

SUBJECT: TxMHMR oversight of local providers

COMMITTEE: Public Health — favorable, with amendment

VOTE: 5 ayes — Berlanga, Hirschi, Delisi, Glaze, Maxey
0 nays
3 absent — Coleman, Davila, Janek

SENATE VOTE: On final passage, May 5 — voice vote

WITNESSES: For — Spencer McClure, Texas Council of Community MHMR Centers;
Barrett Markland, Advocacy, Inc.
Against — None
On — Don Gilbert, Texas Department of Mental Health and Mental Retardation

BACKGROUND : The Texas Department of Mental Health and Mental Retardation contracts with community mental health and mental retardation centers for the local delivery of services. Community centers are run by local boards and receive some local funding; they also contract with other state agencies to provide services.

The department requires program review and management audits to ensure that contracted community centers have in place reasonable and appropriate fiscal controls and specifies performance standards to ensure the provision of specific services to priority populations.

Mental health authorities and mental retardation authorities are entities to which the board has delegated its authority and responsibility within a specified region for planning, policy development, coordination, and provision of mental health or mental retardation services. Such authorities may contract with private providers for the delivery of services. The

department is required to periodically monitor services provided by a private provider to ensure services are being delivered in a manner consistent with the contract.

DIGEST: SB 940 would authorize the Texas Department of Mental Health and Mental Retardation to withhold funding to a community center or authority if it failed to deliver services to the satisfaction of the commissioner.

The center or authority could appeal the department's decision to withhold funds under procedures prescribed by the Board of Mental Health and Mental Retardation. Filing an appeal would stay the imposition of the department's decision to withhold funds. However, the department could limit general revenue funding during the appeal or could withhold all funding if the board approved.

The department also could appoint a team to manage and operate a community center if the center had wilfully or negligently failed to discharge contract duties; misused state or federal funding; engaged in fraud; endangered a client's safety; failed to keep required fiscal records or maintain proper fiscal controls; or failed to respond to other applicable law and rules. The management team would report monthly to the commissioner and local board. The commissioner would have to evaluate monthly whether to restore center management to the local board. All costs of the management team would be paid by the center. The center could appeal an appointment of the management team.

SB 940 would require the local mental health or mental retardation authority, instead of the department, to monitor contracted provider services. All providers, not just private providers, would be monitored. Each provider contract would have to authorize unrestricted access to all facilities and records to the authority as well as to the department.

The bill would take effect September 1, 1997.

NOTES: The committee amendment would strike a provision exempting from management team intervention mental health authorities and community centers in Harris County and instead prohibit the management team from using any asset or money that was contributed by a county, municipality or

other local funding entity unless the team had the approval of the funding entity.