ARTICLE II (HEALTH AND HUMAN SERVICES)

Services for Early Psychosis (Exceptional Item #19 - HHSC LAR)

Total Request:	FY 2020	$7,951,635/$7,982,396 (GR/All Funds)
	FY 2021	$7,929,494/$7,960,255 (GR/All Funds)

This exceptional item request will increase the number of coordinated specialty care teams that work with Texans experiencing first episode psychosis (FEP). FEP describes a person's first psychotic episode, which often occurs in young adulthood. It is estimated that there will be approximately 3,000 new FEP cases in Texas every year. However, for a number of reasons, including a general lack of understanding of psychotic symptoms and the stigma associated with mental illness, people often delay treatment for an average of five years. This delay significantly impacts opportunities for recovery and creates the need for long term, and sometimes life-long, services and supports.

Coordinated specialty care (CSC) is one of the most effective ways to help a person experiencing FEP. CSC is a recovery-oriented treatment program that promotes shared decision-making and uses a team of specialists who work with an individual to create a personalized treatment plan. In 2008, the National Institute of Mental Health conducted a five-year study looking at outcomes associated with a CSC program for people with schizophrenia, the Recovery After an Initial Schizophrenic Episode (RAISE) program. The study found that CSC is more effective in achieving recovery than typical treatment, more cost-effective, and well received by the individuals participating in the program. The study also identified the importance of providing treatment early to help people avoid future psychotic episodes.

Currently in Texas, 12 CSC teams operate in 10 of the 39 local mental health authorities and coordinate with schools, hospitals, and other organizations to help identify individuals who could benefit from the services. Each CSC team serves approximately 30 people at a total average cost of $425,000 per site annually. To date, all CSC teams have been funded through federal mental health block grant dollars. In 2018, Texas received enhanced federal mental health block grant funding and has received permission from CMS to use a portion of the funding to expand the number of CSC teams in Texas by 12-14 additional teams.

The proposed Exceptional Item #19 of approximately $8 million per fiscal year would allow for statewide expansion of CSC services to address first episode psychosis. This is the first request for general revenue to be used for CSC services.

Identifying psychosis early and providing holistic treatment options has been shown to positively change the trajectory of peoples' lives and consequently generate significant future cost avoidance by reducing the need for more long term or lifetime care.

Ensure Residential Treatment for Children at Risk of Relinquishment (Exceptional Item #20 – HHSC LAR)

Total Request:	FY 2020	$1,057,364/$1,059,460 (GR/All Funds)
	FY 2021	$1,050,339/$1,052,435 (GR/All Funds)

This exceptional item request will increase the number of funded beds for private residential treatment for children experiencing serious emotional disturbance from the current 40 to 50. This request is an attempt to address the current waiting list of over 35 youth waiting for these intensive services. According to the Health and Human Services Commission (HHSC), the daily cost savings of providing residential services outside the child protective services system is approximately $123 dollars per day ($277 v. $400), generating an annual per child cost savings of approximately $45,000. HHSC estimates the cost avoidance for the biennium, generated by making these services available, to be approximately $5 million. (HHSC, Legislative Appropriations Request, Article II)

Intensive mental health services and treatment for children with serious emotional disturbance or significant behavior challenges are often inaccessible to the children and families who need them. A very real consequence of not providing these services to youth with serious emotional disturbance is that loving parents are sometimes forced to make heart-wrenching decisions. The parents may have to choose to either place their child in the custody of Child Protective Services or turn their child over to the juvenile justice system in order to obtain the mental health services or treatment the child needs.

Efforts over the past few sessions have resulted in expanding options for treatment beyond relinquishment. SB 44 (84th, Zaffirini) put requirements into place to improve opportunities for children to stay connected to families through joint conservatorship, avoiding the tragedy of permanent relinquishment to the state. Additionally, progress has been made in that a limited number of diversion "slots" (funding for residential treatment) have been appropriated to avoid even temporary relinquishment. While children should remain with their families and receive services in their communities whenever possible, providing residential treatment when necessary outside of the child welfare system is a much better option for children and families than relinquishment of parental rights.

Substance Use Disorder Treatment (Exceptional Item #21 - HHSC LAR)

Total Request:	FY 2020	$3,388,209/$3,540,469 (GR/All Funds)
	FY 2021	$41,753,930/$41,773,355 (GR/All Funds)

HHSC's Exceptional Item #21 request to enhance reimbursement rates for substance use treatment, for both indigent care and Medicaid, is critical in order to address multiple gaps identified in the Texas Statewide Behavioral Health Strategic Plan ("Strategic Plan"). The behavioral health workforce shortage has been identified as Gap #13, attributed in part by provider rates. In 2014, HHSC designated Department of State Health Services to review

causes and potential solutions regarding Texas' mental health workforce shortage as directed by HB 1023 (83rd, Burkett/Nelson). As a result, the agency reported the mental health workforce shortage is driven by difficulty in provider retention caused by an array of issues across the state, but "chief among these factors, as studies and stakeholders suggest, is that the current payment system fails to provide adequate reimbursements for providers…"[1]

It is estimated that Texas has a current shortage of 2,000 substance use counselors and if the professional shortage is not addressed, there will be an overwhelming shortage of over 3,000 FTEs by 2030.[2] Further, HHSC reports that in recent years, 15 substance use programs have exited as providers, which limits availability even further and creates worsening geographical gaps and waiting lists. Individuals' access to substance use services should be available regardless of geography or ability to pay.

A decreasing number of providers able to serve these individuals will further exacerbate waitlists and timely access to services will continue to be an issue, which been identified as a Gap #6 in the Strategic Plan. In 2017, waitlists for individuals seeking substance use treatment through HHSC-funded programs spanned across demographics – adults, youth, both men and women, pregnant women, and individuals using intravenously. Adults waited an average of 16 days, youth waited an average of 24 days, and a maximum wait time reached 293 days.[3] Being placed on a waitlist has been cited as a principal barrier to treatment access among people with substance use disorders. Studies show individuals indicate that they did not seek treatment because of waiting lists, and lack of ability to immediately enter a program was the most common reason for not entering treatment. Additionally, waitlists have been linked to individuals not entering treatment after an overdose and increases likelihood of not showing up when space does become available.[4]

Individuals with substance use disorders have been included as an underserved population in the current behavioral health care system (Gap #1), and deserve equal opportunities to timely, affordable, and adequate options for services. Investments in provider infrastructure ensures individuals living with substance use conditions receiving services in the state's behavioral health system have a better chance of receiving services, resulting in improvements across several areas including healthcare spending, the criminal justice system, and the child welfare system. Increasing the number of providers increases an individual's likelihood of finding and entering treatment and improving their quality of life. The inclusion of Exceptional Item #21 begins to address appropriate provider rates needed to secure an adequate number of providers across the state.

Maintain and Expand Crisis Continuum of Care for Individuals with Intellectual Disabilities (Exceptional Item #22 – HHSC LAR)

Total Request:	FY 2020	$23,223,983 (GR/All Funds)
	FY 2021	$23,223,983 (GR/All Funds)

The Texas Statewide Behavioral Health Strategic Plan has identified the lack of appropriate mental health services for individuals with intellectual disabilities (ID) as a major gap (Gap #9) in our public mental health system. HHSC included Exceptional Item #22 as a way to

address the historic lack of mental health services for people with ID. The exceptional item request funding would do the following:

1. Maintain funding for the eight community coordination and transition support teams that are currently in place. These teams and the education, training, and services they provide have been funded through the federal Money-Follows-the-Person (MFP) program, which is set to expire in 2019. These teams are designed to support individuals transitioning from institutional settings to community homes in an attempt to save the state the significantly higher cost of institutional care. Through training and education, they also support community providers, families, advocates, and others working with individuals living with ID. (Request - $7 million per year All Funds/GR)

2. Expand existing crisis intervention and respite services for individuals with ID. The individuals served by these programs are at high risk of institutionalization. Often, a brief stay in a specialized respite program can prevent long-term institutionalization and the associated costs. It is critical that these crisis respite services be offered at the community level where individuals remain close to their family and support systems, and not in large institutions that can increase existing levels of trauma. (Request - $10.2 million per year All Funds/GR)

3. Establish outpatient mental health services for individuals with ID through integrated care services at local authorities. Providing quality mental health services often prevents the need for higher cost crisis services and extremely expensive institutional services. Access to mental health assessments, diagnoses, and treatment is critical for individuals with ID. Behavior management techniques are often ineffective without first addressing underlying mental health conditions or the impact of trauma. Attention should be given to the need for enhanced reimbursement rates for mental health services provided to this population due to the increased time and resources required to provide appropriate mental health services. (Request - $6 million per year All Funds/GR)

Approximately 35 percent of individuals with intellectual disabilities (ID) have a co-occurring mental health condition.[5] Additionally, individuals with ID experience high rates of trauma including physical abuse, sexual abuse, emotional abuse, exploitation, isolation, bullying, institutionalization, and more.

Depression and anxiety seem to be two of the most frequently identified mental health conditions in people with ID but are certainly not the only ones.[6] Research has also indicated an over-representation of schizophrenia in people with ID compared to the general population. Post-traumatic stress disorder (PTSD) has also been identified as a significant cause of mental health concerns in people living with ID.[7] Studies indicate that individuals with reduced developmental levels are more at risk for experiencing PTSD and that their PTSD symptoms can be more severe.[8]

Current systems of services and supports for individuals with ID rarely have the capacity to assess, diagnose, and treat mental illness or the impact of trauma. Instead, individuals far too often receive ineffective behavior management plans that often exacerbate mental health conditions or cause re-traumatization. Further, public mental health systems do not consider the mental health needs of people with ID, and IDD systems often are not familiar with the

potential for mental health conditions for this population. Consequently, mental health services and supports are not available and opportunities for recovery from mental illness and trauma are lost.

Treatment practices have yet to catch up with the reality that people with ID live with serious mental health conditions. Too many systems of care for individuals with ID continue to focus on controlling and managing challenging behaviors without adequate consideration of the potential for underlying mental health conditions as the cause. The focus of treatment has historically been to use behavior management and gain compliance; often this includes the use of medications to control the behaviors. These "treatment" attempts often fail, as underlying mental health conditions are not addressed consequently making recovery unlikely.

Maintain Community Mental Health Grant Programs (Exceptional Item #37 – HHSC LAR)

Total Request:	FY 2020	$11,362,500 (GR/All Funds)
	FY 2021	$11,362,500 (GR/All Funds)

Community-based mental health services are integral to achieving wellness. The mental health needs of communities differ widely; however, few resources are available to create programs tailored to these needs. During the 85th session, legislation was passed creating two community mental health grant programs: the Community Mental Health Grant Program (created by HB 13) and the Mental Health Grant Program for Justice-Involved Individuals (created by SB 292). As written, HB 13 and SB 292 included funding for FY 18 and 19. However, FY 18 funds were used for ramp up and this exceptional item will provide funding to sustain these programs at their FY 19 service levels, preventing a reduction in awards to communities.

The Community Mental Health Grant Program provides matching grants to support community mental health services through state/local partnerships. Required matching funds differ based on the size of the community being served, with a 50 percent match for counties with a population of less than 250,000 and a 100 percent match for counties with populations of at least 250,000.

The Mental Health Grant Program for Justice-Involved Individuals provides matching grants to county-based community collaboratives to reduce recidivism, arrest, and incarceration of individuals with mental illness as well as decrease the wait time for forensic commitments to state hospitals. As with the Community Mental Health Grant Program, matching funds differ based on the size of the community being served and range from 50 percent match for counties with populations under 250,000 to 100 percent match for counties with populations over 250,000.

These grant programs encourage communities to think creatively to address complex mental health needs, and are designed to bolster those most attuned to challenges in their community. Both grant programs set aside money specifically for initiatives in rural parts of the state, a strategy that will foster community mental health services in places where they are least available. We believe that investing in community initiatives improves mental health outcomes and fosters overall wellness for people across Texas.

State Hospital Planning and Construction (Exceptional Item #8 – HHSC LAR)

This exceptional item will address funding needed for crucial improvements to, and expansion of, an aging and outdated state hospital system. Due to the majority shift from civil admissions to forensic admissions in our state hospital system, as well as Texas' increasing population, the demand for an updated state mental health system has been recognized as a critical policy issue.

In 2017, the 85th Legislature acknowledged the system's condition and inadequate capacity, and appropriated funds for significant repairs, renovations, and planning for new construction. HHSC developed *A Comprehensive Plan for State-Funded Inpatient Mental Health Services* identifying three philosophies to guide the planning and use of funds to transform the Texas state hospital system:

- Patients should receive high-quality, evidence-based treatment;
- Individuals should be able to easily access state-funded inpatient care; and
- A successful mental health care system requires true integration between various partners across the state.[9]

Beginning this transformation, the 85th Legislature appropriated $300 million for Phase 1 of the state hospital redesign. Exceptional Item #8 moves the State Hospital Comprehensive Plan into Phase II. Phases II and III are expected to build on Phase I, moving Phase I projects into the construction phase and allowing for consideration of additional projects not initiated in Phase I. Implementation of future plans and the impact of this item are dependent on the direction taken by the Legislature to address existing construction needs for the hospitals. Without this funding, HHSC will not be able to continue with the second phase of state hospital improvement and capacity expansion. This exceptional funding request will allow HHSC to improve patient and staff safety, as well as delivery of care, and address waitlists.

ARTICLE III (EDUCATION)

Safe and Healthy Schools Initiative (Exceptional Item #1 - TEA LAR)

Total Request: FY 2020: $53,728,500
FY 2021: $750,000

The Texas Education Agency's (TEA) exceptional item funding request #1 for the Safe and Healthy Schools Initiative highlights the importance of supporting children's well-being and a positive school climate. Many children in our public schools, while not living with serious emotional or mental health problems, struggle to achieve mental well-being. Research shows us that loneliness, isolation, anger, and despair are better predictors of violence than a diagnosed mental illness. Moreover, Texas children are turning inward and harming themselves; 1 out of 8 Texas high school students reported attempting suicide last year, almost twice the national average.

The Safe and Healthy School Initiative is a multi-tiered, more comprehensive approach to school safety that will allow school districts to assess what is most appropriate for them and address school-wide wellness and well-being for both students and teachers. TEA outlines the initiative using a framework of 4 primary pillars:

1. **Mental Health Supports**: access to counseling resources, mental health professional networks, threat assessment protocols, and teacher and administrator training on mental health needs;
2. **Positive School Culture**: character education, positive behavior supports and interventions, trauma-informed education, restorative discipline practices, suicide prevention, resiliency, anti-bullying, and anti-cyber-bullying;
3. **Facility Safety**: facilities hardening and the presence of School Resource Officers (SROs) and school marshals on a campus; and
4. **Emergency Response Coordination**: police collaboration, drills, training on crisis and emergency response, and notification protocols.

Students who are socially, emotionally, and mentally well are able to better engage in their learning. Cultivating well-being at schools utilizing trauma-informed education, positive behavior interventions and supports, and social and emotional learning are shown to subsequently improve academic achievement and the school's culture – increasing students' test scores, commitment to school, attendance, grades, and graduation rates, while improving truancy and disciplinary rates.[10]

Overburdened teachers attempting to manage diverse issues in the classroom, including unaddressed mental health concerns, maintaining a safe learning environment, and the varying needs of children, often turn to punitive measures or burnout from lack of resources or support. Supporting mental health in schools and improving the school's culture fosters a climate that is also beneficial for teachers, leading to feeling better supported, higher rates of job satisfaction and teaching efficacy, healthier classroom environments and student-teacher relationships, and reported less levels of stress.[11,12]

These dollars will support and provide assistance to education service centers and school districts, increase mental health resources in schools, provide matching grants for mental health and positive school culture programs, as well as grants for hardening activities and emergency response coordination.

CONTACT

For more information, please contact:

Colleen Horton, Director of Policy | Hogg Foundation for Mental Health
colleen.horton@austin.utexas.edu | 512-471-2988

Shannon Hoffman, Policy Fellow | Hogg Foundation for Mental Health
shannon.hoffman@austin.utexas.edu | 512-471-7627

Tanya Lavelle, Policy Program Specialist | Hogg Foundation for Mental Health
tanya.lavelle@austin.utexas.edu | 512-471-9150

CITATIONS

[1] Department of State Health Services. (September 2014). The Mental Health Workforce Shortage in Texas, As Required by House Bill 1023, 83rd Legislature, Regular Session. Retrieved from https://www.dshs.texas.gov/legislative/2014/Attachment1-HB1023-MH-Workforce-Report-HHSC.pdf
[2] U.S. Department of Health Services and Services Administration. (September 2018). *State-Level Projections of Supply and Demand for Behavioral Health Occupations: 2016-2030*. Retrieved from https://bhw.hrsa.gov/sites/default/files/bhw/nchwa/projections/state-level-estimates-report-2018.pdf
[3] Center for Public Priorities. (May 25, 2018). *How Medicaid and Federal Block Grants Help Treat Substance Use Disorders.* Retrieved from https://forabettertexas.org/images/HW_2018_SubstanceUse_Medicaid.pdf
[4] Andrews, C.M, Shin, H., Marsh, J.C., & Cao, D. (2012). Client and program characteristics associates with wait time to substance abuse treatment entry. The American Journal of Drug and Alcohol Abuse, 39 (1), 61-68. DOI: 10.3109/00952990.2012.694515
[5] National Association of State Directors of Developmental Disability Services (NASDDDS), Human Services Research Institute (HSRI). National Core Indicators, 2015.
[6] Davis, E., Saeed, S., and Antonacci, D. (2008). Anxiety disorders in persons with developmental disabilities: Empirically informed diagnosis and treatment. *Psychiatric Quarterly*, 79 249-263.
[7] Cooper, S.A., et al. (2007) Mental ill-health in adults with intellectual disabilities: prevalence and associated factors. *The British Journal of Psychiatry. 2007, 190(1): p. 27-35.*
[8] Mevissen, L., deJongh, A. (2010) PTSD and its treatment in people with intellectual disabilities: A review of the literature. *Clinical Psychology Review* 30 (2010) 308-316.
[9] Texas Health and Human Services. (August 2017). *A Comprehensive Plan for State-Funded Inpatient Mental Health Services.* Retrieved from https://hhs.texas.gov/sites/default/files/documents/about-hhs/process-improvement/comprehensive-inpatient-mental-health-plan-8-23-17.pdf.
[10] Suldo, S. M., Gormley, M. J., DuPaul, G. J., & Anderson-Butcher, D. (2014). The impact of school mental health on student and school-level academic outcomes: Current status of the research and future directions. School Mental Health, 6(2), 84-98. http://dx.doi.org/10.1007/s12310-013-9116-2
[11] Collie, R. J., Shapka, J. D., & Perry, N. E. (2012). School climate and social–emotional learning: Predicting teacher stress, job satisfaction, and teaching efficacy. Journal of Educational Psychology, 104(4), 1189–1204. https://doi.org/10.1037/a0029356
[12] Bradley, C., Cordaro, D. T., Zhu, F., Vildostegui, M., Han, R. J., Brackett, M., & Jones, J. (2018). Supporting improvements in classroom climate for students and teachers with the four pillars of wellbeing curriculum. Translational Issues in Psychological Science, 4(3), 245-264. http://dx.doi.org/10.1037/tps0000162