

XII. AGENCY COMMENTS

The passage of H.B. 2292, in 2003, established a clear directive to transform the State's approach to the delivery of health and human services, with a particular focus on addressing the following issues.

- Access to services for individuals with complex health needs that required assistance from multiple agencies.
- Lack of integrated health and human services programs and agency policies.
- Redundant and/or inefficient administrative structures.
- Blurred lines of accountability.

Through the enactment of H.B. 2292, 12 stand-alone agencies were consolidated into an integrated system of four new departments under the leadership of the Texas Health and Human Services Commission (HHSC).

Today, nearly a decade post-consolidation, a coordinated Health and Human Services (HHS) System services exists. Although continued improvements may be needed in areas, progress on addressing the issues originally identified can be seen in a myriad of ways, as highlighted by the following examples.

- **Improved Service Quality and Accessibility.** Integrated programs result in improved community health. For example, the Department of State Health Services (DSHS) developed a single agency focus on physical and behavioral health issues emphasizing multi-program collaboration to improve efficiency and enhance services. Also, through a collaborative effort, HHSC and DSHS promote the benefits of the Women's Health Program and the Department of Aging and Disability Services (DADS), the Department of Family and Protective Services (DFPS), and DSHS continue to work together to improve services in HHS-operated facilities, such as State Supported Living Centers and State Hospitals.

Integrating service delivery among physical and behavioral health providers improves outcomes. As a means to guide current and future planning and decision making, DSHS, in conjunction with external stakeholder efforts, developed a comprehensive approach to service integration by linking behavioral and physical health services. DSHS actively encourages the use of primary health care provision as a site for early screening and diagnosis of behavioral health problems.

Meeting the demand for services is a perennial challenge facing the HHS System. Although waiting and interest lists for programs and services remain long, the ability to consolidate funding requests to address waiting lists and to request those funds as HHS System priorities has resulted in unprecedented levels of new funding to address interest lists, especially for waiver services.

Managing long-term care services through one agency, DADS, leads to greater flexibility for individuals and families seeking services. For instance, previously some individuals rose to the top of a waiting list for one program, only to learn that another agency's waiver program was more appropriate for their needs than the waiver service for which they had

originally applied. Unfortunately, sometimes that meant that the client would have to start over at the bottom of another program's list. DADS now identifies, provides services, and/or places the person on the most appropriate waiver list for meeting their needs.

Better alignment of guardianship responsibilities protects the public. The transfer of guardianship responsibilities to DADS reinforced DFPS' primary role of investigating and serving adults in need of protection. DADS' expertise with long-term services and support programs for persons who are older and for adults with disabilities made it the appropriate agency for assuming guardianship responsibilities. Transferring this program removed any appearance of conflict of interest for DFPS staff in assessing and providing services for individuals in need of guardianship. As a result of coordinated DADS and DFPS efforts, the transfer of the guardianship program was completed with no disruption in services to individuals served.

- **Strengthening Children's Services.** An integrated system allows for a comprehensive approach to improve children's health care. Three divisions within DSHS, along with the regional Education Services Centers, combined efforts and resources to promote a coordinated approach to improving children's physical and behavioral health. The comprehensive approach includes coordinated school health, obesity prevention, suicide prevention, mental health awareness, diabetes prevention and care, and abstinence education activities. In 2008, DFPS worked with HHSC to launch STAR Health, the Medicaid managed care plan for children in foster care. Under contract with HHSC, STAR Health coordinated oversight of psychotropic medication utilization and use of psychotropic medications decreased. Additionally, the Health Passport was developed as an electronic health information system that provides information about prescribed psychotropic medications and is used as a primary source for the Psychotropic Medications Utilization Review process.

Interagency efforts reduce psychotropic medications use for foster children. Soon after the consolidation of HHS agencies, concerns arose about possible overuse of psychotropic medications with the foster care population. DFPS and DSHS worked together using the services of a child psychiatrist to assess prescribing practices, develop prescribing guidelines, and recommend a process for ongoing clinical reviews of the use of psychotropic medications in the treatment of children in foster care.

Consolidation leads to enhanced support for Early Childhood Intervention (ECI). Before consolidation, ECI, as a small stand-alone agency, struggled with addressing specialized tasks such as assessing the implications of rules and setting rates. Now, as a division within the Department of Assistive and Rehabilitative Services (DARS) and the integrated HHS System, ECI receives valuable support on such matters as rules, rates, and state Medicaid plan amendments.

- **Efficient and Effective Service Delivery.** Unifying web support for blind and rehabilitation services replaced two redundant legacy agency systems, and reduces the technical support, need for modifications, and costs for hardware, software, and related maintenance. Using a single system also enhances consistency among programs, because program changes and modifications will now be applied to only one application, rather than the prior multiple

applications. Eliminating the redundant rules of DARS legacy agencies resulted in the elimination of more than 100 redundant or unnecessary administrative rules from the legacy agencies.

Consolidated pharmaceutical purchasing for the DSHS Pharmacy Branch, DSHS State Hospitals, and DADS State Supported Living Centers saves millions of dollars annually in medication and medical supplies costs. Also, consolidated support services for such facilities save millions in personnel, operations, and supply costs for both DADS and DSHS.

- **Improving Information Accessibility Across the HHS System.** Coordinating long-term care licensing and regulatory activities yields coordinated, consistent, and direct oversight. Responsibility for long-term services and supports previously was split among DADS' three legacy agencies. The services and supports provided by the three agencies served various client populations. Many of the same regulatory issues were encountered for these services and supports. The agencies often addressed these issues in different ways and with limited coordination.
- **Adopting More Cost-Effective Business Practices.** House Bill 2292 assigned HHSC responsibility for delivering administrative services for the HHS System. Examples include centralized human resource services, civil rights, and support services for regional offices. These improvements saved millions in overhead costs and resulted in consistent policies, practices, and services.

In addition to the benefits of consolidation across the HHS System, DSHS programs and service recipients have benefited from the consolidation of public health and behavioral health services in a single agency. As a result of H.B. 2292, DSHS is responsible for addressing a variety of health issues that face Texans, including: mental illness, substance abuse, chronic disease, infectious disease, emergency response, food safety, children's health, and access to health care. Many of these issues are inter-related, thus, having a single state agency focused on them provides for improved coordination of care across various fields of practice. Additionally, DSHS manages a large number of licensing programs to protect the public's health, including regulation of healthcare facilities, professions, and drugs and medical devices.

Since consolidation occurred, DSHS has managed and responded to various public health and behavioral health issues and challenges. Additionally, the agency is aware of current and future issues that may have an impact on programs, services, employees, and service recipients. A few of these are mentioned below.

- **Prevent and Prepare for Health Threats.** Over the past several years, DSHS has been reminded how suddenly health challenges can develop into threats. The appearance of the novel H1N1 virus demonstrated how rapidly a pandemic could develop. While public health capacity was ultimately successful in its response, the development of a new threat from a quickly spreading infectious disease is inevitable. The West Nile virus outbreak in 2012 also challenged the response efforts of DSHS and local health departments; however, lessons learned from those experiences have resulted in improved reporting and testing processes. Food-borne illnesses also present a threat to the public's health. Within the past several

years, outbreaks of salmonella on both domestic peanuts and imported produce have reinforced the importance of protecting the food supply. DSHS regulatory and public health services are integrally involved in protecting Texans from food-borne illnesses.

- **Capacity to Improve Community Health.** The steady trend upward of obesity reminds us of the importance of increasing efforts to reduce its incidence and thereby reduce the cost of chronic disease to the economy. Tuberculosis and vaccine preventable diseases such as pertussis persist in Texas. Access to appropriate care and education throughout the life course helps reduce risks and improve outcomes. DSHS is committed to maintaining efforts to reduce the incidence of chronic and infectious diseases.

Giving children a good start in life is essential. The rates of prematurity and infant mortality have increased in recent years. These rates and the associated healthcare costs can be reduced through targeted and evidence-based interventions. DSHS is working with community stakeholders, healthcare providers, and insurance companies to improve birth outcomes and maternal and infant mortality in Texas.

Additional funding appropriated by the 83rd Legislature, Regular Session, 2013, will allow an expansion in the array of women's health services. With an emphasis on preventive and primary care, the expanded primary healthcare program will provide more women with access to well women checks, breast and cervical cancer screenings, prenatal care, wellness education, and family planning.

- **Evolving Healthcare Environment.** As the population of Texas grows, and changes in state and federal healthcare policy and resources evolve, the profile of persons in need of government-funded public health and primary health services is shifting. Healthcare reform implementation in 2014 presents opportunities for DSHS to redefine its role in the Texas healthcare system. Although coverage for health care will expand in the future, healthcare costs will continue to increase without action to prevent or mitigate certain diseases and conditions. DSHS must continue to use public health strategies, data, and other interventions to improve health and decrease healthcare costs. Healthcare reform will have a significant impact on the agency's structure and programs. DSHS is currently evaluating the impact of provisions such as the new federal high-risk insurance pool, insurance subsidies, Medicaid changes and potential impacts on licensing of professionals and facilities.
- **Recovery for Persons with Substance Use Disorders and/or Mental Illness.** Mental illness and substance abuse remain challenges for Texas families and communities. Texas made significant progress in the 80th and 81st Legislative sessions by supporting State Hospitals and increasing funding for mental health services in communities. These investments in mental health services reduce the burden on communities by serving mentally ill individuals in more appropriate settings than emergency rooms and local jails. Additionally, the Medicaid substance abuse services benefit endorsed by the 81st Legislature is helping

treatment providers draw on another resource to ensure effective treatment is available to Texans.

Most recently, a combination of an increased appropriation from the 83rd Legislature and federal dollars will provide opportunities for innovation and allow program expansion to address waiting lists and other unmet needs. Community collaborative projects, mental health supported housing, and an expansion of veterans' mental health programs and crisis residential services are examples of initiatives that can transform the delivery of behavioral health services in Texas.

- **In-Patient Hospital Services.** DSHS has faced challenges in the past few years regarding capacity and safety in state-operated psychiatric hospitals. The agency has taken steps to ensure that State Hospitals provide quality care, including making changes to the hospital environment and enhancing staff training and supervision. DSHS continues to analyze trends and systemic issues that impact client safety in individual hospitals and to implement corrective action when needed.

Additionally, State Hospitals have experienced an increased use of resources by the forensic population, which results in a corresponding reduction of beds for civilly committed patients. DSHS has added forensic beds to the State Hospital capacity and contracted through the mental health authorities for civil beds in local hospitals. The additional funding for behavioral health services will provide more intensive service and supports in the community, providing alternatives to civil commitments. DSHS continues to work with judges and courts to follow legislation requiring that patients who are not likely to regain capacity be placed in less restrictive, non-hospital settings.

- **Licensing and Regulatory Services.** Rider 59 (H.B. 1, Article II, DSHS, 82nd Legislature, Regular Session, 2011) provided an opportunity to assess regulatory programs and functions to identify potential efficiencies, cost savings, and revenue increases. As a result of this assessment, DSHS has initiated licensing fee changes where possible and continues to assess its fee-management processes and costs associated with programs that do not charge a fee. DSHS has also invested in enhancements to the Regulatory Automated System and other operational improvements using IT. The Regulatory Services Division has initiated business operation changes to meet the goal of reducing routine inspections and complaint investigations that would have the least impact on public health and safety. DSHS regulatory programs have compiled numerous process improvement methods to gain further efficiency in regulatory operations. As the impact of changes already implemented is evaluated, additional process improvement strategies will be assessed and implemented for maximum impact.

DSHS is large state agency with extensive responsibilities for oversight and implementation of public health and behavioral health services in Texas. The Self-Evaluation Report demonstrates the complexity and array of services administered by staff in Austin and across Texas. The Commissioner and DSHS staff will be pleased to provide any additional information to assist the

Sunset Commission in its review of the agency. Additionally, DSHS looks forward to the opportunity to discuss agency operations with Sunset staff as the process moves forward.