

CEO REPORT

"Working Together To Help People Help Themselves"



MARCH 26, 2025

89th Legislative Session

Budget Analysis

Both the Senate Finance Committee (SFC) & the House Appropriations Committee (HAC) continue to work through the FY26-27 biennial budget process.

IDD

Of note, both the Senate & the House updated Rider 23 proposals regarding Attendant

Compensation, which includes IDD Direct Support Professionals. The current proposals are:

- **Senate:** \$12.44 per hour for community attendants (including IDD direct support professionals), 14% benefits, and additional \$0.24 per hour for administrative rate.
- **House:** \$14.28 per hour for community attendants, \$17.50 per hour for IDD direct support professionals, 14% benefits, and additional \$0.48 per hour for administrative rate.

Additionally:

- Both the Senate & House have added \$71,964,470 to reduce Medicaid Waiver Interest Lists (HCS & TxHML in particular).
- There is no increase in IDD general revenue.
- The Senate has added \$2M for 5 new sites for Outpatient BH Services for IDD. The House has added \$14,564,494, that includes \$13.6M for 34 additional sites at \$200K per team per year. Currently 5 large Community Centers are funded for outpatient BH services for individuals with a dual diagnosis of IDD & MH.

Mental Health

- Adult MH - \$76,135,227 decrease & Children's MH - \$13,589,592 decrease due to Federal reduction of COVID funding & MH Block grant funds in both the Senate & House.
- Community MH Crisis - \$51,506,075 decrease due to Federal reduction to COVID funding & MH Block grant funds in both the Senate & House. However, both branches provided an increase of \$11,723,274 per year for crisis stabilization facilities in the community. All of these are in other areas of the State: \$4.5M per year increase for Galveston County Crisis Stabilization Services; \$1.25M per year for crisis stabilization facility serving Montgomery, Walker & Liberty counties; & \$6M per year for MH Community Hospitals for crisis stabilization facilities.
- Community MH Grant Programs: Both branches fully funded all of these grants. In particular to MHMRCV is the HB13 CMHG program that is our Crisis to Recovery Program that includes expanded MH deputies, Co-Occurring MH & Substance Use services in the community &



locally purchased hospital beds, and the zero suicide program. Additionally, the Innovation Grant Program was fully funded. This grant funds our Crisis Diversion Center.

Article XI

The House Appropriations Article II Subcommittee has placed the \$73.8M request for replacement of Supplemental COVID Block Grant funding in Article XI for further discussion. The Senate did not adopt the proposed rider regarding the replacement of these funds. Article XI is generally considered to be an item contingent upon passage of a specific bill, a “wish-list” item, and/or an item to be taken up by consideration by the budget conference committee. A great focus for advocacy & education will need to occur to move any of these items into the budget.

- Maintain Mental Health Service Capacity - \$73.8M to replace Supplemental Block Grant Funding for Outpatient Capacity, Mobile Crisis Outreach Teams.
- Crisis Stabilization Program - \$60M for additional crisis stabilization facilities & mobile crisis outreach teams to provide short term alternatives to hospital admission to reduce acute symptoms of MI.
- YES Waiver - \$12.9M for ongoing administrative costs not otherwise reimbursed for ongoing case management.
- IDD Targeted Case Management (Service Coordination) - \$80M to increase these rates that have not been updated since 2010.

Next Steps

Senate Finance & House Appropriations will continue working through budget decisions until each chamber adopts a budget. At that point, a conference committee, made up of members from both the House and the Senate, will be appointed to make final decisions regarding differences between the two passed budgets. The conference committee will then adopt a FY26-27 budget for consideration and passage by both chambers.

Bills of Interest

SB 1580, Cesar Blanco

Requires Local Mental Health Authority (LMHA) governing bodies to include a veteran.

SB 2446, Kevin Sparks

Requires LMHAs to make a monthly expense report available electronically to each member of the board. Requires at least one member of the board to be a member of the public with experience owning or operating a private business & who has not served in an elected office.

Updates ex officio sheriff board member requirements to allow a sheriff to be a voting member of the board upon sheriff's request. Prohibits a person employed by the LMHA from serving on that LMHA's board. Prohibits DEI initiatives or giving preference on the basis of identity classification.

SB 1775, Miles Borris

States that an LMHA who receives notice that an individual to whom it provided services has been processed by a local jail may not discontinue or refuse to provide services on that basis alone. Requires Commission on Jail Standards to require each local jail to notify the LMHA before releasing an individual to whom the LMHA has provided services to ensure the individual receives continuity of care and services.



SB 19, Mayes Middleton - Update

I have provided information on this bill in previous reports. As a reminder, this bill would prohibit political subdivisions from using public funds to hire lobbyists or pay nonprofit state associations that represent political subdivisions and hire lobbyists, which would affect the TX Council.

Update - As passed out of the Senate on 3-19-25, amending language included:

- prohibits a political subdivision from hiring or contracting with an individual required to register as a lobbyist;
- provides an exemption for an association or organization that solely represents elected sheriffs; and
- strikes the prohibition for a full-time employee of a nonprofit association or organization that primarily represents political subdivisions of this state from engaging in activities that would require registration as a lobbyist.

SB 1188, Lois Kolkhorst

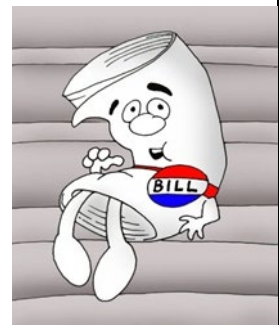
Establishes many new requirements related to Electronic Health Records (EHR) of public healthcare providers.

- Requires storage of EHR information at a location in the United States & requires ensuring the information cannot be accessed by any person outside the U.S.
- Requires recording of information related to an individual's metabolic health & diet in the treatment of a chronic disease or illness.
- Prohibits storage of credit scores or voter registration status.
- Requires any recommendation/information generated by Artificial Intelligence to be reviewed by the practitioner for accuracy before entering in the patient's EHR.
- Requires a minor's EHR to automatically allow the parent, guardian, or conservator to fully access the record unless there is a court order restricting access.
- Directs HHSC, the Texas Medical Board, and the Texas Department of Insurance to ensure each EHR includes a separate space to document an individual's biological sex & information on any "sexual development disorder."
- Limits circumstances in which a practitioner may amend an EHR entry related to biological sex at birth. Creates penalties for violations of this section, including loss of Medicaid provider status.

HB 4283, Yvonne Davis

Would eliminate the "zero reject" principle from applying to HCS residential settings (group home, host home). It will allow a residential setting to refuse to accept an individual as a resident if the individual has a history of high behavioral needs.

Directs HHSC to determine whether an HCS residential setting has the capacity & capability to provide the necessary care for a recipient with high medical needs. Prohibits HHSC from requiring a residential setting to make any modifications that would enable the setting to serve the recipient.

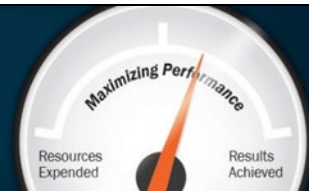


Performance Improvement Plan

Last month I reported on the Center's Staffing Plan which is a requirement of our CCBHC certification. Like the Staffing Plan the Performance Improvement (PI) Plan & activities

associated with it are also required for CCBHC & our re-certification efforts. This is a new plan recently developed. We did not have this plan for our first certification review in 2022, but it is a requirement for this certification process. Like other plans it will be put on a 3-year renewal schedule.

PERFORMANCE IMPROVEMENT PLAN



In summary, the "Quality, Safety, & Experience Performance Improvement Plan" is designed to enhance transparency, accountability, & quality in healthcare outcomes. It aligns with the MHMRCV's mission, vision, & values as well as aligning with our Strategic Plan & the Community Behavioral Health needs Assessment. The goals of the PI Plan include the following:

- Build a learning health system that emphasizes quality improvement & patient/client safety.
- Use transparent measures to ensure high-quality, evidence-based care.
- Align quality initiatives across all MHMRCV programs to enhance outcomes & care delivery.
- Reduce safety events & improve patient/client satisfaction.
- Increase access to services & improve health outcomes, ensuring equitable care.

The Center's Quality Assurance Committee (QAC) will oversee the PI plan's implementation of quality & safety initiatives, evaluating progress, & ensuring compliance with standards utilizing data-driven strategies. The monthly [Center Scorecard](#) will be utilized to collect data that reflects the Center's Strategic Plan. The Executive Leadership Team will manage quality initiatives, address areas for improvement, and provide regular reporting to the Program Committee of the Board who will then report to the full Board.

Medical Provider Changes

For quite some time, MHMRCV has had a contract for needed medical services via East Texas Behavioral Health Network (ETBHN). This contract has allowed us to have a professional agreement for Dr. Mark Janes to serve as our Medical Director and Dr. Heath Foreman to provide psychiatric services to our Children's MH program. Additionally, Dr. Foreman provides Nurse Practitioner supervision required for our three employed Advance Psychiatric Nurse Practitioners.

Psychiatric Services

Due to increased costs associated with working with Dr. Janes & Dr. Foreman, we have explored other options through ETBHN.

Background & Costs

Due to the limited availability of psychiatrists & nurse practitioners (especially in West Texas) MHMRCV chose to begin contracting with entities like ETBHN in 2018. This contract has worked well in that we are assured of always having a qualified doctor or advanced nurse practitioner for outpatient psychiatric services. However, this arrangement comes with a steep fees. Since 2018 the cost for our current child psychiatrist has increased 28.6% and medical director rates have increased 22%. Supervision fees have remained unchanged. Both of our current doctor's work through ETBHN but are employed by Bluebonnet Trails MHMR who add additional fees that we recently learned. ETBHN management has been able to present a less costly alternative. This is very important as we do

not anticipate increases in State / Medicaid funding. With the following changes we estimate annual savings of up to \$100,000.

In the upcoming months (the last week of April & beginning of May), a professional change will occur.

- **Dr. Grace Kang** will become the center's Medical Director (position currently held by Dr. Janes)
 - Dr. Kang completed her residency in general psychiatry training at Texas A&M Health Science Center COM – Baylor Scott and White Medical Center in 2021 where she was the Chief Resident. She then completed her fellowship in child & adolescent psychiatry, also at Texas A&M Health Science Center COM – Baylor Scott and White Medical Center in 2022.
- **Dr. Florence Eddins** will become the supervisor of 4 Center NPs - Charlotte, Sherry, Omid, and Abby Chekenyere. (Dr. Foreman currently provides NP supervision)
 - Dr. Eddins is semi-retired. She has had a career in psychiatry since 1988. Her last full-time position was a Professor of Psychiatry & Behavioral Sciences at The University of Texas Health Science Center, in San Antonio from 2011 – 2020.
- **Abby Chekenyere**, NP, will become the medical provider for children's services. (Responsibility currently provided by Dr. Foreman)
 - Abby Chekenyere received her Master of Science in Nursing Psychiatric Mental Nurse health Practitioner from the University of Texas at Arlington. She has been a psychiatric nurse practitioner at Dalla Metro-Care (MHMR Center) since June of 2021 specializing in adult & pediatric psychiatry.



This decision was made with the realization of the positive contributions Dr. Janes and Dr. Foreman have made to our Center. They have been with our organization for many years, and they are valued. We will always be grateful for their involvement & the work they have done for us during their tenure.

February 2025 Monthly Financials

Financial Highlights

The Center experienced a positive margin of \$17,563 for the month of February. The year-to-date margin is a negative \$(52,475). We have a mid-year budget revision prepared to present to the board for Thursday's meeting.



Financial Recap

| Month | Revenue | Expenses | Margin-Actual | Margin-Budget |
|----------|-------------|-------------|---------------|---------------|
| February | \$1,265,779 | \$1,248,216 | \$17,563 | \$15,236 |

| Division Breakdown | February |
|--------------------|------------|
| Mental Health | \$56,464 |
| IDD | \$(15,113) |

Variances

Revenues

Local & Fees – \$ 31,693 over budget

- MH Awareness Training (SAMHSA grant for MHFA training) received \$5,995 in revenues that were not budgeted. This will be corrected in the Budget Amendment.
- Billing to WTCG for our contracted Zero Suicide services was \$2,811 lower this month.
- IDD contracted Day Services was \$2,695 less than budgeted.
- Administration and Clubhouse collectively received more than budget by \$28,672.
 - Sale of 3 vehicles - \$9,500
 - Clubhouse revenues from Methodist Healthcare Ministries grant

CCP/DPP Income – (\$10,675) less than budget. This is amortized over the year. This month was lower than others.

HHSC Allocations – (\$109,374) under budget

- Inpatient Hospitalization funding was under by (\$54,208). This is due to the increased funding from HHSC at the end of FY2024 that was carried over to FY2025. We had a full year of funding in FY2024 but received it in May 2024. We plan to address this with the Budget Amendment.
- MH Outpatient was under by (\$5,236). This is also amortized over the year with February lower than other months.
- Crisis Diversion Center was under by (\$28,448). FY2024 carryover funding continues to affect FY2025 the budget. We recently put in a large order to replace crisis respite center furniture as these 2 programs are running side by side & CDC clients are utilizing overnights at respite. We hope to address some of the inconsistencies with the Budget Amendment.
- COPSD was over budget by \$6,490
- IDD Vocational Apprenticeship Program – under by (\$22,364). We continue to have this program in our budget, the program ended in January. This will be addressed with the Budget Amendment.
- IDD Employment Navigation Program – over by \$3,795. This program was planned to end in December 2024 but was extended through the FY. This too will be addressed with the Budget Amendment.

HCS Provider – (\$7,364) less than anticipated. We have seen greater than expected revenues in previous months.

Other Federal – 5,199 over budget

- MH Supported Living – Received \$5,199 in HOME grant funds (City of San Angelo support). Due to increased need for housing support.

Expenses

Salaries – \$11,866 under budget

- The largest contributors in savings were Outpatient Clinic - \$5,582, Jail Continuity of Care (JCOC) - \$5,798, MH RACT Team- \$6,248, & YES Waiver by \$9,656.
- IDD Vocational Apprenticeship Program (due to budget & no expense)
- CDC was over budget with salaries due to employing a Psychiatric Nurse Practitioner rather than contracting as initially planned. This will be re-classified in the Budget Amendment.

Benefits – (\$5,277) over budget

- Benefits continuously show as over budget because of fluctuations in all departments due to vacancies & new hires in their 90-day waiting period.

Travel and Training - \$5,909 under budget

Equip/Furn < \$5,000 – (\$15,760) over budget

- Jail Continuity of Care program purchased four iPads and accessories – (\$6,219). This was not in the initial budget but will be corrected with the Budget Amendment.
- Office of the Governor Grant funds – (\$9,952) no budget. This will be addressed with the Budget Amendment.

Contracted Services - \$94,573 under budget

- Inpatient Hospitalizations - \$58,569 under budget due to increased funding.
- Contracted tele-psych services - \$10,551 over
- Crisis Diversion Center - \$30,092 under budget. This will be reclassified in the Budget Amendment.
- HCS Provider - \$8,537 under budget as fewer invoices were paid in February.

Other Expense - \$6,406 under budget in various departments.

MH Quality Management

FY2025 Crisis Respite Record Review

QM completed a chart review on February 20, 2025 of MH Crisis Respite records. QM reviewed the electronic medical records of 69 Crisis Respite residents from July 12, 2024, through February 10, 2025. The HHSC Crisis Respite Review Tool and HHSC Performance Contract Information Item V were used to create the local review instrument used for this review.

Scores:

TB Screening Completed = 97%

Progress Notes = 99%

Respite Assessment/Respite Facility Guidelines = 70%

Recovery Plans = 70%

Discharge Plans = 91%

Overall Score = 89%



IDD Quality Improvement



FY2025 PASRR, HCS, TxHmL & GR Local Authority Chart Review – January & February

IDD Quality Improvement (QI) staff completed a monthly General Revenue (GR), Home & Community-Based Services (HCS), TX Home Living (TxHmL), & Pre-Admission Screening Resident Review (PASRR) chart review on January 30 & February 28, 2025. The purpose of the review was to ensure the charts are up to date with accurate paperwork. QA staff utilized the survey audit

tool provided by the Contract Accountability & Oversight (CAO) Unit within HHSC. The CAO unit utilizes this tool for each program to ensure compliance with specific elements of a LIDDA's Performance Contract as well as specific State & program rule requirements.

Three records were selected at random in each program for each month.

Scores:

January
PASRR = **100%**
HCS = **100%**
TxHmL = **98.78%**
GR/CFC = **100%**

February
PASRR = **100%**
HCS = **97.04%**
TxHmL = **97.67%**
GR/CFC = **100%**

HCS Provider Chart Review

IDD QI completed an HCS Provider services full audit review on January 27, 2025. The purpose of the review was to ensure the charts are up to date with accurate paperwork. Two charts were reviewed.

Scores:

January - **91%**

TxHmL Provider Chart Review

The IDD QI completed a TxHmL Provider full audit review on January 27, 2025. The purpose of the review was to ensure the charts are up to date with accurate paperwork. Two charts were reviewed.

Scores:

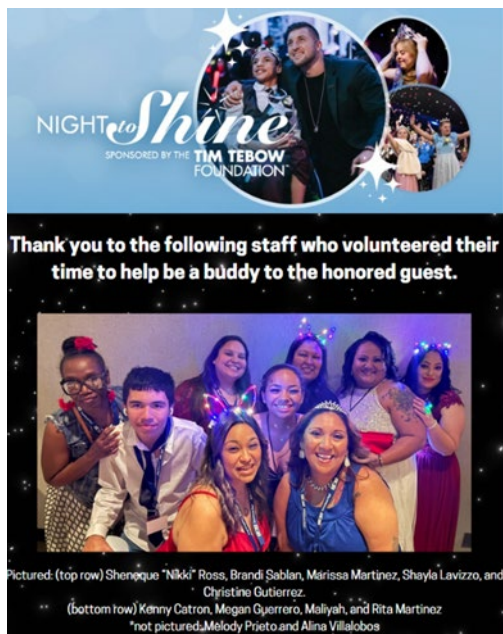
January - **100%**

CLASS Chart Review - Quarter 2

IDD QI completed a Community Living Assistance and Support Services (CLASS) full audit review on January 27 & February 16, 2025. The purpose of the review was to ensure the charts are up to date with accurate paperwork. One chart was reviewed each month (The CLASS program has 12 individuals enrolled). Score: **100%**

Recent & Upcoming Activities

Night to Shine – February 7th



4th Annual San Angelo ISD Difference Maker Day - March 7th. MHMR adopted Fannin Elementary where we showed our appreciation

Leadership Development Institute – Center Supervisor Training – February 28th

Our guest speaker, Rebecca Hartley, DNP, RN, with Shannon Medical Center presented on "Stopping the Staffing Bleed: Strategies to Retain and Bring Home Our Staff". Dr. Hartley asked the question, "Why are you here & what keeps you here". Supervisors stated that they appreciated the flexibility around work hours, a family-like work environment, & their passion for the work we do.



by providing the faculty with tea, cookies, & thank you cards.



IDD Awareness Month

Hoops Dreams and Goals Pep Rally - Thursday, March 27th 1:30-2:30pm, Parking Lot, 1501 W. Beauregard & **Basketball Game Friday**, March 28th, Big Spring, Howard College

SPIRIT WEEK



MARCH 28, 2025

HOWARD COLLEGE- DOROTHY GARRETT COLISEUM
BIG SPRING, TEXAS

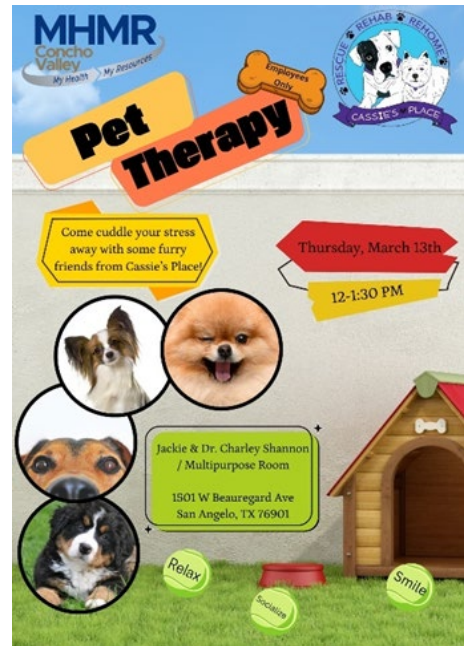
8:30 AM

FREE TO PUBLIC

10 TEAMS COMPETING! • COME SHOW YOUR SUPPORT!



Pet Therapy for Staff – March 13th – Gana Brazeal-Huff coordinated with Cassie's Place to bring dogs to interact with staff.



Special Olympics – Saturday, March 22nd.

SOTX Unified Basketball Tournament

On Saturday, March 22nd, the Concho Valley Bobcats competed at McMurry University in Abilene. The Bobcats competed in the 3v3 and 5v5 tournament. The Bobcats took 2nd in the 3v3 and 1st in the 5v5. Thank you for our volunteers and coaches.



WAY TO GO BOBCATS!

Freedom Fiesta – May 9th Children’s Fair in association with Children’s MH Awareness Week.



EXECUTIVE

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DEBBIE PENELUNA, CFO

ANNETTE HERNANDEZ, CAO

MONICA TELLO Chief HR Officer

MELINDA MCCULLOUGH, COO

GANNA BRAZEAL-HUFF, Chief IDD Services

EDDIE WALLACE Chief BH Services

JARED BARAN, CIO

