

Inspections Report

Documentation of Reductions to Authorized Levels of Care

Local Mental Health Authorities in
Texas



**Inspector
General**

Texas Health
and Human Services

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INTRODUCTION

Objective and Scope

The Texas Health and Human Services (HHS) Office of Inspector General Audit and Inspections Division (OIG Inspections) conducted an inspection of local mental health authorities (LMHAs). The inspection objective was to determine whether the reduction of Medicaid members' mental health services by LMHAs was documented and in compliance with Texas Administrative Code and Texas Resilience and Recovery Utilization Management Guidelines: Adult Mental Health Services (TRRUMG). The inspection scope covered the period from September 1, 2017, through August 31, 2018.

Background

LMHAs provide mental health coordination and treatment services to Texas Medicaid members enrolled in managed care. LMHAs provide a wide range of mental health services to Texas Medicaid members, including:

- Case management
- Pharmacological management
- Counseling
- Medication training and support
- Psychosocial rehabilitative services
- Skills training and development

Texas has 37 LMHAs, which were established by a county, municipality, hospital district, school district, or combination of these entities to provide mental health services. LMHAs contract with Medicaid managed care organizations (MCOs) to provide mental health services to Texas Medicaid members.

Texas Administrative Code requires LMHAs to comply with TRRUMG, which details 12 levels of care, 4 of which were relevant to the inspection.^{1,2} Table 1 outlines the services provided by these four levels of care, ordered from basic to comprehensive.

Table 1: Services for Levels of Care Relevant to This Inspection

Level of Care	Description	Services
Level of Care 1S (LOC-1S)	Basic Services (Skills Training)	Medication, rehabilitative services, and education provided in an outpatient, office-based setting
Level of Care 2 (LOC-2)	Basic Services Including Counseling	LOC-1S services and psychotherapy services provided in an outpatient, office-based setting
Level of Care 3 (LOC-3)	Intensive Services with Team Approach	Fewer and less frequent LOC-4 services provided in an outpatient, office-based setting or a community setting
Level of Care 4 (LOC-4)	Assertive Community Treatment	Support and rehabilitation services for psychiatric, substance abuse, employment, and housing provided by a daily mobile delivery team

Source: *OIG Inspections, compiled from information contained in Texas Resilience and Recovery Utilization Management Guidelines: Adult Mental Health Services (Apr. 2017)*

This inspection focused on assessing why members who qualified for LOC-4 mental health services received LOC-1S mental health services. LOC-4 is a more comprehensive level of service as members receive a full range of rehabilitation services, and LOC-1S is more basic, providing medication and life skills training.

TRRUMG allows five reasons for deviating a member's authorized level of care from the recommended level of care, such as deviating from LOC-4 to LOC-1S. The acceptable reasons for deviation are:

- Resource limitations
- Member refusals
- Clinical need
- Continuity of care
- Other³

TRRUMG allows member refusal as justification to deviate the level of care when the member is provided with information necessary to make an informed decision. The information discussed with the member must be documented in the member file.

¹ 25 Tex. Admin. Code § 412.304(b) (Apr. 29, 2009).

² Texas Resilience and Recovery Utilization Management Guidelines: Adult Mental Health Services, Texas Health and Human Services Commission (Apr. 2017).

³ Texas Resilience and Recovery Utilization Management Guidelines: Adult Mental Health Services, § XI, Texas Health and Human Services Commission (Apr. 2017).

Methodology

The inspection focused on adult Texas Medicaid members with serious mental illnesses, such as major depression with psychosis, schizophrenia, and bipolar disorder, who were deviated by an LMHA from LOC-4 to LOC-1S services for the period from September 1, 2017, through August 31, 2018. OIG Inspections reviewed member files for 258 such Medicaid members from 31 LMHAs.⁴

⁴ Records were randomly selected from 37 LMHAs. This resulted in a testing population of 258 Medicaid members from 31 LMHAs.

INSPECTION RESULTS

LMHA staff documented the reason for deviating member services from LOC-4 to LOC-1S in 256 (99.2 percent) of the 258 member files reviewed; however, 17 of 31 LHMAAs did not always meet documentation requirements for other types of required information.

OIG Inspections observed 116 (45 percent) of the 258 member files reviewed did not include documentation of all required information, such as provider credentials and signature, or an explanation of LOC-4 services, culminating in 159 unique instances of missing information. Most significantly:

- 33 of the 159 instances of missing information (20.8 percent) were treatment plans or incomplete treatment plans.
- 58 of the 159 instances of missing information (36.5 percent) were documentation to verify that LMHA staff provided the member with the information necessary to make an informed decision about mental health services.

Additionally, 186 (72.1 percent) of 258 members refused the recommended LOC-4 services offered by LMHAs.

The sections that follow detail (a) LMHAs' documentation of reasons that members' services deviated from authorized levels of care, (b) exceptions related to member files that did not contain required information, and (c) an opportunity for improvement to educate and encourage members to utilize available services.

Documentation of Reasons for Deviation from Authorized Levels of Care

TRRUMG requires LMHAs to document the reasons for deviation from LOC-4 to LOC-1S.⁵ OIG Inspections reviewed 258 member files to determine if the reason for deviation of services was included and identified that LMHA staff documented the reason for deviating member services from LOC-4 to LOC-1S in 256 of the 258 member files reviewed.

REQUIRED INFORMATION IN MEMBER FILES

LMHAs are required to document (a) assessments of members' mental health, including the signature and credentials of the staff member completing the assessment, (b) that members were provided with information necessary to make an

⁵ Texas Resilience and Recovery Utilization Management Guidelines: Adult Mental Health Services, § XI, Texas Health and Human Services Commission (Apr. 2017).

informed decision when refusing mental health services, and (c) mental health treatment plans for members.^{6,7}

Observation 1: Member Files Did Not Always Contain Required Information

While LMHAs consistently documented the reasons for deviations of services from LOC-4 to LOC-1S for most members, LMHAs did not consistently document other required information. Member files did not contain required information for 116 of the 258 member files reviewed, culminating in 159 unique instances of missing or incomplete information. Some member files had multiple instances of missing or incomplete information, including member files without (a) the signature of the assessor on the assessment, (b) the credentials of the assessor on the assessment, (c) documentation that LMHA staff provided members with the information necessary to make an informed decision about mental health services, and (d) treatment plans. Specifically, 17 of 31 LMHAs had instances of missing information.

Table 2 identifies the number of unique instances related to the 116 member files with missing or incomplete documents and the number of instances for each type of required information missing from a medical record. The results are based on data provided by LMHAs as of April 2020. A breakdown of missing or incomplete information by LMHA can be found in Appendix C.

Table 2: Missing or Incomplete Information in Member Files

Type of Required Information	Instances Missing or Incomplete
Assessor's signature on the assessment	35
Assessor's credentials on the assessment	33
Documentation to indicate LMHA staff provided the member with information to make an informed decision about mental health services	58
Treatment plan	33
Total unique instances of missing information	159

Source: *OIG Inspections*

Missing information in member files can negatively affect a member's quality of care. If required information, such as a treatment plan or confirmation the member received the information necessary to make an informed decision, is not provided in a member file, the LMHA cannot ensure needed mental health services were provided.

⁶ 25 Tex. Admin. Code § 412.322(a) and (e) (Feb. 19, 2017).

⁷ Texas Resilience and Recovery Utilization Management Guidelines: Adult Mental Health Services, § XI, Texas Health and Human Services Commission (Apr. 2017).

As noted in Table 2, for 33 of 258 member files reviewed, treatment plans were missing or incomplete. Treatment plans are particularly important because they document recommended services and may be used to obtain authorization for needed services. Continuity of care may be compromised when LMHAs experience staff turnover if a documented treatment plan is not in place.

In addition, for 58 of 258 member files reviewed, documentation that LMHA staff provided members with the information necessary to make an informed decision about mental health services was not included. These members qualified for LOC-4, which is a more comprehensive level of service. Members who are not given adequate information to make informed mental health care decisions could miss out on needed services.

The LMHAs indicated that weaknesses in training and oversight and insufficient procedures caused the missing documentation. Some LMHAs also noted the transition to a new electronic health record system or the configuration of the system as a contributing cause.

Recommendation 1.1

All LMHAs should provide ongoing training for staff on (a) Texas Administrative Code and TRRUMG requirements, (b) internal LMHA procedures, and (c) any electronic record systems used to ensure compliance with documentation requirements.

Recommendation 1.2

All LMHAs should perform quality control reviews of member files to ensure completeness and accuracy of documentation in compliance with Texas Administrative Code and TRRUMG requirements.

REASONS FOR DEVIATIONS FROM AUTHORIZED LEVELS OF CARE

TRRUMG allows five reasons for deviating a member's recommended level of care, including member refusal of care. Table 3 details the documented reasons the LMHAs deviated the member's level of care and is based on data provided by LMHAs as of April 2020.

Table 3: Deviations from LOC-4 to LOC-1S

Reason for Deviation	Number of Records	Percentage of Records
Member refused	186	72.1%
Other ⁸	31	12.0%
Resource limitations	17	6.6%
Continuity of care	15	5.8%
Clinical need	7	2.7%
None provided	2	0.8%
Total	258	100%

Source: *OIG Inspections*

Based on testing of 258 member files, 186 members refused services despite qualifying for LOC-4. The level of care for these members was changed to LOC-1S. Reducing a member's level of care limits the services received. LOC-4 is a more comprehensive level of service as members receive a full range of rehabilitation services, and LOC-1S is more basic, providing medication and life skills training. LMHA staff did not consistently document the reason members refused the higher level of service.

LMHAs are documenting members' refusal of service when applicable. However, LMHAs are not required to document the reasons for member refusal of services. Documenting the reasons services are refused could provide valuable insights that might help LMHAs deliver a full range of services to qualified members.

Opportunity for Improvement

The following opportunity for improvement is not an instance of noncompliance with criteria.

When members refuse recommended services, LMHAs should consider documenting reasons for the refusal of services. LMHAs could use the information obtained to develop strategies to further educate members and encourage members to utilize available services.

⁸ "Other" is used when none of the reasons listed accurately describe the reason for the deviation. Examples of reasons designated as "other" included incarceration of the member, unresolved impediments to providing services, and members receiving care through other services.

CONCLUSION

LMHA staff documented the reason for deviating member services from LOC-4 to LOC-1S in 256 of the 258 member files reviewed; however, 17 of 31 LHMAs did not always meet documentation requirements for other types of required information.

OIG Inspections observed 116 (45 percent) of the 258 member files reviewed did not include documentation of all required information, such as provider credentials and signature, or an explanation of LOC-4 services, culminating in 159 unique instances of missing information. Most significantly:

- 33 of the 159 instances of missing information (20.8 percent) were treatment plans or incomplete treatment plans.
- 58 of the 159 instances of missing information (36.5 percent) were documentation to verify that LMHA staff provided the member with the information necessary to make an informed decision about mental health services.

Additionally, 186 (72.1 percent) of 258 members refused the recommended LOC-4 services offered by LHMAs.

OIG Inspections offered recommendations to LHMAs, which, if implemented, will correct documentation deficiencies and may result in increased insight as to why services are refused.

OIG Inspections thanks both the Texas Health and Human Services Commission (HHSC) Intellectual and Developmental Disability & Behavioral Health Services Department and Integral Care for their assistance with this inspection.

Appendix A: Detailed Methodology

OIG Inspections obtained the population of Medicaid members from 37 LMHA entities. A random sample selection resulted in 258 Medicaid members from 31 LMHAs being included in the sample tested. OIG Inspections (a) reviewed member files, which consist of assessments, clinical notes, and treatment plans, and (b) interviewed staff at three LMHAs. The inspection did not include interviews with members.

OIG Inspections tested the 258 member files for compliance with Texas Administrative Code and TRRUMG requirements. OIG Inspections analyzed member files to determine:

- If the record was dated from September 1, 2017, through August 31, 2018.
- If the mental health record contained an assessment that was signed by the assessor and included the credentials of the provider who performed the assessment.
- The documented justification for the deviation from LOC-4 to LOC-1S.
- If services were explained by a Qualified Mental Health Professional to members who refused LOC-4 services.
- If the member record contained a treatment plan.

Standards

OIG Inspections conducts inspections of Texas HHS programs, systems, and functions. Inspections are designed to be expeditious, targeted examinations into specific programmatic areas to identify systemic trends of fraud, waste, or abuse. Inspections typically result in observations and may result in recommendations to strengthen program effectiveness and efficiency. OIG Inspections conducted the inspection in accordance with *Quality Standards for Inspection and Evaluation* issued by the Council of the Inspectors General on Integrity and Efficiency.

Appendix B: LMHAs in Texas

Table B.1 identifies the 31 of 37 LMHAs in Texas from which member files were reviewed as part of this inspection. The counties served by each LMHA are also listed.

Table B.1: LMHAs in Texas and Counties Served

Reviewed	LMHA	Counties
X	Anderson Cherokee Community Enrichment Services (ACCESS)	Anderson and Cherokee
X	Andrews Center Behavioral Healthcare System	Henderson, Rains, Smith, Van Zandt, and Wood
	Betty Hardwick Center	Callahan, Jones, Shackelford, Stephens, and Taylor
X	Bluebonnet Trails Community Services	Bastrop, Burnet, Caldwell, Fayette, Gonzales, Guadalupe, Lee, and Williamson
X	Border Region Behavioral Health Center	Jim Hogg, Starr, Webb, and Zapata
X	Burke Center	Angelina, Houston, Jasper, Nacogdoches, Newton, Polk, Sabine, San Augustine, San Jacinto, Shelby, Trinity, and Tyler
X	Camino Real Community Services	Atascosa, Dimmit, Frio, La Salle, Karnes, Maverick, McMullen, Wilson, and Zavala
X	The Center for Health Care Services	Bexar
X	Center for Life Resources	Brown, Coleman, Comanche, Eastland, McCulloch, Mills, and San Saba
X	Central Counties Services	Bell, Coryell, Hamilton, Lampasas, and Milam
	Central Plains Center	Bailey, Briscoe, Castro, Floyd, Hale, Lamb, Motley, Parmer, and Swisher
X	Coastal Plains Community Center	Aransas, Bee, Brooks, Duval, Jim Wells, Kenedy, Kleberg, Live Oak, and San Patricio
X	Community Healthcore	Bowie, Cass, Gregg, Harrison, Marion, Panola, Red River, Rusk, and Upshur
X	Denton County MHMR Center	Denton
X	Emergence Health Network	El Paso
X	Gulf Bend Center	Calhoun, DeWitt, Goliad, Jackson, Lavaca, Refugio, and Victoria
X	Gulf Coast Center	Brazoria and Galveston
	The Harris Center for Mental Health and Intellectual or Developmental Disabilities (IDD)	Harris

Reviewed	LMHA	Counties
X	Heart of Texas Region MHMR Center	Bosque, Falls, Freestone, Hill, Limestone, and McLennan
X	Helen Farabee Centers	Archer, Baylor, Childress, Clay, Cottle, Dickens, Foard, Hardeman, Haskell, Jack, King, Knox, Montague, Stonewall, Throckmorton, Wichita, Wilbarger, Wise, and Young
X	Hill Country Mental Health & Development Disabilities Centers	Bandera, Blanco, Comal, Edwards, Gillespie, Hays, Kendall, Kerr, Kimble, Kinney, Llano, Mason, Medina, Menard, Real, Schleicher, Sutton, Uvalde, and Val Verde
X	Integral Care	Travis
X	Lakes Regional Community Center	Camp, Delta, Franklin, Hopkins, Lamar, Morris, and Titus
X	MHMR Authority of Brazos Valley	Brazos, Burleson, Grimes, Leon, Madison, Robertson, and Washington
	MHMR Services for the Concho Valley	Coke, Concho, Crockett, Irion, Reagan, Sterling, and Tom Green
X	My Health My Resources of Tarrant County	Tarrant
X	Nueces Center for Mental Health & Intellectual Disabilities	Nueces
	Pecan Valley Centers for Behavioral & Developmental Healthcare	Erath, Hood, Johnson, Palo Pinto, Parker, and Somervell
X	PermiaCare	Brewster, Culberson, Ector, Hudspeth, Jeff Davis, Midland, Pecos, and Presidio
X	Spindletop Center	Chambers, Hardin, Jefferson, and Orange
X	StarCare Specialty Health System	Cochran, Crosby, Hockley, Lubbock, and Lynn
X	Texana Center	Austin, Colorado, Fort Bend, Matagorda, Waller, and Wharton
X	Texas Panhandle Centers	Armstrong, Carson, Collingsworth, Dallam, Deaf Smith, Donley, Gray, Hall, Hansford, Hartley, Hemphill, Hutchinson, Lipscomb, Moore, Ochiltree, Oldham, Potter, Randall, Roberts, Sherman, and Wheeler
X	Texoma Community Center	Cooke, Fannin, and Grayson
X	Tri-County Behavioral Healthcare	Liberty, Montgomery, and Walker
X	Tropical Texas Behavioral Health	Cameron, Hidalgo, and Willacy
	West Texas Centers	Andrews, Borden, Crane, Dawson, Fisher, Gaines, Garza, Glasscock, Howard, Kent, Loving, Martin, Mitchell, Nolan, Reeves, Runnels, Scurry, Terrell, Terry, Upton, Ward, Winkler, and Yoakum

Source: *OIG Inspections compiled from information contained in "Find Your Local Mental Health or Behavioral Health Authority," HHSC, <https://hhs.texas.gov/services/mental-health-substance-use/mental-health-substance-use-resources/find-your-local-mental-health-or-behavioral-health-authority> (accessed Oct. 27, 2020)*

Appendix C: Breakdown of Missing or Incomplete Information by LMHA

Table C.1 provides a detailed breakdown of the 159 unique instances of missing or incomplete information by LMHA.

Table C.1: Missing or Incomplete Information by LMHA

LMHA	Element Missing or Incomplete				Total
	Assessor's signature	Assessor's credentials	Documentation that information was provided	Treatment plan	
Anderson Cherokee Community Enrichment Services (ACCESS)					—
Andrews Center Behavioral Healthcare System					—
Betty Hardwick Center	Not reviewed as part of this inspection				
Bluebonnet Trails Community Services	1		1	1	3
Border Region Behavioral Health Center	1		3		4
Burke Center					—
Camino Real Community Services					—
The Center for Health Care Services			1		1
Center for Life Resources					—
Central Counties Services			4	1	5
Central Plains Center	Not reviewed as part of this inspection				
Coastal Plains Community Center					—
Community Healthcore					—
Denton County MHMR Center	9	9	3	3	24
Emergence Health Network		10		1	11
Gulf Bend Center		1			1
Gulf Coast Center	12	1	4	6	23

LMHA	Element Missing or Incomplete				Total
	Assessor's signature	Assessor's credentials	Documentation that information was provided	Treatment plan	
The Harris Center for Mental Health and Intellectual or Developmental Disabilities (IDD)	Not reviewed as part of this inspection				
Heart of Texas Region MHMR Center	6				6
Helen Farabee Centers				1	1
Hill Country Mental Health & Development Disabilities Centers		2	2	5	9
Integral Care		3	30	5	38
Lakes Regional Community Center					—
MHMR Authority of Brazos Valley			4	8	12
MHMR Services for the Concho Valley	Not reviewed as part of this inspection				
My Health My Resources of Tarrant County	6	7	3		16
Nueces Center for Mental Health & Intellectual Disabilities					—
Pecan Valley Centers for Behavioral & Developmental Healthcare	Not reviewed as part of this inspection				
PermiaCare			2	1	3
Spindletop Center					—
StarCare Specialty Health System				1	1
Texana Center					—
Texas Panhandle Centers					—
Texoma Community Center			1		1
Tri-County Behavioral Healthcare					—
Tropical Texas Behavioral Health					—
West Texas Centers	Not reviewed as part of this inspection				
Total	35	33	58	33	159

Source: OIG Inspections

Appendix D: Acronyms

Acronyms Used in This Report

HHS	Health and Human Services
HHSC	Health and Human Services Commission
IDD	Intellectual or developmental disabilities
LMHA	Local mental health authority
LOC	Level of care
MCO	Managed care organization
OIG	Office of Inspector General
OIG Inspections	OIG Audit and Inspections Division
TRRUMG	Texas Resilience and Recovery Utilization Management Guidelines: Adult Mental Health Services

Appendix E: Report Team and Distribution

Report Team

OIG staff members who contributed to this inspection report include:

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Appendix F: OIG Mission, Leadership, and Contact Information

The mission of OIG is to prevent, detect, and deter fraud, waste, and abuse through the audit, investigation, and inspection of federal and state taxpayer dollars used in the provision and delivery of health and human services in Texas. The senior leadership guiding the fulfillment of OIG's mission and statutory responsibility includes:

- Sylvia Hernandez Kauffman, Inspector General
- Susan Biles, Chief of Staff
- Dirk Johnson, Chief Counsel
- Christine Maldonado, Chief of Operations and Workforce Leadership
- Juliet Charron, Chief of Strategy
- Steve Johnson, Chief of Investigations and Reviews
- Audrey O'Neill, Chief of Audit and Inspections

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