



## Texas CHIP Coalition Meeting Minutes

July 17, 2015

Present:

Anne Dunkelberg, CPPP  
Melissa McChesney, CPPP  
Olga Rodriguez, TACHC  
Kathy Eckstein, CHAT  
Clayton Travis, TPS  
Chris Adams, HHSC  
Tina Mineola, TTU HSC, St. David's Healthcare  
Alice Bufkin, Texans Care  
Colleen McKinney, NASW – TX  
Sherry Vetter, TCHP  
Caitlin Perdue, Clarity Child Guidance Center

On the phone:

Dianne Rhodes, TDA  
Laura Guerra-Cardus, CDF  
Cheasty Anderson, CDF  
Rose Marie Linan, HHSC  
Greg Hansch, NAMI  
?, Donna or Jona, Texas Children's Hospital  
Karin Dunn, Gateway to Care  
Coates, Maximus  
Chris Yanas, MHM  
Stacy Wilson, THA  
?, Driscoll Health Plan  
?, Parkland Health Plan  
Gwen Johnson, Houston ISD

Chair: Helen Kent Davis, Texas Medical Association  
Minutes Scribe: Caitlin Shea, Center for Public Policy Priorities  
Next meeting: July 17, 2015

### **I. Overview of the Sunset Reviews of the Health and Human Services System** *Sarah Kinkle, Sunset Advisory Commission*

- Sunset legislation to consolidate health agencies was result of year's work reviewing HHSC prior to session.
- DADS Sunset died in conference, and DSHS Sunset did not pass. However, several DADS and most DSHS recommendations were passed attached to other pieces of legislation.
- Key drivers behind consolidation:

- Multiple agencies led to culture of blurred accountability, confusion, plausible deniability, and tug-of-war between agency heads;
  - Duplicative or unconnected services led to missed opportunities for integrated care; and
  - Pattern of inadequate focus on state institutions.
- Overarching goal: Measured approach to consolidation that promotes accountability, reduces fragmentation, and streamlines operations across the system.
- Consolidates DARS and DADS into HHSC, maintains DSHS and DFPS as separate entities, but transfers certain functions from each.
- Development of a legislative oversight committee (TLOC) to oversee reorganization and make recommendations, and as effort to keep people engaged by providing an avenue for stakeholder and public input.
- If TLOC's changes to the consolidation plan are not implemented, the Executive Commissioner of HHSC is required to justify the decision in a public registry.
- The transference of blind vocational rehabilitation services to TWC was one of the most controversial aspects of consolidating client services. In addition, merging blind and deaf services was controversial, because both groups require different types and levels of services.
- Anne D. mentioned that TWC will likely be scrutinized over its implementation of the new responsibility and the impending culture change; Sarah K. highlighted that many of the new TWC efforts with regards to vocational rehab for impaired individuals will be locally centered.
- Olga R. asked if the current efficiencies developed for FTEs who provide case management for multiple types of services (e.g. maternal and child health, CSHCN) will be preserved and how multiple-delivery FTEs and procedures will interact with Medicaid going forward. If necessary, how to mechanically separate out FTE direct service delivery specialization. Discussion on Medicaid as method of finance rather than service-delivery provider
  - Sarah K: This is one of the biggest issues with the movement from DSHS.
  - Joey R: How FTE time will be allocated is logistical challenge.
  - Sarah K: HHSC's intent is to preserve and expand on current multiple-delivery FTE efficiencies in order to amplify current levels of service integration to account for complicated/diverse needs of clients. Hope is that consolidation will facilitate an increase in service integration.
  - Sarah K: IT issues will present large challenge to integration of services during consolidation, because agencies currently have different IT budgets and different systems that may not interact with one another.
- Until the Executive Commissioner defines what "client services" mean, ideas on which services may be transferred from DSHS to HHSC are only speculative.
- Consolidation of administrative services will be one of the more difficult pieces to accomplish.
- Review of implementation progress and report to Sunset Commission due in Fall 2016.
- System-wide Executive Council will be created replacing five existing agency advisory councils.
- The HHSC council will be abolished Sept. 1, 2016 (though at its last meeting, the council indicated this would be its last meeting, so there is an apparent misunderstanding among council members) HHSC staff indicated they DO expect to have additional meetings between now and September 2016.
- Combined P&T and DUR boards into a single committee

## **II. Presentation on the Reorganization of the Health and Human Services System**

*Joey Reed, Health and Human Services Commission*

- Emphasized intent to create centralized client service agency through consolidation into HHSC.
- Quick turnaround as Phase I is to be completed by Sept 1, 2016 (see transfer timeline, pg 3).
- TLOC will provide the first opportunity for public input on transition plan and organizational structure of HHS system.
- While SB 200 provides some specific guidance on developing the transition plan, it also allows some latitude in plan development and implementation. For example, the administrative services that will move over to HHSC is still TBD.
- A governance structure comprised of staff from each HHS agency will be established to assist in transition process. A key function of structure will be to develop guiding principles for the transition. For example, a likely guiding principle will be maintaining client service quality while in the process of restructure and reorganization.
- Joey R mentioned that another crucial piece of restructure will include defining multiple terms including “client services”, “regulatory functions,” etc. The ability to categorize various programs (i.e. WIC) in multiple ways will directly impact how they are implemented.
- New Executive Council formed on Sept 1, 2016 which will include Executive Commissioner, division directors, and Commissioners of remaining HHS agencies. Exec Council will host forum for public and stakeholder input. Joey R stated that this will raise the value placed on stakeholder/public input by connecting it directly with those in leadership positions who are implementing changes.
- HHSC is currently undergoing the progress of IDing which advisory committees are duplicative or unnecessary. There are currently 123 HHSC advisory committees, and SB 200 removes more than 50. HHSC is evaluating committees in all agencies involved in consolidation to make recommendations on which should be continued. The agency will provide opportunity for public comment on which committees should be kept or eliminated. HHSC also wants to establish consistent policies on:
  - how to justify new advisory committees;
  - how to create advisory committees; and
  - how advisory committees should operate.

## **III. DSHS Sunset and Session Update**

*Carolyn Bivens, Department of State Health Services*

### *Public Health*

- DSHS has impeded ability to focus on public health due to its broad focus, and size and number of occupational regulatory functions. DSHS hopes that consolidation will allow the agency to develop a more active leadership role in statewide public health.
- SB 202 streamlines occupational regulatory functions by discontinuing 8 programs and transferring 4 programs to TMB and 13 programs to TDLR.
- HB 1, Rider 81 requires DSHS to complete a comprehensive inventory of roles, responsibilities, and capacity related to public health services. In part, inventory purpose is to facilitate improved coordination between DSHS and local health departments to know where DSHS is needed to step in and fill holes in local ability and services. Olga R: It seems like it would be difficult to do anything other than a point-in-time inventory since services are constantly dropped or added.

### *Mental Health and Substance Abuse*

- DSHS must submit a plan for implementing mental health changes and consolidation requirements to the Executive Commissioner by March 2016, and rules must be implemented by June 2016. Some specific reporting to legislature is required, including under Rider 80, which reviews (among other things) licensing requirements of crisis and treatment facilities.

### *Maternal and Child Health*

- Minimum age for Hemophilia Assistance Program (adult program) is now 18 instead of 21.
- Clayton T: Is it within the agency's purview to update materials to providers or is legislation necessary? Carolyn B: Yes, within purview, but more a question of staff time and resources. CT: Is there a stakeholder process to create evidence-based materials on website? CB: Some does happen through advisory committees. CT: Advocates for advisory committee to have that role. Olga R: Current mechanism in place for updating Texas Health Steps provider education materials, which physicians and providers can access online and obtain CME
- Sunset summaries available at [Final Results of Sunset Reviews](#).

## **IV. Discussion on the policy landscape following "free care" reversal by CMS**

### *Emily Zalkovsky, Health and Human Services Commission*

- Anne D. summarizes free care reversal. Letter sent to providers [here](#).
  - Inability to collect Medicaid for certain services became financially burdensome, so many schools established a fee schedule to charge the public in order to charge Medicaid.
  - Schools can now collect Medicaid for enrolled kids without charging non-Medicaid children.
  - Changes how third party resources are understood. Medicaid, rather than schools, is now considered the payer of last resort.
- HHSC hasn't done much with the reversal, in large part because the entities impacting (receiving funds) are local entities.
- What is most appropriate role of HHSC with regards to the free care reversal?
- Olga R: If schools are already billing for array of services through SHARS(?), how does free care reversal impact the situation? Emily Z: Not sure yet, but can update on this next time Med/CHIP division presents.
  - Anne D: SHARS developed as an administrative claiming process to circumvent free care rule.
- Anne D: Does this new policy make more Medicaid funding available for ECI services?
  - Emily Z: Overlap between two, changes option for ECI, up to state leadership to decide if charges to family
  - Anne D: Can this allow some redirected billing to MED from more limited ECI funds?
  - Third party private insurance billed first before Medicaid
  - Clayton T: ECI provides services that Medicaid doesn't cover
- Do schools have capacity to bill as Medicaid provider?
- Gwen Johnson (Houston ISD): Currently use E-SHARE(?) to bill for vision and hearing screenings, but would prefer to use Medicaid. HISD has a Medicaid billing department. Question from Clayton T. of TPS, do school providers coordinate with PCPs? Gwen thinks there is not a policy HISD does not coordinate with child's PCP
- How does reversal affect school-based clinics?

- Some schools districts contract with hospital providers.
- By April, the existing provider electronic Medicaid eligibility verification system will also include the ability to verify CHIP eligibility

## **V. Discussion on therapy rate cuts**

- Therapy rate cuts of \$50 million per year of the biennium. Additional \$25 million in cuts required through either policy changes or further rate reductions.
- Kathy E: On potential policy changes, there is discussion on addressing allegations of abuse within doctors' offices – in particular, soliciting business by offering free, unnecessary assessments and authorizing excessively long therapy periods. It is important to establish clear therapy goals to shorten length of therapy needed.
- Kathy E: Rate reductions are not evenly distributed across types of therapy, commercial codes.
- Number of visits vs. increments of time (15 min) as a measure for calculating costs.
- In aggregate, approximate 20% rate reduction.
- Concern over unintended consequences of steep rate reductions. Will need to closely watch for access issues.
- Medically necessary vs. education-based purposes (i.e. ESL). Will need to define “medically necessary.”

# **Sunset Advisory Commission**

## **Overview of the Sunset Reviews of the Health and Human Services System**

**Sarah Kinkle, Senior Policy Analyst**



# Health and Human Services Sunset Reviews

- ❖ **First Sunset reviews since passage of HB 2292.**
- ❖ **Recommendations the result of a year's work in HHSC.**
  - Will combine or eliminate the functions of 11 entities
  - Removes 40 advisory committees from statute
- ❖ **The Legislature passed Sunset bills for HHSC, DFPS, DARS, and OIG. Other legislation included all Sunset recommendations on DSHS and several recommendations on DADS.**
  - The TWC Sunset bill provided for transfer of several DARS programs to TWC.
- ❖ **HHSC's Sunset bill, SB 200, addressed all HHS agency Sunset dates and system reorganization, consolidating three system agencies and reorganizing portions of the two remaining agencies.**
- ❖ **Clarification Bill.** SB 219 made changes to statutes with old agency references and outdated terms that were never updated after HB 2292.

# Order of Discussion

- ❖ **Overview of System Consolidation and Reorganization**
  - **Transition Legislative Oversight Committee**
  - **Timeline for Consolidation**
  - **Special Reviews**
  - **Executive Council**
- ❖ **Advisory Committee Timeframes**
- ❖ **Other HHS Sunset Highlights**
- ❖ **Questions?**



# System Reorganization

## Why?

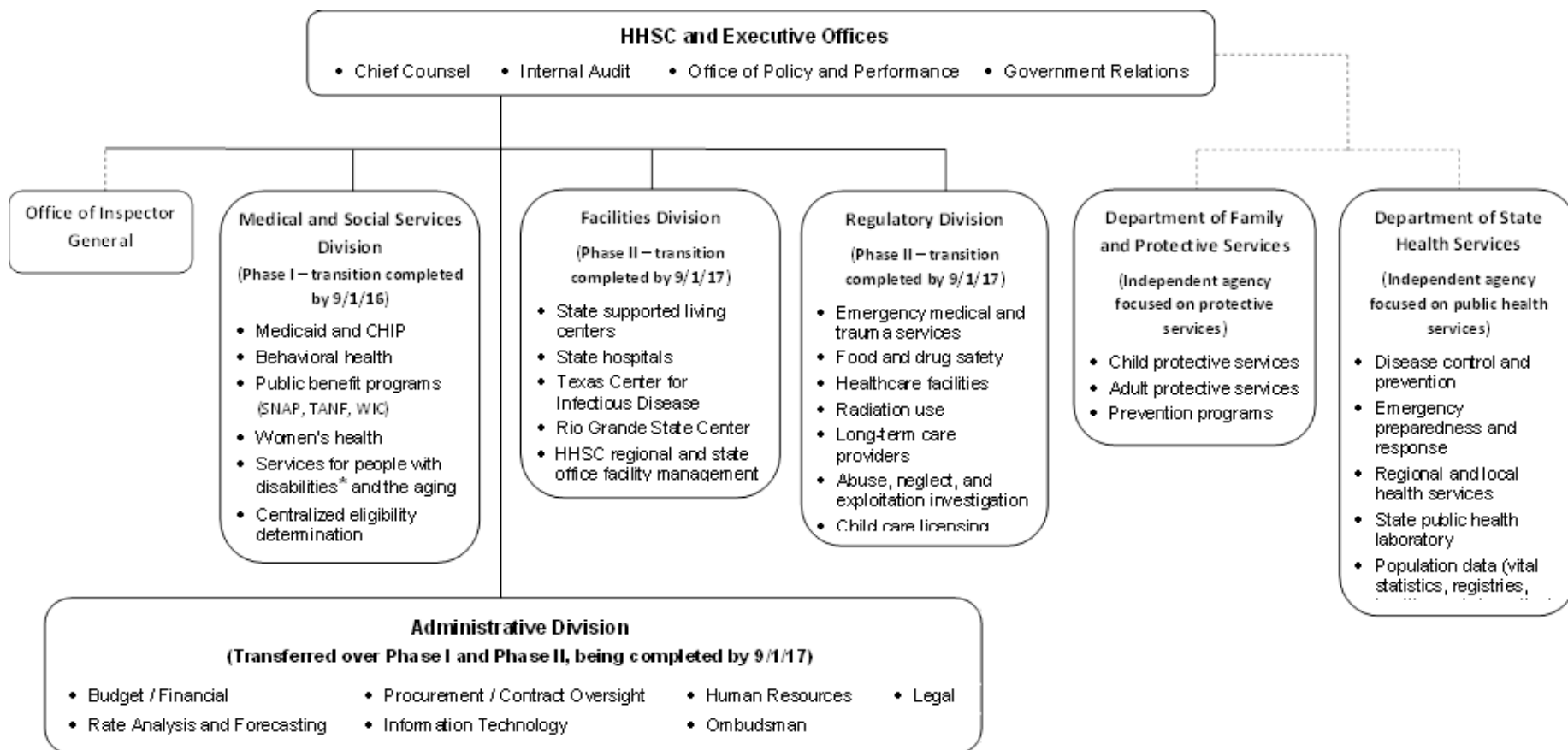
- ❖ Blurred accountability
  - Five agencies, not one system
  - Agencies act in silos
- ❖ Fragmented programs and functions
  - Incomplete administrative consolidation
  - Poorly integrated or overlapping client services (e.g., Medicaid in three agencies)
- ❖ Specific problems with the current structure
  - Scattered regulatory services, poor focus on institutions
  - Overly broad focus of DSHS
  - Questionable future for DADS
  - Small, singular focus of DARS
  - Competing priorities for HHSC to oversee the system while running Medicaid

# Overview: Consolidation of Health and Human Services in Texas

Aims to improve services to clients and make the state's already big and complex system work better through a measured approach to consolidation that promotes accountability, reduces fragmentation, and streamlines operations across the system.

- ❖ Consolidates the functions of DARS and DADS at HHSC in a phased, two-year approach to be completed by 2017 (SB 200)
- ❖ Maintains DSHS and DFPS as separate agencies but transfers certain functions from each to keep them focused on their primary public health and protective services missions (SB 200)
- ❖ Transfers vocational rehabilitation programs from DARS to the Texas Workforce Commission in 2016 to better align those programs with the workforce system and improve employment outcomes for people with disabilities (SB 208)

# Example Organizational Structure, SB 200



\*The Sunset bill on the Texas Workforce Commission (S.B. 208) transfers the disability-related Vocational Rehabilitation Program, Criss Cole Rehabilitation Center, Older Blind Independent Living Program, and Business Enterprises of Texas from the Department of Assistive and Rehabilitative Services to the Texas Workforce Commission on 9/1/16.

# Transition Legislative Oversight Committee (TLOC)

- ❖ **Charge.** To oversee the reorganization of health and human services in Texas. TLOC makes recommendations on the transition and consolidation of services and provides an avenue for stakeholder and public input on the consolidation.
- ❖ **Composition.** 11 voting members, co-chaired by a Senate and House member
  - 4 members of the Senate, appointed by the lieutenant governor
  - 4 members of the House, appointed by the speaker
  - 3 members of the public, appointed by the governor

The executive commissioner of HHSC serves as an ex officio nonvoting member.
- ❖ **Meetings.** The committee must meet at least quarterly from the time of its creation to September 1, 2017; and less frequently until its abolishment in 2023.
- ❖ **Reporting.** TLOC must report to the governor, lieutenant governor, speaker, and Legislature by December 1 of each even-numbered year on progress and other issues related to the reorganization.
- ❖ SB 208, the TWC Sunset Bill, directed TLOC to also oversee the transfer of services from DARS to TWC and adds the executive director of TWC and the DARS commissioner as ex officio, nonvoting members of TLOC.

# Timeline of Texas Health and Human Services System Reorganization

**March 1, 2016:** Transition plan due from the executive commissioner to the Transition Legislative Oversight Committee.

## **September 1, 2016 (Phase I):**

- ❖ Consolidation of client services
- ❖ Programs and services transfer from DARS to TWC
- ❖ Consolidation of prevention programs at DFPS
- ❖ Consolidation of system administrative services

## **September 1, 2017 (Phase II):**

- ❖ Consolidation of institutions and regulatory functions
- ❖ Consolidation of remaining administrative functions

# Phase I: September 1, 2016

- ❖ Consolidation of **client services** across the system at HHSC. Includes:
  - Client services at DADS and DSHS (Medicaid, women's health, mental health, non-Medicaid aging and disability services, GR-funded wrap around programs) plus remaining DARS services not transferring to TWC, as laid out below (DARS abolished).
- ❖ The following programs and services are transferred **from DARS to TWC**:
  - Vocational Rehabilitation Programs for individuals with visual impairments and other disabilities, Criss Cole Rehabilitation Center, Business Enterprises of Texas, Independent Living Services Program for older individuals who are blind, and the Rehabilitation Council of Texas.
- ❖ Evaluation and consolidation of system **administrative services**, as practicable.
- ❖ Consolidation of child welfare-related **prevention programs** at the Department of Family and Protective Services (DFPS).

## Phase II: September 1, 2017

- ❖ Consolidation of **institutions and regulatory functions** across the system.
  - State Supported Living Centers and regulatory functions from DADS (DADS abolished)
  - State hospitals and regulatory functions from DSHS
  - Regulatory functions from DFPS
- ❖ Consolidation of all **remaining administrative functions**, as feasible and desirable in line with specified principles to ensure programs are not harmed

# Special Reviews

- ❖ **Fall 2016:** Sunset Compliance – Sunset staff reports agency implementation progress to the Sunset Commission.
- ❖ **December 1, 2018:** Recommendations from Transition Legislative Oversight Committee to the Legislature whether DFPS and DSHS should continue independently or be merged into HHSC
- ❖ **2021:** Special- purpose Sunset review of OIG (for 87<sup>th</sup> Legislature).
- ❖ **September 1, 2023:** Special-purpose Sunset review of HHSC to evaluate progress of the reorganization, but HHSC is not subject to abolishment. Standard Sunset review for DFPS and DSHS, subject to abolishment.
- ❖ **September 1, 2027:** HHSC full Sunset review, subject to abolishment.



# Executive Council

SB 200 abolishes the five existing agency advisory councils on September 1, 2016, replacing them with a system-wide executive council.

- ❖ **Charge.** To receive public input and advise the executive commissioner on the operation of HHSC, but has no authority to make administrative or policy decisions.
- ❖ **Composition.**
  - HHSC executive commissioner
  - Director of each HHSC division
  - Commissioners of DSHS and DFPS, and
  - Other individuals the executive commissioner may wish to appoint.
- ❖ **Establishment.** Senate Bill 200 instructs that the executive council begin operating as soon as possible after the executive commissioner appoints division directors.

# Advisory Committee Timeframes

Various bills removed 40 HHS advisory committees from statute, replacing them with a more manageable approach to obtaining stakeholder input.

- ❖ **November 1, 2015** – The executive commissioner must publish in the Texas Register a list of committees established, not continued in any form, or continued as part of another committee. New committees may begin operations immediately.
- ❖ **January 1, 2016** – Most statutory advisory committees abolished (Some have later expiration dates).
- ❖ **March 1, 2016** – Rules addressing certain requirements for each advisory committee must be adopted.
- ❖ Some committees, such as the Drug Utilization Review Board, have other deadlines for changes.

## **Other HHS Sunset Highlights: Integrates services for clients**

- ❖ Transitions NorthSTAR behavioral health services to an updated approach by creating a new model that integrates physical and behavioral health and allows access to federal funds. (SB 200 / HB 1)
- ❖ Consolidates two women's health programs to reduce burdens to clients, providers, and the state. (HB 1)
- ❖ Requires long-overdue consolidation of basic front-door assessment, screening, and referral for mental health and substance abuse services and a review of regulations for community-based treatment facilities to eliminate unnecessary barriers to integration. (SB 1507 / HB 1)

## **Other HHS Sunset Highlights: Improves focus on public protection**

- ❖ Protects children in the DFPS system by removing unnecessary burdens to allow caseworkers to spend more time with children and makes efforts to improve caseworker retention. (SB 206)
- ❖ Streamlines DSHS' unmanageable regulatory responsibilities to allow it to focus on its core public health mission. Eliminates unneeded state regulation of eight low-risk regulatory programs and transfers 13 occupational licensing programs to the Texas Department of Licensing and Regulation and four to the Texas Medical Board. (SB 202)
- ❖ Requires license revocation for nursing homes found to have three or more serious violations in a two-year period. (SB 304)

## **Other HHS Sunset Highlights:**

### **Makes HHS processes more effective and efficient**

- ❖ Adapts Medicaid processes to managed care while making efforts to improve quality of care and streamlining the lengthy and cumbersome process for providers to enroll in Medicaid. (SB 200)
- ❖ Requires an updated, locally-driven methodology for allocating scarce state mental health hospital beds. (SB 1507)
- ❖ Strengthens the security of the state's vital statistics, such as birth and death records. (SB 200)
- ❖ Streamlines burdensome processes related to Medicaid provider payment holds for fraud and improves the Office of Inspector General's effectiveness through process improvements to achieve better results. (SB 207)
- ❖ Strengthens oversight of rehabilitative services caseworkers to control spending and ensure effective delivery of services. (HB 2463)
- ❖ Outsources independent living services to improve local access to rehabilitative services. (HB 2463)

## **Other HHS Sunset Highlights:**

### **Simplifies public interactions with the system**

- ❖ Streamlines advisory committees by repealing 40 duplicative or unnecessary advisory committees and adding separate requirements for a more manageable approach to obtaining valuable public input. (SB 200 / SB 277/ SB 206)
- ❖ Coordinates and consolidates HHSC ombudsman services and system websites and hotlines and adds requirements for websites to include clearer overall ratings on long-term care providers and a calendar of all advisory committee meetings. (SB 200)

## **Other HHS Sunset Highlights:**

### **Improves oversight of system administrative functions**

- ❖ Achieves greater overall sophistication and strengthens management of contracts by requiring more high-level oversight throughout the system, formalizing a reporting structure for penalties, and escalating attention on large, problematic contracts. Requires more scrutiny on foster care redesign and DSHS' behavioral health contracts in particular. (SB 20 / SB 206 / HB 1)
- ❖ Consolidates IT authority and personnel to improve planning and interoperability of systems and elevates oversight of data to better manage, use, and share system data for improved service delivery. (SB 200)

**Questions?**



# Health and Human Services Agencies

## Sunset Project Manager Contact Information

Agency	Project Manager
Aging and Disability Services, Department of	Amy Trost <a href="mailto:amy.trost@sunset.state.tx.us">amy.trost@sunset.state.tx.us</a> (512) 463-1275
Assistive and Rehabilitative Services, Department of	Karen Latta <a href="mailto:karen.latta@sunset.state.tx.us">karen.latta@sunset.state.tx.us</a> (512) 463-1300
Family and Protective Services, Department of	Amy Tripp <a href="mailto:amy.tripp@sunset.state.tx.us">amy.tripp@sunset.state.tx.us</a> (512) 463-4627
Health and Human Services Commission <ul style="list-style-type: none"> <li>• Health and Human Services Reorganization</li> <li>• Office of Inspector General</li> <li>• Children With Special Needs, Interagency Task Force for</li> <li>• Health Services Authority, Texas</li> </ul>	Sarah Kinkle <a href="mailto:sarah.kinkle@sunset.state.tx.us">sarah.kinkle@sunset.state.tx.us</a> (512) 463-5530
Health Services, Department of State <ul style="list-style-type: none"> <li>• Health Care Information Council, Texas</li> </ul>	Katharine Teleki <a href="mailto:katharine.teleki@sunset.state.tx.us">katharine.teleki@sunset.state.tx.us</a> (512) 463-5727

## **84<sup>th</sup> Legislature Results Highlights – Health and Human Services Sunset Reviews**

The health and human services system comprises five separate agencies that administer more than 200 programs, including Medicaid, as well as health and safety regulations, protective services, and operation of state institutions. The Sunset Advisory Commission reviews of the health and human services agencies resulted in both management directives and changes in law enacted by the 84<sup>th</sup> Texas Legislature. The following highlights the results of the Sunset reviews of the Health and Human Services Commission (HHSC), Department of State Health Services (DSHS), Department of Aging and Disability Services (DADS), the Department of Assistive and Rehabilitative Services (DARS), and the Department of Family and Protective Services (DFPS).

**Consolidates health and human services in Texas.** This reorganization aims to improve services to clients and make the state's already big and complex system work better through a measured approach to consolidation that promotes accountability, reduces fragmentation, and streamlines operations across the system.

- Consolidates the functions of DARS and DADS at HHSC in a phased, two-year approach to be completed by 2017. Transfers certain functions from DSHS and DFPS to keep them focused on their primary public health and protective services missions. (SB 200)
- Transfers vocational rehabilitation programs from DARS to the Texas Workforce Commission in 2016 to better align those programs with the workforce system and improve employment outcomes for people with disabilities. (SB 208)

**Improves oversight of system administrative functions.**

- Achieves greater overall sophistication and strengthens management of contracts by requiring more high-level oversight throughout the system, formalizing a reporting structure for penalties, and escalating attention on large, problematic contracts. Requires more scrutiny on foster care redesign and DSHS' behavioral health contracts in particular. (SB 20 / SB 206 / HB 1)
- Consolidates IT authority and personnel to improve planning and interoperability of systems and elevates oversight of data to better manage, use, and share system data for improved service delivery. (SB 200)

**Improves regulation of various health and human services entities.**

- Streamlines DSHS' unmanageable regulatory responsibilities to allow it to focus on its core public health mission. Eliminates unneeded state regulation of eight low-risk regulatory programs and transfers 13 occupational licensing programs to the Texas Department of Licensing and Regulation and four to the Texas Medical Board. (SB 202)
- Requires license revocation for nursing homes found to have three or more serious violations in a two-year period. (SB 304)
- Strengthens child care licensing enforcement efforts, gives more flexibility in setting child care licensing and administrative fees, and establishes a child care license and registration renewal process. (SB 206)

**Integrates services for clients.**

- Transitions NorthSTAR behavioral health services to an updated approach by creating a new model that integrates physical and behavioral health and allows access to federal funds. (SB 200 / HB 1)
- Consolidates two women's health programs to reduce burdens to clients, providers, and the state. (HB 1)
- Requires long-overdue consolidation of basic front-door assessment, screening, and referral for mental health and substance abuse services and a review of regulations for community-based treatment facilities to eliminate unnecessary barriers to integration. (SB 1507 / HB 1)

**Makes health and human services processes more effective and efficient.**

- Streamlines prescriptive statutory requirements to give Child Protective Services caseworkers more time with children and families and makes efforts to improve caseworker retention. (SB 206)
- Adapts Medicaid processes to managed care while making efforts to improve quality of care and streamlining the lengthy and cumbersome process for providers to enroll in Medicaid. (SB 200)
- Requires an updated, locally-driven methodology for allocating scarce state mental health hospital beds. (SB 1507)
- Strengthens the security of the state's vital statistics, such as birth and death records. (SB 200)
- Streamlines burdensome processes related to Medicaid provider payment holds for fraud and improves the Office of Inspector General's effectiveness through process improvements to achieve better results. (SB 207)
- Strengthens oversight of rehabilitative services caseworkers to control spending and ensure effective delivery of services. (HB 2463)
- Outsources independent living services to improve local access to rehabilitative services. (HB 2463)

**Simplifies public interactions with the health and human services system.**

- Streamlines advisory committees by repealing 40 duplicative or unnecessary advisory committees and adding separate requirements for a more manageable approach to obtaining valuable public input. (SB 200 / SB 277)
- Coordinates and consolidates HHSC ombudsman services and system websites and hotlines and adds requirements for websites to include clearer overall ratings on long-term care providers and a calendar of all advisory committee meetings. (SB 200)

*Timeline of Texas Health and Human Services System Reorganization  
Sunset Commission Recommendations Enacted in SB 200 and SB 208 (84<sup>th</sup> Legislature)*

**September 1, 2015 – Effective Date for the Bills**

- As soon as practicable but not later than October 1, appointments must be made to the Transition Legislative Oversight Committee and the Policy and Performance office must be established.
- As soon as practicable, the Texas Workforce Commission (TWC) and Health and Human Services Commission (HHSC) must develop a plan for transitioning leased office or building space where affected Department of Assistive and Rehabilitative Services (DARS) staff are housed, and by October 1, complete a plan for sharing data and technology systems, and begin sharing information

**March 1, 2016**

- Transition plan due, after required stakeholder input during the plan's development, from the executive commissioner to the Transition Legislative Oversight Committee.

**September 1, 2016**

- Consolidation of client services across the system at HHSC. Includes:
  - Client services at the Department of Aging and Disability Services (DADS) and Department of State Health Services (DSHS) (Medicaid, women's health, mental health, non-Medicaid aging and disability services, GR-funded wrap around programs).
  - Remaining DARS services not transferring to TWC, as laid out below (DARS abolished under SB 200); and
- The following programs and services are transferred from DARS to TWC.
  - Vocational Rehabilitation Programs for individuals with visual impairments and other disabilities, Criss Cole Rehabilitation Center, Business Enterprises of Texas, Independent Living Services Program for older individuals who are blind, and the Rehabilitation Council of Texas.
- Evaluation and consolidation of system administrative services, as practicable.
- Consolidation of child welfare-related prevention programs at the Department of Family and Protective Services (DFPS).

**September 1, 2017**

- Consolidation of institutions and regulatory functions across the system.
  - State Supported Living Centers and regulatory functions from DADS (DADS abolished).
  - State hospitals and regulatory functions from DSHS.
  - Regulatory functions from DFPS.
- Consolidation of all remaining administrative functions, as feasible and desirable in line with specified principles to ensure programs are not harmed.

**September 1, 2018**

- Study and recommendation by Executive Commissioner to the Transition Legislative Oversight Committee whether DFPS and DSHS should continue independently or be merged into HHSC.

**December 1, 2018**

- Recommendations from Transition Legislative Oversight Committee to the Legislature whether DFPS and DSHS should continue independently or be merged into HHSC.

**September 1, 2023**

- Special-purpose review of HHSC by Sunset to evaluate progress of the reorganization, but HHSC is not subject to abolishment.
- Standard Sunset review for DFPS and DSHS. After all other consolidations, these agencies will include the following.
  - DFPS: Child and adult protective services functions and prevention programs.
  - DSHS: Public health and data functions.

Advisory Committees

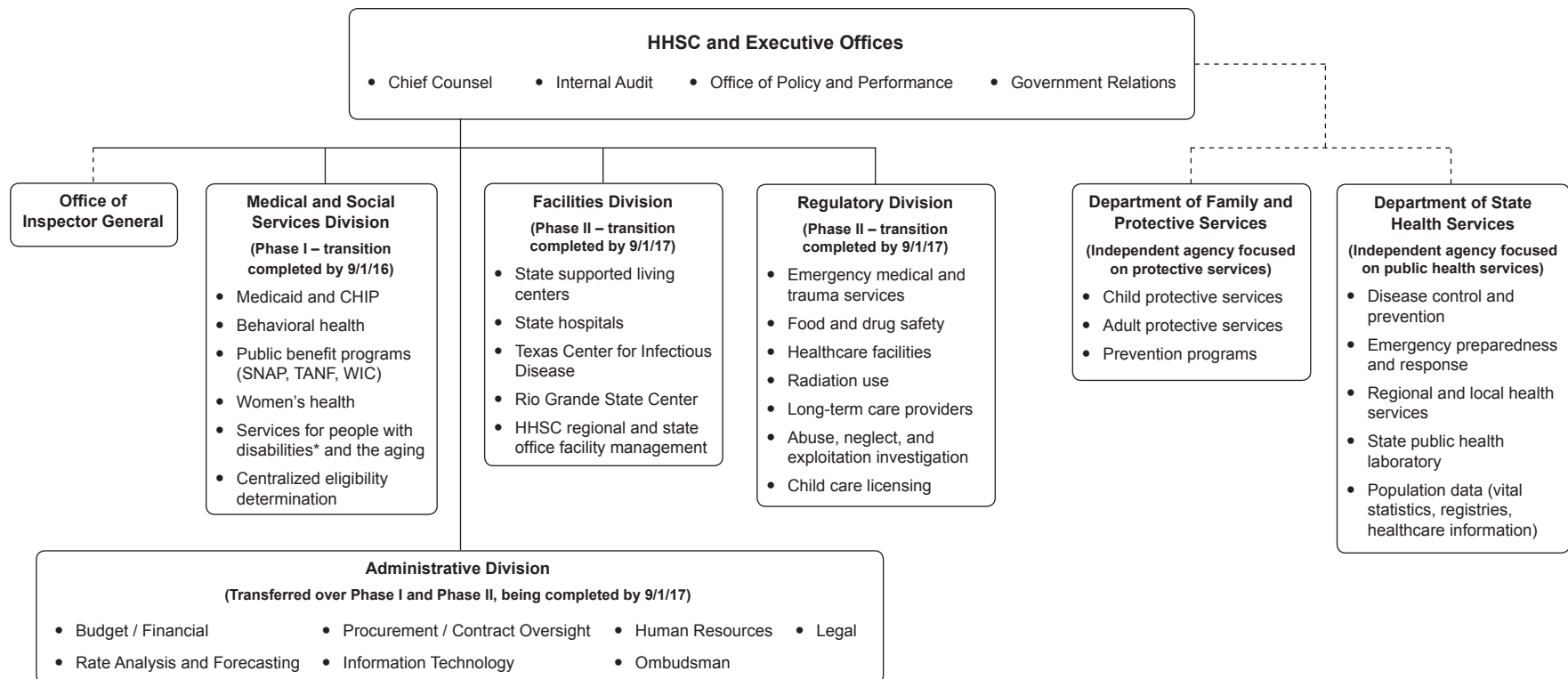
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*January 1, 2016* – Most statutory advisory committees abolished. (Some have later expiration dates)

*March 1, 2016* – Rules addressing certain requirements for each advisory committee must be adopted.

## **Health and Human Services System Example of Functional Organization**

The following diagram is an example of the health and human services system developed around functional lines. Senate Bill 200 requires HHSC to establish divisions for Medical and Social Services, Regulatory, Facilities, Administration, and the Office of Inspector General, with authority for the executive commissioner to establish additional divisions as appropriate. The bill would transfer client services throughout the system to HHSC in a first phase of transition by 9/1/16. The bill would transfer institutions and regulatory functions to HHSC in a second phase of transition by 9/1/17. Administrative functions would transfer to HHSC over both phases, with these transfers completed by 9/1/17. The bill continues DFPS and DSHS as independent agencies under HHSC, with DFPS now focused on protective services and DSHS focused on its core public health services. The bill requires HHSC to establish an Office of Policy and Performance to develop cross-functional teams and processes between the divisions and agencies to promote collaboration and coordination among related programs. The executive commissioner would use this chart as a starting point for preparing a transition plan for the reorganization to be presented to the Transition Legislative Oversight Committee. The bulleted items in the divisions and agencies on the chart are not intended to be an exhaustive list of all programs or functions.



\* The Sunset bill on the Texas Workforce Commission (S.B. 208) transfers the disability-related Vocational Rehabilitation Program, Criss Cole Rehabilitation Center, Older Blind Independent Living Program, and Business Enterprises of Texas from the Department of Assistive and Rehabilitative Services to the Texas Workforce Commission on 9/1/16.



# **Presentation on the Reorganization of the Health and Human Services System**

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Joey Reed

July 17, 2015

# Major Provisions of S.B. 200

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- Reorganizes the HHS System, bringing client services, regulatory functions, and facility operations in to HHSC
- Focuses DSHS on public health and DFPS on protective services
- Creates a Transition Legislative Oversight Committee to govern the reorganization process
- Requires the Executive Commissioner to develop a transition plan, submitted to the Committee at regular intervals, and to assess the continuing need for DFPS and DSHS as standalone entities
- Creates a new HHS Executive Council to receive public input and advise the Executive Commissioner on agency operations

# Transfer Timeline Overview

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**October 1, 2015**

Oversight Committee  
Appointments Made

Establish Policy and  
Performance Office

**September 1, 2017**

Transfer Facilities:

- DADS (SSLCs)
- DSHS (State Hospitals)

Transfer Regulatory Operations:

- DADS
- DFPS
- DSHS

Transfer Remaining Administrative  
Support Services

**September 1, 2016**

Transfer Client Services:

- DADS
- DARS (all programs not  
transferring to TWC)
- DFPS
- DSHS

Transfer Administrative  
Services

Transfer Prevention Services

**September 1, 2018**

Submit Study

- DFPS and DSHS  
study to assess stand-  
alone status under the  
HHS System umbrella

# Legislative Oversight Committee

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- Facilitates transfer of functions outlined in Transition Plan
- Comprised of 11 voting members, including:
  - Four Senate members, appointed by the Lt. Governor
  - Four House members, appointed by the Speaker
  - Three public members, appointed by the Governor
- Executive Commissioner serves as ex officio, non-voting member
- Receives public input on proposed Transition Plan and organizational structure of HHS System



# Transition Plan

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- Outlines the HHS System's reorganized structure
- Specifies movement of programs and functions and a timeline within the period prescribed in the bill
- Evaluates and determines the feasibility and effectiveness of consolidating administrative support services into HHSC
- Requires the Executive Commissioner to hold public hearings and solicit input from stakeholders in developing the Plan
- Requires the Plan to be submitted by March 1, 2016

# Next Steps

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- Establish a governance structure comprised of staff from each HHS agency to assist in the transition process, including:
  - Developing guiding principles for the transition
  - Providing input on the development of the Transition Plan and implementation plans for each element of the transition
  - Providing input into the development of internal and external communication plans
- Designate a team of HHS staff to support and coordinate transition related activities
- Solicit and incorporate public input on potential transfers of programs and functions
- Define client services, regulatory functions, public health functions, functions related to state-operated institutions, and prevention and early intervention services
- Identify and group programs and support services along functional lines

# Executive Council

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- Abolishes HHS Advisory Councils
- Creates a new HHSC Executive Council on September 1, 2016
  - Executive Commissioner (Chair)
  - Division directors
  - Commissioners of remaining HHS agencies
  - Other individuals appointed by Executive Commissioner, as necessary
- Provides a forum to receive public input and advise the Executive Commissioner on agency operations

# Advisory Committees

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- Removes certain advisory committees from statute
- Requires the Executive Commissioner to evaluate and re-establish needed advisory committees, in rule, that cover major areas of HHSC
  - Publish new list of advisory committees by November 1, 2015 and begin operation immediately upon being created
  - Adopt rules for advisory committees by March 1, 2016
- Provides public forum and creates a more effective mechanism for stakeholder input to reach leadership and decision makers
- Requires a master advisory committee calendar, streaming of advisory committee meetings, and online access to meeting materials

# Questions and Contact Info

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Chris Adams

[christopher.adams@hhsc.state.tx.us](mailto:christopher.adams@hhsc.state.tx.us)

Joey Reed

[joey.reed@hhsc.state.tx.us](mailto:joey.reed@hhsc.state.tx.us)



# **Department of State Health Services Sunset and Session Update**

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Carolyn Bivens

July 17, 2015

# Focus on Public Health

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- SB 202 streamlines DSHS' occupational regulatory functions
- Discontinues eight programs
  - Bottled and vended water
  - Contact lens dispensers
  - Opticians
  - Personal emergency response systems
  - Bedding
  - Indoor air quality in state buildings
  - Rendering
  - Tanning bed facilities
- Transfers four programs to TMB according to transition plan, creates associated advisory committees and boards, and requires fingerprint-based background checks
  - Respiratory care practitioners
  - Medical radiologic technologists
  - Medical physicists
  - Perfusionists

# Focus on Public Health

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- Transfers 13 regulatory programs to TDLR and reconstitutes associated independent boards as advisory committees
- Seven programs transfer by August 31, 2017
  - Athletic trainers
  - Dietitians
  - Midwives
  - Orthotists & prosthetists
  - Fitters & dispensers of hearing instruments
  - Speech-language pathologists & audiologists
  - Dyslexia therapists & practitioners
- Six programs transfer by August 31, 2019
  - Laser hair removal
  - Massage therapists
  - Sanitarians
  - Code enforcement officers
  - Mold assessors & remediators
  - Offender education providers



# Focus on Public Health

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- HB 1, Rider 81, Public Health Inventory and Action Plan
  - Collaborate with stakeholders to develop a comprehensive inventory of roles, responsibilities, and capacity related to public health services. To be completed by March 1, 2016.
  - Use inventory information to establish statewide priorities for improving the state's public health system and to create a public health action plan to effectively use state funds to achieve priorities. To be completed by November 30, 2016.
- Sunset Management Action
  - Develop a system to categorize different types of local health departments based on the services they provide. To be completed by November 30, 2016.

# Mental Health and Substance Abuse

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- SB 1507
  - Training curriculum for judges and attorneys on treatment alternatives
  - Regional allocation of mental health beds
  - Integration of mental health and substance abuse hotlines and outreach, screening, assessment and referral functions
- HB 1, DSHS Riders
  - Rider 80 - Review standards, best practices, and barriers to effective service delivery for community-based crisis and treatment facilities and submit report to legislature by December 1, 2016, with recommendations for statutory changes.
  - Rider 82 - Identify improvements to performance measurements, contract processing, and payment mechanisms for behavioral health services contracts; report findings by December 1, 2016.

# Maternal and Child Health

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- Women's Health Programs
  - Increased budget by \$50 million, including state funding for the Texas Women's Health Program, Expanded Primary Health Care, and Family Planning.
  - Consolidate the three programs into two.
- Consolidation of Medicaid Programs
  - Move Medicaid programs administered by DSHS to HHSC, including Texas HealthSteps

# Maternal and Child Health

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- Children with Special Health Care Needs
  - \$5 million exceptional item funding over biennium to serve an additional 186 clients from waiting list
- Hemophilia Assistance Program
  - Recent rule change extends eligibility from 21 to 18 years
  - HB 1038 allows premium payment assistance to eligible clients
- Neonatal Care
  - HB 3374 requires DSHS to create and make available on the agency website and to healthcare providers educational materials on Down syndrome
  - SB 791 requires DSHS to develop and publish materials on the incidence, treatment, and prevention of congenital cytomegalovirus (CMV), targeted to pregnant women