

Audit Report

Texana Center

A Local Mental Health Authority
Contracted with the Texas Health
and Human Services Commission

August 28, 2024

OIG Report No. AUD-24-031



**Inspector
General**

Texas Health
and Human Services



Texana Center

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Results in Brief

Why OIG Conducted This Audit

The Texas Health and Human Services (HHS) Office of Inspector General (OIG) Audit and Inspections Division (OIG Audit) conducted an audit of Texana Center. At least once every five years, OIG must conduct a performance audit of each local mental health authority (LMHA) in Texas.

The Texas Health and Human Services Commission (HHSC) paid Texana Center \$20.0 million for mental health programs and services delivered during state fiscal year 2022, which covered the period from September 1, 2021, through August 31, 2022. Of the \$20.0 million, \$17.2 million was associated with the LMHA performance contract between HHSC and Texana Center. During state fiscal year 2022, Texana Center reported 97,557 mental health encounters for 8,378 individuals to HHSC.

Summary of Review

The audit objective was to determine whether Texana Center complied with selected state and contractual requirements.

The audit scope included mental health services at Texana Center during the period from September 1, 2021, through August 31, 2022.

Conclusion

Texana Center, a local mental health authority (LMHA), conducted mental health assessments with associated screenings timely, delivered services through qualified staff members, and documented each individual's progress.

However, Texana Center did not comply with some requirements for financial assessments, recovery plans, level of care deviations, and the Inpatient Care Waitlist.

Key Results

Texana Center complied with certain requirements reviewed as part of this audit. Specifically, Texana Center:

- Conducted mental health assessments for routine care services for all 27 individuals tested within required time frames when associated with a screening.
- Included the assessment date and signature and credentials of the qualified LMHA staff member who performed the assessment on all 115 mental health assessments for routine care services tested.
- Included required elements selected for testing for all 110 recovery plans.

Additionally, for all 176 service notes reviewed, which were associated with one or more core services listed in the recovery plans, Texana Center documented (a) the individual's progress or lack of progress in achieving recovery plan goals and (b) the signature and credentials of the qualified LMHA staff member that provided the service.

However, Texana Center did not:

- Conduct or update financial assessments (a) during the audit scope for 4 of 98 individuals and (b) within required time frames for 2 of 98 individuals.
- Develop a recovery plan for 2 of 112 mental health assessments.
- Have a recovery plan in effect before providing routine care services for 2 of 110 mental health assessments.

Background

To deliver mental health services in Texas, HHSC contracts with 37 LMHAs. Each LMHA:

- Supports mental health services through planning, policy development, coordination, and resource allocation and development.
- Provides adults and children with assessment, crisis, intensive, and comprehensive services in a clinically appropriate manner.
- Incorporates jail diversion strategies to reduce involvement of the criminal justice system.

Texana Center is the LMHA for six Texas counties: Austin, Colorado, Fort Bend, Matagorda, Waller, and Wharton.

Management Response

Texana Center partially agreed with the audit recommendations and indicated corrective actions would be implemented by September 2024.

- Document the information it provided to one of nine individuals it deviated to a lower level of care.

Additionally, Texana Center did not document its waitlist determination dates for all 28 individuals it added to the Inpatient Care Waitlist.

Recommendations

Texana Center should:

- Strengthen its processes for conducting and updating financial assessments as required.
- Develop recovery plans before providing routine care services.
- Discuss necessary information for each individual to make an informed decision and document the discussion.
- Revise its processes to include documenting its waitlist determination dates.

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Audit Overview

Overall Conclusion

Texana Center, a local mental health authority (LMHA), conducted mental health assessments with associated screenings timely, delivered services through qualified staff members, and documented each individual's progress.

However, Texana Center did not comply with some requirements for financial assessments, recovery plans, level of care deviations, and the Inpatient Care Waitlist.

Objective

The audit objective was to determine whether Texana Center complied with selected state and contractual requirements.

Scope

The audit scope included mental health services at Texana Center during the period from September 1, 2021, through August 31, 2022.

Key Audit Results

Texana Center complied with certain requirements reviewed as part of this audit. Specifically, Texana Center:

- Conducted mental health assessments for routine care services for all 27 individuals tested within required time frames when associated with a screening.
- Included the assessment date and signature and credentials of the qualified LMHA staff member who performed the assessment on all 115 mental health assessments for routine care services tested.
- Included required elements selected for testing for all 110 recovery plans.

Additionally, for all 176 service notes reviewed, which were associated with one or more core services listed in the recovery plans, Texana Center documented (a) the individual's progress or lack of progress in achieving recovery plan goals and (b) the signature and credentials of the qualified LMHA staff member that provided the service.

However, Texana Center did not:

- Conduct or update financial assessments (a) during the audit scope for 4 of 98 individuals and (b) within required time frames for 2 of 98 individuals.
- Develop a recovery plan for 2 of 112 mental health assessments.
- Have a recovery plan in effect before providing routine care services for 2 of 110 mental health assessments.
- Document the information it provided to one of nine individuals it deviated to a lower level of care.

What Prompted This Audit

At least once every five years, OIG must conduct a performance audit of each LMHA and local behavioral health authority (LBHA) in Texas.¹

Additionally, Texana Center did not document its waitlist determination dates for all 28 individuals it added to the Inpatient Care Waitlist.

OIG Audit offered recommendations to Texana Center, which, if implemented, will improve compliance with applicable requirements.

The “Detailed Audit Results” section of this report presents additional information about the audit results and is considered written education in accordance with Texas Administrative Code.² In addition, other audit issues identified in this report may be subject to liquidated damages or OIG administrative enforcement measures,³ including administrative penalties.⁴ OIG Audit communicated other, less significant issues to Texana Center in a separate written communication.

OIG Audit presented preliminary audit results, issues, and recommendations to Texana Center in a draft report dated August 9, 2024. Texana Center partially agreed with the audit recommendations and indicated corrective actions would be implemented by September 2024. Texana Center’s management responses are included in the report following each recommendation.

¹ Tex. Gov. Code § 531.1025(c) (Sept. 1, 2023).

² 1 Tex. Admin. Code § 371.1701 (May 1, 2016).

³ 1 Tex. Admin. Code § 371.1603 (May 20, 2020).

⁴ Tex. Hum. Res. Code § 32.039 (Apr. 2, 2015).

OIG Audit recognizes the unique challenges that Texana Center faced as a result of the COVID-19 public health emergency, which occurred during the audit scope period. During the COVID-19 public health emergency, the selected state and contractual requirements relevant to this audit remained in effect. OIG Audit thanks management and staff at Texana Center for their cooperation and assistance during this audit.

Key Program Data

To deliver mental health services in Texas, the Texas Health and Human Services Commission (HHSC) contracts with 37 LMHAs and two local behavioral health authorities (LBHAs).⁷ Each LMHA:

- Supports mental health services through planning, policy development, coordination, and resource allocation and development.
- Provides adults and children with assessment, crisis, intensive, and comprehensive services in a clinically appropriate manner.
- Incorporates jail diversion strategies to reduce involvement of the criminal justice system.

Texana Center is the LMHA for six Texas counties: Austin, Colorado, Fort Bend, Matagorda, Waller, and Wharton.⁸

State Fiscal Year 2022

HHSC paid Texana Center \$20.0 million for mental health programs and services delivered during state fiscal year 2022, which covered the period from September 1, 2021, through August 31, 2022.⁵ Of the \$20.0 million, \$17.2 million was associated with the LMHA performance contract between HHSC and Texana Center.

During state fiscal year 2022, Texana Center reported 97,557 mental health encounters for 8,378 individuals to HHSC.⁶

⁵ Appendix D provides additional details about the state and federal funding Texana Center received from HHSC.

⁶ Encounters are detailed records about individual services delivered. The data was submitted to HHSC by the LMHA.

⁷ LBHAs deliver mental health and chemical dependency services in Texas.

⁸ Appendix C provides additional details about the service areas covered by Texana Center.

Service Delivery Process

LMHAs conduct screenings as needed⁹ for individuals seeking mental health services to gather information to determine whether the individual needs crisis¹⁰ or routine mental health services.¹¹ Once an LMHA identifies an individual's needs, it performs a standardized mental health assessment to measure those needs and recommend a level of care under the Texas Resiliency and Recovery model.¹² In this model, providers apply utilization management guidelines¹³ to determine the authorized level of care for the individual, which may differ from the level of care recommended by the assessment. LMHAs complete a written recovery plan based on the mental health assessment, which outlines services and supports.¹⁴ LMHAs then provide services to the individual according to the recovery plan or as medically necessary for crisis services. Based on the authorized level of care, LMHAs reassess the individual and review the recovery plan as needed or within specific time frames depending on the level of care. Discharge from services may be planned or unplanned depending on the circumstances surrounding the individual. Figure 1 on the following page illustrates the major components of the service delivery process for individuals seeking mental health services at LMHAs.

⁹ LMHAs predominantly conduct screenings for individuals in crisis or who contact the LMHA through its crisis hotline.

¹⁰ Crisis services may include either emergency or urgent care services.

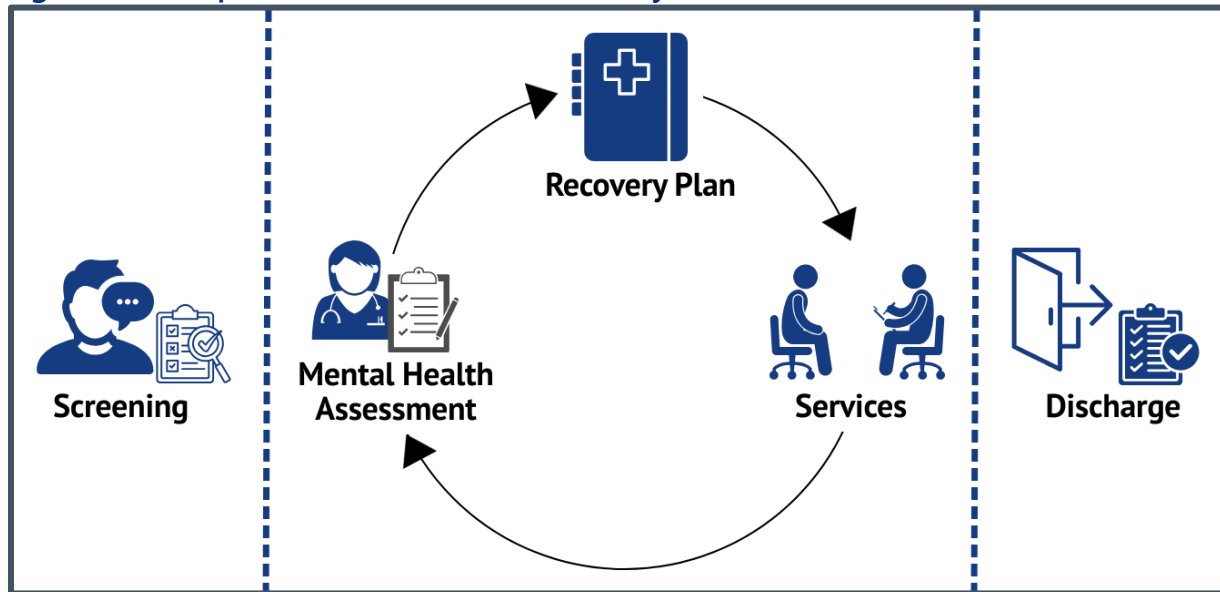
¹¹ Individuals primarily seek mental health services from Texana Center through phone calls, walk-in visits, and referrals.

¹² The Texas Resiliency and Recovery model describes the service delivery system in Texas for community mental health services. This model promotes early intervention, a person-centered approach to mental health treatment, recovery from psychiatric disorders, and resilience from severe emotional disturbances.

¹³ The utilization management guidelines aim to ensure delivery of mental health services are properly tailored to each individual's needs and strengths while utilizing limited available resources.

¹⁴ This report uses the term "recovery plan" to refer to the written plan—for either crisis or routine care services—that is sometimes also referred to as a treatment plan, person-centered treatment planning, or family-centered treatment planning.

Figure 1: Components of the Service Delivery Process at LMHAs



Source: OIG Audit

Auditing Standards

Generally Accepted Government Auditing Standards

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Detailed Audit Results

As detailed in Table 1, OIG Audit reviewed two complete populations and pulled one sample from a population with service dates during the period from September 1, 2021, through August 31, 2022. Appendix B provides additional details about these populations and this sample.

Table 1: Populations and Sample Reviewed by OIG Audit

Category	Type	Demographics	Items Reviewed
Screenings, mental health assessments, financial assessments, recovery plan completion, and service notes for individuals authorized for routine care services	Sample for LOC-3, LOC-4, and LOC-5 ¹⁵	Adults	115
Level of care deviations	Complete population deviated from LOC-3 or LOC-4 to LOC-1S or LOC-2	Adults	10
Inpatient Care Waitlist ¹⁶	Complete population	Adults and children	28

Source: OIG Audit

The following sections of this report provide additional detail about the findings of noncompliance identified by OIG Audit.

¹⁵ OIG Audit limited service note testing to LOC-3 and LOC-4.

¹⁶ For the Inpatient Care Waitlist population, OIG Audit considered an individual to have a service date during the audit scope if the individual was present on this waitlist during the period from September 1, 2021, through August 31, 2022.

Screenings and Assessments

Screenings gather information to determine the need for a mental health assessment, which recommends a level of care under the Texas Resiliency and Recovery model.

Screenings

LMHAs must be available at all times to perform immediate screenings and mental health assessments of individuals in crisis who (a) present or believe they present an immediate danger to self or others or (b) are at risk or believe they are at risk of serious deterioration of their mental or physical health. LMHAs determine each individual's need from the screening and must subsequently complete a mental health assessment for each individual within the time frames detailed in Table 2.

Table 2: LMHA Mental Health Assessment Time Frame Requirements

Individual's Need	Description	Assessment Completion Time Requirements
Emergency care services	Services to address the immediate needs of individuals in crisis and assure safety for each individual and others who may be placed at risk by the individual's behaviors.	One hour
Urgent care services	Services for individuals in crisis who do not need emergency care services but are potentially at risk of serious deterioration.	8 hours
Routine care services	Services for individuals who are not in crisis.	14 days

Source: OIG Audit, based on 26 Tex. Admin. Code §§ 301.303, 301.327, and 301.351 (Mar. 15, 2020)

Texana Center uses a crisis hotline to screen individuals and determine whether each individual needs emergency, urgent, or routine mental health services.

Assessments

Mental Health Assessments for Routine Care Services

LMHAs may perform mental health assessments in-person or through telemedicine or telehealth.¹⁷ LMHAs must document routine care services mental health assessments and are required to include the (a) assessment date and (b) signature and credentials of the qualified LMHA staff member who performed the assessment.¹⁸

The Texas Resilience and Recovery Utilization Management Guidelines: Adult Mental Health Services (TRRUMG) details levels of care, five of which were relevant to this report. LMHAs recommend a level of care based on the mental health assessment and must authorize the level of care prior to delivering services for individuals in these five levels of care. Each authorization is valid for a maximum authorization time period before the issuing LMHA must complete a new mental health assessment, and the LMHA must authorize continuation of services for the associated individual. In some circumstances, the authorized level of care may deviate from the recommended level of care. Table 3 on the following page outlines the services provided by the five levels of care relevant to this report.

¹⁷ Telemedicine is a medical service delivered by a physician or a health care professional under delegation and supervision of a physician. Telehealth is a health service that is (a) separate from a telemedicine medical service or teledentistry service and (b) delivered by a health care professional, who is not a physician or under supervision of a physician, acting within the scope of the health care professional's license, certification, or entitlement.

¹⁸ 26 Tex. Admin. Code § 301.353(a) (Mar. 15, 2020).

Table 3: Services for Adult Levels of Care Relevant to This Report

Level of Care	Category	Description	Maximum Authorization Period
Level of care 1S (LOC-1S)	Basic services (Skills training)	Skills training for individuals that present very little risk of harm and do not require more intensive levels of care.	180 days
Level of care 2 (LOC-2)	Basic services, including counseling	Basic services and counseling for individuals that have symptoms of major depressive disorder who present very little risk of harm, have supports, do not require more intensive levels of care, and can benefit from psychotherapy.	180 days
Level of care 3 (LOC-3)	Intensive services with team approach	Intensive services with a team approach for individuals who require intensive rehabilitation to function effectively in their social environment.	180 days
Level of care 4 (LOC-4)	Assertive community treatment	Treatment, rehabilitation, and support services for individuals that may have a serious mental illness and have experienced multiple psychiatric hospital admissions.	180 days
Level of care 5 (LOC-5)	Transitional services	Transitional services that assist individuals in maintaining stability, preventing further crisis, and engaging into the appropriate level of care or community-based services.	90 days

Source: OIG Audit, based on the Texas Resilience and Recovery Utilization Management Guidelines: Adult Mental Health Services (Apr. 2017)

Financial Assessments

Each LMHA must maximize its financial resources by utilizing funds outside of its performance contract whenever possible, with the state of Texas as the payer of last resort.^{19,20} To determine whether each individual is able to pay for services, LMHAs must (a) conduct a financial assessment within the first 30 days of services and (b) update the financial assessment at least annually and whenever a significant financial change occurs as long as the individual continues to receive services.²¹ Upon completion of each financial assessment, LMHAs must (a) obtain the individual's signature or document the conversation with the individual and (b) provide a copy of the signed assessment to the individual.^{22,23}

¹⁹ HHSC Contract #HHS001022200032, Attachment A01, §§ I(B)(3)(f) and I(C)(3)(g) (Sept. 1, 2021, as amended).

²⁰ 25 Tex. Admin. Code § 412.104(5) (Sept. 15, 2005).

²¹ 25 Tex. Admin. Code § 412.106(a) (Sept. 15, 2005).

²² 25 Tex. Admin. Code § 412.106(e)(2) (Sept. 15, 2005).

²³ Per the COVID-19 Behavioral Health Services Providers Frequently Asked Questions, "Contracts" and "Telemedicine and Telehealth Services" (Sept. 3, 2021, as amended), during the COVID-19 public health emergency, HHSC allowed verbal consent for mental health services if circumstances did not allow for written signatures to be obtained. If verbal consent was obtained, the provider must document the conversation with the individual, clearly identify how notification and consent were obtained, and include the date and names of the individuals involved in the actions taken.

Chapter 1.1: Texana Center Complied with Certain Mental Health Assessment Requirements

Texana Center conducted mental health assessments timely and included all required elements selected for testing.

Mental Health Assessment Timeliness

For the 115 mental health assessments tested, 27 had associated screenings that identified needs for routine care services. For these screenings, Texana Center completed required associated mental health assessments timely.

Mental Health Assessment Completeness

Texana Center documented each of the 115 mental health assessments for routine care services and included the (a) assessment date and (b) signature and credentials of the qualified LMHA staff member who performed the assessment.

Chapter 1.2: Texana Center Did Not Comply with Some Financial Assessment Requirements

The 103 mental health assessments tested were associated with 98 individuals.²⁴ For 92 individuals (93.9 percent), Texana Center completed the financial assessment timely and obtained the individual's signature on the financial assessment. However, Texana Center did not follow its processes to conduct or update financial assessments as required for the remaining six (6.1 percent) individuals. Specifically:

- For four individuals, Texana Center did not conduct or update a financial assessment during the audit scope.
- For the remaining two individuals, Texana Center did not conduct or update the financial assessment within the required time frames.

When an LMHA does not conduct and update financial assessments as required, it may use the performance contract funds instead of other available funding sources.

Recommendation 1

Texana Center should strengthen its processes for conducting and updating financial assessments as required.

Management Response

Action Plan

Although Texana Center did not conduct or update the specific state required financial assessments on four individuals and not timely on two individuals, the financial assessment process is only the first step in a multi-step process at Texana Center to identify and ensure other available funding sources are used. Frequently, clients may not be aware of other funding sources they have and sometimes are not honest about the funding sources they have. The state's

²⁴ OIG Audit excluded 12 mental health assessments tested for 11 individuals from financial assessment testing because either (a) Texana Center did not have the opportunity to obtain necessary documentation for a financial assessment due to the individual's extenuating circumstances or (b) the individuals received services funded through a contract other than the performance contract.

financial assessment uses the client's reported information. However, Texana Center checks all available online sites to determine if other funding sources exist. This includes Texas Medicaid and Healthcare Partnership (TMHP) and Availity online sources. In addition, a report is compared at the end of each month for any "retroactive" eligibility the client may have received and these funding sources are then billed.

Texana Center is committed to ensuring the state is the payer of last resort. Accordingly, Texana Center will continue the above-described process that is not a part of the state's financial assessment process.

In addition, Texana Center will reinforce via written communication with all staff involved with financial assessments regarding the specific Texas Administrative Code requirement for conducting and updating financial assessments.

Responsible Manager

Director of Behavioral Healthcare Services

Target Implementation Date

August 31, 2024

Recovery Plans

Recovery plans for routine care services²⁵ outline services and supports for individuals who are not in crisis and must include information about each treatment type. Before providing services to each qualifying individual, LMHAs must have a recovery plan that is developed in collaboration with the individual and, if applicable, the individual's authorized representative.²⁶

LMHAs review existing recovery plans as needed²⁷ or within specific time frames depending on the level of care. Specifically, (a) for adults in LOC-3 and LOC-4, LMHAs must review each recovery plan within its 180-day effective period and (b) for adults in LOC-5, LMHAs must review each recovery plan within its 90-day effective period.²⁸

For each individual, the recovery plan must describe:

- Duration, frequency, and units of authorized services to be provided.
- Goals and objectives that address the individual's unique needs.
- Strategies to be implemented in providing the services and achieving goals.²⁹

²⁵ OIG Audit did not review crisis-specific recovery plans as part of this audit.

²⁶ 26 Tex. Admin. Code § 301.353(d)(1) (Mar. 15, 2020).

²⁷ 26 Tex. Admin. Code § 301.353(f) (Mar. 15, 2020).

²⁸ Texas Resilience and Recovery Utilization Management Guidelines: Adult Mental Health Services, Texas Health and Human Services Commission (Apr. 2017).

²⁹ 26 Tex. Admin. Code § 301.353(e)(1)–(2) (Mar. 15, 2020).

Chapter 2: Texana Center Did Not Comply with Some Recovery Plan Requirements

While Texana Center included required elements in the recovery plans it developed, Texana Center did not comply with some recovery plan requirements tested.

Recovery Plan Development

For 4 of 112 (3.6 percent) mental health assessments tested,³⁰ Texana Center did not follow its processes for recovery plans. Specifically, Texana Center (a) did not develop recovery plans for two of the four mental health assessments and (b) provided routine care services during periods when no recovery plan was in effect for the remaining two mental health assessments.

When an LMHA does not develop a recovery plan or provides services without a recovery plan in effect, it may not identify or deliver necessary services and supports.

Recovery Plan Completeness

For all 110 developed recovery plans tested, qualified Texana Center staff members:

- Signed the plan.
- Listed credentials.
- Included the duration, frequency, and units of listed services.

³⁰ For three mental health assessments tested, Texana Center did not have the opportunity to collaborate with the individual in the development of a recovery plan due to extenuating circumstances; therefore, OIG Audit excluded these three mental health assessments for recovery plan testing.

Recommendation 2

Texana Center should develop recovery plans before providing routine care services.

Management Response

Action Plan

Texana Center recognizes the importance of completing person centered recovery plans prior to providing routine care services to identify the specific needs and preferences of the client. The client's preferences might not always be the services the provider feels are necessary for recovery. Sometimes, services are provided (as in the case of two for Texana Center) where needed services were provided but there was no recovery plan in place. This is evidence that Texana Center always provides necessary services although the paperwork may not be current. It is important to note that clients are at varying stages of addressing their mental illness and sometimes this precludes paperwork being completed timely.

Texana will reinforce with all staff via written communication of the importance of ensuring a person centered recovery plan is completed prior to providing routine services to a client.

Responsible Manager

Director of Behavioral Healthcare Services

Target Implementation Date

August 31, 2024

Level of Care Deviations

LMHAs must follow TRRUMG requirements to determine the most appropriate course of treatment for each individual.^{31,32} As detailed in Table 4, TRRUMG allows LMHAs to authorize a level of care other than the recommended level of care for five reasons; however, some reasons are unallowable when deviating between certain levels of care.³³

Table 4: Allowable Reasons for Adult Level of Care Deviations

Deviation Reason	Requirements
Clinical need	<ul style="list-style-type: none"> The individual has a clinical need for a more or less intensive level of care than the level of care recommended. The LMHA's justification for the deviation must be documented in the medical record.
Continuity of care	<ul style="list-style-type: none"> The LMHA identifies a need to authorize a level of care that is different from the level of care recommended in order to maintain continuity of care for the individual. The LMHA's justification for the deviation must be documented in the medical record.
Individual refused	<ul style="list-style-type: none"> The LMHA provides the individual with information necessary to make an informed decision and the individual refuses the recommended level of care. The information discussed with the individual, including information necessary to make an informed decision, must be documented in the medical record.
Resource limitations	<ul style="list-style-type: none"> An LMHA staff member determines there are not enough resources to offer services at the recommended level of care.
Other	<ul style="list-style-type: none"> None of the other allowable reasons accurately describe the reason for deviation. The LMHA's justification for the deviation must be documented in the medical record.

Source: OIG Audit, based on the Texas Resilience and Recovery Utilization Management Guidelines: Adult Mental Health Services, § XI, Texas Health and Human Services Commission (Apr. 2017)

³¹ 26 Tex. Admin. Code § 301.305(b) (Mar. 15, 2020).

³² Texas Resilience and Recovery Utilization Management Guidelines: Adult Mental Health Services, "Introduction," Texas Health and Human Services Commission (Apr. 2017).

³³ Texas Resilience and Recovery Utilization Management Guidelines: Adult Mental Health Services, § XI, Texas Health and Human Services Commission (Apr. 2017).

Table 5 details which of the deviation reasons from Table 4 are allowable for deviating from LOC-3 or LOC-4 to LOC-1S or LOC-2.

Table 5: Allowable Deviation Reasons for Adult Levels of Care Relevant to Chapter 3

Level of Care	Deviation Reason(s)
LOC-3	<ul style="list-style-type: none"> • May deviate into LOC-1S due to resource limitations, clinical need, or individual refused. • May deviate into LOC-2 due to clinical need.
LOC-4	<ul style="list-style-type: none"> • May deviate into LOC-1S due to resource limitations, clinical need, or individual refused. • May deviate into LOC-2 due to clinical need or resource limitations.

Source: OIG Audit, based on the Texas Resilience and Recovery Utilization Management Guidelines: Adult Mental Health Services, § XI, Texas Health and Human Services Commission (Apr. 2017)

Chapter 3: Texana Center Followed Level of Care Deviation Requirements with One Exception

Texana Center authorized deviations in level of care for 10 individuals recommended for either LOC-3 or LOC-4. Texana Center cited individual refusal as the deviation reason for 9 of the 10 individuals³⁴ and documented the information it provided to 8 of these 9 (88.9 percent) individuals. However, for the remaining individual, Texana Center did not follow its process for documenting the information it provided to the individual. When citing individual refusal as justification for reducing an individual's level of care, LMHAs must (a) provide the individual with information necessary to make an informed decision about mental health services and (b) document the information discussed in the individual's medical record.

If medical records do not include confirmation that each applicable individual received necessary information to make an informed decision, there is a risk these individuals are unaware of necessary mental health services in their recommended levels of care and potential outcomes associated with refusal of these recommended services.

Recommendation 3

Texana Center should discuss necessary information for each individual to make an informed decision and document the discussion.

Management Response

Action Plan

Texana Center will provide training for all staff who complete Adult Needs and Strengths Assessments related to the Utilization Management Guidelines requirement to document the conversation with clients regarding deviation decisions and informed choice. In addition, Texana Center will reinforce the use of the *Texana Center Declination of Service Form* to be used for all level of care deviations.

³⁴ Texana Center cited "other" as justification for the remaining one of 10 individual deviations tested.

Texana will reinforce with all staff via written communication, the importance of discussing necessary information for each individual to make an informed decision and documenting the discussion via a *Texana Center Declination of Service Form*.

Responsible Manager

Director of Behavioral Healthcare Services

Target Implementation Date

September 30, 2024

The Inpatient Care Waitlist

The Inpatient Care Waitlist is a centralized electronic record of individuals waiting for inpatient mental health services in Texas.³⁵ HHSC uses this waitlist to add, update, and monitor the needs of individuals with non-forensic commitments³⁶ who require an inpatient level of care.

When an LMHA determines that an individual is experiencing an acute behavioral health crisis and requires inpatient mental health services, the LMHA must add that individual to this waitlist within one business day if there are no psychiatric beds available in a contracted local private psychiatric hospital or the LMHA's designated state hospital.³⁷

³⁵ Appendix E provides more information about HHSC's waitlists.

³⁶ Non-forensic commitments apply to individuals that do not meet the criteria for forensic commitments, which apply to individuals found incompetent to stand trial or acquitted not guilty by reason of insanity. HHSC maintains separate waitlists for individuals on forensic commitments waiting for inpatient services.

³⁷ HHSC Contract # HHS001022200032, Attachment A01, § I(A)(5)(m) (Sept. 1, 2021, as amended).

Chapter 4: Texana Center Did Not Have Support for Waitlist Determination Dates

Texana Center did not document its waitlist determination dates for 28 individuals, who each required inpatient mental health services not available locally. Since Texana Center did not document its determination dates for these 28 individuals, OIG Audit could not determine whether Texana Center added the individuals to the Inpatient Care Waitlist within one business day, as required by the performance contract. While Texana Center had a process for adding individuals to the Inpatient Care Waitlist, this process did not include documenting its waitlist determination dates.

When LMHAs do not add an individual to the Inpatient Care Waitlist within one business day, it may increase the individual's waiting time to receive necessary care in a setting that meets their needs.

Recommendation 4

Texana Center should revise its processes to include documenting its waitlist determination dates.

Management Response

Action Plan

Texana Center documents all determinations for individuals placed on the Inpatient Care Waitlist on the same date of the determination in the state's electronic health record. Texana Center's understanding of the requirement was that the determination was documented in the state's electronic record within one business day of determination. This is the process that was followed. The OIG was unable to test due to the lack of duplicate documentation in Texana Center's electronic health record.

Accordingly, Texana Center has begun duplicating this information in its electronic health record on the same day.

Responsible Manager

Director of Behavioral Healthcare Services

Target Implementation Date

August 31, 2024

Audit Comment

OIG Audit appreciates the feedback provided by Texana Center in its management response. OIG Audit stands by its conclusion. Texana Center did not provide documentation of its waitlist determination dates. While Texana Center's entries in the state's electronic health record coincided with the dates of entry onto the waitlist, there was not documentation in either Texana Center's medical records or the state's electronic health record supporting (a) when Texana Center determined the individuals required an inpatient level of care and (b) that local resources were unavailable.

Appendix A: Objective, Scope, and Criteria

Objective and Scope

The audit objective was to determine whether Texana Center complied with selected state and contractual requirements.

The audit scope included mental health services at Texana Center during the period from September 1, 2021, through August 31, 2022.

Criteria

OIG Audit used the following criteria to evaluate the information provided:

- 25 Tex. Admin. Code § 412.106 (2005)
- 26 Tex. Admin. Code §§ 301.301, 301.303, 301.305, 301.327, 301.335, 301.353, and 301.361 (2020)
- HHSC Contract # HHS001022200032 (2021, as amended)
- COVID-19 Behavioral Health Services Providers Frequently Asked Questions (2021, as amended)
- Texas Resilience and Recovery Utilization Management Guidelines: Adult Mental Health Services (2017)

Appendix B: Detailed Methodology

OIG Audit issued an engagement letter to Texana Center on May 1, 2024, providing information about the upcoming audit, and conducted fieldwork from May 1, 2024, through August 6, 2024.

OIG Audit reviewed Texana Center's system of internal controls, including components of internal control,³⁸ within the context of the audit objectives by:

- Interviewing Texana Center personnel with oversight responsibilities.
- Reviewing relevant documentation, such as policies, procedures, and medical records.
- Examining relevant HHSC databases.
- Performing selected tests of the relevant documentation.

Data Reliability

OIG Audit assessed the reliability of data provided by HHSC and Texana Center by reviewing query language, tracing data to supporting documentation, and interviewing relevant HHSC and Texana Center personnel knowledgeable about the systems and data. OIG Audit determined that the data was sufficiently reliable for the purpose of this audit.

Testing and Sampling Methodology

OIG Audit collected information for this audit through interviews and electronic communications with Texana Center management and staff. For this audit, OIG Audit tested one sample and two complete populations with service dates during the period from September 1, 2021, through August 31, 2022.

Sample

To assess components of Texana Center's mental health assessments, including response requirements for associated screenings; financial assessments; recovery

³⁸ For more information on the components of internal control, see the United States Government Accountability Office's *Standards for Internal Control in the Federal Government* (Sept. 2014), <https://www.gao.gov/assets/gao-14-704g.pdf> (accessed Apr. 16, 2021).

plans; and service notes, OIG statisticians and OIG Audit selected a risk-based sample of 115 mental health assessments for routine care services Texana Center completed for individuals who were (a) adults at the time of assessment and (b) authorized in LOC-3, LOC-4, or LOC-5.^{39,40} OIG Audit selected this sample design based on analysis conducted during the audit. The sample items were not necessarily representative of the population; therefore, it would not be appropriate to project the test results to the population.

Populations

OIG Audit did not use a sampling methodology and instead collected, reviewed, and analyzed the complete population of data and supporting documentation to perform selected tests and other procedures. Specifically, to assess Texana Center's:

- Level of care deviations, OIG Audit reviewed the complete population of 10 mental health assessments for individuals who were (a) adults at the time of assessment and (b) recommended for LOC-3 or LOC-4 mental health services but authorized into LOC-1S or LOC-2 mental health services.⁴¹
- Compliance with Inpatient Care Waitlist requirements, OIG Audit reviewed the complete population of 28 adults and children listed during the audit scope.

³⁹ OIG Audit excluded individuals (a) in correctional facilities based on the residence type listed in the mental health assessment or (b) receiving services through the Texas Department of Criminal Justice's Texas Correctional Office on Offenders with Medical or Mental Impairments program.

⁴⁰ Selected service notes reviewed were limited to the first core service received during the state fiscal year for individuals authorized in LOC-3 or LOC-4 based on the interventions in the developed recovery plan.

⁴¹ Individuals in LOC-3 and LOC-4 are considered higher risk and receive more intensive services. Specifically, LOC-3 and LOC-4 provide individuals with a full range of rehabilitation services while (a) LOC-1S limits core services to medication and routine case management and (b) LOC-2 limits core services to medication, routine case management, and cognitive behavioral therapy.

Appendix C: Texana Center at a Glance

Services Provided

Texana Center provides mental health and other services to adults and children through local, state, and federally funded programs. These services include but are not limited to:

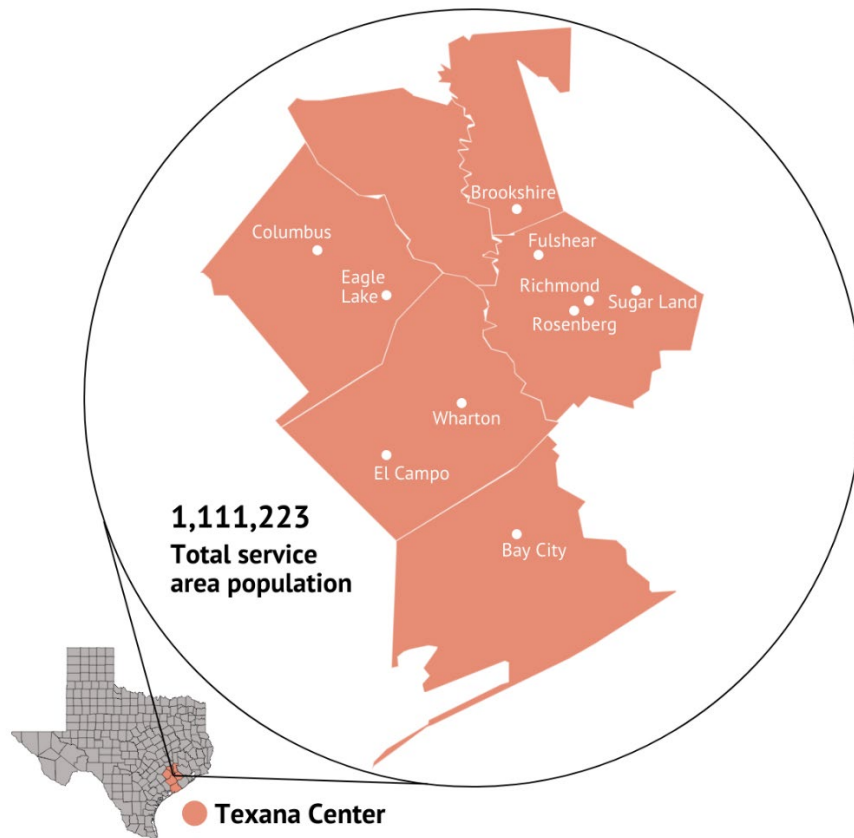
- Autism services
- Applied behavior analysis services
- Crisis services
- Early childhood intervention⁴²
- Intellectual and developmental disabilities services
- Justice-involved projects⁴³
- Adult mental health outpatient services
- Youth and family outpatient services

⁴² Early childhood intervention services are available to eligible children ages 0 to 3 with developmental delays, disabilities, or certain medical diagnoses that may impact development.

⁴³ Justice-involved projects provide options for individuals who are both involved in the criminal justice system and have a mental health diagnosis. Texana Center delivers these services through two programs: Texas Correctional Office on Offenders with Medical or Mental Impairments and the Senate Bill 292 (S.B. 292) Fort Bend County project.

As of September 2023, Texana Center provided LMHA services in six Texas counties: Austin, Colorado, Fort Bend, Matagorda, Waller, and Wharton. As of July 2023, these counties had an estimated combined population of 1,111,223 residents.⁴⁴ Figure C.1 illustrates the LMHA service area covered by Texana Center.

Figure C.1: LMHA Service Area Covered by Texana Center



Source: OIG Audit, compiled from information present on "Find Your Local Mental Health or Behavioral Health Authority," HHS, <https://www.hhs.texas.gov/services/mental-health-substance-use/mental-health-substance-use-resources/find-your-local-mental-health-or-behavioral-health-authority> (accessed Apr. 29, 2024) and U.S. Census Bureau, "Annual Estimates of the Resident Population for Counties: April 1, 2020 to July 1, 2023 (CO-EST2023-POP)-Texas," (Population estimate as of July 1, 2023), <https://www.census.gov/data/datasets/time-series/demo/popest/2020s-counties-total.html> (accessed June 11, 2024)

⁴⁴ U.S. Census Bureau, "Annual Estimates of the Resident Population for Counties: April 1, 2020 to July 1, 2023 (CO-EST2023-POP)-Texas," (Population estimate as of July 1, 2023), <https://www.census.gov/data/datasets/time-series/demo/popest/2020s-counties-total.html> (accessed June 11, 2024).

Appendix D: Texana Center Funding

Texana Center received \$55,152,028 in state and federal funding from HHSC for programs and services delivered during state fiscal year 2022, which covered the period from September 1, 2021, through August 31, 2022.⁴⁵ Of this amount, \$19,993,443 (36.3 percent) was related to mental health programs and services as detailed in Table D.1.

Table D.1: Texana Center’s Mental Health Programs and Services Funding Details⁴⁶

Category	Funding		
	State	Federal	Total
Community mental health services for adults	\$ 8,766,080	\$2,533,268	\$ 11,299,348
Community mental health crisis services	3,546,088	727,619	4,273,707
Community mental health services for children	2,026,589	650,986	2,677,575
Mental health community hospitals	1,742,812	—	1,742,812
Mental health programs and services total	\$16,081,569	\$3,911,874	\$19,993,443

Source: OIG Audit

⁴⁵ The funds listed in Appendix D were received by Texana Center for state fiscal year 2022 and include transactions through January 31, 2024, that were related to state fiscal year 2022.

⁴⁶ Discrepancy between the individual amounts and the total is due to rounding.

As shown in Table D.2, \$17,153,100 of the \$19,993,443 (85.8 percent) in mental health funding for the period from September 1, 2021, through August 31, 2022, was associated with the LMHA performance contract between HHSC and Texana Center.

Table D.2: Texana Center’s Performance Contract Funding Breakdown⁴⁷

Category	Funding		
	State	Federal	Total
Adult services	\$ 8,766,080	\$ 555,993	\$ 9,322,073
Crisis services	3,335,044	—	3,335,044
Children and youth services	1,987,589	548,253	2,535,842
Private psychiatric beds	1,734,637	—	1,734,637
Supportive Housing Rental Assistance Project	—	217,329	217,329
Post-Discharge Medications for Civil Commitments Project	8,175	—	8,175
LMHA performance contract funding total	\$15,831,525	\$1,321,575	\$17,153,100

Source: OIG Audit

⁴⁷ Discrepancy between the individual amounts and the total is due to rounding.

Table D.3 details Texana Center’s remaining \$35,158,585 of \$55,152,028 (63.7 percent) in funding for other programs and services for the period from September 1, 2021, through August 31, 2022.

Table D.3: Texana Center’s Other Program and Services Funding Details⁴⁸

Category	Funding		
	State	Federal	Total
Home and Community-Based Services	\$ 3,783,436	\$ 8,505,441	\$ 12,288,877
Delivery system reform incentive payments	2,549,833	5,176,934	7,726,767
Long-term care intake and access	2,547,708	3,210,157	5,757,865
Community living assistance and support services	767,298	1,549,610	2,316,909
Medicaid contracts and administration	—	1,875,984	1,875,984
Early childhood intervention services	865,365	996,909	1,862,273
Non-Medicaid intellectual and developmental disabilities community services	1,598,370	—	1,598,370
Texas Home Living waiver	332,054	880,525	1,212,579
Autism program	440,959	—	440,959
Nursing facility payments	67,068	—	67,068
Disability determination services	—	10,494	10,494
Children’s blindness services	440	—	440
Total	\$12,952,531	\$22,206,054	\$35,158,585

Source: OIG Audit

⁴⁸ Discrepancy between the individual amounts and the total is due to rounding.

Appendix E: HHSC Waitlists

Table E.1 lists HHSC’s five waitlists, which are centralized electronic records of individuals waiting for psychiatric care in Texas.^{49,50}

Table E.1: HHSC Waitlists

Waitlist	Description
Inpatient Forensic: Maximum Security	HHSC manages this waitlist for individuals waiting for a bed within a maximum security unit at a Texas state hospital.
Inpatient Forensic: Non-Maximum Security	HHSC manages this waitlist for individuals waiting for a bed within a non-maximum security unit at a Texas state hospital.
Inpatient Care	HHSC and LMHAs manage this waitlist for individuals waiting for inpatient mental health care through a contracted private psychiatric bed or a Texas state hospital.
Outpatient	LMHAs manage this waitlist for individuals who are waiting for all authorized outpatient mental health services.
Outpatient Underserved	LMHAs manage this waitlist for underserved individuals who were deviated to a lower level of care than recommended due to resource limitations and are waiting for outpatient mental health services.

Source: OIG Audit, based on “Information Item F: ICW Helpful Information/FAQs,” Community Mental Health Contracts, Texas HHS, <https://www.hhs.texas.gov/providers/behavioral-health-services-providers/behavioral-health-provider-resources/community-mental-health-contracts> (accessed April 1, 2024).

⁴⁹ Individuals with pending criminal charges involving serious bodily injury cannot be civilly committed for inpatient or outpatient mental health services and, therefore, cannot be placed on a non-forensic waitlist.

⁵⁰ During the audit scope, Texana Center did not utilize the Outpatient waitlist.

Appendix F: Summary of Recommendations

Table F.1: Summary of Recommendations to Texana Center

No.	Recommendation
1	Texana Center should strengthen its processes for conducting and updating financial assessments as required.
2	Texana Center should develop recovery plans before providing routine care services.
3	Texana Center should discuss necessary information for each individual to make an informed decision and document the discussion.
4	Texana Center should revise its processes to include documenting its waitlist determination dates.

Source: OIG Audit

Appendix G: Related Reports

- Betty Hardwick Center: A Local Mental Health Authority Contracted with the Texas Health and Human Services Commission, [AUD-24-030](#), August 28, 2024
- My Health My Resources Concho Valley: A Local Mental Health Authority Contracted with the Texas Health and Human Services Commission, [AUD-24-028](#), August 27, 2024
- Mental Health Targeted Case Management and Mental Health Rehabilitative Services in Managed Care: Local Mental Health Authorities and Local Behavioral Health Authorities in Texas Medicaid, [INS-21-008](#), August 30, 2021
- Documentation of Reductions to Authorized Levels of Care: Local Mental Health Authorities in Texas, [INS-21-005](#), July 28, 2021

Appendix H: Resources for Additional Information

The following resources provide additional information about the topics covered in this report.

For more information on LMHAs and LBHAs in Texas:

"Local Mental and Behavioral Health Authorities," HHSC,
<https://www.hhs.texas.gov/providers/behavioral-health-services-providers/local-mental-health-authorities> (accessed June 10, 2024)

For more information on Texana Center:

Homepage, Texana Center, <https://www.texanacenter.com>
(accessed July 1, 2024)

For more information on rural mental health care in Texas through LMHAs and LBHAs:

All Texas Access Report, HHS (Dec. 2023),
<https://www.hhs.texas.gov/sites/default/files/documents/all-texas-access-report-dec-2023.pdf> (accessed June 24, 2024)

For more information on LMHA and LBHA performance and outcome measures:

Mental Health and Substance Abuse Public Reporting System, HHS,
<https://www.hhs.texas.gov/providers/behavioral-health-services-providers/behavioral-health-provider-resources/mental-health-substance-abuse-public-reporting-system> (accessed June 18, 2024)

For more information on HHSC waitlists for mental health services:

Reporting of Waiting Lists for Mental Health Services, HHS (May 2024),
<https://www.hhs.texas.gov/sites/default/files/documents/mhs-waiting-lists-may-2024.pdf> (accessed June 24, 2024)

For more information on non-OIG audit findings for LMHAs and LBHAs in state fiscal year 2022:

Summary of Significant Audit Findings for Local Mental Health Authorities for Fiscal Year 2022, HHS (Dec. 2023),
<https://www.hhs.texas.gov/sites/default/files/documents/summary-of-significant-audit-findings-2022.pdf> (accessed June 10, 2024)

Appendix I: Report Team and Distribution

Report Team

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- Susan Parker, CPA, Senior Managing Auditor
- Anna Morris, CIGA, Audit Project Manager
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Report Distribution

Texas Health and Human Services Commission

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- Trina Ita, Deputy Executive Commissioner, Behavioral Health Services
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Texana Center

- Shena Ureste, Chief Executive Officer
- Amanda Darr, Chief Financial Officer
- Kara Janecek, Director of Behavioral Healthcare Services
- Texana Center Board of Trustees

Appendix J: 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:

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- Susan Biles, Principal Deputy Inspector General
- Kacy J. VerColen, Chief of Audit and Inspections
- Eugenia Krieg, Chief of Staff, Chief of Policy and Performance
- Erik Cary, Chief Counsel
- Diane Salisbury, Chief of Data Reviews
- Matt Chaplin, Chief of Operations
- Steve Johnson, Chief of Investigations and Utilization Reviews

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To Contact OIG

- Email: oig.generalinquiries@hhs.texas.gov
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