Report on
Gulf Coast Local Service Area Planning Pilot Project

Rider 59, House Bill 1
78th Texas Legislature

Texas Department of State Health Services
Gulf Coast Local Service Area Planning Pilot Project
Implementation of Rider 59

Background

Pursuant to Rider 59 of House Bill 1, 78th Texas Legislature, the Texas Department of Mental Health and Mental Retardation (TDMHMR) developed and implemented a pilot project beginning in fiscal year 2004 that involved negotiating a performance agreement based on priorities identified by the stakeholders in the community and expressed in a local service plan. The Gulf Coast Center was identified in Rider 59 as the site to participate in this pilot project. This report summarizes the collaborative efforts of the Gulf Coast Center and the Texas Department of Mental Health and Mental Retardation to develop and implement the rider as mandated.

Criteria for Evaluation

TDMHMR and Gulf Coast Center’s ability to meet the legislative intent of Rider 59 is reflected in the following evaluation criteria:

Were the plans submitted to the Department reflective of community stakeholder input?

In partnership with its Planning Advisory Committees (“PACs”), the Gulf Coast Center conducted various planning activities for consumers, families, Gulf Coast Center staff, and the general public to provide input into the planning process. The Gulf Coast Center’s PACs played a key role in obtaining community input, and leading, reviewing, and evaluating the planning activities. Following the completion of the community planning activities, the Gulf Coast Center’s Board of Trustees held a planning retreat to review the community input received. Attending with the Board of Trustees at their November 2003 planning retreat were key Gulf Coast Center management staff, PAC chairpersons, and representatives from the local National Alliance for the Mentally Ill (NAMI) and The Arc of Texas.

Did the department and local authority negotiate a performance agreement based upon prioritized service needs in the local service plan?

Upon completion of the assessment process, determination was made by the PACs and the Gulf Coast Center that the Gulf Coast Center’s existing long-range plan and goals of quality services, choice, and community and consumer education remained viable. As such, it was determined that the existing long range plan would remain as a supporting part of the Gulf Coast Center’s proposed Rider 59 pilot. However, amendments to address the recent assessment findings were necessary. Utilizing the community assessment needs data as the basis, the PACs evaluated the community’s input, as well as assessed the impact of the reduced funding and proposed State changes, and developed the following goals for amendment to the existing long-range plan. In keeping with the intent of the rider, the goals and objectives were designed to work toward the maintenance and expansion of community based mental health and mental retardation service opportunities as prioritized by the community and its recommended needs, which were as follows:

December 31, 2004
Mental Health

- Implementation of the Disease Management Model
  - Increased access to physician services
  - Medication Algorithm
- Development of Community Opportunities
  - Development of assisted living facilities
  - Increased socialization and education activities
- Improvement and Expansion of Jail Diversion Activities
  - Revision of court commitment process
  - Education of criminal justice personnel
  - Standardization of mental health court system

Mental Retardation

- Development of a System of Individualized Budgets
  - Maximization of individual control
  - Promotion of equity in allocation of funding
- Implementation of the Service Authorization Plan
  - Person Directed Planning
  - Individualized budgets with spending caps
  - Set fees for services
- Development of Opportunities for Individuals on the Waiting List
  - Establishment of a “safety net” system

These prioritized needs were submitted to TDMHMR as part of the Gulf Coast Center’s Rider 59 Proposal on January 9, 2004. Representatives of Gulf Coast Center and TDMHMR met on February 4, 2004 to discuss in depth the proposal and begin negotiations surrounding the FY04 Performance contract (see Attachment I).

Was the FY04 performance agreement between the department and the local authority inclusive of strategies to address prioritized service needs identified in the local service plan?

The Gulf Coast Center’s FY 2004 Performance Contract was amended to reflect waiver of certain requirements and strategies to assist the Gulf Coast Center in addressing and/or creating opportunities to address those needs and priorities identified by the community during the local planning process (see Attachment II).

Effectiveness of the Pilot Project

Achievements

Rider 59 provided the Gulf Coast Center with support to effectively implement some needed changes and assured that the community’s priorities were addressed. Some of the achievements, as well as limitations and constraints, faced by the Gulf Coast Center are as follows:
The implementation of Disease Management required that the Gulf Coast Center move from a Medical Model to a Recovery Model. This was an identified priority of the community. Prior to FY2005, the Gulf Coast Center’s Mental Health Outpatient Services emphasized medical services, for example psychiatric physicians, nurses, and pharmacy services. Disease Management focuses on an individual’s rehabilitation/recovery. Medical services are a part of the Disease Management system, but not the primary focus. Disease Management and the move to the Recovery Model prompted the Gulf Coast Center to expand outpatient services from two to four locations in their service area. Additionally, the Recovery Model includes not only mental health services, but also outpatient substance abuse services.

Housing opportunities was one of the community’s identified priorities. This is an area that the Gulf Coast Center and community will continue to address; however, there has been some significant progress here, including the Gulf Coast Center receiving a 3-year HUD grant to provide permanent housing support in Brazoria County for 15 individuals with mental illness. Also, the local NAMI received Section 811 HUD funding to build apartments specifically for individuals with disabilities.

The training of local police officers was both a community identified priority as well as a recommendation coming from the local Jail Diversion Task Force. The Gulf Coast Center’s service area (Galveston and Brazoria Counties) has two well-established Mental Health Deputy programs within the local county sheriff’s department. However, many times the sherrif’s department is not the first responder to a call – the local police are, and most police are not trained to respond to a call involving an individual with mental illness. The goal is to improve the response of all local police officers, to assure that they can identify a mental health issue versus a criminal issue, thus minimizing the inappropriate incarceration of individuals with mental illness who should instead be hospitalized. The Gulf Coast Center was able to secure a grant to provide Crisis Intervention Training for a number of local police officers. The eight officers trained will become the core group to provide on-going training and support, since the goal of the program is to expand the availability of this training to all local police officers.

One of the major goals of Rider 59 was to address the ever-growing number of individuals on waiting lists for mental health and mental retardation services. The community identified this as a priority, and suggested the development of Flexible Spending Funds. Though limited, these funds would assist those on a waiting list the opportunity to meet some immediate needs to help them through the long waiting period. The Gulf Coast Center has been able to secure funds from the local United Way and several local foundations to help set up flexible spending funds. Additionally, Gulf Coast Center staff work closely with the local NAMI and the Arc of Texas to ensure that all available funds go directly to the consumer and family. The community understands that not everyone on the waiting lists would be able to access the funds due to limited resources, nor would every need be addressed. However, the consensus among stakeholders was that some limited assistance was preferable to no support while on the waiting list.
Regarding Mental Retardation Services, the Gulf Coast Center has negotiated and developed a budget with each individual consumer and family. The individual’s budget starts with the consumer and family identifying their needs. Assisted by staff and advocates, the consumer and family work their budget to best meet their identified needs. Together they evaluate all available community resources with the intent to maximize those available resources designed to meet their needs. Once completed, these budgets set their service levels and provide authorization for what can be purchased with their funds. Budgets are reviewed regularly and adjusted as the consumer and family determine necessary.

The Gulf Coast Center is a member of the East Texas Behavioral Healthcare Network (ETBHN), a collaborative effort among several East Texas Community MHMR Centers. This regional network is working together to improve administrative operations, enhance oversight opportunities, and increase service delivery. The network has been in existence since the early 1990’s. Some of the regional activities include a pharmacy, and pooled purchase of electricity and consumables. ETBHN has an extensive plan to improve its assistance to Gulf Coast Center.

The move from the current Performance Contract to a Fee-for-Service agreement is a change occurring at the State level, and one that the Gulf Coast Center is continuing to work toward implementing. For fiscal year 2005, the Gulf Coast Center continues to receive an allocation of State and Federal funds through the Performance Contract, but the move to a fee-for-service reimbursement system should be implemented statewide in the FY 2006-2007 biennium. The Gulf Coast Center is continuing to work towards positioning itself – both administratively and operationally – to succeed in this environment.

Project Nexus is a new computer enterprise networking system in development at the Gulf Coast Center. The Gulf Coast Center’s Board of Trustees, with the support of the local NAMI, Arc of Texas, and consumer groups, approved the purchase and implementation of a Gulf Coast Center enterprise networking system. This system will allow the Gulf Coast Center to move forward into and operate within the upcoming fee-for-service system. Project Nexus is a complete system and includes client data, third party billing, electronic charts, and financial services. The goal is to move to as paperless a system as possible. The Gulf Coast Center has implemented a number of the phases of the system and continues to do so.

The Gulf Coast Center was able to negotiate an amendment to the Fiscal Year 2004 Performance Contract, which afforded the center a number of exemptions from many requirements and mandates. Waiver of these requirements was based upon the expectation that the Gulf Coast Center’s Project Nexus would eventually provide most of the exempted information directly into the State’s information systems. Implementation of Project Nexus is ongoing.

Conclusion

Since the completion of the 78th Legislative Session, the mental health and mental retardation service delivery system has undergone a myriad of critical changes that will affect future service
delivery. These changes have included state-level consolidation of mental health and mental retardation services into separate agencies, implementation of Resiliency and Disease Management, and implementation of the Texas Home Living Waiver Program. Amid these significant system changes, the Gulf Coast Center has worked collaboratively with local community stakeholders as well as state officials to ensure that the legislative intent of Rider 59 was met. The experiences and achievements gained during successful implementation of this rider shall continue to influence local service area planning activities and state level contracting practices.

For additional information, please contact Roderick Swan, Contracts Management Unit Branch Manager, Community Mental Health & Substance Abuse Section, at 512/206-5815 or by emailing roderick.swan@dshs.state.tx.us.
Attachment I

Rider 59 Meeting Summary
Rider 59 Meeting- TDMHMR Central Office

February 4, 2004

Meeting Summary

Departmental Staff Present
Gerry McKimmey, Deputy Commissioner for Community Programs
Sue Lummus, Director, Program Statistics and Planning
Carolyn Fleming, Program Statistics and Planning
Mary Skillman, Long Term Services and Supports
David Rollins, Long Term Services and Supports
Lorri Haden, Legal Services
Keith Williams, Director, Performance Contracts
Rod Swan, Contract Manager, Performance Contracts

Gulf Coast Center Staff Present
Mike Winburn, Executive Director
Carolyn Rose, Contracts Manager
Linda Bell, Director of Managed Care and Legal Services
Pat Wareing, Director of MR Services

Overview of Rider 59 Implementation
Mike Winburn provided an overview of Gulf Coast Center’s planning activities related to Rider 59 legislation. He outlined the efforts to gather input from city and county officials, local law enforcement, consumer and family members, and other community stakeholders.

Mental Retardation Issues
• Individualized Budgets would be developed for consumers, and all of these consumers would be enrolled in Service Coordination services
• During Rider Implementation, Gulf Coast staff will collaborate with TDMHMR staff on development of a process for Individualized Budgets to ensure that a financial cap is not instituted that would result in services not being refinanced.
• In Home and Family Support (IHFS) Services will not be reported on a quarterly basis, but data and information regarding the program will be available on an ad hoc basis. There would need to be an asterisk on any reports related to the absence of Gulf Coast Center data on IHFS. Expenditures and numbers served will be included in the annual financial audit.
• Services to meet Performance Targets will not be reported into CARE for two fiscal quarters. Gulf Coast will continue to use CARE for waiting list additions and maintenance activities. In two quarters or 6 months it is anticipated that Gulf Coast will be able to batch services from their local database to CARE. Efforts will be made to make sure client history information such as diagnosis and service history, is entered into or batched to CARE at that time.
As part of Rider 59 implementation, Flexible-spending accounts for individuals currently on the MR waiting list will be implemented during the 3rd quarter.
- Gulf Coast will supply a list to the department on approved flexible spending items in order to avoid any duplication of services.
- Gulf Coast will use local community dollars to fund this program, not GR or local dollars required for local match.
- Gulf Coast will provide further clarification regarding how flexible-spending accounts will be implemented.

*Mental Health Services*
Gulf Coast would like to reorganize its mental health service delivery system to align itself with Benefit Design/Disease Management concepts and practices. Therefore, Gulf Coast agrees to partner and participate in TDMHMR training activities related to Disease Management implementation during the 3rd and 4th quarter of FY04. This includes TRAG training, use of TDMHMR approved UM guidelines, and training on the utilization of Webcare. Use of Webcare reporting must be incorporated into the operations of Gulf Coast Project Nexus project.

During the 3rd and 4th quarter of FY04, the Best Practice Targets shall be waived as Gulf Coast collaborates with TDMHMR on the development of outcome measures that TDMHMR will hold Gulf Coast Center accountable for in FY05.

*Project Nexus*
Gulf Coast Center is in the process of building an information system that will be a functional HIPAA compatible electronic clinical record system as well as process all information related to financial services and business workflow. This project is estimated to be at 50% of completion. Due to this massive system change, TDMHMR is agreeing to waive the reporting of Gulf Coast Center’s financial status via the Performance Contract required Report III. This will impact Gulf Coast inclusive in the TDMHMR’s Risk Assessment process and ability to report certain data to department stakeholders. The reporting requirements will be waived during the 3rd and 4th quarters of FY04, and return at the start of FY05 as it is anticipated that the information system will be fully operational at that time. CARE batching will also be suspended during these quarters. In addition, Gulf Coast will only report to CARE the total number of individuals served in both MH and MR services. Gulf Coast Center will provide any pertinent data related to consumers served in the sub-strategies to TDMHMR upon request.

*Performance Contract Requirements*
- The following FY04 Performance Contract Requirements were discussed:
- Form N (IHFS Reporting)- This form will not be required during the 3rd and 4th Quarter
- Form M (Consumer Benefits Data)- This data will continue to be reported due to collaborative effort between TDMHMR and other state agencies to reflect the efforts to increase the number of Medicaid eligible consumers statewide.
• Form F (HUB Report)- Gulf Coast proposed to submit this data annually as part of the Financial Audit, but due to conflicts with State and Federally mandated reporting the form will need to be submitted as required in the FY04 contract.
• Board Minutes- It was agreed that Gulf Coast would not have to submit monthly board minutes per the FY04 contract, but would send to TDMHMR upon request.
• Financial Statements & Form G (Certification of Financial Statement)- Neither of these will be required for the 3rd and 4th quarter of FY04.

Next Steps- Contractual Changes
Gulf Coast Center agreed to craft an Attachment IX to the FY04 Performance Contract that will address the agreed upon changes noted above. The proposed implementation of the Attachment IX will be during the 3rd fiscal quarter. TDMHMR will need to determine which minimal data elements are need to identify consumers in CARE and minimize conflict with other data reporting mechanisms. It was recognized and agreed that all performance contract changes noted above would be open to re-negotiation if critical barriers to State or Federal reporting are discovered during the implementation of Rider 59.
Attachment II

Gulf Coast Center
FY 2004 Performance Contract Amendment
Attachment IX

SPECIAL TERMS AND CONDITIONS

This attachment addresses terms and conditions outside those specifically addressed elsewhere in this contract. This attachment includes the following: description of action to be taken, including justification of need for such action, reporting mechanisms, and expected outcomes, including schedules.

Local Authority Name: Gulf Coast Center

Local Service Area Planning Pilot Project- Gulf Coast Center

The Contract is amended to enable the LA to implement Rider 59 of House Bill 1, 78th Regular Session.

Fiscal Year 2004 TDMHMR Performance Contract Amendments

Effective Date: March 1, 2004; Expiration Date: August 31, 2004

(1) Except as provided otherwise herein, LA shall comply with the LA’s Rider 59 Pilot Project Proposal, as approved by TDMHMR, and the LA’s Long-Range Plan, as approved by TDMHMR.

(2) LA is not required to meet service targets identified in Attachment I.A for Assertive Community Treatment, Supported Housing, and Supported Employment. LA must report total adult target served, verifiable through encounter data, to TDMHMR via email to the contract manager within 30 days following the end of the 3rd and 4th quarter.

(3) LA is not required to meet service targets identified in Attachment I.B for Service Coordination, Supported Employment. LA must report total adult target served, verifiable through encounter data, to TDMHMR via email to the contract manager within 30 days following the end of the 3rd and 4th quarter.

(4) LA is not required to enter information in CARE for the third and fourth quarters, LA shall continue to enter the following information in CARE for the third and fourth quarters:

1. Waiting list information, as required by Attachment XIII;
2. Registration and basic demographic information on new consumers required by §I.F.17.b;
3. CANRS information, as required by §I.F.18.f;
4. DG1 (Diagnosis 1), as required by Information Item C;
5. NGM information, as required by §I.F.21.(b);
6. MR Waiver information, as required by Attachment XIV;
7. Information necessary to calculate total targets required by §I.F.17(b);

(5) LA shall respond to all TDMHMR requests for information within five business days of the request.

(6) For the third and fourth quarter periods of Fiscal Year 2004, LA is not required to
submit quarterly non-CARE financial related information and forms (Report III).

(7) TDMHMR agrees not to conduct third or fourth quarter Data Verification Criteria (DVC) audits for the contract term; LA will, however, continue to be subject to Encounter Data Verification or other focused reviews for the periods covering the third and fourth quarters.

(8) Effective March 1, 2004, LA is not required to comply with the following contract provisions: submission of board minutes, required by §I.F.18 (e); reporting of In Home and Family Support expenditures on Form N, required by §I.F.18(j); submission of Title XX Intended Use Form on Form L, required by §I.F.4, and submission of the certification of accuracy of the LA’s financial statement on Form G, as required in §I.F.18(b). LA agrees to incorporate the information required by these cited provisions in LA’s Fiscal Year 2004 Financial and Compliance Audit as supplemental schedules, where applicable.

ACCEPTANCE and APPROVAL

Texas Department of Mental Health And Mental Retardation LOCAL AUTHORITY - Gulf Coast Center

______________________________  ________________________________
Rod Swan                  Date                      G. Michael Winburn       Date
Contract Manager           Executive Director