

# Tri-County Services Board of Trustees Meeting

August 28, 2014



*Serving individuals with mental illness  
and developmental disabilities*

Notice is hereby given that a regular meeting of the Board of Trustees of Tri-County Services will be held on Thursday, August 28, 2014. The Business Committee will convene at 9:00 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 10:15 a.m.

## **AGENDA**

### **I. Organizational Items**

- A. Chairman Calls Meeting to Order
- B. Public Comment
- C. Quorum
- D. Review & Act on Requests for Excused Absence

### **II. Approve Minutes - July 24, 2014**

### **III. Executive Director's Report - Evan Roberson**

- A. DSHS
  - 1. Target Methodology
  - 2. Montgomery County Jail Position
  - 3. Liberty Crisis Services Meeting
- B. DADS
  - 1. PASRR Minimum Data Set Alerts
  - 2. Enhanced Service Coordination
- C. Managed Care
- D. Sunset Commission

### **IV. Chief Financial Officer's Report - Millie McDuffey**

- A. DADS Fiscal Monitoring Review
- B. FY 2015 Budget
- C. DSHS Preliminary Allocations
- D. CFO Meeting
- E. Vehicle Declared Surplus

### **V. Program Committee**

#### Action Items

- A. Approve Goals & Objectives for FY 2015..... Pages 11-12

#### Information Items

- B. Community Resources Report..... Pages 13-14
- C. Consumer Services Report for July 2014..... Pages 15-16
- D. Program Updates..... Pages 17-20

### **VI. Executive Committee**

#### Action Items

- A. Annual Election of FY 2015 Board Officers..... Page 21
- B. Executive Director's Evaluation, Compensation & Contract for FY 2015..... Page 22
- C. Nominations for Texas Council Risk Management Fund's Board of Trustees in Places 4, 5 & 6..... Pages 23-26

Information Items

D. Board of Trustees Oath of Office.....	Pages 27-29
E. Personnel Report for July 2014.....	Pages 30-31
F. Texas Council Quarterly Board Meeting Update.....	Pages 32-78

**VII. Business Committee**

Action Items

A. Approve July 2014 Financial Statements.....	Pages 79-91
B. Approve FY 2014 Year End Budget Revision.....	Pages 92-94
C. Approve Proposed FY 2015 Operating Budget.....	Pages 95-97
D. Approve Banking Services Contract with JPMorgan Chase Bank, N.A. ....	Pages 98-99
E. Approve a Consulting Agreement with WhiteStone Realty for the Development of a Montgomery County Facility Consolidation Plan.....	Pages 100-106
F. Select Bidder for 1115 Intensive Diversion & Evaluation Video Monitoring System.....	Pages 107-112
G. Approve FY 2014 Cypress Creek Inpatient Hospital Contract Addendum.....	Page 113
H. Approve DSHS Contract #2015-046326-001: Mental Health-PATH.....	Page 114
I. Approve DSHS Contract #2015-046397-001: Youth Prevention-Selective.....	Page 115
J. Approve FY 2015 ICF/IID Services Contract with Educare Community Living Corporation-Gulf Coast.....	Page 116
K. Approve FY 2015 Avail Solutions, Inc. Contract.....	Page 117
L. Approve FY 2015 Cypress Creek Inpatient Hospital Contract.....	Page 118
M. Approve FY 2015 Kingwood Pines Inpatient Hospital Contract.....	Page 119
N. Approve FY 2015 Contract for Dr. Frank Chen.....	Page 120
O. Approve FY 2015 Contract for Dr. Jerri Sethna.....	Page 121

Information Items

P. Board of Trustees Unit Financial Statement for July 2014.....	Pages 122-123
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**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 Services

P.O. Box 3067  
Conroe, TX 77305

## BOARD OF TRUSTEES MEETING

July 24, 2014

### Board Members Present:

Brad Browder  
Tracy Sorensen  
Patti Atkins  
Morris Johnson  
Cecil McKnight

### Board Members Absent:

David Walker  
Janet Qureshi  
Sharon Walker

### Tri-County Staff Present:

Evan Roberson, Executive Director  
Millie McDuffey, Chief Financial Officer  
Tanya Bryant, Director of Quality Management and Support  
Amy Foerster, Director of Human Resources  
Catherine Prestigiovanni, Behavioral Health Director  
Breanna Robertson, Director of Crisis Services  
Stephanie Eveland, Executive Assistant  
Stella Montemayor, Administrative Assistant  
Mary Lou Flynn-DuPart, Legal Counsel  
Tabatha Abbott, Staff  
Sheryl Baldwin, Staff  
Ana Bruce, Staff  
Dora Johnson, Staff  
Lola Jones, Staff  
Sean McElroy, Staff  
Danielle Newlon, Staff  
Jamee Payne, Staff  
Lois Schmidt, Staff  
Tracy Tedder, Staff  
Darius Tuminas, Staff

### Guests:

None

**Call to Order:** Vice-Chairman, Brad Browder, called the meeting to order at 10:04 a.m. at 1506 FM 2854, Conroe, Texas.

**Public Comment:** There were no public comments.

**Quorum:** There being five (5) members present, a quorum was established.

Cont.



**Resolution #07-14-01**

**Motion Made By:** Patti Atkins

**Seconded By:** Cecil McKnight, with affirmative votes by Brad Browder, Tracy Sorensen and Morris Johnson that it be...

**Resolved:**

That the Board excuse the absences of David Walker, Janet Qureshi and Sharon Walker.

Longevity Recognitions were presented to Tri-County staff.

**Resolution #07-14-02**

**Motion Made By:** Morris Johnson

**Seconded By:** Tracy Sorensen, with affirmative votes by Brad Browder, Patti Atkins and Cecil McKnight that it be...

**Resolved:**

That the Board approve the minutes of the May 22, 2014 meeting of the Board of Trustees.

**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:**

**Resolution #07-14-03**

**Motion Made By:** Tracy Sorensen

**Seconded By:** Morris Johnson, with affirmative votes by Brad Browder, Patti Atkins and Cecil McKnight that it be...

**Resolved:**

That the Board accept the 2014-2017 Montgomery County United Way awards and approve the funding agreement.

**Resolution #07-14-04**

**Motion Made By:** Tracy Sorensen

**Seconded By:** Cecil McKnight, with affirmative votes by Brad Browder, Patti Atkins and Morris Johnson that it be...

**Resolved:**

That the Board approve the IDD Local Plan for FY 2015-2016.

**Resolution #07-14-05**

**Motion Made By:** Tracy Sorensen

**Seconded By:** Patti Atkins, with affirmative votes by Brad Browder, Morris Johnson and Cecil McKnight that it be...

**Resolved:**

That the Board approve the IDD Quality Management Plan for FY 2015-2016.

The Community Resources Report was reviewed for information purposes only.

The Consumer Services Reports for May and June 2014 were reviewed for information purposes only.

The Program Updates were reviewed for information purposes only.

The Year-to-Date FY 2014 Goals and Objectives Progress Report was reviewed for information purposes only.

The 3<sup>rd</sup> Quarter FY 2014 Corporate Compliance and Quality Management Report was reviewed for information purposes only.

The 4<sup>th</sup> Quarter FY 2014 Corporate Compliance Training was reviewed for information purposes only.

**EXECUTIVE COMMITTEE:**

Brad Browder, Vice-Chairman, appointed members to the Nominating Committee for FY 2015 Board Officers. The committee members are as follows:

- Sharon Walker, Chair
- Patti Atkins
- Morris Johnson

Brad Browder, Vice-Chairman, appointed members to the Executive Director Evaluation Committee as prescribed by Board policy. The committee members are as follows:

- Cecil McKnight, Chair
- Janet Qureshi
- Tracy Sorensen

Jacob Paschal will recite the Oath of Office at the Board meeting on August 28, 2014.

The Personnel Reports for May and June 2014 were reviewed for information purposes only.

**BUSINESS COMMITTEE:**

**Resolution #07-14-06**

**Motion Made By:** Morris Johnson

**Seconded By:** Patti Atkins, with affirmative votes by Brad Browder, Tracy Sorensen and Cecil McKnight that it be...

**Resolved:**

That the Board approve the May 2014 Financial Statements.

**Resolution #07-14-07**

**Motion Made By:** Morris Johnson

**Seconded By:** Cecil McKnight, with affirmative votes by Brad Browder, Tracy Sorensen and Patti Atkins that it be...

**Resolved:**

That the Board approve the June 2014 Financial Statements.

**Resolution #07-14-08**

**Motion Made By:** Morris Johnson

**Seconded By:** Tracy Sorensen with affirmative votes by Brad Browder, Patti Atkins and Cecil McKnight that it be...

**Resolved:**

That the Board approve the Engagement Letter from Scott, Singleton, Fincher and Company, P.C. for the FY 2014 Independent Financial Audit.

**Resolution #07-14-09**

**Motion Made By:** Morris Johnson

**Seconded By:** Tracy Sorensen, with affirmative votes by Brad Browder, Patti Atkins and Cecil McKnight that it be...

**Resolved:**

That the Board approve the purchase of three Ford Focus Sedans from Gullo Ford not to exceed the cost of \$14,320.20 each or total price of \$42,960.60.

**Resolution #07-14-10**

**Motion Made By:** Morris Johnson

**Seconded By:** Patti Atkins, with affirmative votes by Tracy Sorensen and Cecil McKnight with one abstention by Brad Browder that it be...

**Resolved:**

That the Board authorize the Executive Director, Evan Roberson, with assistance from legal counsel, to negotiate the sale of 117 N. College Avenue in Cleveland, Texas with a sale price that is no less than the appraised value of \$110,000.

**Resolution #07-14-11**

**Motion Made By:** Morris Johnson

**Seconded By:** Patti Atkins, with affirmative votes by Tracy Sorensen and Cecil McKnight with one abstention by Brad Browder that it be...

**Resolved:**

That the Board authorize the Executive Director, Evan Roberson, with the assistance of legal counsel, to negotiate the sale of 406 N. Washington Avenue in Cleveland, Texas with a sale price that is no less than the appraised value of \$280,000.

**Resolution #07-14-12**

**Motion Made By:** Morris Johnson

**Seconded By:** Cecil McKnight, with affirmative votes by Brad Browder, Tracy Sorensen and Patti Atkins that it be...

**Resolved:**

That the Board approve the recommendation for Tri-County Services to stay with Aetna for Employee Health Insurance coverage at a rate increase of 2.5% for a one-year period.

**Resolution #07-14-13**

**Motion Made By:** Morris Johnson

**Seconded By:** Tracy Sorensen, with affirmative votes by Brad Browder, Patti Atkins and Cecil McKnight that it be...

**Resolved:**

That the Board approve the recommendation for Tri-County Services to select Lincoln Financial for Basic Life/Accidental Death and Dismemberment (AD&D) and Long-Term Disability (LTD) coverage for a two-year period.

**Resolution #07-14-13**

**Motion Made By:** Morris Johnson

**Seconded By:** Patti Atkins, with affirmative votes by Brad Browder, Tracy Sorensen and Cecil McKnight that it be...

**Resolved:**

That the Board ratify the 9<sup>th</sup> payment of nonrefundable Option money to the property owner for the Independence Oaks project site in Cleveland, Texas.

**Resolution #07-14-14**

**Motion Made By:** Morris Johnson

**Seconded By:** Tracy Sorensen, with affirmative votes by Brad Browder, Patti Atkins and Cecil McKnight that it be...

**Resolved:**

That the Board approve the assignment of the FY 2014 Intermediate Care Facilities for Individuals with Intellectual Disabilities Contract from Empowerment Options, Inc. to Educare Community Living Corporate-Gulf Coast subject to the sale of Empowerment Options, Inc. on July 31, 2014 as approved by legal counsel.

**Resolution #07-14-15**

**Motion Made By:** Morris Johnson

**Seconded By:** Cecil McKnight, with affirmative votes by Brad Browder, Tracy Sorensen that it be...

**Resolved:**

That the Board ratify the DSHS Contract Amendment #2014-044767-004A: Supportive Housing Project.

**Resolution #07-14-16**

**Motion Made By:** Morris Johnson

**Seconded By:** Tracy Sorensen, with affirmative votes by Brad Browder, Patti Atkins and Cecil McKnight that it be...

**Resolved:**

That the Board ratify the DSHS Contract Amendment #2014-044767-006A: Psychiatric Emergency Service Center and Associated Projects.

**Resolution #07-14-17**

**Motion Made By:** Morris Johnson

**Seconded By:** Patti Atkins, with affirmative votes by Brad Browder, Tracy Sorensen and Cecil McKnight that it be...

**Resolved:**

That the Board approve the recommendation to declare a 1992 Ford Crew Cab Truck, a 2005 Chevrolet Astro Van and a 2007 Ford Focus as surplus and approve the sale of each to the highest bidder.



Tri-County's FY 2013 990 Tax Return prepared by Scott, Singleton, Fincher and Company, P.C. was reviewed for information purposes only.

The 3<sup>rd</sup> Quarter FY 2014 Investment Report was reviewed for information purposes only.

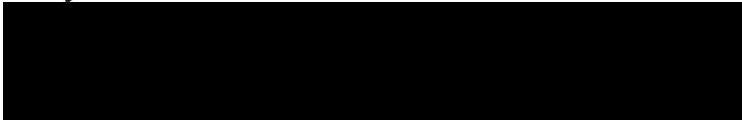
The Board of Trustees' Unit Financial Statements for May and June 2014 were reviewed for information purposes only.

The Montgomery 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 11:34 a.m.

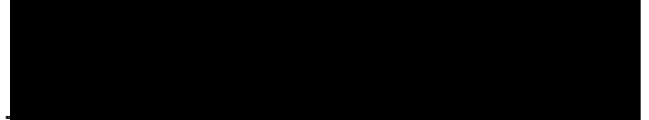
**Adjournment:**



David Walker  
Chairman

Date

**Attest:**



Tracy Sorensen  
Secretary

Date



## Executive Director's Report

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*August 28, 2014*

### Announcements

- The next regularly scheduled Board meeting is September 25<sup>th</sup>. We expect another large agenda because both DSHS and DADS contracts have been delayed.
- The Burnham Classic was a big success again this year. Fun was had by all who attended as usual. Big thanks to Mr. McKnight, his wife, Mable, and the Burnhams for their years of support of the tournament.
- Also, please be aware that the ETBHN Board Strategic Planning meeting has been tentatively scheduled for October 8-9<sup>th</sup> at the Moody Gardens Hotel in Galveston. Tentative speakers include Sonia Gaines from the Health and Human Services Commission, Lee Johnson and Melissa Rowan from Texas Council and someone from the Meadows Mental Health Policy Institute. If you are interested in attending, please let Stephanie know and she will work on reservations for you.
- Mr. McKnight, Millie and I visited with the current owner of a facility in Liberty County that might be available for purchase. The four of us toured the building and it appears that it might meet our needs for our City of Liberty programs. Mr. McKnight was provided with a floor plan for the site, and I need to review them more closely before discussing next steps with the Board. However, I did want to let you know that this might be something we will consider further.
- We received a series of Department of State Health Services (DSHS) mental health contracts on Monday of this week and we are busy reviewing these documents for changes. On initial review, the changes do not appear to be too significant. However, a series of contract attachments have not yet been made available and our review of the 'Devil in the details' has yet to be completed. We will place these contracts on the September Board agenda.

- In addition, we have received all three DSHS substance use treatment contracts late last week. Two of these contracts have funding cuts and we are evaluating program viability at this time.

### **Department of State Health Services (DSHS)**

- At the Texas Council meeting two weeks ago, we were updated on the Council Committee's efforts to renegotiate the **Target Methodology** for future DSHS contracts. As you are aware, our adult target went up from 1,483 to 2,220 for FY 2014 and our children's target increased from 219 to 374. The increase was based on the idea that DSHS should take the number of people the Center was serving in FY 2013, figure out a per capita cost and then increase the target number based on funding provided. The per capita cost included all local match or other funds which are used as a part of Texas Resilience and Recovery service packages. This resulted in very large target increases for Centers around the state and Centers requested additional consideration of the methodology from DSHS and the legislature. A committee representing DSHS and Community Center Executive Directors was formed to attempt to resolve the issue.

Further details about the negotiations are located in the Texas Council staff report which is attached to the Texas Council Board Meeting Update that Mrs. Walker will complete later in the meeting.

The result of this committee's work is a new mechanism for setting Center performance targets. This mechanism will reduce some Centers service target but actually increase our targets. This increase will exist because, in addition to what the state provides us, Tri-County develops much additional funding (largely in the form of Patient Assistance Program dollars) to support our service array. [I have attached two spreadsheets with the effect of the target methodology-one if the average cost is set at 66% as DSHS wants and one that is set at 75% as the Texas Council proposed.](#)

As you can imagine, as one of the lowest funded per capita centers in the state, I made it clear to the Texas Council and committee that any increase in our target was unacceptable. Most of the Centers are positively impacted by the new methodology as you will see on the spreadsheet. However, the Center that loses the most is MHMRA of Harris County, and their Executive Director, Dr. Schnee, made it clear that the formula was unacceptable to him as well.

Danette Castle reached out in a call and we discussed my concerns about the Target Methodology further. She emphasized that the committee at least was able to negotiate a rebasing of the methodology as local funding changes occurred. She also indicated that the Texas Council is still in negotiations with DSHS around the methodology and there may still be changes.

- At the Montgomery County Commissioners Court meeting, I suggested that I would add a **Montgomery County Jail Position** funded by Tri-County to meet some of the growing criminal justice demands at the jail. I asked that they consider adding the \$20,000 that we requested in funding to make this position more palatable. I was unprepared for the conversation that ensued with one of the commissioners and the judge making statements about Tri-County and our role in the jail. Commissioner Noack suggested that the cost of the position for the jail be taken from their contribution to Tri-County as match and that we only receive it back if we provide the position. The court approved this proposal.

It was my idea to add the position to the jail after speaking with Jail Administrator, Captain Moore, because there is much confusion about our role there. My ulterior motive is to learn from our staff what is really going on at the jail so that I can attempt to design interventions which are effective for those who can be served by us. Since the state started managing their own data on this population, we had very little insight into the persons who are in the jail. To be clear, a portion of the inmates have severe and persistent mental illnesses and a portion of them would be better served in Outpatient Competency Restoration or at the State Hospital, but the number is not the 35-45% which is frequently mentioned. DSHS currently indicates that 4.22% of the jail population in our three counties has SPMI.

Although I was surprised by the emotion from the conversation, I did agree to place a position in the jail. This position will report to Tri-County but will work closely with the Jail Administrator. I have transferred a staff into this role and have him set to start on September 2<sup>nd</sup>.

- I also wanted to let you know that Breanna has attended a follow-up **Liberty County Crisis Services** meeting on the mental health crisis response. The current focus is on getting local hospital staff to the table as they are considered one of the bottlenecks from a law enforcement perspective. I will be attending these meetings as I am able and am hopeful that we can address their concerns. The tone of this follow-up meeting was much calmer than the meeting a few weeks back.

### **Department of Aging and Disability Services (DADS)**

- As you are aware, the state has been generating requests for Pre-Admission Screening and Resident Review (PASRR) since summer last year. PASRR involves screening persons in nursing facilities with mental illness and intellectual disabilities to ensure that they need this level of care. The goal is to find persons who do not meet nursing facility requirements and move them into community placements. DADS had to implement a process to do these screenings as a result of a federal lawsuit. To date, there have been four persons with IDD who meet the criteria to move out of the nursing facility.

We had completed our PASRR list when DADS began generating a new list of PASRR alerts called **Minimum Data Set (MDS) Alerts**. Some of the MDS alerts are for persons that have already been screened and others are persons that will require screening. To date, we have received 55 MDS alerts that need to be screened. In short, it appears that this process will continue to be a requirement for the foreseeable future. This is especially significant because it costs almost twice as much as we get paid for each assessment.

However, we have received word that the Center will receive an **Enhanced Service Coordination Rate** from DADS for persons with IDD who are in the nursing facility. Although this won't apply to all persons we screen (about 80% have a mental illness), we are hopeful that this new reimbursement mechanism will help us recover some of our losses in this program.

### **Managed Care Updates**

- We continue to prepare for the September 1<sup>st</sup> implementation of Managed Care payment for all mental health rehabilitation and case management services. Thanks to excellent work by our IT Director, Kenneth Barfield, and Reimbursement and Service Analyst, Darius Tuminas, we have been able to automate big portions of the process. While we are hopeful that revenue stays up, we know that cash will be delayed as we send these services to Managed Care Organizations for payment. In addition to automation, we have also hired one administrative staff to help guide this process. Ultimately, we are unsure if additional administrative modifications will need to be completed to ensure management of the process; however, we needed to add this position before September 1<sup>st</sup>.

I want to also acknowledge the work of Melissa Rowan and the Texas Council through this transition. She has done an outstanding job in communicating our message to the Health and Human Services Commission.

### **Sunset Commission Updates**

- As you are aware, DSHS and DADS, along with all of the other Texas HHSC agencies, are currently under Sunset review. In the last couple of weeks, Sunset staff have been gathering agency responses to their original report, hearing public testimony and receiving written responses to their recommendations. Many of their recommendations are unchanged, but there have been a few modifications.

#### **DSHS**

*Issue 1:* Resolving the current crisis in the state mental health hospital system:

- A modification was added to clarify that DSHS should expand contracting with local communities for inpatient psychiatric beds, according to certain considerations and including input from the existing HB 3793 task force.



*Issue 2.1:* Require a combined DSHS and mental health and substance use dependence hotline

- Sunset is still making this recommendation. Their actual recommendation is to go to thirteen regional hotlines for mental health and substance use dependence. This could have an impact on our crisis service delivery and should be monitored further.

## **DADS**

*Issue 1.1:* Require DADS to close the Austin State Living Center by August 31, 2017.

- There are a lot of 'against' comments on this issue. No change from Sunset.

*Issue 1.2:* Establish the State Supported Living Center (SSLC) Closure Commission to evaluate SSLCs and determine five additional to close.

*Issue 1.3:* Require DADS to close the five identified SSLCs by August 31, 2022.

- There are approximately 270 individuals and groups against this recommendation including Representative Kolkhorst and Senator Nichols.
- No change in the position on Austin; however, the Closure Commission was changed into a Restructuring Commission with slightly different expectations around right-sizing the SSLCs.

Combined, these two reports are about 250 pages, but I would be glad to provide them to you if you would like them.

# *New Target Methodology*

## *Current Methodology*

- Target formula: Prior year target + Prior Year Served Above Target + (any new funding/prior year statewide DSHS case rate)
- Number counted toward contract target: All clients served
- Number reported to LBB: DSHS funded percent of all clients served

## *New Methodology*

- Target formula: (DSHS contract funds + required local match) /all funds uniform cost per person
- Number counted toward contract target: DSHS funded percent of all clients served
- Number reported to LBB: DSHS funded percent of all clients served

## *Setting targets*

- 1) Target funding will include the DSHS Base Allocation plus local match. Adult/Child local match is calculated using the LMHA's local match percentage and the PCN Base Allocation (AMH/CMH).
- 2) Calculate each LMHA's cost per adult/child, using total expenditures (Line 800 of Report III) and average monthly served.
- 3) Establish a Uniform Cost per Adult/Child that ensures LMHAs will have sufficient funds to provide clinically appropriate services and accommodates variable local conditions.
- 4) The Uniform Cost per Adult/Child will be set at the X percentile, which means that X percent of LMHAs have a cost at or below the Uniform Cost per Adult/Child.
- 5) Divide target funding (PCN Base Allocation plus local match) by the Uniform Cost per Adult/Child per person to determine the DSHS contract target.

## *Reporting*

- 6) The number of individuals served credited toward the DSHS contract target is based on the DSHS percent of total funding. If 62% of an LMHA's funding is controlled by the DSHS contract (base allocation plus local match), 62% of the reported monthly served will be counted toward the DSHS target.
- 7) The total number of individuals that must be served (before the reporting ratio is applied) in order to meet the DSHS contract target (after the reporting ratio is applied) can be estimated by dividing total AMH funding (Line 800 on Report III) by the Uniform Cost per Adult; and dividing CMH funding (Line 800 on Report III) by the Uniform Cost per Child.

## *Implementation*

- 8) A transition plan will be established for LMHAs with very high percentage target increases.
- 9) A process will be established to adjust targets and/or reporting ratios in response to changes in funding.

Adult

# Target Scenarios Based on All AMH/CMH Funds

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1		DSHS Statewide Contract Target	47,207			Notes:	LBB Target = 57,588											
2		AMH Cost Per Client	\$ 5,219	66th Percentile			Allocation and match based on draft 2014 payment schedule											
3		Largest All Funds Target Increase	74%				Cost figures based on 2013 Line 800 expenditures and 2013 average monthly served											
4		Statewide All Funds Target	84,723															
5																		
6		AMH Results																
7		State DSHS Target	47,207															
8		Change from 2014 DSHS Target	(37,766)															
9		Percent change from 2014 DSHS Target	-44%															
10		Smallest percent decrease from 2014 DSHS Target	-26%															
11		Largest percent decrease from 2014 DSHS Target	-64%															
12		Total Number of Clients Served	84,723															
13		Change from 2014 DSHS Target	(250)															
14		Percent change from 2014 DSHS Target	0%															
15		Largest percent increase from 2014 DSHS Target	74%															
16		Largest percent decrease from 2014 DSHS Target	-46%															
17																		

↑  
Current

↑  
New



### Target Scenarios Based on All AMH/CMH Funds

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
46	400	Denton County MHMR Center	\$ 5,540,974	\$451,664	\$ 5,992,638	\$ 7,816,223	\$ (37,203)	\$ 7,779,020	77.0%	\$ 4,792	1,581	1,148	1,498	(433)	-27%	(83)	-5%	
47	430	Texana Center	\$ 7,184,084	\$677,078	\$ 7,861,162	\$ 9,626,369	\$ (57,038)	\$ 9,569,331	82.1%	\$ 3,260	2,555	1,506	1,844	(1,049)	-41%	(711)	-28%	
48	440	ACCESS	\$ 1,949,969	\$117,968	\$ 2,067,937	\$ 4,485,188	\$ (22,121)	\$ 4,463,066	46.3%	\$ 4,003	1,094	396	859	(698)	-64%	(235)	-21%	
49	450	West Texas Centers	\$ 4,557,830	\$365,479	\$ 4,923,309	\$ 8,914,216	\$ (50,997)	\$ 8,863,219	55.5%	\$ 5,963	1,534	943	1,708	(590)	-38%	174	11%	
50	460	Bluebonnet Trails Community Services	\$ 8,447,861	\$694,759	\$ 9,142,620	\$ 14,126,359	\$ (87,362)	\$ 14,038,997	65.1%	\$ 5,563	2,376	1,752	2,707	(625)	-26%	330	14%	
51	470	Hill Country MHDD Centers	\$ 6,424,664	\$502,359	\$ 6,927,023	\$ 14,035,418	\$ (68,908)	\$ 13,966,510	49.6%	\$ 5,367	2,564	1,327	2,689	(1,237)	-48%	125	5%	
52	475	Coastal Plains Community Center	\$ 4,187,737	\$339,651	\$ 4,527,387	\$ 5,729,408	\$ (51,363)	\$ 5,678,044	79.7%	\$ 2,776	2,024	867	1,098	(1,156)	-57%	(926)	-46%	
53	480	Lakes Regional MHMR Center	\$ 2,955,170	\$210,454	\$ 3,165,625	\$ 4,980,335	\$ (34,891)	\$ 4,945,444	64.0%	\$ 3,837	1,282	607	954	(675)	-53%	(327)	-26%	
54	485	Border Region Behavioral Health Center	\$ 4,114,232	\$209,906	\$ 4,324,137	\$ 8,491,182	\$ (40,826)	\$ 8,450,356	51.2%	\$ 5,494	1,559	829	1,627	(730)	-47%	68	4%	
55	490	Camino Real Community Services	\$ 2,712,253	\$168,000	\$ 2,880,253	\$ 6,877,877	\$ (40,238)	\$ 6,837,640	42.1%	\$ 5,336	1,284	552	1,318	(732)	-57%	34	3%	
56	Total		\$ 228,273,937	\$18,096,817	\$246,370,753	\$442,169,989	(\$2,214,207)		55.72%	5,158	84,973	47,207	84,723	(37,766)	-44%	(250)	0%	
57																		



Child

## Target Scenarios Based on All AMH/CMH Funds

	AA	AB	AC	AD	AE	AF	AG	AH	AI	AJ	AK	AL	AM	AN	AO	AP	AQ
1		Statewide DSHS Contract Target	12,091					LBB Target = 12,403									
2		CMH Cost Per Client	\$ 5,115	66th Percentile			Notes:	Allocation and match based on draft 2014 payment schedule									
3		Largest All Funds Target Increase	54%					Cost figures based on 2013 Line 800 expenditures and 2013 average monthly served									
4		Statewide All Funds Target	18,847														
5																	
6		Option 1 CMH Results															
7		State DSHS Target	12,091														
8		Change from 2014 DSHS Target	(6,782)														
9		Percent change from 2014 DSHS Target	-36%														
10		Largest percent increase from 2014 DSHS Target	45%														
11		Largest percent decrease from 2014 DSHS Target	-72%														
12		Total Number of Clients Served	18,847														
13		Change from 2014 DSHS Target	(26)														
14		Percent change from 2014 DSHS Target	0%														
15		Largest percent increase from 2014 DSHS Target	54%														
16		Largest percent decrease from 2014 DSHS Target	-44%														
17																	
	Comp	LMHA	2015 CMH Funding (PCN)	2015 CMH Local Match	DSHS Target CMH Funding	2014 Projected Line 800 CMH Funding	2015 ACA Reduction (CMH)	2015 Projected Line 800 CMH Funding	DSHS % of CMH Funding	2013 CMH Cost Per Client (All OP Funds)	2014 CMH Target	New DSHS Target	Number to Serve All Funds	DSHS Target Change	DSHS Target Percent Change	Number to Serve All Funds Change	Number to Serve All Funds Percent Change
19	10	Betty Hardwick Center	\$ 511,343	\$45,469	\$ 556,812	\$ 785,825	\$ (4,277)	\$ 781,548	71.2%	\$ 4,929	159	109	154	(50)	-31%	(5)	-3%
20	20	Texas Panhandle Centers	\$ 1,138,031	\$102,065	\$ 1,240,096	\$ 2,330,142	\$ (9,527)	\$ 2,320,614	53.4%	\$ 5,748	417	242	456	(174)	-42%	39	9%
21	30	Austin Travis County Integral Care	\$ 2,896,883	\$317,902	\$ 3,214,785	\$ 3,968,716	\$ (21,887)	\$ 3,946,828	81.5%	\$ 4,476	855	629	776	(226)	-26%	(79)	-9%
22	40	Central Counties Center for MHMR Services	\$ 1,131,283	\$101,557	\$ 1,232,839	\$ 1,490,331	\$ (8,501)	\$ 1,481,831	83.2%	\$ 6,401	239	241	291	2	1%	53	22%
23	50	Center for Health Care Services	\$ 3,216,034	\$287,644	\$ 3,503,678	\$ 6,314,368	\$ (25,072)	\$ 6,289,296	55.7%	\$ 6,191	965	685	1,234	(280)	-29%	269	28%
24	60	Center for Life Resources	\$ 244,331	\$21,872	\$ 266,203	\$ 356,813	\$ (1,352)	\$ 355,461	74.9%	\$ 4,829	73	52	70	(21)	-29%	(3)	-4%
25	70	Central Plains Center	\$ 440,005	\$35,148	\$ 475,153	\$ 638,972	\$ (3,355)	\$ 635,617	74.8%	\$ 4,583	139	93	125	(46)	-33%	(14)	-10%
26	90	Emergence Health Network	\$ 1,321,548	\$92,007	\$ 1,413,555	\$ 2,643,108	\$ (10,463)	\$ 2,632,645	53.7%	\$ 3,971	667	276	517	(391)	-59%	(151)	-23%
27	100	Gulf Coast Center	\$ 1,056,400	\$105,211	\$ 1,161,611	\$ 1,736,005	\$ (7,333)	\$ 1,728,672	67.2%	\$ 7,351	245	227	339	(18)	-7%	94	38%
28	110	Gulf Bend MHMR Center	\$ 508,757	\$50,715	\$ 559,471	\$ 871,701	\$ (4,382)	\$ 867,319	64.5%	\$ 5,351	166	109	170	(57)	-34%	4	2%
29	130	Tropical Texas Behavioral Health	\$ 4,119,497	\$205,591	\$ 4,325,088	\$ 8,601,998	\$ (28,419)	\$ 8,573,578	50.4%	\$ 4,113	2,101	846	1,682	(1,256)	-60%	(420)	-20%
30	140	Spindletop Center	\$ 1,727,874	\$155,248	\$ 1,883,122	\$ 2,118,240	\$ (14,750)	\$ 2,103,490	89.5%	\$ 4,530	463	368	414	(95)	-20%	(49)	-11%
31	150	StarCare Specialty Health System	\$ 699,210	\$62,759	\$ 761,969	\$ 933,491	\$ (5,877)	\$ 927,614	82.1%	\$ 4,945	196	149	183	(47)	-24%	(14)	-7%
32	160	MHMR Services for the Concho Valley	\$ 480,685	\$43,119	\$ 523,804	\$ 752,629	\$ (4,089)	\$ 748,540	70.0%	\$ 3,174	226	102	147	(123)	-55%	(79)	-35%
33	170	Permian Basin Community Centers	\$ 672,497	\$93,727	\$ 766,224	\$ 1,074,537	\$ (4,528)	\$ 1,070,009	71.6%	\$ 5,062	212	150	210	(62)	-29%	(2)	-1%
34	180	Nueces County Center	\$ 1,041,752	\$103,895	\$ 1,145,648	\$ 1,538,675	\$ (8,978)	\$ 1,529,696	74.9%	\$ 4,873	322	224	301	(98)	-30%	(21)	-7%
35	190	Andrews Center Behavioral Healthcare System	\$ 1,396,962	\$125,307	\$ 1,522,269	\$ 1,715,960	\$ (12,851)	\$ 1,703,109	89.4%	\$ 3,611	471	298	335	(173)	-37%	(135)	-29%
36	200	MHMR of Tarrant County	\$ 3,285,224	\$324,638	\$ 3,609,862	\$ 5,822,953	\$ (26,241)	\$ 5,796,712	62.3%	\$ 4,627	1,176	706	1,138	(470)	-40%	(37)	-3%
37	220	Heart of Texas Region MHMR Center	\$ 682,521	\$54,404	\$ 736,926	\$ 1,467,246	\$ (5,719)	\$ 1,461,527	50.4%	\$ 6,323	228	144	287	(84)	-33%	59	26%
38	230	Helen Farabee Regional MHMR Centers	\$ 1,418,994	\$127,460	\$ 1,546,454	\$ 1,915,705	\$ (12,970)	\$ 1,902,735	81.3%	\$ 5,246	372	302	375	(70)	-19%	2	1%
39	240	Community HealthCore	\$ 1,569,989	\$140,932	\$ 1,710,922	\$ 2,404,753	\$ (14,381)	\$ 2,390,373	71.6%	\$ 3,445	689	334	470	(355)	-51%	(219)	-32%
40	250	MHMR Authority of Brazos Valley	\$ 495,846	\$39,497	\$ 535,344	\$ 1,016,357	\$ (4,289)	\$ 1,012,068	52.9%	\$ 5,586	181	105	199	(76)	-42%	18	10%
41	260	Burke Center	\$ 816,727	\$65,113	\$ 881,840	\$ 1,881,259	\$ (6,565)	\$ 1,874,694	47.0%	\$ 4,860	384	172	368	(211)	-55%	(16)	-4%
42	280	MHMR Authority of Harris County	\$ 10,363,689	\$1,239,062	\$ 11,602,751	\$ 19,448,793	\$ (96,218)	\$ 19,352,574	60.0%	\$ 7,985	2,468	2,268	3,802	(200)	-8%	1,334	54%
43	290	Texoma Community Center	\$ 299,837	\$26,857	\$ 326,695	\$ 542,185	\$ (2,184)	\$ 540,001	60.5%	\$ 3,960	138	64	106	(74)	-54%	(32)	-23%
44	350	Pecan Valley Centers	\$ 647,410	\$58,049	\$ 705,458	\$ 939,293	\$ (4,901)	\$ 934,392	75.5%	\$ 3,610	247	138	184	(109)	-44%	(63)	-26%
45	380	Tri-County Services	\$ 1,252,371	\$137,252	\$ 1,389,623	\$ 2,541,355	\$ (8,800)	\$ 2,532,555	54.9%	\$ 7,075	374	272	497	(102)	-27%	123	33%

↑  
current↑  
new



### Target Scenarios Based on All AMH/CMH Funds

	AA	AB	AC	AD	AE	AF	AG	AH	AI	AJ	AK	AL	AM	AN	AO	AP	AQ
46	400	Denton County MHMR Center	\$ 824,926	\$78,431	\$ 903,358	\$ 1,011,978	\$ (5,210)	\$ 1,006,767	89.7%	\$ 5,166	195	177	198	(19)	-10%	2	1%
47	430	Texana Center	\$ 2,123,546	\$232,991	\$ 2,356,537	\$ 3,823,908	\$ (15,863)	\$ 3,808,045	61.9%	\$ 5,003	764	461	748	(303)	-40%	(16)	-2%
48	440	ACCESS	\$ 616,686	\$43,070	\$ 659,756	\$ 1,008,344	\$ (5,521)	\$ 1,002,823	65.8%	\$ 3,779	268	129	197	(139)	-52%	(70)	-26%
49	450	West Texas Centers	\$ 1,543,036	\$138,636	\$ 1,681,672	\$ 2,427,797	\$ (14,605)	\$ 2,413,191	69.7%	\$ 5,816	421	329	475	(93)	-22%	53	13%
50	460	Bluebonnet Trails Community Services	\$ 1,205,694	\$108,165	\$ 1,313,859	\$ 2,819,854	\$ (7,434)	\$ 2,812,420	46.7%	\$ 5,131	520	257	551	(263)	-51%	31	6%
51	470	Hill Country MHDD Centers	\$ 1,128,776	\$101,188	\$ 1,229,964	\$ 1,648,380	\$ (8,869)	\$ 1,639,512	75.0%	\$ 3,513	449	240	322	(208)	-46%	(126)	-28%
52	475	Coastal Plains Community Center	\$ 1,345,866	\$120,931	\$ 1,466,797	\$ 2,559,924	\$ (11,833)	\$ 2,548,092	57.6%	\$ 4,539	571	287	500	(284)	-50%	(70)	-12%
53	480	Lakes Regional MHMR Center	\$ 204,948	\$16,258	\$ 221,207	\$ 287,902	\$ (1,420)	\$ 286,482	77.2%	\$ 4,711	62	43	56	(19)	-30%	(6)	-9%
54	485	Border Region Behavioral Health Center	\$ 1,449,185	\$86,755	\$ 1,535,940	\$ 3,050,541	\$ (12,717)	\$ 3,037,824	50.6%	\$ 2,808	1,062	300	596	(761)	-72%	(465)	-44%
55	490	Camino Real Community Services	\$ 2,712,253	\$168,000	\$ 2,880,253	\$ 1,912,833	\$ (6,861)	\$ 1,905,972	151.1%	\$ 4,904	390	563	374	174	45%	(16)	-4%
56	Total		\$ 56,590,618	\$ 5,256,926	\$ 61,847,544	\$ 96,402,871	\$ (448,244)	\$ 95,954,627	64.16%	\$5,104	18,873	12,091	18,847	(6,782)	-36%	(26)	0%
57																	



Adult

# Target Scenarios Based on All AMH/CMH Funds

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1		DSHS Statewide Contract Target	45,871			Notes:	LBB Target = 57,588											
2		AMH Cost Per Client	\$ 5,371	75th Percentile			Allocation and match based on draft 2014 payment schedule											
3		Largest All Funds Target Increase	69%				Cost figures based on 2013 Line 800 expenditures and 2013 average monthly served											
4		Statewide All Funds Target	82,325															
5																		
6		AMH Results																
7		State DSHS Target	45,871															
8		Change from 2014 DSHS Target	(39,102)															
9		Percent change from 2014 DSHS Target	-46%															
10		Smallest percent decrease from 2014 DSHS Target	-28%															
11		Largest percent decrease from 2014 DSHS Target	-65%															
12		Total Number of Clients Served	82,325															
13		Change from 2014 DSHS Target	(2,647)															
14		Percent change from 2014 DSHS Target	-3%															
15		Largest percent increase from 2014 DSHS Target	69%															
16		Largest percent decrease from 2014 DSHS Target	-47%															
17																		
18	Comp	LMHA	2015 AMH Allocation (PCN)	2015 AMH Local Match	DSHS Target AMH Funding	2014 Projected Line 800 AMH Funding	2015 ACA Reduction (AMH)	2015 Projected Line 800 AMH Funding	DSHS % of AMH Funding	2013 Cost Per Client (All Funds)	2014 AMH Target	New DSHS Target	Number to Serve All Funds	DSHS Target Change	DSHS Target Percent Change	Number to Serve All Funds Change	Number to Serve All Funds Percent Change	
19	10	Betty Hardwick Center	\$ 2,195,045	\$161,652	\$ 2,356,697	\$ 3,933,558	\$ (24,709)	\$ 3,908,849	60.3%	\$ 5,153	737	439	732	(298)	-40%	(5)	-1%	
20	20	Texas Panhandle Centers	\$ 4,350,252	\$324,053	\$ 4,674,305	\$ 7,290,905	\$ (46,866)	\$ 7,244,039	64.5%	\$ 4,090	1,772	870	1,357	(901)	-51%	(414)	-23%	
21	30	Austin Travis County Integral Care	\$ 8,461,228	\$788,274	\$ 9,249,502	\$ 21,409,303	\$ (80,464)	\$ 21,328,839	43.4%	\$ 5,102	4,068	1,722	3,986	(2,346)	-58%	(82)	-2%	
22	40	Central Counties Center for MHMR Services	\$ 4,241,141	\$332,847	\$ 4,573,988	\$ 6,932,366	\$ (42,538)	\$ 6,889,828	66.4%	\$ 4,266	1,551	852	1,291	(700)	-45%	(261)	-17%	
23	50	Center for Health Care Services	\$ 16,405,217	\$1,136,899	\$ 17,542,116	\$ 25,535,761	\$ (144,032)	\$ 25,391,728	69.1%	\$ 4,542	5,350	3,266	4,754	(2,083)	-39%	(595)	-11%	
24	60	Center for Life Resources	\$ 1,700,737	\$130,804	\$ 1,831,541	\$ 2,986,403	\$ (20,107)	\$ 2,966,296	61.7%	\$ 5,206	562	341	556	(221)	-39%	(6)	-1%	
25	70	Central Plains Center	\$ 1,402,839	\$102,373	\$ 1,505,212	\$ 2,269,764	\$ (14,988)	\$ 2,254,776	66.8%	\$ 4,898	449	280	423	(169)	-38%	(26)	-6%	
26	90	Emergence Health Network	\$ 10,470,505	\$638,324	\$ 11,108,829	\$ 17,800,108	\$ (118,139)	\$ 17,681,969	62.8%	\$ 4,825	3,705	2,068	3,314	(1,637)	-44%	(391)	-11%	
27	100	Gulf Coast Center	\$ 6,384,608	\$557,478	\$ 6,942,086	\$ 14,738,182	\$ (63,527)	\$ 14,674,655	47.3%	\$ 5,716	2,550	1,293	2,744	(1,258)	-49%	194	8%	
28	110	Gulf Bend MHMR Center	\$ 2,389,854	\$208,590	\$ 2,598,444	\$ 3,684,704	\$ (23,212)	\$ 3,661,492	71.0%	\$ 4,124	900	484	686	(416)	-46%	(214)	-24%	
29	130	Tropical Texas Behavioral Health	\$ 12,221,571	\$538,594	\$ 12,760,165	\$ 17,133,599	\$ (96,859)	\$ 17,036,741	74.9%	\$ 3,246	4,972	2,376	3,190	(2,596)	-52%	(1,782)	-36%	
30	140	Spindletop Center	\$ 5,021,549	\$402,788	\$ 5,424,337	\$ 10,634,799	\$ (62,013)	\$ 10,572,786	51.3%	\$ 5,828	1,747	1,010	1,980	(737)	-42%	233	13%	
31	150	StarCare Specialty Health System	\$ 2,738,490	\$214,406	\$ 2,952,896	\$ 4,898,511	\$ (31,535)	\$ 4,866,975	60.7%	\$ 5,008	968	550	912	(418)	-43%	(56)	-6%	
32	160	MHMR Services for the Concho Valley	\$ 1,912,247	\$145,198	\$ 2,057,445	\$ 3,581,410	\$ (19,324)	\$ 3,562,086	57.8%	\$ 6,503	543	383	667	(160)	-29%	123	23%	
33	170	Permian Basin Community Centers	\$ 4,085,088	\$492,081	\$ 4,577,169	\$ 9,006,222	\$ (50,492)	\$ 8,955,729	51.1%	\$ 5,371	1,658	852	1,677	(806)	-49%	19	1%	
34	180	Nueces County Center	\$ 3,230,750	\$270,231	\$ 3,500,981	\$ 5,754,665	\$ (35,904)	\$ 5,718,761	61.2%	\$ 4,101	1,405	652	1,071	(753)	-54%	(333)	-24%	
35	190	Andrews Center Behavioral Healthcare System	\$ 3,885,945	\$270,601	\$ 4,156,546	\$ 8,518,557	\$ (35,832)	\$ 8,482,725	49.0%	\$ 4,060	2,071	774	1,586	(1,297)	-63%	(485)	-23%	
36	200	MHMR of Tarrant County	\$ 20,518,218	\$1,698,075	\$ 22,216,292	\$ 31,289,604	\$ (178,506)	\$ 31,111,098	71.4%	\$ 4,456	7,009	4,136	5,826	(2,872)	-41%	(1,183)	-17%	
37	220	Heart of Texas Region MHMR Center	\$ 3,344,102	\$230,253	\$ 3,574,356	\$ 6,853,569	\$ (36,115)	\$ 6,817,454	52.4%	\$ 5,862	1,169	665	1,276	(503)	-43%	108	9%	
38	230	Helen Farabee Regional MHMR Centers	\$ 5,838,419	\$478,282	\$ 6,316,701	\$ 12,819,732	\$ (69,365)	\$ 12,750,367	49.5%	\$ 4,287	2,963	1,176	2,387	(1,787)	-60%	(576)	-19%	
39	240	Community HealthCore	\$ 5,324,748	\$410,010	\$ 5,734,758	\$ 10,353,557	\$ (63,471)	\$ 10,290,086	55.7%	\$ 4,322	2,393	1,068	1,928	(1,325)	-55%	(466)	-19%	
40	250	MHMR Authority of Brazos Valley	\$ 3,303,621	\$232,148	\$ 3,535,769	\$ 6,035,149	\$ (35,221)	\$ 5,999,927	58.9%	\$ 3,921	1,542	658	1,124	(884)	-57%	(419)	-27%	
41	260	Burke Center	\$ 4,847,894	\$345,346	\$ 5,193,240	\$ 8,651,372	\$ (49,755)	\$ 8,601,616	60.4%	\$ 4,024	2,106	967	1,611	(1,139)	-54%	(495)	-24%	
42	280	MHMR Authority of Harris County	\$ 34,400,559	\$3,263,396	\$ 37,663,955	\$ 88,892,484	\$ (266,543)	\$ 88,625,941	42.5%	\$ 10,030	9,781	7,012	16,550	(2,768)	-28%	6,770	69%	
43	290	Texoma Community Center	\$ 1,821,250	\$139,770	\$ 1,961,020	\$ 3,712,895	\$ (22,265)	\$ 3,690,630	53.1%	\$ 4,721	763	365	691	(398)	-52%	(72)	-9%	
44	350	Pecan Valley Centers	\$ 4,153,999	\$332,650	\$ 4,486,649	\$ 9,917,298	\$ (43,607)	\$ 9,873,691	45.4%	\$ 4,474	2,168	835	1,846	(1,333)	-61%	(322)	-15%	
45	380	Tri-County Services	\$ 5,549,287	\$514,378	\$ 6,063,665	\$ 12,452,937	\$ (47,869)	\$ 12,405,068	48.9%	\$ 5,586	2,220	1,129	2,319	(1,091)	-49%	99	4%	

Current

New



### Target Scenarios Based on All AMH/CMH Funds

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
46	400	Denton County MHMR Center	\$ 5,540,974	\$451,664	\$ 5,992,638	\$ 7,816,223	\$ (37,203)	\$ 7,779,020	77.0%	\$ 4,792	1,581	1,116	1,455	(465)	-29%	(126)	-8%	
47	430	Texana Center	\$ 7,184,084	\$677,078	\$ 7,861,162	\$ 9,626,369	\$ (57,038)	\$ 9,569,331	82.1%	\$ 3,260	2,555	1,464	1,792	(1,091)	-43%	(763)	-30%	
48	440	ACCESS	\$ 1,949,969	\$117,968	\$ 2,067,937	\$ 4,485,188	\$ (22,121)	\$ 4,463,066	46.3%	\$ 4,003	1,094	385	835	(709)	-65%	(259)	-24%	
49	450	West Texas Centers	\$ 4,557,830	\$365,479	\$ 4,923,309	\$ 8,914,216	\$ (50,997)	\$ 8,863,219	55.5%	\$ 5,963	1,534	917	1,660	(617)	-40%	126	8%	
50	460	Bluebonnet Trails Community Services	\$ 8,447,861	\$694,759	\$ 9,142,620	\$ 14,126,359	\$ (87,362)	\$ 14,038,997	65.1%	\$ 5,563	2,376	1,702	2,630	(674)	-28%	254	11%	
51	470	Hill Country MHDD Centers	\$ 6,424,664	\$502,359	\$ 6,927,023	\$ 14,035,418	\$ (68,908)	\$ 13,966,510	49.6%	\$ 5,367	2,564	1,290	2,613	(1,274)	-50%	49	2%	
52	475	Coastal Plains Community Center	\$ 4,187,737	\$339,651	\$ 4,527,387	\$ 5,729,408	\$ (51,363)	\$ 5,678,044	79.7%	\$ 2,776	2,024	843	1,067	(1,181)	-58%	(957)	-47%	
53	480	Lakes Regional MHMR Center	\$ 2,955,170	\$210,454	\$ 3,165,625	\$ 4,980,335	\$ (34,891)	\$ 4,945,444	64.0%	\$ 3,837	1,282	589	927	(692)	-54%	(354)	-28%	
54	485	Border Region Behavioral Health Center	\$ 4,114,232	\$209,906	\$ 4,324,137	\$ 8,491,182	\$ (40,826)	\$ 8,450,356	51.2%	\$ 5,494	1,559	805	1,581	(754)	-48%	22	1%	
55	490	Camino Real Community Services	\$ 2,712,253	\$168,000	\$ 2,880,253	\$ 6,877,877	\$ (40,238)	\$ 6,837,640	42.1%	\$ 5,336	1,284	536	1,281	(747)	-58%	(3)	0%	
56	Total		\$ 228,273,937	\$18,096,817	\$246,370,753	\$442,169,989	(\$2,214,207)		55.72%	5,158	84,973	45,871	82,325	(39,102)	-46%	(2,647)	-3%	
57																		



Child

# Target Scenarios Based on All AMH/CMH Funds

	AA	AB	AC	AD	AE	AF	AG	AH	AI	AJ	AK	AL	AM	AN	AO	AP	AQ
1		Statewide DSHS Contract Target	11,558					LBB Target = 12,403									
2		CMH Cost Per Client	\$ 5,351	75th Percentile			Notes:	Allocation and match based on draft 2014 payment schedule									
3		Largest All Funds Target Increase	47%					Cost figures based on 2013 Line 800 expenditures and 2013 average monthly served									
4		Statewide All Funds Target	18,016														
5																	
6		Option 1 CMH Results															
7		State DSHS Target	11,558														
8		Change from 2014 DSHS Target	(7,315)														
9		Percent change from 2014 DSHS Target	-39%														
10		Largest percent increase from 2014 DSHS Target	38%														
11		Largest percent decrease from 2014 DSHS Target	-73%														
12		Total Number of Clients Served	18,016														
13		Change from 2014 DSHS Target	(857)														
14		Percent change from 2014 DSHS Target	-5%														
15		Largest percent increase from 2014 DSHS Target	47%														
16		Largest percent decrease from 2014 DSHS Target	-46%														
17																	
	Comp	LMHA	2015 CMH Funding (PCN)	2015 CMH Local Match	DSHS Target CMH Funding	2014 Projected Line 800 CMH Funding	2015 ACA Reduction (CMH)	2015 Projected Line 800 CMH Funding	DSHS % of CMH Funding	2013 CMH Cost Per Client (All OP Funds)	2014 CMH Target	New DSHS Target	Number to Serve All Funds	DSHS Target Change	DSHS Target Percent Change	Number to Serve All Funds	Number to Serve All Funds Percent Change
19	10	Betty Hardwick Center	\$ 511,343	\$45,469	\$ 556,812	\$ 785,825	\$ (4,277)	\$ 781,548	71.2%	\$ 4,929	159	104	147	(55)	-35%	(12)	-8%
20	20	Texas Panhandle Centers	\$ 1,138,031	\$102,065	\$ 1,240,096	\$ 2,330,142	\$ (9,527)	\$ 2,320,614	53.4%	\$ 5,748	417	232	435	(185)	-44%	19	4%
21	30	Austin Travis County Integral Care	\$ 2,896,883	\$317,902	\$ 3,214,785	\$ 3,968,716	\$ (21,887)	\$ 3,946,828	81.5%	\$ 4,476	855	601	742	(254)	-30%	(113)	-13%
22	40	Central Counties Center for MHMR Services	\$ 1,131,283	\$101,557	\$ 1,232,839	\$ 1,490,331	\$ (8,501)	\$ 1,481,831	83.2%	\$ 6,401	239	230	279	(8)	-3%	40	17%
23	50	Center for Health Care Services	\$ 3,216,034	\$287,644	\$ 3,503,678	\$ 6,314,368	\$ (25,072)	\$ 6,289,296	55.7%	\$ 6,191	965	655	1,180	(310)	-32%	215	22%
24	60	Center for Life Resources	\$ 244,331	\$21,872	\$ 266,203	\$ 356,813	\$ (1,352)	\$ 355,461	74.9%	\$ 4,829	73	50	67	(23)	-32%	(6)	-9%
25	70	Central Plains Center	\$ 440,005	\$35,148	\$ 475,153	\$ 638,972	\$ (3,355)	\$ 635,617	74.8%	\$ 4,583	139	89	119	(51)	-36%	(20)	-14%
26	90	Emergence Health Network	\$ 1,321,548	\$92,007	\$ 1,413,555	\$ 2,643,108	\$ (10,463)	\$ 2,632,645	53.7%	\$ 3,971	667	264	494	(403)	-60%	(173)	-26%
27	100	Gulf Coast Center	\$ 1,056,400	\$105,211	\$ 1,161,611	\$ 1,736,005	\$ (7,333)	\$ 1,728,672	67.2%	\$ 7,351	245	217	324	(28)	-11%	79	32%
28	110	Gulf Bend MHMR Center	\$ 508,757	\$50,715	\$ 559,471	\$ 871,701	\$ (4,382)	\$ 867,319	64.5%	\$ 5,351	166	105	163	(62)	-37%	(3)	-2%
29	130	Tropical Texas Behavioral Health	\$ 4,119,497	\$205,591	\$ 4,325,088	\$ 8,601,998	\$ (28,419)	\$ 8,573,578	50.4%	\$ 4,113	2,101	808	1,608	(1,293)	-62%	(494)	-24%
30	140	Spindletop Center	\$ 1,727,874	\$155,248	\$ 1,883,122	\$ 2,118,240	\$ (14,750)	\$ 2,103,490	89.5%	\$ 4,530	463	352	396	(111)	-24%	(67)	-14%
31	150	StarCare Specialty Health System	\$ 699,210	\$62,759	\$ 761,969	\$ 933,491	\$ (5,877)	\$ 927,614	82.1%	\$ 4,945	196	142	174	(54)	-27%	(22)	-11%
32	160	MHMR Services for the Concho Valley	\$ 480,685	\$43,119	\$ 523,804	\$ 752,629	\$ (4,089)	\$ 748,540	70.0%	\$ 3,174	226	98	141	(128)	-57%	(85)	-38%
33	170	Permian Basin Community Centers	\$ 672,497	\$93,727	\$ 766,224	\$ 1,074,537	\$ (4,528)	\$ 1,070,009	71.6%	\$ 5,062	212	143	201	(69)	-32%	(11)	-5%
34	180	Nueces County Center	\$ 1,041,752	\$103,895	\$ 1,145,648	\$ 1,538,675	\$ (8,978)	\$ 1,529,696	74.9%	\$ 4,873	322	214	288	(108)	-34%	(35)	-11%
35	190	Andrews Center Behavioral Healthcare System	\$ 1,396,962	\$125,307	\$ 1,522,269	\$ 1,715,960	\$ (12,851)	\$ 1,703,109	89.4%	\$ 3,611	471	284	321	(186)	-40%	(150)	-32%
36	200	MHMR of Tarrant County	\$ 3,285,224	\$324,638	\$ 3,609,862	\$ 5,822,953	\$ (26,241)	\$ 5,796,712	62.3%	\$ 4,627	1,176	675	1,088	(501)	-43%	(87)	-7%
37	220	Heart of Texas Region MHMR Center	\$ 682,521	\$54,404	\$ 736,926	\$ 1,467,246	\$ (5,719)	\$ 1,461,527	50.4%	\$ 6,323	228	138	274	(90)	-40%	46	20%
38	230	Helen Farabee Regional MHMR Centers	\$ 1,418,994	\$127,460	\$ 1,546,454	\$ 1,915,705	\$ (12,970)	\$ 1,902,735	81.3%	\$ 5,246	372	289	358	(83)	-22%	(14)	-4%
39	240	Community HealthCore	\$ 1,569,989	\$140,932	\$ 1,710,922	\$ 2,404,753	\$ (14,381)	\$ 2,390,373	71.6%	\$ 3,445	689	320	449	(369)	-54%	(240)	-35%
40	250	MHMR Authority of Brazos Valley	\$ 495,846	\$39,497	\$ 535,344	\$ 1,016,357	\$ (4,289)	\$ 1,012,068	52.9%	\$ 5,586	181	100	190	(81)	-45%	9	5%
41	260	Burke Center	\$ 816,727	\$65,113	\$ 881,840	\$ 1,881,259	\$ (6,565)	\$ 1,874,694	47.0%	\$ 4,860	384	165	352	(219)	-57%	(132)	-8%
42	280	MHMR Authority of Harris County	\$ 10,363,689	\$1,239,062	\$ 11,602,751	\$ 19,448,793	\$ (96,218)	\$ 19,352,574	60.0%	\$ 7,985	2,468	2,168	3,635	(300)	-12%	1,167	47%
43	290	Texoma Community Center	\$ 299,837	\$26,857	\$ 326,695	\$ 542,185	\$ (2,184)	\$ 540,001	60.5%	\$ 3,960	138	61	101	(77)	-56%	(36)	-26%
44	350	Pecan Valley Centers	\$ 647,410	\$58,049	\$ 705,458	\$ 939,293	\$ (4,901)	\$ 934,392	75.5%	\$ 3,610	247	132	176	(115)	-47%	(71)	-29%
45	380	Tri-County Services	\$ 1,252,371	\$137,252	\$ 1,389,623	\$ 2,541,355	\$ (8,800)	\$ 2,532,555	54.9%	\$ 7,075	374	260	475	(114)	-31%	101	27%

↑  
Current

↑  
New

### Target Scenarios Based on All AMH/CMH Funds

	AA	AB	AC	AD	AE	AF	AG	AH	AI	AJ	AK	AL	AM	AN	AO	AP	AQ
46	400	Denton County MHMR Center	\$ 824,926	\$78,431	\$ 903,358	\$ 1,011,978	\$ (5,210)	\$ 1,006,767	89.7%	\$ 5,166	195	169	189	(27)	-14%	(6)	-3%
47	430	Texana Center	\$ 2,123,546	\$232,991	\$ 2,356,537	\$ 3,823,908	\$ (15,863)	\$ 3,808,045	61.9%	\$ 5,003	764	440	715	(323)	-42%	(49)	-6%
48	440	ACCESS	\$ 616,686	\$43,070	\$ 659,756	\$ 1,008,344	\$ (5,521)	\$ 1,002,823	65.8%	\$ 3,779	268	123	188	(144)	-54%	(79)	-30%
49	450	West Texas Centers	\$ 1,543,036	\$138,636	\$ 1,681,672	\$ 2,427,797	\$ (14,605)	\$ 2,413,191	69.7%	\$ 5,816	421	314	454	(107)	-25%	32	8%
50	460	Bluebonnet Trails Community Services	\$ 1,205,694	\$108,165	\$ 1,313,859	\$ 2,819,854	\$ (7,434)	\$ 2,812,420	46.7%	\$ 5,131	520	246	527	(275)	-53%	7	1%
51	470	Hill Country MHDD Centers	\$ 1,128,776	\$101,188	\$ 1,229,964	\$ 1,648,380	\$ (8,869)	\$ 1,639,512	75.0%	\$ 3,513	449	230	308	(219)	-49%	(140)	-31%
52	475	Coastal Plains Community Center	\$ 1,345,866	\$120,931	\$ 1,466,797	\$ 2,559,924	\$ (11,833)	\$ 2,548,092	57.6%	\$ 4,539	571	274	478	(297)	-52%	(92)	-16%
53	480	Lakes Regional MHMR Center	\$ 204,948	\$16,258	\$ 221,207	\$ 287,902	\$ (1,420)	\$ 286,482	77.2%	\$ 4,711	62	41	54	(21)	-33%	(8)	-13%
54	485	Border Region Behavioral Health Center	\$ 1,449,185	\$86,755	\$ 1,535,940	\$ 3,050,541	\$ (12,717)	\$ 3,037,824	50.6%	\$ 2,808	1,062	287	570	(775)	-73%	(491)	-46%
55	490	Camino Real Community Services	\$ 2,712,253	\$168,000	\$ 2,880,253	\$ 1,912,833	\$ (6,861)	\$ 1,905,972	151.1%	\$ 4,904	390	538	357	149	38%	(32)	-8%
56	Total		\$ 56,590,618	\$ 5,256,926	\$ 61,847,544	\$ 96,402,871	\$ (448,244)	\$ 95,954,627	64.16%	\$5,104	18,873	11,558	18,016	(7,315)	-39%	(857)	-5%
57																	



## **CHIEF FINANCIAL OFFICER'S REPORT**

### **August 28, 2014**

**DADS Fiscal Monitoring Review** – As I reported last month, we had a DADS fiscal monitoring review July 15<sup>th</sup> through July 18<sup>th</sup>. Attached is the final report that we received on August 5<sup>th</sup>. We have until September 5<sup>th</sup> to give our response.

We had the following findings:

1. They reviewed payroll expenditures and procedures to ensure that expenditures are properly accounted for in accordance with federal laws, regulations, DADS Performance Contract, and State of Texas Uniform Grant Management Standards (UGMS). They noted the following:
  - The review of Center's HR folders noted that there were 9 employees out of 20 sampled which did not have current Personal Performance evaluations in the file. The Center's personnel policy, Section 6.3.C, states that new employees will have an evaluation within 6 months and then annually on their anniversary date.
    - They recommended that the Center comply with its policy concerning the conducting and filing of performance evaluations.

**Management Response** – We currently monitor the performance evaluations due dates and will continue to do so and ensure that evaluations are completed on time.

2. They reviewed the CARE Report III for Qtr3FY14 ending May 31, 2014 to determine if the data agreed with the Center's financial records and whether the report was completed in accordance with the Performance Contract guidelines. They noted the following:
  - Reported HCS and TxHml costs were reported in one cost strategy and not in the appropriate cost categories where services were performed in the programs.
    - They recommended that the HCS and TxHml costs be reported in the proper cost strategies in the Report III for Qtr4FY4.

**Management Response** – We will make the changes in our reporting for the final FY 2014 CARE III to base our services on percent of services provided by type such as HCS, ICF, or Texas Home Living and to the service code level.

**FY 2015 Budget** – We have completed the FY 2015 Budget as you can see in the board packet. Since we are just now receiving the contracts from DSHS, we will probably have a revision in the near future to true up the final allocation amounts that we received. The one area that I have identified so far is the contract amount for the Supported Housing program which has been increased from \$160,000 to \$244,174. So that is a good thing. After we have received all the various contracts, we will get a revision submitted for approval.

**DSHS Preliminary Allocations** – At the time of the board packet preparation, we had received preliminary numbers for our DSHS contract. Of note for this fiscal year, we have the reductions for Senate Bill 58 for Adults in the amount of \$604,809 and children in the amount of \$56,154. In addition, we had a decrease in funding based on the Affordable Care

Act for Adults in the amount of \$47,869, for Children in the amount \$8,800 and Crisis in the amount of \$10,465. In total, the reduction is \$728,097.

**CFO Consortium** - The quarterly CFO meeting is scheduled to be held in Austin on September 25<sup>th</sup> and 26<sup>th</sup>. This meeting conflicts with the September Board meeting. As of this time, I am scheduled to go to the CFO meeting and Tabatha will be at the Board meeting in my place. The first meeting of each fiscal year is usually the most important with detailed information regarding new contract requirements that affect all centers. We expect the following topics to be on the agenda; Updates from both DSHS and DADS, this may include the new targets discussion outcomes from DSHS, 1115 Waiver Discussion and Tracking, Changes in the CARE Report III, Public Finance Training and updates from the Texas Council.

**Vehicles Declared Surplus** – At the last board meeting, we declared the following vehicles surplus and they were sold for the amounts listed.

1. 1992 Ford Crew Cab - \$850.00
2. 2005 Chevrolet Astro Van - \$700.00
3. 2007 Ford Focus - \$1,300.00



RECEIVED

AUG 11 2014

COMMISSIONER  
Jon Weizenbaum

## ON-SITE REVIEW REPORT

August 5, 2014

Evan Roberson  
Executive Director  
Tri-County Services  
P.O. Box 3067  
Conroe, Texas 77305-3067

Re: Fiscal Monitoring Review of Tri-County Services

Dear Mr. Roberson:

The Local Authorities (LA) Performance Contracts Fiscal Monitoring staff conducted an on-site financial monitoring review of Tri-County Services on July 15-18, 2014.

The purpose of the financial monitoring review was to examine the LA's compliance with laws, rules, regulations and the FY 2013 and FY 2014 Performance Contracts, and conduct a verification of the accuracy of the data submitted to the Texas Department of Aging and Disability Services (DADS) during FY 2013 and FY 2014.

The monitoring visit included a review of the financial records; a verification of the financial statements submitted to DADS; verification of the costs and revenue reported in the Report III which is the quarterly financial report of expenditures and method of finance by service strategy; a review of the indirect costs and cost methodology as reported in the FY 2013 independent audit; and a review of expenditures.

In the report, we noted findings that came to our attention during the conduct of the review and have included recommendations for strengthening internal controls and operating efficiency. We appreciate the cooperation extended to us by the management and staff during the course of the review. Any questions, please contact me at (512) 438-3198 or robert.rosales@dads.state.tx.us.

Sincerely,

[Redacted Signature]  
Robert R. Rosales  
Lead Fiscal Monitor  
Performance Contracts Unit

Attachment

RR:ls

# LA PERFORMANCE CONTRACTS

## Onsite Financial Review

### Tri-County Services

#### Ft. Worth, Texas

Date of Visit: July 15-18, 2014

## **SCOPE**

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The scope of our onsite visit included examining Tri-County Services' (the "Center") policies and procedures, compliance with laws, rules, regulations, and the performance contract and verification of data submitted on various reports to the Texas Department of Aging and Disability Services (DADS). Visit activities included:

- Obtain an understanding of the accounting and billing systems
- Review of the Board Minutes and Board By-Laws
- Test financial and administrative compliance with Federal and State Regulations
- Test for adherence to Board Policies and Center's policies and procedures
- Examine a sample of expenditures in the Intellectual & Developmental Disabilities (IDD) and indirect programs
- Review revenues and expenditures of financial reports submitted to DADS
- Review indirect costs calculations and allocation methods
- Review overall financial condition of the Center

Our review was conducted on July 15-18, 2014. We were given access to all documentation requested in a timely manner.

## **ON-SITE FINDINGS**

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### **Financial Observations**

Since FY 2011, the Center has been averaging \$23.6 million in General Fund expenditures. Total General Fund expenditures for FY 2013 were \$24.2 million. IDD expenditures over this time period have been averaging 33.8% of total expenditures. The Center had a net loss of \$846,294 in FY 2011 and net revenues over expenditures of \$1,032,669 in FY 2012 and \$899,654 in FY 2013.

Two important financial ratios used to evaluate the financial condition of a community center are "unreserved fund balance to total expenditures" and "days of operation without further funding". The two ratios indicate the length of time a Center could operate using only its unreserved fund balance and only using its cash and cash equivalents. In FY 2011, the Center's unreserved fund balance to total expenditures was 75 days of operation and its days of operation without further funding represented 94 days of operation. In FY 2013, the unreserved fund balance to total expenditures was 93 days of operation while the days of operation without further funding was 134 days of operation. The ratios are above the recommended minimum level of 60-90 days.



## **(1) Finding**

We reviewed payroll expenditures and procedures to ensure that expenditures are properly accounted for in accordance with federal laws, regulations, DADS Performance Contract, and State of Texas Uniform Grant Management Standards (UGMS). We noted the following:

- Our review of Center's HR folders noted that there were 9 employees out 20 sampled which did not have current Personal Performance evaluations in the file. The Center's personnel policy, Section 6.3.C, states that new employees will have an evaluation within 6 months and then annually on their anniversary date.

## **Recommendation**

We recommend that the Center comply with its policy concerning the conducting and filing of performance evaluations.

## **(2) Finding**

We reviewed the CARE Report III for Qtr3FY14 ended May 31, 2014 to determine if the data agreed with the Center's financial records and whether the report was completed in accordance with the Performance Contract guidelines. We noted the following:

- Reported HCS and TxHml costs were reported in one cost strategy and not in the appropriate cost categories where services were performed in the programs

## **Recommendation**

We recommend that the HCS and TxHml costs be reported in the proper cost strategies in the Report III for Qtr4FY14.

## **CORRECTIVE ACTION PLAN**

We request that a Management Response be submitted for the finding and recommendations noted in this report. Please submit the response by **September 5, 2014** to: Misti Hair, Unit & Contract Manager, Local Authorities Section, MC W-354, DADS, 701 W. 51<sup>st</sup> Street, Austin, Texas, 78751 or **P.O.** Box 149030, Austin, Texas 78714.

Financial Monitors: Robert R. Rosales  
Walter Bagley  
Boyd Hadaway, Jr.

<b>Agenda Item:</b> Approve Goals and Objectives for FY 2015  <b>Committee:</b> Program	<b>Board Meeting Date</b>  August 28, 2014
<b>Background Information:</b>  <p>The Board of Trustees and Management Team met on July 19, 2014 for a Strategic Planning meeting. The Board provided feedback regarding strengths, weaknesses, opportunities and threats for the next fiscal year. From this analysis, goals were developed and a consensus was reached. Subsequently, the Management Team developed objectives for each of the goals. These goals are in addition to the contractual requirements of the Center's contracts with the Department of State Health Services and the Department of Aging and Disability Services.</p> <p>After adoption by the Board, staff will provide a year-to-date progress report each quarter.</p>	
<b>Supporting Documentation:</b>  Draft FY 2015 Goals and Objectives	
<b>Recommended Action:</b>  <b>Approve Goals and Objectives for FY 2015</b>	

# FY 2015 Goals and Objectives

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## *Goal Area 1: Community Awareness*

- **Objective 1:** Develop new name/logo branding materials and market them to our stakeholders by February 28, 2015.
- **Objective 2:** Develop or renew four (4) collaborative relationships/partnerships by May 31, 2015.
- **Objective 3:** Develop four (4) educational/outreach/marketing events by May 31, 2015.

## *Goal Area 2: Funding*

- **Objective 1:** Develop sponsors/underwriters for educational/outreach/marketing events in our community.
- **Objective 2:** Develop a Board Policy about establishing a trust fund to benefit Tri-County consumers by December 31, 2014.
- **Objective 3:** Develop a trust fund to benefit Tri-County consumers by August 31, 2015.

## *Goal Area 3: Staff Development*

- **Objective 1:** Schedule four (4) leadership development courses for managers in FY 2015.
- **Objective 2:** Implement quarterly supervisor training in FY 2015.
- **Objective 3:** Hold at least four (4) Texas Council Risk Management Fund training events in FY 2015.

## *Goal Area 4: Facilities*

- **Objective 1:** Develop a facility consolidation plan with the assistance of consultants that can be presented to DSHS/DADS/commissioners/stakeholders by February 28, 2015.
- **Objective 2:** Provide quarterly progress updates to the Board regarding building consolidation.
- **Objective 3:** Attain approval from DSHS/DADS/commissioners for the facility consolidation plan by May 31, 2015.

## *Goal Area 5: Technology*

- **Objective 1:** Develop a technology plan for the consolidated facility including cost projections.
- **Objective 2:** Develop a new staffing plan for Information Technology and hire at least one (1) of these staff by February 28, 2015.

<b>Agenda Item:</b> Community Resources Report  <b>Committee:</b> Program	<b>Board Meeting Date</b>  August 28, 2014
<b>Background Information:</b>  None	
<b>Supporting Documentation:</b>  Community Resources Report	
<b>Recommended Action:</b>  <b>For Information Only</b>	



# Community Resources Report

## July 25, 2014 – August 28, 2014

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### Volunteer Hours:

Location	July
Conroe	264.5
Cleveland	13
Liberty	26
Huntsville	31.5
<b>Total</b>	<b>335</b>

### COMMUNITY ACTIVITIES:

7/30/14	Conroe Transit and Mobility Program Overview Meeting	Conroe
8/1-8/3/14	Burnham Classic Golf Tournament	Liberty
8/4/14	Montgomery County Homeless Coalition Meeting	Conroe
8/5/14	Adult Substance Abuse Program and Mental Health Walk-In Clinic Presentation to Montgomery County Women's Center	The Woodlands
8/6/14	Montgomery County Women's Center Outreach Counselor Meeting	Conroe
8/7/14	Walker County Community Resource Coordination Group	Huntsville
8/9/14	Youth Mental Health First Aid Training	Conroe
8/12/14	Montgomery County CARES Meeting	The Woodlands
8/12/14	Region 17 Learning Collaborative Meeting	College Station
8/13/14	Roots of Change Coalition Meeting	Conroe
8/14/14	Up2You Coalition	Huntsville
8/15/14	Liberty County Community Networking Meeting with Judge Chambers	Liberty
8/18/14	Youth Mental Health First Aid Training – San Jacinto Elementary	Conroe
8/20/14	Montgomery County Emergency Assistance Hands Up Collaborative Partners Meeting	Conroe
8/21/14	Liberty County Child Fatality Review Team Meeting	Liberty
8/23/14	Youth Mental Health First Aid Training	Conroe
8/26/14	Disaster Response Training	Houston

### UPCOMING ACTIVITIES:

9/2/14	Montgomery County Women's Center Shelter Counselor Meeting	Conroe
9/4/14	Montgomery County Homeless Coalition Board Meeting	Conroe
9/4/14	Cleveland Chamber of Commerce Luncheon	Cleveland
9/4/14	Walker County Community Resource Coordination Group	Huntsville
9/9/14	Montgomery County Women's Center Direct Care Staff Meeting	Conroe
9/11/14	Huntsville Chamber of Commerce Breakfast	Huntsville
9/16/14	Montgomery County Community Resource Coordination Group	Conroe
9/17/14	Liberty/Dayton Chamber of Commerce Luncheon	Liberty
9/18/14	Up2You Coalition	Huntsville

<b>Agenda Item:</b> Consumer Services Report for July 2014  <b>Committee:</b> Program	<b>Board Meeting Date</b>  August 28, 2014
<b>Background Information:</b>  None	
<b>Supporting Documentation:</b>  Consumer Services Report for July 2014	
<b>Recommended Action:</b>  <b>For Information Only</b>	

## Consumer Services Report

### July 2014

Consumer Services	Montgomery County	Cleveland	Liberty	Walker County	Total
<b>Crisis Services, MH Adults/Children</b>					
Persons Screened, Intakes, Other Crisis Services	446	41	42	42	<b>571</b>
Crisis and Transitional Services (LOC 0, LOC 5)	46	1	4	5	<b>56</b>
Psychiatric Emergency Treatment Center (PETC) Served	62	3	4	7	<b>76</b>
Psychiatric Emergency Treatment Center (PETC) Bed Days	319	11	28	16	<b>374</b>
Contract Hospital Admissions	14	0	1	1	<b>16</b>
Diversion Admits	13	2	0	0	<b>15</b>
Total State Hospital Admissions	7	0	1	1	<b>9</b>
<b>Routine Services, MH Adults/Children</b>					
Adult Service Packages (LOC 1m,1s,2,3,4)	1014	127	78	132	<b>1351</b>
Adult Medication Services	714	70	49	96	<b>929</b>
Child Service Packages (LOC 1-4 and YC)	332	34	14	39	<b>419</b>
Child Medication Services	144	12	6	16	<b>178</b>
TCOOMMI (Adult Only)	96	8	6	15	<b>125</b>
Adult Jail Diversions	6	0	0	0	<b>6</b>
<b>Persons Served by Program, IDD</b>					
Number of New Enrollments for IDD Services	3	0	0	0	<b>3</b>
Service Coordination	482	32	52	62	<b>628</b>
<b>Persons Enrolled in Programs, IDD</b>					
Center Waiver Services (HCS, Supervised Living, TxHmL)	46	5	23	28	<b>102</b>
Contractor Provided ICF-MR	17	12	11	6	<b>46</b>
<b>Substance Abuse Services</b>					
Children and Youth Prevention Services	37	0	0	0	<b>37</b>
Youth Substance Abuse Treatment Services/COPSD	20	0	0	0	<b>20</b>
Adult Substance Abuse Treatment Services/COPSD	27	0	0	1	<b>28</b>
<b>Waiting/Interest Lists as of Month End</b>					
Home and Community Based Services Interest List	1429	115	129	131	1804
<b>July Served by County</b>					
Adult Mental Health Services	1320	141	103	180	<b>1744</b>
Child Mental Health Services	336	36	12	37	<b>421</b>
Intellectual and Developmental Disabilities Services	557	49	66	71	<b>743</b>
<b>Total Served by County</b>	<b>2213</b>	<b>226</b>	<b>181</b>	<b>288</b>	<b>2908</b>
<b>June Served by County</b>					
Adult Mental Health Services	1309	132	119	175	<b>1735</b>
Child Mental Health Services	334	34	14	42	<b>424</b>
Intellectual and Developmental Disabilities Services	555	49	63	70	<b>737</b>
<b>Total Served by County</b>	<b>2198</b>	<b>215</b>	<b>196</b>	<b>287</b>	<b>2896</b>
<b>May Served by County</b>					
Adult Mental Health Services	1271	128	123	171	<b>1693</b>
Child Mental Health Services	353	32	12	49	<b>446</b>
Intellectual and Developmental Disabilities Services	543	42	62	66	<b>713</b>
<b>Total Served by County</b>	<b>2167</b>	<b>202</b>	<b>197</b>	<b>286</b>	<b>2852</b>

<b>Agenda Item:</b> Program Updates  <b>Committee:</b> Program	<b>Board Meeting Date</b>  August 28, 2014
<b>Background Information:</b>  None	
<b>Supporting Documentation:</b>  Program Updates	
<b>Recommended Action:</b>  <b>For Information Only</b>	

# **Program Updates**

## **July 25, 2014 – August 28, 2014**

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### **MH Crisis Services**

1. All week-day QMHP positions for the 1115 Intensive Evaluation and Diversion program have been filled.
2. A 14-day curriculum for individuals programming at the Psychiatric Emergency Treatment Center (PETC) was developed and implemented. The topics include: coping skills, substance abuse, anger management, trauma, healthy living and goal setting.
3. Exxon Mobil reached out to coordinate a time to come to the PETC for a possible Day of Caring project.
4. A free training was coordinated with a trainer from Cenpatico on the topic of suicide. The one-hour course was offered on two days to better accommodate staff schedules.

### **MH Adult Services**

1. Dr. Ayeni will be starting on September 1<sup>st</sup> to replace a doctor who left to open a private practice. A locum tenens doctor is currently covering this position.
2. Dr. Baines will start on September 1<sup>st</sup>. He will assist in covering several areas including the PETC, William E. Hall in Conroe, and Child and Adolescent services in the rural clinics. By filling these positions, Dr. Baines will allow one of our current physicians, Dr. Winaker, to see persons in the Liberty County 1115 Expanded Psychiatry program.
3. We have transferred Dana Ledet-Hurd, APN, into the 1115 Expanded Psychiatry program in Montgomery/Walker Counties. Dr. Sneed will provide some coverage for this program as well. A new APN, Natalia Albright-Ford, will be taking Ledet-Hurd's position in the medication clinic.
4. We have hired a Primary Care Physician, Dr. Hambrick, who has started with the 1115 Integrated Healthcare Program. This program has seen over 70 patients to date.

### **MH Child Services**

1. Our Summer Day Camp was a huge success. Many of the families reported witnessing significant positive changes in their children's behavior, self-esteem and social skills. The children participated in daily skills trainings groups, biweekly substance abuse prevention groups and various fun activities, including swimming, horseback riding, arts and crafts and field trips.
2. We are serving more children and adolescents in mental health services than we were at the beginning of this fiscal year – caseloads in all three counties are steadily rising.

### **Criminal Justice Services**

1. Two persons were admitted to the Outpatient Competency Restoration (OCR) program in July to make a total of twelve for FY 2014.
2. TCOOMMI is serving above the contracted minimum with 115 at the end of July.
3. TCOOMMI revenue remains strong and above the monthly targeted amount.

4. One Jail Diversion was admitted in the first week of August and efforts are intensified to increase that number.
5. We will be adding a position at the Jail to provide mental health assessments and other necessary services. This position was suggested to the Montgomery County Commissioners by Evan Roberson after meeting with the Montgomery County Jail Administrator. Statistics vary widely, but a conservative estimate is that 20% of the jail inmates have some sort of underlying mental illness or substance abuse problem.

### **Substance Abuse Services**

1. The Adult Substance Abuse Treatment program has already exceeded the target for numbers served. The Co-Occurring Psychiatric and Substance Use Disorder (COPSD) Treatment program continues to work toward the target for the fiscal year.
2. DSHS will be making changes to funding verification and billing processes for both our Youth and Adult Substance Abuse Treatment programs as of September 1<sup>st</sup>. We will be attending trainings to prepare for these changes.
3. Our Youth Substance Abuse Treatment program has grown over the summer. Group attendance is high. We are able to conduct more outreach and provide more services after successfully filling the Youth Substance Abuse Counselor position that was vacant for the last half of the school year. Staff will start the 2014-2015 school year by visiting various school counselors to provide information about the program.
4. Many of the youth engaged in the Youth Substance Abuse Treatment program are experiencing positive outcomes, including abstinence from Substance Use, successful employment and improved relationships.

### **IDD Services**

1. We have 43 individuals that are receiving service coordination in the Preadmission Screening and Residential Review (PASRR) program. These individuals will be eligible to receive intensive service coordination in FY 2015.
2. We have enrolled 17 individuals in HCS and eight individuals in TxHmL this fiscal year so far. We are currently working on eleven HCS enrollments and 87 TxHmL enrollments.
3. We have 63 enrolled in HCS with a CAP of 67 leaving us with four slots currently available. Our TxHmL program has 38 enrolled and a CAP of twelve. Consequently, we are not accepting new TxHmL clients at this time.
4. Kathy Foster and Kelly Shropshire attended the American Association on Intellectual and Developmental Disabilities (AAIDD) convention in San Antonio. A number of DADS staff presented on various topics including Managed Care, Nursing Requirements, Challenging Behaviors in Day Hab setting, etc.

### **Support Services**

1. **Quality Management (QM):** QM staff are currently working with the Texas Council of Community Centers and MTM Services on an Evaluation and Management (E/M) Documentation Review and Compliance Audit.
2. **Veteran Affairs:** Staff continue to seek a replacement for the Veteran Services Liaison position.

3. **Planning Network Advisory Committees (PNACs):** Several PNAC members attended a Mental Health First Aid Course offered by QM staff on August 9<sup>th</sup> and August 23<sup>rd</sup>.
4. **Housing:**
  - a. McDougal Property Management continues to seek a replacement for the open Community Director position at the Independence Place Apartments in Montgomery. Tri-County staff continue to provide support to the residents as needed during this time of transition.
  - b. Staff have received the review of the second closing package on Independence Oaks from HUD and are finalizing corrections on a short list of deficiencies. At this point, we expect that initial closing will occur in the next few weeks.

### **Community Activities**

1. The 25<sup>th</sup> Annual Burnham Classic Golf Tournament was held from August 1-3<sup>rd</sup> at the Magnolia Ridge County Club in Liberty.



<b>Agenda Item:</b> Annual Election of FY 2015 Board Officers  <b>Committee:</b> Executive	<b>Board Meeting Date</b>  August 28, 2014
<b>Background Information:</b>  The By-laws for the Tri-County Board of Trustees require Board officers to be elected each fiscal year. Sharon Walker, Chair of the Nominating Committee, will present the slate of officers for election. Members of the Nominating Committee also include Patti Atkins and Morris Johnson.	
<b>Supporting Documentation:</b>  None	
<b>Recommended Action:</b>  <b>Elect Officers for FY 2015 Board of Trustees</b>	

<p><b>Agenda Item:</b> Executive Director's Annual Evaluation, Compensation and Contract for FY 2015</p> <p><b>Committee:</b> Executive</p>	<p><b>Board Meeting Date</b></p> <p>August 28, 2014</p>
<p><b>Background Information:</b></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 2014 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 Cecil McKnight, Chairman of the Evaluation Committee. Tracy Sorenson and Janet Qureshi also served on the Evaluation Committee.</p>	
<p><b>Supporting Documentation:</b></p> <p>None</p>	
<p><b>Recommended Action:</b></p> <p><b>Review Executive Director's Evaluation, Compensation and Contract Extension and Take Appropriate Action</b></p>	

<p><b>Agenda Item:</b> Nominations for Texas Council Risk Management Fund's Board of Trustees in Places 4, 5 and 6</p> <p><b>Committee:</b> Executive</p>	<p><b>Board Meeting Date</b></p> <p>August 28, 2014</p>
<p><b>Background Information:</b></p> <p>On Friday, November 14, 2014, the annual meeting of the Texas Council Risk Management Fund will take place. At that time, elections will be held to fill the positions of Trustees in Places 4, 5 and 6.</p> <p>Centers have an opportunity to nominate the incumbents or submit a write-in nomination. Nominations are due by September 12, 2014.</p> <p><b>Incumbents</b></p> <ul style="list-style-type: none"> <li>• Place 4: Judge Van L. York</li> <li>• Place 5: Mr. J.C. Whitten</li> <li>• Place 6: Mr. Gus Harris</li> </ul>	
<p><b>Supporting Documentation:</b></p> <p>Memorandum from the Texas Council Risk Management Fund Nominating Committee</p> <p>Nomination Form</p>	
<p><b>Recommended Action:</b></p> <p><b>Nominate Candidates for Places 4, 5 and 6 for the Texas Council Risk Management Fund's Board of Trustees</b></p>	

AUG 07 2014

August 1, 2014

## MEMORANDUM

TO: Members, Texas Council Risk Management Fund

FROM: Nominating Committee

SUBJECT: **NOMINATIONS FOR PLACES 4, 5, and 6 OF THE BOARD OF TRUSTEES**

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On Friday, November 14, 2014 the annual meeting of the Texas Council Risk Management Fund will take place. At that time, elections will be held to fill the positions of Trustees in Places 4, 5, and 6, whose terms will expire at 12:01 a.m., January 1, 2015.

At the time of election, the places will be occupied as follows:

**Place 4: Judge Van L. York**

Judge York is a member of the Board of Directors of the West Texas Center, and has retired as the Judge for Borden County. He has served on the Fund's Board since 2010.

**Place 5: Mr. J.C. Whitten**

Mr. Whitten is a member of the Board of Trustees for Texana Center, Texas Council of Community Centers and has served on the Fund's Board since 2001. He is currently a consultant to Juvenile Board of Fort Bend County as well as an advisor to Fort Bend County Advisory Board for Mental Health/Public Defender Department.

**Place 6: Mr. Gus Harris**

Mr. Harris has been a member of the Board of Trustees for Spindletop Center for 29 years and has served on the Fund's Board since 1998. He is currently Stark Foundation Chief Properties Officer responsible for numerous buildings and other physical assets of the foundation.



In accordance with the Fund Bylaws, the Nominating Committee will present a slate of nominees for election by the members. A mail ballot will be compiled listing the nominees chosen by the Nominating Committee. The mail ballot will be sent to each center before the end of September so that ballots may be returned and tabulated prior to the annual meeting on Friday, November 14th.

In addition to the nominations submitted by the Nominating Committee, each member has the opportunity to submit nominations of their own. These nominations must be received no later than Friday, **September 12, 2014**. The qualifications set out in the Fund Bylaws state that all nominees for the Board must be trustees of a member community center.

If your center would like to submit a nomination, please complete the attached form. Also include a biographical sketch of your nominee(s) along with a brief statement from the nominee(s) outlining their interest in serving on the TCRMF Board of Trustees. The nomination form, biographical sketch, and statement of goals and objectives should be returned to the Texas Council Risk Management Fund, Attention: Nominating Committee, P.O. Box 26655, Austin, Texas 78755-0655. You may also return the requested items by fax to (512) 346-9321 or by email to [renee.harris@jicompanies.com](mailto:renee.harris@jicompanies.com).

If you have any questions, please contact Greg Womack or Renee Harris at 1-800-580-MHMR (6467)

Remember, you will need to return your nomination form by **September 12, 2014**.

Thank you for your attention to this matter.

cc: Board of Trustees, Texas Council Risk Management Fund  
Advisory Committee, Texas Council Risk Management Fund  
Danette Castle, Texas Council of Community Centers, Inc.

## NOMINATION FORM

The undersigned Center would like to make the following nomination(s) for election to the Board of Trustees of the Texas Council Risk Management Fund:

### NOMINATION

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I understand that any mailed or faxed nominations received after Friday, September 13, 2013 cannot be considered. In addition, I recognize that nominees for Trustee must meet the required qualification of being a Trustee of a community center that is also a member of the Fund, as stated in Article IV, Section 2 of the Fund Bylaws.

Respectfully submitted, this \_\_\_\_\_ day of \_\_\_\_\_, 2013.

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CENTER

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Signature

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Name

---

Title

### **Please return by September 12, 2014, to:**

Texas Council Risk Management Fund  
Attention: Nominating Committee  
P.O. Box 26655  
Austin, Texas 78755-0655  
**FAX #: (512) 346-9321 - Attn: Renee Harris**

<b>Agenda Item:</b> Board of Trustees Oath of Office  <b>Committee:</b> Executive	<b>Board Meeting Date</b>  August 28, 2014
<b>Background Information:</b>  On May 27, 2014, the Walker County Commissioner's Court appointed Mr. Jacob Paschal to fill the unexpired term of Mr. Len George which will expire on August 31, 2014. This term will be renewed for the next two years at the September Board meeting.  Mr. Paschal will recite his oath of office at the Board meeting.	
<b>Supporting Documentation:</b>  Oath of Office Recitation	
<b>Recommended Action:</b>  <b>Recite Oath of Office</b>	

## OFFICE OF THE COUNTY JUDGE

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DANNY PIERCE  
Walker County Judge  
(936) 436-4910  
(936) 436-4914 FAX

Walker County Courthouse  
1100 University Avenue  
Huntsville, Texas 77340

May 30, 2014

Tri-County MHMR  
P.O. Box 3067  
Conroe, TX 77305

Dear Evan:

The Walker County Commissioners' Court met during regular session on May 27, 2014. During this session it was unanimously approved to appoint Mr. Paul "Jacob" Paschal to the Tri-County MHMR Board of Trustees to finish the term vacated by Mr. Len George. I would like to take this opportunity to give thanks to those who work so diligently for the betterment of Tri-County MHMR's clients. If I can be of further service please let me know.

Sincerely,



Danny Pierce  
County Judge  
Walker County

DP/sp

# OATH OF OFFICE

I, \_\_\_\_\_,  
do solemnly swear,  
that I will faithfully execute  
the duties of the office of Trustee  
of Tri-County Services,  
and will, to the best of my ability  
preserve, protect, and defend the Constitution  
and laws of the United States and of this State;  
and I furthermore solemnly swear  
that I have not directly nor indirectly,  
paid, offered, or promised to pay,  
contributed, nor promised to contribute  
any money, or valuable thing,  
or promised any public office or employment,  
as a reward for the giving or withholding a vote  
to secure my appointment,  
and further affirm that I,  
nor any company, association, or corporation  
of which I am an officer or principal  
will act as supplier of services or goods,  
nor bid or negotiate to supply  
such goods or services, for this Center,  
so help me God.



<b>Agenda Item:</b> Personnel Report for July 2014  <b>Committee:</b> Executive	<b>Board Meeting Date</b>  August 28, 2014
<b>Background Information:</b>  None	
<b>Supporting Documentation:</b>  Personnel Report for July 2014	
<b>Recommended Action:</b>  <b>For Information Only</b>	

# TRI-COUNTY SERVICES PERSONNEL BOARD REPORT JULY 2014

STAFF CLASSIFICATIONS	NEW HIRES		SEPARATED		VOLUNTARY SEPARATION		INVOLUNTARY SEPARATION		BUDGETED POSITIONS	FILLED POSITIONS	MONTHLY TURNOVER PERCENT	YEARLY TURNOVER PERCENT
	MO.	YTD.	MO.	YTD.	MO.	YTD.	MO.	YTD.				
Bachelor's												
Qualified Mental Health Professionals	1	34	4	24	4	20		4	96	84	4%	25%
Qualified Developmental Disability Professionals (State Title)	1	6		1		1			22	21	0%	5%
Licensed Staff		6		1		1			17	17	0%	6%
Medical												
Physicians	1	2	1	2	1	2			9	6	11%	22%
Advanced Practice Nurses		3		1				1	4	3	0%	25%
RN's		3	2	3	2	3			14	11	14%	21%
LVN's	1	4							14	11	0%	0%
Techs/Aides												
MH		4		1		1			20	17	0%	5%
IDD		5		6		4		2	31	28	0%	19%
Supervisor/Manager												
MH		1		3		3			17	15	0%	18%
IDD									8	8	0%	0%
Program Support		13	1	11	1	6		5	44	40	2%	25%
Central Administration		3	1	4	1	3		1	21	17	5%	19%
Business Services				1		1			14	13	0%	7%
Maintenance/Janitorial/Lawn	1	4		4		2		2	23	21	0%	17%
GRAND TOTALS	5	88	9	62	9	47	0	15	354	312	3%	18%

<b>Agenda Item:</b> Texas Council Quarterly Board Meeting Update  <b>Committee:</b> Executive	<b>Board Meeting Date</b>  August 28, 2014
<b>Background Information:</b>  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.	
<b>Supporting Documentation:</b>  Texas Council Staff Report	
<b>Recommended Action:</b>  <b>For Information Only</b>	



**Texas Council**  
of Community Centers

**Texas Council Report  
Quarterly Meeting  
AUGUST 2014**

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# Chief Executive Officer Report

## Engagement Highlights

Since the April 5, 2014 board meeting, the Texas Council engaged in a number of key initiatives and priorities:

- Negotiations and meetings with state officials and legislative offices on: MH Performance Contract Targets; 1115 Transformation Waiver; Managed Care; Local Authority IDD Service Coordination; Local Authority/SSLC Pilot; PASRR and related Local Authority responsibilities (Attachment G); SB7 (Community First Choice - IDD Future Service System); SB58 (MH Future Service System); HB3793 provisions related to Mental Health First Aid initiative and MH Advisory Panel; Sunset Review; and Interim Charges;
- Meetings with advocacy organizations and other associations, including Conference of Urban Counties and Texas Association of Counties, to discuss MH and IDD service delivery issues and priorities in preparation for the 84<sup>th</sup> legislative session and recommendations from the Sunset Staff Report;
- 2014 Texas Council Annual Conference

## MH Performance Targets 2014

As you are aware, DSHS verbally informed the ED Performance Contracts Committee on July 24, 2013 of its intent to rebase FY14 service targets using current numbers served by each LMHA as the target base and adding new targets commensurate with waiting list and surge funds.

The Texas Council immediately notified DSHS that the proposed rebasing methodology would not be acceptable to our membership.

The alternate methodology proposed by the Texas Council adheres to long-held principles to align state target expectations with state funds, increasing service targets commensurate with new funds and establishing a reasonable methodology to better align funding and target levels without negatively impacting current services. However, extensive discussions with DSHS did not yield a mutually acceptable methodology.

As a result, the Texas Council initiated meetings with key legislative offices to ensure decision makers fully understood the local implications of the proposed methodology. DSHS was ultimately directed to immediately reconvene negotiations with the Texas Council for purpose of reaching a mutually agreed upon target methodology.

## **Negotiating Team Composition**

### **Texas Council**

Danette Castle  
Roddy Atkins  
Terry Crocker  
Susan Garnett  
Lynn Rutland  
Linda Werlein

### **DSHS**

Ross Robinson  
Tamara Allen  
Suzanne Alston  
Lauren Lacefield-Lewis  
Dean Ortega  
Rod Swan

## **Negotiations**

The first meeting between the Texas Council and DSHS negotiating team was held October 9, 2014. Both parties came to the table committed to achieve a mutually agreed upon target methodology. The first order of business was to agree upon a set of principles to guide the negotiations and ensure we reach the desired outcome.

After several meetings/follow-up conversations the negotiating teams reached agreement on a set of guiding principles.

### **Performance Target Methodology: Guiding Principles**

1. Methodology should provide best value to taxpayers and service recipients;
2. Targets should relate directly to funding and any target requirement above the state funded target should be reasonable and equitable across the LMHA system;
3. Reporting requirements should be clear and consistently applied;
4. Targets should be based on a cost per person that provides adequate compensation to promote client health and recovery;
5. Model used to establish methodology should be cost effective and achieve measurable outcomes.

The Texas Council team was hopeful negotiations would be successfully completed within the six (6) month 'Hold Harmless' timeframe for AMH and CMH average monthly service targets. However, agreement was not reached and we continue to negotiate.

Prior to February 28, 2014 (the end of the official hold harmless date) the Texas Council secured verbal agreement from DSHS that they did not intend to impose sanctions, penalties or recoupments on a Center that does not meet an individual DSHS average monthly served target based on the new FY 2014 target methodology in light of the overall system performance. DSHS was unwilling to extend the official hold harmless for the entire system on premise they needed to retain the right to take action if necessary.

Despite the verbal agreement not to impose sanctions, penalties or recoupments for the first six (6) month timeframe, on April 25, 2014 DSHS notified the Texas Council of its intent to recoup funds from two Local Mental Health Authorities for failure to meet average monthly

served target. The two LMHAs appealed the subsequent notice of alleged noncompliance; but DSHS has not responded to the appeal.

At the time of this report, DSHS and the Texas Council have reached agreement on a basic methodology relative to use of an all funds target that allows for local flexibility in use of local funds, but continue to negotiate on the target value (aka, case rate).

#### **FY 2014 Target Methodology: Actuarial Services**

Texas Council FY 2014 budget includes funds to secure consultative services we anticipated needing this coming year to support our negotiations with state leadership on future rates and performance expectations, particularly as MH Rehabilitative Services and TCM are shifted into managed care.

As a result of the FY 2014 DSHS Target Methodology we encompassed this issue in the immediate scope of work and secured the services of recently retired HHSC Chief Actuary, David Palmer, Ph.D.

In late October, Dr. Palmer initiated work on a fiscal analysis of funding levels across the system and the system-wide implications of the FY 2014 DSHS Target Methodology. The analysis is important in negotiations now underway between the Texas Council and DSHS to align funding levels with performance target expectations—a long held policy premise that to date has never been realized in the Texas mental health system.

Although securing the services of a professional statistician with actuarial expertise is new territory for the Texas Council, actuarial services have long been central to the risk-bearing environment of insurance. Actuaries are experts in measuring and managing risk using fiscal and programmatic data as well as consideration of other factors that impact the financial well-being of organizations (such as circumstances in frontier, rural, suburban, and urban areas of Texas).

Dr. Palmer completed his work in January and provided a summary of the analysis at the January quarterly meeting of the ED Consortium. Texas Council staff provided a summary to the Board of Directors. The outcome of Dr. Palmer's work affirmed the position of the Texas Council: that the current DSHS Target Methodology does not have a rational basis and targets should be realigned using reasonable cost and funding levels to determine LMHA average monthly targets.

#### **Incentive Based Payment Withhold (10%)**

The Texas Council is also aware there are significant implementation challenges [requiring our continued attention] related to the legislatively directed 10% Incentive Based Payment Withhold and associated performance measures.

The following factors raised significant concerns regarding the performance based incentive payment initiative:

- Impact of September 1, 2013 transition of people into revised TRR levels of care;
- Use of new CANS/ANSA assessment tools;

- Changes in data protocols related to CMBHS; and
- Centers unable to access necessary reports from MBOW Data Warehouse.

As a result of ongoing discussions with the Texas Council, DSHS agreed to several adjustments for year one of the performance based incentive payments initiative (10% withhold).

#### **Proposed Adjustment Highlights**

- Exclusion of 1st quarter (Q1) data for 11 Outcome Measures
- Maintain Q1 measures for two (2) Outcome Measures (JJ, CANS RCI)
- Waiving Q1-2 sanctions for one (1) Outcome Measure (ANSA RCI)
- Adjusting five (5) Q3-4 outcome measure to accommodate refined baseline data

Additionally, DSHS released an Outcome Manual that reflects underlying assumptions & data sources for evaluating performance and started posting related reports in MBOW on Wednesday, November 27, 2013.

DSHS also agreed to join the Texas Council for a system-wide conference call held **Tuesday, December 3, 2013**. During the conference call, DSHS provided an overview of the proposed performance measure adjustments and engaged with the field in a Q & A session.

In February and March, DSHS delayed certain CMBHS actions at the request of the Texas Council to allow more time for the LMHAs to enter assessments and correct data errors resulting from CMBHS implementation. At this time, reports for the first six months have not been finalized.

The Texas Council anticipates continued dialogue regarding the 10% withhold measures and associated formulas for evaluating performance. DSHS acknowledges the intensity of change over the past six (6) months and recognizes continued adjustment of the measures will be necessary (see Mental Health Update for related survey information).

#### **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.

DPS and DEA both understand the governmental status of Community Centers and recognize the important and growing role of telemedicine in meeting the needs of people accessing services through the public mental health system.

On June 26, 2014 our legal counsel secured a commitment from DPS to expedite the application process. A test application was conducted and DPS quickly issued the necessary registration for submission to DEA. Other Centers have since obtained the DPS registration with relative ease.

Unfortunately, subsequent efforts to then obtain the DEA registration have not been successful. At present, Texas Council legal counsel remains in dialogue with DEA officials, both in Texas and Washington, D.C.

Additionally, the Texas Council engaged with HHSC officials and representatives from other organizations, such as UTMB, Texas Society for Psychiatric Physicians (TSPP), and TMA to seek remedy. Efforts are now underway to schedule a meeting with representatives from these organizations and DEA officials.

The Texas Council recognizes this issue seriously threatens the ability of Community Centers to provide critical mental health services and will continue seeking resolution.

### **HB 3793 Advisory Panel Update**

As you are aware, House Bill 3793 requires the Department of State Health Services, to develop a plan to ensure the appropriate and timely provision of mental health services and to allocate mental health outpatient and hospital resources for the forensic and civil/voluntary populations.

The following table depicts the plan development timeline required by HB 3793:

Date	Objective
<b>December 31, 2013</b>	Develop initial version of the plan
<b>August 31, 2014</b>	Identify standards and methodologies to implement the plan
<b>December 1, 2014</b>	Report to legislature and governor, includes initial version of plan, status of plan's implementation, impact of plan on service delivery

The Advisory Panel has been focused on development of the Standards and Methodologies document for plan implementation.

The document includes:

- 1. Capacity Standards and Methods:**

- a. DSHS will have a sufficient number of state-funded inpatient beds to admit all forensic and civil patients requiring inpatient services without delay or diversion.



- b. DSHS will have sufficient outpatient capacity to provide services to all forensic and civil individuals referred to or seeking outpatient without delay or diversion.
- c. DSHS, in consultation with CannonDesign, is completing a needs assessment to determine the projected capacity needs for outpatient services and hospital beds. Results of the needs assessment will be incorporated into the HB 3793 report due December 1, 2014.

## **2. Allocation:**

- a. Available resources are allocated and managed efficiently, effectively, and collaboratively so penalties related to overutilization are not needed.

### *Inpatient beds*

- a. Eliminate forensic commitments from the State Hospital Allocation Methodology (SHAM).
- b. Allocate civil beds on a per capita basis using the existing methodology.
- c. Work towards minimizing need for sanctions relating to overuse.
- d. Provide LMHAs/NorthSTAR with monthly reports on utilization.
- e. Replace the SHAM committee with a diverse stakeholder group to foster strategies that promote efficient and effective use of existing inpatient beds.

### *Allocation of Outpatient Capacity*

- a. Maintain current allocation methodology for existing funds for outpatient services.
- b. To the extent permitted by legislative direction, use new funding to achieve a more equitable distribution of resources. DSHS will work with stakeholders to develop a specific methodology consistent with legislative intent and guidance for any new funds appropriated for outpatient services.
- c. Expand the scope of the stakeholder group addressing use of inpatient beds to include issues relating to allocation and utilization of outpatient services.

## **3. Maintaining Access and Availability (FY 2015 and FY 2016-17):**

FY 2015 optimize utilization of existing capacity.

- a. Develop a state-level report for stakeholders to see daily availability of state-funded contract and state hospital beds.
- b. Develop a state-level clearinghouse for matching available beds with forensic and civil patients in need of a bed.
- c. Develop and manage incentives for optimizing average length-of-stay in state-funded hospital beds in order to minimize diversion and waitlists while also minimizing potentially preventable readmissions.

- d. Develop and manage incentives for optimizing intensity of outpatient services by DSHS-funded providers (mental health and chemical dependency) in order to minimize service waitlists while also minimizing acute care admissions.
- e. Develop a process to monitor optimal use of community alternatives to state-funded contract and state hospital beds.

Enhance stakeholder education.

- a. Simplify the nomenclature for current community alternatives (e.g., NowCare, UrgentCare, EmergentCare) and provide information to stakeholders about appropriate referrals to each level of care.
- b. Compile and disseminate a list of available resources for information, training, and technical assistance.
- c. Pursue opportunities to provide training and information to judges, attorneys, and other audiences (offering continuing education credits when possible).
- d. Provide technical assistance to state hospital and Local Mental Health Authority staff on effective engagement with courts and attorneys.

FY 16-17 continue to optimize use of existing capacity.

- a. Expand state-level reporting to show daily capacity for all state-funded crisis beds.

Continue to enhance stakeholder education.

- a. Develop an online guide to alternatives to inpatient treatment, with sections tailored to specific audiences.
- b. Expand the online guide to create a centralized portal for stakeholders to access information and resources related to mental health and alternatives to inpatient care.

Transition to a community-alternative model that emphasizes a regionally-developed, “no wrong door” access system. LMHAs would submit to DSHS a biannual regional “psychiatric emergency plan” for use of current and future funding. The plan would be approved by a regional coalition of LMHA, law enforcement, ER leaders, and advocates, and would include the following six components:

- a. Role of allocated state hospital beds in the regional plan;
- b. Alternatives to the state hospital as a one-stop front-door for system-of-care access;
- c. A mobile crisis team available to law enforcement and local emergency rooms;
- d. Seamless integration of emergent psychiatric, substance use and physical healthcare treatment;

- e. A plan for local, short-term management of forensic patients who are incompetent to stand trial; and
- f. Priorities for system development, including consideration of the regional needs and potential use of robust transportation and alternatives to acute care. Examples include residential facilities for non-restorable individuals, outpatient commitments, and other individuals needing long-term care, including geriatric patients with mental health backgrounds.

Revise the system-wide treatment planning process to optimize the level of engagement after discharge and minimize the chance of readmission or use of crisis community alternatives.

- a. Implement a formulaic continuity of care document for use by state-funded providers and accessible online.
- b. Collect and analyze data on CANS/ANSA (mental health assessment) every 90 days and ASSIST (substance use assessment) every year at all state-funded providers (contract beds, state hospital, LMHA's, SPN's, substance use providers).
- c. At state hospitals, incentivize:
  - i. accountability for discharge planning;
  - ii. development of deputized transportation to and from state hospitals by the state hospitals; and
  - iii. provision of detoxification services and robust substance use services.
- d. At community providers, incentivize avoiding potentially preventable readmissions by:
  - i. monitoring and fostering housing stability;
  - ii. assuring that GR-funded SH discharges see a prescriber within seven calendar days of hospital discharge;
  - iii. providing robust co-located substance use services; and
  - iv. providing intensive services for individuals discharged after multiple or long-term hospital stays.

Implement health information exchange among providers.

- Pursue possible statutory and regulatory changes that could promote more efficient and effective use of community and hospital capacity, including:
- a. Seeking authorization to pilot community program for treatment of persons found Not Guilty by Reason of Insanity (NGRI); and
  - b. Drafting statutory language to require certification by state hospital patient and assigned legal counsel before waiving an annual commitment hearing.

The next Advisory Panel meeting is scheduled for August 28, 2014. We will continue to keep you informed as this process unfolds.

## **State Budget Update**

As you know, the state economic outlook remains central to our planning efforts for the 84<sup>th</sup> legislative session. Experts agree, the fiscal health of our state remains strong.

## **Legislative Budget Board (LBB) Update**

Our focus ahead of the 84<sup>th</sup> Legislative Session, which begins on Tuesday, January 13, 2015, is the state agency Legislative Appropriations Request (LAR) process.

As you are aware, on June 23, 2014, the Governor and Legislative Budget Board (LBB) released state agency instructions for submitting Legislative Appropriations Requests (LARs) for the FY 2016-17 biennium. Similar to previous years, LBB instructions include:

- Baseline requests for General Revenue Funds and Dedicated Funds may not exceed the sum of amounts expended in FY 2014 and budgeted in FY 2015;
- Agencies will prepare for the possibility of reductions in FY 2015, despite positive state revenue landscape; and,
- Agencies are directed to submit supplemental schedules detailing how they would reduce the baseline request by an additional 10% (in 5% increments).

Exceptions to the baseline request limitations include amounts necessary to maintain current benefits and eligibility in Medicaid entitlement programs, CHIP, the foster care program, adoption subsidies program and the permanent care assistance program. Agency Exceptional Items (EIs) will also be part of each submission.

At the time of publishing this report, state agency LARs have not been released.

## **LBB Public Hearing Schedule:**

### **Housing and Community Affairs**

Friday, September 05, 2014

Starts: 10:00 AM, Room: E2.030

### **Department of Family and Protective Services**

Tuesday, September 09, 2014

Starts: 2:00 PM, Room: Regan (JHR) 140

### **Department of Insurance**

Monday, September 15, 2014

Starts: 10:00 AM, Room: E2.030

### **Health and Human Services Commission**

Wednesday, September 24, 2014

Starts: 9:00 AM, Room: Regan (JHR) 140

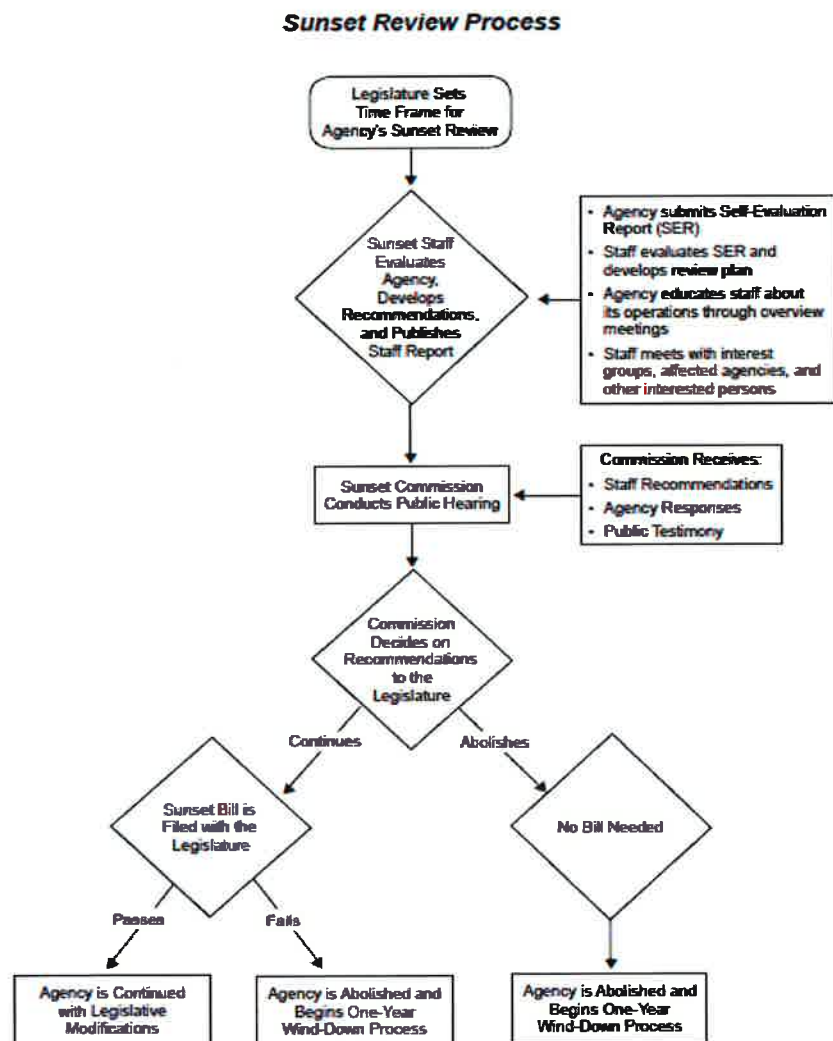


Department of State Health Services  
Thursday, September 25, 2014  
Starts: 8:30 AM, Room: Regan (JHR) 140

We will continue to monitor the state budget and keep you informed as new developments emerge.

## Sunset Advisory Commission Update

As you know, the Sunset Review of Health and Human Services Agencies is underway. The following graphic depicts the steps of the review process:



As you know, each agency has submitted a Self-Evaluation Report (SER), which identifies problems, opportunities, and issues that the agency feels should be considered during the review.

The SER for HHS Agencies is available at: <http://www.sunset.state.tx.us/84.htm>

### ***Sunset Review Time Frames***

<b>September 2013</b>	Agencies submit Self-Evaluation Reports.
<b>October 2013 to January 2015</b>	Sunset staff conducts evaluations and prepares reports; Sunset Commission holds public hearings and makes decisions.
<b>February 2015</b>	Sunset Commission submits its Report to the 84th Legislature with recommendations on each of the agencies under review.
<b>January 2015 to May 2015</b>	84th Legislature considers Sunset bills on agencies under review.

The complete membership of the Sunset Advisory Commission follows:

<b>Sunset Advisory Commission</b>
<b>Senate Appointments</b>

Position	Member	Community Center
<b>Chair:</b>	<a href="#">Sen. Jane Nelson</a>	Denton, Tarrant
<b>Members:</b>	<a href="#">Sen. Juan Hinojosa</a>	Coastal Plains, Nueces, Tropical TX
	<a href="#">Sen. Dan Patrick</a>	Harris Co.
	<a href="#">Sen. Brian Birdwell</a>	Central Co., Heart of TX, Lakes, Pecan Valley, Tarrant
	<a href="#">Sen. Charles Schwertner</a>	Bluebonnet, Brazos Valley, Central Co., Heart of TX, Tri-County
<b>Public Member</b>	Dr. Dawn Buckingham	N/A

<b>Sunset Advisory Commission</b>
<b>House Appointments</b>

Position	Member	Community Center
<b>Vice Chair:</b>	<a href="#">Rep. Walker "Four" Price</a>	Texas Panhandle
<b>Members:</b>	<a href="#">Harold Dutton</a>	Harris County
	<a href="#">Cindy Burkett</a>	Dallas Metrocare
	<a href="#">Larry Gonzales</a>	Bluebonnet Trails
	<a href="#">Rep. Richard Pena Raymond</a>	Border Region
<b>Public Member</b>	Tom Luce	N/A

### UPDATE

As you are aware, the first Sunset Commission organizational meeting was held on February 19, 2014, with subsequent hearings held June 24 & 25, 2014.

On June 30, 2014 the Texas Council submitted written comments on the Sunset Staff Reports for DSHS and DADS. Public comments submitted are available at:

DADS: <https://www.sunset.texas.gov/reviews-and-reports/agencies/comments/120>

DSHS: <https://www.sunset.texas.gov/reviews-and-reports/agencies/comments/139>

DARS: <https://www.sunset.texas.gov/reviews-and-reports/agencies/comments/124>

**(DSHS Staff Report) Issue 2, Recommendation 2.2** – In keeping with the position of the Texas Council related to achieving equity in funding when new funds are invested in the system, the Texas Council submitted a proposed Member Modification to Senator Schwertner. Our proposed modification language also has the support of the Texas Conference of Urban Counties, Texas Association of Counties and the Sheriffs Association of Texas.

### Next Steps

The Sunset Commission will meet to adopt Sunset Staff recommendations on August 13, 2014. These adopted recommendations will be part of legislation filed during the 84<sup>th</sup> Legislative Session.

We also anticipate, the Health and Human Services Commission (HHSC) agency Staff Report will be released in November and will include recommendations for system change or agency re-organization.

We will continue to keep you informed as this process unfolds.

## Key Legislative Races 2014

### Important Election Dates

March 4, 2014 - Primary Election	
Filing deadline for candidates; filing deadline for independent candidates to file intent declaration.	December 9, 2013
Early voting period for the primary election.	February 18* thru 28, 2014 <i>*First business day after Presidents' Day</i>
Primary election.	March 4, 2014
Primary run-off election.	May 27, 2014
General Election	November 5, 2014

### Primary Election Results

#### House Summary:

Eight (8) House members decided not to seek re-election:

1. John Davis
2. Bill Callegari
3. Rob Orr
4. Jim Pitts
5. Alan Ritter
6. Craig Eiland
7. Mark Strama
8. Tryon Lewis

Five (5) House members gave up their seats to run for higher office:

1. Steve Toth
2. Brandon Creighton
3. Harvey Hilderbran
4. Dan Branch
5. Van Taylor

Eight (8) House incumbents lost their bids for re-election on March 4, 2014:

1. George Lavender
2. Lance Gooden
3. Ralph Sheffield
4. Linda Harper Brown
5. Diane Patrick
6. Lon Burnam
7. Naomi Gonzalez
8. Bennett Ratliff

**NOTE:** Complete election information is available via the Texas Tribune website:  
<http://www.texastribune.org/2014/elections/brackets/#tab-tx-house>

### **Senate Summary:**

One (1) Senator decided not to seek re-election:

1. Tommy Williams \*Special Election: will be held May 10, 2014

Four (4) Senators decided to seek higher office:

1. Ken Paxton (Attorney General)
2. Wendy Davis (Governor)
3. Dan Patrick (Lt. Governor)
4. Glenn Hegar (Comptroller) \*Special Election: date not yet announced

One (1) Senate incumbent lost re-election on March 4, 2014:

1. John Corona

**NOTE:** Complete election information is available via the Texas Tribune website:  
<http://www.texastribune.org/2014/elections/brackets/#tab-tx-senate>

### **NEXT STEPS**

As you know, many legislative races are decided in the Party Primary elections. Many Community Centers are already reaching out to begin building relationships with candidates for the legislature who won their Party Primary election and all but certain to become the next Senator or Representative from their local areas. If you have not done so already, we encourage you to host a tour or organize a meeting with community stakeholders.

### **Interim Legislative Hearings (Select)**

<b>House</b>	
County Affairs	March 10, 2014; May 5, 2014; June 6, 2014
Judiciary & Civil Jurisprudence	April 4, 2014; May 16, 2014
Corrections	May 29, 2014
Appropriation Art. II S/C	June 16 & 17, 2014
Child Protection Select	July 24, 2014
Human Services	March 24, 2014; April 15, 2014; June 4, 2015

<b>Senate</b>	
Health and Human Services	February 20, 2014; August 14 & 15, 2014
Veterans Affairs and Military Installations	June 12, 2014
Finance	August 12, 2014



To view archived recordings of these legislative hearings, visits:

<http://www.house.state.tx.us/video-audio/committee-broadcasts/83/>

<http://www.senate.state.tx.us/avarchive/>

## Federal Update

### Excellence Act

As you are aware, On March 31, 2014, Congress passed the Protecting Access to Medicare Act (H.R. 4302), which included a demonstration program based on the Excellence in Mental Health Act. The Excellence Act will increase Americans' access to community mental health and substance use treatment services while improving Medicaid reimbursement for these services.

This legislation:

- Creates criteria for “Certified Community Behavioral Health Clinics” as entities designed to serve individuals with serious mental illnesses and substance use disorders that provide intensive, person-centered, multidisciplinary, evidence-based screening, assessment, diagnostics, treatment, prevention, and wellness services. **The Secretary of the Department of Health and Human Services is directed to establish a process for selecting states to participate in a 2-year pilot program.**
- Provides \$25,000,000 that will be available to states as planning grants to develop applications to participate in the 2- year pilot. **Only states that have received a planning grant will be eligible to apply to participate in the pilot.**
- Stipulates that eight (8) states will be selected to participate in the 2-year pilot program. **Participating states will receive 90% FMAP for all of the required services provided by the Certified Community Behavioral Health Clinics.**
- **Requires participating states to develop a Prospective Payment System for reimbursing Certified Behavioral Health Clinics for required services provided by these entities.**

### **TIMELINE**

**September 1, 2015:** Deadline for the Secretary of Health and Human Services to publish: a) criteria for a clinic to be certified by a State as a certified community behavioral health clinic; and b) guidance for states on the establishment of a prospective payment system for certified clinics participating in the demonstration program.

**January 1, 2016:** Deadline for the Secretary to award planning grants to States for the purpose of developing proposals to participate in the demonstration program.

**September 1, 2017:** Deadline for the Secretary to select the States that will participate in the demonstration program. Only states that have received a planning grant are eligible to participate. The states will be selected through a competitive application process and must represent a diverse selection of geographic areas, including rural and underserved areas.

### **Federal Budget Update**

Funding for the Substance Abuse and Mental Health Services Administration (SAMHSA) in fiscal year 2015 would sustain a 1.5 percent cut under the Senate Appropriation Committee's budget recommendations, released online in late July, 2014.

Download committee recommendations at:

<http://www.appropriations.senate.gov/news/fy15-lhhs-subcommittee-reported-bill-and-draft-report>

Overall, the committee recommends \$3.577 billion for SAMHSA, a decrease of \$53 million from 2014 but \$10 million more than the President's request.

**Bottom Line:** these committee recommendations represent a negotiating point for future discussions between the House and Senate on the 2015 budget.

Select highlights include:

- \$1.815 billion for the Substance Abuse Prevention and Treatment Block Grant, a decrease of \$4.4 million vs. FY 2014
- \$482.6 million for the Community Mental Health Services Block Grant, a decrease of \$1.1 million vs. FY 2014 (the report instructs SAMHSA to carry on the 5 percent set-aside of block grant monies to be used for early intervention activities)
- \$15 million for Mental Health First Aid, level to FY 2014
- \$50 million for Primary-Behavioral Healthcare Integration, level to FY 2014
- \$8.7 million for Opioid Treatment Programs, level to FY 2014
- \$47 million for Screening, Brief Intervention, and Referral to Treatment, level to FY 2014

Major divides between House Republicans and Senate Democrats on top-line numbers for the Department of Health and Human Services – among other agencies – have complicated budget negotiations in a midterm election year. In recent weeks, congressional leaders have acknowledged the likelihood that they will be unable to take final action on 2015 appropriations before the start of the fiscal year on October 1, 2014 and will likely pass a continuing resolution to continue current year funding into the New Year to prevent a repeat of the government shutdown fight last October.

### **Hill Day 2015**

Stay tuned for information about Hill Day 2015!

# Health Care Policy Update

## Healthcare Opportunities Workgroup (HOW)

The Healthcare Opportunities Workgroup was established by leadership of the ED Consortium to assist Centers in preparation for significant opportunities and challenges presented by the changing healthcare landscape. The workgroup began meeting in February 2011.

Changes in the Texas Medicaid program (specifically managed care expansion), along with changes directed by the Affordable Care Act (ACA), require new and innovative strategies for service delivery by Centers. The HOW created a *Community Center Readiness Guide* to provide a framework for discussion on how to move the Texas Community Center system forward as the healthcare landscape changes.

This guide is available at: [http://www.txcouncil.com/healthcare\\_opportunities.aspx](http://www.txcouncil.com/healthcare_opportunities.aspx)

## System Design for Persons with Intellectual and Developmental Disabilities

The Healthcare Opportunity Workgroup has developed a policy document addressing the future service delivery system design for persons with intellectual and developmental disabilities. In addition to HOW members, other Center representatives with specific expertise in the current system design were included in the workgroup meetings. The policy document outlines the Texas Council's priorities and vision for a service delivery design for person with IDD in Texas. The Executive Directors Consortium and the Board received a copy of the draft paper at the April 2014 meetings. Texas Council staff took comments throughout May and the HOW finalized the document in June 2014. The document can be found at <http://www.txcouncil.com/userfiles/files/FINAL%20Service%20Delivery%20Design%20for%20Persons%20with%20IDD%2006%2009%202014.pdf>

This document serves as a foundation as we look to September 1, 2014, and find all acute care services for persons with IDD are managed by MCOs. This movement of acute care services is the first of contemplated changes in Medicaid service delivery for persons with IDD, as envisioned in SB 7. Texas Council staff are using this document as the foundation for discussion in the HHSC and DADS meetings related to managed care and individuals with IDD.

Prior to developing the document, the Healthcare Opportunities Workgroup led a discussion with the Executive Directors Consortium in January 2013 and April 2013 outlining key guiding principles and core elements of any service delivery model for persons with intellectual disabilities. These principles and core elements provided direction for Texas Council staff working with legislative leadership on Senate Bill 7 filed by Senator Jane Nelson. They also served as the foundation of the draft policy document.

## Technology

The HOW continues to discuss how Centers can use technology to be efficient and effective organizations in the changing healthcare environment. The *Community Center Readiness Guide*

identified Technology as a key for future success.

In order to provide a recommendation to the Executive Directors Consortium on moving this important strategy forward, the HOW determined the need for outside expertise in facilitating a work session to better organize the groups thinking on technology and to begin to define a path forward. The Information Management Consortium funded the work session for the HOW. According to the IMC Executive Committee, “The IMC enthusiastically embraces a unified strategy and vision for IT among Centers.” In January 2013, the Executive Directors Consortium unanimously supported moving forward to engage Healthcare Intelligence Partners to lead the Texas Council’s Learning Collaborative on Technology, Informatics and Accelerated Innovation.

The Behavioral Health Data Workgroup was appointed in February 2013 and leads Texas Council efforts on this initiative. Ongoing meetings are focused on each component of the project. In June 2013, the Texas Council responded to a request from the Texas Health and Human Services Commission for a recommended set of additional outcome measures for the 1115 waiver. The workgroup created a set of recommendations based on nationally recognized quality measures. This process led to a set of recommendations from HHSC to the federal government (CMS) for an expansion of behavioral health measures in Category 3 of the 1115 Transformation Waiver, which CMS approved.

In January 2014, Executive Directors Consortium adopted three strategy documents related to an endorsed set of outcome measures, interoperability standards and an approach to privacy and consent in a health information exchange environment. The strategies adopted show Texas Council leadership and innovation in the development and operations of exchange of behavioral health data in Texas. The strategy documents can be found on our website at [http://www.txcouncil.com/healthcare\\_opportunities.aspx](http://www.txcouncil.com/healthcare_opportunities.aspx)

In April 2014, the Executive Directors Consortium directed the Texas Council to renew the contract with Healthcare Intelligence Partners for a new set of work products that will continue our important efforts in this area. The BH Data Workgroup continues to meet and work on this project. In addition to meeting every other month, smaller working groups hold conference calls every other week to progress on work products.

### **Coding Compliance Project**

At the request of the Medical Services Consortium, the HOW requested consulting proposals to review Community Centers use of billing codes for psychiatric services. In 2013, there were significant changes made to how psychiatrists bill for services. This review will allow Centers to better understand how they have been using the new codes, whether that meets the required standards and how a Center compares to other Centers and to national norms. MTM Services was selected as the vendor and the project is in progress. There are 37 Centers participating in the project. The Texas Council will host MTM auditors in the Austin office on August 21 and 22 as they conduct on-site review of documents. We anticipate preliminary findings in September 2014.

### **Quality Improvement Project: Access to Care**

As part of the imperatives for success identified in the *Readiness Guide*, the HOW acknowledged the need for a Quality Improvement Project related to access. On behalf of participating Centers, the Texas Council contracted with MTM Services, a national consulting group that regularly consults with public behavioral health organizations across the country on improving access to care. Overall, the goals of the project were to increase Center efficiencies to bring down wait times, increase quality and customer satisfaction. MTM Services provided a final report documenting the results of the efforts of 32 Community Centers participating in the project and consultant findings on the Texas system design that creates barriers to access.

The second phase of the MTM project is in process. The second phase is a deeper dive into the differences among Centers in completing an intake; a review of state requirements; and a comparison of Texas requirements to national best practices. The goal is to better understand if there are Centers requiring elements beyond the state requirements and to determine if state requirements meet best practice standards.

### **Healthcare Transformation and Quality Improvement Program: 1115 Waiver**

Welcome to Demonstration Year 3! On October 1, 2013, the state's 1115 Transformation Waiver moved into the third demonstration year. At this time, Centers continue to implement and report and receive payment on projects approved for Demonstration Years 1-3. In addition, Regions submitted additional 3-year projects to HHSC on October 31, 2013. Three-year projects were approved in April 2014. At this time, all 39 Centers are participating in the waiver.

Texas has received approval for 390 four-year DSRIP behavioral health projects. That includes 293 Community Center projects and 97 hospital or other DSRIP provider projects. Those projects are eligible to earn \$937 million (local and federal funds) from October 2012 to September 2014. Many projects are now operational and we expect to begin seeing more outcome data throughout 2014.

Texas A&M University is conducting an evaluation of primary care-behavioral health care integration projects. The Texas Council has been meeting with A&M, and the Meadows Foundation, to discuss the project's methodology and deliverables. Ten Centers will be invited to participate in the project. The initial meeting with the 10 Centers to discuss the project in more detail and determine if they will participate will be held on August 13, 2104.

CMS is also conducting a financial review, with some programmatic elements. The Texas Council has coordinated efforts among Centers on responding to CMS questions and requests for data. Notices have gone out to Regions 4, 7, 9, and 10.

HHSC is conducting a statewide learning collaborative in Austin on September 9 and 10 and is expecting 500 participants. The Texas Council will participate in the collaborative and will represent Centers on a panel presentation related to primary care and behavioral health care integration. In addition, over the last quarter, the Texas Council presented on Community

Centers and Behavioral Health in the 1115 Waiver in Learning Collaboratives for Region 6 and Region 17 and for the Texas Hospital Association's Annual Behavioral Health Conference.

HHSC must submit a request to extend the waiver to CMS no later than September 30, 2105. The Council is participating in discussion on waiver extension with HHSC and other vested stakeholders.

The opportunity the state of Texas has given to communities in this waiver cannot be understated. Regional Health Partnership Plans provide an opportunity for new federal dollars to fund expansion of needed services, reduction in high-cost services and increased health outcomes for members of the community. The Texas Council continues to actively engage with HHSC on implementation issues related to the 1115, along with other state agencies which allocate General Revenue to Community Centers.

HHSC has established a website to inform the public about the 1115 Transformation Waiver: <http://www.hhsc.state.tx.us/1115-waiver.shtml>

### **Meadows Mental Health Policy Institute**

The Meadows Foundation has launched The Meadows Mental Health Policy Institute for Texas. Tom Luce has been named the Institute's President and Andrew Keller has been named the Chief Operating Officer. Both Mr. Luce and Mr. Keller spoke with the Executive Directors at the January Consortium meeting. The official launch of the institute was April 16, 2014.

Centers have been active participants in the launch of the Institute, with many serving as the lead for conducting stakeholder meetings in local communities. In addition, the Texas Council and Centers have been active in educating the Institute's staff and consultants on best practices at Centers, challenges in mental health in communities and our vision for a future service delivery design for mental health services in Texas. Melissa Rowan was a member of the Institute's Planning Committee prior to the launch and will be a member of the ongoing Collaborative Council. Danette Castle and Lee Johnson are active members in both the Collaborative Council and the Collaborative Council's Legislative Committee.

Meadows has funded the University of Texas at Houston's School of Public Health to conduct an evaluation for the HHSC Institute for Healthcare Quality and Efficiency related to people with serious mental illness. The Council is coordinating the efforts for UTHealth to interview a subset of Centers on relevant topics. In addition, the Council is serving as the lead contact for UTHealth related to community based services for people with SPMI and systems of care for these individuals.

The project scope includes:

- Linking claims and encounter data from Medicaid and other programs including Medicare/DSHS/DADS
- Establishing the baseline data for MH Rehab/TCM and track it as it changes with



managed care

- Baseline analysis of the characteristics of the SPMI population, services received, costs, and outcomes
- Survey MCOs and Community Centers
- Systematic review of the literature on existing protocols and best practices
- Developing policy options for improving outcomes for this population

## **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 in which Board Member Jamie Travis spoke about her commitment to Transition Medicine. This 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 are promoting the development of an adult system of health care for persons with IDD. This engagement began in September of 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 health care arena.

Texas Children's Hospital now has an active 1115 Transformation 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 Council organized a meeting between Texas Children's, Baylor, United Health Plan, Harris County MHMRA and the 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 will meet with the Chief Medical Officer for the Seton Hospital system later in August 2014 to discuss the Houston project and determine if there may be opportunities for a similar project in the Central Texas area.

## **Operating in a Managed Care Environment**

Medicaid Managed Care continues to grow in Texas. As we have discussed, the platform for the Texas Medicaid program is managed care. As more specialized services are included in the managed care program, the Council has been active in advocating for policies that best protect the individuals we serve and to reduce the administrative burden on providers when possible.

At this time, the implementation of SB 58 is a prominent discussion with HHSC, Centers and MCOs. On September 1, 2014, Medicaid Mental Health Rehabilitation and Mental Health Targeted Case Management will become a part of the managed care program. This is a significant change in how Centers receive authorization and payment for these services. The

Managed Care Workgroup has been meeting every 2 weeks in order to share the most up-to-date information. In addition, the Texas Council organized regional meetings with HHSC and the Texas Association of Health Plans to discuss issues with implementation. The Texas Council has regular conversations with individual health plans as issues arise.

There has been a great deal of progress made in the implementation, but we still anticipate some challenges upon implementation. The managed care workgroup will continue to meet every 2 weeks until we are certain that all issues are resolved. It is critical that Centers bill timely and track denials so that the Texas Council has the data necessary to share with HHSC if there are implementation issues.

The Texas Council continues to support Community Centers as they develop and maintain relationships with Medicaid MCOs. The Council provides technical assistance on contractual issues, provides information to HHSC on provider issues, participates in strategic planning on future relationships with MCOs and facilitates meetings between MCOs and Centers. In addition, the Council is working with Centers to better understand the new federal Marketplace plans and look for partnership opportunities when appropriate.

The Texas Council continues to facilitate a Managed Care Workgroup, which now includes a Steering Committee. The workgroup provides a forum for updates regarding the Medicaid managed care program and discussion of systemic issues occurring across Centers. From this meeting, Council staff conducts further analysis and/or leads discussions with HHSC on issues that are identified as needing further attention. In addition, the Texas Council provides staff support to the Reimbursement Consortium-Special Interest Group on managed care issues. Both groups had significant issues related to the MCO credentialing process and as a result of analysis and discussion with HHSC, the HHSC-MCO contract language has been amended to directly address the issue.

In addition, the Texas Council meets with MCOs to discuss opportunities for better clinical care integration, inpatient hospital admission and discharge planning and administrative simplification strategies.

Information on Managed Care and the monthly workgroup call, can be found at <http://www.txcouncil-intranet.com/texas-council-initiatives/managed-care-page/>

# Mental Health Update

## Rules and Comments Review

**Jail Based Competency Restoration (Chapter 416 Subchapter C)** rule was broadcast for formal comments on this new rule. Texas Council gathered comments from the Centers and turned in a coordinated response to DSHS. The rule has not been adopted yet.

**Substance Abuse Standards of Care Rules 25 Texas Administrative Code Chapter 448 licensing rules stakeholder** meeting will be held August 22, 2014, 9:00 a.m. – 4:00 p.m. at the WPR Building Administration, The University of Texas at Austin, 3925 West Braker Lane, Austin, TX 78759. Revised rules will be posted August 15, 2014.

## Learning Opportunities

SAMHSA will host the webinar **“Why Should You Hire Peer Specialists/Recovery Coaches?”** on September 18, 2014, Noon – 1:30 p.m. (Central Time).

The webinar is designed to increase understanding of the benefits of peer recovery support workers in a range of settings and roles. Topics include:

- Overview of peer recovery support roles in different settings;
- Benefits of peer recovery support services for people in recovery from behavioral health conditions;
- Benefits of hiring peers for behavioral health organizations and systems.

## New Webpage for Learning Opportunities

By early September, the Texas Council will add a new page to the Texas Council website that will feature learning opportunities for training, webinars and conferences. This new resource will make information about learning opportunities more readily accessible to our membership.

## 10 Year Plan: State Hospitals

As directed by Rider 83 of the 83rd Legislature, DSHS is completing a 10-year plan for provision of psychiatric inpatient hospitalization to persons served by the department. DSHS contracted with CannonDesign to evaluate the hospitals and make recommendations to the state.

Per requirements of the project, the final report will address:

- State Psychiatric Hospital (SPH) capacity for individuals requiring hospitalization
- Ensuring timely access to care and elimination of historic waitlists
- Eliminating barriers for placement of persons currently served by state hospitals
- Provision of long-term services in the least restrictive setting as close to their geographic preference as possible in a model reflective of future-state best-practice clinical models
- Ensuring adequate forensic and civil capacity, now and in the future
- Identifying linkages between SPH and community resources with identification of

- existing and future-required community resources
- Staffing requirements for the recommended structure based on geographic distribution of services and available workforce
- Staffing requirements necessary to be in compliance with accepted best practices for inpatient care
- Compliance with applicable statutory and regulatory requirements
- SPHS operational needs, including infrastructure needs of the existing facilities, future infrastructure needs, capacity and demand needs of the state, and associated costs
- Efficient use of state resources in a manner that delivers the best possible return on investment
- Funding implications for recommendations over the next ten years and beyond
- Economic implications of recommendations for communities in which current SPHS operate
- Prerequisites required to ensure a successful transition from current to proposed structure

Cannon proposed incorporating a “client scenario” into their report derived from personal stories submitted by consumers who are living examples of recovery. Texas Council and Texas Catalyst for Empowerment solicited stories and submitted them to DSHS to forward to CannonDesign.

### **10% Withhold Outcome Measures**

Texas Council released a survey on June 23, 2014 to gather information regarding the DSHS established 10% withhold outcome measures.

Sixteen LMHAs responded to the survey as follows: 4 representative of small Community Center cohorts, 6 of medium cohorts and 6 of large cohorts.

Most responding LMHAs found 3 of the 5 Adult Outcome Measures (Employment, Housing, Community Tenure, Improvement and Engagement) to be unreasonable although most indicated the formula and/or data set used was reasonable. Employment and Housing measures were considered to be unreasonable because Centers have no control over environmental factors such as housing or job markets. The third measure, Engagement, was considered unreasonable mainly because the target’s measurement criteria do not allow for measuring clinical improvement. 81% of respondents, however, approved of Improvement targets for both Children and Adults.

In general, most responding LMHAs found outcome measures to be reasonable, but a few measures were found to need improvement. Respondents considered the formula and/or data set in a few measures to be problematic and respondents questioned whether certain measures were capable of measuring clinical improvement in a person.

Most Crisis related measures were not considered reasonable; although, LMHA responses on crisis outcome measures for Hospitalization and Jail Diversion were evenly divided. Overall, the Crisis Response Measure was considered reasonable by most respondents.

Improvement targets were considered most reasonable over all since the Improvement Measures account for recovery based outcomes. This survey is an important step in the ongoing process of revising the 10% Outcome Measure to accurately reflect outcomes in persons who use mental health services. The data collected from this survey will be used in future discussions with DSHS and other stakeholders to develop recommendations for improving the 10% withhold outcome measures.

### **Veteran's Advisory Committee**

VISN 17 contacted the Texas Council to inquire about the capacity of Centers to serve new veteran clients. A survey was sent out to members. In reporting back to VISN 17, Centers confirmed they have capacity to accept new clients. VISN 17 conducted a needs assessment to find out where people needed help. At last contact, VISN 17 has determined they are not in need of this extra capacity.

Texas Council hosted two Military Veteran Peer Network (MVPN) Statewide calls with the Samaritan Center. These calls are designed to coordinate efforts across the state with Veteran Peer Coordinators, give new ideas and share success stories. Next call is scheduled August 12, 2014.

Members of the network participated for the first time in a pre-conference meeting at the 2014 Texas Council Conference. This was an opportunity for MVPN members to better understand the scope of work at Centers and vice versa. Because of the success of this first engagement with the Texas Council Conference, MVPN members have expressed interest in making this an annual event.

The Justice Involved Veterans Conference in San Antonio in May was a great success. Texas Council staff assisted in the planning process. On the last day of the conference, May 14, 2014, the House Defense and Veterans Affairs Committee held an interim hearing. Sean Hanna, MVPN Statewide Coordinator testified with Michael Beck, MVPN Volunteer Coordinator at the Andrews Center.

### **Disaster Behavioral Health**

Emergency response is a contract requirement for LMHA's. A few years ago, there was recognition that more formal disaster preparation was needed to better coordinate efforts, resources and disaster management. All LMHAs have a person designated for Emergency Response.

Texas Council attends the state Disaster Behavioral Health (DBH) meetings. Also attending 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.

Texas Council also participates in meetings regarding the Functional Needs Support Services Tool Kit (FNSSTK) for emergency shelters. Texas Council staff has contributed to the tool kit under development.

### **Peer Opportunities**

The Texas Council is taking a closer look at the work of peers in Community Centers to prepare for the next legislative session. The Texas Council will spend the next several months touring Centers and reviewing various peer programs to generate policy recommendations for practices involving peers. Site visits have been made to MHMRA of Harris County and Tropical Texas.

Areas to be reviewed are:

- Current peer involvement
- Training needs
- Future utilization of peers within programs

In addition, the Texas Council is developing an online presence to provide information about peer activities in Community Centers, projects in which they participate, and job opportunities for peers.

### **Council for Planning and Advising (CAP)**

CAP is the joint committee formed by the Mental Health Advisory Committee and Substance Use Advisory Committee to advise on Block Grant expenditures. The CAP advises on implementation of services on both mental health and substance use, rules and other areas of interest. The CAP will closely examine the Sunset process and plans to make recommendations to the Sunset Committee.

The CAP is currently working on these issues:

- SB 58 (Block Grant)
- DSHS Sunset Review
- State Hospital System
- Rules
- Program Data and Policy
- HHSC
- Substance Abuse Rates

The next meeting is October 17, 2014.



### **Via Hope Advisory Committee**

Via Hope Advisory Committee includes a diverse group of stakeholders including representation from LMHAs, consumers, veterans, family members and others. The group advises Via Hope, formerly a program under NAMI Texas and Mental Health America of Texas, funded by DSHS and the Hogg Foundation, on recovery initiatives and training for Peer Specialists and Family Partners.

Via Hope has been working to add endorsements to the Certified Peer Specialist Training. The endorsements are being developed in areas such as whole health, trauma informed care, and substance use disorders. The “whole health” endorsement is available now and the newly developed “Trauma Informed Care.”

Via Hope developed a Peer Specialist Council which met twice to facilitate recommendations for professional development of Peer Specialists. The Chair of the council is Flora Releford, a certified peer specialist from MHMR of Tarrant County.

Via Hope is obtaining a 501(c)(3) IRS designation and will no longer be under the purview of The University of Texas School of Social Work Research as of August 31, 2014.

### **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 Outreach Committee for the PAIMI Council will be developing a video to promote the top five consumer rights that are often violated. The video will focus first on hospitals and then Community Centers. PAIMI members will recount their experiences involving violations to each of the five rules in both settings. Filming has been delayed but is expected to begin in September 2014.

## **Mental Health First Aid**

### **HB 3793 Mental Health First Aid Initiative**

Mental Health First Aid grant application for the statewide Mental Health First Aid (MHFA) initiative as created by HB 3793 (83rd Regular Session) was due to DSHS by October 1, 2013. LMHAs had access up to \$30,000 [for each local service area] to train a minimum of two (2) but not more than thirty (30) LMHA employees and/or contractors to become certified MHFA instructors. DSHS will also pay LMHAs \$100 per educator trained in MHFA, not to exceed \$40,000 per local service area. All LMHAs submitted plans. Collectively with amended plans, LMHAs proposed to train 467 new certified instructors and provide training to over 11,118 educators.

The Texas Council has clarified who qualifies as an “educator” for purpose of fulfilling the LMHA contract. An educator includes the following school personnel (holding an appropriate certificate or permit):

- Teachers
- Teacher interns or trainees
- Librarians
- Educational aides,
- Administrators, educational diagnosticians, and/or
- Counselors
- Full-time school nurses

### **MHFA Leadership**

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

- 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
Suzette Sova Shaikh	Harris County MHMRA
Catherine Carlton	MHMR Tarrant County
Susan Holt	Spindletop Center
Rene Hurtado	Emergence Health Network

Steering Committee Members will begin meeting monthly starting August 11, 2014 and the larger MHFA workgroup will begin meeting quarterly on August 25, 2014. The larger MHFA group will share ideas, concerns and techniques in a networking conference call.

Texas Council added a new website feature for Mental Health First Aid at <http://www.txcouncil.com/updatesmentalhealthfirstaid.aspx>. An instructor training chart is now posted which reflects scheduled MHFA trainings, the available capacity for each training and the type of training offered.

To keep informed of current openings and new courses, there is an “RSS” feed which allows updates be sent to you via email every time changes are made to the chart.

#### **MHFA and Mental Health Association of Texas (MHAT)**

The MHAT contacted Texas Council, through a partnership with HHSC, to provide MHFA training for adults who are Early Head Start Home Based, Parents as Teachers, Home Instruction for Parents of Preschool Youngsters, and belong to the Nurse Family Partnership. MHAT will provide the meeting space and lunch, register participants and pay participating Centers \$189 per registrant.

#### **Training Schedule:**

<b>Center</b>	<b>City</b>	<b>Date</b>	<b>Contact</b>
Andrews Center	Longview	August 4, 2014	Abel Hernandez
Metrocare Services	Dallas	August 7-8, 2014	Valeria Holcomb
Permian Basin	Odessa	August 21,2014	Jill Stevens
Behavioral Health Center of Nueces County	Corpus Christi	TBA	Susan LaGrone
Tropical Texas	McAllen	TBA	Holly Borel
Central Plains	Amarillo	September 18, 2014	Ron Trusler

# Intellectual and Developmental Disabilities

## Redesign of IDD Services and Supports: FY2014-15

Following FY2014-15 timeline includes redesign activities directed by SB 7. Certain implementation deadlines are directed in SB 7 while others are not\* but are projected by HHSC and/or are reflected in FY2014-15 state appropriations:

Timeline	IDD Redesign Requirements and Related Activities	Status as of 3.25.14
October 1, 2013	SB 7 deadline to appoint IDD System Redesign Advisory Committee members	Meetings held January 7, 2014, April 29, 2014. Next meeting July 16, 2014.
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)	DADS recently submitted CFC "concept paper" to CMS, shared with stakeholders March, 2014
Fall, 2013*	Informal consideration of pilot(s) to test managed care strategies based on capitation to be implemented "no later than September 1, 2016" per SB 7	Pilot RFP not yet issued
September 1, 2014*	First possible date STAR + PLUS managed care can expand statewide	On track for September 1, 2014
September 1, 2014*	Estimated start date for CFC basic attendant and habilitation services through STAR + PLUS	Now estimated for March, 2015 at earliest
September 1, 2014*	First possible date to begin providing IDD acute care services through STAR + PLUS	On track for September 1, 2014
September 1, 2014	Nursing Facility carve-in to STAR + PLUS	Delayed to March 1, 2015
September 30, 2014	SB 7 deadline for annual IDD System Redesign report to legislature	
December 1, 2014	SB 7 deadline for report to legislature on role of Local Authority as service provider	
September 1, 2015	IDD Comprehensive Assessment Evaluation	Stakeholder input requested by DADS via survey. RFI TBD.
September 30, 2015	SB 7 deadline for annual IDD System Redesign report to legislature	

For frequently asked questions about managed care initiatives please see:

<http://www.hhsc.state.tx.us/medicaid/mmc.shtml#managed-care>

### Details of current SB 7 implementation activities:

- House Committee on Human Services.** Hearings held March 24 and June 4, 2014. The committee heard invited testimony from HHSC and DADS, and public testimony (3/24/14 only) in response to the committee's interim charge to oversee implementation of SB 7 expansion of STAR PLUS, including the carve-in of IDD acute care services for people in IDD waiver and ICF/IID programs beginning September 1, 2014.

To view the archived hearings:

[http://tlchouse.granicus.com/MediaPlayer.php?view\\_id=28&clip\\_id=8214](http://tlchouse.granicus.com/MediaPlayer.php?view_id=28&clip_id=8214) (3/24/14)

[http://tlchouse.granicus.com/MediaPlayer.php?view\\_id=28&clip\\_id=8383](http://tlchouse.granicus.com/MediaPlayer.php?view_id=28&clip_id=8383) (6/4/14)

To view HHSC and DADS committee presentations:

<http://www.hhsc.state.tx.us/news/presentations/2014/Managed-Care-Initiatives.pdf>

- **IDD System Redesign Advisory Committee.** The committee held meetings January 7, 2014 and April 29, 2014. The committee anticipates meeting quarterly, next on July 16, 2014. Community Centers are represented on the committee by John Delaney, Executive Director, Lakes Regional MHMR Center, and Susan Garnett, CEO, Tarrant MHMR.

Committee information is located at:

[http://www.hhsc.state.tx.us/about\\_hhsc/AdvisoryCommittees/iddsrac.shtml](http://www.hhsc.state.tx.us/about_hhsc/AdvisoryCommittees/iddsrac.shtml)

- **Pilot to test managed care strategies.** To date HHSC and DADS have not provided public details about agency plans to release of a request for proposals necessary to implement the IDD managed care pilot program authorized by SB 7. SB 7 requires pilot implementation no later than September 2016.

The Texas Council and other IDD stakeholder groups have engaged over many months with representatives of Universal American (UAM), a company participating in IDD managed care initiatives in several states and Medicare Advantage plans in Texas.

UAM initially expressed interest in an SB 7 pilot concept focused on provider partnerships and intensive coordination of long-term and acute care services to be implemented on a regional basis, and including Local Authority Service Coordination role. However, UAM representatives most recently indicated these plans are on hold.

- **Community First Choice Option (CFC).** SB 7 directs HHSC to implement the most cost-effective option for the delivery of basic attendant and habilitation services through STAR PLUS or a similar managed care program. CFC provides a 6% enhanced federal match for qualifying Medicaid attendant and habilitation services.

The proposed Texas CFC design includes (for purpose of obtaining enhanced federal match) current attendant and habilitation services provided by existing 1915(c) waiver programs (such as HCS and Texas Home Living), as well as future CFC services to be provided as a STAR PLUS benefit. HHSC projects an estimated 12,000 additional people with IDD now on waiver waiting lists will be eligible to receive CFC services through STAR PLUS. HHSC states it intends to maintain existing service delivery structures and reimbursement rates for CFC services provided through 1915(c) waivers.

SB 7 directs DADS to contract with Local IDD Authorities (LIDDAs) for independent service coordination for people with IDD receiving CFC through STAR PLUS. STAR PLUS MCOs must review and consider any assessment conducted by a LIDDA providing IDD

service coordination. The LIDDA will assess whether an individual needs attendant and/or habilitation services, based on individual's functional need, risk factors, and desired outcomes. The LIDDA also will assist with developing individual CFC plans of care under STAR PLUS, including necessary revisions, and annually provide the MCO and DADS with a description of outcomes based on the plan of care.

Federal CFC regulation prohibits the LIDDA—in conducting the independent Service Coordination function for CFC in STAR PLUS—from also serving as a MCO network provider of the new CFC benefit. This requirement does not impact the Local Authority Service Coordination/Local Safety Net role as a limited provider of HCS and Texas Home Living waiver services.

HHSC has scheduled a meeting with the Texas Council and Managed Care Organization representatives to initiate development of a standard agreement to guide the Community First Choice roles and responsibilities between the respective organizations.

HHSC submitted a CFC “concept” to CMS in early 2014, enabling negotiations between the state and CMS regarding Texas’s proposed design relative to federal CFC requirements, with the goal of gaining CMS approval. HHSC currently projects March 1, 2015 implementation of new CFC services through STAR+PLUS. As of August 10, 2014, Texas has not received CMS approval of its proposed CFC design.

- **IDD acute care services carve-in to STAR PLUS.** With statewide STAR PLUS expansion effective September 1, 2014, SB 7 requires people served in the four IDD waiver programs, including HCS and Texas Home Living, and ICFs/IID to enroll STAR PLUS for the purpose of receiving acute care services. Acute care services include physician visits, short term hospital stays, urgent care and preventive care.

Individuals who live in state supported living centers and those who receive both Medicaid and Medicare Part B benefits (“dual eligibles”) are not to be enrolled in STAR PLUS. Children and young adults under age 21 receiving SSI or SSI-related benefits will be allowed choice of whether to receive Medicaid acute care services through STAR PLUS or fee-for-service.

The Texas Council is working with HHSC, DADS, STAR PLUS managed care organizations (MCOs) and other stakeholders to prepare for the transition of IDD acute care services to STAR PLUS. Following are recent outcomes of these coordination efforts:

- Service coordination activities. Each person transitioning to STAR PLUS for acute care will have a named STAR PLUS MCO Service Coordinator (for acute care services only). Local Authority Service Coordinators will encourage MCO SC participation with the IDD waiver Service Planning Team, as desired by the person/LAR, to facilitate coordinated acute and long-term services and supports.



HHSC requires ongoing exchange of service plan information among MCOs, LAs and providers.

- Communications with enrollment broker (MAXIMUS) and STAR PLUS MCOs. Texas Council urged HHSC to implement mechanisms that allow Local Authorities and IDD service providers to communicate and coordinate with STAR PLUS MCOs and MAXIMUS (enrollment broker) to effectively assist people in accessing necessary and timely acute care services through STAR PLUS. To date, MCOs and the enrollment broker often refuse communication with LAs and providers on behalf of mutually served individuals, based on perceived HIPPA limitations.
- Texas Council Local Authority Leadership Summit. On April 10, 2014 in Austin 140 leaders representing all 39 Local IDD Authorities were briefed on Local Authority Service Coordination's critical roles in managed care initiatives emerging from SB 7 IDD system redesign. HHSC, DADS, and STAR PLUS MCO representatives presented up-to-date information on implementation details and responsibilities from their perspectives.

The Texas Council extends deep appreciation to IDD system leaders who joined in a closing summit panel to convey the immense value Local Authority Service Coordinators bring to ensuring service quality and access for people with IDD and their families. These leaders shared their professional views and personal experience each has with a close family member who has IDD: John Delaney (Lakes Regional), Barbara Tate (Heart of Texas), Susan Murphree (Disability Rights Texas) and Anthony Jalomo (Alamo Local Authority).

- Following is the enrollment timeline for people who will receive Medicaid acute care services through STAR PLUS:
  - May 2014—Introduction letters.
  - June 2014—Enrollment packets.
  - July 2014—Reminder letters.
  - August 15, 2014—Deadline to select MCO or person is auto-assigned to MCO.
  - September 1, 2014—MCO enrollment takes effect.

## **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>

As previously reported, the 83<sup>rd</sup> Legislature appropriated funds for community waiver program services to serve as nursing facility alternatives. According to DADS FY2014 HCS enrollment data as of June 2, 2014, following is status of the use of nursing facility alternatives:

- Individuals moving from nursing facilities:
  - 101 authorizations released (Total: 120 in FY2014, 240 in FY2015)
  - 37 enrolled
  - 46 pre-enrolled/pending
- Individuals diverted from nursing facility admission:
  - 36 authorizations released (Total: 75 in FY2014, 75 in FY2015)
  - 15 enrolled
  - 21 pre-enrolled/pending

The *Steward* interim settlement requires DADS to identify all individuals with IDD in the state's nursing facilities by July 31, 2014. To ensure compliance, DADS directed Local Authorities this spring to prioritize completion of PASRR Evaluations (PEs) for individuals with IDD ahead of PEs for individuals with mental illness. DADS announced on June 26 assignment of 1,870 additional, new PEs to LAs statewide—these new PEs for people with IDD must be completed by July 31.

The Texas Council and Local Authority representatives are working with DADS to identify actual costs of PASRR evaluations, as well as Local Authority Service Coordination for nursing facility residents with IDD and LA consultative services required by the interim settlement agreement. This cost analysis informs DADS Legislative Appropriations Request (LAR) for FY 2016-2017 as well as DADS recent Money Follows the Person (MFP) proposal submitted to CMS.

## **DADS Money Follows the Person (MFP) Proposal**

In May, 2014 DADS submitted a proposal to CMS 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 will play a crucial role in this effort. If approved, this proposal would enhance: 1) medical, behavioral and psychiatric supports, and 2) community coordination, as follows:

- 1) Eight medical, psychiatric and behavioral support regional teams would support all 254 counties, including all 39 Local IDD Authorities and all community waiver providers within a designated region. These teams would 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) Community coordination would (in part):
  - Enhance current Local Authority responsibilities for ensuring effective 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 the person-centered process, and increase responsibility to ensure services are delivered as planned and intervene as needed to adapt care to meet individual's needs.
  - Once a person relocates to community, Local Authority will monitor for up to one year.
  - For persons in institutions, strengthen information about community options and participation in the planning process.
  - Designated funds to enhance an individual's 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.

## **Co-occurring Intellectual/Developmental Disability and Mental Illness**

Capacity of community resources to support people with IDD who have challenging behavior is a long-standing barrier to people remaining in their homes in the community and returning to community from institutional settings. More recently, the need for community resources for people with dual IDD and mental illness diagnoses is receiving attention due to increasing recognition that people with IDD respond successfully to behavioral health interventions.

The House Human Services Committee held a hearing June 4, 2014 on its interim charge #1: *Examine crisis resources for individuals with co-occurring mental illness and intellectual/development disabilities. Identify strategies to serve individuals with complex behavioral and medical needs in the community.* Following are the joint DADS and DSHS presentations to the committee:

[http://www.dads.state.tx.us/news\\_info/presentations/hhs-interimcharge1-6-4-14.pdf](http://www.dads.state.tx.us/news_info/presentations/hhs-interimcharge1-6-4-14.pdf)

The Texas Council was invited to organize a panel of Community Centers to provide testimony to the Human Services Committee on interim charge #1. The Texas Council extends appreciation to representatives on this panel: John Delaney, Executive Director (Lakes Regional), Michael Parker, Ph.D., Psychologist (MHMR Tarrant County), and Kate Johnson-Patagoc, Director of Specialized Services (Texana Center).

To view the hearing: [http://tlchouse.granicus.com/MediaPlayer.php?view\\_id=28&clip\\_id=8383](http://tlchouse.granicus.com/MediaPlayer.php?view_id=28&clip_id=8383)

## Sunset Review

### **DADS and HHSC IDD-Related Self-Evaluation Reports (September 2013)**

Texas health and human services agencies are scheduled for Sunset review during the current biennium, culminating in recommendations for action by the 84<sup>th</sup> Legislature. In September, 2013 agencies completed the first step in the process by providing a Self-Evaluation Report (SER) to the Sunset Advisory Commission.

The SER is designed to provide Sunset Commission members and staff with a general background description of each agency being reviewed. The SER also gives each agency an opportunity to provide the Commission with a preview of issues and suggested improvements regarding the agency and its functions.

The SER was followed by Sunset staff reports, which were released on May 22, 2014 (see Sunset Staff Report section below).

Following are selected Sunset issues related to services for people with IDD as outlined in the DADS, HHSC, and DARS SERs:

#### **Major IDD issues identified by DADS:**

[http://www.sunset.state.tx.us/84th/dads/ser\\_dads.pdf](http://www.sunset.state.tx.us/84th/dads/ser_dads.pdf)

Coordination of Autism Services (Issue 2, p. 266): Are the State's efforts to support individuals with autism spectrum disorders well-coordinated between DADS and DARS? Possible solution is to locate autism-specific service delivery, advisory and research functions in one agency, i.e., consolidate into newly created Office of Autism Services at DARS to include current DARS autism program plus TX Council on Autism and TX Autism Research and Resource Center now administered by DADS.

Role of Aging and Disability Resource Centers: As DADS moves toward establishing ADRCs as the foundation for statewide "No Wrong Door" structure under the Balancing Incentive Program (BIP), what are the appropriate roles and responsibilities of ADRCs in providing access to long-term services and supports in the community? Six existing ADRCs will be expanded in FY2014 to serve the entire state planning region in which they are located. Via RFP DADS will establish six to nine (9) new ADRCs in the twelve (12) state planning regions not currently with an ADRC.

Solutions to secure the permanency of ADRCs as an entry point for LTSS include: establish ADRC program as a stand-alone program within DAD; submit exceptional item in DADS LAR for funding to ensure ongoing sustainability; establish statutory foundation for the ADRC; legislatively require formal partnerships between ADRCs and managed care organizations; legislatively require formal partnerships and protocols with Medicaid eligibility, either local or state level, to streamline access to services offered through ADRCs.

State Supported Living Center Census: Does the State have a continuing need to operate all existing State Supported Living Centers? Census continues to decline as more individuals seek community based services. Consistent with DADS Rider 39, DADS should develop a long-range plan for the SSLCs, including number of persons to be service, number and location of facilities, and any plans for specialized services in those facilities.

**Major IDD issues identified by HHSC:**

[http://www.sunset.state.tx.us/84th/hhs/ser\\_hhs.pdf](http://www.sunset.state.tx.us/84th/hhs/ser_hhs.pdf)

Administration of IDD Services: Should programs supporting individuals with IDD be administered by one department within the HHS system?

Discussion: People with IDD who also have behavioral health needs experience challenges accessing behavioral health services because the IDD system and mental health system are located in different agencies. DSHS administers mental health and substance abuse services through local mental health authorities (LMHAs) for all persons regardless of Medicaid eligibility. DADS administers the waiver programs that provide long-term services and supports (LTSS) to Medicaid-eligible persons. While overseen by HHSC, DSHS and DADS operate independently from each other and people must qualify separately for services from each agency.

Possible Solutions: SB 7 requires HHSC to provide LTSS to persons enrolled in Medicaid through managed care plans beginning September 1, 2015 and extending through September 2020. With the carve-in of both behavioral health services (per SB 58) and LTSS into managed care, these programs will be administered under HHSC and managed care contract requirements can be put in place to require better coordination of the provision of these services when an individual is eligible for both.

Separate agency oversight of State Hospitals and State Supported Living Centers. HB 2292 (78<sup>th</sup>) authorized reorganization of Texas health and human services agencies by reducing the number of agencies to five. Before this reorganization TDMHMR oversaw both facility types. HB 2292 moved operations of State Hospitals to DSHS and State Supported Living Centers to DADS.

Both types of facilities employ many types of healthcare providers, including physicians, psychiatrists, nurses, psychologists, social workers, nutritionists, chaplains, pharmacists, direct support staff, food services works, maintenance staff, and habilitation therapists. Both types of facilities maintain large campuses, manage fleet operations, construction, risk management, computer systems, and other support services.

Also, each agency operates forensic facilities, and as a result local judges and courts don't always understand the differences in the nature of commitments and which department oversees the commitment.



There are many instances when the two departments work together to increase efficiency and operational expertise. Currently the HHS Facility Support Services (FFS) division provides central management and administrative support to the 24 DADS SSLCs and DSHS state hospitals across Texas.

Identified inefficiencies:

- Duplicative administrative functions
- Recruitment and retention of professional services providers, e.g., physicians, psychiatrists, often lead to DADS and DSHS competing for limited professional staff
- Delayed transfer process of individuals between SSLCS and State Hospitals
- Ineffective exchange of health information
- Cross agency coordination is required for certain facilities management functions

Possible solutions:

Consolidated facility operations into one agency would streamline facility management and increase efficiencies, including inefficiencies noted above. Strategic decisions regarding facility properties, capital construction legislative requests and prioritization of those requests, and potential repurposing of facilities as SSLCs continue to downsize in population will be improved.

However, stakeholders may object to the alignment of facilities into one agency due to the functional alignment of current HHS agencies

**DADS Sunset Staff Report**

<https://www.sunset.texas.gov/public/uploads/files/reports/DADS%20hearing%20material.pdf>

Summary: The steady expansion of managed care is significantly changing the role of DADS in overseeing facilities and community-based programs for the elderly and people with disabilities. As many of these programs transfer to HHSC, DADS' role in regulating these providers will take precedence over its administration of these services. The future of DADS' organizational structure remains up in the air and must be evaluated as part of the Sunset review of the health and human services system.

Primary Issues and Recommendations:

**Issue 1**

Despite Declining Enrollment, Skyrocketing Costs, and Questionable Quality of Care, Texas Continues to Operate 13 SSLCs. The State can no longer afford to support all 13 centers. Closing the Austin SSLC and five additional centers will allow DADS to focus its efforts on improving the remaining seven SSLCs and increase the capacity of programs for people with IDD living in the community. Recommendations:

- Require DADS to close the Austin SSLC by August 31, 2017.
- Establish the State Supported Living Center Closure Commission to evaluate the SSLCs and determine an additional five centers to close.

- Require DADS to close the five SSLCs determined by the SSLC Closure Commission no later than August 31, 2022.

These recommendations, once fully implemented in fiscal year 2023, would have a positive fiscal impact to the State including annual savings of \$148.1 million, revenue gains of \$88.1 million, and a reduction of 6,516 FTEs. This impact results primarily from savings tied to serving people with IDD in the community for about a third of the cost of serving them in an SSLC; and from revenue gains tied to the sale of SSLC properties.

## **Issue 2**

To Transition From SSLCs to the Community, People With Higher Behavioral and Medical Needs Require Extra Support. Many of those residents can be successfully served in a community setting, at a cost savings to the State. However, the Sunset review revealed two areas where funding saved from SSLC closures should be used to build community capacity to serve these higher need residents. Recommendations:

- Require DADS to expand crisis intervention teams to provide increased supports to people with IDD in the community.
- Require DADS and HHSC, in rule, to add a reimbursement level that incentivizes providers to open small specialized group homes for people with high medical needs.
- Amend statute to require DADS to establish, in rule, the array of services an SSLC can provide to community clients and the fees for those services.

## **Issue 3**

DADS Lacks Effective Means for Ensuring Its Clients Receive Adequate Care in Day Habilitation Facilities. In fiscal year 2013, the State spent more than \$96 million on day habilitation services. DADS requires program providers to ensure their subcontractors, including day habilitation facilities, provide safe and adequate services. However, these requirements vary across programs, and contracts between facility owners and providers are not required to include basic quality and safety measures. Recommendations:

- Require DADS to develop, in rule, requirements for contract provisions regarding basic safety and service requirements that its community-based IDD waiver and intermediate care facility providers should include in their contracts with day habilitation facilities.
- Require DADS to compile basic information and data on day habilitation facilities providing services to persons in DADS programs, including data on violations and deficiencies found during inspections.

## Issue 5

DADS Lacks a Comprehensive, Effective Approach to Contract Management, Which Increases Financial Risks to the State. DADS has a fragmented approach to contracting with many of these activities occurring within program silos. DADS lacks needed contract management expertise, and contract management is not independent from program administration. As a result, DADS cannot ensure that contracts are adequately monitored and that contract sanctions are consistently and fairly applied throughout the agency.

The report notes Local Authority contracts (78 contracts for 39 Local Authorities) demonstrate one area of risk outside of any centralized oversight by COS. Local Authority contracts have been overseen within their own program area since being transferred to DADS during the 2003 consolidation of health and human services agencies.

### Recommendations:

- Direct DADS to strengthen and consolidate contract management under a new Contract Management Division.
- Direct the Contract Management Division to review and approve contract planning during the early stages of procurement.

## **DARS—Early Childhood Intervention**

### **Sunset Review**

#### **DARS Self-Evaluation Report (October 2013).**

<https://www.sunset.texas.gov/public/uploads/files/reports/Department%20of%20Assistive%20and%20Rehabilitative%20Services%20SER%202013%2084%20Leg.pdf>

Addresses challenges in the ECI Program. ECI continues to experience challenges in operating the program within available appropriations and other available payer sources while remaining in compliance with federal regulations. The program is working to mitigate these challenges and maintain a strong state-wide provider base within the current operating model

Major changes in the contract structure and payment process were completed in FY 2012. Services are currently paid through both a cost reimbursement mechanism and through a fee for service mechanism.

SB 1060 (83<sup>rd</sup>) requires DARS to conduct a cost effectiveness evaluation of the family cost share system and must produce a legislative report by December 1, 2014. Based on information gathered, the family cost share rules will be modified and technical assistance provided to contractors to support implementation of changes.

The fiscal impact will vary based on changes implemented. As stated above. Of the funds the contractor projects to earn from the third party sources are not actually reimbursed from the third party payers, the contractor is financially at risk and must secure funds elsewhere or cease operations.

#### **Sunset Staff Report (June 2014).**

<https://www.sunset.texas.gov/public/uploads/files/reports/DARS%20Staff%20Report%20with%20Hearing%20Material.pdf>

The report's initial summary states ECI is not addressed in the report, noting that the ECI program has been through many changes in recent years. "The program made significant shifts in the structure of the ECI providers' contracts and reimbursements in fiscal year 2012. Also, last session, the Legislature adopted a bill and two riders requiring DARS to evaluate and adjust the ECI family cost share provisions. Sunset staff determined that further changes to the program at this point would only create instability in the provider network or result in significant costs to the state."

The ECI program may be addressed in the fall Sunset staff report on the Health and Human Services Commission, due in part to significant Medicaid funding provided for ECI services through HHSC as the state Medicaid agency.

## **ECI Family Cost Share**

ECI Family Cost Share requirements changed significantly, effective January 1, 2014 based on FY 2014-2015 state budget direction (DARS Rider 31). The \$63 million General Revenue appropriation for ECI was made contingent upon DARS modifying rules to require the monthly family cost share amount for ECI services by families with adjusted gross income greater than 400% of the Federal Poverty Level to be equal to the cost of services, but not to exceed 5% of the family's adjusted gross monthly income.

The new Family Cost Share Fee Scale can be found at:

<http://www.dars.state.tx.us/ecis/FCSFeeScale.pdf>

Details of the new Family Cost Share can be found at:

[http://www.dars.state.tx.us/ecis/FCS\\_booklet\\_Jan%201.pdf](http://www.dars.state.tx.us/ecis/FCS_booklet_Jan%201.pdf)

In addition, SB 1060 (83<sup>rd</sup> Session) requires DARS to collect data and evaluate the cost-effectiveness of family cost share provisions in the Early Childhood Intervention program, and to implement changes to those provisions to improve the cost-effectiveness of the program. Data analysis is currently underway.

<b>Agenda Item:</b> Approve July 2014 Financial Statements  <b>Committee:</b> Business	<b>Board Meeting Date</b>  August 28, 2014
<b>Background Information:</b>  None	
<b>Supporting Documentation:</b>  July 2014 Financial Statements	
<b>Recommended Action:</b>  <b>Approve July 2014 Financial Statements</b>	

## July 2014 Financial Summary

Revenues for July 2014 were \$2,760,758 and operating expenses were \$2,269,839 resulting in a gain in operation of \$490,919. Capital Expenditures and Extraordinary Expenses for July were \$100 resulting in a gain of \$490,819. Total revenues were 117.84% of the monthly budgeted revenues and total expenses were 95.48% of the monthly budgeted expenses.

Year to date revenues are \$23,868,139 and operating expenses are \$22,838,136 leaving excess operating revenues of \$1,030,003. YTD Capital Expenditures and Extraordinary Expenses are \$157,440 resulting in a gain YTD of \$872,563. Total revenues are 100.53% of the YTD budgeted revenues and total expenses are 97.61% 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
ICF Program – Title XIX	\$2,165,538	\$2,182,440	99.22%	\$16,902
DSHS – Gen Rev – NGM	\$656,660	\$676,962	97.00%	\$20,302

ICF Program – Title XIX – As we have talked about this entire fiscal year, we have a number of consumers that we have had a delay in billing until they receive their ICF Medicaid approval of coverage. We have received some of the back billing over the past couple of months but still have some money outstanding. We anticipate receiving these funds anytime.

DSHS – Gen Rev – NGM – This line item is under budget due to positions that are funded by NGM that were vacant this fiscal year. We have held a Children's Summer Camp program that have reduced this amount and should still have some expenses hitting the August financials. We expect to use nearly all the NGM funds by year end.

### **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
Building Repairs & Maintenance	\$331,901	\$300,901	110.30%	<b>\$31,000</b>
Contract Hospital - Child	\$141,920	\$100,000	141.92%	\$41,920

Building Repairs & Maintenance – In addition to regular routine maintenance, additional repairs were completed this month pushing this line over its budgeted amount. These repairs include a number of air conditioning units failing as well as plumbing and roof leaks that were repaired.

Contract Hospital – Child – This line item has been trending higher than we initially budgeted all year. We have adjusted this line during both budget revisions but continue to have children admitted to the hospital. Children tend to have longer lengths of stay which contributes to this line continuing to rise.



**TRI-COUNTY SERVICES**  
**CONSOLIDATED BALANCE SHEET**  
**As of July 31, 2014**

	<b>TOTALS COMBINED FUNDS July 2014</b>	<b>TOTALS COMBINED FUNDS June 2014</b>	<b>Increase (Decrease)</b>
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Imprest Cash Funds	4,525	4,400	125
Cash on Deposit-General Fund	8,149,411	9,665,056	(1,515,644)
Cash on Deposit-Debt Fund	-	-	-
Accounts Receivable	1,564,774	1,512,693	52,081
Inventory	9,156	9,452	(296)
<b>TOTAL CURRENT ASSETS</b>	<b>9,727,865</b>	<b>11,191,600</b>	<b>(1,463,735)</b>
<b>FIXED ASSETS</b>	5,730,985	5,730,985	-
<b>OTHER ASSETS</b>	58,643	30,487	28,156
<b>TOTAL ASSETS</b>	<b>15,517,494</b>	<b>16,953,072</b>	<b>(1,435,579)</b>
<b>LIABILITIES, DEFERRED REVENUE, FUND BALANCE:</b>			
<b>CURRENT LIABILITIES</b>	828,621	1,030,275	(201,654)
<b>NOTES PAYABLE</b>	473,777	473,777	-
<b>DEFERRED REVENUE</b>	(90,898)	1,640,014	(1,730,912)
<b>LONG-TERM LIABILITIES FOR</b>			
Line of Credit - Tradition Bank	944,383	944,383	-
Bond Series 2004	-	-	-
<b>EXCESS(DEFICIENCY) OF REVENUES OVER EXPENSES FOR</b>			
General Fund	872,563	381,744	490,819
Debt Service Fund	-	-	-
<b>FUND EQUITY</b>			
<b>RESTRICTED</b>			
Net Assets Reserved for Debt Service	(944,383)	(944,383)	-
Reserved for Debt Retirement	963,631	963,631	-
<b>COMMITTED</b>			
Net Assets-Property and Equipment	5,730,985	5,730,985	-
Reserved for Vehicles & Equipment Replacement	387,871	387,871	-
Reserved for Facility Improvement & Acquisitions	2,426,254	2,426,254	-
Reserved for Board Initiatives	1,500,000	1,500,000	-
Reserved for 1115 Waiver Programs	516,833	516,833	-
Reserved for Board Policy Requirements	-	-	-
Reserved for Equipment Reserve	-	-	-
Reserved for Inventory Reserve	-	-	-
Reserved for Operations and Programs	-	-	-
<b>ASSIGNED</b>			
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	(473,777)	(473,777)	-
<b>UNASSIGNED</b>			
Unrestricted and Undesignated	1,939,391	1,939,391	-
<b>TOTAL LIABILITIES/FUND BALANCE</b>	<b>15,517,494</b>	<b>16,953,072</b>	<b>(1,435,579)</b>

**TRI-COUNTY SERVICES  
CONSOLIDATED BALANCE SHEET  
As of July 31, 2014**

**TOTALS  
Memorandum Only**

	General Operating Funds	July 2014	Final August 2013
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Imprest Cash Funds	4,525	4,525	5,325
Cash on Deposit-General Fund	8,149,411	8,149,411	7,747,392
Cash on Deposit-Debt Fund	-	-	421,561
Accounts Receivable	1,564,774	1,564,774	1,657,784
Inventory	9,156	9,156	6,661
<b>TOTAL CURRENT ASSETS</b>	<b>9,727,865</b>	<b>9,727,865</b>	<b>9,838,723</b>
<b>FIXED ASSETS</b>	5,730,985	5,730,985	5,730,985
<b>OTHER ASSETS</b>	58,643	58,643	36,317
	<b>15,517,494</b>	<b>15,517,494</b>	<b>15,606,026</b>
<b>LIABILITIES, DEFERRED REVENUE, FUND BALANCE</b>			
<b>CURRENT LIABILITIES</b>	828,621	828,621	1,340,397
<b>NOTES PAYABLE</b>	473,777	473,777	473,777
<b>DEFERRED REVENUE</b>	(90,898)	(90,898)	426,256
<b>LONG-TERM LIABILITIES FOR</b>			
Line of Credit - Tradition Bank	944,383	944,383	1,135,612
Bond Series 2004	-	-	410,000
<b>EXCESS(DEFICIENCY) OF REVENUES OVER EXPENSES FOR</b>			
General Fund	872,563	872,563	1,108,422
Debt Service Fund	-	-	-
<b>FUND EQUITY</b>			
<b>RESTRICTED</b>			
Net Assets Reserved for Debt service-Restricted	(944,383)	(944,383)	(2,019,389)
Reserved for Debt Retirement	963,631	963,631	1,230,000
<b>COMMITTED</b>			
Net Assets-Property and Equipment-Committed	5,730,985	5,730,985	5,730,985
Reserved for Vehicles & Equipment Replacement	387,871	387,871	-
Reserved for Facility Improvement & Acquisitions	2,426,254	2,426,254	-
Reserved for Board Initiatives	1,500,000	1,500,000	-
Reserved for 1115 Waiver Programs	516,833	516,833	-
Reserved for Board Policy Requirements-Committed	-	-	879,405
Reserved for Equipment Reserve-Committed	-	-	354,290
Reserved for Inventory Reserve-Committed	-	-	32,973
Reserved for Operations and Programs -Committed	-	-	2,046,849
<b>ASSIGNED</b>			
Reserved for Workers' Compensation-Assigned	274,409	274,409	274,409
Reserved for Current Year Budgeted Reserve -Assigned	67,833	67,833	-
Reserved for Insurance Deductibles-Assigned	100,000	100,000	100,000
Reserved for Accrued Paid Time Off	(473,777)	(473,777)	-
<b>UNASSIGNED</b>			
Unrestricted and Undesignated	1,939,391	1,939,391	2,082,041
<b>TOTAL LIABILITIES/FUND BALANCE</b>	<b>15,517,494</b>	<b>15,517,494</b>	<b>15,606,026</b>

**TRI-COUNTY SERVICES**  
**Revenue and Expense Summary**  
**For the Month Ended July 2014**  
**and YTD as of July 2014**

<b>INCOME:</b>	<b>MONTH OF July 2014</b>	<b>YTD July 2014</b>
Local Revenue Sources	107,042	1,288,727
Earned Income	1,399,745	9,227,465
General Revenue-Contract	1,253,971	13,351,947
<b>TOTAL INCOME</b>	<b>2,760,758</b>	<b>23,868,139</b>
<b>EXPENSES:</b>		
Salaries	1,158,073	11,887,608
Employee Benefits	225,649	2,318,649
Medication Expense	42,723	377,775
Travel-Board/Staff	36,473	382,336
Building Rent/Maintenance	46,928	358,622
Consultants/Contracts	530,440	5,116,939
Other Operating Expenses	229,554	2,396,208
<b>TOTAL EXPENSES</b>	<b>2,269,839</b>	<b>22,838,136</b>
<b>Excess(Deficiency) of Revenues over Expenses before Capital Expenditures</b>	<b>490,919</b>	<b>1,030,003</b>
<b>CAPITAL EXPENDITURES</b>		
Capital Outlay-FF&E, Automobiles, Building	100	157,440
Capital Outlay-Debt Service Bonds	-	
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>100</b>	<b>157,440</b>
<b>GRAND TOTAL EXPENDITURES</b>	<b>2,269,938</b>	<b>22,995,576</b>
<b>Excess (Deficiency) of Revenues and Expenses</b>	<b>490,819</b>	<b>872,563</b>

**TRI-COUNTY SERVICES**  
**Revenue and Expense Summary**  
**Compared to Budgeted**  
**Year to Date as of July 2014**

	YTD July 2014	APPROVED BUDGET	Increase (Decrease)
<b>INCOME:</b>			
Local Revenue Sources	1,288,727	1,482,135	(193,408)
Earned Income	9,227,465	8,887,958	339,507
General Revenue-Contract	13,351,947	13,372,147	(20,200)
<b>TOTAL INCOME</b>	<b>23,868,139</b>	<b>23,742,240</b>	<b>125,899</b>
<b>EXPENSES:</b>			
Salaries	11,887,608	12,058,042	(170,434)
Employee Benefits	2,318,649	2,351,305	(32,656)
Medication Expense	377,775	375,874	1,901
Travel-Board/Staff	382,336	387,684	(5,348)
Building Rent/Maintenance	358,622	327,776	30,846
Consultants/Contracts	5,116,939	5,182,664	(65,725)
Other Operating Expenses	2,396,208	2,492,309	(96,101)
<b>TOTAL EXPENSES</b>	<b>22,838,136</b>	<b>23,175,654</b>	<b>(337,518)</b>
<b>Excess(Deficiency) of Revenues over Expenses before Capital Expenditures</b>	<b>1,030,003</b>	<b>566,586</b>	<b>463,417</b>
<b>CAPITAL EXPENDITURES</b>			
Capital Outlay-FF&E, Automobiles	157,440	382,124	(224,684)
Capital Outlay-Debt Service Bonds			-
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>157,440</b>	<b>382,124</b>	<b>(224,684)</b>
<b>GRAND TOTAL EXPENDITURES</b>	<b>22,995,576</b>	<b>23,557,778</b>	<b>(562,202)</b>
<b>Excess (Deficiency) of Revenues and Expenses</b>	<b>872,563</b>	<b>184,462</b>	<b>688,101</b>

**Debt Service and Fixed Asset Fund:**

Bond Payments Receipts	-	-	-
Bond Payments Disbursements		-	-
Interest Income			
<b>Excess(Deficiency) of revenues over Expense:</b>	<b>-</b>	<b>-</b>	<b>-</b>

**TRI-COUNTY SERVICES**  
**Revenue and Expense Summary**  
**Compared to Budget**  
**For the Month Ended July 2014**

<b>INCOME:</b>	<b>MONTH OF July 2014</b>	<b>APPROVED BUDGET</b>	<b>Increase (Decrease)</b>
Local Revenue Sources	107,042	63,523	43,519
Earned Income	1,399,745	1,035,667	364,078
General Revenue-Contract	1,253,971	1,243,653	10,318
<b>TOTAL INCOME</b>	<b>2,760,758</b>	<b>2,342,843</b>	<b>417,915</b>
<b>EXPENSES:</b>			
Salaries	1,158,073	1,269,378	(111,305)
Employee Benefits	225,649	225,080	569
Medication Expense	42,723	39,879	2,844
Travel-Board/Staff	36,473	31,758	4,715
Building Rent/Maintenance	46,928	23,023	23,905
Consultants/Contracts	530,440	506,026	24,414
Other Operating Expenses	229,554	242,777	(13,223)
<b>TOTAL EXPENSES</b>	<b>2,269,839</b>	<b>2,337,921</b>	<b>(68,082)</b>
<b>Excess(Deficiency) of Revenues over Expenses before Capital Expenditures</b>	<b>490,919</b>	<b>4,922</b>	<b>485,997</b>
<b>CAPITAL EXPENDITURES</b>			
Capital Outlay-FF&E, Automobiles	100	39,556	(39,456)
Capital Outlay-Debt Service Bonds	-	-	-
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>100</b>	<b>39,556</b>	<b>(39,456)</b>
<b>GRAND TOTAL EXPENDITURES</b>	<b>2,269,938</b>	<b>2,377,477</b>	<b>(107,539)</b>
<b>Excess (Deficiency) of Revenues and Expenses:</b>	<b>490,819</b>	<b>(34,634)</b>	<b>525,453</b>

**Debt Service and Fixed Asset Fund:**

Bond Payments Receipts	-	-	-
Bond Payments Disbursements	-	-	-
Interest Income	-	-	-
<b>Excess(Deficiency) of revenues over Expenses:</b>	<b>-</b>	<b>-</b>	<b>-</b>

**TRI-COUNTY SERVICES**  
**Revenue and Expense Summary**  
**With July 2013 Comparative Data**  
**Year to Date as of July 2014**

<b>INCOME:</b>	<b>YTD July 2014</b>	<b>YTD July 2013</b>	<b>Increase (Decrease)</b>
Local Revenue Sources	1,288,727	1,592,373	(303,646)
Earned Income	9,227,465	9,567,994	(340,529)
General Revenue-Contract	13,351,947	11,624,287	1,727,660
<b>TOTAL INCOME</b>	<b>23,868,139</b>	<b>22,784,654</b>	<b>1,083,485</b>
<b>EXPENSES:</b>			
Salaries	11,887,608	10,936,399	951,209
Employee Benefits	2,318,649	2,012,563	306,086
Medication Expense	377,775	291,081	86,694
Travel-Board/Staff	382,336	365,211	17,125
Building Rent/Maintenance	358,622	260,520	98,102
Consultants/Contracts	5,116,939	5,130,942	(14,003)
Other Operating Expenses	2,396,208	2,164,866	231,342
<b>TOTAL EXPENSES</b>	<b>22,838,136</b>	<b>21,161,582</b>	<b>1,676,554</b>
<b>Excess(Deficiency) of Revenues over Expenses before Capital Expenditures</b>	<b>1,030,003</b>	<b>1,623,072</b>	<b>(593,069)</b>
<b>CAPITAL EXPENDITURES</b>			
Capital Outlay-FF&E, Automobiles	157,440	124,996	32,444
Capital Outlay-Debt Service Bonds		390,303	(390,303)
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>157,440</b>	<b>515,299</b>	<b>(357,859)</b>
<b>GRAND TOTAL EXPENDITURES</b>	<b>22,995,576</b>	<b>21,676,881</b>	<b>1,318,695</b>
<b>Excess (Deficiency) of Revenues and Expenses</b>	<b>872,563</b>	<b>1,107,773</b>	<b>(235,210)</b>

<b>Debt Service and Fixed Asset Fund:</b>			
Bond Payments Receipts	-	390,303	(390,303)
Bond Payments Disbursements			-
Interest Income			-
<b>Excess(Deficiency) of revenues over Expenses</b>	<b>-</b>	<b>390,303</b>	<b>(390,303)</b>

**TRI-COUNTY SERVICES**  
**Revenue and Expense Summary**  
**With July 2013 Comparative Data**  
**Year to Date as of July 2014**

<b>INCOME:</b>	<b>MONTH OF July 2014</b>	<b>MONTH OF July 2013</b>	<b>Increase (Decrease)</b>
Local Revenue Sources	107,042	112,312	(5,270)
Earned Income	1,399,745	886,616	513,129
General Revenue-Contract	1,253,971	1,089,631	164,340
<b>TOTAL INCOME</b>	<b>2,760,758</b>	<b>2,088,559</b>	<b>672,199</b>
<b>EXPENSES:</b>			
Salaries	1,158,073	993,264	164,809
Employee Benefits	225,649	176,171	49,478
Medication Expense	42,723	32,437	10,286
Travel-Board/Staff	36,473	36,414	59
Building Rent/Maintenance	46,928	22,264	24,664
Consultants/Contracts	530,440	470,425	60,015
Other Operating Expenses	229,554	201,303	28,251
<b>TOTAL EXPENSES</b>	<b>2,269,839</b>	<b>1,932,278</b>	<b>337,561</b>
<b>Excess(Deficiency) of Revenues over Expenses before Capital Expenditures</b>	<b>490,919</b>	<b>156,281</b>	<b>334,638</b>
<b>CAPITAL EXPENDITURES</b>			
Capital Outlay-FF&E, Automobiles	100	3,438	(3,338)
Capital Outlay-Debt Service Bonds	-	35,482	(35,482)
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>100</b>	<b>38,920</b>	<b>(38,820)</b>
<b>GRAND TOTAL EXPENDITURES</b>	<b>2,269,938</b>	<b>1,971,198</b>	<b>298,740</b>
<b>Excess (Deficiency) of Revenues and Expenses</b>	<b>490,819</b>	<b>117,361</b>	<b>373,458</b>

<b>Debt Service and Fixed Asset Fund:</b>			
Bond Payments Receipts	-	35,482	(35,482)
Bond Payments Disbursements			-
Interest Income			-
<b>Excess(Deficiency) of revenues over Expenses</b>	<b>-</b>	<b>35,482</b>	<b>(35,482)</b>



**TRI-COUNTY SERVICES**  
**Revenue and Expense Summary**  
**With June 2014 Comparative Data**  
**As of July 2014**

<b>INCOME:</b>	<b>MONTH OF July 2014</b>	<b>MONTH OF June 2014</b>	<b>Increase (Decrease)</b>
Local Revenue Sources	107,042	103,853	3,189
Earned Income	1,399,745	823,955	575,791
General Revenue-Contract	1,253,971	1,348,655	(94,684)
<b>TOTAL INCOME</b>	<b>2,760,758</b>	<b>2,276,462</b>	<b>484,296</b>
<b>EXPENSES:</b>			
Salaries	1,158,073	1,113,691	44,382
Employee Benefits	225,649	220,947	4,702
Medication Expense	42,723	35,676	7,047
Travel-Board/Staff	36,473	43,438	(6,965)
Building Rent/Maintenance	46,928	47,458	(530)
Consultants/Contracts	530,440	479,021	51,418
Other Operating Expenses	229,554	234,344	(4,790)
<b>TOTAL EXPENSES</b>	<b>2,269,839</b>	<b>2,174,574</b>	<b>95,264</b>
<b>Excess(Deficiency) of Revenues over Expenses before Capital Expenditures</b>	<b>490,919</b>	<b>101,888</b>	<b>389,031</b>
<b>CAPITAL EXPENDITURES</b>			
Capital Outlay-FF&E, Automobiles	100	4,948	(4,848)
Capital Outlay-Debt Service Bonds	-	-	-
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>100</b>	<b>4,948</b>	<b>(4,848)</b>
<b>GRAND TOTAL EXPENDITURES</b>	<b>2,269,938</b>	<b>2,179,522</b>	<b>90,416</b>
<b>Excess (Deficiency) of Revenues and Expenses</b>	<b>490,819</b>	<b>96,940</b>	<b>393,880</b>

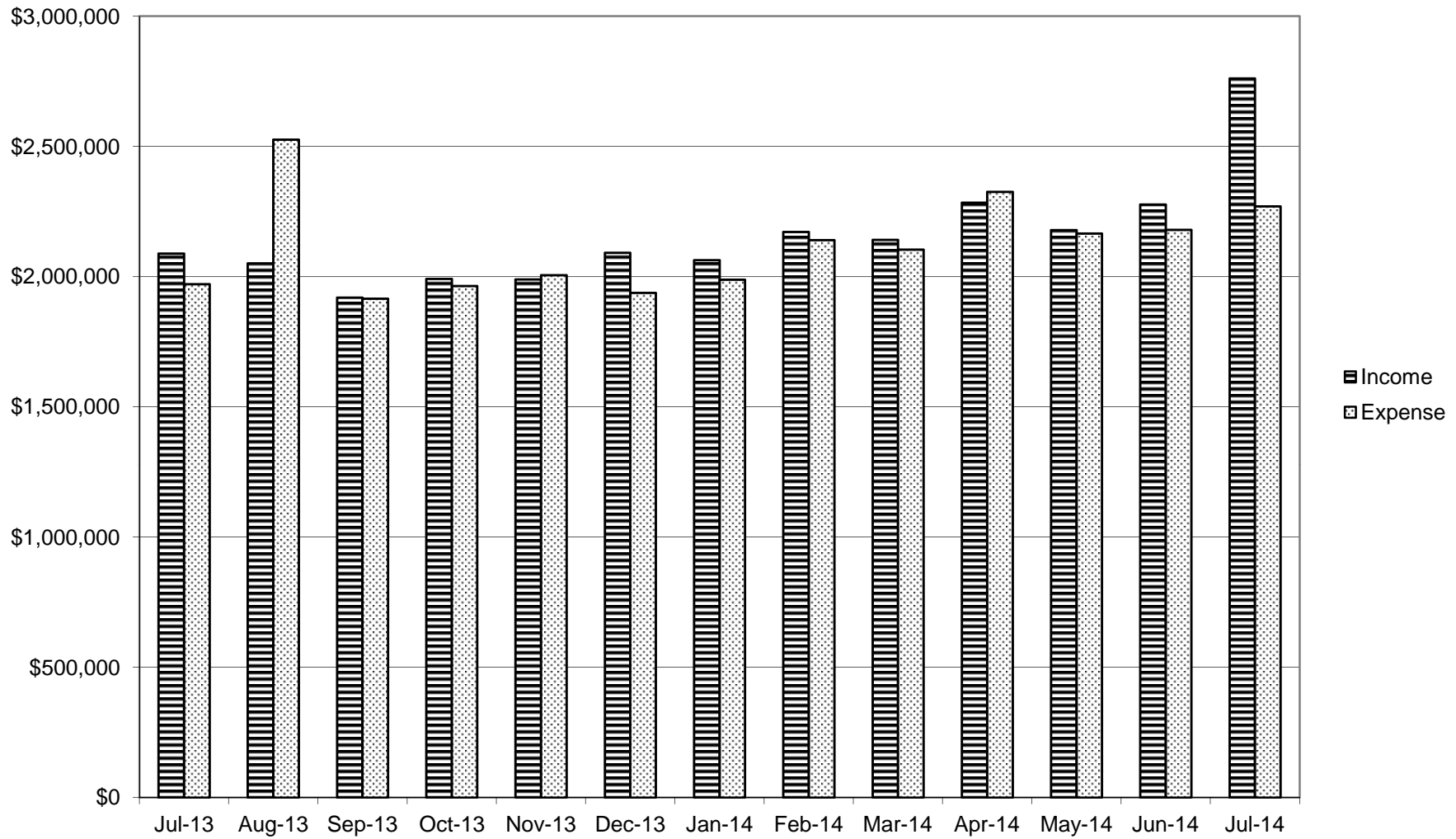
<b>Debt Service and Fixed Asset Fund:</b>			
Bond Payments Receipts	-	-	-
Bond Payments Disbursements			-
Interest Income			
<b>Excess(Deficiency) of revenues over Expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>

**TRI-COUNTY SERVICES**  
**Revenue and Expense Summary by Service Type**  
**Compared to Budget**  
**As of YTD Ended July 2014**

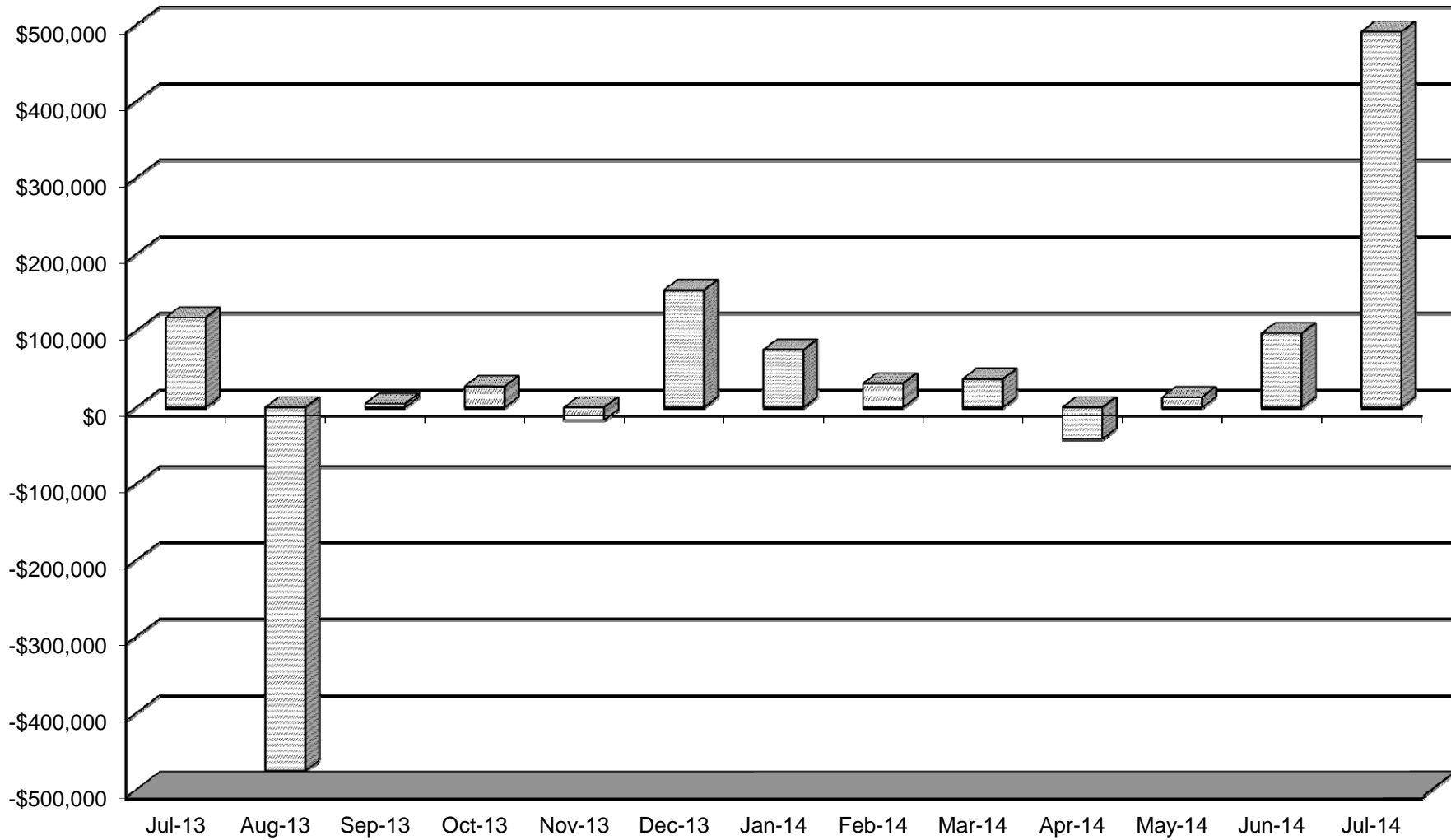
	YTD Mental Health July 2014	YTD IDD July 2014	YTD Other Services July 2014	YTD Agency Total July 2014	YTD Approved Budget July 2014	Increase (Decrease)
<b>INCOME:</b>						
Local Revenue Sources	928,803	94,328	265,596	1,288,727	1,482,135	(193,408)
Earned Income	2,326,932	5,413,876	1,486,657	9,227,465	8,887,958	339,507
General Revenue-Contract	11,818,591	1,397,938	135,418	13,351,947	13,372,147	(20,200)
<b>TOTAL INCOME</b>	<b>15,074,326</b>	<b>6,906,142</b>	<b>1,887,671</b>	<b>23,868,139</b>	<b>23,742,240</b>	<b>125,899</b>
<b>EXPENSES:</b>						
Salaries	8,309,956	2,413,483	1,164,169	11,887,608	12,058,042	(170,434)
Employee Benefits	1,579,595	507,790	231,264	2,318,649	2,351,305	(32,656)
Medication Expense	356,204		21,571	377,775	375,874	1,901
Travel-Board/Staff	232,812	100,989	48,535	382,336	387,684	(5,348)
Building Rent/Maintenance	228,767	108,422	21,434	358,622	327,776	30,846
Consultants/Contracts	1,912,375	3,149,151	55,413	5,116,939	5,182,664	(65,725)
Other Operating Expenses	1,583,453	547,744	265,011	2,396,208	2,492,309	(96,101)
<b>TOTAL EXPENSES</b>	<b>14,203,162</b>	<b>6,827,579</b>	<b>1,807,397</b>	<b>22,838,137</b>	<b>23,175,654</b>	<b>(337,517)</b>
<b>Excess(Deficiency) of Revenues over Expenses before Capital Expenditures</b>	<b>871,164</b>	<b>78,563</b>	<b>80,274</b>	<b>1,030,002</b>	<b>566,586</b>	<b>463,416</b>
<b>CAPITAL EXPENDITURES</b>						
Capital Outlay-FF&E, Automobiles	91,391	12,281	53,767	157,440	382,124	(224,684)
Capital Outlay-Debt Service Bonds				-		-
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>91,391</b>	<b>12,281</b>	<b>53,767</b>	<b>157,440</b>	<b>382,124</b>	<b>(224,684)</b>
<b>GRAND TOTAL EXPENDITURES</b>	<b>14,294,553</b>	<b>6,839,860</b>	<b>1,861,164</b>	<b>22,995,577</b>	<b>23,557,778</b>	<b>(562,201)</b>
<b>Excess (Deficiency) of Revenues and Expenses</b>	<b>779,773</b>	<b>66,282</b>	<b>26,507</b>	<b>872,563</b>	<b>184,462</b>	<b>688,100</b>

<b>Debt Service and Fixed Asset Fund:</b>						
Bond Payments Receipts	-	-	-	-	-	-
Bond Payments Disbursements		-	-	-	-	-
Interest Income		-	-	-	-	-
<b>Excess(Deficiency) of revenues over Expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### TRI-COUNTY SERVICES Income and Expense



**TRI-COUNTY SERVICES**  
**Income after Expense**



<b>Agenda Item:</b> Approve FY 2014 Year End Budget Revision  <b>Committee:</b> Business	<b>Board Meeting Date</b>  August 28, 2014
<b>Background Information:</b>  None	
<b>Supporting Documentation:</b>  Summary and FY 2014 Year End Budget Revision	
<b>Recommended Action:</b>  <b>Approve FY 2014 Year End Budget Revision</b>	

**Tri-County MHMR Services  
Proposed Year-End FY 2014 Budget Compared to  
Current FY 2014 Approved Budget**

**Explanation of line items that have material changes from Proposed Year-End FY 2014 Budget compared to the Current FY 2014 Approved Budget.**

**REVENUES:**

**Local Revenue** – This line item shows an overall decrease due to a decrease in ICF Client Fees, Navigator Grant and projections for Interest Income.

**Earned Income** – This line item shows an overall decrease based ICF, OCR, Texas Home Living and the HCS program based on the year to date trends. These programs have an offsetting expense reduction. Also in this line, there is a positive adjustment for Medicaid Regular.

**General Revenue** – This line item reflects a decrease based on New Generation Medication lapse, as well as lapses in the Veterans and Substance Abuse programs. This line also reflects a correction in the beginning Rider 65 Transitional contract amounts.

**EXPENSES:**

**Salaries** – This line shows an overall decrease based on year to date lapse and the delay in hiring key positions this fiscal year.

**Employee Benefits** – This line shows a decrease based on the above lapse in positions as well as the year end retirement forfeiture that comes back to the center.

**Travel – Board/Staff** – This line shows a slight decrease based on actual travel expenses this fiscal year.

**Medication Expense** – This line shows a slight decrease based on the delay in starting up a couple of the 1115 programs that will be prescribing medication.

**Building Rent/Maintenance** – This line item shows an increase based on the 1115 project renovations that will be done in the front section of the PETC facility.

**Consultants/Contracts** – This line item shows a decrease based mainly on year to date trends of the Empowerment Options contract and foster care and respite contractors.

**Other Operating Expenses** – This line has an overall decrease due to many different accounts trending lower for the fiscal year and the costs associated with name change being moved to next fiscal year.

**Capital Outlay-FF&E, Automobiles** – This item reflects a decrease due to the delay in purchasing the mobile unit for the 1115 program.

**Capital Outlay - Debt Service Bonds** – No change.

**TRI-COUNTY MHMR SERVICES  
PROPOSED YEAR-END FY 2014 BUDGET COMPARED TO  
CURRENT FY 2014 APPROVED BUDGET**

	<b>PROPOSED YEAR-END FY 2014 BUDGET</b>	<b>CURRENT FY 2014 APPROVED BUDGET</b>	<b>Increase (Decrease)</b>
<b>INCOME:</b>			
Local Revenue Sources	1,392,184	1,411,738	(19,554)
Earned Income	10,850,028	10,935,878	(85,850)
General Revenue	14,447,983	14,592,725	(144,742)
<b>TOTAL INCOME</b>	<b>26,690,195</b>	<b>26,940,340</b>	<b>(250,145)</b>
<b>EXPENSES:</b>			
Salaries	13,450,494	13,558,055	(107,561)
Employee Benefits	2,532,094	2,579,377	(47,282)
Travel-Board/Staff	422,471	426,371	(3,900)
Medication Expense	427,245	455,325	(28,080)
Building Rent/Maintenance	538,833	338,633	200,200
Consultants/Contracts	5,636,169	5,663,268	(27,099)
Other Operating Expenses	2,683,603	2,789,456	(105,853)
<b>TOTAL EXPENSES</b>	<b>25,690,909</b>	<b>25,810,485</b>	<b>(119,576)</b>
<b>Excess (Deficiency) of Revenues over Expenses before Capital Expenditures</b>	<b>999,286</b>	<b>1,129,855</b>	<b>(130,570)</b>
<b>CAPITAL EXPENDITURES</b>			
Capital Outlay - FF&E, Automobiles	432,887	698,281	(265,394)
Capital Outlay - Debt Services Bonds	-	-	-
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>432,887</b>	<b>698,281</b>	<b>(265,394)</b>
<b>GRAND TOTAL EXPENDITURES</b>	<b>26,123,796</b>	<b>26,508,766</b>	<b>(384,970)</b>
<b>Excess (Deficiency) of Revenues and Expenses</b>	<b>\$ 566,399</b>	<b>\$ 431,574</b>	<b>\$ 134,825</b>



<b>Agenda Item:</b> Approve Proposed FY 2015 Operating Budget  <b>Committee:</b> Business	<b>Board Meeting Date</b>  August 28, 2014
<b>Background Information:</b>  None	
<b>Supporting Documentation:</b>  Copy of Proposed FY 2015 Operating Budget with Narrative of Increases or Decreases of More than \$10,000	
<b>Recommended Action:</b>  <b>Approve Proposed FY 2015 Operating Budget</b>	

**Tri-County MHMR Services  
Proposed Beginning FY 2015 Budget Compared to  
Current FY 2014 Approved Budget**

**Explanation of line items that have material changes from Proposed Beginning FY 2015 Budget compared to the Current FY 2014 Approved Budget.**

**REVENUES:**

**Local Revenue** – This line item shows an overall decrease due to a decrease in the United Way funding amount as well as the Navigator Grant being complete in FY 2014.

**Earned Income** – This line item shows an overall increase mainly due to the 1115 programs being fully ramped up and staffed. This line also shows an increase in the Rehabilitation and MH Case Management lines due to the Senate Bill 58 which changes the funding to go through the Managed Care Companies for payment.

**General Revenue** – This line item reflects a decrease due to the above mentioned Senate Bill 58 decreasing the GR match and being fully reimbursed through the Managed Care Companies. This line also has a decrease of GR based on the Affordable Care Act. The reduction was based on the assumption that we would have clients that had another pay source once enrolled in the ACA. We have not seen this to be true in our service area.

**EXPENSES:**

**Salaries** – This line shows an increase due to the 1115 programs being fully staffed.

**Employee Benefits** – This line shows an increase for the fringe associated with the above referenced programs ramping up.

**Travel – Board/Staff** – This line show an increase based on the 1115 programs being operational.

**Medication Expense** – This line shows an increase based on 1115 Programs being ramped up and prescribing medications.

**Building Rent/Maintenance** – This line item shows a decrease based on the renovation projects that happened in FY 2014.

**Consultants/Contracts** – This line item shows an increase based on the increase of peace keepers for the 1115 program.

**Other Operating Expenses** – This line has an overall increase based on the operation of the 1115 programs.

**Capital Outlay-FF&E, Automobiles** – This item reflects an increase based on the expected purchase of the mobile unit for the 1115 Integrated Care program.

**Capital Outlay - Debt Service Bonds** – No change.

**TRI-COUNTY MHMR SERVICES  
PROPOSED BEGINNING FY 2015 BUDGET COMPARED TO  
CURRENT FY 2014 APPROVED BUDGET**

	<b>PROPOSED BEGINNING FY 2015 BUDGET</b>	<b>CURRENT FY 2014 APPROVED BUDGET</b>	<b>Increase (Decrease)</b>
<b>INCOME:</b>			
Local Revenue Sources	1,304,058	1,392,184	(88,126)
Earned Income	13,365,925	10,850,028	2,515,897
General Revenue	13,703,198	14,447,983	(744,785)
<b>TOTAL INCOME</b>	<b>28,373,181</b>	<b>26,690,195</b>	<b>1,682,986</b>
<b>EXPENSES:</b>			
Salaries	15,067,957	13,450,494	1,617,463
Employee Benefits	2,843,124	2,532,094	311,030
Travel-Board/Staff	477,315	422,471	54,844
Medication Expense	585,690	427,245	158,445
Building Rent/Maintenance	264,500	538,833	(274,333)
Consultants/Contracts	5,733,949	5,636,169	97,780
Other Operating Expenses	2,910,946	2,683,603	227,344
<b>TOTAL EXPENSES</b>	<b>27,883,481</b>	<b>25,690,909</b>	<b>2,192,572</b>
<b>Excess (Deficiency) of Revenues over Expenses before Capital Expenditures</b>	<b>489,700</b>	<b>999,286</b>	<b>(509,586)</b>
<b>CAPITAL EXPENDITURES</b>			
Capital Outlay - FF&E, Automobiles	489,700	432,887	56,813
Capital Outlay - Debt Services Bonds	-	-	-
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>489,700</b>	<b>432,887</b>	<b>56,813</b>
<b>GRAND TOTAL EXPENDITURES</b>	<b>28,373,181</b>	<b>26,123,796</b>	<b>2,249,386</b>
<b>Excess (Deficiency) of Revenues and Expenses</b>	<b>\$ (0)</b>	<b>\$ 566,399</b>	<b>\$ (566,400)</b>

<p><b>Agenda Item:</b> Approve Banking Services Contract with JPMorgan Chase Bank, N.A.</p> <p><b>Committee:</b> Business</p>	<p><b>Board Meeting Date</b></p> <p>August 28, 2014</p>
<p><b>Background Information:</b></p> <p>Tri-County Services has a Depository Contract with JPMorgan Chase Bank, N.A. from September 1, 2005 to August 31, 2014.</p> <p>Staff recommends that the Board approve the extension of the contract with JPMorgan Chase Bank for an additional 2 years to expire on August 31, 2016.</p>	
<p><b>Supporting Documentation:</b></p> <p>Letter to Extend Agreement with JPMorgan Chase Bank, N.A.</p>	
<p><b>Recommended Action:</b></p> <p><b>Approve Banking Services Contract Extension with JPMorgan Chase Bank, N.A.</b></p>	



*Serving individuals with mental illness  
and developmental disabilities*

August 28, 2014

Sarah E. Dunagin  
Relationship Manager  
Healthcare, Higher Education,  
and Not-for-Profit Banking  
JPMorgan Chase Bank, N.A.  
712 Main Street  
Houston, Texas 77002

RE: Depository Contract

Dear Ms. Dunagin:

Pursuant to the depository contract between Tri-County Mental Health and Mental Retardation Services ("Tri-County MHMR") beginning September 1, 2005 and ending August 31, 2008 and the three additional two year extensions through August 31, 2014 for said contract, please be advised that Tri-County MHMR hereby wishes to extend the contract for an additional 2 year period ending August 31, 2016. 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><b>Agenda Item:</b> Approve a Consulting Agreement with WhiteStone Realty for the Development of a Montgomery County Facility Consolidation Plan</p> <p><b>Committee:</b> Business</p>	<p><b>Board Meeting Date</b></p> <p>August 28, 2014</p>
<p><b>Background Information:</b></p> <p>As part of the FY 2014 Goals and Objectives, we have been working on a plan to consolidate the facilities in Montgomery County and Liberty, Texas. At the Board's Strategic Planning meeting in July, our building consultant presented preliminary plans for possible building sites in Montgomery County.</p> <p>For the next step in this process, we have asked the consultant to provide an estimate for preliminary architectural design and a feasibility study for consolidation of Montgomery County facilities. We will use these documents, after they are approved by the Board, to seek approval from the Department of Aging and Disability Services, the Department of State Health Services and County Commissioners.</p> <p>Attached is the cost estimate of \$67,000 to complete these next steps. In addition, we have attached a sample of the preliminary architectural work that will be provided.</p>	
<p><b>Supporting Documentation:</b></p> <p>WhiteStone Realty Consulting – Cost Estimate of Plans and Projections</p>	
<p><b>Recommended Action:</b></p> <p><b>Approve a Consulting Agreement with WhiteStone Realty for the Development of a Montgomery County Facility Consolidation Plan</b></p>	

# WhiteStone

## Realty Consulting

August 18, 2014

Mr. Evan Roberson  
Tri-County Services  
1506 FM 2854  
Conroe, Texas 77304

**Re: Cost estimate of plans and projections for the development of a new Tri-County facility in Montgomery County, Texas.**

Dear Mr. Roberson:

We have put together bids and cost estimates for the next phase in development of a new Tri-County facility in Montgomery County, Texas. As previously presented and discussed, several locations were identified, two of which seem to garner more interest. In moving forward, development of more specific designs and cost will require; preliminary architectural design work, site studies, cost estimates, and oversight of these processes. Following is a cost estimate of all items required for presentation to the board and other governmental entities.

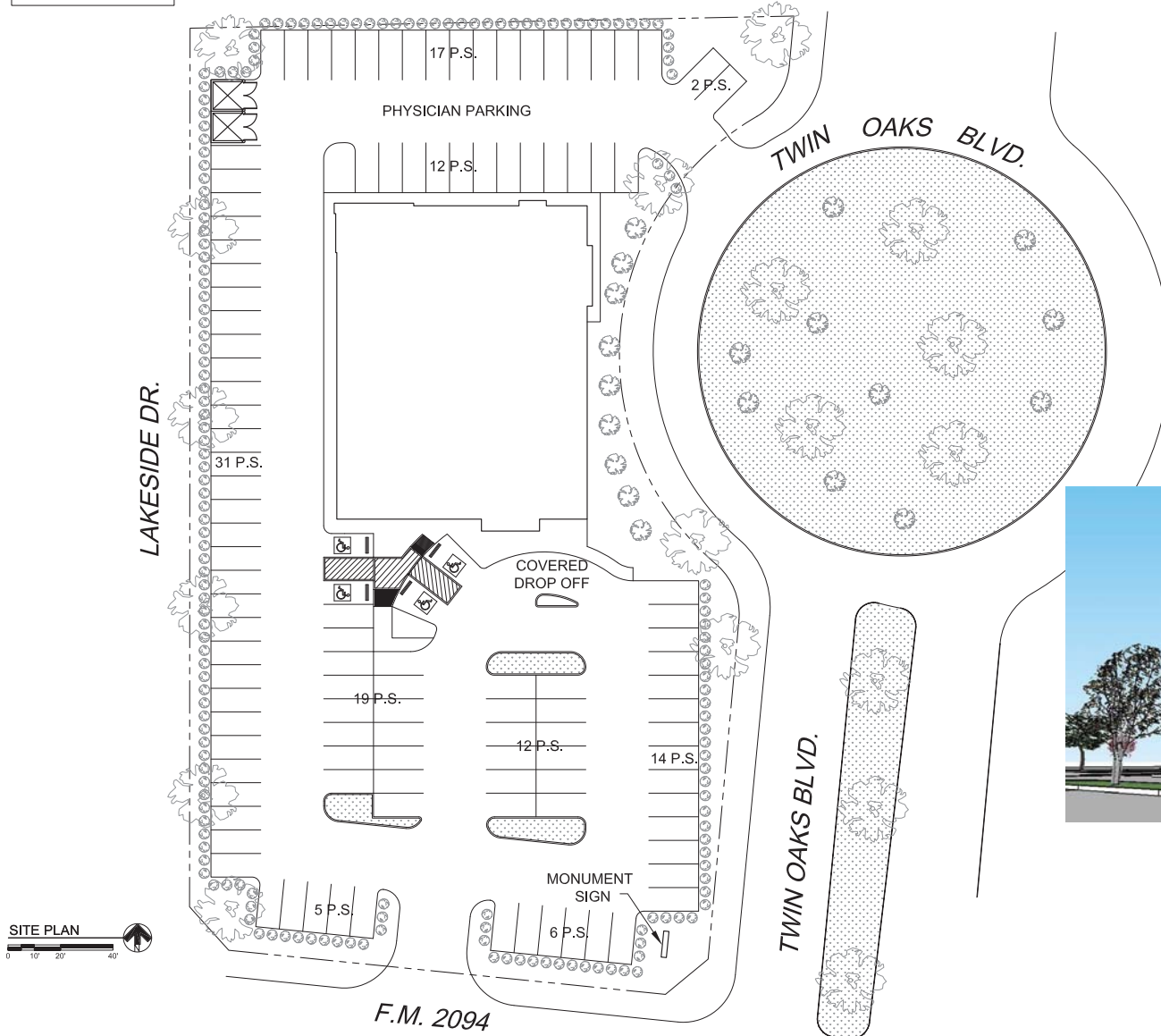
Preliminary Engineering	\$17,500.00
Architectural Schematic Design	\$26,000.00
Cost Estimates	\$ 5,000.00
Oversight	<u>\$18,500.00</u>
Total	\$67,000.00

It is intended the foregoing estimates will provide information necessary to present plans and budgets to County officials and the Tri-County Board. Upon approval to proceed by necessary all necessary parties, more in-depth architectural and engineering work will be required. However, Development cost estimates provided will include all necessary fees. Attached is a sample of architectural work provided.

If there is a question about this proposal or any other matter, please feel free to call me at (936) 890-3434 or (281)705-4558.

Respectfully submitted,  
WhiteStone Realty Consulting

22,754 SF  
118 PARKING SPACES  
(5.1 P.S./1K SF)



a master schematic development plan for

# TWIN OAKS POB

LEAGUE CITY, TX

prepared for

Goldking Realty

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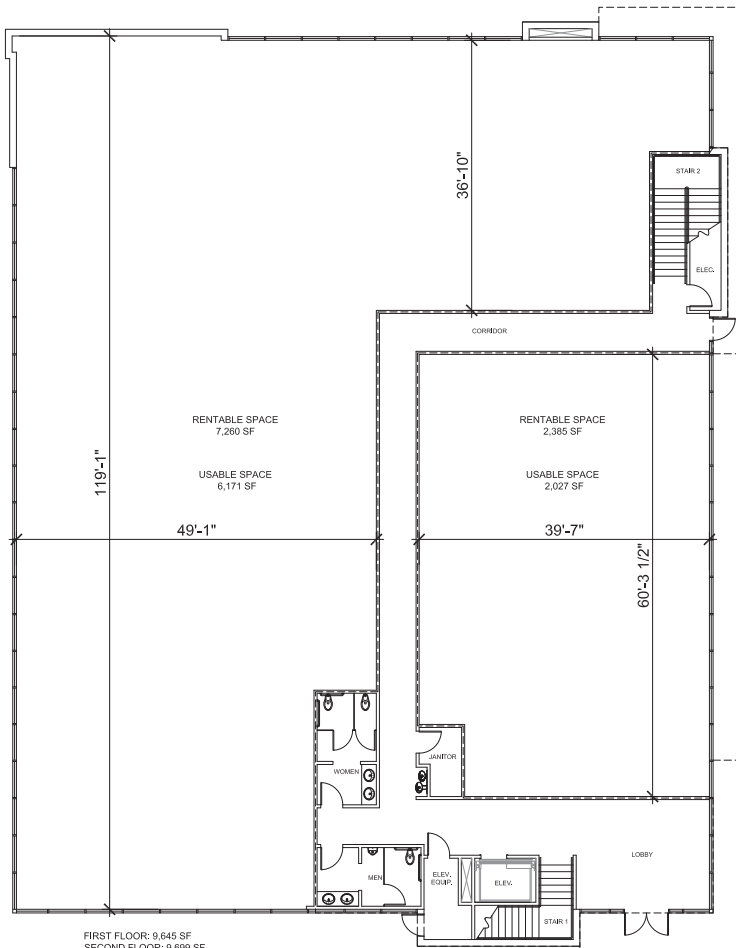
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**identity**ARCHITECTS

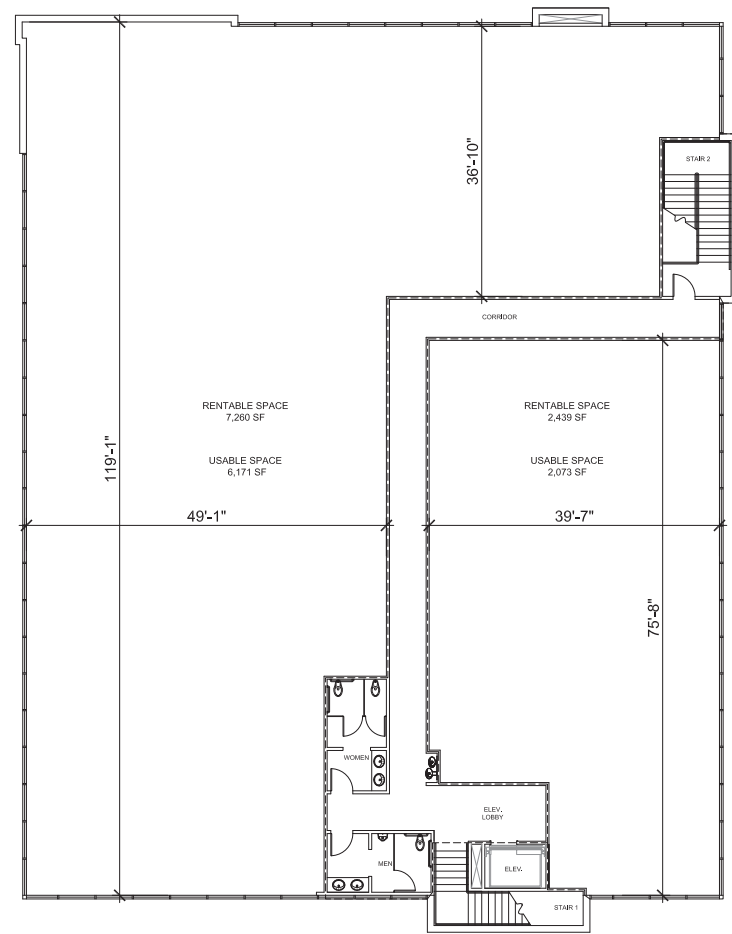
111 Travis St., Houston, TX 77002  
V. 713.595.2150 • F. 713.595.2198





FIRST FLOOR: 9,645 SF  
SECOND FLOOR: 9,699 SF  
CORE AREA: 3,410 SF (15%)  
TOTAL AREA: 22,754 SF

**01 FIRST FLOOR PLAN**  
SCALE: 1/8" = 1'-0"



**02 SECOND FLOOR PLAN**  
SCALE: 1/8" = 1'-0"

a master schematic development plan for

# TWIN OAKS POB

LEAGUE CITY, TX

prepared for

Goldking Realty

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**identityARCHITECTS**

111 Travis Street, Houston, Texas 77002  
Voice 713.595.2150, Fax 713.595.2198



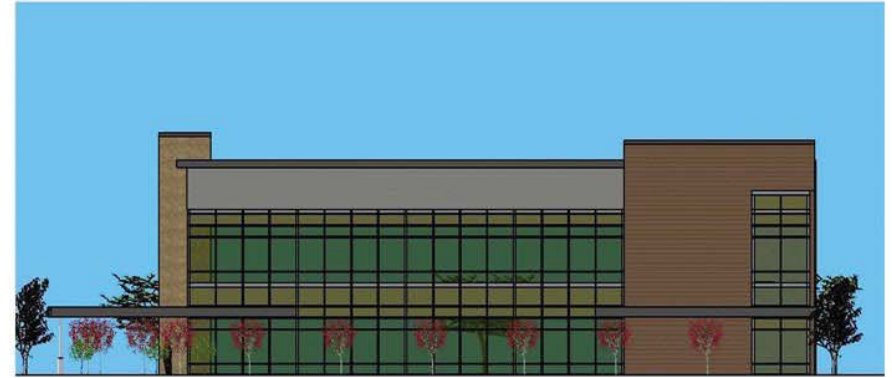








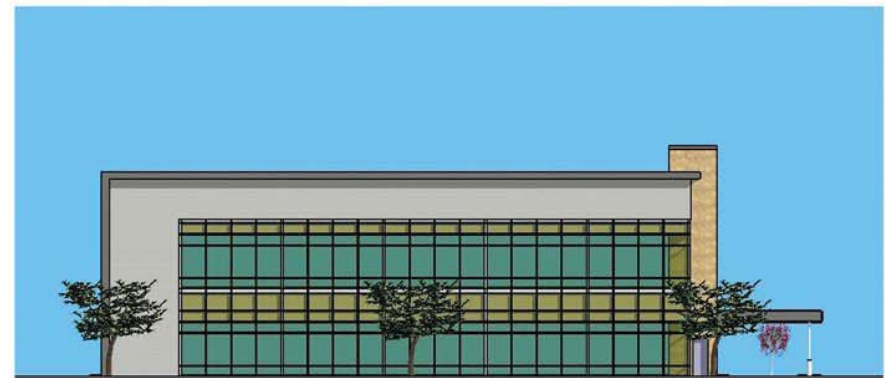
NORTH ELEVATION



EAST ELEVATION



SOUTH ELEVATION



WEST ELEVATION

<p><b>Agenda Item:</b> Select Bidder for 1115 Intensive Diversion and Evaluation Video Monitoring System</p> <p><b>Committee:</b> Business</p>	<p><b>Board Meeting Date</b></p> <p>August 28, 2014</p>
<p><b>Background Information:</b></p> <p>We will be implementing an 1115 Intensive Diversion and Evaluation (Diversion) program in the front portion of the Psychiatric Emergency Treatment Center (PETC) and start seeing clients in FY 2015.</p> <p>The Diversion program will enhance community response times for crisis episodes and, in addition, we will operate an observation unit in five offices in the front of the building. After receiving clarification from the Department of State Health Services (DSHS) earlier this year, it has become clear that our observation unit will have to meet DSHS Texas Administrative Code. We have selected an architect to design necessary building modifications and we will be going out to bid in September.</p> <p>In addition to the facility modifications, we will need to add a video monitoring system which will be used to monitor this portion of the building. These cameras will allow the staff in the program to monitor the entire area (except shower area) from two different monitoring stations. In addition, the cameras will be backed up on a Digital Video Recorder.</p>	
<p><b>Supporting Documentation:</b></p> <p>Bid Information</p>	
<p><b>Recommended Action:</b></p> <p><b>Select Bidder for 1115 Intensive Diversion and Evaluation Video Monitoring System</b></p>	



3091 College Park Drive  
Suite 240-1  
The Woodlands, Texas 77384

Quote # TC06202014-1  
Date 6/20/2014

Customer: Tri-County Services  
Contact: Terry Newberry

Quoted By: Jon Maynard  
Cell: 936-443-6549

QTY	Description	Price	Total
1	Exacq Network Video Recorder w/ 4 IP Camera License and 2TB Storage	\$ 2,386.80	\$ 2,386.80
2	Additional Exacq IP Camera License	\$ 120.36	\$ 240.72
6	3MP 360 Degree IP Video Camera with Fisheye Lens	\$ 768.15	\$ 4,608.90
2	M-Series Client Stations w 27" LCD Monitor	\$ 987.60	\$ 1,975.20
1	16 Port POE Network Switch	\$ 333.50	\$ 333.50
6	Network Camera Cable Drop	\$ 72.00	\$ 432.00
2	Remote Viewing Station Cable Drops	\$ 72.00	\$ 144.00
1	Installation and configuration of Cameras and Network Server	\$ 1,260.00	\$ 1,260.00
		\$ -	\$ -
		\$ -	\$ -
		\$ -	\$ -
		\$ -	\$ -
		\$ -	\$ -
		\$ -	\$ -
	Client Stations take up only the space needed for the 27" LCD Monitor	\$ -	\$ -
		\$ -	\$ -
	3 Year Hardware Warranty on Cameras and Network Video Recorder	\$ -	\$ -
	1 Year Parts and Labor Warranty on Client Station	\$ -	\$ -
		\$ -	\$ -

Terms: 60% Due Upon Acceptance

**Sub Total** \$ 11,381.12  
**Freight**  
**Tax** \$ 938.94  
**Total** \$ 12,320.06

Accepted By: \_\_\_\_\_  
Date: \_\_\_\_\_



# **BILL OF MATERIALS**

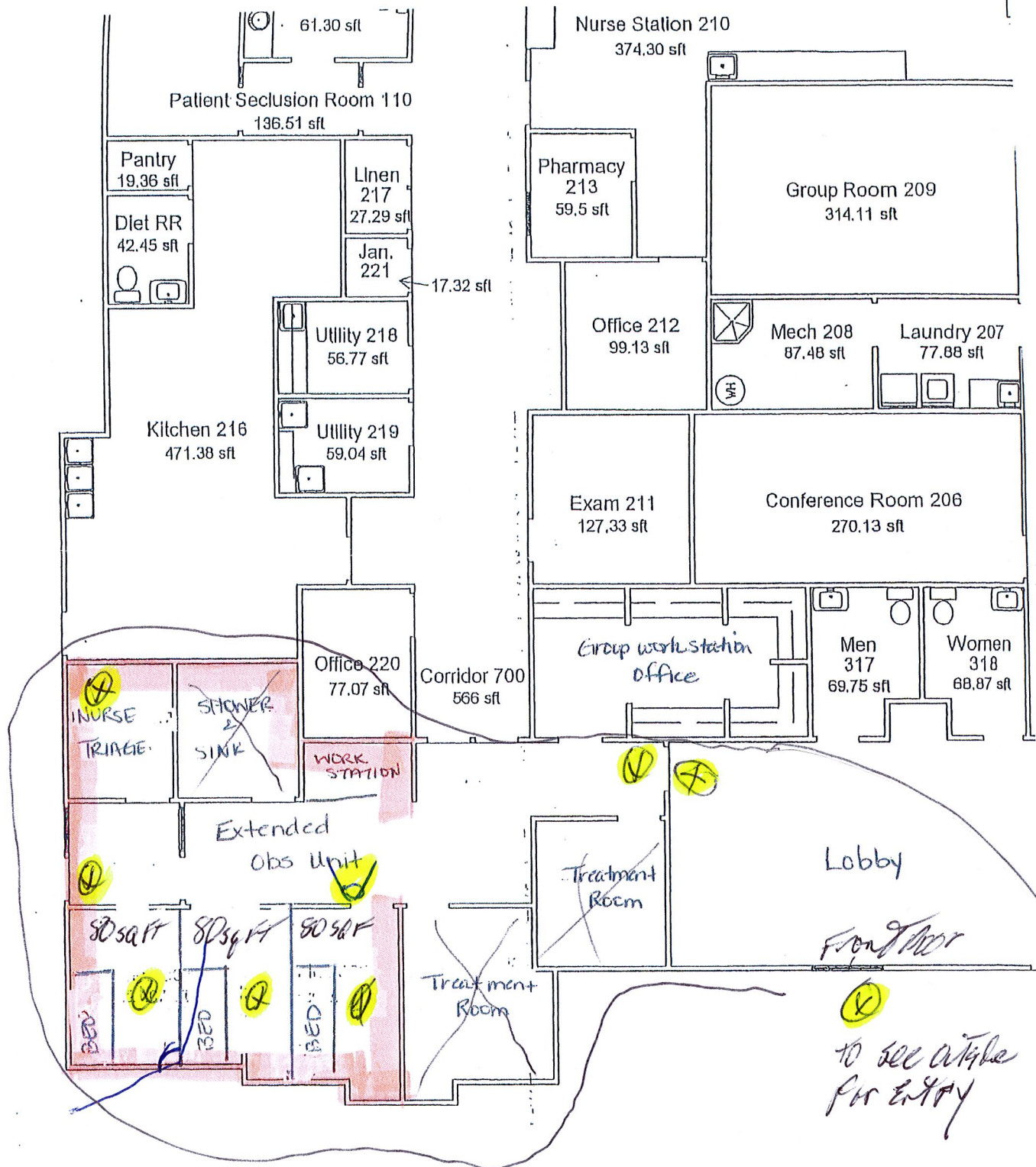
## **FOR**

## **Tri-County Services**

<u>QTY</u>	<u>UNIT</u>	<u>PART #</u>	<u>DESCRIPTION</u>	<u>SELL</u>	<u>EXT SELL</u>
<b>Genetec Software</b>					
1	EA	GSC-Om-S	GENETEC Omnicast Standard Software Package	\$472.00	\$472.00
1	EA	GSC-BASE-5.0	GENETEC Security Center (GSC) Base Package - Version 5.X	\$0.00	\$0.00
<b>Base Software:</b>					
1	EA	PKG-OMNICAST	Archiving Support (Max. 50 cameras)	\$0.00	\$0.00
1	EA	PKG-SECURITY	1 GSC Directory	\$0.00	\$0.00
5	EA	PKG-SECURITY	1 Security Desk Client Connection	\$0.00	\$0.00
<b>Connection Licenses/Optional Features:</b>					
9	EA	GSC-Om-S-1C	Omnicast Camera Connection License (1) - Standard	\$120.00	\$1,080.00
2	EA	GSC-1MOBILEU	Security Mobile App and Web Connection License	\$200.00	\$400.00
<b>Genetec SMA</b>					
1	EA	SMA-BASE-1Y	Genetec Software Maintenance Agreement (SMA) Base Package 8x5	\$320.00	\$320.00
9	EA	SMA-CAM-S-1Y	Genetec SMA for 1 Omnicast Standard/SV-16 Camera - 1 year	\$14.40	\$129.60
1	EA	PKG	Genetec Minor & Major Software Updates + Unlimited Technical Support	\$0.00	\$0.00
<b>Axis Fixed Dome Network Cameras</b>					
1	EA	0516-001	AXIS M3004-V	\$251.10	\$251.10
6	EA	0517-001	AXIS M3005-V	\$341.10	\$2,046.60
1	EA	0535-001	AXIS M3024-LVE	\$494.10	\$494.10
1	EA	0465-001	AXIS P3354 6MM	\$539.10	\$539.10
<b>Axis Mounts &amp; Accessories</b>					
1	EA	5502-361	Drop Ceiling Mount for AXIS P33 Series Clear	\$62.10	\$62.10
7	EA	5503-891	AXIS T94B01L Recessed Mount	\$52.20	\$365.40
<b>Cabling</b>					
9	EA	MISC	Cat 5e Data Cable Run (Indoor/200ft Average)	\$125.00	\$1,125.00
9	EA	GEN-C5E-4P-BL-10-O	Cat 5e 10ft Patch Cord	\$3.80	\$34.20
9	EA	GEN-C5E-4P-BL-05-O	Cat 5e 5ft Patch Cord	\$2.70	\$24.30
<b>Network Equipment</b>					
1	EA	CPEDATA	Customer to Provide & Configure Network Data Equipment as per attached specs	\$0.00	\$0.00
<b>Server/UPS/Rack</b>					
1	EA	DELLR220	Dell PowerEdge R220 - Quad Core Xeon 1220 2TB Storage 8GB Memory	\$1,601.41	\$1,601.41
1	EA	PKG	Dell 3 Year Basic HW Warranty Repair - 5x10 HW-Only, 5x10 NBD Onsite	\$0.00	\$0.00
<b>Other</b>					
1	EA	MISC	Miscellaneous Parts	\$150.00	\$150.00
					<b>\$9,094.91</b>
<b>Labor</b>					<b>\$3,930.00</b>
<b>Misc</b>					<b>\$0.00</b>
<b>Total</b>					<b>\$13,024.91</b>

DO NOT EMAIL, COPY, FAX OR REVEAL THIS INFORMATION.  
THE INFORMATION WITHIN THIS PROPOSAL IS PROPRIETARY

IMPORTANT NOTE: System requires a 20 AMP 110 Volt dedicated outlet which must be provided by your electrician.







Humble, TX 77338

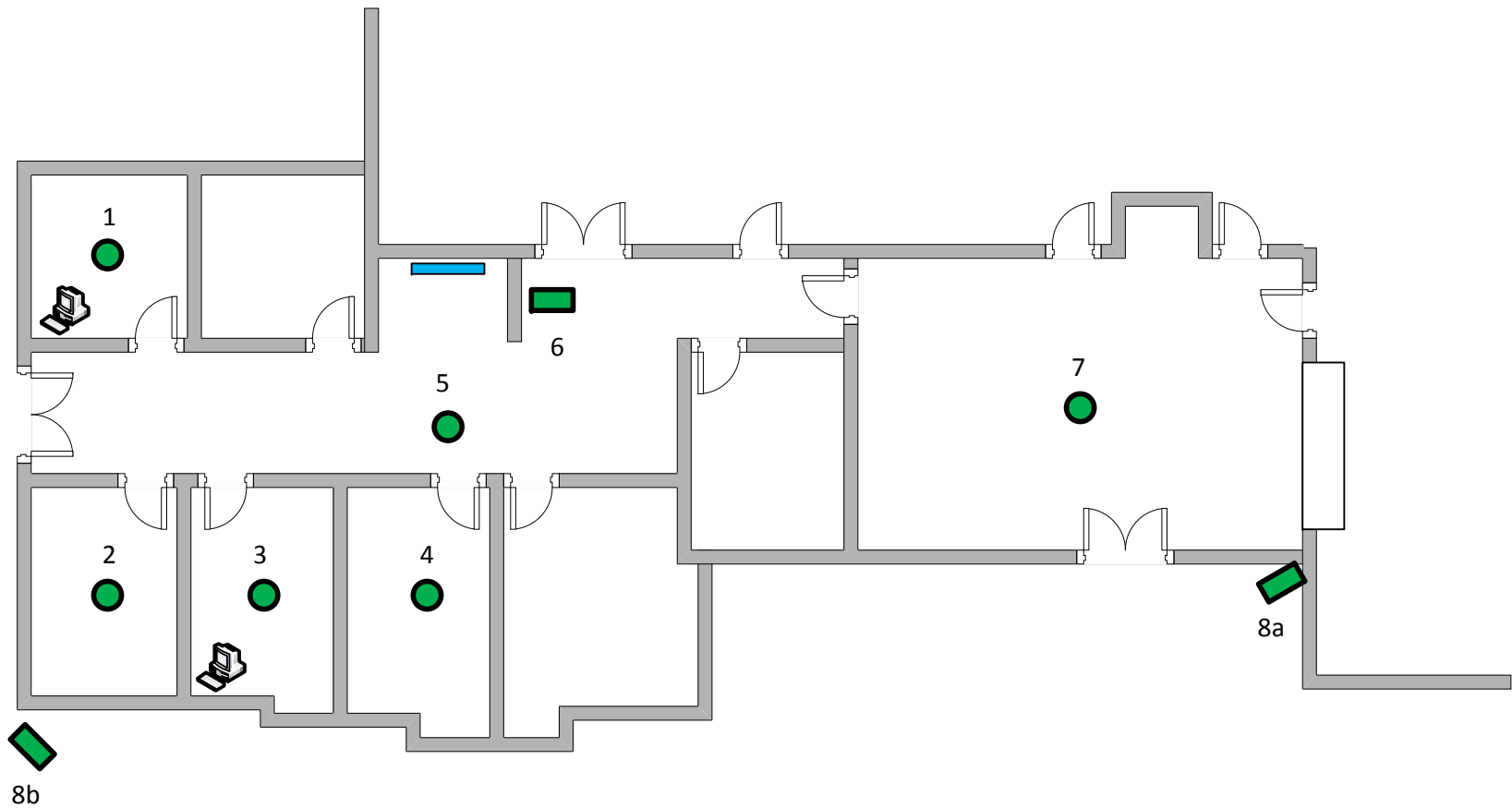
ACCEPTED BY CLIENT		ACCEPTED BY TEXTCOM	
Signature		Signature	
Name		Name	
Title		Title	

**Tri-County Services**  
**IP 360 Deg Camera Proposal**



**TEXCOM**

WWW.TEXCOM.CO  
866-824-7005  
19703B Eastex Frwy#829  
Humble, TX 77338



**Agenda Item:** Approve FY 2014 Cypress Creek Inpatient Hospital Contract Addendum

**Board Meeting Date**

August 28, 2014

**Committee:** Business

**Background Information:**

In FY 2014, Cypress Creek Hospital has been utilized frequently for Department of State Health Services (DSHS) Diversion beds. A number of individuals with acute psychiatric needs were unable to be stabilized at a state hospital. As a result, a few individuals had lengthy hospital stays at Cypress Creek Hospital. In June, DSHS awarded Tri-County with additional PESC (Psychiatric Emergency Services Contract) funding. By utilizing these funds, Tri-County was able to continue providing appropriate inpatient level of care services to individuals in need. The year to date annualized budget is projected to be approximately \$70,000 over the maximum allowance of \$650,000.

A contract amendment revision is recommended to increase the maximum allowance from \$650,000 to bring the total contract to \$720,000.

**Supporting Documentation:**

Contract Available for Review at the Board Meeting

**Recommended Action:**

**Approve Addendum to Extend the FY 2014 Cypress Creek Hospital Contract for Psychiatric Inpatient Services, an Additional Contract Maximum of \$650,000 to a total of \$720,000**

<b>Agenda Item:</b> Approve DSHS Contract #2015-046326-001: Mental Health-PATH	<b>Board Meeting Date</b>
<b>Committee:</b> Business	August 28, 2014
<b>Background Information:</b>	
<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 \$141,772 (with a required match of \$41,293 in match) represents a \$23,229 increase from FY 2014. We are required to outreach to 400 homeless individuals and to enroll 200 of these individuals in the PATH program. There are no other significant changes to the contract.</p>	
<b>Supporting Documentation:</b>	
Contract Available for Review at the Board Meeting	
<b>Recommended Action:</b>	
<b>Approve the DSHS Contract #2015-046326-001: Mental Health-PATH</b>	

<p><b>Agenda Item:</b> Approve DSHS Contract #2015-046397-001: Youth Prevention-Selective</p> <p><b>Committee:</b> Business</p>	<p><b>Board Meeting Date</b></p> <p>August 28, 2014</p>
<p><b>Background Information:</b></p> <p>Tri-County contracts with the Department of State Health Services (DSHS) to provide substance abuse prevention education to children and youth ages 7-17. These services are primarily provided in area schools during the school year.</p> <p>There are no significant changes between the FY 2015 and the FY 2014 contracts and staff recommend approval.</p>	
<p><b>Supporting Documentation:</b></p> <p>Contract Available for Review at the Board Meeting</p>	
<p><b>Recommended Action:</b></p> <p><b>Approve the DSHS Contract #2015-046397-001: Youth Prevention-Selective</b></p>	

<p><b>Agenda Item:</b> Approve FY 2015 ICF/IID Services Contract with Educare Community Living Corporation-Gulf Coast</p> <p><b>Committee:</b> Business</p>	<p><b>Board Meeting Date</b></p> <p>August 28, 2014</p>
<p><b>Background Information:</b></p> <p>Tri-County Services has eight Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICF/IID) homes for persons with intellectual and developmental disabilities in our service area. There are three homes in Montgomery County, four in Liberty County and one in Walker County. Empowerment Options, Inc. has been the provider of these services under contract with Tri-County for many years. The Board has not put the contract out for bid in many years because there has historically been no interest from other providers. In July we were notified that Empowerment had decided to sell their business to Educare Community Living Corporation-Gulf Coast (Educare). Due to the short notice regarding this sale and the difficulty in putting the contract out to bid with such notice, the contract was offered to Educare for FY 2015.</p> <p>Tri-County and Educare staff have agreed upon contract language for the FY 2015 contract period with minor adjustments. This contract was developed by Jackson Walker last year and the small changes are being reviewed by Educare are under review.</p>	
<p><b>Supporting Documentation:</b></p> <p>Contract Available for Review at the Board Meeting</p>	
<p><b>Recommended Action:</b></p> <p><b>Approve the FY 2015 ICF/IID Services Contract with Educare Community Living Corporation-Gulf Coast</b></p>	

<b>Agenda Item:</b> Approve FY 2015 Avail Solutions, Inc. Contract  <b>Committee:</b> Business	<b>Board Meeting Date</b>  August 28, 2014
<b>Background Information:</b>  <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 2015 is \$66,000, the same amount that we paid in FY 2014.</p>	
<b>Supporting Documentation:</b>  Contract Available for Review at the Board Meeting	
<b>Recommended Action:</b>  <b>Approve FY 2015 Avail Solutions, Inc. Contract for Crisis Hotline Assessment Services</b>	



<p><b>Agenda Item:</b> Approve FY 2015 Cypress Creek Inpatient Hospital Contract</p> <p><b>Committee:</b> Business</p>	<p><b>Board Meeting Date</b></p> <p>August 28, 2014</p>
<p><b>Background Information:</b></p> <p>Tri-County Services has utilized Cypress Creek Hospital for inpatient psychiatric services when the Psychiatric Emergency Treatment Center (PETC) is at capacity or the individual in need has acuity that exceeds Crisis Stabilization Unit 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, for FY 2015 Tri-County Services 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 2015 state hospital diversion beds is \$550,000. The contract for additional beds in FY 2015 is \$50,000. This figure is consistent with utilization trends observed in FY 2014. Cypress Creek hospital provides inpatient psychiatric care for adult and youth populations.</p>	
<p><b>Supporting Documentation:</b></p> <p>Contract Available for Review at the Board Meeting</p>	
<p><b>Recommended Action:</b></p> <p><b>Approve the FY 2015 Cypress Creek Hospital Contract for Inpatient Psychiatric Services</b></p>	

<p><b>Agenda Item:</b> Approve FY 2015 Kingwood Pines Inpatient Hospital Contract</p> <p><b>Committee:</b> Business</p>	<p><b>Board Meeting Date</b></p> <p>August 28, 2014</p>
<p><b>Background Information:</b></p> <p>Tri-County Services has utilized Kingwood Pines Hospital for inpatient psychiatric services when the Psychiatric Emergency Treatment Center (PETC) is at capacity or the individual in need has acuity that exceeds Crisis Stabilization Unit 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, for FY 2015 Tri-County Services 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 2015 state hospital diversion beds is \$600,000. The contract for additional beds in FY 2015 is \$50,000. This figure is consistent with utilization trends observed in FY 2014. 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><b>Supporting Documentation:</b></p> <p>Contract Available for Review at the Board Meeting</p>	
<p><b>Recommended Action:</b></p> <p><b>Approve the FY 2015 Kingwood Pines Hospital Contract for Inpatient Psychiatric Services</b></p>	

<b>Agenda Item:</b> Approve FY 2015 Contract for Dr. Frank Chen  <b>Committee:</b> Business	<b>Board Meeting Date</b>  August 28, 2014
<b>Background Information:</b>  Tri-County Services 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.  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.  Dr. Chen's contract maximum allowance for FY 2015 is \$50,000 for physician services. This figure is consistent with his utilization trends observed in FY 2014.  Tri-County's standard Community-based Services Agreement was used to draft this contract.	
<b>Supporting Documentation:</b>  Contract Available for Review at the Board Meeting	
<b>Recommended Action:</b>  <b>Approve the FY 2015 Contract for Dr. Frank Chen</b>	

<b>Agenda Item:</b> Approve FY 2015 Contract for Dr. Jerri Sethna  <b>Committee:</b> Business	<b>Board Meeting Date</b>  August 28, 2014
<b>Background Information:</b>  Tri-County Services has utilized Dr. Jerri Sethna, a psychiatrist affiliated with Kingwood Pines Hospital for many years. Dr. Sethna provides inpatient psychiatric care to child, youth and adult populations.  Dr. Sethna is the primary contractor at Kingwood Pines Hospital that works with individuals that are funded through the Department of State Health Services (DSHS) for state hospital diversion.  Dr. Sethna's contract maximum allowance for FY 2015 is \$75,000 for physician services. This figure is consistent with her utilization trends observed in FY 2014.  Tri-County's standard Community-based Services Agreement was used to draft this contract.	
<b>Supporting Documentation:</b>  Contract Available for Review at the Board Meeting	
<b>Recommended Action:</b>  <b>Approve the FY 2015 Contract for Dr. Jerri Sethna</b>	

<b>Agenda Item:</b> Board of Trustees' Unit Financial Statement for July 2014	<b>Board Meeting Date</b>
<b>Committee:</b> Business	August 28, 2014
<b>Background Information:</b>	
None	
<b>Supporting Documentation:</b>	
July 2014 Board of Trustees' Unit Financial Statement	
<b>Recommended Action:</b>	
<b>For Information Only</b>	

# Unit Financial Statement

FY 2014

	July 14 Actuals	July 14 Budgeted	Variance	YTD Actual	YTD Budget	Variance	Percent	Budget
<b>Revenues</b>								
80103998 Allocated Revenue	\$ 2,858.00	\$ 2,858.00	\$ -	\$ 31,442.00	\$ 31,442.00	\$ -	100.00%	\$ 34,300.00
Total Revenue	\$ 2,858.00	\$ 2,858.00	\$ -	\$ 31,442.00	\$ 31,442.00	\$ -	100.00%	\$ 34,300.00
<b>Expenses</b>								
80105275 Food Items	\$ 465.50	\$ 167.00	\$ 298.50	\$ 1,943.64	\$ 1,833.00	\$ 110.64	106.04%	\$ 2,000.00
80105320 Insurance-Worker Compensation	\$ 10.96	\$ 19.00	\$ (8.04)	\$ 110.65	\$ 211.00	\$ (100.35)	52.44%	\$ 230.00
80105388 Legal Fees	\$ 1,500.00	\$ 1,500.00	\$ -	\$ 16,500.00	\$ 16,500.00	\$ -	100.00%	\$ 18,000.00
80155605 Postage-Express Mail	\$ -	\$ -	\$ -	\$ 36.35	\$ -	\$ 36.35	0.00%	\$ -
80105715 Supplies-Office	\$ -	\$ -	\$ -	\$ 20.17	\$ -	\$ 20.17	0.00%	\$ -
80105736 Telephone - Air cards	\$ -	\$ 13.00	\$ (13.00)	\$ (12.77)	\$ 147.00	\$ (159.77)	0.00%	\$ 160.00
80105738 Telephone - Mobile Service	\$ -	\$ 47.00	\$ (47.00)	\$ -	\$ 513.00	\$ (513.00)	0.00%	\$ 560.00
80105750 Training	\$ -	\$ 300.00	\$ (300.00)	\$ 675.00	\$ 3,300.00	\$ (2,625.00)	20.45%	\$ 3,600.00
80105755 Travel - Local	\$ 157.04	\$ 63.00	\$ 94.04	\$ 708.96	\$ 687.00	\$ 21.96	103.20%	\$ 750.00
80105757 Travel - Non-local Mileage/Air	\$ -	\$ 350.00	\$ (350.00)	\$ 1,955.47	\$ 3,850.00	\$ (1,894.53)	50.79%	\$ 4,200.00
80105758 Travel - Non-local Hotel	\$ -	\$ 300.00	\$ (300.00)	\$ 3,485.55	\$ 3,300.00	\$ 185.55	105.62%	\$ 3,600.00
80105759 Travel - Meals	\$ -	\$ 100.00	\$ (100.00)	\$ 256.37	\$ 1,100.00	\$ (843.63)	23.31%	\$ 1,200.00
Total Expenses	\$ 2,133.50	\$ 2,859.00	\$ (725.50)	\$ 25,679.39	\$ 31,441.00	\$ (5,761.61)	81.67%	\$ 34,300.00
Total Revenue minus Expenses	\$ 724.50	\$ (1.00)	\$ 725.50	\$ 5,762.61	\$ 1.00	\$ 5,761.61	18.33%	\$ -

# UPCOMING MEETINGS

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## **September 25<sup>th</sup>, 2014 – Board Meeting**

- Approve Minutes from August 28, 2014 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 2014
- Program Updates
- Annual Corporate Compliance & Quality Management Report
- 1<sup>st</sup> Quarter FY 2014 Corporate Compliance Training
- Annual Planning Network Advisory Committee Reports
- Final FY 2014 Goals & Objectives Progress Report
- Appoint Texas Council Representative & Alternate for FY 2015
- Board of Trustees Reappointments & Oaths of Office
- Board of Trustees Committee Appointments
- Personnel Report for August 2014
- Analysis of Board Members Attendance for FY 2014 Regular & Special Called Board Meetings
- Review August 2014 Financial Statements
- 401(a) Account Review
- Board of Trustees' Unit Financial Statement for August 2014
- Montgomery Supported Housing, Inc. Update
- Cleveland Supported Housing, Inc. Update
- Other Business Committee Issues

## **October 23<sup>rd</sup>, 2014 – Board Meeting**

- Longevity Recognition Presentations
- Approve Minutes from September 25, 2014 Board Meeting
- Community Resources Report
- Consumer Services Report for September 2014
- Program
- Regional Planning Network Advisory Committee's FY 2015 Budget Review
- Personnel Report for September 2014
- Program Presentation – 1115 Waiver Program
- Approve September 2014 Financial Statements
- Cast Election ballot for the Texas Council Risk Management Fund Board of Trustees
- 4<sup>th</sup> Quarter FY 2014 Investment Report
- Board of Trustees' Unit Financial Statement for September 2014
- Other Business Committee Issues