

By: Truitt

H.B. No. 2572

Substitute the following for H.B. No. 2572:

By: Goodman

C.S.H.B. No. 2572

A BILL TO BE ENTITLED

AN ACT

relating to the functions of local mental health and mental
retardation authorities.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 533.031, Health and Safety Code, is
amended by adding Subdivisions (4), (5), (6), and (7) to read as
follows:

(4) "Commission" means the Health and Human Services
Commission.

(5) "Executive commissioner" means the executive
commissioner of the Health and Human Services Commission.

(6) "ICF-MR and related waiver programs" includes
ICF-MR programs, home and community based services, Texas home
living waiver services or another Medicaid program serving persons
with mental retardation.

(7) "Qualified service provider" means an entity that
meets requirements for service providers established by the
executive commissioner.

SECTION 2. Section 533.035, Health and Safety Code, is
amended by amending Subsections (a), (c), and (e) and adding
Subsection (e-1) to read as follows:

(a) The executive commissioner shall designate a local
mental health authority and a local mental retardation authority in
one or more local service areas. The executive commissioner

1 ~~[board]~~ may delegate to the local authorities the ~~[board's]~~
2 authority and responsibility of the executive commissioner, the
3 commission, or a department of the commission related to ~~[for the]~~
4 planning, policy development, coordination, including coordination
5 with criminal justice entities, resource allocation, and resource
6 development for and oversight of mental health and mental
7 retardation services in the most appropriate and available setting
8 to meet individual needs in that service area. The executive
9 commissioner may designate a single entity as the local mental
10 health authority and the local mental retardation authority for a
11 service area.

12 (c) A local mental health and mental retardation authority,
13 with the department's approval, shall use the funds received under
14 Subsection (b) to ensure mental health, mental retardation, and
15 chemical dependency services are provided in the local service
16 area. The local authority shall consider public input, ultimate
17 cost-benefit, and client care issues to ensure consumer choice and
18 the best use of public money in:

- 19 (1) assembling a network of service providers; ~~and~~
20 (2) making recommendations relating to the most
21 appropriate and available treatment alternatives for individuals
22 in need of mental health or mental retardation services; and
23 (3) determining whether the authority will provide the
24 service or contract with another organization to provide the
25 service.

26 (e) In assembling a network of service providers, a local
27 mental health ~~[and mental retardation]~~ authority may serve as a

1 qualified service provider [~~of services only as a provider of last~~
2 ~~resort and only if the authority demonstrates to the department~~
3 ~~that:~~

4 [~~(1) the authority has made every reasonable attempt~~
5 ~~to solicit the development of an available and appropriate provider~~
6 ~~base that is sufficient to meet the needs of consumers in its~~
7 ~~service area; and~~

8 [~~(2) there is not a willing provider of the relevant~~
9 ~~services in the authority's service area or in the county where the~~
10 ~~provision of the services is needed].~~

11 (e-1) A local mental retardation authority may serve as a
12 provider of ICF-MR and related waiver services only if:

13 (1) the authority complies with the limitations
14 prescribed by Section 533.0355(c); or

15 (2) the ICF-MR and related waiver services are
16 necessary to ensure the availability of services and the authority
17 demonstrates to the commission that there is not a willing ICF-MR
18 and related waiver service qualified service provider in the
19 authority's service area where the service is needed.

20 SECTION 3. Section 533.0355, Health and Safety Code, is
21 amended to read as follows:

22 Sec. 533.0355. LOCAL MENTAL RETARDATION AUTHORITY
23 RESPONSIBILITIES [~~ALLOCATION OF DUTIES~~] UNDER CERTAIN MEDICAID

24 WAIVER PROGRAMS. (a) The executive commissioner shall adopt rules
25 establishing the roles and responsibilities of local mental

26 retardation authorities [~~In this section, "waiver program" means~~
27 ~~the local mental retardation authority waiver program established~~

1 ~~under the state Medicaid program].~~

2 (b) In adopting rules under this section, the executive
3 commissioner must include rules regarding:

4 (1) access;

5 (2) intake;

6 (3) eligibility functions;

7 (4) enrollment, initial assessment, and service
8 authorization;

9 (5) utilization management;

10 (6) safety net functions, including crisis management
11 services and assistance in accessing facility-based care;

12 (7) service coordination functions;

13 (8) provision and oversight of state general revenue
14 services;

15 (9) local planning functions, including stakeholder
16 involvement, technical assistance and training, and provider
17 complaint and resolution processes; and

18 (10) processes to assure accountability in
19 performance, compliance, and monitoring. [A provider of services
20 under the waiver program shall:

21 [~~(1) develop a person-directed plan and an individual~~
22 ~~program plan for each person who receives services from the~~
23 ~~provider under the waiver program;~~

24 [~~(2) perform justification and implementation~~
25 ~~functions for the plans described by Subdivision (1);~~

26 [~~(3) conduct case management under the waiver program,~~
27 ~~other than case management under Subsection (c)(3), in accordance~~

1 ~~with applicable state and federal laws; and~~

2 ~~[(4) plan, coordinate, and review the provision of~~
3 ~~services to all persons who receive services from the service~~
4 ~~provider under the waiver program.]~~

5 (c) In establishing a local mental retardation authority's
6 role as a qualified service provider of ICF-MR and related waiver
7 programs under Section 533.035(e-1), the executive commissioner by
8 rule shall require the local mental retardation authority to:

9 (1) base the authority's provider capacity on the
10 authority's August 2004 enrollment levels for the waiver programs
11 the authority operates and, if the authority's enrollment levels
12 exceed those levels, to reduce the levels by voluntary attrition;
13 and

14 (2) base any increase in the authority's provider
15 capacity on:

16 (A) the authority's state-mandated conversion
17 from one Medicaid program to another Medicaid program allowing for
18 a permanent increase in the authority's provider capacity in
19 accordance with the number of persons who choose the authority as
20 their provider;

21 (B) the authority's voluntary conversion from
22 one Medicaid program to another Medicaid program allowing for a
23 temporary increase in the authority's provider capacity in
24 accordance with the number of persons who choose the authority as
25 their provider; or

26 (C) other extenuating circumstances that:

27 (i) are clearly defined in rules adopted by

1 the executive commissioner;

2 (ii) are monitored and approved by the
3 department; and

4 (iii) do not include increases resulting
5 from refinancing and do not include increases that unnecessarily
6 promote the authority's provider role over its role as a local
7 mental retardation authority. [~~A local mental retardation~~
8 authority shall:

9 [~~(1) manage any waiting lists for services under the~~
10 waiver program;

11 [~~(2) perform functions relating to consumer choice and~~
12 enrollment for persons who receive services under the waiver
13 program; and

14 [~~(3) conduct case management under the waiver program~~
15 relating to funding disputes between a service provider and the
16 local mental retardation authority.]

17 (d) In adopting a rule under this section, the executive
18 commissioner shall seek the participation of and comments from
19 local mental health and mental retardation authorities, providers,
20 advocates, and other interested stakeholders. [~~The department~~
21 shall perform all administrative functions under the waiver program
22 that are not assigned to a service provider under Subsection (b) or
23 to a local mental retardation authority under Subsection (c).
24 Administrative functions performed by the department include:

25 [~~(1) any surveying, certification, and utilization~~
26 review functions required under the waiver program; and

27 [~~(2) managing an appeals process relating to decisions~~

1 ~~that affect a person receiving services under the waiver program.]~~

2 (e) Any increase based on extenuating circumstances under
3 Subsection (c)(2)(C) is considered a temporary increase in the
4 local mental retardation authority's provider capacity. [~~The~~
5 ~~department shall review:~~

6 [~~(1) screening and assessment of levels of care;~~

7 [~~(2) case management fees paid under the waiver~~
8 ~~program to a community center; and~~

9 [~~(3) administrative fees paid under the waiver program~~
10 ~~to a service provider.]~~

11 (f) At least biennially, the department shall review and
12 determine the local mental retardation authority's status as a
13 qualified service provider in accordance with criteria that
14 includes the consideration of the authority's ability to assure the
15 availability of services in its area, including:

16 (1) program stability and viability;

17 (2) the number of other qualified service providers in
18 the area; and

19 (3) the geographical area in which the authority is
20 located. [~~The department shall perform any function relating to~~
21 ~~inventory for persons who receive services under the waiver program~~
22 ~~and agency planning assessments.~~

23 [~~(g) The review required under Subsection (e) must include a~~
24 ~~comparison of fees paid before the implementation of this section~~
25 ~~with fees paid after the implementation of this section. The~~
26 ~~department may adjust fees paid based on that review.~~

27 [~~(h) The department shall allocate the portion of the gross~~

1 ~~reimbursement funds paid to a local authority and a service~~
2 ~~provider for client services for the case management function in~~
3 ~~accordance with this section and to the extent allowed by law.~~

4 ~~[(i) The department may adopt rules governing the functions~~
5 ~~of a local mental retardation authority or service provider under~~
6 ~~this section.]~~

7 SECTION 4. Section 535.002(b), Health and Safety Code, is
8 amended to read as follows:

9 (b) If feasible and economical, the commission shall
10 ~~[department may]~~ use local mental health and mental retardation
11 authorities to implement this chapter. ~~[However, the department~~
12 ~~may not designate those local mental health and mental retardation~~
13 ~~authorities as the sole providers of services if other providers~~
14 ~~are available.]~~

15 SECTION 5. (a) Sections 533.035(f) and (g), Health and
16 Safety Code, are repealed.

17 (b) Section 2.82A, Chapter 198, Acts of the 78th
18 Legislature, Regular Session, 2003, is repealed.

19 SECTION 6. Not later than January 1, 2007, the Health and
20 Human Services Commission shall submit a report to the governor,
21 lieutenant governor, and speaker of the house of representatives
22 that includes any information the commission finds relevant
23 regarding the implementation of Sections 535.035 and 535.0355,
24 Health and Safety Code, as amended by this Act, by local mental
25 retardation authorities.

26 SECTION 7. This Act takes effect September 1, 2005.