

Appendix I

Provider of Last Resort Procurement Plan FY 2005



PROVIDER OF LAST RESORT PROCUREMENT PLAN FY 2005

Lubbock Regional Mental Health Mental Retardation Center

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I. Background.

The 78th Legislative Regular Session had profound effects on the mental health, mental retardation and chemical dependency service delivery system throughout Texas. Specifically, the amendment of THSC §533.035(e)¹ required a local MHMR Authority (LA) to assemble a network of service providers in which the LA may only serve as a provider of last resort. The LA is considered the provider of last resort if it can demonstrate that it has made every attempt to solicit an available and appropriate provider base and there is no willing provider available in the local service area or county of need.

However, the new requirements of Sec. 533.035(e) must be followed in conjunction with the requirements contained in Sec. 533.035(c). This means that the “potential providers” solicited by the Request for Information (RFI) would ultimately be assembled into a network by the LA through consideration of public input, ultimate cost-benefit, and client care issues to ensure consumer choice and the best use of public money.

To that end, in March 2004 an RFI process was developed and initiated as a means of determining interest in a comprehensive treatment network for people with mental illness and mental retardation. Respondents were asked to provide information on various service packages and include any topics or questions the respondent or any other interested parties believes important to address in any future Request For Proposal (RFP). The RFI document included a geographic description of the local service areas, thus giving the respondents the opportunity to indicate the preference to serve the entire local service area or a portion thereof. The RFI document included the verbatim service descriptions from LA’s FY’04 Texas Department of Mental Health and Mental Retardation (TDMHMR) Performance Contract, Attachment IX-Exhibits A, B, and C. Respondents were given an opportunity to express interest in providing the entire service package or individual services

¹ a.k.a. HB2292, Sec. 2.74 (2003)

within the package. See Attachment A for Lubbock Regional MHMR Center's current list of contractors/providers and Attachment B for Lubbock Regional MHMR Center's RFI Summary.

After reviewing the RFI responses, comments and questions, Lubbock Regional MHMR Center, the designated local MH/MR Authority for the Local Service Area specified in its FY 2005 Performance Contract, now submits its FY 2005 Procurement Plan.

II. Notification: Local Authority Designation and Provider Status.

This Provider of Last Resort Procurement Plan is submitted as required in Attachment VIII.; section VI.I of the FY 2005 Performance Contract between Lubbock Regional MHMR Center and the Department of State Health Services (DSHS, legacy agency TDMHMR) and the Department of Aging and Disability Services (DADS, legacy agency TDMHMR). DSHS and DADS are hereinafter referred to collectively in this Plan as the "State", where appropriate.

Submission of this Provider of Last Resort Procurement Plan is conditioned upon the express understanding that nothing contained in the Plan shall be construed to limit Lubbock Regional MHMR Center's ability to act as a provider of the services described in Attachment A, now or at any time in the future, nor shall it be construed to limit Lubbock Regional MHMR Center's ability to act as Local Mental Health Authority and/or Local Mental Retardation Authority for its Local Service Area, now or at any time in the future.

Acceptance of this Provider of Last Resort Procurement Plan by the State will serve as implied consent to these terms. Lubbock Regional MHMR Center requests immediate notification from the State if any contents of this Provider of Last Resort Procurement Plan shall be construed as contrary to this notification paragraph in any way.

III. Goals of Procurement Process.

- Provide the basis for negotiation of timelines between Lubbock Regional MHMR Center and the State in accordance with the December 9, 2003 memo from Karen Hale.
- Coordinate the Procurement Plan with the 2005 Performance Contract required Local Plan which is due June 1, 2005.
- Comply with *Guidelines for Local Service Area Planning*.
- Optimize the availability of providers in Lubbock Regional MHMR Center's Local Service Area.
- Ensure compliance and synchronization of the relevant statutory, regulatory, and contractual requirements enumerated in the Texas Health and Safety Code Chapters 533 and 534, 25 TAC 412 Chapter B, Medicaid rules, and Performance Contract requirements.
- Ensure participation of Lubbock Regional MHMR Center's Board of Trustees, Advisory Committee members and other stakeholders.

IV. Current and Future Areas of Concern

- Ambiguity/Uncertainty of Texas' local service delivery system.
- Center received a low response (only 11 respondents) to the previously published RFI.

- Uncertainty of the role of LA's in the future.
- Funding instability and uncertainty including consideration that rates of service have not been adequately determined for all services which have the potential for procurement.
- Medicaid concerns including applicability of under-arrangement agreements and service coordination/case management mandates.
- Potential Department of Labor concerns caused by the degree of control required to be exercised by the LA over the potential contract providers.
- Inconsistent requirements of present and future relevant statutory, regulatory, and contractual requirements enumerated in Texas Health and Safety Code Chapters 533 and 534, 25 TAC 412 Chapter B, Medicaid rules, and Performance Contract requirements.

V. Determination of Services to be Procured

The determination of which services will be procured for FY 2006 and the implementation timeline will be contingent upon a variety of factors including:

- Analysis of current provider network;
- Finalization of local planning process;
- Obtaining clarification and guidance for the concerns enumerated in Section IV.

Lubbock Regional MHMR Center will submit its Local Plan inclusive of the Provider Network Analysis and the Procurement Plan.

VI. Attachment A

A. Provider Network Analysis

Lubbock Regional MHMR Center – Contracted Services		
Mental Retardation		
Service	Provider	Procurement Information
Community Support	LRMHMR	Open Enrollment
Respite	LRMHMR Bair Foundation	Open Enrollment
Employment Assistance and Supported Employment	LRMHMR Marion Moss Enterprises	Open Enrollment
Vocational Training	LRMHMR	Open Enrollment
Day Habilitation	LRMHMR Alternative Business Services Lubbock Adult Day Center	Open Enrollment
Nursing	LRMHMR Physician Network Association	Open Enrollment
Behavioral Support	LRMHMR Kaylene Brown, L.P.C. Diane Soucey, L.P.C.	Open Enrollment
Specialized Therapy – Dietician	Karen Simmacher, R.L.D.	Open Enrollment
Specialized Therapy – OT, PT, ST, AT	Audio Acoustics Lubbock State School Owens White Rehab Center Theracare	Open Enrollment
Specialized Therapy – Hippotherapy	Turf Therapy	Open Enrollment

Lubbock Regional MHMR Center – Contracted Services

Mental Health

Service	Provider	Procurement Information
Crisis Services: <i>Crisis Counseling</i>	LRMHMR	Open Enrollment
Crisis Services: <i>Psychiatric Consultation</i>	LRMHMR *Texas Tech University	Open Enrollment *Subcontract Arrangement
Crisis Services: <i>Crisis Respite</i>	Bair Foundation	Open Enrollment
Crisis Services: <i>C&A Inpatient Hospitalization</i>	Desert Springs Hospital	Open Enrollment
Crisis Services: <i>Adult Inpatient Hospitalization</i>	Sunrise Canyon Hospital	Open Enrollment
Pharmacological Management Services	LRMHMR	Open Enrollment
Routine Case Management	LRMHMR	Medicaid prohibits subcontracting of service.
Rehabilitative Services	LRMHMR	Open Enrollment
Supported Employment	LRMHMR	Open Enrollment
Rehabilitative Counseling and Therapy	LRMHMR	Open Enrollment
Skills Training – Child and Parent	LRMHMR	Open Enrollment
Family Psychoeducation	LRMHMR	Open Enrollment
Family Partner	LRMHMR	Open Enrollment
Intensive Case Management	LRMHMR	Medicaid prohibits subcontracting of service.
Medication Management	LRMHMR	Open Enrollment
Psychiatric Evaluation	LRMHMR	Open Enrollment
Treatment Foster Care	Bair Foundation	Open Enrollment
Pharmacy	Best Discount Pharmacy National Extended Care (NEC) University Medical Center	Open Enrollment
Ambulance Transportation	Lubbock Aid Ambulance	Open Enrollment

B. Baseline Level of Network Development Activities

1. Legal and Contractual Requirements for Network Development

TEXAS HEALTH & SAFETY CODE §533.035(c) requires that Lubbock Regional MHMR Center consider public input, ultimate cost-benefit, and client care issues to ensure consumer choice and the best use of public money in:

- Assembling a network of service providers; and
- Making recommendations relating to the most appropriate and available treatment alternatives for individuals in need of mental health or mental retardation services.

In addition, the Performance Contract has required that each LA have a process for objectively evaluating services. This represents part of an on-going effort to gather information to assure Lubbock Regional MHMR Center's Management Team and the Board of Trustees make informed decisions relative to assembling a network of providers.

2. Ensuring Public Input, Cost Benefit, and Client Care in Network Development

Lubbock Regional MHMR Center utilizes an advisory committee process in planning for, assembling, and managing the performance of a network of providers which offers the greatest value in the provision of services and supports for people with mental illness or mental retardation in a manner which reflects the highest integrity and stewardship over public resources. Lubbock Regional MHMR Center must analyze its provider network to ensure that it has the capacity to provide its consumers with access to a full array of services. This capacity can best be understood by using various Network Development Analysis Tools, described below, to examine the strengths and weaknesses of the current provider system. The objective is to identify gaps in services and to solicit input from consumers, family members, and other stakeholders, in compliance with the statutory and contractual requirements stated above. This approach has provided the information necessary to analyze Lubbock Regional MHMR Center's provider network while building a provider base that supports the goals of Lubbock Regional MHMR Center in many ways.

3. Network Development Analysis Tools

Examples of Network Development Analysis Tools that Lubbock Regional MHMR Center utilizes to ensure consideration of public input, cost benefit and client care include:

- The Planning & Network Advisory Committee (PNAC)
- The PNAC's Evaluation of Services Process
- Perception Analysis Surveys
 - Adult Mental Health Satisfaction Surveys
 - Youth Services Surveys for Families
 - Satisfaction Questionnaire for Consumers/Parents/Guardians/Care Providers
 - Staff Surveys
 - Other Surveys – ad hoc as requested by other agencies or as related to specific issues
- Services Assessment Surveys

- Focus Groups
- Community Needs Assessment
- Data Collection and Analysis

4. FY 2005 Provider Network Development Assessment and Implementation Timeline

The tools and processes described above have assisted Lubbock Regional MHMR Center in determining whether to provide a particular service or to contract that service out. More importantly now, however, in light of the changes brought by the “Provider of Last Resort” amendment of THSC §533.035(e), these tools will continue to assist Lubbock Regional MHMR Center by ensuring the ongoing requirement of considering **public input, ultimate cost benefit, and client care issues** in assembling its network of providers.

Lubbock Regional MHMR Center will incorporate these processes into its Local Plan, which will be completed by June 1, 2005, as per FY 2005 Performance Contract, Attachment XVIII, Page XVIII-3. After June 1, 2005, the determination of which services will be procured for FY 2006, if any, and the timelines for implementation of procurement, will be contingent upon a variety of factors. These factors include:

- Consideration of the information received through Lubbock Regional MHMR Center’s public input process;
- Analysis of provider interest, as may be evidenced by examining responses to the RFI process; and
- Examination of provider capacity, as may be evidenced by RFI Respondents’ existing services and activities in Lubbock Regional MHMR Center’s Local Service Area.

By recognizing these factors, Lubbock Regional MHMR Center will ensure that the goal of the Local Planning process – to aggregate the requirements of all customers, internal, external and ultimate, into a set of initiatives which guide Lubbock Regional MHMR Center’s resource allocation and priorities, taking into account fiduciary responsibility as well as excellence of care – is met while ensuring compliance with all relevant statutory and regulatory requirements as well.

VII. Attachment B

A. Request for Information (RFI) Summary

Attached is the RFI Summary Lubbock Regional MHMR Center submitted to DSHS, that lists all respondents to the RFI Document.