

BILL ANALYSIS

Senate Research Center
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C.S.S.B. 1503
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Health & Human Services
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Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, there is no one entity is responsible for overseeing or coordinating all publicly funded behavioral health services for children at the state level. As such, there is no statewide effort to establish priorities, track spending, assess potential gaps and duplications, and coordinate policies specific to children's behavioral health services. The fragmented service delivery system and limited coordination among state agencies increases the risk of duplication of effort and replication of the same service delivery approach, treatment plans, service definitions, billing, processes, and reporting requirements. One of the primary obstacles for creating the system of care that is needed is the absence of a coordinated structure for funding public behavioral health services.

S.B. 1234, 76th Legislature, Regular Session, 1999, created the Texas Integrated Funding Initiative (TIFI), which developed systems of care in local communities for Texas children with serious emotional disturbance (SED) through the integration of federal, state, and local funds. In addition, S.B. 1234 created the TIFI Consortium, comprised of state agencies and family advocates to assist with TIFI's implementation. TIFI sites are expected to partner with families to plan, implement and evaluate individual service plans based on each child's behavioral health needs. From September 1, 2000, through August 31, 2006, four sites received TIFI grants awarded by the state. Each site received \$330,000 over six years for a combined total of \$1,320,000, and served approximately 220 children.

The integration of funds under TIFI has been limited; the initial state funding for TIFI included funds contributed by the child-serving state agencies. Currently, general revenue funds appropriated to the Health and Human Services Commission are transferred to the Department of State Health Services for management of TIFI contracts. TIFI sites have used TIFI grant funds and/or resources from local collaborating partners to hire facilitators to develop individual care plans; however, none of the sites currently purchase services from an integrated or blended funding pool.

C.S.S.B. 1503 creates the Children's Behavioral Health Council (council) to assume the responsibilities of the TIFI consortium. The council will design an integrated cross agency funding structure for children's behavioral health services using existing categorical and/or non-categorical federal funds, general revenue funds and/or general revenue-dedicated funds, and local funds, focusing on blended or braided funding arrangements to support systems of care. As a result, there will be an increase in the integration of funds, elimination of inefficient transfers of funds and intermediaries, and an integrated and reliable funding pool for services needed by TIFI. The bill sets forth the powers and duties of the council.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to any state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 531.251, Government Code, as follows:

Sec. 531.251. New heading: TEXAS INTEGRATED FUNDING INITIATIVE PILOT PROJECT; DEFINITION; EXPANSION PLAN. (a) Defines "council."

(a-1) Requires the Children's Behavioral Health Council (council) to develop criteria for and implement the expansion of the Texas Integrated Funding Initiative pilot project and develop local mental health care systems in communities (expansion communities) for minors who are receiving residential mental health services or who are at risk of residential placement to receive mental health services. Deletes existing text regarding the Health and Human Services Commission (commission) being required to form a consortium and related information concerning the consortium.

(b) Makes a conforming change. Deletes existing text as it relates to setting the Texas Integrated Funding initiative plan to operate in up to six communities.

SECTION 2. Amends Section 531.252(b), Government Code, to make a conforming change.

SECTION 3. Amends Section 531.253, Government Code, as follows:

Sec. 531.253. SELECTION OF EXPANSION COMMUNITIES. Authorizes the commission and the council to review proposals for expansion and approve the participation of those communities, rather than not more than six communities to participate in the initiative.

SECTION 4. Amends Section 531.254, Government Code, as follows:

Sec. 531.254. SYSTEM DEVELOPMENT COLLABORATION. Makes a conforming change.

SECTION 5. Amends Sections 531.255(a), (b), and (c), Government Code, as follows:

(a) Requires the commission and the council, rather than the Texas Department of Mental Health and Mental Retardation, to jointly monitor the progress of the expansion communities.

(b) Makes a conforming change.

(c) Makes a conforming change.

SECTION 6. Amends Section 531.421, Government Code, by adding Subdivision (3-a) to define "council."

SECTION 7. Amends Section 531.422(c), Government Code, to make conforming changes.

SECTION 8. Amends Subchapter L, Chapter 531, Government Code, by adding Sections 531.425 through 531.426, as follows:

Sec. 531.425. CHILDREN'S BEHAVIORAL HEALTH COUNCIL. (a) Provides that the council is established to provide a coordinated, comprehensive, interagency approach to the development and delivery of behavioral health services to children.

(b) Sets forth the agencies from which representatives with decision-making authority are to be appointed to the council by the chief administrative officer of the respective agency. Provides that an equal number of certain representatives of the public are to be appointed by the governor to serve on the council.

(c) Requires the members of the council to annually elect one agency representative and one public representative to serve as co-chairs.

(d) Requires the council to perform certain duties.

(e) Provides that the council is administratively attached to the commission. Requires the commission, through the commission's Office of Program

Coordination for Children and Youth, to provide administrative support and resources to the council as necessary to enable the council to perform its duties.

(f) Prohibits a public member of the council from receiving compensation for serving on the council, but entitles a public member to reimbursement for travel expenses incurred while conducting the business of the council, as provided by the General Appropriations Act.

(g) Provides that the council is not subject to Chapter 2110 (State Agency Advisory Committees).

Sec. 531.426. INTEGRATED FUNDING STRUCTURE FOR CERTAIN BEHAVIORAL HEALTH SERVICES. (a) Requires the council to design an integrated cross-agency funding structure for the provision of behavioral health services to children.

(b) Requires the council, in creating the funding structure, to consider the use of existing categorical or noncategorical federal, state, and local funds; the use of blended or braided fund arrangements; which funds should be included in the funding structure and how the funds should be structured; and the role of the local mental health authority as the local funds manager responsible for local planning and network development.

(c) Authorizes the council to hire a consultant with nationally recognized system of care expertise to assist with designing the funding structure.

(d) Requires the council to submit, not later than June 1, 2008, a report to the governor and the Legislative Budget Board that describes the funding structure designed by the council and identifies the steps necessary to implement the structures, including identification of necessary statutory changes or federal approvals.

(e) Provides that Subsection (d) and this subsection expire September 1, 2009.

SECTION 9. Amends Subchapter L, Chapter 531, Government Code, by adding Section 531.427, effective December 1, 2008, as follows:

Sec. 531.427. HOME AND COMMUNITY SERVICES FOR CHILDREN WITH SEVERE EMOTIONAL DISTURBANCES. (a) Requires the commission to maximize funding for home and community-based services for children with severe emotional disturbances by providing those services, to the greatest extent possible, through a Section 1915(c) waiver program or other Medicaid program.

(b) Requires the commission, in implementing a program to deliver services to children with severe emotional disturbances under Subsection (a), to develop a plan to assist a child receiving services delivered through the program when the child transitions out of the program.

SECTION 10. (a) Repealer: Section 531.421(3) (defines "consortium"), Government Code.

(b) Repealer: Sections 531.423 (Summary Report by Texas Integrated Funding Initiative Consortium) and 531.424 (Agency Implementation of Recommendations), Government Code, are repealed.

SECTION 11. (a) Requires the chief administrative officer of each agency listed in Section 531.425(b), Government Code, as added by this Act, to appoint, not later than October 1, 2007, the agency's representative to the council established by that section.

(b) Requires the governor to appoint the public members of the council established by Section 531.425, Government Code, as added by this Act, not later than October 1, 2007.

SECTION 12. Requires the commission, not later than December 1, 2008, to submit a report to the standing committees of the senate and house of representatives having primary jurisdiction over the state Medicaid program regarding the commission's plan for maximizing funding in accordance with Section 531.427, Government Code, as added by this Act, including detailed information regarding certain issues.

SECTION 13. Provides that the changes in law made by this Act to Subchapter G-1, Chapter 531, Government Code, do not affect the funding for or provision of services by a community participating in the Texas Integrated Funding Initiative under that subchapter before the effective date of this Act.

SECTION 14. Effective date, except as otherwise provided by this Act: September 1, 2007.