.

As part of this effort, the Texas Council holds quarterly meetings with the Managed Care Workgroup and monthly meetings with the Managed Care Steering Committee, a subcommittee of the HOW. The meetings focus on common member issues, including re-enrollment challenges, claim processing and utilization management guidelines, and preparing for the STAR Kids Program for children with disabilities (begins November 1, 2016).

The Managed Care Steering Committee developed several resources to help Community Centers operate in the Medicaid and CHIP managed care environment. Each quarter, the committee revises its recommendations for consortia in the “Things Every Consortium Should

be Talking about Regarding Managed Care” document. In December 2015, the Texas Council also published the first version of the *Quick Reference Guide for Managed Care*. The Guide uses a question and answer format to address Medicaid and CHIP managed care topics. The Managed Care Steering Committee will update the Guide quarterly to address new topics and MCO contract amendments.

The September 2016 Guide will include new chapters on:

- Electronic Visit Verification
- Federally Qualified Health Centers and Rural Health Centers
- Health Homes
- Members with Special Healthcare Needs (MSHCN)
- Preadmission Screening and Resident Review (PASRR)
- Service Management for MSHCN
- Telemedicine & Telehealth

The Guide identifies the contract source for each requirement, and state and federal laws, rules, regulations, and policy guidance when available.

Copies of the Guide and “Things Every Consortium Should be Talking about Regarding Managed Care” will be available on the Texas Council Intranet at:

- <http://www.txcouncil-intranet.com/index.php/texas-council-initiatives/managed-care-page/>
- <http://www.txcouncil-intranet.com/index.php/texas-council-initiatives/managed-care-steering-committee/>

Finally, the Managed Care Steering Committee developed a document to highlight major differences between the HHSC Pay-for-Quality Program (P4Q) for MCOs and the DSHS ten percent withhold measures for Community Centers. To inform contract amendment discussions, the Texas Council shared the document with the Texas Council Contracts Committee and HHSC and DSHS leadership. The document can also be used in discussions with state legislators.

The comparison demonstrates that MCOs receive more favorable treatment on risk-based performance measures. For example, P4Q emphasizes improvement-over-self, and allows MCOs performing below baselines to earn incentives for incremental improvement, or “gap closure.” MCOs that come close to meeting performance measures can earn partial payments. The DSHS measures, on the other hand, are based on statewide system averages with “all or nothing” outcomes. A Center that misses a performance measure, even by a small margin, loses all payments for the measure.

A copy of the comparison is available on the Texas Council Intranet at: <http://www.txcouncil-intranet.com/index.php/texas-council-initiatives/managed-care-steering-committee/>

Upcoming Managed Care Procurements

HHSC announced its intent to release two managed care procurements in the coming year. HHSC plans to release a request for proposals (RFP) for the CHIP Rural Service Area (RSA) in 2016. The procurement will divide the current CHIP RSA into four new service areas, to align with Medicaid RSAs (Central, Northeast, and West) and the Hidalgo service area. MCOs will begin serving CHIP members under the new contract on September 1, 2018.

HHSC also plans to issue an RFP for the STAR+PLUS Tarrant and Dallas service areas, although it has not identified a release date. MCOs will begin serving Medicaid members under the new contract on February 1, 2019.

Medicaid Managed Care Rules

In May 2015, CMS published draft rules representing the first major overhaul of Medicaid and CHIP managed care regulations since 2002. In April 2016, CMS released the final rules. Select highlights:

- **States keep flexibility in the Medicaid enrollment process.** The proposed rule required states to provide 14 days of fee-for-service Medicaid to eligible beneficiaries, to give them time to select managed care plan. Under the final rule, states can enroll beneficiaries in MCOs immediately upon eligibility determination and “default enroll” enrollees who do not select a plan. Enrollees will be able to change plans for any reason within 90 days, every 12 months when they reenroll, and at any time for cause.
- **States keep flexibility in developing network adequacy standards.** The final rule generally maintains the current approach to network adequacy, allowing state officials to develop Medicaid and CHIP standards and certify to CMS that plans are meeting these standards. The rule requires states to develop specific time and distance standards for a new set of provider types, including primary and specialty care (adult and pediatric), mental health (adult and pediatric), OB/GYN, pediatric dental, hospital, and long-term services and supports providers. Texas already implemented time and distance standards, but is reviewing these standards based on stakeholder feedback.
- **Creates an 85 percent Medical Loss Ratio (MLR) for Medicaid and CHIP.** The final rule limits MCO profits by requiring rate setting that assumes 85 percent of revenue will be spent on medical care. HHSC already places caps on MCO administrative expenses and profits, so the new MLR requirements are not expected to have a significant impact on Texas MCOs.
- **Provides tools for states to engage MCOs in delivery reform and quality improvement efforts.** The final rule makes it easier for states to develop MCO contracts with incentive or disincentive arrangements that drive delivery system reforms or performance and quality improvement initiatives.
- **Requires MCOs to regularly update provider directories.** A 2014 investigation by the Department of Health and Human Services found that half the doctors listed in insurer directories were not taking Medicaid patients. This has been identified as an ongoing

problem in Texas and HHSC is working with MCOs to ensure accurate provider directories.

- **Creates flexibility to cover short-term stays in institutions for mental disease (IMD).** The final rules loosen federal restrictions on Medicaid reimbursement for institutional-based mental health and substance abuse services. The rules will allow states to make a premium payments for an adult age 21-65 with a short-term stay (15 or fewer days) in an IMD during a month.

While this change is widely viewed as a positive step toward improving access to critical mental health services, the 15 day requirement will create a new restriction for Texas. Under terms of the current Texas 1115 waiver with CMS, Medicaid MCOs can already provide IMD services to adults “in lieu of” inpatient acute care services without the 15 day restriction. The attached document provides additional information on the federal rule’s impact on the IMD exclusion.

The final rules will be implemented in phases over the next three years, starting July 1, 2017. The Texas Council will monitor and report on Texas efforts to implement the new requirements.

Network Access Improvement Program (NAIP)

NAIP is a voluntary program that leverages intergovernmental transfers (IGTs) to fund provider incentive programs through Medicaid managed care organizations. Currently, only public hospitals and health related institutions (teaching hospitals) that are qualified to provide IGTs can participate in NAIP.

Because Community Centers are also qualified to provide IGTs, the Texas Council approached HHSC leadership about extending NAIP to Centers. HHSC does not plan to approach CMS about expanding NAIP to Centers at this time, and will instead focus negotiation efforts on preserving DSRIP participation in the 1115 Waiver extension.

Although HHSC indicated a willingness to reconsider NAIP expansion at a later date, program growth is now in question. In June 2016, HHSC announced that it would extend existing projects but would not approve new projects for FY 2016. Citing recent federal direction on funding managed care quality incentive programs, HHSC plans to develop a new NAIP framework. The revised program will include greater accountability and oversight, and a more focused approach to quality improvements. The Texas Council will notify Centers when additional information is available.

Medicaid Provider Re-enrollment

In January 2016, CMS extended the deadline for Medicaid provider re-enrollment by six months, to September 25, 2016. In collaboration with HHSC, the Texas Council developed a frequently asked questions (FAQ) document to assist Centers with the re-enrollment process. HHSC provided additional instructions with screenshots from the provider application portal. The FAQ document and HHSC guidance are available on the Publications page on the Texas

Council member site at: <http://www.txcouncil-intranet.com/wp-content/uploads/2015/11/Reenrollment-FAQ-1.pdf>

The Texas Council continues to monitor Center re-enrollment status and communicates with the State on re-enrollment barriers.

Telemedicine and Telehealth Survey

The Texas Council recently surveyed its members regarding the use of telemedicine and telehealth services. All 39 Community Centers responded to the survey, and the Texas Council published survey results in July 2016. This information is available on the Texas Council intranet site:

[http://www.txcouncil-intranet.com/wp-content/uploads/2010/06/Telemedicine Telehealth Survey Summary July2016 Final.pdf](http://www.txcouncil-intranet.com/wp-content/uploads/2010/06/Telemedicine_Telehealth_Survey_Summary_July2016_Final.pdf)

HHSC will use the Texas Council survey results to develop its biennial report for the Texas Legislature. This information may also be useful for local conversations with state lawmakers, agencies and other stakeholders.

Summary Highlights

- Opportunities created through telecommunication technology, such as increased access to care, reduced provider “windshield” time, and increased productivity and efficiency.
- Common service barriers, including workforce shortages, high costs, and low Medicaid reimbursement.

Transition Medicine

In October 2013, the Texas Council attended the *Chronic Illness and Disability Conference: Transition from Pediatric to Adult-based Care* in Houston, and participated in a dinner hosted by Texas Children’s Hospital. Board Member Jamie Travis spoke about her commitment to Transition Medicine. The conference included several sessions on the special transition needs of youth and young adults with intellectual and developmental disabilities.

This conference represents continued engagement with organizations that promote the development of an adult system of healthcare for persons with IDD. This engagement began in September 2012, when the Texas Council organized a meeting with the University of Texas Office of Health Affairs, UTMB Health, Texas Children’s Hospital, Transition Medicine Clinic at Baylor College of Medicine and Gulf Coast Center to discuss the potential for an 1115 DSRIP project related to issues encountered by youth with special needs transitioning into the adult healthcare arena.

Texas Children’s Hospital now has an active 1115 Waiver project related to Transition Medicine, in partnership with Baylor College of Medicine. The Texas Council has played an active role on the implementation team for this project. In July 2014, the Texas Council organized a meeting between Texas Children’s, Baylor, United Health Plan, Harris Center and the Texas Council to discuss how the Health Plan might be a part of the project. The meeting was positive and there

is active dialogue on creating a partnership going forward. The Texas Council also arranged a meeting with Texas Children's and Molina Health Plan for April 2015.

The Texas Council met with the Chief Medical Officer for Seton Hospital system in August 2014 to discuss the Houston project and determine if there may be opportunities for a similar project in the Central Texas area. A second meeting with Seton, Dell Children's Hospital, Texas Children's Hospital, Baylor College of Medicine and the Texas Council occurred in November 2014. In January 2015, HHSC and Texas Council staff participated in an on-site visit to better understand the program and its impact on individuals with special healthcare needs in Houston. Jamie and Christy Travis also participated in the on-site visit. The Transition Medicine project team from Texas Children's and Baylor presented at the Texas Council annual conference in June 2015.

The Texas Council is aware of legislative interest in Transition Medicine in other areas of the state and will keep membership informed as this potential unfolds.

Meadows Mental Health Policy Institute

The Meadows Mental Health Policy Institute (MMHPI) named Andrew Keller, Ph.D., as President, replacing Tom Luce.

The Texas Council and many Centers are involved in various MMHPI initiatives. In September 2015 Danette Castle was appointed to the MMHPI Collaborative Council.

The MMHPI Collaborative Council has five (5) active task forces:

- Legislative Information
- Performance Measures
- Workforce
- Smart Justice
- Veterans

Danette Castle, Lee Johnson and Jolene Rasmussen are active members in the MMHPI Collaborative Council Legislative and Performance Measures task force workgroups.

Additionally, Texas Council has engaged in Mental Health America of Greater Houston's Integrated Health Care Initiative, which is also partially funded by MMHPI. The initiative is focused on developing recommendations to promote the integration of physical health and behavioral health in Texas. As part of the initiative, Texas Council participated on a site visit to Denver Colorado to meet with Eugene S. Farley, Jr. Health Policy Center at the University of Colorado as well as Salud Family Health Centers and Rocky Mountain Health Plan. The final report and recommendations should be completed by the end of August 2016.

Mental Health and Substance Use Disorders Update

MCOT and COPSD Reporting

DSHS recently requested that Centers identify a method to report Mobile Crisis Outreach Team (MCOT) and Co-occurring Psychiatric and Substance Disorder (COPSD) services in CMBHS.

The Texas Council and Center representatives engaged with DSHS to develop a method to identify and report COPSD services. The resulting methodology is outlined in the DSHS broadcast message: *Reporting Co-Occurring Psychiatric Substance Use Disorder Services*, which was released August 4, 2016 [<http://www.txcouncil-intranet.com/wp-content/uploads/2010/06/DSHS-Broadcast-Reporting-Co-Occuring-SUD-Serv.pdf>]

As of September 1, 2016 Centers may begin reporting COPSD services; however, due to the delayed release date of the broadcast, Centers have until September 15, 2016 to implement the necessary changes within their systems and begin reporting. The following is the DSHS definition of COPSD services.

COPSD Services

Co-Occurring Psychiatric Substance Use Disorder (COPSD)

Service approach providing intervention services offered within programs that are part of the TRR service array to meet the needs of people with co-occurring disorders. COPSD treatments integrate mental health and substance abuse interventions at the level of provider engagement. COPSD is an integrated treatment approach provided by the same clinicians or teams of clinicians, working in one setting, to provide appropriate mental health and substance abuse interventions in coordination to support persons in their recovery.

Provider treatment specialists are trained to treat both substance use disorders and serious mental illnesses (by providing MH rehabilitative and TCM services utilizing motivational interviewing and the stages of change). Treatment is initiated in a stage-wise approach with different service provided at different stages. For example, motivational interventions are utilized in all stages inclusive of the engagement and persuasion stage. Coordinating counseling services guided by a cognitive-behavioral approach are utilized in active treatment and relapse prevention stages.

Intervention services (MH rehabilitative and TCM) are provided in multiple formats including individual, peer/group, self-help, and family. Medication services are coordinated with other services to promote recovery.

COPSD service approach satisfies the requirements of Title 7 of the Texas Health and Safety Code §534.053(a)(3), (7)

The Texas Council, a workgroup of Executive Directors and Information Management Consortium leadership continue working with DSHS to develop a standardized process that is

feasible for Centers to implement when documenting and reporting MCOT related services. Additional considerations include the use and evaluation of the data once reported to DSHS.

Charges Rule

The Charges Rules, 412.108, 412.303, and 412.322, were released for informal comment in January 2016. Proposed language is available at this link: http://www.txcouncil-intranet.com/wp-content/uploads/2010/06/Charges-Rule_Chapter-412-Local-Mental-Health-Authority-Responsibilities....pdf.

Center comments indicated varied interpretation related to third-party payers (§412.108 of the rule). Texas Council, Center representatives, and members of the Collective Advocacy Participants Rule Committee met with DSHS and DADS representatives on February 4, 2016 to clarify meaning and application of that portion of the rule.

As a result of the meeting, DSHS will update the Charges rule FAQs, Client Brochures, and training materials. Conflicting language in the DSHS performance contract (children's services) and the rule has been resolved with DSHS revisions to the contract Texas Council and DSHS will host a webinar, August 16, 2016 for Centers to provide guidance on the application of the Charges rule.

Local Mental Health Authority Responsibilities Rule (Informal Comment)

Title 25 Health Services Part 1 Chapter 412 Local Mental Health Authority Responsibilities Subchapter A Mental Health Prevention Standards has been released for informal comment.

The Texas Council Rule Committee which includes outside stakeholders reviewed and provided comment during a meeting on August 3, 2016 at the Texas Council Office. Additionally, a survey monkey was released to gather comments from each of the Community Centers. Texas Council is coordinating a collective response by August 11, 2016 to submit to DSHS by August 15, 2016.

Veterans

Military Veteran Peer Network

Texas Council hosts monthly Military Veteran Peer Network (MVPN) Statewide webinars with the Texas Veterans Commission and the Department of State Health Services. These calls are designed to facilitate coordination across the state between Veteran Peer Coordinators, generate new ideas and share best practices. This webinar is designed to reinforce the important work of the MVPN Volunteer Coordinators to support our military veterans and their families.

MVPN members and leadership participated in the 31st Annual Texas Council Conference by holding a pre-conference meeting and training in addition to presenting a certificate session during the conference on Military Cultural Competency.

Disaster Behavioral Health

Texas Council attends state Disaster Behavioral Health (DBH) meetings. Also in attendance are DSHS employees and representatives from Red Cross, Texas Department of Public Safety (TDPS) Victims Services Division and the Voluntary Organizations Active in Disaster (VOAD). Discussion topics include training requirements, conferences and preparing organizations and the general public for the event of a disaster.

Peer Opportunities

Peer Services as a Medicaid Benefit

In preparation for the 85th Legislative Session, HHSC is actively engaged in several strategies to evaluate the value and cost-effectiveness of Peer/Family Partner services, with the potential to recommend adding the services to the Medicaid state plan. The workgroup has concluded the meetings for now. A paper outlining the addition of peer support services as a Medicaid benefit is being developed by HHSC.

Peer Report

The Texas Council is working with DSHS, the UT Austin School of Social Work and Texas Mental Health Resource (Via Hope) to design a survey assessing all people working within the Community Mental Health System who use their lived experience to help others. This will include Peers, Family Partners and Military Veteran Peer Coordinators.

This in-depth look at people who use their lived experience will be the basis for an updated Peer report. Additionally turnover for Peer Specialists and recommendations for retaining peers will be addressed. The objective is to give Community Centers a snapshot of how peer support specialists are using their lived experience throughout the state, which trainings are found to be helpful, and the challenges and outcomes of utilizing people with lived experience in professional settings.

Family Partners and Peers met in a summit on the last day of the 2016 Texas Council Conference. The 4-hour summit focused on the importance of wellness and gave some wellness techniques which one could do easily at work. Also discussed was how to support Family Partners and Peer Specialists who are the only ones at a Center. They feel there is no an opportunity to reaching out to those who could understand their experience. Developing a way of connecting Peers and Family Partners might help with job retention and may improve job satisfaction. We also discussed the bill last session that sought to add peer support specialists and peer support to the Medicaid state plan, what happened with it and how the effort should be supported if a similar bill is introduced again.

The group also recommended that registration for this event in 2017 should start in August 2016 so people can plan ahead. . The planning committee will begin the work on the Peer

Specialist/Family Partner Post Conference for next year at the Moody Gardens. Optum and United Healthcare will be asked to continue co-sponsoring the lunch for the event.

Peerfest

The Hogg Foundation held PeerFest in Corpus Christi, April 25-28, 2016. This event reached people with lived experience who are not currently involved in the Texas recovery movement, peer support or a formal support network. The event was extraordinary and while the final numbers are not available, about 350 people attended. Participants stated this was the most amazing conference dealing with mental health they had attended. This was a pilot event and should the Hogg decide to hold another, it would take place in two years.

A debriefing meeting was held with Hogg and all determined the conference a success. Discussion was held on choosing the planning committee, lessons learned and where to go from here. The Peerfest is slated to be every two years so the next one would be in 2018. A planning committee will be formed to start the work

Peer Re-entry Program

Rider 73 (84th Regular Session) required DSHS to implement a mental health peer support re-entry program between LMHAs and county sheriffs to ensure inmates with mental illness successfully transition from the county jail into clinically appropriate community-based care.

Proposals from three Centers were awarded:

- Tropical Texas
- Harris Center for MH & IDD
- MHMR Tarrant

Texas Mental Health Resource (formerly Via Hope) developed the curriculum for re-entry training. Many peers with the lived experience of being incarcerated have been involved in development of the training.

Advisory Committees

Behavioral Health Advisory Committee

As directed by SB 200, Health and Human Services Commission (HHSC) established the Behavioral Health Advisory Committee (BHAC) to provide regular input and make recommendations regarding mental health and substance abuse programs across the health and human services system.

This committee was created to subsume the work of the Council for Advising and Planning (CAP), Drug Demand Reduction Advisory Committee, Local Authority Network Advisory Committee, Texas Children Recovering from Trauma Steering Committee, and Texas System of Care Consortium. The BHAC will serve as the primary advisory voice to HHSC for issues related to mental health and substance use for Texans of all ages. Andrea Richardson,

Executive Director of Bluebonnet Trails Community Services was appointed by Executive Commissioner Traylor to represent the Texas Council on this committee.

More information about this change and other changes to advisory committees can be found at <http://www.sos.state.tx.us/texreg/archive/October302015/In%20Addition/201504496-1.pdf>

Subcommittees under BHAC include the Council for Advising and Planning for the Prevention and Treatment of Mental and Substance Use Disorders, and the Child Youth Behavioral Health Subcommittee, which is the consolidation of the Texas Children Recovering from Trauma Steering Committee and the Texas System of Care Consortium.

Texas Mental Health Resource (Via Hope) Advisory Committee

Via Hope obtained a 501(c)(3) IRS designation and is now Texas Mental Health Resource (TMHR). Via Hope is a program owned by the state and currently run by TMHR. The committee has elected its first board of directors. Board members include Linda Werlein, former Executive Director of Hill Country MHDD, Maurice Dutton, NAMI Texas Board member and Nancy Speck, Ph.D., Member Emeritus of Burke Board of Trustees.

TMHR renamed their Advisory Committee to Recovery Stakeholder Committee Meeting and the membership still consists of a diverse group of stakeholders including representation from LMHAs, consumers of MH and/or SU, veterans, family members of MH and/or SU, and others. There will be a stronger voice for substance use issues within their advisory committee. The group advises TMHR on recovery initiatives and training for Peer Specialists and Family Partners.

Protection and Advocacy of Individuals with Mental Illness (PAIMI) Council

The PAIMI Council is an advisory group of consumers, family members and professionals in the mental health field for Disability Rights Texas. The PAIMI Council will focus on voting rights in 2016. People with disabilities are more likely not to vote. Most of the activities will focus on this issue.

Texans for Recovery and Resiliency

Texans for Recovery and Resiliency is a SAMHSA-supported statewide network collaboration between the Texas Federation of Families for Children's Mental Health (TXFFCHM) and RecoveryPeople. Entering into its second year, this collaboration empowers adult peers, transitioning youth and family voices in mental health and substance use recovery program and policy development.

In 2016, Texans for Recovery and Resiliency will develop a centralized directory of trainings and curriculums used by peers and family support. This will inform a cross-training strategic plan and the development of a Cross-Training of Trainers and ongoing learning community that will support trainers as they bring the cross-training to their respective communities.

The group will help in identify the different types of educational resources, trainings and curriculums that peer specialists and family supporters can access to develop their skills and better promote mental health, trauma and substance use recovery and resiliency. This directory will be posted online and serve as the foundation for the strategic plan and subsequent activities.

Mental Health First Aid

SB 133 Mental Health First Aid Initiative

SB 133 (84th Session) amended HB 3793 (83rd Session) to provide LMHAs with more flexibility in bringing this training to public schools. SB 133 adds new provisions, including:

- Anyone who comes into contact with children at the school can receive training including bus drivers, safety or resource officers;
- No percentage of the allocation has to be spent on training instructors;
- Expedited trainings now allowed; and
- Reporting Year now aligned with State Fiscal Year.

The Texas Education Administration (TEA) adopted MHFA as acceptable training to meet legislative intent for SB 460. TEA distributed a communication to relay this change to school districts and Education Service Centers as well as posting it on their training website.

MHFA Leadership

Leadership of the ED Consortium appointed a MHFA Steering Committee to provide expertise as this initiative rolls out on the following:

- Technical Assistance
- Identifying Best Practices
- Agency Implementation Issues

MHFA Steering Committee Membership

Andrea Richardson – Co-chair	Bluebonnet Trails
Ron Trusler – Co-chair	Central Plains Center
Catherine Carlton	MHMR Tarrant
Susan Holt	Spindletop Center
Rene Hurtado	Emergence Health Network
Laura Gold	Austin Travis County Integral Care
Lisa Boone Reddick	MHMR Tarrant
Megan Hutto	Bluebonnet Trails
Jodi Schultz	Brazos Valley -NAMI Brazos Valley
Kim Williamson	Hill Country MH&IDD
Donn Edgington	Hill Country MH&IDD
Victor Ramirez	Emergence Health Network

Steering Committee Members meet monthly along with DSHS. The larger MHFA workgroup meets quarterly to share ideas, concerns and techniques in a networking conference call. The

next meeting for the MHFA workgroup is November 2016. A survey will be released to assess training needs for LMHAs and to assist with scheduling training for FY17.

MHFA Summary

2016*

Staff & Contractors to Train FY16	Educators to Train FY16	Staff & Contractors Trained FY16	Educator Trainings FY16	Non Educator Trainings FY16
66	6260	83	3542	3737

2015

Staff & Contractors to Train FY15	Educators to Train FY15	Staff & Contractors Trained FY15	Educator Trainings FY15	Non Educator Trainings FY15
206	11,257	206	6,527	2,833

2014

Staff & Contractors to Train FY14	Educators to Train FY14	Staff & Contractors Trained FY14	Educator Trainings FY14	Non Educator Trainings FY14
479	12,295	405	7,774	2,688

* Chart includes figures for Q1-Q3 of 2016.

World Mental Health Day

World Mental Health Day (WMHD) is October 10, 2016. This year’s theme is Dignity in Mental Health: Psychological and Mental Health First Aid for All. (<http://wfmh.com/reports/2016-07%20WFMH%20DIGNITY%20IN%20MENTAL%20HEALTH.pdf>). WMHD has been observed since 1992 around the world. In accordance with the WMHD MHFA theme, Centers are encouraged to participate in a campaign to draw public and media interest in MHFA for educators. Outreach will focus on finding ways to have parents “Ask The Question” about MHFA to local teachers to encourage them to receive training in MHFA. PI-SIG may assist with communication efforts related to this campaign.

Crisis Services

Extended Observation Units (EOUs) Update

The Department of State Health Services (DSHS) is proposing amendment to Information Item V, Crisis Services Standards. The reasons for the changes to the Extended Observation Unit (EOU) section are to ensure that all applicable Texas statutes and rules are reflected and

referenced in DSHS's Crisis Services Standards, to provide the most up to date information, and to provide more clarification.

What is Different?

- Structure - The format of the EOU section is different to allow for easier reading and more clarity. Programmatic standards are towards the beginning of the section whereas physical plant and general facility requirements have been moved to the end of the section.
- Facility - Language has been amended to state that the contractor shall provide at least one telephone in the facility available to both staff and individuals for use. It no longer states "in case of an emergency."
- Staffing – Language has been added that directs the facility to develop a staffing plan based on the acuity and number of clients.
- Discharge Planning - A discharge planning section has been added that describes procedures for discharging an individual on voluntary status. Language has been added indicating that all discharge requests shall be done in writing, requests shall be processed as soon as possible, individuals shall be discharged with their belongings and medications, and the psychiatrist shall be notified of all discharge requests.
- References - To ensure that DSHS Crisis Services Standards are in alignment with applicable Texas Administrative Code rules, Health and Safety Codes and local, state and federal facility codes, references to appropriate rules and statutes have been included throughout the document.
- Utilization Management Guidelines – Language has been added indicating that EOU services shall be delivered in accordance with utilization management (UM) guidelines and authorization of services and timeframes.
- Assessment Tools - Language has been added indicating that crisis assessments shall be performed using the DSHS approved assessment tools, the Adults Needs and Strengths Assessment (ANSA) and the Child and Adolescent Needs and Strengths Assessment (CANS). Also, the Columbia-Suicide Severity Rating Scale (C-SSRS) has been identified as the DSHS approved suicide assessment tool.
- Quality Management Reviews – Language has been removed regarding exemption under Health and Safety Code Chapter 247. Language has also been added indicating that the EOU is subject to Quality Management (QM) compliance reviews.

Home and Community-Based Services

Home and Community-Based Services - Adult Mental Health (HCBS-AMH)

Home and Community-Based Services – Adult Mental Health (HCBS-AMH) 1915 (i) is a state-wide program that provides home and community-based services for adults with serious mental illness in lieu of remaining long-term residents of in-patient facilities. The HCBS-AMH program provides an array of services, appropriate to each individual’s needs, to support successful tenure in the person’s chosen community. Services are designed to support long-term recovery from mental illness.

Centers for Medicaid and Medicare Services (CMS) formally approved the HCBS-AMH 1915(i) State Plan Amendment (SPA) on October 13, 2015.

Rider 61b (84th Legislature) directs DSHS to expand HCBS in order to divert people with severe mental illness (SMI) from jails and emergency departments (EDs) into community treatment programs. DSHS is currently holding meetings with community stakeholders.

Eligibility criteria for expansion populations:

1. Jail Diversion - During the **three** years prior to their referral, an individual must have:
 - Two or more psychiatric crises (i.e., inpatient psychiatric hospitalizations and/or crisis episodes requiring outpatient mental health treatment), and
 - Repeated discharges from correctional facilities (i.e., three or more)
2. Emergency Department Diversion - During the **three** years prior to referral, an individual must have:
 - A history of inpatient psychiatric hospitalizations or outpatient mental health crisis episodes, and
 - A pattern of frequent utilization of the emergency department (ED) (i.e., fifteen or more total ED visits)

The HCBS program is designed to provide comprehensive services for a certain population of people with serious mental illness, similar to the HCS Program for persons with IDD. Both the 83rd Legislature and the 84th Legislature provided funding for the program and there is significant legislative interest in assuring these services are made available for the targeted population.

HHSC is holding stakeholder meetings throughout the state and over webinars. More information about the program and upcoming events, as well as how to apply to become a provider, can be accessed on the DSHS webpage <https://www.dshs.state.tx.us/mhsa/hcbs-amh/>.

Behavioral Health Integration Report

The Behavioral Health Integration Advisory Committee, created by Senate Bill 58 of the 83rd Texas Legislature (Regular Session), was charged with addressing planning and development

needs to integrate Medicaid behavioral health services, including targeted case management, mental health rehabilitative services and physical health services, by September 1, 2014. The committee must seek input from the behavioral health community on these issues and produce formal recommendations to HHSC on how to accomplish integrating behavioral and physical health within Medicaid managed care.

Members of the committee include:

- Octavio Martinez (chair), Austin, Hogg Foundation for Mental Health
- Douglas Beach, San Antonio, Parent
- Susan Calloway, Austin, Texas Rural Health Association
- Terry Crocker, Mission, Tropical Texas Behavioral Health
- Sherry Cusumano, Dallas, Licensed Chemical Dependency Counselor
- Kristen Daugherty, El Paso, Emergence Health Network
- Lisa Doggett, Austin, McKesson
- Angelo Giardino, Houston, Texas Children's Health Plan
- Debra Jackson, Houston, Deblin Health Concepts & Assoc., Inc.
- Dwina Bridgemohan, Katy, Professional Mediator
- Kenneth Meyer, Allan, Value Options of Texas, Inc.
- Richard Noel, Houston, IntraCareNorth Hospital
- Melissa Rowan, Austin, Texas Council of Community Centers
- Nakia Scott, Round Rock, Lone Star Circle of Care
- John Theiss, Austin, Mental Health America of Texas
- Gregg Sherrill, Houston, OptumHealth Behavioral Services
- John Gore, Bedford, Cigna-HealthSpring STAR+PLUS
- Janet Paleo, San Antonio, Consumer Representative

The Phase II report was presented to Executive Commissioner Chris Traylor and was well received. The group is being allowed to continue their work towards implementation of Behavioral Health Integrated Health Home Pilots. The Phase II report can be found at https://www.hhsc.state.tx.us/about_hhsc/AdvisoryCommittees/bhiac-docs/BHIAC-Phase-II-recommendations.pdf.

While the state agreed to continue this committee, the committee determined more expertise and time is needed to go forward. The Hogg Foundation supported efforts by bringing in experts and hosting meetings:

- Workshop #1 Thursday, May 5, 2016
- Workshop #2 Thursday, May 26, 2016
- Workshop #3 Monday, June 6, 2016 and Tuesday, June 7, 2016

The Behavioral Health Integration Advisory Committee anticipates meeting two more times before the end of the year.

First Episode Psychosis

DSHS is implementing a First Episode Psychosis (FEP) pilot focused on evidence-based programs designed to meet the needs of individuals with early onset psychotic disorders. A similar pilot started in 2014 with Metrocare Services and The Harris Center for MH & IDD. This new initiative will expand from the previous project by offering services to individuals under Medicaid.

Following the RAISE model, SAMHSA delineated the following guidelines to states:

- Funding must be dedicated to persons with early onset psychosis disorders and not used for primary prevention or preventive intervention for those at high risk of serious mental illness;
- The population to be served via this pilot are youth/young adults, ranging in age from 15-30, with early psychotic disorders; specifically first episode psychosis;
- Other programs/resources that address the needs of youth/young adults meeting the program criteria may be leveraged in conjunction with these pilot funds;
- Utilization of the Evidence-based Treatment Components of Coordinated Specialty Care (CSC) for First Episode Psychosis: manual/model;

Seven Centers are currently participating in the pilot:

- Austin Travis County Integral Care
- Bluebonnet Trails Community Services
- Burke
- Emergence Health Network
- MHMR Tarrant County
- The Center for Health Care Services
- Tropical Texas Behavioral Health

Training and implementation are underway in all sites.

Children's Mental Health

Youth Empowerment Services (YES) Waiver

The Health and Human Services Commission (HHSC) and the Department of State Health Services (DSHS) developed the Youth Empowerment Services (YES) Waiver, which provides comprehensive home and community-based mental health services for youth between the ages of 3 and 18, up to the 19th birthday, who have a serious emotional disturbance.

The YES Waiver provides flexible supports and specialized services to children and youth at risk of institutionalization and/or out-of-home placement due to their serious emotional disturbance and provides services aimed at keeping children and youth in their homes and communities.

YES Waiver policy has changed to allow specialized therapists, including animal-assisted, art, music and recreational therapists and nutritional counselors, to bill for their participation in YES Child and Family Team meetings. New billing guidelines:

- A therapist who attends a Child and Family Team meeting in person may bill for up to one hour of consultation for each Child and Family Team meeting attended.
- A therapist who would have to travel 50 miles or more to attend a meeting in person may call in to participate, and bill for up to one hour of consultation for each Child and Family Team meeting attended.
- A therapist who would have to travel 49 miles or less to attend a meeting in person may call in to participate, but may only bill for one 15-minute unit of consultation for each Child and Family Team meeting attended.

Starting July 10, 2016, children and youth in DFPS conservatorship are now eligible for YES waiver services.

In addition, beginning November 1, 2016, YES Waiver clients will receive most state plan benefits, including mental health Targeted Case Management, through STAR Kids MCOs. To ensure continuity of care, DSHS encourages Community Centers to contract with STAR Kids MCOs in their area.

A potential issue has been and raised by the Texas Council to DSHS regarding the YES Maximum Served and the YES Average Served for FY17. Currently, YES staff have a CMS approved mechanism for YES Maximum Targets based upon unduplicated served during a fiscal year. Using this formula for YES Maximum Targets, any child enrolled in YES at your Center counts toward the maximum served at that Center.

FY16 recipients of YES waiver services stayed in the waiver an average of 7 months. The YES waiver number served is based on the traditional formula, from Information Item C, using persons in the Full Level of Care each month. Many Centers would have to retain the majority of the clients they have in the YES waiver at the beginning of the fiscal year for the entire fiscal year in order to meet both the Maximum and Average Targets. The Council is seeking input from Centers regarding this potential issue and will be working with DSHS to identify a solution.

DSHS and Texas Institute for Excellence in Mental Health will continue to have ongoing stakeholder meetings with the Centers around best practices, providers, and implementation.

Mental Health and Foster Care

Health and Human Services Commission Office of Mental Health Coordination and Department of Family Protective Services hosted a meeting to discuss community-based mental health services for children and youth in foster care, with a focus on current utilization of services, as well as ways to enhance access and coordination in October 2015. LMHAs, CPAs, and Texas Council staff were in attendance.

As a result, a series of initiatives have begun at HHSC and DFPS, including a new workgroup comprised of key stakeholders, representatives from the LMHAs and Texas Council staff, that meets monthly to discuss issues, policy questions and identify any technical assistance needs to

expand community collaboration and enhance mental health services for children in foster care.

DFPS is holding stakeholder meetings in all regions to discuss the placement needs of children in care and inform capacity building efforts. CPS will be presenting new data on children in care to help guide this discussion. Representatives from STAR Health and the LMHAs are invited to discuss available services and benefits. The dates and locations are as follows.

DATE	REGION	Location and Time
Thurs., June 30	7	9:30 - 12:30 - Austin
Tues., July 26	6	1:00 - 4:00 - Houston
Thurs., Aug 4	1	10:00 - 1:00 p.m. - Plainview
Tues., Aug 16	9	1:00 - 4:00 - Midland
Wed., Aug 17	2	9:30 - 12:30 - Abilene
Tues., Aug 23	10	9:30 - 12:30 - El Paso
Mon., Aug 29	11	1:00 - 4:00 - Corpus Christi
Fri., Sept 9	8	9:30 - 12:30 - San Antonio
Thurs., Sept 15	3	1:00 - 4:00 - Ft. Worth
Thurs., Sept 22	4/5	9:30 - 12:30 - Nacogdoches

Children’s Policy Council

The Children's Policy Council supports health and human services agencies in developing, implementing, and administering family support policies, and related long-term care and health programs for children. The council produces a biennial report with recommendations to the health and human services executive commissioner and the Texas Legislature, which can be accessed on HHSC’s webpage <http://www.hhsc.state.tx.us/si/cpc/>.

The council includes relatives of consumers of long-term care and health programs for children, and representatives of community, faith, business and other organizations. The current members are:

- Michelle Jenkins, Chair, San Antonio
- Leah Rummel, Chair, San Antonio
- Karen T Yeaman, Immediate Past Chair, Denton
- Denise Sonleitner, Past Chair, Austin
- Emily Rogers, Secretary, Austin
- John Roppolo, San Marcos
- Silvia Vargas, El Paso
- Brian Spann, Allen
- Laura Warren, Austin
- Elizabeth Tucker, EveryChild, Inc., Austin
- Mary Klentzman, Joni and Friends, Plano
- David Evans, Austin Travis County Integral Care, Austin
- Greg Mazick, National Nursing and Rehab SA Pediatrics, Inc, San Antonio
- Josette Saxton, Texans Care for Children, Austin

Texas Council staff also attends meetings.

The most recent meeting was held on July 20, 2016. The current focus is on Issues pertaining to foster care, school programs, and resources for children with behavioral health challenges and disabilities.

Children and Youth Behavioral Health Subcommittee

The Children and Youth Behavioral Health Subcommittee to the Behavioral Health Advisory Committee is a consolidation of the Texas System of Care Consortium and the Texas Children Recovering from Trauma Steering Team. They will meet quarterly to discuss project-specific updates and strategic planning.

Children's Special Interest Group

The Texas Council established a new Children's Special Interest Group (C-SIG) to focus on various topics and issues that impact services and supports to children, including the YES waiver, foster care, juvenile justice and First Episode Psychosis.

The following members are on the C-SIG:

- Carl Leake - Betty Hardwick
- Felicia Jeffrey - Bluebonnet Trails
- James Smith - Burke
- Melissa Tijerina - CHCS
- Linda Ramos-Perez - Coastal Plains
- Betty Adams - Harris Center
- Susan Thompson – Helen Farabee
- Bradley Chamberlain – LifePath
- Rochelle Schutte – Metrocare
- Wayne Vaughn – Pecan Valley
- Todd Luzadder – Permian Basin
- Tracy Koller – MHMR Tarrant
- Stacy Sandorskey – Texas Panhandle Centers
- Melissa Zemencsik – Tri County
- Clarissa Womack – West Texas Centers

We anticipate the first meeting to take place in September 2016. A notice is going out to each member to determine key areas of interest and issues related to children's mental health. The C-SIG will work collaboratively with the existing Behavioral Health Consortium and Children's Behavioral Health Workgroup.

Substance Use Disorders

Chapter 448

DSHS released updated proposed rules for Chapter 448 – Treatment Facilities for Individuals with Substance-Related Disorders. A stakeholder meeting was held in July 2016. The goal of DSHS is to have the rules reviewed by HHSC Fall 2016 and then published in the Texas Register Winter 2017. Anticipated implementation date will not occur until at least Fall 2017.

Intellectual and Developmental Disabilities

Overview of Significant IDD Issues

General Revenue (GR) Targets

Recently DADS commended the LIDDA system as a whole for exceeding statewide targets for the FY2014-FY2015 biennium by 959.

As you are aware, despite this outstanding collective performance, some individual LIDDAs struggle to meet targets and would be at risk of recoupment if DADS applied sanctions or penalties. Subsequent to multiple discussions with the Texas Council, DADS leadership acknowledges serious considerations to work through with the Texas Council (Local Authorities) before moving forward with related sanctions or penalties. Among the serious considerations brought forward by Texas Council and currently under review by DADS is the substantial number of LIDDA functions that do not count toward performance targets.

Although DADS leadership would not commit to a defined or long-term hold harmless period in FY2016, they did commit to provide LIDDAs with sufficient prospective notice before moving out of the current hold harmless environment.

Texas Council will continue to engage with DADS on these issues and will keep you abreast of new developments.

Crisis Respite and Behavioral Intervention Funding for People with IDD

Background

The 84th Texas Legislature allocated approximately \$18.6 million to support individuals with IDD and high behavioral and psychiatric needs. Approximately \$18 million will be distributed to LIDDAs over the course of the 2016-17 biennium to provide supports beyond the array of services typically provided in community programs: \$6 million in FY16 and \$12 million in FY17.

DADS released a Needs & Capacity Assessment (NCA) in November 2015 with expectation that certain submitted projects across the state (but not all) would be funded. However, in April 2016 DADS determined they were not going to use the NCA submissions as the basis for fund

distribution, so the Texas Council (per direction of ED leadership) worked with the agency to ensure new funds for addressing the needs of people with intellectual disabilities would reach every local service area in the state.

Recent Updates

Contract amendments related to crisis funding were released on Thursday, May 26, 2017: Attachment Y: Crisis Respite and Attachment Z: Crisis Intervention Specialist. FY16 allocations for each LIDDA are found in DADS Performance Contract Attachment C: Allocation Schedule (FY 2016 Summary) in the columns labeled "IDD Crisis Intervention Specialists" and "IDD Crisis Respite Services."

The Crisis Intervention Specialist funds are intended to support at least one specialist position at each LIDDA. The crisis respite funds are distributed on a per capita basis and should be used strategically to ensure provision of crisis respite services to residents of each LIDDA's local service area.

While acknowledging a substantial delay in releasing funds, DADS indicates FY16 allocated funds must be spent in FY16; they cannot be rolled over for use in FY17.

Allocation Error

A DADS budgetary coding error resulted in IDD Crisis Intervention Specialist (CIS) and IDD Crisis Respite Services (CR) allocation overpayments and underpayments to LIDDAs.

Overpaid LIDDAs

On July 1, 2016, DADS communicated with LIDDAs with an overpayment and requested a remittance of funds. LIDDAs must remit only the amount paid in excess of the correct allocation, not the full amount received.

Underpaid LIDDAs

Texas Council understands DADS contacted the LIDDAs that were underpaid to discuss making sure the correct allocation occurs.

Next Steps: Crisis Respite Plan Review

Attachment Y requires each LIDDA to submit a crisis respite plan to DADS within 30 calendar days after full execution of the contract amendment. Members of the Local Authority Workgroup (LAW) recommended Texas Council and LAW members compile and review completed Crisis Respite Plans as submitted to DADS. Results will be used to identify different approaches across service areas and to develop models for use by LIDDAs.

Review of crisis respite plans is currently underway.

LIDDA Targeted Case Management

The Local Authority Workgroup (LAW) and the Healthcare Opportunities Workgroup (HOW) collaborated to create a policy brief describing benefits of Local IDD Authority (LIDDA) targeted

case management (TCM) in the changing healthcare environment.

In order to delineate the distinct roles of LIDDA case management and managed care service coordination, the brief:

- describes the statutorily authorized role LIDDA case managers play in the lives of Texans with IDD;
- highlights key differences between LIDDA case management and Managed Care Organization service coordination, including focus of services, nature of the relationship, and qualifications and experience of case managers/service coordinators;
- emphasizes importance of LIDDA monitoring role in protecting a high-risk population; and
- recommends improvements to LIDDA monitoring through enhanced collaboration between LIDDAs and DADS, DFPS, and MCOs.

The brief is intended for use as an educational tool during legislative visits at home and at the Capitol in anticipation of the 85th Legislative Session. The brief is available on the Texas Council intranet site: <http://www.txcouncil-intranet.com/wp-content/uploads/2010/06/LIDDA-TCM-Issue-Brief-2016-06-29.pdf>

HCS and TxHmL Enrollments

In recent months, DADS stopped releasing new HCS and TxHmL Interest List slots. LIDDAs were directed to focus on HCS and TxHmL enrollees “in the pipeline” (in some stage of enrollment or pre-enrollment). At the IDD Consortium in June 2016, DADS staff were unable to provide a forecast for future slot releases.

In recent conversations with Texas Council, several Centers expressed significant concern about staffing issues related to waiver releases. Many Centers hired additional staff last year to keep up with the high volume of enrollments. These Centers are now contemplating a potential reduction in force to address budget deficits.

Texas Council continues to emphasize to DADS the justified sense of urgency LIDDAs have around this issue and the need for timely communications to all LIDDAs.

Redesign of IDD Services and Supports: FY2014-15/FY2015-16

Following FY2014-15 timeline includes redesign activities directed by SB 7 from the 83rd Legislative Session and updated timelines directed by HB 3523 from the 84th Legislative Session. Certain implementation deadlines are directed by law while others are not* but are projected by HHSC and/or were reflected in FY2014-15 state appropriations:

Timeline	IDD Redesign Requirements and Related Activities	Status as of 08.01.16
October 1, 2013	SB 7 deadline to appoint IDD System Redesign Advisory Committee members	Recent meeting held July 28, 2016. Upcoming meeting: October, 27, 2016.
Fall, 2013*	HHSC and DADS prepares Community First Choice (CFC) Medicaid state plan amendment for submission to CMS (CFC option implements SB 7 basic attendant and habilitation services provided through STAR + PLUS)	HHSC submitted proposed State Plan Amendment to CMS October 10, 2014. CMS approved the CFC state plan amendment, effective June 1, 2015.
Fall, 2013*	Informal consideration of pilot(s) to test managed care strategies based on capitation to be implemented "not later than September 1, 2017" per HB 3523	Draft IDD Managed Care Pilot Request for Proposal (RFP) released for stakeholder input May 2, 2016. Final RFP to follow.
September 1, 2014*	First possible date STAR + PLUS managed care can expand statewide	STAR+PLUS expansion occurred September 1, 2014.
September 1, 2014*	Estimated start date for CFC basic attendant and habilitation services through STAR + PLUS	June 1, 2015 implementation.
September 1, 2014*	First possible date to begin providing IDD acute care services through STAR + PLUS	Acute care services for people with IDD (in ICF, HCS, TxHmL, DBMD, CLASS) were rolled in to managed care September 1, 2014.
September 1, 2014	Nursing Facility carve-in to STAR + PLUS	Implemented March 1, 2015.
September 30, 2014	SB 7 deadline for annual IDD System Redesign report to legislature	2014 report published online January 2015 at: http://www.hhsc.state.tx.us/reports/2015/sdiidd.pdf . 2015 report published online April 2016 at: http://www.hhsc.state.tx.us/news/presentations/2016/040116-sb7.pdf 2016 report was drafted by agency staff and reviewed by IDD SRAC membership summer 2016. The report will be reviewed by agency leadership in early August and is on track for timely delivery to the Legislature.
December 1, 2014	SB 7 deadline for report to legislature on role of Local Authority as service provider	Published online: http://www.dads.state.tx.us/news_info/publications/legislative/roleofliddas2015/roleofliddas2015.pdf
September 1, 2015	IDD Comprehensive Assessment Evaluation	RFP seeking vendor for automated assessment released July 18, 2016.

SB 7 Implementation Activities:

- **IDD System Redesign Advisory Committee.** The committee held a meeting July 28, 2016 and will meet again October 27, 2016. Community Centers are represented by

John Delaney, Executive Director, Lakes Regional MHMR Center, and Susan Garnett, CEO, MHMR Tarrant.

Committee information is located at:

http://www.hhsc.state.tx.us/about_hhsc/AdvisoryCommittees/iddsrac.shtml

- **Pilot to test managed care strategies.** HHSC released a draft RFP for the IDD Managed Care Pilot on May 2, 2016. The draft RFP included details on the potential structure of the Pilot, including that it will involve at least one vendor and between one and four pilot projects. Individuals eligible to participate in the Pilot will be adults age 21 and over who receive Medicaid (including those dually eligible for Medicaid and Medicare) and also receive services in the following programs: ICF-IID, HCS, DBMD, or CLASS.

Texas Council, with input from the Local Authority Workgroup, submitted feedback, supporting voluntary enrollment (as opposed to mandatory or passive enrollment) and recommending responsibility for TCM, as distinguished from MCO Service Coordination, for pilot participants' long-term services and supports remains with LIDDAs.

HB 3523 (84th Legislature) requires pilot implementation by September 1, 2017.

- **IDD Comprehensive Assessment Evaluation.** SB 7 directed DADS to develop and implement a comprehensive, functional assessment instrument for individuals with IDD to ensure each individual receives the type, intensity, and range of services appropriate and available.

In April 2015, DADS, with consideration of stakeholder input, decided to pilot the International Resident Assessment Instrument (interRAI) Intellectual Disability assessment. The interRAI organization is a collaborative network of researchers in over thirty countries committed to improving care for people with disabilities or who are medically complex. The organization identified the need for compatible assessment instrumentation that could be used across healthcare sectors and released a first iteration of an integrated suite of assessments in 2005. Over time, other instrument systems have been added to the suite. For more information on the interRAI organization and assessment suite, visit www.interrai.org.

On July 18, 2016 HHSC, on behalf of DADS, released a Request for Proposal (RFP) to solicit vendors to assist the state in implementing an IDD assessment pilot. Specifically, qualified vendors are sought to develop, implement, and conduct automated IDD assessments using the interRAI assessment. Pilot activities will begin during the 2016-2017 (current) biennium. DADS will also work with a vendor to analyze the results of the IDD assessment pilot and this analysis will inform future assessment decisions.

- The posting for the IDD Assessment RFP can be viewed at:
http://esbd.cpa.state.tx.us/bid_show.cfm?bidid=125968

Community First Choice

Community First Choice (CFC) was implemented across the state on June 1, 2015.

Recent Highlights

- DADS released reassessment procedures for MCO-managed CFC: LA Broadcast Message 1114 (June 5, 2015).
- Three new, web-based trainings are available on DADS website: CFC in Medicaid Managed Care, Community First Choice in the HCS and TxHmL Programs Web-based Training, Community First Choice PAS/HAB Assessment for HCS and TxHmL Service Coordinators.
- DADS and HHSC solicited stakeholder feedback on the CFC PAS/HAB Assessments used to assess individuals with IDD accessing CFC through Medicaid Managed Care and the HCS and TxHmL waivers. With assistance from the CFC Workgroup, Texas Council submitted feedback on the assessments on July 28, 2016.
- Two significant policy changes to CFC as delivered through HCS and TxHmL were announced through DADS Information Letters, with implementation in spring/summer 2016:
 - (1) A functional assessment (streamlined version of assessment used in managed care) is now required for all individuals receiving CFC PAS/HAB in HCS or TxHmL to determine how many hours of CFC PAS/HAB the individual needs. This change affects all individuals receiving CFC PAS/HAB through HCS or TxHmL with an initial or renewal IPC with an effective date of March 20, 2016 or later.
 - (2) Provider qualifications will disallow someone who lives in the same residence as the individual from being the paid provider of CFC PAS/HAB services. This change applies to all individuals receiving CFC/PAS HAB through HCS or TxHmL, effective June 1, 2016.
- LIDDA service coordinators are responsible for helping communicate and institute these changes. DADS incorporated extensive feedback from Texas Council when drafting materials to share with individuals and families affected by these changes.
- Due in part to feedback from Texas Council, DADS refrained from changing CFC provider qualifications in **rule (regulation)**, choosing instead to change provider qualifications through **Information Letter (policy) only**. This distinction is important because it makes any future changes or adjustments to the new policy more easily and quickly accomplished.
- DADS is looking closely at LIDDAs with relatively few LOC determination requests for CFC submitted so far and has contacted some LIDDAs directly to discuss.
 - DADS added new questions and answers to its website to help LIDDAS and their employees understand the process of becoming certified to conduct a

Determination of Intellectual Disability (DID). Updates can be found on the LIDDA website.

- Contact Erin Lawler (elawler@txcouncil.com) to discuss resource or other challenges in CFC; Texas Council is available to facilitate shared resource arrangements between LIDDAs.

Looking Ahead

Budget Rider for Respite and Transportation. Budget Rider 77 (84th Legislative Session) directs \$31.5 million (All funds) to provide respite care and non-medical transportation in FY 2017 for individuals with IDD enrolled in the STAR+PLUS program. If allowable, HHSC shall add these to CFC to maximize federal funding.

HHSC is currently considering various approaches to accomplish rider direction, including: adding respite and transportation to CFC, using a 1915(i) waiver, or some combination of the two.

CFC Cost Tool. Thanks to leadership of the East Texas Behavioral Health Network (ETBHN)'s IDD leadership (special recognition: Lee Brown, Community Healthcore) and the Texas Council Revenue Management Committee (special recognition: Jenny Goode, Betty Hardwick Center), Texas Council will soon release a survey designed to identify costs to LIDDAs of serving as the front door for access to CFC services for individuals with IDD in Texas. The results of this survey may be used to inform future discussions with agency staff and the Legislature about the role of LIDDAs in administering CFC.

PASRR and Related Local IDD Authority Responsibilities

Beginning May 23, 2013 Local Authorities began complex new responsibilities to support people with IDD in or at risk of admission to nursing facilities in Texas. Civil rights requirements to services provided in the most integrated setting form the foundation of Pre-Admission Screening and Resident Reviews (PASRR) and additional related responsibilities delegated to Local Authorities on behalf of the state (per Performance Contract Attachment G).

The additional Local Authority functions are in response to the two-year *Steward v. Perry* interim settlement agreement. As statutorily directed entities responsible for access and intake, eligibility and enrollment, safety net/crisis intervention, service coordination and local planning functions for people with IDD, the Local Authority network now serves as the statewide system actively supporting civil rights related to nursing facility diversion and community alternatives for this population. To view the Steward Interim Settlement Agreement: <http://www.ada.gov/olmstead/documents/steward-settlement.pdf>

LA Requirements Related to PASSR Quality Service Reviews

Recent Updates

PASRR Level 1 Screening Process. On July 18, 2016 DADS released Information Letter No. 16-19, outlining the process when an individual's PASRR Level I Screening indicates the individual is

suspected of having an intellectual or developmental disability. The process includes required actions when the LIDDA evaluator is not able to confirm a diagnosis of ID or DD.

Litigation Hold Notice. On June 6, 2016, LIDDAs received a Litigation Hold Notice from DADS. The notice instructed LIDDAs to retain all documents and things related to the Steward lawsuit (also known as the PASRR lawsuit. If you have questions, concerns, or problems regarding compliance with the litigation hold that are not questions amounting to legal advice, contact Corey Kintzer (DADS) at Corey.Kintzer@dads.state.tx.us or 512.438.3375. If you have legal questions, contact your local legal counsel.

DADS PASRR Quality Service Review. At the April 15, 2016 meeting of the IDD Consortium, Ms. Heather Cook, Manager, DADS PASRR Quality Service Review (QSR) Unit, presented on activities of her unit. Ms. Cook emphasized that QSR activities of 2015 were used to establish a baseline for compliance. State QSR processes and responsibilities are transitioning from the External Consultant teams (Ms. Kathryn Du Pree, Lead PASRR Expert Reviewer) to internal QSR Unit Teams. The DADS QSR Unit is in the process of hiring five teams, regionally located throughout the state, with each team consisting of a “generalist” and a Registered Nurse. As with the External Teams, the internal QSR Teams will notify the LIDDA of a scheduled onsite review, request the LIDDA to upload documents to the Secure File Transfer Protocol site for desk review, complete telephone and on site interviews, and use DADS guidelines to rate the LIDDA’s level of compliance.

Ms. Cook also presented DADS’ goals for statewide LIDDA compliance across six outcomes (focus areas): (1) diversion, (2) specialized services, (3) transition, (4) community services, (5) service coordination, and (6) service planning team. DADS’ goal is to achieve 85% compliance with all outcomes by the end of calendar year 2019, with all outcomes achieving sustained compliance for a full year by 2020. Recognizing that achievement of compliance with some outcomes will likely take longer than achievement of compliance with others, DADS set interim goals for partial compliance for more difficult outcomes:

DADS Expectation for PASRR Compliance¹:

Outcome	Interim Goals: % statewide compliance → by end of calendar year	Current Compliance (as reported by DADS, April 2016)	Final Goal
1. Diversion	85% → 2016	54%	85% compliance by end of calendar year 2019, with all outcomes achieving sustained compliance for a full year by 2020.
2. Specialized Services	50% → 2017 65% → 2018 85% → 2019	34%	
3. Transition	85% → 2016	28%	
4. Community Services	60% → 2017 85% → 2018	52%	
5. Service Coordination	85% → 2016	53%	
6. Service Planning Team	60% → 2017 85% → 2018	38%	

Background

Beginning January 2015, DADS is conducting reviews of the PASRR process and the processes described in Attachment G of the current Performance Contract. DADS contracted with Kathryn du Pree to conduct quality service reviews (QSRs) of the implementation of federal requirements relating to PASRR and the Americans with Disabilities Act (ADA). Ms. du Pree has extensive experience with services for individuals with intellectual and developmental disabilities (IDD).

Quality Service Reviews (QSR)

Ms. du Pree (the Expert Reviewer) and her team members conducting QSRs of nursing facilities, community-based Medicaid service providers and LIDDAs that are providing service coordination and other services for individuals with IDD who:

1. reside in a nursing facility; or
2. have been diverted from admission to a nursing facility into a community-based Medicaid services program; or
3. have transitioned from a nursing facility into a community-based Medicaid services program.

The purpose of the QSR process is to ensure individuals are receiving:

1. federally-required PASRR screening and evaluation;
2. services in the most integrated residential settings consistent with choice; and
3. if residing in a nursing facility, the services, including specialized services, needed to maintain level of functioning and increase independence.

¹ Table created by Texas Council staff based on data compiled from various DADS sources. This table is not an official DADS document.

LIDDA Specialized Services for PASRR Residents

Recently adopted PASRR rules (40 TAC, Chapter 17) include the following LIDDA specialized services:

- Service coordination, which includes alternate placement assistance;
- Employment assistance;
- Supported employment;
- Day habilitation;
- Independent living skills training; and
- Behavioral support.

The PASRR rules also provide a definition of each LIDDA specialized service. The definitions are consistent with those used for the TxHmL program and for general revenue funded services. For example, behavioral support, employment assistance, supported employment, and day habilitation use the TxHmL definitions. Independent living skills training uses the general revenue service definition of community support.

A LIDDA is required to arrange for all LIDDA specialized services agreed upon in the IDT meeting for a “designated resident,” which is defined in the PASRR rules as “a Medicaid recipient with ID or DD who is 21 years of age or older, and who is a [nursing facility] resident ...”

DADS has funds dedicated to reimburse LIDDAs for LIDDA specialized services, excluding service coordination that is funded by targeted case management. A LIDDA requests reimbursement by submitting a completed Form 1048 (Summary Sheet for Services to Individuals with IDD in a Nursing Facility). The rates for each specialized service as well as a determination of intellectual disability (ID) assessment and non-HCS or TxHmL service coordination face-to-face contact are embedded in the form and appear when the service is entered. DADS reimburses a LIDDA after reviewing encounter data to verify the services were provided.

Please note the LIDDA is responsible for ensuring the provision of LIDDA specialized services by providing services directly or by contracting, but only the LIDDA may request reimbursement.

Because DADS reimburses a LIDDA for specialized services, a LIDDA must provide specialized services to a designated resident without delay.

Use of Nursing Facility Alternatives

As previously reported, the 84th Legislature appropriated funds for community waiver program services to serve as nursing facility alternatives. According to DADS FY2016-2017 HCS enrollment data as of June 2016, following is status of the use of nursing facility alternatives:

- Individuals moving from nursing facilities (Slot Type 89):
 - 1022 authorizations released (Total 700 allocated for FY2016-17))
 - 144 enrolled
 - 222 pre-enrolled/pending

- Individuals diverted from nursing facility admission (Slot Type 90):
 - 168 authorizations released (Total 400 allocated for FY2016-17)
 - 101 enrolled
 - 51 pre-enrolled/pending

PASRR Rate Issues

Although PASRR-related rates continue to be a concern for Local Authorities, funding for Intensive Service Coordination in the FY2016-17 budget may alleviate some of the pressure on PASRR-related service coordination. Texas Council and a workgroup composed of Local Authority representatives (Executive Directors, IDD leadership and CFOs) continue to monitor these concerns.

DADS Money Follows the Person (MFP) Initiatives: Overview

CMS approved a DADS proposal for MFP funding to provide enhanced, better-coordinated services for people with IDD relocating from institutional settings, including State Supported Living Centers (SSLCs) and nursing facilities (NFs). Local IDD Authorities play a crucial role in this effort, which enhances: 1) medical, behavioral and psychiatric supports, and 2) enhanced community coordination (ECC), as follows:

1. Eight medical, psychiatric and behavioral support regional teams support all 254 counties, including all 39 Local IDD Authorities and all community waiver providers within a designated region. These teams provide, in general:
 - Educational activities focused on increasing expertise of Local Authorities and providers in supporting individuals in the targeted groups
 - Technical assistance upon request from Local Authorities and program providers on specific conditions, with examples of best practices and evidence-based services for individuals with significant challenges
 - Case and peer review support to service planning teams to provide effective care for an individual.

2. Enhanced community coordination (in part):
 - Enhances current Local Authority responsibilities for service planning and continuity (pre- and post-relocation), crisis and critical care help to access behavioral and/or medical supports, ensure uniquely designed supports through person-centered process, and increase responsibility to ensure services are delivered as planned and intervene as needed to adapt care to meet individual needs.
 - Once a person relocates to community, Local Authority monitors for up to one year.
 - For persons in institutions, strengthen information about community options and participation in the planning process.
 - Designated funds to enhance natural supports and promote successful community integration, including one-time emergency assistance, special needs not funded by other sources and resources for diversion from institutions.

Transition Support Teams: 8 Regions & LIDDA Hubs

The eight LIDDAs selected as “hubs” for the Transition Support Teams (formerly known as medical, behavioral, and psychiatric supports teams) and the regions they serve are:

Region	Covered LIDDA Service Areas	LIDDA HUB
1	Concho Valley , Emergence, Permian Basin, West Texas	Emergence
2	Central Plains, StarCare, Texas Panhandle	StarCare
3	Betty Hardwick, Center for Life Resources, Helen Farabee, Pecan Valley, MHMR Tarrant	MHMR Tarrant
4	ACCESS, Andrews, Burke, Community Healthcore, Metrocare, Denton, Lakes Regional, LifePath, Spindletop, Texoma	Metrocare
5	ATCIC, Bluebonnet, Brazos Valley, Central Counties, Heart of Texas	ATCIC
6	Alamo COG, Camino Real, Gulf Bend, Hill Country	Hill Country
7	Border Region, Coastal Plains, BHC of Nueces County, Tropical Texas	BHC of Nueces County
8	Gulf Coast, Harris Center Texana, Tri-County	Texana

The hubs are working collaboratively to identify best practices and share materials and insights. In addition to meeting in person at the IDD Consortium in September 2015 and January 2016, the hubs, under leadership provided by Texana Center, participate in monthly collaboration calls. Hubs are also engaged in outreach to providers and the community, presenting on their work at many venues, including the Private Provider Association of Texas (PPAT) annual conference in November 2015, at the IDD Consortium in January 2016, the Texas Council Annual Conference (June 2016), and the American Association of Intellectual and Developmental Disability Texas Chapter’s Annual Convention (July 2016).

Medicaid Home and Community-based Settings Requirements

Recent Updates

- Texas remains in the assessment phase of its transition into compliance with the Medicaid Home and Community-based Settings (HCBS) requirements.
- HHSC submitted a revised draft Statewide Transition Plan (STP) in February 2016; Texas Council provided significant comment on this draft (see below for detail). CMS provided

feedback on Texas' plan on June 7, 2016. The feedback included requests for reorganization of certain content, a broader scope to include state laws and rules beyond Medicaid rules (e.g. housing rules), and more detail on the State's plans to bring areas identified as out of compliance into compliance.

- While other states plan to submit final drafts of Statewide Transition Plans to CMS by September 2016, Texas indicated it will not meet this deadline due to agency transformation.
- HHSC anticipates revising the STP again in 2017 based on information gained from assessment surveys.
 - DADS/HHSC released self-assessment surveys to Medicaid HCBS providers and participant surveys (surveys to be completed by individuals who are recipients of HCBS services).
- On April 13, 2016, CMS announced its approval of Tennessee's Statewide Transition (STP) Plan; Tennessee is the first state in the country to receive approval of its STP. While Tennessee's approved plan may provide some valuable information for Texas, HHSC officials note that the size of the provider base in Tennessee is a small fraction of Texas' provider base, creating a very different service delivery landscape.
 - Tennessee's STP as approved is available online at:
<https://tn.gov/assets/entities/tenncare/attachments/TNProposedAmendedStatewideTransitionPlanCV.pdf>

Background

On March 17, 2014, a final rule amending certain Medicaid regulations became effective. This rule creates new requirements for the settings in which states may provide home and community-based services (HCBS). Prior to enactment of this rule, "community" was defined by what it was *not*: nursing facilities, institutions for mental disease, ICF/IIDs, and hospitals. In this rule, a "community" setting is defined as a setting that exhibits certain specific qualities. Texas will be expected to meet or transition to the new requirements for HCBS settings in accordance with timelines laid out in the rule.

Purpose and Scope

The rule is designed to enhance the quality of HCBS, to add protections for people receiving services, and to clarify the qualities that make a setting a home and truly integrated in the broader community. The rule defines, describes, and aligns, home and community-based settings requirements across three Medicaid authorities: **1915(c)-HCBS waivers, 1915(i)-State Plan HCBS, and 1915(k)-Community First Choice**. The rule also defines person-centered planning requirements for people in HCBS settings 1915(c) waiver and 1915(i) HCBS state plan authorities and implements regulations for 1915(i) HCBS State Plan benefit.

Compliance Timeline

New waiver or state plans must meet the new requirements to be approved. CMS is allowing a transition period for states to evaluate service systems and determine what aspects of existing programs meet the requirements and which may need to be transitioned. Existing programs must be evaluated by the state. After a period of public input, the state must submit a

transition plan for programs that do not fully meet the HCBS settings requirements. A joint HSC-DADS stakeholder meeting on October 13, 2014 was a first step in the process of public input.

CMS does not expect states to transition to full compliance immediately, but does expect states to transition to compliance with the new settings requirements as quickly as possible and demonstrate substantial progress toward compliance during the transition period. CMS provides a maximum of a one-year period for states to submit a transition plan and the plan itself may cover a period of up to five years to achieve full compliance.

Statewide Transition Plan

HHSC submitted a first draft of the Home and Community Based Services (HCBS) Statewide Transition Plan (SPT) in December 2014 and an amended version in March 2015. After receiving feedback from CMS in September 2015, HHCS submitted a second amendment to address CMS questions in February 2016.

The most recent [draft of the SPT](#) is available online now: [Amended Statewide Transition Plan \(February 2016\)](#)

IDD Specific Analysis of Statewide Transition Plan

The plan addresses many HCBS programs, including the HCS and TxHmL waivers. First, the plan sets forth the processes and timelines for public input (including stakeholder and advisory committee meetings, provider presentations, etc.) The state began holding meetings in July 2014, and will continue to hold meetings throughout the transition period (until March 2019). The second part of the plan includes the state's assessment processes and timelines. This includes the plan for completing provider and client surveys, data reviews, and monitoring. It also includes the results of the state's compliance review of administrative rules, policy manuals, and contracts. The final section of the plan addresses remediation strategies. This includes the planned approach for addressing issues discovered through survey, data, and other reviews. Most notably, this part of the plan identifies, by HCBS program, the changes that are needed in rule, policy, and contracts in order to comply with the federal rules. We will have opportunities to comment on specific proposed changes to rule and policy in the coming months.

IDD SPECIFIC ANALYSIS

Looking ahead, LIDDAs will likely be most engaged on changes to rules and policies that affect the HCS and TxHmL waivers. DADS conducted internal assessments of these programs, then created a crosswalk to demonstrate each program's current compliance with federal HCBS rules. State rules and policies were found to be either compliant, partially compliant, or silent. If a rule or policy was found to be partially compliant or silent, the state intends to amend the rule or policy during the remediation phase of the transition.

Re: HCS

DADS found *all* HCS rules either compliant or partially compliant and found *most* HCS policy manual sections silent.

We can anticipate a high volume of amendments to HCS program rules from September 2016 to December 2017. We can also anticipate a high volume of amendments to the HCS policy manual from June 2017 to March 2018, along with potential changes to contract monitoring from October 2015 to December 2017.

HCS areas identified as partially compliant or silent (simplified/paraphrased except where noted in quotation marks):

Day habilitation sites only:

- individuals have freedom to control own schedules and activities and have access to food at any time;
- individuals are able to have visitors of own choosing at any time;
- setting is integrated and supports full access to greater community;
- setting allows individuals to engage in community life;

Group home and Host Home/Companion Care (HH/CC) sites only:

- individuals may own/rent or legally occupy unit under a legally enforceable agreement;
- individuals have responsibilities and protections against eviction;

All settings (group homes, HHC/CC, day hab, supported employment, employment assistance):

- "Texas HCBS settings facilitate individual choice regarding services and supports;"
- many aspects of "modifications to individual privacy" ("mods" hereinafter) including: mods are supported by specific assessed need and justified in PDP, mods document less intrusive methods of meeting the need that have been tried and did not work, mods include regular collection and review of data to measure ongoing need, mods establish time limits for periodic review to determine if mod is still necessary

Re: TxHmL

DADS found *all* TxHmL rules either compliant or partially compliant. TxHmL does not have a separate policy manual.

We can anticipate a high volume of amendments to TxHmL program rules from September 2016 to December 2017, along with potential changes to contract monitoring from October 2015 to December 2017.

TxHmL areas identified as partially compliant or silent (simplified/paraphrased except where noted in quotation marks):

Day habilitation sites only:

- "Texas allows day habilitation to be provided in settings that have institutional qualities"

All settings (day hab, supported employment, employment assistance):

- individuals have freedom to control own schedules and activities and have access to food at any time;
- individuals are able to have visitors of own choosing at any time;
- settings are physically accessible to the individual;
- many aspects of "modifications to individual privacy" ("mods" hereinafter) including: mods are supported by specific assessed need and justified in PDP, mods document less intrusive methods of meeting the need that have been tried and did not work, mods include regular collection and review of data to measure ongoing need, mods establish time limits for periodic review to determine if mod is still necessary, mods includes assurances that interventions will cause no harm to the individual;
- individuals control personal resources to the same degree as individuals not receiving HCBS services;
- settings allow individuals the right to privacy, dignity, respect, and freedom from coercion and restraint;
- settings optimize individual initiative, autonomy, and independence in making life choices;
- "Texas HCBS settings facilitate individual choice regarding services and supports;"
- "Texas HCBS settings facilitate individual choice regarding who provides services;"

Texas Council Comments on Statewide Transition Plan

Texas Council submitted written comments on the draft SPT before its February revision. Comments encouraged HHS and DADS to: (1) consider rate and payment structures and (2) survey providers in addition to service coordinators about choice. In written comments, Texas Council pointed out that successful implementation of the STP will require rule and policy changes considered in tandem with corresponding adjustments to rates and payment structures. Texas Council urged HHSC, DADS, and DSHS to continue to work closely with stakeholders in preparation for a Legislative Appropriations Request related to compliance with HCBS regulations.

Additionally, Texas Council encouraged HHSC and DADS to apply a broader lens when assessing the availability of choice, including surveying providers. As is, the STP assumes that service coordinators and case managers are in the best position to assess a person's access to choice. In practice, there are many obstacles to honoring individual choice that fall outside the role and responsibility of a LIDDA service coordinator. For this reason, Texas Council encouraged HHSC and DADS to expand the assessment of choice from just service coordinators and case managers to include providers as well.

Early Childhood Intervention (ECI): Funding Issues and Other Updates

The Legislative Budget Board (LBB) recently posted a number of publications of interest, including a brief on Early Childhood Intervention (ECI) Program Funding Sources, available at: http://www.lbb.state.tx.us/Documents/Publications/Info_Graphic/3038_Funding_Sources_for_ECI_Program.pdf.

Funding

Early Childhood Intervention (ECI) providers currently face two major funding challenges:

- Reductions in total funding (General Revenue and federal funds); and
- Proposed rate cuts for Medicaid acute care therapy services (physical therapy, occupational therapy, and speech therapy).

Texas Council staff and representatives of the ECI Consortium are actively engaged on both issues.

Texas Supreme Court Temporarily Halted Medicaid Therapy Rate Cuts

On Friday, July 8, 2016, the Texas Supreme Court temporarily blocked HHSC's planned rate reductions for Medicaid home health services for certain children with disabilities. The Supreme Court ruled on a procedural issue, not the substance of the case.

The Supreme Court held that a temporary injunction issued by a Travis County district court preventing the rate cuts from taking effect remains binding until the Texas Third Court of Appeals reverses the district court's decision or the Supreme Court grants further review.

Considerations for ECI Providers

As you may recall from efforts to exempt ECI services from therapy rate cuts when they were initially proposed, HHSC made clear they did not see a path for an ECI exemption. Although there is always a chance legislative pressure could move them to initiate an exemption, that is a longshot. Among other issues that make it difficult to exempt a specific provider type, lawmakers face the challenge of pressure from all therapy providers, perhaps in particular from private therapy providers.

While the Texas Council does not discourage continued efforts to exempt ECI, we offer the following considerations:

ECI Providers must remember that MCOs are not bound to rates set by HHSC Medicaid.

ECI Provider rates as paid via contracts with MCOs are negotiable.

ECI Providers can individually negotiate MCO therapy rates with each MCO, based on either a percentage of the Texas MDCD rate or an established hourly rate, and justify the request for the following reasons:

- ECI is a proven, effective and highly regulated service designed to achieve outcomes for babies and toddlers;
- ECI providers all use a nationally recognized assessment to ensure criteria for therapy services are met and consistent;
- ECI is an outcome-based, interdisciplinary, family-centered approach that engages families and trains them to support their child, limiting the number of professional therapy visits necessary for the child.

ECI Providers should review already executed MCO contracts. If therapy rates are currently set as a percentage of the Medicaid rate then negotiations with MCOs need to ensue immediately to avoid, if at all possible, an automatic rate reduction.

Administrative Penalties for HCS and TxHmL Providers (Proposed)

Senate Bill 1385 (84th Legislative Session) authorizes DADS to assess and collect an administrative penalty against an HCS or TxHmL provider for a violation of a law or rule relating to the program. The bill prohibits DADS from imposing a payment hold against or otherwise withholding contract payments from the provider for the same violation of a law or rule. Additionally, the bill requires the Executive Commissioner of HHSC, after consulting with appropriate stakeholders, to develop and adopt rules regarding the imposition of the administrative penalties.

In fulfillment of the statutory requirement for consultation with appropriate stakeholders, DADS convened a stakeholder group with two representatives each from various provider groups. LIDDAs are represented by representatives from Texas Council and Bluebonnet Trails. Draft rules were shared with stakeholders through a DADS Provider Alert released on July 11, 2016. While the original timeline for implementation included possible presentation of draft rules to HHSC Medical Care Advisory Committee (MCAC) in August 2016 and implementation in February 2017, Texas Council recently learned the process has been delayed and draft rules will not be presented to MCAC in August 2016.

Texas Achieving a Better Life Experience (ABLE) Act

The ABLE Act is a federal law passed in December of 2014 and amended via H.R. 2029, the Consolidated Appropriations Act of 2016 that amended the Internal Revenue Service Code to create a tax-advantaged savings option for certain people with disabilities. On May 30, 2015, Texas enabled its version of the Act: Senate Bill 1664 by Senator Charles Perry.

The Texas ABLE program was created to encourage and assist individuals and families in saving funds for the purpose of supporting individuals with disabilities to maintain health, independence and quality of life; and to provide secure funding for qualified disability expenses on behalf of designated beneficiaries with disabilities that will supplement, but not supplant, benefits provided through private insurance, the Supplemental Security Income (SSI) program, the Medicaid program, the beneficiary's employment and other sources.

Senate Bill 1664 established the Texas ABLE Program Advisory Committee to review rules and procedures related to the program, to provide guidance, suggest changes and make recommendations for the administration of the program, and to provide assistance as needed to the Texas Prepaid Higher Education Tuition Board and Comptroller during creation of the program.

On November 16, 2015, Comptroller Hegar appointed Erin Lawler to the Texas ABLE Program Advisory Committee. Ms. Lawler serves along with five other committee members.

For more information or to sign-up to receive updates as they become available, visit TexasAble.org.

Recent Updates

Draft rules implementing the ABLE program in Texas were published for review and comment in the Texas Register on July 8, 2016. Rules available at:

<http://www.sos.state.tx.us/texreg/archive/July82016/Proposed%20Rules/34.PUBLIC%20FINAN CE.html#46>

The draft rules closely adhere to requirements in the federal ABLE Act and SB 1664; they do not include implementation details that the disability community is anxiously awaiting (e.g. how to open an account) because those details will be left to the “plan manager” to determine. The plan manager is the yet-to-be-determined financial institution or other entity responsible for administering the ABLE Program in Texas.

At this time, the State is considering three different approaches to securing a plan manager:

1. Request the state of Ohio (the only state with a fully operational ABLE program) to act as Texas plan manager;
2. Participate in a consortium of states with a single plan manager, or
3. Use an RFP process to find a vendor (such as a financial institution) within Texas to act as plan manager.

These three options will likely be considered by the Texas Prepaid Higher Education Coordinating Board at its November 2016 meeting.

Department of Labor Overtime Rules: Time-Limited Non-Enforcement Policy for Certain IDD Providers

The U.S. Department of Labor (DOL) recently announced a temporary policy change relevant to providers of HCS and ICF residential services.

Background

As you are aware, DOL's Overtime Final Rule becomes effective December 1, 2016. The rule increases the salary level required for the executive, administrative, and professional exemption ("white collar" exemption) from \$455 a week (\$23,660 annual) to \$913 a week (\$47,476 annual). However, certain providers of IDD residential services will not be immediately subject to agency enforcement of the DOL's Overtime Final Rule.

Time-Limited Non-Enforcement Policy for Certain IDD Providers

DOL is implementing a time-limited non-enforcement policy for Medicaid-funded services for individuals with IDD in residential homes and facilities with 15 or fewer beds. The non-enforcement period will last from December 1, 2016 to March 17, 2019. During this period, the

DOL will not enforce the updated salary threshold of \$913 per week (\$47,476 annual) for this subset of employers.

In choosing to implement this non-enforcement policy, DOL acknowledges the distinct combination of circumstances faced by providers of IDD residential services, including small staffs, dependence on Medicaid funding, and high needs of the population supported in these residences. Additionally, DOL recognizes concerns that implementation of the Overtime Final Rule on December 1, 2016 would potentially affect the federal government's efforts to encourage use of community-based, as opposed to institutional, providers, and could undermine IDD providers' compliance efforts with the Home and Community-based Services (HCBS) settings regulations.

The non-enforcement policy is designed to give IDD providers additional time to work with state legislatures to reach thoughtful decisions about how to come into compliance with both the Overtime Final Rule and HCBS settings requirements.

Non-Enforcement Policy: Offers Limited Protection for Employers

As of December 1, 2016, providers for whom the non-enforcement policy applies have the same legal obligation to comply with the new salary threshold as all other employers.

Additionally, the non-enforcement policy:

- Is limited to actions by DOL;
- Does not preclude employees of IDD residential services from exercising their rights under the Final Overtime Rule;
- Does not provide employers any protections against lawsuits brought by private employees, including class action lawsuits. Back pay liability will begin accruing as of December 1, 2016;
- Only applies with respect to the revised salary level (\$913 per week/\$47,476 annual) set in the Overtime Final Rule;
- Does not apply to any other alleged Fair Labor Standards Act (FLSA) violations by these providers, which may include employees paid on other than a salary basis (as defined in the Department's regulations), employees who do not meet the duties test for exemption, or employees paid on a salary basis of less than \$455 per week (\$23,660 annual) for whom the employer claims the white collar exemption.

To review the Overtime Final Rule

[url: <https://www.federalregister.gov/articles/2016/05/23/2016-11754/defining-and-delimiting-the-exemptions-for-executive-administrative-professional-outside-sales-and>] and non-enforcement policy [url: <https://www.dol.gov/whd/overtime/final2016/nonenforcement-faq.htm>] with local legal counsel, as necessary.

Tab 7

i. Legislative Update (Action Item)



Texas Council
of Community Centers

85th Texas Legislative Session Legislative Priorities (Overview)

General Platform

- Promote opportunities to improve access to integrated care while retaining local control of resources and important community decisions related to public intellectual and developmental disability, mental health, and substance use disorder services.
- Promote role of Community Centers as Intergovernmental Transfer (IGT) entities and Performing Providers in the 1115 Transformation Waiver—promoting options for sustainability and continuing to educate decision-makers about the value of developing local health care systems for people with serious mental illness, substance use disorders and intellectual and developmental disabilities.
- Explore, monitor and promote options to expand access and enhance federal funding for essential community-based services for people with intellectual and developmental disabilities, serious mental illness and substance use disorders.
- Promote equitable and sustainable provider rates that cover the true cost of delivering quality care across intellectual disability, mental health and substance use disorder services.

Intellectual and Developmental Disability Services

Promote HHS agency base appropriations, exceptional items, contract requirements, and policy decisions necessary to ensure essential community-based services are available for people with intellectual and developmental disabilities in a manner that preserves client choice and dignity.

Policy Considerations: IDD Services

Support additional mental health treatment, trauma informed care, positive behavior supports and training for families and staff that strengthen capacity of community-based services for people with IDD.

Support IDD System Redesign that promotes the vital IDD Local Authority role and viable provider system: Comprehensive Targeted Case Management, oversight to ensure individual choice, quality, and well-being, specialized program and clinical expertise and crisis intervention and stabilization.

Early Childhood Intervention (ECI) Services

Promote HHS agency base appropriations, exceptional items, contract requirements, and policy decisions necessary to ensure essential services are available for children in need of Early Childhood Intervention (ECI) and autism services.

Policy Considerations: ECI

- Promote eligibility criteria that ensure children with developmental and other disabilities and their families can access needed services
- Ensure ECI is appropriated sufficient funding to maintain a viable provider base and provide services for all eligible children
- Ensure average number of ECI service hours children receive meet minimum recommended levels in order to promote early success for children and better prepare them to enter other systems, such as schools
- Increase capacity of ECI programs to implement, scale up, and sustain evidence-based practices

Mental Health, Substance Use, Criminal Justice & Veterans Services

Promote HHS agency base appropriations, exceptional items, contract requirements, and policy decisions necessary to increase access to essential mental health and substance use disorder services that reduce demand on higher cost government systems, including state institutions, jails and prisons, hospitals, and other local health care systems.

Promote Ready Access to Essential Mental Health Services that Reduce Demand on High Cost Government Systems

Direct HHSC to focus new funds allocated to LMHAs on both targeted strategies for addressing specific community needs (e.g. alternatives to hospitalization) and increased access to essential mental health treatment for adults and children.

Policy Considerations: Mental Health

- Support the SB 1507 Joint Committee on Access and Forensic Services (JCAFS) recommendations to increase inpatient capacity for both state hospitals and locally-purchased private psychiatric beds.
- Promote the development of equitable Interlocal Contract measures and metrics that align with other HHS system performance and contracting goals.
- **Criminal Justice:** Promote Texas Department of Criminal Justice (TDCJ) Exceptional Items for the Texas Correctional Office on Offenders with Mental and Medical Impairments (TCOOMMI) to

DRAFT

expand jail diversion services in metro areas that serve individuals with special needs in more appropriate settings than state jails and prisons. Support exceptional items to expand caseloads that serve offenders with high criminogenic risk factors and clinical care needs through contracts with LMHAs.

- **Veterans Initiatives:**
 - Promote recommendations in the Third Report of the Texas Coordinating Council for Veterans Services
 - Enhancement of DSHS Military Veteran Peer-to-Peer Network
 - Funding for Veteran One-Stop Resource Centers
 - Expansion of Veteran Courts across the state

- **Children's Mental Health Initiatives:**
 - Promote services and supports for children in DFPS conservatorship and kinship families, including trauma informed services
 - Consider raising the lower age requirement at which kids can be incarcerated and increase capacity to divert kids from criminal justice systems into more appropriate community services
 - Increase capacity to create and sustain school-based partnerships that enhance access to evidence based and promising practices for all school staff, children and youth
 - Focus and expand training opportunities for educators on the impact trauma has on student learning and behavior, promoting safe and supportive schools
 - Increase capacity for home and community-based services to better address the needs of at-risk children and youth

- Monitor continued efforts to update the Texas Mental Health Code.

- Support change in state policy that promotes efficient reinstatement of Medicaid benefits following incarceration.

- Workforce issues must be addressed and solutions found to increase access to services. This would include building up peer support and addressing other conditions that limit the amount of time professionals can spend with patients.

- Promote use of telemedicine and telehealth as an effective means of addressing workforce challenges and the lack of mental health expertise in local emergency rooms and county jails.

- Continue the momentum created during the 83rd and 84th Legislative Sessions by promoting increased access to Mental Health First Aid (MHFA) training and other effective prevention and early intervention initiatives.

- Promote Medicaid funding for expanded peer support services and trainings to align with global recognition that peer supports offer an effective approach for helping people with mental illness achieve recovery.

Cross-cutting: IDD, Mental Health, and Substance Use Disorder Issues

Identifying cross-cutting priorities for complex populations is necessary in the current environment. Build on most recent Sunset direction for Texas health and human service agencies calling for enhanced integration across physical, mental, and behavioral health issues, including substance use.

Challenges arise when serving people with dual diagnoses of IDD and mental illness or substance use disorder issues. The mental health needs of people IDD are sometimes ignored, misunderstood, or inappropriately treated due to the overshadowing effect of an IDD diagnosis. People with IDD who have unmet mental health needs are often at higher risk of costly institutional care and lengthy psychiatric inpatient stays.

Priorities

- Develop systems of integrated care that address physical, mental, and behavioral health needs of people who access the public system of care.
- Increase training in trauma-informed care and positive behavior supports for all levels of service providers and staff working with people who access the public system of care.
- Promote the role of Crisis Intervention Specialists (CIS) and increase access to IDD crisis respite services

Agenda Item: Approve July 2016 Financial Statements	Board Meeting Date August 25, 2016
Committee: Business	
Background Information: None	
Supporting Documentation: July 2016 Financial Statements	
Recommended Action: Approve July 2016 Financial Statements	

July 2016 Financial Summary

Revenues for July 2016 were \$2,482,340 and operating expenses were \$2,432,222 resulting in a gain in operations of \$50,118. Capital Expenditures and Extraordinary Expenses for July were \$100,233 resulting in a loss of \$50,115. Total revenues were 98.41% of the monthly budgeted revenues and total expenses were 99.96% of the monthly budgeted expenses.

Year to date revenues are \$29,849,016 and operating expenses are \$26,557,698 leaving excess operating revenues of \$3,291,318. YTD Capital Expenditures and Extraordinary Expenses are \$2,825,858 resulting in a gain YTD of \$465,460. Total revenues are 99.58% of the YTD budgeted revenues and total expenses are 98.87% of the YTD budgeted expenses

REVENUES

YTD Revenue items that are below the budget by more than \$10,000:

Revenue Source	YTD Revenue	YTD Budget	% of Budget	\$ Variance
Rehab – Title XIX	1,625,465	1,823,083	89.16%	197,618

Rehab – This line item is under budget due to staff vacancies in both Adult and the Child and Adolescent programs. We will continue to monitor this line item for the year end revision. We have had some hires in these areas so after training we should hopefully see this line settle down.

EXPENSES

YTD Individual line expense items that exceed the YTD budget by more than \$10,000:

Expense Source	YTD Expenses	YTD Budget	% of Budget	\$ Variance
Contract Hospital – Adult	1,226,998	1,135,861	108.02%	91,137
Contract Hospital – Child	150,450	125,000	120.36%	25,450
Contract Clinical	769,762	705,903	109.04%	63,859

Contract Hospital – Adult and Child – These two line items are for adult and children hospitalizations. We have seen a major increase the past few months in both the adult and child service area for clients needing to be admitted to the hospital. We are also above our service target number for admissions in the DSHS funded Rusk Diversion program. We will continue to watch this line but we expect this trend to continue through the end of the fiscal year and into next fiscal year.

Contract Clinical – This line reflects the use of contract doctors seeing clients in the hospital. As the above line continues to increase so this line will follow. The line also reflects the use of contract doctor in the clinic by tele-medicine while we have vacant staff doctor positions. We have a decrease in the payroll salary and fringe expense lines that offset this part of the increased expense.

**TRI-COUNTY BEHAVIORAL HEALTHCARE
CONSOLIDATED BALANCE SHEET
For the Month Ended July 31, 2016**

	TOTALS COMBINED FUNDS July 2016	TOTALS COMBINED FUNDS June 2016	Increase (Decrease)
ASSETS			
CURRENT ASSETS			
Imprest Cash Funds	2,985	2,988	(3)
Cash on Deposit-General Fund	6,028,361	6,082,378	(54,017)
Cash on Deposit-Debt Fund			-
Accounts Receivable	1,688,945	1,624,025	64,920
Inventory	6,825	7,071	(246)
TOTAL CURRENT ASSETS	7,727,116	7,716,462	10,654
FIXED ASSETS	8,577,947	8,577,947	-
OTHER ASSETS	24,137	39,460	(15,323)
TOTAL ASSETS	\$ 16,329,199	\$ 16,333,869	\$ (4,668)
LIABILITIES, DEFERRED REVENUE, FUND BALANCES			
CURRENT LIABILITIES	918,529	865,594	52,935
NOTES PAYABLE	549,129	549,129	-
DEFERRED REVENUE	1,060,046	1,014,468	45,578
LONG-TERM LIABILITIES FOR			
Line of Credit - Tradition Bank	450,168	470,401	(20,233)
Note Payable Prosperity Bank	618,926	631,691	(12,765)
EXCESS(DEFICIENCY) OF REVENUES OVER EXPENSES FOR			
General Fund	465,460	515,575	(50,115)
FUND EQUITY			
RESTRICTED			
Net Assets Reserved for Debt Service	(1,069,094)	(1,102,092)	32,998
Reserved for Debt Retirement	963,631	963,631	-
COMMITTED			
Net Assets-Property and Equipment	8,577,947	8,577,947	-
Reserved for Vehicles & Equipment Replacement	678,112	677,624	488
Reserved for Facility Improvement & Acquisitions	(0)	(0)	-
Reserved for Board Initiatives	1,500,000	1,500,000	-
Reserved for 1115 Waiver Programs	516,833	516,833	-
ASSIGNED			
Reserved for Workers' Compensation	274,409	274,409	-
Reserved for Current Year Budgeted Reserve	67,833	61,666	6,167
Reserved for Insurance Deductibles	100,000	100,000	-
Reserved for Accrued Paid Time Off	(549,129)	(549,129)	-
UNASSIGNED			
Unrestricted and Undesignated	1,206,400	1,266,121	(59,721)
TOTAL LIABILITIES/FUND BALANCE	\$ 16,329,199	\$ 16,333,869	\$ (4,669)

**TRI-COUNTY BEHAVIORAL HEALTHCARE
CONSOLIDATED BALANCE SHEET
For the Month Ended July 31, 2016**

	General Operating Funds	Memorandum Only Final August 2015
ASSETS		
CURRENT ASSETS		
Imprest Cash Funds	2,985	3,165
Cash on Deposit-General Fund	6,028,361	5,928,627
Cash on Deposit-Debt Fund	-	-
Accounts Receivable	1,688,945	1,657,209
Inventory	6,825	9,877
TOTAL CURRENT ASSETS	7,727,116	7,598,878
FIXED ASSETS	8,577,947	7,091,888
OTHER ASSETS	24,137	49,749
	\$ 16,329,200	\$ 14,740,515
LIABILITIES, DEFERRED REVENUE, FUND BALANCES		
CURRENT LIABILITIES	918,529	1,103,286
NOTES PAYABLE	549,129	549,129
DEFERRED REVENUE	1,060,046	(889,779)
LONG-TERM LIABILITIES FOR		
Line of Credit - Tradition Bank	450,168	670,521
Note Payable Prosperity Bank	618,926	757,743
EXCESS(DEFICIENCY) OF REVENUES OVER EXPENSES FOR		
General Fund	465,460	(1,065,136)
FUND EQUITY		
RESTRICTED		
Net Assets Reserved for Debt service-Restricted	(1,069,094)	(1,428,264)
Reserved for Debt Retirement	963,631	963,631
COMMITTED		
Net Assets-Property and Equipment-Committed	8,577,947	7,091,887
Reserved for Vehicles & Equipment Replacement	678,112	678,112
Reserved for Facility Improvement & Acquisitions	(0)	2,136,013
Reserved for Board Initiatives	1,500,000	1,500,000
Reserved for 1115 Waiver Programs	516,833	516,833
ASSIGNED		
Reserved for Workers' Compensation-Assigned	274,409	274,409
Reserved for Current Year Budgeted Reserve -Assigned	67,833	-
Reserved for Insurance Deductibles-Assigned	100,000	100,000
Reserved for Accrued Paid Time Off	(549,129)	(549,129)
UNASSIGNED		
Unrestricted and Undesignated	1,206,400	2,331,257
TOTAL LIABILITIES/FUND BALANCE	\$ 16,329,200	\$ 14,740,515

TRI-COUNTY BEHAVIORAL HEALTHCARE
Revenue and Expense Summary
For the Month Ended July 2016
and Year To Date as of July 2016

INCOME:	MONTH OF July 2016	YTD July 2016
	<u> </u>	<u> </u>
Local Revenue Sources	165,222	3,367,714
Earned Income	1,161,620	12,816,464
General Revenue-Contract	1,155,498	13,664,839
TOTAL INCOME	<u>\$ 2,482,340</u>	<u>\$ 29,849,016</u>
EXPENSES:		
Salaries	1,335,947	14,699,725
Employee Benefits	261,613	2,868,007
Medication Expense	55,965	644,793
Travel-Board/Staff	38,364	431,356
Building Rent/Maintenance	19,423	268,365
Consultants/Contracts	520,473	5,325,014
Other Operating Expenses	200,437	2,320,438
TOTAL EXPENSES	<u>\$ 2,432,222</u>	<u>\$ 26,557,698</u>
Excess(Deficiency) of Revenues over Expenses before Capital Expenditures	<u>\$ 50,118</u>	<u>\$ 3,291,318</u>
CAPITAL EXPENDITURES		
Capital Outlay-FF&E, Automobiles, Building	59,235	2,421,840
Capital Outlay-Debt Service	40,999	404,018
TOTAL CAPITAL EXPENDITURES	<u>\$ 100,233</u>	<u>\$ 2,825,858</u>
GRAND TOTAL EXPENDITURES	<u>\$ 2,532,456</u>	<u>\$ 29,383,557</u>
Excess (Deficiency) of Revenues and Expenses	<u>\$ (50,115)</u>	<u>\$ 465,460</u>

Debt Service and Fixed Asset Fund:		
Debt Service	40,999	404,018
Excess(Deficiency) of revenues over Expenses	<u>40,999</u>	<u>404,018</u>

TRI-COUNTY BEHAVIORAL HEALTHCARE
Revenue and Expense Summary
Compared to Budget
Year to Date as of July 2016

	YTD July 2016	APPROVED BUDGET	Increase (Decrease)
INCOME:			
Local Revenue Sources	3,367,714	3,329,717	37,997
Earned Income	12,816,464	12,986,797	(170,333)
General Revenue-Contract	13,664,839	13,657,187	7,652
TOTAL INCOME	\$ 29,849,016	\$ 29,973,701	\$ (124,685)
EXPENSES:			
Salaries	14,699,725	14,882,706	(182,981)
Employee Benefits	2,868,007	2,861,136	6,871
Medication Expense	644,793	642,788	2,005
Travel-Board/Staff	431,356	410,642	20,714
Building Rent/Maintenance	268,365	261,541	6,824
Consultants/Contracts	5,325,014	5,301,979	23,035
Other Operating Expenses	2,320,438	2,385,073	(64,635)
TOTAL EXPENSES	\$ 26,557,698	\$ 26,745,865	\$ (188,167)
Excess(Deficiency) of Revenues over Expenses before Capital Expenditures	\$ 3,291,318	\$ 3,227,836	\$ 63,482
CAPITAL EXPENDITURES			
Capital Outlay-FF&E, Automobiles	2,421,840	2,587,053	(165,213)
Capital Outlay-Debt Service	404,018	385,655	18,363
TOTAL CAPITAL EXPENDITURES	\$ 2,825,858	\$ 2,972,708	\$ (146,850)
GRAND TOTAL EXPENDITURES	\$ 29,383,557	\$ 29,718,573	\$ (335,016)
Excess (Deficiency) of Revenues and Expenses	\$ 465,460	\$ 255,128	\$ 210,332

Debt Service and Fixed Asset Fund:			
Debt Service	404,018	385,655	18,363
Excess(Deficiency) of revenues over Expenses	404,018	385,655	18,363

TRI-COUNTY BEHAVIORAL HEALTHCARE
Revenue and Expense Summary
Compared to Budget
For the Month Ended July 2016

INCOME:	<u>MONTH OF July 2016</u>	<u>APPROVED BUDGET</u>	<u>Increase (Decrease)</u>
Local Revenue Sources	165,222	159,497	5,725
Earned Income	1,161,620	1,292,233	(130,613)
General Revenue-Contract	1,155,498	1,123,161	32,337
TOTAL INCOME	<u>\$ 2,482,340</u>	<u>\$ 2,574,891</u>	<u>\$ (92,551)</u>
EXPENSES:			
Salaries	1,335,947	1,359,979	(24,032)
Employee Benefits	261,613	260,902	711
Medication Expense	55,965	56,812	(847)
Travel-Board/Staff	38,364	39,375	(1,011)
Building Rent/Maintenance	19,423	20,459	(1,036)
Consultants/Contracts	520,473	474,267	46,206
Other Operating Expenses	200,437	202,946	(2,509)
TOTAL EXPENSES	<u>\$ 2,432,222</u>	<u>\$ 2,414,740</u>	<u>\$ 17,482</u>
Excess(Deficiency) of Revenues over Expenses before Capital Expenditures	<u>\$ 50,118</u>	<u>\$ 160,151</u>	<u>\$ (110,033)</u>
CAPITAL EXPENDITURES			
Capital Outlay-FF&E, Automobiles	59,235	83,552	(24,318)
Capital Outlay-Debt Service	40,999	35,060	5,939
TOTAL CAPITAL EXPENDITURES	<u>\$ 100,233</u>	<u>\$ 118,612</u>	<u>\$ (18,379)</u>
GRAND TOTAL EXPENDITURES	<u>\$ 2,532,456</u>	<u>\$ 2,533,352</u>	<u>\$ (896)</u>
Excess (Deficiency) of Revenues and Expenses:	<u>\$ (50,115)</u>	<u>\$ 41,539</u>	<u>\$ (91,654)</u>

Debt Service and Fixed Asset Fund:			
Debt Service	40,999	35,060	5,939
Excess(Deficiency) of revenues over Expenses:	<u>40,999</u>	<u>35,060</u>	<u>5,939</u>

TRI-COUNTY BEHAVIORAL HEALTHCARE
Revenue and Expense Summary
With July 2015 Comparative Data
Year to Date as of July 2016

INCOME:	<u>YTD July 2016</u>	<u>YTD July 2015</u>	<u>Increase (Decrease)</u>
Local Revenue Sources	3,367,714	1,664,730	1,702,984
Earned Income	12,816,464	11,425,250	1,391,214
General Revenue-Contract	13,664,839	13,113,485	551,354
TOTAL INCOME	<u>\$ 29,849,016</u>	<u>\$ 26,203,465</u>	<u>\$ 3,645,551</u>
EXPENSES:			
Salaries	14,699,725	13,574,163	1,125,562
Employee Benefits	2,868,007	2,749,944	118,063
Medication Expense	644,793	523,567	121,226
Travel-Board/Staff	431,356	404,955	26,401
Building Rent/Maintenance	268,365	320,701	(52,336)
Consultants/Contracts	5,325,014	4,952,949	372,065
Other Operating Expenses	2,320,438	2,194,968	125,470
TOTAL EXPENSES	<u>\$ 26,557,698</u>	<u>\$ 24,721,247</u>	<u>\$ 1,836,451</u>
Excess(Deficiency) of Revenues over Expenses before Capital Expenditures	<u>\$ 3,291,318</u>	<u>\$ 1,482,218</u>	<u>\$ 1,809,100</u>
CAPITAL EXPENDITURES			
Capital Outlay-FF&E, Automobiles	2,421,840	712,946	1,708,894
Capital Outlay-Debt Service	404,018	260,280	143,738
TOTAL CAPITAL EXPENDITURES	<u>\$ 2,825,858</u>	<u>\$ 973,226</u>	<u>\$ 1,852,632</u>
GRAND TOTAL EXPENDITURES	<u>\$ 29,383,557</u>	<u>\$ 25,694,473</u>	<u>\$ 3,689,084</u>
Excess (Deficiency) of Revenues and Expenses	<u>\$ 465,460</u>	<u>\$ 508,992</u>	<u>\$ (43,532)</u>

Debt Service and Fixed Asset Fund:

Debt Service	404,018	260,280	143,738
Excess(Deficiency) of revenues over Expenses	<u>404,018</u>	<u>260,280</u>	<u>143,738</u>

TRI-COUNTY BEHAVIORAL HEALTHCARE
Revenue and Expense Summary
With July 2015 Comparative Data
For the Month Ended July 2016

INCOME:	<u>MONTH OF July 2016</u>	<u>MONTH OF July 2015</u>	<u>Increase (Decrease)</u>
Local Revenue Sources	165,222	240,505	(75,283)
Earned Income	1,161,620	838,065	323,555
General Revenue-Contract	1,155,498	1,356,303	(200,805)
TOTAL INCOME	<u>\$ 2,482,340</u>	<u>\$ 2,434,873</u>	<u>\$ 47,467</u>
Salaries	1,335,947	1,265,168	70,779
Employee Benefits	261,613	244,896	16,717
Medication Expense	55,965	57,770	(1,805)
Travel-Board/Staff	38,364	35,323	3,041
Building Rent/Maintenance	19,423	60,884	(41,461)
Consultants/Contracts	520,473	405,641	114,832
Other Operating Expenses	200,437	221,480	(21,043)
TOTAL EXPENSES	<u>\$ 2,432,222</u>	<u>\$ 2,291,162</u>	<u>\$ 141,060</u>
Excess(Deficiency) of Revenues over Expenses before Capital Expenditures	<u>\$ 50,118</u>	<u>\$ 143,711</u>	<u>\$ (93,593)</u>
CAPITAL EXPENDITURES			
Capital Outlay-FF&E, Automobiles	59,235	137,945	(78,711)
Capital Outlay-Debt Service	40,999	35,322	5,677
TOTAL CAPITAL EXPENDITURES	<u>\$ 100,233</u>	<u>\$ 173,267</u>	<u>\$ (73,034)</u>
GRAND TOTAL EXPENDITURES	<u>\$ 2,532,456</u>	<u>\$ 2,464,429</u>	<u>\$ 68,027</u>
Excess (Deficiency) of Revenues and Expenses	<u>\$ (50,115)</u>	<u>\$ (29,556)</u>	<u>\$ (20,559)</u>

Debt Service and Fixed Asset Fund:			
Debt Service	40,999	35,322	5,677
			-
Excess(Deficiency) of revenues over Expenses	<u>40,999</u>	<u>35,322</u>	<u>5,677</u>

TRI-COUNTY BEHAVIORAL HEALTHCARE
Revenue and Expense Summary
With June 2016 Comparative Data
For the Month Ended July 2016

INCOME:	<u>MONTH OF July 2016</u>	<u>MONTH OF June 2016</u>	<u>Increase (Decrease)</u>
Local Revenue Sources	165,222	104,566	60,656
Earned Income	1,161,620	1,090,524	71,095
General Revenue-Contract	1,155,498	1,205,947	(50,448)
TOTAL INCOME	<u>\$ 2,482,340</u>	<u>\$ 2,401,037</u>	<u>\$ 81,303</u>
EXPENSES:			
Salaries	1,335,947	1,381,296	(45,349)
Employee Benefits	261,613	270,742	(9,129)
Medication Expense	55,965	63,373	(7,408)
Travel-Board/Staff	38,364	38,114	250
Building Rent/Maintenance	19,423	14,502	4,921
Consultants/Contracts	520,473	503,168	17,306
Other Operating Expenses	200,437	206,411	(5,973)
TOTAL EXPENSES	<u>\$ 2,432,222</u>	<u>\$ 2,477,606</u>	<u>\$ (45,384)</u>
Excess(Deficiency) of Revenues over Expenses before Capital Expenditures	<u>\$ 50,118</u>	<u>\$ (76,569)</u>	<u>\$ 126,686</u>
CAPITAL EXPENDITURES			
Capital Outlay-FF&E, Automobiles	59,235	113	59,121
Capital Outlay-Debt Service	40,999	38,358	2,641
TOTAL CAPITAL EXPENDITURES	<u>\$ 100,233</u>	<u>\$ 38,471</u>	<u>\$ 61,762</u>
GRAND TOTAL EXPENDITURES	<u>\$ 2,532,456</u>	<u>\$ 2,516,077</u>	<u>\$ 16,379</u>
Excess (Deficiency) of Revenues and Expenses:	<u>\$ (50,115)</u>	<u>\$ (115,040)</u>	<u>\$ 64,924</u>

Debt Service and Fixed Asset Fund:

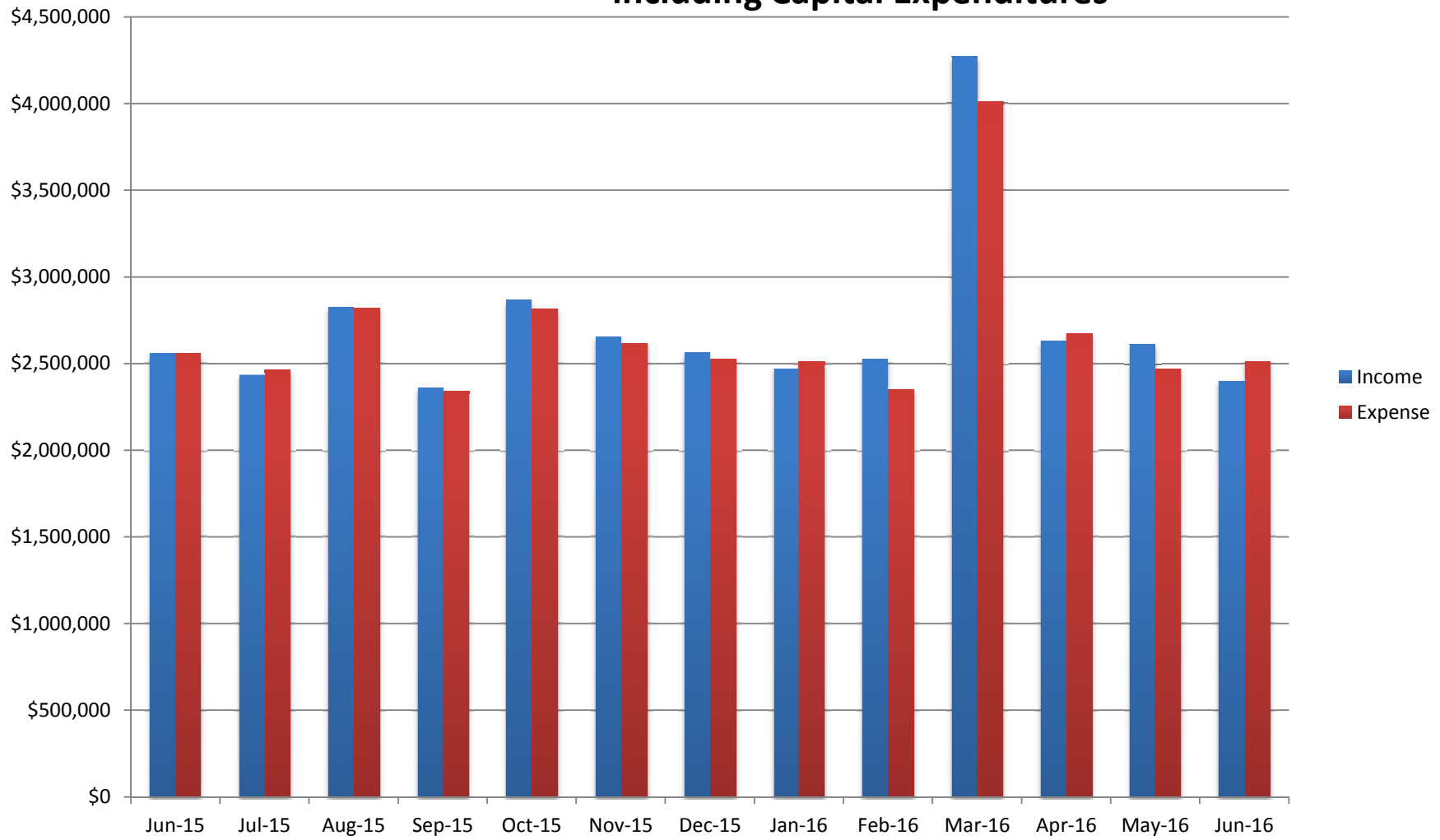
Debt Service	40,999	38,358	2,641
Excess(Deficiency) of revenues over Expense:	<u>40,999</u>	<u>38,358</u>	<u>2,641</u>

TRI-COUNTY BEHAVIORAL HEALTHCARE
Revenue and Expense Summary by Service Type
Compared to Budget
Year To Date as of July 2016

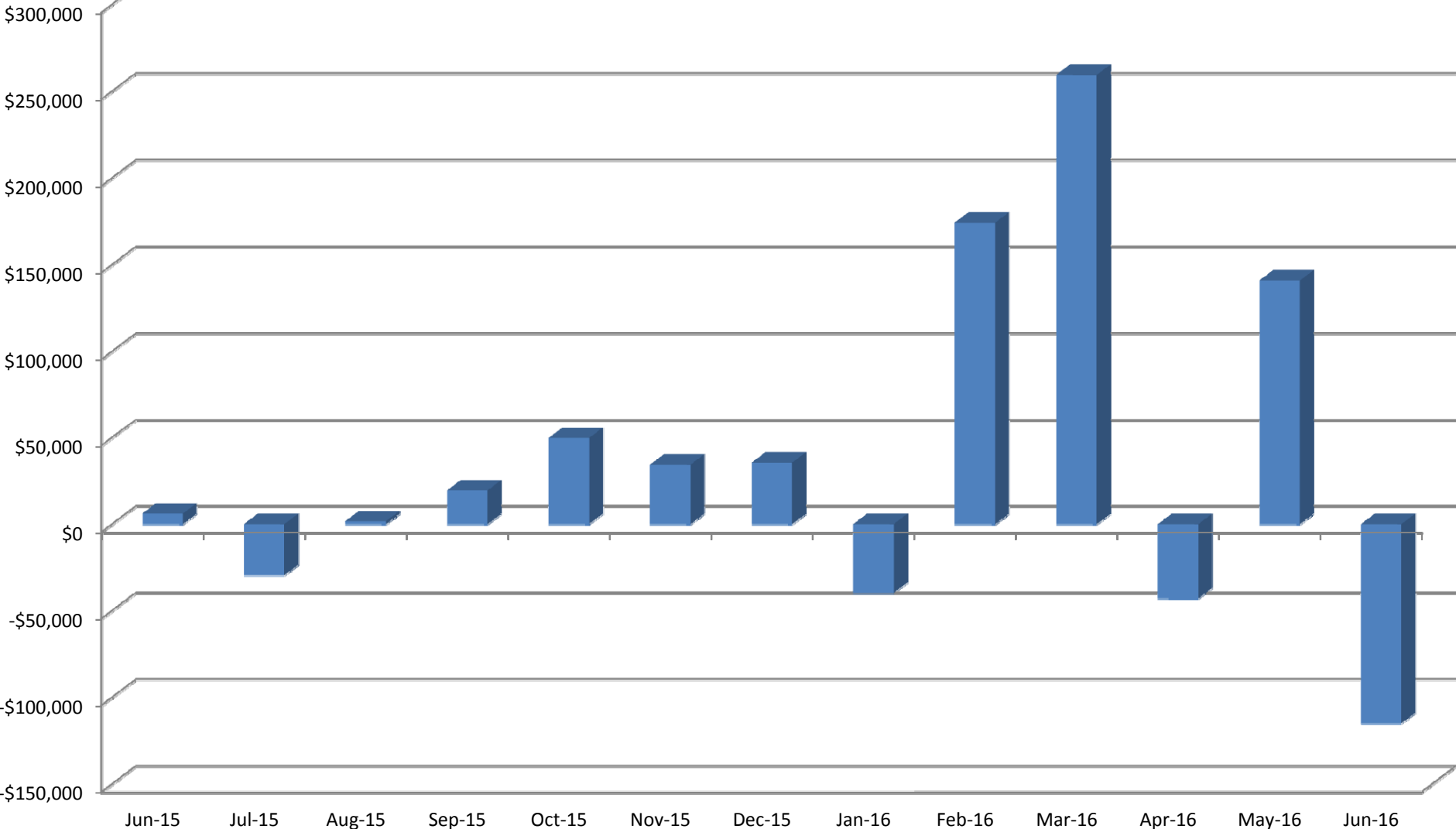
	YTD Mental Health July 2016	YTD IDD July 2016	YTD Other Services July 2016	YTD Agency Total July 2016	YTD Approved Budget July 2016	Increase (Decrease)
INCOME:						
Local Revenue Sources	2,608,736	826,969	(67,992)	3,367,714	3,329,717	37,997
Earned Income	3,238,204	5,545,851	4,032,410	12,816,464	12,986,797	(170,333)
General Revenue-Contract	12,057,432	1,607,407		13,664,839	13,657,187	7,652
TOTAL INCOME	\$ 17,904,372	\$ 7,980,227	\$ 3,964,418	\$ 29,849,017	\$ 29,973,701	\$ (124,684)
EXPENSES:						
Salaries	9,236,976	2,933,159	2,529,591	14,699,725	14,882,706	(182,981)
Employee Benefits	1,794,187	625,181	448,639	2,868,007	2,861,136	6,871
Medication Expense	459,847		184,946	644,793	642,788	2,005
Travel-Board/Staff	248,055	128,743	54,558	431,356	410,642	20,714
Building Rent/Maintenance	156,776	73,483	38,106	268,365	261,541	6,824
Consultants/Contracts	2,240,175	2,936,212	148,627	5,325,014	5,301,979	23,035
Other Operating Expenses	1,353,607	565,954	400,877	2,320,438	2,385,073	(64,635)
TOTAL EXPENSES	\$ 15,489,623	\$ 7,262,732	\$ 3,805,344	\$ 26,557,698	\$ 26,745,865	\$ (188,167)
Excess(Deficiency) of Revenues over Expenses before Capital Expenditures	\$ 2,414,749	\$ 717,495	\$ 159,074	\$ 3,291,319	\$ 3,227,836	\$ 63,483
CAPITAL EXPENDITURES						
Capital Outlay-FF&E, Automobiles	1,296,923	585,566	539,352	2,421,840	2,587,053	(165,213)
Capital Outlay-Debt Service	322,884	42,211	38,924	404,018	385,655	18,363
TOTAL CAPITAL EXPENDITURES	\$ 1,619,807	\$ 627,777	\$ 578,276	\$ 2,825,858	\$ 2,972,708	\$ (146,850)
GRAND TOTAL EXPENDITURES	\$ 17,109,430	\$ 7,890,509	\$ 4,383,620	\$ 29,383,556	\$ 29,718,573	\$ (335,017)
Excess (Deficiency) of Revenues and Expenses	\$ 794,942	\$ 89,718	\$ (419,202)	\$ 465,460	\$ 255,128	\$ 210,333
Debt Service and Fixed Asset Fund:						
Debt Service	322,884	42,211	38,924	404,018	385,655	(62,771)
Excess(Deficiency) of revenues over Expenses	322,884	42,211	38,924	404,018	385,655	(62,771)

TRI-COUNTY BEHAVIORAL HEALTHCARE

Income and Expense including Capital Expenditures



TRI-COUNTY BEHAVIORAL HEALTHCARE
Income after Expense
including Capital Expenditures



<p>Agenda Item: Approve FY 2016 Year End Budget Revision</p> <p>Committee: Business</p>	<p>Board Meeting Date</p> <p>August 25, 2016</p>
<p>Background Information:</p> <p>None</p>	
<p>Supporting Documentation:</p> <p>Summary</p> <p>FY 2016 Year End Budget Revision</p>	
<p>Recommended Action:</p> <p>Approve FY 2016 Year End Budget Revision</p>	

**Tri-County Behavioral Healthcare
Proposed FY 2016 Year End Budget Revision Compared to
Current FY 2016 Approved Budget**

Explanation of line items that have material changes from Proposed FY 2016 Year End Budget Revision compared to the Current FY 2016 Approved Budget.

REVENUES:

Local Revenue – This line item shows an overall increase based on FY 2016 Transfer from reserves for the Conroe building projects.

Earned Income – This line item shows an overall decrease mainly due to the continued issues we have with staffing in the Adult Rehabilitation service area. This line also has a slight increase in the ICF revenue due to some of the back billing for retro Medicaid coverage being paid.

General Revenue – This line item reflects a slight increase based mainly on the change in IDD GR for services that had been billed and paid through TMHP and will now be reimbursed through state general revenue funding.

EXPENSES:

Salaries – This line shows a decrease in the wage line based on the number of positions that have been vacant throughout the year. We budgeted a pretty conservative projection for lapsed positions. The actual lapse was approximately 8% of the total salary lines.

Employee Benefits – This line shows a slight decrease based on the fringe for vacant positions through the year. We have also noticed a trend that the participation in health insurance has increased, which we attribute to mandatory coverage required by the affordable care act.

Travel – Board/Staff – This line shows an increase based on the actual travel of staff being higher than originally budgeted. We also have more staff on state committees which require staff to attend meetings more often than in prior years.

Medication Expense – No Change.

Building Rent/Maintenance – This line item is less than the \$10,000 change.

Consultants/Contracts – This line item shows an increase based mainly due to the increase need for contract hospitals and also for the use of contract doctors while these clients are in the hospital.

Other Operating Expenses – This line has an overall decrease based on operational needs throughout the fiscal year.

Capital Outlay-FF&E, Automobiles – This line item shows a slight decrease based on projects that did not get completed in this fiscal year.

Capital Outlay - Debt Service Bonds – This line item shows a slight increase based on interest only payments on the new Conroe Building. This amount won't be set until the project is completed sometime in the middle of FY 2017.

**TRI-COUNTY BEHAVIORAL HEALTHCARE
PROPOSED FY 2016 YEAR END BUDGET REVISION COMPARED TO
CURRENT FY 2016 APPROVED BUDGET**

	PROPOSED FY 2016 YEAR END BUDGET	CURRENT FY 2016 APPROVED BUDGET	Increase (Decrease)
INCOME:			
Local Revenue Sources	\$ 3,469,755	\$ 1,922,571	\$ 1,547,184
Earned Income	\$ 13,994,571	\$ 14,101,310	\$ (106,739)
General Revenue	\$ 14,898,963	\$ 14,817,193	\$ 81,770
TOTAL INCOME	\$ 32,363,289	\$ 30,841,074	\$ 1,522,215
EXPENSES:			
Salaries	\$ 16,049,781	\$ 16,336,271	\$ (286,490)
Employee Benefits	\$ 3,072,840	\$ 3,085,452	\$ (12,613)
Travel-Board/Staff	\$ 469,752	\$ 431,152	\$ 38,600
Medication Expense	\$ 702,000	\$ 702,000	\$ -
Building Rent/Maintenance	\$ 287,485	\$ 281,000	\$ 6,485
Consultants/Contracts	\$ 5,727,733	\$ 5,573,957	\$ 153,776
Other Operating Expenses	\$ 2,535,441	\$ 2,616,021	\$ (80,580)
TOTAL EXPENSES	\$ 28,845,032	\$ 29,025,853	\$ (180,821)
Excess (Deficiency) of Revenues over Expenses before Capital Expenditures	\$ 3,518,257	\$ 1,815,221	\$ 1,703,036
CAPITAL EXPENDITURES			
Capital Outlay - FF&E, Automobiles	\$ 2,594,610	\$ 1,094,506	\$ 1,500,104
Capital Outlay - Debt Services Bonds	\$ 436,215	\$ 420,715	\$ 15,500
TOTAL CAPITAL EXPENDITURES	\$ 3,030,825	\$ 1,515,221	\$ 1,515,604
GRAND TOTAL EXPENDITURES	\$ 31,875,857	\$ 30,541,074	\$ 1,334,783
Excess (Deficiency) of Revenues and Expenses	\$ 487,432	\$ 300,000	\$ 187,432

<p>Agenda Item: Approve Proposed FY 2017 Operating Budget</p> <p>Committee: Business</p>	<p>Board Meeting Date</p> <p>August 25, 2016</p>
<p>Background Information:</p> <p>None</p>	
<p>Supporting Documentation:</p> <p>Copy of Proposed FY 2017 Operating Budget with Narrative of Increases or Decreases of More than \$10,000</p>	
<p>Recommended Action:</p> <p>Approve Proposed FY 2017 Operating Budget</p>	

**Tri-County Behavioral Healthcare
Proposed FY 2017 Beginning Budget Compared to
FY 2016 Year End Approved Budget**

Explanation of line items that have material changes from Proposed FY 2017 Beginning Budget compared to the FY 2016 Year End Approved Budget.

REVENUES:

Local Revenue – This line item shows an overall decrease based on FY 2016 Transfer from reserves for Conroe building project.

Earned Income – This line item shows an overall decrease based mainly on trends for earned revenue in FY 16. We do expect to see an improvement in some of the programs but it will take a bit of time to get staff hired and trained properly to provide quality services.

General Revenue – This line item reflects an increase based on DADS shifting a couple of service types to be a part of GR allocations. These services were in the earned area prior to this shift so that also contributes to the decrease in the above category.

EXPENSES:

Salaries – This line shows an increase due to projections for the fiscal year. We have some staff changes that will be coming due to the building change so this number reflects some new positions and also includes positions that will have some change in scope or location.

Employee Benefits – This line shows an increase for the fringe associated with the above referenced beginning salary budget amount.

Travel – Board/Staff – This line show an increase based on the anticipated travel projections mostly on the program side. We also budget for travel associated with annual state conferences as well as the annual National conference for board and staff members.

Medication Expense – This line shows no increase based on that past four or so months without any major medication cost changes. Still a line to watch but comfortable with projections at this point.

Building Rent/Maintenance – This line item shows a decrease based on the movement to the consolidated building. .

Consultants/Contracts – This line item shows an increase based on various contractors being lower than expected in the prior year, such as ICF.

Other Operating Expenses – This line item is an overall increase based on operational needs throughout the fiscal year.

Capital Outlay-FF&E, Automobiles – This item reflects a decrease based on the FY 2016 purchase of the Conroe property and the costs required by the bank for use to proceed with the financing.

Capital Outlay - Debt Service Bonds – Slight change, we expect this line to change throughout the year until we occupy the new building.

**TRI-COUNTY BEHAVIORAL HEALTHCARE
PROPOSED FY 2017 BEGINNING BUDGET COMPARED TO
FY 2016 YEAR END APPROVED BUDGET**

INCOME:	PROPOSED FY 2017 BEGINNING BUDGET	FY 2016 YEAR END APPROVED BUDGET	Increase (Decrease)
Local Revenue Sources	\$ 1,282,041	\$ 3,469,755	\$ (2,187,714)
Earned Income	\$ 13,971,610	\$ 13,994,571	\$ (22,961)
General Revenue	\$ 15,193,895	\$ 14,898,963	\$ 294,932
TOTAL INCOME	\$ 30,447,546	\$ 32,363,289	\$ (1,915,743)
EXPENSES:			
Salaries	\$ 16,763,564	\$ 16,049,781	\$ 713,783
Employee Benefits	\$ 3,439,600	\$ 3,072,840	\$ 366,760
Travel-Board/Staff	\$ 483,953	\$ 469,752	\$ 14,201
Medication Expense	\$ 702,000	\$ 702,000	\$ -
Building Rent/Maintenance	\$ 197,500	\$ 287,485	\$ (89,985)
Consultants/Contracts	\$ 5,738,101	\$ 5,727,733	\$ 10,368
Other Operating Expenses	\$ 2,550,070	\$ 2,535,441	\$ 14,629
TOTAL EXPENSES	\$ 29,874,788	\$ 28,845,032	\$ 1,029,756
Excess (Deficiency) of Revenues over Expenses before Capital Expenditures	\$ 572,758	\$ 3,518,257	\$ (2,945,499)
CAPITAL EXPENDITURES			
Capital Outlay - FF&E, Automobiles	\$ 148,300	\$ 2,594,610	\$ (2,446,310)
Capital Outlay - Debt Services Bonds	\$ 424,458	\$ 436,215	\$ (11,757)
TOTAL CAPITAL EXPENDITURES	\$ 572,758	\$ 3,030,825	\$ (2,458,067)
GRAND TOTAL EXPENDITURES	\$ 30,447,546	\$ 31,875,857	\$ (1,428,311)
Excess (Deficiency) of Revenues and Expenses	\$ -	\$ 487,432	\$ (487,432)

<p>Agenda Item: Approve Banking Services Contract with JPMorgan Chase Bank, N.A.</p> <p>Committee: Business</p>	<p>Board Meeting Date</p> <p>August 25, 2016</p>
<p>Background Information:</p> <p>Tri-County Behavioral Healthcare has a Depository Contract with JPMorgan Chase Bank, N.A. from September 1, 2005 to August 31, 2016.</p> <p>Staff recommends that the Board approve the extension of the contract with JPMorgan Chase Bank, N.A. for an additional 2 years to expire on August 31, 2018.</p>	
<p>Supporting Documentation:</p> <p>Letter to Extend Agreement with JPMorgan Chase Bank, N.A.</p>	
<p>Recommended Action:</p> <p>Approve Banking Services Contract Extension with JPMorgan Chase Bank, N.A.</p>	



August 25, 2016

Ryan F. McCauley
Vice President
JPMorgan Chase Bank, N.A.
712 Main Street
9th Floor North
Houston, TX 77002

RE: Depository Contract

Dear Mr. McCauley:

Pursuant to the depository contract between Tri-County Behavioral Healthcare beginning September 1, 2005 and ending August 31, 2008 and the four additional two year extensions through August 31, 2016 for said contract, please be advised that Tri-County Behavioral Healthcare hereby wishes to extend the contract for an additional 2 year period ending August 31, 2018. All other contracts remain.

Please return a signed copy of this letter as representation of your agreement to extend.

Sincerely,

Evan Roberson
Executive Director

Printed Name
JPMorgan Chase Bank N.A.

Title

Signature
JPMorgan Chase Bank N.A.

Date

<p>Agenda Item: Approve Purchase of Ford Transit 15 Passenger Wagon XL</p> <p>Committee: Business</p>	<p>Board Meeting Date</p> <p>August 25, 2016</p>
<p>Background Information:</p> <p>Due to the total loss of a 2014 Ford E-350 15 Passenger Van used in our Liberty LifeSkills program, staff recommends the purchase of a Ford Transit 15 Passenger Wagon XL to be purchased at the dealership chosen by the Board. One bid was still coming in at the time the Board packet was distributed. All bids will be available for review at the Board meeting.</p> <p>Listed below are the bids received:</p> <ul style="list-style-type: none"> • Anderson Ford – Cleveland, Texas – \$27,975.00 • Bill Fick Ford – Huntsville, Texas – Bid Pending • BJ Ford – Liberty, Texas – \$29,548.19 • Gullo Ford – Conroe, Texas – \$35,846.84 	
<p>Supporting Documentation:</p> <p>Copy of Bids Available for Review at the Board Meeting</p>	
<p>Recommended Action:</p> <p>Approve the Purchase of Ford Transit 15 Passenger Wagon XL as Recommended</p>	

<p>Agenda Item: Approve FY 2017 Dues Commitment and Payment Schedule for the Texas Council</p> <p>Committee: Business</p>	<p>Board Meeting Date</p> <p>August 25, 2016</p>
<p>Background Information:</p> <p>The Texas Council Operating Budget for FY 2017 was approved at the Texas Council Board meeting on August 13, 2016.</p> <p>Total dues for FY 2017 were decreased by \$193 from \$35,527 to \$35,334. The Center pays this fee in quarterly installments.</p>	
<p>Supporting Documentation:</p> <p>Cover Memorandum from Danette Castle, CEO</p> <p>FY 2017 Dues Commitment and Payment Schedule</p>	
<p>Recommended Action:</p> <p>Approve FY 2017 Dues Commitment and Payment Schedule for the Texas Council</p>	



MEMO
August 17, 2016

TO: Evan Roberson
Executive Director, Tri-County Behavioral Healthcare

FROM: Danette Castle [REDACTED]
Chief Executive Officer

SUBJECT: FY 2017 Commitment of Dues for
Texas Council of Community Centers

Please find attached the FY 2017 (September 1, 2016 – August 31, 2017) Commitment of Dues Payment Form. This form establishes the basis for payment of your dues. Please note on the form that you can choose a payment schedule that meets your needs.

The dues assessment reflects the budget as approved at the August 13, 2016 meeting of the Texas Council Board of Directors. To assist with local discussions with your Board of Trustees, we include the following information:

- Budget Overview
- FY 2017 Budget (with side-by-side comparison to FY 2016)
- FY 2017 Dues Comparison to FY 2016 Dues
- FY 2017 Commitment of Dues Payment Form

If you have any questions, please contact Mike Horne at mhorne@txcouncil.com or call the Texas Council office at 512.794.9268.

Enclosure

cc: Sharon Walker, Texas Council Board Delegate

**FY 2017 Commitment of Dues Payment for
Texas Council of Community Centers**

CENTER: Tri-County Behavioral Healthcare

The dues for FY 2017 have been calculated as follows:

Total Dues\$37,677.00
**LESS: Credit for Texas Council Risk
Management Fund Members...(2,343.00)**

Net Dues**\$35,334.00**

The dues payment may be paid in one payment or in monthly or quarterly installments. Please identify the dues payment methodology you plan to use:

	<u>Monthly</u>	<u>Quarterly</u>	<u>Lump Sum</u>
September 2016	_____	\$8,834 _____	\$ _____
October	_____		
November	_____		
December	_____	\$8,834 _____	
January 2017	_____		
February	_____		
March	_____	\$8,833 _____	
April	_____		
May	_____		
June	_____	\$8,833 _____	
July	_____		
August	_____		
TOTALS	\$ _____	\$ 35,334 _____	\$ _____

Invoice for each payment required? Yes No

We appreciate your prompt and timely payment!

APPROVED:

Chairperson, Board of Trustees

Executive Director

Date: _____

Agenda Item: Approve DSHS Enterprise Contract #537-17-0127-00035

Board Meeting Date

August 25, 2016

Committee: Business

Background Information:

Last year, the Health and Human Services Commission (HHSC) combined seven (7) of our mental health services contracts into one 'Enterprise' contract. The Mental Health First Aid contract has since been removed from the Enterprise contract.

- The most significant change is a 'go-live' date for the new diagnostic manual, the DSM V, on October 1, 2016.
 - The DSM V removes the Global Assessment of Functioning (GAF) which the State relies on for admission to services if a person has a Depression diagnosis.
 - The DSM V makes it more difficult to give a Bipolar I diagnosis.
- The state is also requiring centers to separately track the Co-Occurring Psychiatric and Substance Use Disorder (COPSD) service that is a part of mental health rehabilitation services (separate from the COPSD service that we provide as a part of our Substance Use Disorder contract). This service has always been a part of the service array for consumers in services, but it wasn't tracked separately and hasn't been a point of emphasis.

The HHSC computer system, CMBHS, is not ready to receive either of these data requests from Centers at this time and there will need to be modifications to both Anasazi and CMBHS before we will be able to meet these requirements. HHSC has agreed to work with Centers on these reporting requirements while software modifications are made.

The FY 2017 funding is unchanged from FY 2016.

Supporting Documentation:

Contract Available for Review at the Board Meeting

Recommended Action:

Approve the DSHS Enterprise Contract #537-17-0127-00035

<p>Agenda Item: Approve the DSHS Mental Health-PATH Contract #2016-048162-001A</p> <p>Committee: Business</p>	<p>Board Meeting Date</p> <p>August 25, 2016</p>
<p>Background Information:</p> <p>Tri-County has contracted with the Department of State Health Services (DSHS) for the Projects for Assistance in Transition from Homelessness (PATH) for many years. The PATH program serves persons with serious mental illness, or those with substance use disorders, who are homeless or at risk of being homeless. The goal of the program is to engage homeless persons with a mental illness into ongoing psychiatric services.</p> <p>Tri-County employs two staff that work with homeless individuals in camps and other environments in Montgomery County.</p> <p>The DSHS funding of \$141,776 (with a required match of \$41,294) is essentially unchanged from FY 2016.</p>	
<p>Supporting Documentation:</p> <p>Contract Available for Review at the Board Meeting</p>	
<p>Recommended Action:</p> <p>Approve the DSHS Mental Health-PATH Contract #2016-048162-001A</p>	

<p>Agenda Item: Approve DSHS Treatment Adult Services (TRA) Contract #2016-048497-002</p> <p>Committee: Business</p>	<p>Board Meeting Date</p> <p>August 25, 2016</p>
<p>Background Information:</p> <p>Several years ago, the Center decided to contract with the Department of State Health Services for Adult Substance Abuse Treatment (TRA), Youth Substance Abuse Treatment (TRY) and Co-Occurring Psychiatric and Substance Use Disorder (TCO) (COPSD) services. In addition to state funding, the TRA and TRY programs also receive funding from the United Way of Greater Houston to supplement the programming.</p> <p>All three programs have struggled financially, but, at the same time, the programs have been well received by the community and have had good clinical outcomes. However, in FY 2016, the TRA program had very low enrollment numbers and low success rates. As a result, staff considered withdrawing from the TRA program this year, but after consulting with our DSHS Contract Manager, determined to continue the program and seek technical assistance if our program continues to struggle.</p> <p>Most experts in behavioral health view integrated substance use and mental health treatment as the model for care in the near future. We are hopeful that, with additional effort, we will be able to figure out a way to make this program sustainable.</p> <p>The FY 2017 contract is unchanged from FY 2016 and staff recommends approval.</p>	
<p>Supporting Documentation:</p> <p>Contract Available for Review at the Board Meeting</p>	
<p>Recommended Action:</p> <p>Approve the DSHS Treatment Adult Services (TRA) Contract #2016-048497-002</p>	

<p>Agenda Item: Approve DSHS Mental Health First Aid Contract #2017-049421-001</p> <p>Committee: Business</p>	<p>Board Meeting Date</p> <p>August 25, 2016</p>
<p>Background Information:</p> <p>Tri-County Behavioral Healthcare has contracted with the Department of State Health Services (DSHS) for the Mental Health First Aid (MHFA) program for the past 3 years. The MHFA program provides training to public school district employees, public school resource officers, and other organizations working with youth; as a preventative measure to assist in early identification of children at risk of social-emotional disorders. All trainings are taught by certified Youth Mental Health First Aid instructors.</p> <p>Tri-County has 7 certified Mental Health First Aid instructors. Per DSHS’s requirement - each trainer must provide a minimum of 3 trainings per year to school districts and other organizations and individuals linked to youth; within Tri-County’s service area.</p> <p>The DSHS funding of \$11,000 is unchanged from FY 2016. We are required to certify one additional staff as an YMHFA trainer and train 100 school district employees or public school resource officers in YMHFA.</p>	
<p>Supporting Documentation:</p> <p>Contract Available for Review at the Board Meeting</p>	
<p>Recommended Action:</p> <p>Approve the DSHS Mental Health First Aid Contract #2017-049421-001</p>	

<p>Agenda Item: Approve DSHS YES Waiver Pre-Engagement Services (MH/YESPE) Contract #2017-049547-001</p> <p>Committee: Business</p>	<p>Board Meeting Date</p> <p>August 25, 2016</p>
<p>Background Information:</p> <p>The FY 2017 Youth Empowerment Services (YES) Waiver Pre-Engagement Services contract was received as the Board packet was being finalized. Staff will review the contract for changes and will present a summary of changes at the Board meeting.</p>	
<p>Supporting Documentation:</p> <p>YES Waiver Pre-Engagement Services Summary Available for Review at the Board Meeting</p> <p>Contract Available for Review at the Board Meeting</p>	
<p>Recommended Action:</p> <p>Approve DSHS YES Waiver Pre-Engagement Services (MH/YESPE) Contract #2017-049547-001</p>	

Agenda Item: Approve DSHS YES Waiver Pre-Engagement Services (MH/YESPE) Contract #2017-049547-001

Board Meeting Date

August 25, 2016

Committee: Business

Background Information:

The FY 2017 Youth Empowerment Services (YES) Waiver Pre-Engagement Services contract is a new contract for the Center and was received just prior to Board packet finalization.

The contract covers expenses for the Center related to enrollment of a client into the YES Waiver including:

1. Conducting Assessments required for determining waiver eligibility;
2. Completing waiver specific eligibility forms;
3. Assisting the potential client in obtaining the paperwork necessary for determining Medicaid eligibility;
4. Development of Individual Plan of Care (IPC) Pending; and,
5. Submission of all Medicaid eligibility paperwork to System Agency for processing.

The current contract maximum is \$2,000 and would be reimbursed on a fee for service basis. Our contract manager indicates that additional dollars may be available if needed.

Supporting Documentation:

Contract Available for Review at the Board Meeting

Recommended Action:

Approve DSHS YES Waiver Pre-Engagement Services (MH/YESPE) Contract #2017-049547-001

<p>Agenda Item: Approve FY 2016-17 DADS Performance Contract Amendment Packet #2</p> <p>Committee: Business</p>	<p>Board Meeting Date</p> <p>August 25, 2016</p>
<p>Background Information:</p> <p>The Department of Aging and Disability Services (DADS) has a two (2) year contract with the Center and has issued their second amendment to the contract. Significant changes include:</p> <ul style="list-style-type: none"> • The Priority Population has changed to indicate that a persons must have an intelligence quotient of 69 or lower to qualify for intellectual disability services (was 70 or lower) to be in line with the Diagnostic and Statistical Manual (DSM) V; • Additional requirements for monitoring of persons transitioning from a Nursing Facility; • A requirement to redact the Center’s name from the HCS or TxHmL provider list if the Center is at capacity; • New requirements for reassessment of persons in the Community First Choice (CFC) program; • A requirement was added for Centers to communication to stakeholders about the availability of Crisis Intervention Services and Crisis Respite; and • The Crisis Intervention Specialist credential requirements were modified to allow for a Qualified Intellectual Developmental Professional (QIDP) with certain experience could be hired if a licensed staff was not available. <p>FY 2017 funding was \$431,344.28 higher than FY 2016 because Pre-Admission Screening and Resident Review (PASRR) and Enhanced Service Coordination (ESC) was moved from Targeted Case Management billing to an allocation in DADS Amendment Packet #1, and due to the addition of Crisis Intervention Services/Respite funding.</p>	
<p>Supporting Documentation:</p> <p>Contract Available for Review at the Board Meeting</p>	
<p>Recommended Action:</p> <p>Approve the FY 2016-17 DADS Performance Contract Amendment Packet #2</p>	

<p>Agenda Item: Approve FY 2017 ICF/IID Services Contract with Educare Community Living Corporation</p> <p>Committee: Business</p>	<p>Board Meeting Date</p> <p>August 25, 2016</p>
<p>Background Information:</p> <p>As you will recall from the last Board meeting, Tri-County Behavioral Healthcare (Tri-County) is in the process of working with a consultant to sell the Intermediate Care Facility (ICF/IID) Licenses. Tri-County owns the eight homes associated with these licenses: three homes in Montgomery County, four in Liberty County and one in Walker County. Until the sale is finalized, Educare Community Living Corporation (Educare) has agreed to continue as the provider of these services under contract with Tri-County. We are unsure of the details regarding the purchase or timeline but will keep the Board up to date as more information is available.</p> <p>Tri-County and Educare staff have agreed upon language for the FY 2017 contract period with minor adjustments. This contract was developed by Jackson Walker and the changes have been reviewed by Educare.</p>	
<p>Supporting Documentation:</p> <p>Contract Available for Review at the Board Meeting</p>	
<p>Recommended Action:</p> <p>Approve the FY 2017 ICF/IID Services Contract with Educare Community Living Corporation</p>	

<p>Agenda Item: Approve FY 2017 Aspire Hospital, LLC Contract</p> <p>Committee: Business</p>	<p>Board Meeting Date</p> <p>August 25, 2016</p>
<p>Background Information:</p> <p>Tri-County Behavioral Healthcare has contracted with Aspire Hospital, LLC for inpatient psychiatric services when programs at the Psychiatric Emergency Treatment Center (PETC) are at capacity or the individual's psychiatric and medical concerns demonstrate a need for a higher level of care. This includes persons in need of longer-term inpatient treatment than what is permitted at the PETC.</p> <p>Aspire Hospital, LLC is an inpatient psychiatric resource for Tri-County individuals with comorbid mental health and medical diagnoses. It is also a higher level of care option to utilize in excess of the state hospital diversion beds.</p> <p>The Aspire Hospital, LLC contract for FY 2017 inpatient hospital beds is \$125,000. Aspire Hospital, LLC provides inpatient psychiatric care for adult and geriatric populations.</p>	
<p>Supporting Documentation:</p> <p>Contract Available for Review at the Board Meeting</p>	
<p>Recommended Action:</p> <p>Approve the FY 2017 Aspire Hospital, LLC Contract for Inpatient Psychiatric Services</p>	

<p>Agenda Item: Approve FY 2017 Avail Solutions, Inc. Contract</p> <p>Committee: Business</p>	<p>Board Meeting Date</p> <p>August 25, 2016</p>
<p>Background Information:</p> <p>Avail Solutions, Inc. has performed crisis hotline assessment services for many years for our Center. They are the major contract provider of crisis hotline services for community centers in Texas. They answer our crisis hotline 24 hours per day, 7 days per week and have bilingual Spanish speaking staff available at all times. When a face-to-face crisis assessment is required, they contact our Center staff to conduct the assessment.</p> <p>The total contract amount for FY 2017 is \$66,000, the same amount that we paid in FY 2016.</p>	
<p>Supporting Documentation:</p> <p>Contract Available for Review at the Board Meeting</p>	
<p>Recommended Action:</p> <p>Approve FY 2017 Avail Solutions, Inc. Contract for Crisis Hotline Assessment Services</p>	

<p>Agenda Item: Approve FY 2017 Cypress Creek Inpatient Hospital Contract</p> <p>Committee: Business</p>	<p>Board Meeting Date</p> <p>August 25, 2016</p>
<p>Background Information:</p> <p>Tri-County Behavioral Healthcare has primarily utilized Cypress Creek Hospital for inpatient psychiatric services when programs at the Psychiatric Emergency Treatment Center (PETC) are at capacity or the individual's acuity demonstrates a need for a higher level of care. This includes persons in need of longer-term inpatient treatment than what is permitted at the PETC.</p> <p>Similar to prior years, Tri-County has executed a Statement of Work with the Department of State Health Services (DSHS) for five private psychiatric beds intended for state hospital diversion.</p> <p>The Cypress Creek contract for FY 2017 inpatient hospital beds is \$900,000. This figure is consistent with utilization trends observed in FY 2016. Cypress Creek hospital provides inpatient psychiatric care for adult and youth populations.</p>	
<p>Supporting Documentation:</p> <p>Contract Available for Review at the Board Meeting</p>	
<p>Recommended Action:</p> <p>Approve the FY 2017 Cypress Creek Hospital Contract for Inpatient Psychiatric Services</p>	

<p>Agenda Item: Approve FY 2017 Kingwood Pines Inpatient Hospital Contract</p> <p>Committee: Business</p>	<p>Board Meeting Date</p> <p>August 25, 2016</p>
<p>Background Information:</p> <p>Tri-County Behavioral Healthcare has utilized Kingwood Pines Hospital for inpatient psychiatric services when programs at the Psychiatric Emergency Treatment Center (PETC) are at capacity or the individual's acuity demonstrates a need for a higher level of care. This includes persons in need of longer-term inpatient treatment than what is permitted at the PETC.</p> <p>Similar to prior years, Tri-County has executed a Statement of Work (SOW) with the Department of State Health Services (DSHS) for five private psychiatric beds intended for state hospital diversion.</p> <p>The Kingwood Pines contract for FY 2017 inpatient hospital beds is \$650,000. This figure is consistent with utilization trends observed in FY 2016. Kingwood Pines Hospital is unique in that it not only serves adults and youth but children under the age of 12. In the last year, hospital level of care need for children in Liberty, Montgomery, and Walker catchment areas has significantly increased.</p>	
<p>Supporting Documentation:</p> <p>Contract Available for Review at the Board Meeting</p>	
<p>Recommended Action:</p> <p>Approve the FY 2017 Kingwood Pines Hospital Contract for Inpatient Psychiatric Services</p>	

<p>Agenda Item: Approve FY 2017 Contract for Dr. Frank Chen</p> <p>Committee: Business</p>	<p>Board Meeting Date</p> <p>August 25, 2016</p>
<p>Background Information:</p> <p>Tri-County Behavioral Healthcare has utilized Dr. Frank Chen, a psychiatrist affiliated with Cypress Creek Hospital for many years. Dr. Chen provides inpatient psychiatric care to youth and adult populations.</p> <p>Dr. Chen is the primary contractor at Cypress Creek Hospital that works with individuals that are funded through the Department of State Health Services (DSHS) for state hospital diversion.</p> <p>Dr. Chen’s contract maximum allowance for FY 2017 is \$98,000 for physician services. This figure is consistent with his utilization trends observed in FY 2016.</p> <p>Tri-County’s standard Community-based Services Agreement was used to draft this contract.</p>	
<p>Supporting Documentation:</p> <p>Contract Available for Review at the Board Meeting</p>	
<p>Recommended Action:</p> <p>Approve the FY 2017 Contract for Dr. Frank Chen</p>	

<p>Agenda Item: Approve FY 2017 Contract for Dr. Jerri Sethna</p> <p>Committee: Business</p>	<p>Board Meeting Date</p> <p>August 25, 2016</p>
<p>Background Information:</p> <p>Tri-County Behavioral Healthcare has utilized Dr. Jerri Sethna, a psychiatrist affiliated with Kingwood Pines Hospital for many years. Dr. Sethna is the primary inpatient contractor at the hospital that is assigned to Tri-County individuals that are funded through the Department of State Health Services (DSHS) for state hospital diversion.</p> <p>Dr. Sethna treats children, youth and adult populations. Her contract maximum allowance for FY 2016 is \$75,000 for physician services. This figure is consistent with utilization trends observed in FY 2016.</p> <p>Tri-County's standard Community-based Services Agreement was used to draft this contract.</p>	
<p>Supporting Documentation:</p> <p>Contract Available for Review at the Board Meeting</p>	
<p>Recommended Action:</p> <p>Approve the FY 2017 Contract for Dr. Jerri Sethna</p>	

<p>Agenda Item: Board of Trustees' Unit Financial Statement for July 2016</p> <p>Committee: Business</p>	<p>Board Meeting Date</p> <p>August 25, 2016</p>
<p>Background Information:</p> <p>None</p>	
<p>Supporting Documentation:</p> <p>July 2016 Board of Trustees' Unit Financial Statement</p>	
<p>Recommended Action:</p> <p>For Information Only</p>	

Unit Financial Statement

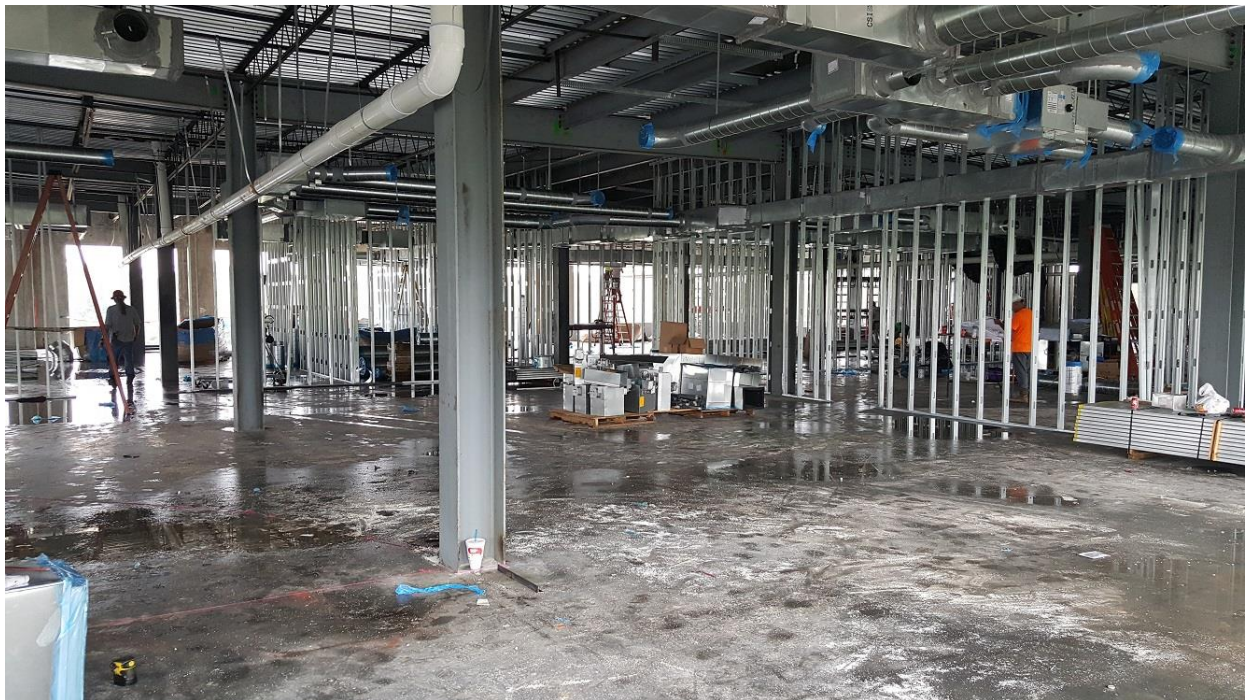
FY 2016

	July 2016 Actuals	July 2016 Budgeted	Variance	YTD Actual	YTD Budget	Variance	Percent	Budget
Revenues								
Allocated Revenue	\$ 2,596.00	\$ 2,596.00	\$ -	\$ 28,554.00	\$ 28,554.00	\$ -	100.00%	\$ 31,150.00
Total Revenue	\$ 2,596.00	\$ 2,596.00	\$ -	\$ 28,554.00	\$ 28,554.00	\$ -	100.00%	\$ 31,150.00
Expenses								
Food Items	\$ 296.66	\$ 208.00	\$ 88.66	\$ 2,044.40	\$ 2,292.00	\$ (247.60)	89.20%	\$ 2,500.00
Insurance-Worker Compensation	\$ 7.83	\$ 17.00	\$ (9.17)	\$ 89.61	\$ 183.00	\$ (93.39)	48.97%	\$ 200.00
Legal Fees	\$ 1,500.00	\$ 1,500.00	\$ -	\$ 16,500.00	\$ 16,500.00	\$ -	100.00%	\$ 18,000.00
Postage-Express Mail	\$ -	\$ 4.00	\$ (4.00)	\$ -	\$ 46.00	\$ (46.00)	0.00%	\$ 50.00
Supplies-Office	\$ -	\$ 8.00	\$ (8.00)	\$ 277.17	\$ 237.00	\$ 40.17	0.00%	\$ 100.00
Training	\$ -	\$ 300.00	\$ (300.00)	\$ 3,080.00	\$ 3,300.00	\$ (220.00)	93.33%	\$ 3,600.00
Travel - Local	\$ -	\$ 75.00	\$ (75.00)	\$ 242.36	\$ 825.00	\$ (582.64)	29.38%	\$ 900.00
Travel - Non-local Mileage/Air	\$ 202.50	\$ 150.00	\$ 52.50	\$ 2,230.76	\$ 1,650.00	\$ 580.76	135.20%	\$ 1,800.00
Travel - Non-local Hotel	\$ -	\$ 250.00	\$ (250.00)	\$ 2,232.43	\$ 2,750.00	\$ (517.57)	81.18%	\$ 3,000.00
Travel - Meals	\$ 205.38	\$ 83.00	\$ 122.38	\$ 617.30	\$ 917.00	\$ (299.70)	67.32%	\$ 1,000.00
Total Expenses	\$ 2,212.37	\$ 2,595.00	\$ (382.63)	\$ 27,314.03	\$ 28,700.00	\$ (1,385.97)	95.17%	\$ 31,150.00
Total Revenue minus Expenses	\$ 383.63	\$ 1.00	\$ 382.63	\$ 1,239.97	\$ (146.00)	\$ 1,385.97	4.83%	\$ -

<p>Agenda Item: Building Consolidation Update</p> <p>Committee: Business</p>	<p>Board Meeting Date</p> <p>August 25, 2016</p>
<p>Background Information:</p> <p>As a standing information item on the agenda, Tri-County staff, Mike Duncum and/or contractors will continue to provide updates to the Board regarding progress made throughout the construction phase until we have officially moved into the new consolidated facility in Montgomery County.</p>	
<p>Supporting Documentation:</p> <p>Project Pictures</p>	
<p>Recommended Action:</p> <p>For Information Only</p>	













UPCOMING MEETINGS

September 22nd, 2016 – Board Meeting

- Approve Minutes from August 25, 2016 Board Meeting
- Reappoint Mental Health Planning Network Advisory Committee Members
- Reappoint Intellectual/Developmental Disabilities Planning Network Advisory Committee Members
- Community Resources Report
- Consumer Services Report for August 2016
- Program Updates
- Annual Corporate Compliance & Quality Management Report
- 1st Quarter FY 2017 Corporate Compliance Training
- Annual Planning Network Advisory Committee Reports
- Final FY 2016 Goals & Objectives Progress Report
- Appoint Texas Council Representative & Alternate for FY 2017
- Board of Trustees Reappointments & Oaths of Office
- Personnel Report for August 2016
- Texas Council Risk Management Fund Claims Summary for August 2016
- Analysis of Board Members Attendance for FY 2016 Regular & Special Called Board Meetings
- 401(a) Account Review
- Review August 2016 Financial Statements
- Board of Trustees Unit Financial Statement for August 2016
- Building Consolidation Update
- Cleveland Supporting Housing, Inc. Update
- Other Business Committee Issues

October 27th, 2016 – Board Meeting

- Longevity Recognition Presentations
- Approve Minutes from September 22, 2016 Board Meeting
- Community Resources Report
- Consumer Services Report for September 2016
- Program Updates
- Regional Planning Network Advisory Committee's FY 2017 Budget Review
- Personnel Report for September 2016
- Texas Council Risk Management Fund Claims Summary for September 2016
- Program Presentation – Psychiatric Emergency Treatment Center
- Approve September 2016 Financial Statements
- Cast Election Ballot for the Texas Council Risk Management Fund Board of Trustees
- 4th Quarter FY 2016 Investment Report
- Board of Trustees Unit Financial Statement for September 2016
- Building Consolidation Update
- Other Business Committee Issues