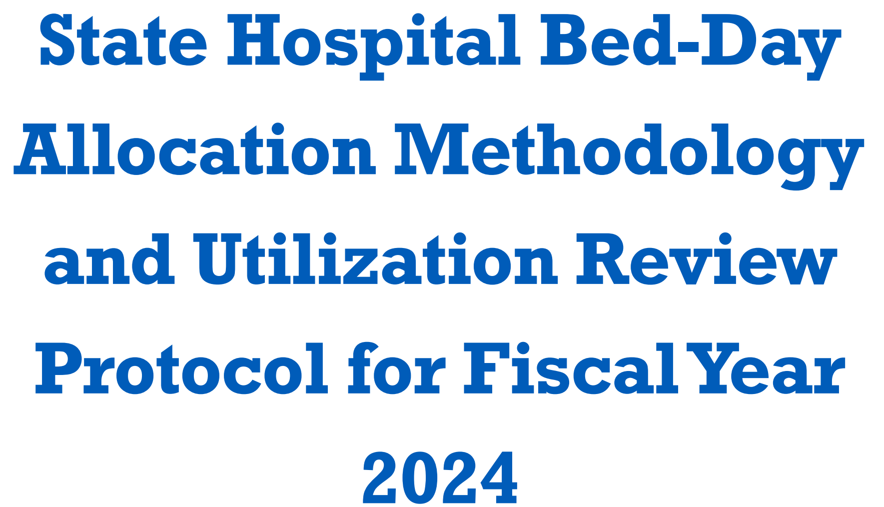

State Hospital Bed-Day Allocation Methodology and Utilization Review Protocol for Fiscal Year 2024

As Required by
Health and Safety Code
Section 533.0515(e)

Texas Health and Human Services
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TEXAS
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Executive Summary

Texas Health and Safety Code, Section 533.0515(e), directs the Health and Human Services Commission (HHSC), in conjunction with the Joint Committee on Access and Forensic Services (JCAFS), to submit a legislative report regarding a bed-day allocation methodology and utilization review protocol. This report provides information on:

- Activities to update the bed-day allocation methodology and utilization review protocol;
- The outcomes of the implementation of the bed-day allocation methodology by region;
- The actual value of a bed day for the two years preceding the report and the projected value for the five years following the report;
- An evaluation of factors that impact the use of state-funded hospital beds by region;
- The outcomes of the implementation of the bed-day utilization review protocol and its impact on the use of state-funded hospital beds; and
- Any recommendations of HHSC or the JCAFS to enhance the effective and efficient allocation of state-funded hospital beds.

The bed-day allocation methodology was adopted in 2016. The JCAFS recommended no changes to the bed-day allocation methodology in 2018, 2020, and 2022. The JCAFS recommends no changes to the bed-day allocation methodology in 2024. Implementation of the 2024 bed-day methodology shifts additional bed days to areas with higher rates of poverty but does not result in a dramatic redistribution of beds.

The utilization review protocol was also adopted in 2016. In 2023, the JCAFS analyzed data captured with the Texas State Hospital Patient Discharge Needs Form implemented in 2022. In 2024, the JCAFS considered additional topics to inform future utilization review protocol activities.

Based on the results of the utilization review and stakeholder input, the JCAFS recommendations are as follows:

- Enhance recovery, reintegration, and immediate support for individuals who are justice involved, experiencing mental health crises, or have co-occurring conditions with peer support services and comprehensive diversion programs;
- Expand and diversify housing options and provide specialized support for individuals with serious mental illness or co-occurring conditions as they transition from institutional care to the community;
- Optimize the use of Outpatient Competency Restoration (OCR) and Jail-Based Competency Restoration (JBCR) programs;
- Improve decision-making and program effectiveness through comprehensive data collection and analysis;
- Address the high rates of substance use among justice-involved individuals to reduce recidivism and improve health outcomes; and
- Address the issue of the forensic population being held in county jails.

1. Introduction

Texas Health and Safety Code, Section 533.0515(e), directs HHSC to submit a legislative report regarding a bed-day allocation methodology and utilization review protocol. Per statute, the report is published and distributed to the Governor, Lieutenant Governor, Speaker of the House of Representatives, Senate Finance Committee, Senate Health and Human Services Committee, House Appropriations Committee, House Public Health Committee, and House Human Services Committee. The report is due December 1 of every even-numbered year.

Additionally, the statute charges the JCAFS with making recommendations to the HHSC Executive Commissioner for updates to a bed-day allocation methodology and for implementation of a bed-day utilization protocol, including a peer review process. JCAFS is further charged with monitoring the implementation of both the bed-day allocation methodology and the bed-day utilization review protocol.

2. Background

The JCAFS formed in 2015 by combining two statutorily required advisory bodies, the state bed-day allocation advisory panel established pursuant to H.B. 3793, 83rd Legislature, Regular Session, 2013, and the forensic workgroup authorized by S.B. 1507, 84th Legislature, Regular Session, 2015. Prior to Health and Human Services Transformation in 2016, the Department of State Health Services combined the advisory panel and workgroup to form the JCAFS because of shared membership and similar charges. The forensic workgroup’s authority expired in November 2019; however, the JCAFS will not be abolished as long as its enabling statutes remain in effect.

The JCAFS is statutorily charged with developing and providing recommendations to the HHSC Executive Commissioner and monitoring the implementation of updates to a bed-day allocation methodology. The methodology allocates, to each designated region, a certain number of state-funded beds in state hospitals and other inpatient mental health facilities for voluntary, civil, and forensic patients. The JCAFS is further charged with making recommendations for the implementation of a bed-day utilization review protocol including a peer review process. The initial recommendations for an updated bed-day allocation methodology and utilization review protocol were submitted in February 2016, adopted by the Executive Commissioner in May 2016, and implemented in fiscal year 2017.

The bed-day allocation methodology uses a poverty-weighted population to allocate state-funded beds to local authorities rather than a standard per capita formulation. The utilization review protocol includes a flexible framework that allows the process to be tailored to the specific focus of review. The protocol is designed to understand and address the factors driving patterns of utilization instead of focusing exclusively on the number of bed days used by a local authority.

3. Summary of Activities

The JCAFS Access Subcommittee completed one cycle of utilization review in 2023. The review included analysis of the data captured by State Hospital Central Administration using the Patient Discharge Needs Form, including patient needs and barriers to successful reintegration into the community. In 2024, utilization review activities consisted of consideration of additional topics to inform future utilization review protocol activities, including:

- The prevalence and impact of a co-occurring substance use disorder for people ordered to receive competency restoration;
- Jail diversion strategies for diverse populations and communities;
- Efficacy of existing transition and step-down programs; and
- Current and potential data collection, analysis, and reporting activities.

The outcomes of utilization review activities are described in the Outcomes of Implementation – Utilization Review section of this report. Health and Safety Code, Section 533.0515(c), requires an evaluation of factors that impact utilization, including clinical acuity, prevalence of serious mental illness, and the availability of resources in a given region. The *Factors that Impact the Use of State-Funded Beds* section of this report provides an evaluation of these factors. The JCAFS recommendations regarding the bed-day allocation methodology and utilization review protocol are found in Appendix A.

4. Outcomes of Bed-Day Allocation Methodology

Implementing the 2024 bed-day allocation methodology, which was originally approved in 2016, shifts additional beds to areas with higher rates of poverty. The percent changes in bed days for specific regions between 2022 and 2024 ranges between a 13.63% decrease and 24.64% increase, as shown in Table 1.

Table 1. Change in Allocated Bed Days by Region (Fiscal Year 2016 Allocation)

Local Authority	Allocation with Prior Methodology	Allocated with Updated Methodology	Change in Bed Days	Percent Change in Bed Days
Anderson Cherokee Community Enrichment Services	3,643	3,467	-176	-4.83%
Andrews Center	13,654	14,240	586	4.29%
Austin Travis County Integral Care	39,146	44,725	5,579	14.25%
Behavioral Health Center of Nueces County	12,503	11,372	-1,131	-9.05%
Betty Hardwick Center	5,908	6,188	280	4.74%
Bluebonnet Trails Community Center	30,113	36,429	6,316	20.97%
Border Region Behavioral Health Center	13,020	11,245	-1,775	-13.63%
Burke Center	12,801	11,935	-866	-6.77%
Camino Real Community Centers	7,933	7,029	-904	-11.40%
Center for Healthcare Services	68,894	67,701	-1,193	-1.73%
Center for Life Resources	3,128	3,024	-104	-3.32%
Central Counties Services	15,631	16,884	1,253	8.02%
Central Plains Center	2,826	2,605	-221	-7.82%
Coastal Plains Community Center	8,059	7,123	-936	-11.61%
Community Healthcore	14,806	14,373	-433	-2.92%

Local Authority	Allocation with Prior Methodology	Allocated with Updated Methodology	Change in Bed Days	Percent Change in Bed Days
Denton County MHMR Center	26,334	31,879	5,545	21.06%
Emergence Health Network	30,214	28,198	2,016	-6.67%
Gulf Bend MHMR Center	6,209	5,776	-433	-6.97%
Gulf Coast Center	21,967	24,298	2,331	10.61%
Heart of Texas Region MHMR Center	12,082	12,241	159	1.32%
Helen Farabee Centers	9,845	9,789	-56	-0.57%
Hill Country Mental Health and Developmental Disabilities Center	22,393	25,448	3,055	13.64%
Lakes Regional Community Center	5,270	5,065	-205	-3.89%
Lifepath Systems	29,874	37,235	7,361	24.64%
MHMR Authority of Brazos Valley	11,979	12,493	514	4.29%
MHMR Services for the Concho Valley	4,451	4,487	36	0.81%
My Health My Resources Tarrant County	66,547	70,311	3,764	5.66%
North Texas Behavioral Health Systems and Life Path Systems	106,021	106,500	479	0.45%
Pecan Valley Centers for Behavioral and Developmental Health	13,550	15,913	2,363	17.44%
Permian Basin Community MHMR	13,105	12,642	-463	-3.53%
Spindletop Center	13,952	14,391	439	3.15%
Starcare Specialty Healthcare	11,888	11,658	-230	-1.93%
Texana Center	30,993	35,104	4,111	13.26%
Texas Panhandle Center	13,329	12,880	-449	-3.37%
Texoma Community Center	6,346	7,037	691	10.89%

Local Authority	Allocation with Prior Methodology	Allocated with Updated Methodology	Change in Bed Days	Percent Change in Bed Days
The Harris Center for Mental Health and Intellectual and Developmental Disabilities	163,282	157,003	-6,279	-3.85%
Tri-County Behavioral Healthcare	24,074	27,541	3,467	14.40%
Tropical Texas Behavioral Health	48,475	42,451	-6,024	-12.43%
West Texas Center for MHMR	8,071	7,074	-977	-12.35%

5. Value of a Bed Day

Information on the actual value of a bed day for the state hospital system for the two years prior to this report, as well as projected values for the five years following the date of this report are provided in Tables 2 and 3 below. The values were generated using actual expenditures and historical information.

The HHSC state hospital system bed-day costs reflect the average daily expenditures of the state hospital system and HHSC administrative functions that support state hospital system operations, divided by the state hospital system average daily census. The values were calculated to reflect the true total cost to the state of Texas when compared to private providers and might differ from previous reports.

Table 2. Historical State Bed Day[1] Costs (Fiscal Years 2022 through 2024)

Inpatient Services	2022	2023	2024
State Hospital System	$834	$925	$983[2]

Table 3. Projected Bed Day[3] Costs (Fiscal Years 2025 through 2029)

Inpatient Services	2025	2026	2027	2028	2029
State Hospital System	$817	$817	$817	$817	$817

[1] This value includes the total cost to HHSC and other costs to the state (i.e. benefit pay).
[2] State hospital system bed-day costs for fiscal year 2024 were calculated as of the third quarter. This is an estimate and is subject to change after the close of the fiscal year.
[3] FY25-29 are based on the State Hospitals Fiscal Year 2026 and Fiscal Year 2027 Legislative Appropriations Request (LAR) 3A Control Totals, plus a 1% cost increase. Estimates do not include John S. Dunn Behavioral Science Center or Palestine SH budgets.

6. Factors that Impact Use of State-Funded Beds

These recommendations reflect the views of the voting members of JCAFS and not necessarily the views and opinions of HHSC or the HHSC employees who serve as non-voting ex-officio members of JCAFS. This report does not include separate recommendations from HHSC.

Health and Safety Code, Section 533.0515, requires an evaluation of factors that impact utilization, including clinical acuity, prevalence of serious mental illness, and the availability of resources in each region as a part of the bed-day allocation methodology. In previous biennia, the JCAFS considered each of these factors in determining its recommendations, with the goal of having an equitable methodology based on consistent, reliable data that can be readily updated to reflect change over time.

However, key barriers that preclude the incorporation of a measurement in the allocation of beds include:

- The dynamic nature of clinical acuity;
- Limited data to measure acuity for local service areas;
- Limited data on the prevalence of serious mental illness for local service areas; and
- Lack of consensus on the method to assess the availability of local resources.

Additionally, the proportion of state hospital beds allocated to forensic commitments complicates the assessment of the bed-day allocation methodology and the identification of ways to improve access to state hospital beds for local communities.

In considering an allocation methodology, one issue not specified in the statute is relevant poverty. Most persons receiving HHSC-funded mental health services have incomes at or below 200 percent of the federal poverty level (FPL), and most state hospital patients also fall into this category. Areas with a higher proportion of persons living in poverty are likely to have a higher demand for state-funded inpatient beds. The 2016 bed-day allocation methodology considers relevant poverty and allocates hospital beds based on a poverty-weighted population (i.e.,

double weight is given to populations with incomes at or below 200 percent FPL). As a result, more beds are allocated to local service areas with higher rates of poverty.

These considerations inform the JCAFS's recommendation to maintain the bed-day allocation methodology adopted in 2016. Although there are factors that complicate an accurate assessment and measurement of bed-day allocations, the JCAFS recommends maintaining the bed-day allocation methodology adopted in 2016.

Tables 4, 5, 6, and 7 below contain an inventory of HHSC-funded mental health programs in each service area. These programs include Community Based Crisis Program (CBCP) projects, community mental health hospital beds (CMHH), purchased psychiatric beds (PPB), outpatient competency restoration (OCR) programs, and jail-based competency restoration (JBCR) programs. CMHHs are established through legislative appropriations, while local authorities purchase PPBs from private psychiatric hospitals.

HHSC-funded facility-based CBCP projects include:

- **Crisis respite units** - a place where people at low risk of harm to self or others can stay for as long as seven days. Professional staff are available to provide counseling and medication.
- **Crisis peer respite programs** - staffed by peer providers and provide community-based, non-clinical support to help people find new understanding and ways to move forward.
- **Crisis residential units** - provides short-term crisis services in a home-like environment for people who might harm themselves or others.
- **Crisis stabilization units (CSU)** - designed to treat symptoms of mental illness for those who are at high risk of admission to a psychiatric hospital. Treatments such as counseling and medication are provided in a secure environment with a stay of up to 14 days.
- **Contracted psychiatric beds** - inpatient beds in community hospitals for people who need short term stabilization services.
- **Diversion Centers** - provides on-demand crisis evaluation and care services for individuals brought in by law enforcement or other entities as deemed eligible by the grantee 24 hours a day, seven days a week.
- **Extended observation units (EOU)** - a place where people who are at high risk of harm to self or others are treated in a secure environment for up to 48

hours. Professional staff are available to provide counseling and medication services.

- **Triage** - provides clinical assessment at the point of entry to crisis services to identify the level of service required.

Local Mental Health Authorities (LMHAs) and Local Behavioral Health Authorities (LBHAs) operate a variety of non-traditional community-based crisis and diversion programs funded through grants and contracts administered by HHSC. These non-traditional programs are non-facility projects that offer assessment, support, and services to achieve psychiatric stabilization and divert individuals in behavioral health crisis from the criminal justice system, including mental health deputies, co-responder teams, continuity of care, jail diversion liaisons, mental health dockets, and crisis intervention response teams.

Table 4. Fiscal Year 2024 HHSC-Funded CBCP Projects

Local Authority	Project Type	Funding
Andrews Center Behavioral Healthcare System	Contracted Psychiatric Beds	$63,750
Andrews Center Behavioral Healthcare System	Crisis Respite	$694,574
Austin Travis County Integral Care	Contracted Psychiatric Beds	$1,884,619
Austin Travis County Integral Care	Crisis Respite	$1,535,273
Behavioral Health Center of Nueces County	Crisis Respite	$300,684
Betty Hardwick Center	Contracted Psychiatric Beds	$1,179,159
Bluebonnet Trails Community Services	Extended Observation Unit	$1,115,071

Local Authority	Project Type	Funding
Bluebonnet Trails Community Services	Crisis Respite	$740,671
Burke Center	Extended Observation Unit	$483,662
Burke Center	Crisis Residential	$1,474,044
Burke Center	Continuity of Care	$137,592
Camino Real Community Centers	Crisis Residential	$797,950
Camino Real Community Centers	Contracted Psychiatric Beds	$232,258
Camino Real Community Centers	Extended Observation Unit	$1,200,000
Center for Health Care Services	Extended Observation Unit	$261,300
Central Counties Services	Diversion Center	$349,253
Center for Life Resources	Crisis Respite	$214,240
Central Plains Center	Crisis Respite	$43,538
Central Plains Center	Contracted Psychiatric Beds	$535,398
Central Plains Center	Mental Health Deputy	$86,593

Local Authority	Project Type	Funding
Coastal Plains Community	Contracted Psychiatric Beds	$300,000
Community HealthCore	Extended Observation Unit and Crisis Residential	$1,646,448
Community HealthCore	Contracted Psychiatric Beds	$1,701,733
Community HealthCore	Triage	$391,368
Community HealthCore	Crisis Stabilization Unit	$4,164,017
Emergency Health Network	Contracted Psychiatric Beds	$599,500
Emergency Health Network	Crisis Residential	$447,077
Emergency Health Network	Extended Observation Unit	$416,668
Gulf Bend Center	Contracted Psychiatric Beds	$276,506
Gulf Bend Center	Mental Health Deputy	$215,517
Gulf Bend Center	Continuity of Care Program	$92,150
Gulf Coast Center	Crisis Respite	$670,431
Gulf Coast Center	Contracted Psychiatric Beds	$3,329,569

Local Authority	Project Type	Funding
Harris Center for Mental Health and Intellectual and Developmental Disabilities	Peer Crisis Respite	$930,168
Harris Center for Mental Health and Intellectual and Developmental Disabilities	Diversion Center	$5,000,000
Heart of Texas Region MHMR Center	Crisis Respite	$1,233,406
Heart of Texas Region MHMR Center	Extended Observation Unit, Crisis Residential, and Triage	$2,190,043
Heart of Texas Region MHMR Center	Extended Observation Unit/Crisis Residential), Respite, Co-Responder Team, County Jail Diversion Liaison	$4,000,000
Helen Farabee Centers	Contracted Psychiatric Beds	$584,760
Helen Farabee Centers	Crisis Respite	$388,568
Helen Farabee Centers	Inpatient Substance Use Treatment and Detox Program	$1,204,500
Hill Country Mental Health and Developmental Disabilities	Crisis Stabilization Unit	$75,147
Hill Country Mental Health and Developmental Disabilities	Contracted Psychiatric Beds	$48,000
Hill Country Mental Health and Developmental Disabilities	Mental Health Deputy	$54,458

Local Authority	Project Type	Funding
LifePath Systems	Extended Observation Unit	$273,161
MHMR Authority of Brazos Valley	Contracted Psychiatric Beds	$304,968
MHMR Services for the Concho Valley	Contracted Psychiatric Beds	$1,319,964
MHMR Services for the Concho Valley	Crisis Respite	$234,296
MHMR Services for the Concho Valley	Diversion Center	$1,018,569
MHMR Tarrant County	Crisis Respite	$1,261,626
MHMR Tarrant County	Crisis Residential	$2,137,225
MHMR Tarrant County	Adolescent Crisis Respite	$1,599,686
North Texas Behavioral Health Authority	Diversion Center	$248,000
Pecan Valley Centers for Behavioral and Developmental Healthcare	Contracted Psychiatric Beds	$288,536
Pecan Valley Centers for Behavioral and Developmental Healthcare	Crisis Respite	$193,264
Permian Basin Community Centers	Contracted Psychiatric Beds	$1,570,593

Local Authority	Project Type	Funding
Permian Basin Community Centers	Triage	$472,032
Permian Basic Community Centers	Crisis Respite	$925,000
Spindletop Center	Crisis Respite	$265,100
Spindletop Center	Crisis Residential	$557,700
Spindletop Center	Extended Observation Unit	$607,453
Spindletop Center	Contracted Psychiatric Beds	$651,585
Spindletop Center	Mental Health Deputy	$1,073,589
Texana Center	Substance Use Treatment (in a Crisis Residential Unit)	$186,023
Texana Center	Contracted Psychiatric Beds	$1,340,279
Texana Center	Crisis Residential	$1,500,000
Texas Panhandle Centers for Behavioral and Developmental Health	Contracted Psychiatric Beds	$1,118,948
Texas Panhandle Centers for Behavioral and Developmental Health	Diversion Center	$1,397,684

Local Authority	Project Type	Funding
Texas Panhandle Centers for Behavioral and Developmental Health	Mental Health Docket	$326,930
Texas Panhandle Centers for Behavioral and Developmental Health	Continuity of Care	$191,025
Tri-County Behavioral Healthcare	Contracted Psychiatric Beds	$166,666
Tri-County Behavioral Healthcare	Crisis Stabilization Unit	$1,726,462
Tri-County Behavioral Healthcare	Crisis Intervention Response Team	$143,336
Tropical Texas Behavioral Health	Contracted Psychiatric Beds	$980,513
Tropical Texas Behavioral Health	Co-Occurring Psychiatric and Substance Use Disorders Rapid Crisis Stabilization Beds	$546,312
Tropical Texas Behavioral Health	Diversion Center	$1,760,000
West Texas Center for MHMR	Contracted Psychiatric Beds	$351,024
West Texas Center for MHMR	Crisis Respite	$789,248
West Texas Center for MHMR	Diversion Center	$508,000
West Texas Center for MHMR	Mental Health Deputy	$294,905

Table 5. Fiscal Year 2024 Community Mental Health Hospital and Private Psychiatric Beds

Local Authority	Type of Bed	# of Beds
Anderson Cherokee Community Enrichment Services	PPB Forensic	20.0
Anderson Cherokee Community Enrichment Services	PPB	1.7
Andrews Center Behavioral Healthcare System	PPB	2.9
Austin Travis County Integral Care	PPB	25.4
Betty Hardwick Center	PPB	5.3
Behavioral Health Center of Nueces County	PPB	9.3
Bluebonnet Trails Community Services	PPB	14.4
Border Region Behavioral Health Center	PPB	12.4
Burke Center	PPB	8.3
Camino Real Community Centers	PPB	5.1
Center for Health Care Services	PPB	49.9
Center for Life Resources	PPB	2.6
Central Counties Services	PPB	9.0
Central Plains Center	PPB	1.2
Coastal Plains Community Center	PPB	7.7
Community HealthCore	PPB	6.0
Denton County MHMR Center	PPB	20.5
Emergence Health Network	PPB	18.3
Gulf Bend MHMR Center	PPB	4.9
Gulf Coast Center	PPB	4.2
Gulf Coast Center	CMHH	20.0
Harris Center for Mental Health and Intellectual and Developmental Disabilities	PPB	29.2
Harris Center for Mental Health and Intellectual and Developmental Disabilities	CMHH	149
Heart of Texas Region MHMR Center	PPB	8.6
Helen Farabee Centers	PPB	3.2
Hill Country Community MHMR Center	PPB	16.5
Lakes Regional Community Center	PPB	5.0
LifePath Systems	PPB	23.1

Local Authority	Type of Bed	# of Beds
MHMR Authority of Brazos Valley	PPB	9.4
MHMR Services for the Concho Valley	PPB	2.6
MHMR Services of Tarrant County	PPB	48.6
North Texas Behavioral Health Authority	PPB	54.2
Pecan Valley Centers for Behavioral and Developmental Healthcare	PPB	8.8
PermiaCare	PPB	5.8
Spindletop Center	PPB	11.5
Starcare Specialty Health Systems	PPB	2.9
Starcare Specialty Health Systems	CMHH	30.0
Texana Center	PPC	15.1
Texas Panhandle Centers	PPB	6.1
Texoma Community Center	PPB	5.7
Tri-County Behavioral Healthcare	PPB	13.3
Tropical Texas Behavioral Health	PPB	25.1
West Texas Center for MHMR	PPB	11.4

Table 6. Fiscal Year 2024 Outpatient Competency Restoration Programs and Target Number Served for Each Program

OCR Programs	Target
Andrews Center Behavioral Healthcare System	15
Austin Travis County Integral Care	36
Behavioral Health Center of Nueces County	8
Bluebonnet Trails Community Services	13
Center for Healthcare Services	40
Center for Life Resources	9
Community HealthCore	3
Emergence Health Network	41
Harris Center for Mental Health and Intellectual and Developmental Disabilities	60
Heart of Texas Region MHMR Center	15
LifePath Systems	13

OCR Programs	Target
MHMR Services of Tarrant County	30
North Texas Behavioral Health Authority	75
StarCare Specialty Health Systems	16
Tri-County Behavioral Healthcare	10

Table 7. Fiscal Year 2024 Jail-Based Competency Restoration Programs and Target Number Served for Each Program

Jail-Based Competency Restoration Programs	Target
Anderson Cherokee Community Enrichment Services	15
Andrews Center Behavioral Healthcare System	8
Behavioral Health Center of Nueces County	12
Bluebonnet Trails Community Services	25
Center for Healthcare Services	80
Center for Life Resources	9
MHMR Services for the Concho Valley	9
Emergence Health Network	24
Gulf Coast Center	10
Harris Center for Mental Health and Intellectual and Developmental Disabilities	160
Hill Country Community MHMR Center	24
Heart of Texas Region MHMR Center	9
MHMR Services for the Concho Valley	9
MHMR Services of Tarrant County	100
North Texas Behavioral Health Authority	60
Pecan Valley Centers for Behavioral and Developmental Healthcare	15
PermiaCare	10
Spindletop Center	10
StarCare Specialty Health Systems	50
Texas Panhandle Centers	8
Texoma Community Center	12

The above charts provide a partial representation of local resources. A wide range of services and supports are relevant to the need for inpatient care, and they are supported with local, state, and national funding sources, both public and private. These resources vary over time, compounding the challenges of compiling and maintaining a comprehensive and reliable inventory to use in an allocation methodology.

There is no consensus as to how the availability of resources should be considered in allocating bed days.

7. Outcomes of Implementation – Utilization Review

These recommendations reflect the views of the voting members of JCAFS and not necessarily the views and opinions of HHSC or the HHSC employees who serve as non-voting ex-officio members of JCAFS. This report does not include separate recommendations from HHSC.

The goal of the utilization review protocol is to bring key stakeholders together to analyze factors contributing to patterns of use and barriers to timely discharge; identify successful and new strategies to address local and regional challenges; and make recommendations to address systemic needs and resource needs to inform state policymakers.

The JCAFS completed one cycle of utilization review in 2023. The review included an analysis of the data captured by State Hospital Central Administration using the Patient Discharge Needs Form, including patient community placement needs, strengths that support community-based living, and legal, clinical, and social barriers to successful discharge.

In 2024, utilization review activities consisted of consideration of additional topics to inform future utilization review protocol activities, including the prevalence and impact of a co-occurring substance use disorder for people ordered to receive competency restoration; jail diversion strategies for diverse populations and communities; efficacy of existing transition and step-down programs; and current and potential data collection, analysis, and reporting activities. The committee leveraged quantitative data provided by State Hospital Central Administration and qualitative data obtained through the work of the subcommittees to identify the topics for future consideration.

The JCAFS was not able to discern the impact of the utilization review protocol on the use of state-funded hospital beds due to the complexity of factors that influence the care provided by state hospitals.

8. JCAFS Recommendations to Enhance the Effective and Efficient Allocation of State-Funded Hospital Beds

These recommendations reflect the views of the voting members of JCAFS and not necessarily the views and opinions of HHSC or the HHSC employees who serve as non-voting ex-officio members of JCAFS. This report does not include separate recommendations from HHSC. A systematic approach to forensic and diversion services is needed to both reduce the number of persons entering the criminal justice system and more efficiently utilize resources for persons who need them. The JCAFS recommendations are as follows:

- **Peer Services, Crisis Response, and Diversion Programs:** Enhance recovery, reintegration, and immediate support for individuals in the justice system, experiencing mental health crises, or having co-occurring conditions through peer support services and comprehensive diversion programs.
    - Training and Certification: Train and certify peers to work within forensic providers; train providers and first responders on best practices for co-occurring conditions. Assess barriers to peer support specialist certification and address as appropriate.
    - Peer Support Integration: Integrate peer support into pre-arrest and pre- and post-trial diversion programs; train peers in crisis intervention and connect them with community resources.
    - Program Development and Evaluation: Develop metrics to evaluate the impact of peer support on recidivism and recovery outcomes; evaluate the effectiveness of peer-led teams in reducing crisis-related incarcerations and hospitalizations; monitor and evaluate the effectiveness of diversion programs in rural areas; monitor and evaluate these interventions to reduce institutionalization.
    - Crisis Response: Deploy peer-led crisis response teams in collaboration with local emergency services; develop mobile crisis intervention teams for remote areas.
    - Diversion Programs: Expand diversion programs to include comprehensive services such as pre- and post-booking diversion, crisis intervention,

mental health support, and other alternatives to incarceration; develop strategies to divert individuals with co-occurring conditions from state hospitals and county jails; increase crisis respite and other entry points for individuals with co-occurring conditions.

- Collaboration and Coordination: Ensure coordination between law enforcement, mental health providers, the state hospital and community resources; collaborate with law enforcement, mental health providers, and intellectual and developmental disabilities (IDD) specialists; develop infrastructure for regional collaboration.
- Addressing Rural Needs: Support local communities in identifying their specific needs and develop regional options to address service gaps in rural areas. Facilitate community outreach programs for rural residents and support regional diversion programs tailored to local requirements.
- Telehealth and Outreach: Establish telehealth services for mental health support.
- Secure State and Federal Funding: Secure state and federal funding to support diversion programs; as well as to expand crisis respite and peer respite programs.
- Matching Fund Requirements: Ensure matching fund requirements are feasible given the limited revenue capacity of counties.
- Alternative Payment Models: Explore and implement alternative payment models for peer support services to ensure sustainable funding and effective integration of these services into diversion programs.

- **Housing Solutions and Transition Support**: Expand and diversify housing options and provide specialized support for individuals with serious mental illness or co-occurring conditions as they transition from institutional care to the community.
- Policy and Funding: Propose Home and Community-Based Services-Adult Mental Health (HCBS-AMH) amendments to include innovative group home settings, increase funding for supportive housing options; secure state and federal funding, as well as public-private partnerships, to support the establishment, operation, and expansion of pilot programs.
    - Training and Development: Train providers on new housing models and best practices; develop secure, community-based housing options, such as campus settings, intentional communities, and farmsteads, to support recovery and reintegration.

- Support for Vulnerable Populations: Address needs of individuals with secure, community-based options; launch pilot programs offering intensive case management and coordinated care planning; partner with community organizations for comprehensive support services.
- Integration and Assessment: Integrate crisis intervention and diversion strategies within pilot programs; conduct assessments to identify best practices and scale successful models statewide; use pilot outcomes to scale successful models statewide, ensuring broader access to effective transition support and housing solutions.

- **Assessment of OCR and JBCR**: Optimize the use of OCR and JBCR programs.
  - Assessment and Evaluation: Conduct a comprehensive assessment comparing OCR and JBCR programs; identify best practices with outcomes, goals, and areas for improvement.
  - Implementation and Funding: Use findings to expand and enhance the most effective program models; secure state funding and support to assist localities in implementing and improving these programs based on assessment findings.
- **Data Collection and Analysis**: Improve decision-making and program effectiveness through comprehensive data collection and analysis.
  - Data System Implementation: Implement a centralized data system to track outcomes across mental health, substance abuse, IDD, and forensic services.
  - Data Collection: Collect detailed demographic and service utilization data to identify trends and gaps.
  - Data Utilization: Use data and outcomes to inform policy decisions and resource allocation.
- **Substance Use Disorder (SUD) Services**: Address the high rates of substance use among justice-involved individuals to reduce recidivism and improve health outcomes.
  - Funding and Development: Increase funding for SUD treatment programs within jails and prisons; develop and expand community-based SUD treatment programs, and partner with and provide funding to Recovery Community Organizations (RCOs) to support individuals returning to the community.

- Integration and Prevention: Integrate SUD treatment with re-entry services like housing and employment support; create and expand community-based prevention and early intervention services.
- Coordination and Training: Foster coordination between criminal justice agencies, healthcare providers, and community organizations; provide training for law enforcement, correctional staff, and community providers on SUD recognition and intervention.
- Standardized Screening: Implement evidenced based screening across healthcare settings.
- Monitoring and Evaluation: Implement monitoring and evaluation mechanisms to assess the effectiveness of SUD treatment programs.

- **Addressing the Forensic Population in County Jails**: Address the issue of the forensic population being held in county jails due to insufficient state hospital bed space, which imposes significant financial and liability burdens on local county governments.
  - Expedite Transfers: Develop and implement strategies to expedite the transfer of the forensic population from county jails to state mental health facilities.
  - Local Challenges: Address the financial and logistical challenges faced by local county governments in managing this population.
  - Reimbursement: Advocate for state reimbursement to local governments for the costs incurred in housing and managing this population.
  - Incorporate Input: Jails require adequate resources to manage behavioral health populations effectively and safely, it’s vital to incorporate the voices and expertise of stakeholders in decision-making processes.

9. Conclusion

In 2024, the JCAFS recommended no changes to the bed-day allocation methodology which was adopted in 2016.

Activities associated with the utilization review protocol included review of patient discharge needs data. The JCAFS also considered additional topics to inform future utilization review protocol activities. The JCAFS recommendations for the utilization review protocol can be found in Appendix A.

Based on the results of the utilization review in 2023 and 2024, as well as stakeholder input, the JCAFS recommends continuing efforts to effectively serve the needs of Texans with mental illnesses that are involved with the criminal justice system. HHSC will continue to work with the JCAFS to ensure the continuum of inpatient psychiatric services meets the needs of Texans.

List of Acronyms

Acronym	Full Name
CMHH	Community Mental Health Hospital
FPL	Federal Poverty Level
HHSC	Health and Human Services Commission
JCAFS	Joint Committee on Access and Forensic Services
LBHA	Local Behavioral Health Authority
LMHA	Local Mental Health Authority
OCR	Outpatient Competency Restoration
JBCR	Jail-Based Competency Restoration
PPB	Private Psychiatric Bed

Appendix A. JCAFS Recommendations for Updated Bed Day Allocation Methodology and Utilization Review Protocol

2024 recommendations from the JCAFS to the Executive Commissioner regarding an updated Bed Day Allocation Methodology and Utilization Review Protocol

Recommendations for an Updated Bed-Day Allocation Methodology

In developing a bed-day allocation methodology, Health and Safety Code, Section 533.0515, requires an evaluation of factors that impact utilization, including clinical acuity, prevalence of serious mental illness, and the availability of resources in a given region. As described in Section 6, the JCAFS considered each of these factors and barriers in their application in making its recommendations.

The JCAFS's three recommendations in 2024 related to the allocation of beds are unchanged from the previous recommendations made in 2016, 2018, 2020, and 2022. They include:

1. Continue to allocate beds based on the poverty-weighted population within each local service area;
2. Retain the current exclusions for bed days in maximum security units and the Waco Center for Youth; and
3. Do not impose any sanction, penalty, or fine for utilization above allocated bed days.

The current methodology allocates bed days based on the poverty-weighted population in each local service area. A poverty-weighted population gives double weight to populations with incomes at or below 200 percent of the FPL:

$$\textit{Poverty-weighted Population} = \textit{Total Population} + \textit{Population} \leq 200\%\ \textit{FPL}$$

The committee based its recommendation to use the poverty-weighted population on the following:

- The overwhelming majority of persons receiving HHSC-funded mental health services have incomes at or below 200 percent FPL.
- Beginning in the 84th Legislative Session, the Legislature has used the poverty weighted population as the basis for comparing per capita funding among local mental health and behavioral health authorities and appropriating funds to those below the statewide level of per capita funding. Using the same metric for allocating funding and hospital beds allows for a consistent approach to resource allocation.
- The proposal to move to the poverty-weighted population in the 84th Legislative Session was supported by a broad group of stakeholders.

With respect to sanctions or penalties, the JCAFS recommends the state not impose sanctions, penalties, or fines on local mental health and behavioral health authorities that use more than the allocated number of hospital bed days. Rather, the bed-day allocation methodology should continue to be used as a metric for analyzing bed-day utilization.

Recommendations for Utilization Review Protocol

The goal of the utilization review protocol is to bring key stakeholders together to identify factors that contribute to patterns of inpatient utilization and barriers to timely discharge, successful and new strategies to address local and regional challenges, and systemic issues and resource needs to inform state policymakers.

The utilization review protocol adopted by the JCAFS in 2022 leveraged the flexible framework established in 2018 with additional responsibilities assigned to the recently established JCAFS Data Subcommittee. The JCAFS 2024 recommendations related to utilization review remain unchanged, as follows:

- Continue collection of data for the JCAFS data dashboard as the primary tool for reporting and analyzing state hospital utilization.
- Assign responsibility for identifying and monitoring data points related to the forensic waitlist and hospital utilization to the JCAFS Data subcommittee.
- Assign responsibility for utilization review activities to the JCAFS Access subcommittee.
- The utilization review protocol for 2025 and 2026 will include:

- A review of statewide and local data;
- Teleconferences with local mental health and behavioral health authorities and state hospitals; and
- Surveys of local mental health and behavioral health authorities and state hospitals.

- Conduct follow-up to assess the results of the utilization review protocol.
- Compile successful and promising strategies identified during utilization review activities for use as a statewide resource.