



THE MEADOWS MENTAL HEALTH POLICY INSTITUTE

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**Texas Mental Health Systems:  
Priority Next Steps After a Decade of Development**

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# About MMHPI

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## ■ History

- The Meadows Mental Health Policy Institute traces our origins to the vision of The Meadows Foundation and its philanthropic leadership throughout the State of Texas on mental health and other vital public issues.

## ■ Mission

- To support the implementation of policies and programs that help Texans obtain effective, efficient mental health care when and where they need it.

## ■ Vision

- For Texas to be the national leader in treating people with mental health needs.

## ■ Key Principles

- Accessible & effective behavioral health care
- Accountability to taxpayers
- Delivery through local systems & collaboration
- Data driven quality outcomes
- Necessary robust workforce

# Where Have We Been? A Decade of Progress

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## CRISIS REDESIGN

- Investment in crisis redesign began with the 80th Legislature.
- Additional investments each sessions since, and through the Medicaid 1115 Waiver (\$195M in Demonstration Year 4).
- Texas crisis redesign has become a national model (e.g., Colorado implemented the Texas model post-Aurora).

# Where Have We Been? A Decade of Progress

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## COMMUNITY MENTAL HEALTH AND ADDICTION SERVICES

- 81st Legislature added funding for Transitional / Intensive Services (\$55M), Medicaid Substance Abuse benefit.
- 83rd Legislature funded waitlists (\$160M), initial 1915i SPA.
- 84th Legislature kept pace with population growth (\$9M), provided a per capita adjustment (\$37M), and expanded 1915i risk groups (jail, inpatient).

*Note: All figures biennial unless otherwise noted*

# Where Have We Been? A Decade of Progress

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## INPATIENT SERVICES

- 83rd and 84th Legislatures expanded community inpatient services.

## TARGETED POPULATIONS

- 83(R) SB 58 – Healthy Communities Homeless Collaboratives
- 83(R) SB 1185 – Harris County Jail Diversion Pilot
- 84(R) SB 55 – Texas Veterans + Family Alliance

# Where Should We Go Next?

## We Propose Three Cost-Driven Priorities

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Priority 1: Manage Crisis Super-Utilizers

Priority 2: Address First Episode Psychosis

Priority 3: Narrow the Prison Pipeline

# Priority 1: Manage Crisis Super-Utilizers

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- **Super-utilizers** – in Texas, there are 22,000 people in poverty who suffer from mental illness and repeatedly use jails, ERs, crisis services, EMS, and hospitals.
- Texas currently spends \$1.5 billion in ER costs + \$500 million in local justice system costs, each year, due to mental illness and substance abuse disorders. These costs are disproportionately allocated to super-utilizers.
- Services that work exist, but Texas currently only has the capacity to serve 1 in 7 (3,400 super-utilizers).

# Priority 2: Address First Episode Psychosis

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- Each year, about 3,900 Texas adolescents and young adults first experience a psychosis. These are individuals that, without intervention, are very likely to become super-utilizers.
- New treatment model (RAISE Early Treatment Program) shows significant improvement if an individual is treated early enough.
- Texas has small pilots based on RAISE (Dallas, Houston) and a few small programs (UTHSC-SA) to build on.

# Priority 3: Narrow the Prison Pipeline

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- Texas A&M and the Council of State Governments Justice Center have shown the path to reducing the pipeline.
- 84(R) SB 1630 continued TJJD reforms, but a gap prior to juvenile justice system entry remains. 30,000 Texas children with severe mental health needs are at high risk before entry.
- Our current mental health systems can serve only a few hundred at the needed level of intensity.

# System-wide Points of Additional Leverage

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- ***Account for Medicaid behavioral health spending*** in the system-wide strategic plan. Texas spends at least \$1.2 billion per year and most likely \$2.0 billion per year for behavioral health within Medicaid.
- ***Add contract requirements*** to achieve state priorities like other states do (e.g., Florida).
- ***Create one crisis system*** rather than a separate Medicaid system.

# System-wide Points of Additional Leverage

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- *Continue to build the workforce* to carry this out.
- *Use cross-payer outcome metrics* to hold local systems accountable.
- *Unlock local innovation* and allow local governments that agree to work together to waive non-statutory requirements.

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