

# Local Provider Network Development Plan: Fiscal Year 2025

The Texas Health and Human Services (HHSC) requires all local mental health authorities (LMHA) and local behavioral health authorities (LBHA) complete the Local Provider Network Development (LPND) plan and submit in Word format (not PDF) to <u>Performance.Contracts@hhs.texas.gov</u> **no later than December 31, 2024**.

LMHAs and LBHAs are required to complete Part I, which includes providing baseline data about services, contracts, and documentation of the LMHA's or LBHA's assessment of provider availability; and Part III, which outlines Planning and Network Advisory Committee (PNAC) involvement and public comment.

HHSC only requires LMHAs and LBHAs to complete Part II if there are new providers interested to include procurement plans.

#### NOTES:

- This process applies only to services funded through the Mental Health Performance Contract Notebook (MH/PCN); it does not cover services funded through Medicaid Managed Care. Throughout the document, only report data for the non-Medicaid population.
- The requirements for network development pertain only to provider organizations and complete levels of care or specialty services. Local needs and priorities govern routine or discrete outpatient services and services provided by individual practitioners, and these services are not part of the assessment of provider availability or plans for procurement.
- When completing the template, ensure conciseness, specificity, and use bullet points where possible, providing information only for the period since submitting the fiscal year 2023 LPND plan and adding rows in tables as necessary for responses.

# **PART I: Required for all LMHAs and LBHAs**

## **Local Service Area**

 Provide information in table 1 about your local service area using data from the most recent Mental and Behavioral Health Outpatient Warehouse (MBOW) data set on LMHA or LBHA Area and Population Statistics, found in the MBOW's General Warehouse folder.

Population	LMHA or LBHA Data
Square miles	9,375
Population density	93
Total number of counties	7
Number of rural counties	6
Number of urban counties	1

#### Table 1: Area and Population Statistics

## **Current Services and Contracts**

- 2. Complete tables 2 through 4 to provide an overview of current services and contracts.
- 3. List the service capacity based on the most recent MBOW data set.
  - a) For levels of care (LOC), list the non-Medicaid average monthly served found in MBOW using data from the LOC-A by Center (Non-Medicaid Only and All Clients) report in the General Warehouse folder.
  - b) For residential programs, list the total number of beds and total discharges (all clients).
  - c) For other services, identify the unit of service (all clients).

- d) Estimate the service capacity for fiscal year 2025. If no change is anticipated, enter the same information previous column.
- e) State the total percent of each service contracted out to external providers in fiscal year 2024. For LOCs, do not include contracts for discrete services within those levels of care when calculating percentages.

LOC	Most recent service capacity (non- Medicaid only)	Estimated FY 2025 service capacity (non-Medicaid only)	% total non-Medicaid capacity provided by external providers in FY 2025
Adult LOC 1m	0	0	0%
Adult LOC 1s	538	538	0%
Adult LOC 2	129	129	0%
Adult LOC 3	18	18	0%
Adult LOC 4	1	1	0%
Adult LOC 5	0	0	0%

# Table 3: Service Capacity for Children's Community Mental Health ServiceLOCs

LOC	Most recent service capacity (non- Medicaid only)	Estimated FY 2025 service capacity (non- Medicaid only)	% total non-Medicaid capacity provided by external providers in FY 2025
Children's LOC 1	12	12	0%
Children's LOC 2	23	23	0%

LOC	Most recent service capacity (non- Medicaid only)	Estimated FY 2025 service capacity (non- Medicaid only)	% total non-Medicaid capacity provided by external providers in FY 2025
Children's LOC 3	7	7	0%
Children's LOC 4	0	0	0%
Children's LOC YC	2	2	0%
Children's LOC 5	0	0	0%

#### Table 4: Service Capacity for Crisis Services

Crisis Service	FY 2024 service capacity	Estimated FY 2025 service capacity	% total capacity provided by external providers in FY 2024
Crisis Hotline	2,331	2,331	100%
Mobile Crisis Outreach Teams	568	568	0%
Private Psychiatric Beds	835	835	100%
Community Mental Health Hospital Beds	1,242	1,242	100%
Contracted Psychiatric Beds (CPBs)	0	52	100%
Extended Observation Units (EOUs)	N/A	N/A	N/A
Crisis Residential Units (CRUs)	N/A	N/A	N/A

Crisis Service	FY 2024 service capacity	Estimated FY 2025 service capacity	% total capacity provided by external providers in FY 2024
Crisis Stabilization Units (CSUs)	212	0	100%
Crisis Respite Units (CRUs)	12 beds/night	12 beds/night	0%

- 4. List all contracts for fiscal year 2025 in the tables 5 and 6. Include contracts with provider organizations and individual practitioners for discrete services.
  - a) In tables 5 and 6, list the name of the provider organization or individual practitioner. LMHAs or LBHAs must have written consent to include names of individual peer support providers. State the number of individual peers (e.g., "3 individual peers") for peer providers that do not wish to have their names listed.
  - b) List the services provided by each contractor, including full levels of care, discrete services (such as Cognitive Behavioral Therapy, physician services, or family partner services), crisis and other specialty services, and support services (such as pharmacy benefits management, laboratory, etc.).

Provider Organization	Service(s)
AVAIL Solutions	24-Hour Crisis Hotline
Cedar Crest Hospital	Inpatient Psychiatric Services
Coke County	Funding for Mental Health Deputy
Concho County	Funding for Mental Health Deputy
Crockett County	Funding for Mental Health Deputy

#### **Table 5: Provider Organizations**

Provider Organization	Service(s)
Family Partner	1 Family Partner
FasPsych	Telehealth Providers
East Texas Behavioral Health Network	Telehealth Providers, Utilization Management, Pharmacy, Medical Director Services
Peer Provider	1 Peer Provider
Reagan County	Funding for Mental Health Deputy
Shannon Behavioral Health	Inpatient Psychiatric Services
Shannon Rivercrest Hospital	Inpatient Psychiatric Services
Shannon Clinic	Primary Care Services
Shannon Hospital	Laboratory Services
Sterling County	Funding for Mental Health Deputy
Tom Green County	Funding for Mental Health Deputy
West Texas Counseling and Guidance	CBT Counseling; Zero Suicide Initiative
Sing Your Way Home	Music Therapy
Sonrisas Riding Trails	Therapeutic Riding
Scenic Mountain Behavioral Health Unit	Inpatient Psychiatric Services
Carma Health	Telehealth providers

#### **Table 6: Individual Practitioners**

Individual Practitioner	Service(s)
Corinna Flemming	Therapeutic Recreational Therapy
Kaitlyn Phillis	Music Therapy
	Competency Examination and Evaluation Services

## **Administrative Efficiencies**

- 5. Using bullet format, describe the strategies the LMHA or LBHA is using to minimize overhead and administrative costs and achieve purchasing and other administrative efficiencies, as required by the state legislature (see Appendix C).
  - MHMRCV continually seeks the best rates for utilities.
  - MHMRCV monitors telecommunications expenses for unused lines/extensions and best value for smart phones.
  - MHMRCV installs and monitors programmable thermostats to conserve energy cost.
  - MHMRCV utilizes Center procedures for competitive bidding process.
  - MHMRCV has replaced inefficient lighting/ballast with new more efficient alternatives.
  - MHMRCV has a Professional Services Agreement with Enterprise Fleet Management to reduce cost for vehicles; reducing maintenance costs as well as reduced fuel costs.
  - MHMRCV utilizes the Patient Assistance Programs & sample medications to reduce costs for needed medications.
  - MHMRCV works with telehealth providers to seek the best rates for psychiatric services.

- MHMRCV administrative staff actively works to address no-show rates at adult and children's clinics.
- List partnerships with other LMHAs and LBHAs related to planning, administration, purchasing, and procurement or other authority functions, or service delivery in table 7. Include only current and ongoing partnerships.

Start Date	Partner(s)	Functions
1980s		Joined with other Centers in the Texas Council Risk Management Fund to achieve best costs for insurance, legal consultation, and staff training and development.
	Network Membership includes: Betty Hardwick Center, PermiCare,	Medicaid Managed Care rate setting, insurance contracting consumer benefits, CCBHC Certification, 1115 Medicaid Waiver (PHP-CCP & BHS-DPP), Strategic Planning.

#### Table 7: LMHA or LBHA Partnerships

Start Date	Partner(s)	Functions
2019	All Texas Access, Big Spring State Hospital Regional Group: Membership includes the following LMHAs: Betty Hardwick Center, PermiCare, West Texas Centers, Central Plains Center, StarCare, Emergence Health Network & Concho Valley.	<ul> <li>MHMRCV participates in the All Texas Access Big Spring State Hospital Regional Group led by HHSC in accordance with Senate Bill 454 and prior 633, in order to address the following goals through identification of ideas and efficiencies through collaboration with the regional group:</li> <li>Cost to local governments of providing services to people experiencing a mental health crisis;</li> <li>Transportation of people served by an LMHA or LBHA to mental health facilities;</li> <li>Incarceration of people with mental illness in county jails; and</li> <li>Hospital Emergency room visits by people with mental illness.</li> </ul>

## **Provider Availability**

The LPND process is specific to provider organizations interested in providing full LOCs to the non-Medicaid population or specialty services. It is not necessary to assess the availability of individual practitioners. Procurement for the services of individual practitioners is governed by local needs and priorities.

7. Using bullet format, describe steps the LMHA or LBHA took to identify potential external providers for this planning cycle. Be as specific as possible.

For example, if you posted information on your website, explain how providers were notified the information was available. Describe contacts with your existing network, Managed Care Organizations, past providers and other behavioral health providers and organizations in the local service area via phone and email. Include information on meetings with stakeholders, networking events and input from your PNAC about local providers.

- HHSC website.
- Contracted current & former providers.
- Communication with providers and stakeholders via email, phone calls, face to face and community agency meetings.
- Information about activities and procurement posted on the MHMRCV website and social media.
- When issuing an RFA or RFB, interested entities are contacted via an email with RFB information.
- As a unit of local government MHMRCV is a member of The Interlocal Purchasing System (TIPS). TIPS is utilized for services such as roofing, facility painting, remodeling, flooring, etc.
- 8. Complete table 8 by listing each potential provider identified during the process described above. Include all current contractors, provider organizations that registered on the HHSC website, and provider organizations that have submitted written inquiries since submission of the fiscal year 2023 LPND plan. HHSC will notify an LMHA or LBHA if a provider expresses interest in contracting via the HHSC website. HHSC will accept new provider inquiry forms through the HHSC website from September 1, 2024, through December 1, 2024. When completing the table:
  - Note the source used to identify the provider (e.g., current contract, HHSC website, LMHA or LBHA website, e-mail, written inquiry).
  - Summarize the content of the follow-up contact described in Appendix A. If the provider did not respond to your invitation within 14 days, document your actions and the provider's response. In the

final column, note the conclusion regarding the provider's availability. For those deemed to be potential providers, include the type of services the provider can provide and the provider's service capacity.

Do not finalize your provider availability assessment or post the LPND plan for public comment before September 1, 2024.

Provider	Source of Identification	Summary of Follow- up Meeting or Teleconference	Assessment of Provider Availability, Services, and Capacity
West Texas Counseling and Guidance		the continuation of the existing contract. Agreement to renew the existing contract for counseling services	Professional Counselors who are CBT trained and offer
Shannon Behavioral Health		mails to discuss the continuation of the existing contract for psychiatric inpatient beds. Agreement to renew the existing contract.	Provider is able to provide 24-hour professional monitoring, supervision, and assistance to assure safety/security during acute psychiatric crisis.

#### **Table 8: Potential Providers**

Provider	Source of Identification	Summary of Follow- up Meeting or Teleconference	Assessment of Provider Availability, Services, and Capacity
Shannon Rivercrest Hospital	Current Provider	mails to discuss the continuation of the existing contract for psychiatric inpatient beds. Agreement to renew the existing contract.	Provider is able to provide 24-hour professional monitoring, supervision, and assistance to assure safety/security during acute psychiatric crisis.
East Texas Behavioral Health Network	Current Provider	face-to-face meetings to discuss the contract opportunity for pharmacy, medical director, utilization review, tele-psychiatry services. Contract awarded.	patient population with various psychiatric and primary care
AVAIL Solutions, Inc.	Current Provider	calls with the Director regarding continuing	· ·

Provider	Source of Identification	Summary of Follow- up Meeting or Teleconference	Assessment of Provider Availability, Services, and Capacity
Shannon Clinic	Current Provider	mails to discuss the continuation of the existing contract for primary care PA	Provider is able to deliver primary care prescribing provider, lab and ancillary services in the amount needed.
Shannon Hospital	Current Provider	mails to discuss the continuation of the existing contract for	Provider is able to deliver phlebotomy services on-site at our clinic's location at the designated times.
Language Line Solutions	Current Provider	calls with provider to discuss feasibility of using services available for translation purposes. Agreement to work with Language Line Solutions.	Provider offers phone interpreter services in over 240+ languages available 24/7. Provider offers video interpreting services available for LEP and Deaf and Hard of Hearing; available 24/7.

Provider	Source of Identification	Summary of Follow- up Meeting or Teleconference	Assessment of Provider Availability, Services, and Capacity
Coke County	Current Provider	Phone calls, e-mails, face-to-face meetings to discuss the contract opportunity for Mental Health Deputy services. Agreement to enter into the contract.	Deputy services to
Concho County	Current Provider	Phone calls, e-mails, face-to-face meetings to discuss the contract opportunity for Mental Health Deputy services. Agreement to enter into the contract.	Deputy services to
Crockett County	Current Provider	Phone calls, e-mails, face-to-face meetings to discuss the contract opportunity for Mental Health Deputy services. Agreement to enter into the contract.	Deputy services to
Reagan County	Current Provider	Phone calls, e-mails, face-to-face meetings to discuss the contract opportunity for Mental Health Deputy services. Agreement to enter into the contract.	Deputy services to

Provider	Source of Identification	Summary of Follow- up Meeting or Teleconference	Assessment of Provider Availability, Services, and Capacity
Sterling County	Current Provider	Phone calls, e-mails, face-to-face meetings to discuss the contract opportunity for Mental Health Deputy services. Agreement to enter into the contract.	Deputy services to
Tom Green County	Current Provider	Phone calls, e-mails, face-to-face meetings to discuss the contract opportunity for Mental Health Deputy services. Agreement to enter into the contract.	Deputy services to
FasPsych	Current Provider	mails to discuss the contract opportunity	Provider is able to deliver telepsychiatry services in the amount needed.
Sonrisas Riding Trails	Current Provider	mails to discuss the contract opportunity	Provider is able to deliver therapeutic riding services in the amount needed.

Provider	Source of Identification	Summary of Follow- up Meeting or Teleconference	Assessment of Provider Availability, Services, and Capacity
Sing Your Way Home	Current Provider	calls with provider to discuss feasibility of	Provider is able to provide music therapy services in the amount needed.
Hands Up Interpreting & Consulting	Current Provider	calls with provider to discuss feasibility of using services available for translation purposes. Agreement to work with Hands Up Interpreting &	Provider offers phone interpreter services in over 240+ languages available 24/7. Provider offers video interpreting services available for LEP and Deaf and Hard of Hearing; available 24/7.
Jelly Nonprofit Consulting	Current Provider		Provider offers grant writing services.
Joel Carr, Ph.D.	Current Provider	and face to face meetings to discuss quality improvement	Provider offers quality improvement services and licensed supervision for LPC-a, LMSW, & LCDC.

Provider	Source of Identification	Summary of Follow- up Meeting or Teleconference	Assessment of Provider Availability, Services, and Capacity
New Quest IT Solutions	Current Provider		Provider offers Information Technology Services.
CARMAhealth	E-mail		Provider is able to deliver telepsychiatry services in the amount needed.
Dr. Leana Talbott	E-mail		Provider is licensed and skilled to provide Competency Examination and Evaluation Services for the Jail-Based Competency Restoration
Cedar Crest Hospital	Current Provider	mails to discuss the continuation of the existing contract for psychiatric inpatient beds. Agreement to renew the existing contract.	Provider is able to provide 24-hour professional monitoring, supervision, and assistance to assure safety/security during acute psychiatric crisis.

Provider	Source of Identification	Summary of Follow- up Meeting or Teleconference	Assessment of Provider Availability, Services, and Capacity
Scenic Mountain Hospital	Current Provider	mails to discuss the continuation of the existing contract for	Provider is able to provide 24-hour professional monitoring, supervision, and assistance to assure safety/security during acute psychiatric crisis.

# Part II: Required only for LMHAs and LBHAs with potential for network development

### **Procurement Plans**

If the assessment of provider availability indicates potential for network development, the LMHA or LBHA must initiate procurement.

26 Texas Administrative Code (TAC) Chapter 301, Local Authority Responsibilities, Subchapter F, Provider Network Development describes the conditions under which an LMHA or LBHA may continue to provide services when there are available and appropriate external providers. Include plans to procure complete levels of care or specialty services from provider organizations. Do not include procurement for individual practitioners to provide discrete services.

- 9. Complete table 9, inserting additional rows as need.
  - a) Identify the service(s) to be procured. Make a separate entry for each service or combination of services that will be procured as a separate contracting unit. Specify Adult or Child if applicable.
  - b) State the capacity to be procured, and the percent of total capacity for that service.
  - c) State the method of procurement—open enrollment Request for Application (RFA) or request for proposal (RFP).
  - d) Identify the geographic area for which the service will be procured: all counties or name selected counties.
  - e) Document the planned begin and end dates for the procurement, and the planned contract start date.

 Table 9: Procurement Plans

Service or Combination of Services to be Procured		Method (RFA or RFP)	Geographic Area(s) in Which Service(s) will be Procured	Posting Start Date	Posting End Date	Contract Start Date
YES Waiver Specialized Services for Children	100%	RFA	MHMRCV 7 County Catchment Area	Open	Continuous	Open

## **Rationale for Limitations**

Network development includes the addition of new provider organizations, services, or capacity to an LMHA's or LBHA's external provider network.

- Complete table 10 based on the LMHA's or LBHA's assessment of provider availability. Review <u>26 TAC Section 301.259</u> carefully to be sure the rationale addresses the requirements specified in the rule (See Appendix B).
  - a) Based on the LMHA's or LBHA's assessment of provider availability, respond to each of the following questions.
  - b) If "yes" is answered for any restriction identified in table 10, provide a clear rationale.
  - c) If the restriction applies to multiple procurements, the rationale must address each of the restricted procurements or state that it is applicable to all the restricted procurements.
  - d) The rationale must provide a basis for the proposed level of restriction, including the volume of services to be provided by the LMHA or LBHA.

**Table 10: Procurement Limitations** 

		Yes	No	Rationale
1.	Are there any services with potential for network development that are not scheduled for procurement?		Х	
2.	Are any limitations being placed on percentage of total capacity or volume of services external providers will be able to provide for any service?		Х	There are no local providers that can provide the full HHSC's service array. Wherever applicable, MHMRCV contracts with external providers that can assist in meeting service delivery capacity
3.	Are any of the procurements limited to certain counties within the local service area?		Х	Most procurements are aimed at Tom Green County as it has the largest population. All other counties are rural.
4.	Is there a limitation on the number of providers that will be accepted for any of the procurements?		Х	

11. Complete table 11 if the LMHA or LBHA will not be procuring all available capacity offered by external contractors for one or more services and identify the planned transition period and the year in which the LMHA or

LBHA anticipates procuring the full external provider capacity currently available (not to exceed the LMHA's or LBHA's capacity).

**Table 11: Procurement Transitions** 

Service	Transition Period	Year of Full Procurement
N/A	N/A	N/A

## **Capacity Development**

- 12. In table 12, document the LMHA's or LBHA's procurement activity since the submission of the fiscal year 2023 LPND plan. Include procurements implemented as part of the LPND plan and any other procurements for full LOCs and specialty services that have been conducted.
  - a) List each service separately, including the percent of capacity offered and the geographic area in which the service was procured.
  - b) State the results, including the number of providers obtained and the percent of service capacity contracted because of the procurement. If no providers were obtained because of procurement efforts, state "none."

#### **Table 12: Procurement Activities**

Year	Procurement (Service, % of Capacity, Geographic Area)	Results (Providers and Capacity)
N/A	N/A	N/A

## **PART III: Required for all LMHAs and LBHAs**

## **PNAC Involvement**

13. Complete table 13 to show PNAC involvement. PNAC activities should include input into the development of the plan and review of the draft plan. Briefly document the activity and the committee's recommendations. Add additional lines as needed.

Date	PNAC Activity and Recommendations
03/22/23	Reviewed six provider contracts – committee reviewed the evaluation for each provider and recommendation to continue with providers. FY '23 HHSC Comprehensive Mental Health Review Report of Findings & CAP. Fourteen Quality Management items reviewed – no recommendations. HHSC Vocational Apprenticeship Program review and input requested – no recommendations. HHSC IDD ISS implementation review and input requested – no recommendations.
08/23/23	Reviewed nine provider contracts – committee reviewed the evaluation for each provider and recommendation to continue with providers. Eleven Quality Management items reviewed – no recommendations. Review and input requested on the FY '24 Operating Budget – no recommendations. Review and input requested on a proposal for a Behavioral Health Diversion Center – no recommendations.
09/27/23	Reviewed six provider contracts – committee reviewed the evaluation for each provider and recommendation to continue with providers. Twelve Quality Management items reviewed – no recommendations, report accepted. Review and input on the outcome of the LIDDA QM review – report accepted with no recommendations. Review of new performance contract deliverable, Emergency Decertification Plan – report accepted as presented.

#### **Table 13: PNAC Involvement**

Date	PNAC Activity and Recommendations	
01/29/24	Reviewed thirteen provider contracts – committee reviewed the evaluation for each provider and recommendation to continue with providers. Nine Quality Management items reviewed – no recommendations. FY '24 ADA Self- evaluation and Transition Plan review and discussion. FY '24 Cultural and Linguistic Competence Plan review and discussion. FY '24 – FY '25 Corporate Compliance Plan review and discussion. Review of Needs Capacity Assessment Mental Health Grant for Justice Involved Individuals – the PNAC noted the importance of this initiative and had no further recommendations.	
03/27/24	Reviewed twelve provider contracts – committee reviewed the evaluation for each provider and recommendation to continue with providers. Five Quality Management items reviewed – no recommendations. IDD Services Quality Assurance items reviewed – no recommendations. Outcome of the Children's Mental Health YES Waiver Review – no recommendations.	
08/21/24	Reviewed twenty-four provider contracts – committee reviewed the evaluation for each provider and recommendation to continue with providers. Twelve Quality Management items reviewed – no recommendations. FY '25 – '26 LMHA Quality Management Plan reviewed and discussed. FY '25 – '26 LIDDA Quality Management Plan reviewed and discussed. No recommendations.	
12/05/24	LPND draft posted on MHMRCV website for public comments.	
12/19/24	FY '25 LPND document reviewed by PNAC at scheduled meeting. There were no additional comments or suggested revisions to the LPND.	
12/31/24	There were no public comments on the LPND draft that was posted on the MHMR Concho Valley website.	

# **Stakeholder Comments on Draft Plan and LMHA or LBHA Response**

Allow at least 30 days for public comment on draft plan. Do not post plans for public comment before September 1, 2024.

In table 14, summarize the public comments received on the LMHA's or LBHA's draft plan. If no comments were received, state "none". Use a separate line for each major point identified during the public comment period and identify the

stakeholder group(s) offering the comment. Add additional lines as needed. Describe the LMHA's or LBHA's response, which might include:

- Accepting the comment in full and making corresponding modifications to the plan;
- Accepting the comment in part and making corresponding modifications to the plan; or
- Rejecting the comment. Please provide explanation for the LMHA's or LBHA's rationale for rejecting comment.

#### Table 14: Public Comments

Comment	Stakeholder Group(s)	LMHA or LBHA Response and Rationale
None	N/A	N/A

Complete and submit entire plan to <u>Performance.Contracts@hhs.texas.gov</u> by **December 31, 2024**.

# **Appendix A: Assessing Provider Availability**

Provider organizations can indicate interest in contracting with an LMHA or LBHA through the <u>LPND website</u> or by contacting the LMHA or LBHA directly. On the LPND website, a provider organization can submit a Provider Inquiry Form that includes key information about the provider. HHSC will notify both the provider and the LMHA or LBHA when the Provider Inquiry Form is posted.

During its assessment of provider availability, it is the responsibility of the LMHA or LBHA to contact potential providers to schedule a time for further discussion. This discussion provides both the LMHA or LBHA and the provider an opportunity to share information so both parties can make a more informed decision about potential procurements.

The LMHA or LBHA must work with the provider to find a mutually convenient time for an informational meeting. If the provider does not respond to the invitation or is not able to accommodate a teleconference or a site visit within 14 days of the LMHA's or LBHA's initial contact, the LMHA or LBHA may conclude that the provider is not interested in contracting with the LMHA or LBHA.

If the LMHA or LBHA does not contact the provider, the LMHA or LBHA must assume the provider is interested in contracting with the LMHA or LBHA.

An LMHA or LBHA may not eliminate the provider from consideration during the planning process without evidence the provider is no longer interested or is not qualified of specified provider services in accordance with applicable state and local laws and regulations.

# **Appendix B: Guidance on Conditions Permitting LMHA and LBHA Service Delivery**

In accordance with <u>26 TAC Section 301.259</u> an LMHA or LBHA may only provide services if one or more of the following conditions is present.

- 1. The LMHA or LBHA determines that interested, qualified providers are not available to provide services in the LMHA's or LBHA's service area or that no providers meet procurement specifications.
- The network of external providers does not provide the minimum level of individual choice. A minimal level of individual choice is present if a person and their legally authorized representative(s) can choose from two or more qualified providers.
- 3. The network of external providers does not provide people with access to services that is equal to or better than the level of access in the local network, including services provided by the LMHA or LBHA, as of a date determined by the department. An LMHA or LBHA relying on this condition must submit the information necessary for the department to verify the level of access.
- 4. The combined volume of services delivered by external providers is not sufficient to meet 100 percent of the LMHA's or LBHA's service capacity for each level of care identified in the LMHA's or LBHA's plan.
- 5. Existing agreements restrict the LMHA's or LBHA's ability to contract with external providers for specific services during the two-year period covered by the LMHA's or LBHA's plan. If the LMHA or LBHA relies on this condition, the department shall require the LMHA or LBHA to submit copies of relevant agreements.
- 6. The LMHA and LBHA documents that it is necessary for the LMHA or LBHA to provide specified services during the two-year period covered by the LMHA's or LBHA's plan to preserve critical infrastructure needed to ensure continuous provision of services. An LMHA or LBHA relying on this condition must:
  - a) Document that it has evaluated a range of other measures to ensure continuous delivery of services, including but not limited to those

identified by the PNAC and the department at the beginning of each planning cycle;

- b) Document implementation of appropriate other measures;
- c) Identify a timeframe for transitioning to an external provider network, during which the LMHA or LBHA shall procure an increasing proportion of the service capacity from external provider in successive procurement cycles; and
- d) Give up its role as a service provider at the end of the transition period if the network has multiple external providers and the LMHA or LBHA determines that external providers are willing and able to provide sufficient added service volume within a reasonable period of time to compensate for service volume lost should any one of the external provider contracts be terminated.

# **Appendix C: Legislative Authority**

## 2022-23 General Appropriations Act, Senate Bill 1, 87th Legislature, Regular Session, 2021 (Article II, HHSC, Rider 139)

**Efficiencies at Local Mental Health Authorities and Intellectual Disability Authorities.** HHSC shall ensure that LMHAs, LBHAs and local intellectual disability authorities that receive allocations from the funds appropriated above to HHSC shall maximize the dollars available to provide services by minimizing overhead and administrative costs and achieving purchasing efficiencies. The Legislature also intends that each state agency which enters into a contract with or makes a grant to local authorities does so in a manner that promotes the maximization of thirdparty billing opportunities, including to Medicare and Medicaid.

Funds appropriated above to HHSC in Strategies I.2.1, Long-Term Care Intake and Access, and F.1.3, Non-Medicaid IDD Community Services, may not be used to supplement the rate-based payments incurred by local intellectual disability authorities to provide waiver or ICF/IID<sup>a</sup> services.

<sup>&</sup>lt;sup>a</sup> ICF/IID - Intermediate Care Facilities for Individuals with an Intellectual Disability