



Report on the Community Mental Health Grant Program

**As Required by
Texas Government Code,
Section 531.0999(k)**

**Health and Human Services
Commission**

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Executive Summary

Texas Government Code, Section 531.0999, as added by House Bill (H.B.) 13, 85th Legislature, Regular Session, 2017, directs the Health and Human Services Commission (HHSC) to establish a matching grant program to support community mental health programs. The purpose of the Community Mental Health Grant Program is to ensure that individuals with mental health issues can access mental health services and treatment. The 2018-19 General Appropriations Act, Senate Bill 1, 85th Legislature, Regular Session, 2017 (Article II, HHSC, Rider 83), authorizes HHSC to allocate \$10 million and \$20 million in general revenue to the program in fiscal years 2018 and 2019, respectively.

Grant recipients may include local mental health authorities (LMHAs), local behavioral health authorities (LBHAs), non-profit organizations, and governmental entities that complete a competitive procurement process and meet evaluation and selection criteria developed by the agency. The legislation further requires grantees to dedicate matching funds equal to a certain percentage of the state award based on the population of the counties served. These funds may include either cash or in-kind contributions, but cannot include funds from either state or federal sources. To the extent possible, the agency must reserve up to 50 percent of awarded funds for counties with populations of less than 250,000.

HHSC received applications from 63 providers proposing 74 projects in 128 counties. At the conclusion of the procurement process, HHSC awarded funds to 56 providers to support 64 projects in 127 counties across Texas.

1. Introduction

Sec. 531.0999 establishes a matching grant program to support community mental health programs providing services and treatment to individuals experiencing mental illness. The Community Mental Health Grant Program must promote services to:

- provide mental health care services and treatment to individuals with mental illness; and
- coordinate mental health care services for individuals with mental illness to other transition support services.

Government Code, Section 531.0999(k), requires HHSC to submit a report by December 1 of each calendar year that evaluates the success of the matching grant program to the Governor, Lieutenant Governor, and the Legislature.

Program service delivery did not commence until after the start of fiscal year 2019 due to unexpected delays in the procurement and contracting process. Procurement encompassed a two-stage approach with one solicitation conducted for LMHAs and LBHAs and a second solicitation for non-profit organizations and governmental entities. This report focuses on the execution of the two main procurement activities undertaken by HHSC to implement the program to date.

2. Background

According to the Substance Abuse and Mental Health Services Administration (SAMHSA), serious mental illness is defined as a diagnosable mental, behavioral, or emotional disorder causing serious functional impairment among people who are age 18 and older that substantially interferes with or limits one or more major life activities. SAMHSA defines serious emotional disturbance as a diagnosable mental, behavioral, or emotional disorder occurring in the past year, which resulted in functional impairment in a child age 17 and younger that substantially interfered with or limited the child's role or functioning in family, school, or community activities. Prevalence data reported in the *Texas Statewide Behavioral Health Strategic Plan: Fiscal Years 2017-2021* reveals that 1 million adult Texans, or 5 percent of the state's 19.8 million adults, is afflicted with serious mental illness. Estimates for serious emotional disturbance within the population age 18 and younger can range as high as 519,368 or 7.3 percent of all children and youth in Texas. These estimates clearly demonstrate the significant need for mental health care services in Texas.

Rider 83 authorized HHSC to allocate up \$30 million in general revenue to the Community Mental Health Grant Program over the biennium to increase access to treatment and other mental health services, especially outside of the most urbanized counties within the state. Provisions within the enabling legislation require HHSC to observe certain criteria in implementing the grant program.

- Award applicants must apply matching contributions. The match can be cash or in-kind and varies according to population of counties served. However, grantees cannot use other state or federal funds for the match.
- To the extent possible, HHSC must reserve 50 percent of allocated funds for awardees operating in counties with less than 250,000 inhabitants.
- Awarded funds and grantee matching funds are to be solely used for supporting programs that provide mental health care services and treatment to individuals with a mental illness and to coordinate mental health services and other transition support services for individuals with mental illness.
- HHSC must directly disburse allocated funds to grant recipients.
- Award applicants who are not LMHAs or LBHAs must submit letters of support from those entities as part of the application process.

- HHSC must develop selection criteria to evaluate and score applications, address whether an applicant proposes duplication of existing services, and consider the possibility of making multiple awards.

Matching Requirement

The Community Mental Health Grant Program is financed with both state general revenue and local funding secured by selected applicants. Matching grants are typically required to either multiply the effects of state funds or help awardees achieve self-sustaining status in the event state funding is restricted to a defined period of time or interrupted. While award recipients cannot use federal and other state funds as match, they may apply cash contributions which are traceable to philanthropic, private, or local (city and county) government sources. In addition, the match is not limited to cash, as grantees may dedicate donated resources and in-kind contributions of goods and services committed specifically to the program. Time volunteered by individuals to accomplish activities specific to the program is also considered a valid type of match.

The amount of match grantees must apply toward administering the grant projects varies according to the population of the county or counties served. Resources deployed by organizations as match are typically more abundant and readily available in densely populated areas than in sparsely populated areas. The Legislature recognized this uneven distribution and stratified the match requirement to lessen the burden on prospective providers from rural and less densely populated regions in the state. Applicants to the program were to seek out matching funds equal to:

- 50 percent of the grant amount if the program is located in only one county with a population of less than 250,000;
- 100 percent of the grant amount if the program is located in only one county with a population of at least 250,000;
- 50 percent of the grant amount if the program is located in a multi-county service area and the largest county has a population under 250,000; or
- 100 percent of the grant amount if the program is located in a multi-county service area and the largest county has a population of at least 250,000.

Geographic Preference

As with resources used for the match, treatment and other mental health services are not evenly distributed nor equally accessible across Texas. Mental health workforce shortages and lack of transportation act as barriers for people in rural and less densely populated areas trying to access care.¹ Awareness of the problem led legislators to craft a “set-aside” provision directing HHSC to reserve 50 percent of allocated program funds for counties with populations under 250,000.

Program Objectives

HHSC allows grantees flexibility in developing local projects. While differences exist in provider types, target populations, and services, one purpose remains constant: expand treatment for and promote recovery from mental illness through treatment and mental health services. Through the Community Mental Health Grant Program, HHSC aims to:

- Encourage greater continuity of care for individuals receiving services through a diverse local provider network;
- Coordinate mental health care and transition support services for individuals with mental illness;
- Provide quality and person-centered care for individuals with mental illness;
- Encourage stakeholder partnerships and community collaboration; and
- Support strategic policy coordination.

Lastly, the grants awarded by HHSC must address gaps in services identified in the *Texas Statewide Behavioral Health Strategic Plan: Fiscal Years 2017-2021*, and align with the goals and strategies associated with each identified gap.²

¹ <https://hhs.texas.gov/sites/default/files//050216-statewide-behavioral-health-strategic-plan.pdf>, page 27-28.

² <https://hhs.texas.gov/sites/default/files//050216-statewide-behavioral-health-strategic-plan.pdf>, page 23.

3. Solicitation Process

Solicitation

HHSC initiated competitive procurement of the Community Mental Health Grant Program in two phases. The agency began with two distinct solicitations:

- Needs and Capacity Assessment (NCA) performed for LMHAs and LBHAs, referred to as Phase I; and
- Request for Application (RFA) performed for non-profit organizations and governmental entities, referred to as Phase II.

Phase I began in October 2017 with HHSC announcing the release of the NCA. HHSC made 50 percent, or \$15 million, of Community Mental Health Grant Program funds available through the NCA. Using the NCA allowed HHSC to leverage existing relationships with LMHAs and LBHAs to award grants and begin service delivery quicker than with traditional solicitation types such as an RFA. Within the funds set aside for the NCA, HHSC reserved 50 percent, or \$7.5 million, of funds for counties with populations under 250,000 as required in legislation.

Phase II began in December 2017 with the posting of an RFA. The RFA is a broader competitive procurement method HHSC deployed for soliciting proposals from non-profit organizations and governmental entities. HHSC made available the remaining \$15 million in funds through the RFA. The agency again set aside 50 percent of this sum for counties with populations of 250,000 or more. Interested organizations responded by the RFA response deadline of January 31, 2018.

Response to Solicitation

HHSC received 74 applications between the combined NCA and RFA processes. Through the solicitation process, LMHAs and LBHAs requested a total of \$32,251,622 and non-profit organizations and governmental entities requested \$14,551,063.

Table 1 displays outcomes from the dual solicitations. NCA applications identified 29 LMHA and LBHA local service areas for possible services. The RFA applications targeted 20 LMHA and LBHA local service areas³, for a final unduplicated count of 32 out of 39 LMHA and LBHA local service areas. Both solicitation methods generated more prospective projects in counties with less than 250,000 residents than in counties with larger populations. An unduplicated count of all counties covered by the 74 applications included 110 counties under 250,000 population and another 18 with populations over 250,000.

Table 1. Responses to Solicitation: LMHA and LBHA Local Service Areas and Counties Served

Category	Phase I: NCA	Phase II: RFA	Total ⁴
LMHA and LBHA Local Service Areas Identified	29	20	32
Counties Identified	87	75	128
Counties Under 250,000 Population	77	59	110
Counties Over 250,000 Population	10	16	18

Final Selection

HHSC completed the evaluation and selection of Phase I and Phase II applications in January 2018 and April 2018, respectively. As expected, the agency awarded multiple grants to qualified LMHAs and LBHAs, non-profit organizations, and governmental entities based on appropriated funding and the degree to which proposals met solicitation criteria.

In compliance with Sec. 531.0999, all grants will fund projects focused on supporting community programs that (1) provide mental health care services and

³ Legislation required non-profit organizations and governmental entities applying for funds to provide letters of support from LMHAs and LBHAs to reduce duplication of services.

⁴ Totals include unduplicated counts of LMHA and LBHA local service areas and counties.

treatment to individuals with a mental illness and (2) coordinate mental health care services for individuals with a mental illness with other transition support services.

The evaluation and selection process concluded with HHSC executing 56 contracts. HHSC will oversee 64 different projects administered by 56 providers in 127 counties. Of the 64 projects, 29 will occur in either a single county with less than 250,000 inhabitants, or a multi-county area in which each county possesses fewer than 250,000 residents. The remaining 33 projects will occur in a single county with a population equal to or greater than 250,000, or in a multi-county area in which at least one county has at least 250,000 residents.

HHSC staff categorized the 64 projects into five main project types. In developing the categories, staff considered proposed service delivery components and community needs. Descriptions for the five types are provided below, and Table 2 provides a numerical breakdown by project type and solicitation type.

- **Access to Care:** These projects focus on access to outpatient mental health services and integrated healthcare services, mobile outreach, and transportation services.
- **Co-occurring Substance Use and Psychiatric Disorder:** These projects focus on meeting identified inpatient, outpatient, and crisis response needs of individuals with co-occurring mental health issues and substance use disorders.
- **Crisis Forensic Services:** These projects represent collaborative efforts to develop and enhance coordinated care, mental health deputy response, and continuity of care related to jail release approaches across community crisis and first responder systems of care.
- **Peer Support Services:** These projects include recovery-focused clubhouses, peer support services, and educational training to develop peer providers within community service delivery structures.
- **School-Based and Early Intervention:** These projects focus on prevention and intervention, school-based response, and at-risk screening and identification of first episode psychosis in young adults.

Table 2. Grant Awards by Project Type

Project Type	Phase I: NCA	Phase II: RFA	Total
Access to Care	15	7	22
Co-occurring Substance Use and Psychiatric Disorder	6	1	7
Crisis and Forensic Services	12	5	17
Peer Support Services	0	4	4
School-Based & Early Intervention	1	13	14
Total	34	30	64

Award Amounts

From the 74 applications received through the joint NCA and RFA solicitation processes, HHSC executed 56 contracts for a total Community Mental Health Grant Program award amount of \$29,742,850. This award amount will fund projects in exactly one half of all Texas counties during the 2018-19 biennium. Table 3 below summarizes the total dollar amounts awarded to grantees by those who applied through the NCA and RFA processes, as well as by projects in counties with populations under 250,000 or equal to or greater than 250,000.

Table 3. Community Mental Health Grant Program Dollar Amounts Awarded by Solicitation Phase and County Population

Category	Phase I: NCA	Phase II: RFA	Total
Counties Under 250,000 Population	\$8,045,055	\$1,100,274	\$9,145,329
Counties Over 250,000 Population	\$7,042,361	\$12,488,455	\$19,530,816
Information Technology Project⁵	N/A	N/A	\$257,150
Unencumbered Balance⁶	N/A	N/A	\$1,066,705
Total	\$15,087,416	\$13,588,729	\$30,000,000

Phase I LMHA and LBHA grantees received 25 awards for approximately \$16 million in Community Mental Health Grant Program funds for the biennium. Within this group, approximately \$8 million of the funds were distributed to projects in counties with less than 250,000 residents and approximately \$7 million were directed toward projects in the more populated counties.

Phase II grantees received 31 awards for nearly \$13.6 million of all awarded funds for fiscal years 2018 and 2019. Unlike the LMHAs and LBHAs in Phase I, the geographic distribution of funds among non-profit organizations and governmental entities in Phase II was skewed toward projects in more populated counties. HHSC allocated almost \$12.5 million of the RFA amount to projects in counties with at least 250,000 residents. Only \$1.1 million was awarded to projects in counties with a population of less than 250,000.

⁵ Enhancement to the web-based Clinical Management for Behavioral Health Services record keeping system to allow non-profit organizations and governmental entities the ability to use the system.

⁶ The unencumbered balance represents funds associated with four contract amendments currently in process. Upon contract execution, HHSC expects the total number of grant projects will increase to 66.

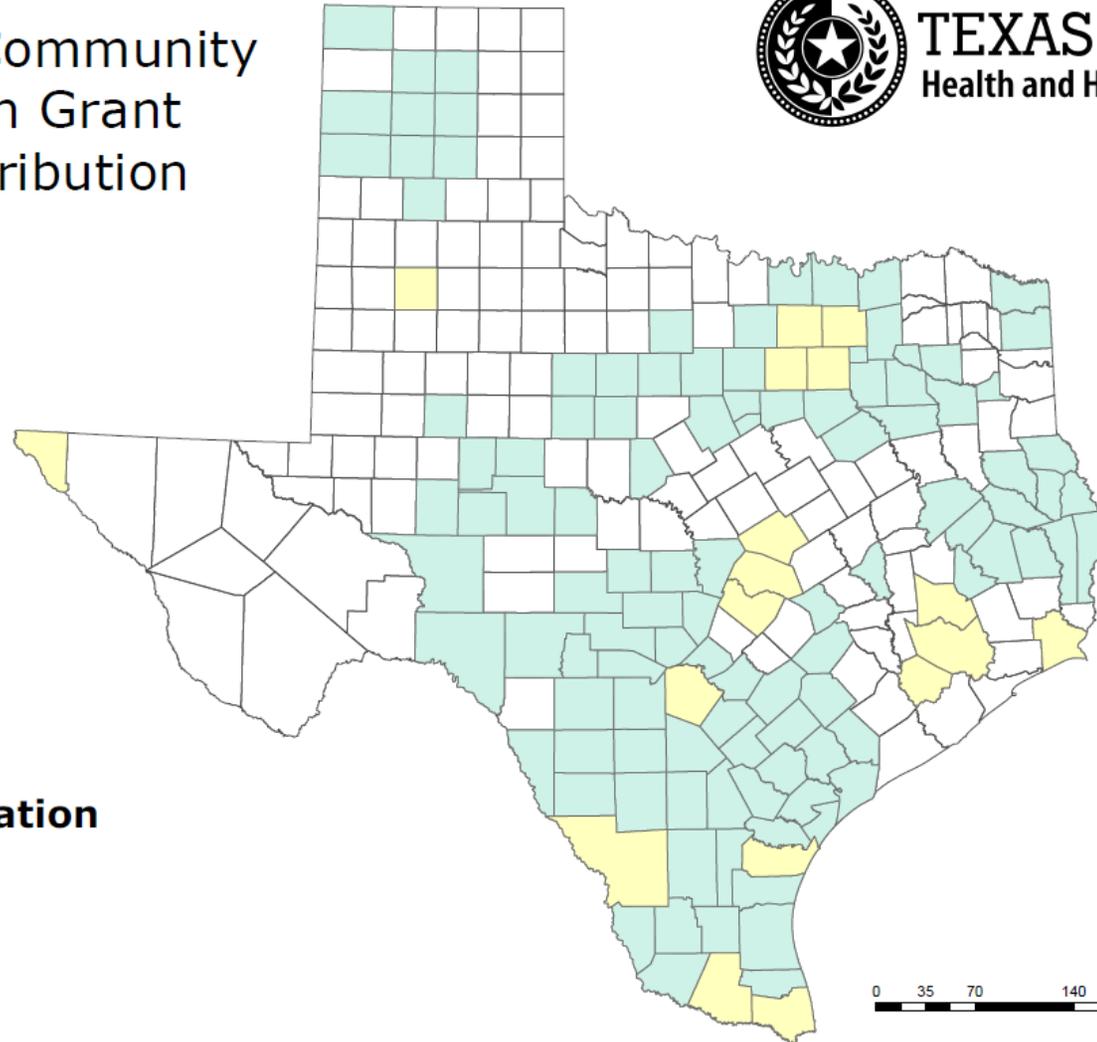
Figure 1 provides a statewide map with locations of apparent awardees for fiscal years 2018 and 2019.

Figure 1. H.B. 13 Awards by Population for Fiscal Years 2018 and 2019

House Bill 13: Community Mental Health Grant Program Distribution



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Awards by Population

-  < 250,000
-  > 250,000

October 2018, v1

Source: Health and Human Services Commission, Behavioral Health Services

Project Implementation

HHSC established grant period start dates of April 1, 2018, and July 1, 2018, for successful NCA and RFA recipients, respectively. Estimates of clients served with those two start dates are expected to generate up to 87,000 unique encounters for the biennium.

Phase I and Phase II projects began ramping up with initial operations work in the last quarter of fiscal year 2018. All providers will have started service delivery or at least begun preparatory operations by the close of first quarter in fiscal year 2019. HHSC-approved project work plans are in place, with appropriate goals and objectives that correspond with service delivery plans.

Community support services offered through this matching grant program are designed to improve health outcomes and well-being by improving the stability of individuals receiving treatment for mental illness.

Table 4, below, provides an overview of five projects representing the five different project types, and descriptions and objectives for the individual projects.

Table 4. Project Overviews

Applicant and Project Type	Project Description	Project Objectives
National Alliance on Mental Illness (NAMI) - Peer Support Services	Expand NAMI Peer-to-Peer and NAMI Connection Recovery Support Group in numerous communities across the state. Funding will allow NAMI Texas to provide instructor/facilitator trainings. Training will be offered regionally, with all expenses covered by NAMI Texas. Local affiliates will be able to send volunteers to these trainings who can then return to local communities and start or expand these programs.	<ul style="list-style-type: none"> • Expand NAMI Peer-to-Peer and Connection Recovery Support groups. • Increase capacity of local affiliates to conduct training. • Raise awareness of peer support services and the role it plays in an individual's recovery.

Applicant and Project Type	Project Description	Project Objectives
North Texas Behavioral Health Authority - Crisis Forensic Services	The Living Room is a crisis, day-respite drop-in center designed to promote recovery, socialization, and engagement with lower-level crisis and recovery services. The program is designed to offer a less restrictive alternative to hospitalization through diversion, whereby individuals receive intervention, support, and mentoring. The Living Room will provide a safe space, allowing for someone in crisis to connect with peers, and avoid the emergency room or hospitalization.	<ul style="list-style-type: none"> • Provide an alternative to hospitalization. • Provide assessment and intervention. • Offer peer support and mentoring.
Texas Tech University Health Sciences Center - School-Based Services	Expand the Telemedicine Wellness Intervention Triage and Referral Project to rural independent school districts in West Texas. This program works to identify, monitor, and obtain prompt mental health care for at-risk youth ages 10 to 17 who are alleged or found to have engaged in delinquent conduct or conduct indicating a need for supervision as acts committed.	<ul style="list-style-type: none"> • Expand services to rural areas. • Identify at-risk youth. • Intervene early to promote better outcomes. • Link to behavioral health services.
Texoma Center - Co-occurring Substance Use and Mental Health Disorder	Mobile Crisis Outreach Team that includes a licensed chemical dependency counselor and a peer specialist to enhance crisis assessment and intervention for individuals with mental health issues and a substance use disorder. Program provides a strong continuity of care component through engagement with the Outreach Screening Assessment and Referral linkage to peer support services, and the provision of behavioral health services based on individual's needs.	<ul style="list-style-type: none"> • Improve community-based crisis service. • Divert from emergency room and criminal justice system. • Enhance continuity of care. • Ensure follow-up with referral sources.

Applicant and Project Type	Project Description	Project Objectives
The Women's Home - Access to Care	Establish a collaborative made up of stakeholders from the public and private sector who work collectively to impact the health and well-being of the Spring Branch East community in Houston. Offer holistic care for the entire family that includes behavioral health and primary healthcare. Other services include education and enrichment workforce development training, adult basic education, physical wellness, creative arts engagement, and other support services.	<ul style="list-style-type: none"> • Establish a community collaborative. • Provide integrated healthcare to entire family. • Offer education and employment development.

4. Outcomes and Performance Measures

Expected Outcomes

Sec. 531.0999 does not include specific outcomes for the Community Mental Health Grant Program, nor does it require HHSC to enforce standard outcomes in developing the grant program. The statute provides flexibility for community-based organizations and governmental entities to implement programs best suited for supporting local mental health needs. Grant program applicants developed project designs with identified service delivery gaps in mind. HHSC collaborated with grantees to establish project work plans that contain local objectives to help achieve overall project goals. HHSC anticipates the grant program will succeed by grantees concentrating on the following objectives:

- Strengthening collaborations between service delivery providers in local service areas;
- Increasing continuum of care for individuals with mental illness;
- Providing greater continuity of care for individuals receiving services through a diverse local provider network, coordinated behavioral health approach within the criminal justice system;
- Increasing access to early detection, screening, and assessment of individuals with behavioral health needs; and
- Aligning data tracking and reporting of data, and providing supervision and oversight, within the existing service delivery structure.

Performance Measures

Sec. 531.0999 also does not specify the use of certain performance measures by grant recipients. A standard set of performance measures typically locks multiple providers into delivering a standard of services to a standard target population, regardless of location. By not specifying certain performance measures, services providers have latitude in designing projects and developing service arrays to best serve their communities' needs.

HHSC developed a minimum set of measures to assess the impact of the program on the lives of individuals with mental illness. Two measures will assess:

- Effectiveness of the program in relation to the number of unduplicated persons served per month; and

- Overall effectiveness of the program, through agreed-upon measures, including:
 - ▶ Individual improvement based on assessments conducted before, during, and after provision of services;
 - ▶ Percent of individuals with improved community connectedness; and
 - ▶ Individual satisfaction with the program based on satisfaction surveys conducted in a point in time.

Additionally, grantees will submit biannual reports to the Statewide Behavioral Health Coordinating Council on the impact each grantee has had on project implementation and mental health outcomes of the population served by the grant funding.⁷

⁷ Per the 2018-2019 General Appropriations Act, Senate Bill 1, 85th Legislature, Regular Session, 2017 (Article IX, Section 10.04[b]).

5. Conclusion

Sec. 531.0999 directs HHSC to implement the Community Mental Health Grant Program allowing service provider organizations the flexibility to design projects tailored to meet local treatment and mental health service needs.

Due to unanticipated delays in the procurement and contracting phases of the project, service delivery did not start across the state by all grantees during the second half of fiscal year 2018 as expected. Nevertheless, HHSC succeeded in generating statewide interest in the new program. Despite the matching requirement and the 50 percent “set-aside” for counties under 250,000 population, HHSC received 74 applications during a two-stage solicitation process. HHSC worked with the awarded grantees to develop strong work plans that will deliver appropriate treatment and mental health services to persons experiencing mental health illness. The collaborative support services offered through the program should improve health outcomes and well-being in communities targeted by the grantees.

By the conclusion of the first quarter in fiscal year 2019, Community Mental Health Grant Program providers have initiated project activities in 127 counties (exactly one-half of all 254 Texas counties) with either the start of service delivery or program operations at the least. HHSC anticipates grantee reporting regarding number of clients served and outcomes achieved throughout fiscal year 2019.

List of Acronyms

Acronym	Full Name
H.B.	House Bill
HHSC	Health and Human Services Commission
LBHA	Local Behavioral Health Authority
LMHA	Local Mental Health Authority
NAMI	National Alliance on Mental Illness
NCA	Needs and Capacity Assessment
RFA	Request for Applications