



Local Provider Network Development Plan: Fiscal Year 2025

The Texas Health and Human Services (HHSC) requires all local mental health authorities (LMHA) and local behavioral health authorities (LBHA) complete the Local Provider Network Development (LPND) plan and submit in Word format (not PDF) to Performance.Contracts@hhs.texas.gov **no later than December 31, 2024.**

LMHAs and LBHAs are required to complete Part I, which includes providing baseline data about services, contracts, and documentation of the LMHA's or LBHA's assessment of provider availability; and Part III, which outlines Planning and Network Advisory Committee (PNAC) involvement and public comment.

HHSC only requires LMHAs and LBHAs to complete Part II if there are new providers interested to include procurement plans.

NOTES:

- This process applies only to services funded through the Mental Health Performance Contract Notebook (MH/PCN); it does not cover services funded through Medicaid Managed Care. Throughout the document, only report data for the non-Medicaid population.
- The requirements for network development pertain only to provider organizations and complete levels of care or specialty services. Local needs and priorities govern routine or discrete outpatient services and services provided by individual practitioners, and these services are not part of the assessment of provider availability or plans for procurement.
- When completing the template, ensure conciseness, specificity, and use bullet points where possible, providing information only for the period since submitting the fiscal year 2023 LPND plan and adding rows in tables as necessary for responses.

PART I: Required for all LMHAs and LBHAs

Local Service Area

1. Provide information in table 1 about your local service area using data from the most recent Mental and Behavioral Health Outpatient Warehouse (MBOW) data set on LMHA or LBHA Area and Population Statistics, found in the MBOW’s General Warehouse folder.

Table 1: Area and Population Statistics

Population	LMHA or LBHA Data
Population	815,974
Square miles	22,541
Population density	948
Total number of counties	19
Number of rural counties	2
Number of urban counties	17

Current Services and Contracts

2. Complete tables 2 through 4 to provide an overview of current services and contracts.
3. List the service capacity based on the most recent MBOW data set.
 - a) For levels of care (LOC), list the non-Medicaid average monthly served found in MBOW using data from the LOC-A by Center (Non-Medicaid Only and All Clients) report in the General Warehouse folder.
 - b) For residential programs, list the total number of beds and total discharges (all clients).
 - c) For other services, identify the unit of service (all clients).

- d) Estimate the service capacity for fiscal year 2025. If no change is anticipated, enter the same information previous column.
- e) State the total percent of each service contracted out to external providers in fiscal year 2024. For LOCs, do not include contracts for discrete services within those levels of care when calculating percentages.

Table 2: Service Capacity for Adult Community Mental Health Service LOCs

LOC	Most recent service capacity (non-Medicaid only)	Estimated FY 2025 service capacity (non-Medicaid only)	% total non-Medicaid capacity provided by external providers in FY 2025
Adult LOC 1m	0	0	0
Adult LOC 1s	2,258	2,258	0
Adult LOC 2	294	294	0
Adult LOC 3	40	40	0
Adult LOC 4	11	11	0
Adult LOC 5	16	16	0

Table 3: Service Capacity for Children’s Community Mental Health Service LOCs

LOC	Most recent service capacity (non-Medicaid only)	Estimated FY 2025 service capacity (non-Medicaid only)	% total non-Medicaid capacity provided by external providers in FY 2025
Children’s LOC 1	27	27	0
Children’s LOC 2	103	103	0

LOC	Most recent service capacity (non-Medicaid only)	Estimated FY 2025 service capacity (non-Medicaid only)	% total non-Medicaid capacity provided by external providers in FY 2025
Children’s LOC 3	81	81	0
Children’s LOC 4	1	1	0
Children’s LOC YC	2	2	0
Children’s LOC 5	1	1	0

Table 4: Service Capacity for Crisis Services

Crisis Service	FY 2024 service capacity	Estimated FY 2025 service capacity	% total capacity provided by external providers in FY 2024
Crisis Hotline	40,912	41,000	N/A
Mobile Crisis Outreach Teams	3,404	3,500	N/A

Crisis Service	FY 2024 service capacity	Estimated FY 2025 service capacity	% total capacity provided by external providers in FY 2024
Private Psychiatric Beds	\$4,826,400 PPB Funding Per Year <u>\$482,640 Less 10% administrative overhead</u> \$4,343,760 Available PPB funding \$720 Per Day PPB Contracted Rate 6,033 Bed Days Per Year 16.5 Beds Per Day	\$4,826,400 PPB Funding Per Year <u>\$482,640 Less 10% administrative overhead</u> \$4,343,760 Available PPB funding \$720 Per Day PPB Contracted Rate 6,033 Bed Days Per Year 16.5 Beds Per Day	100%
Community Mental Health Hospital Beds	Under Development		
Contracted Psychiatric Beds (CPBs)	Under Development		
Extended Observation Units (EOUs)	Under Development		
Crisis Residential Units (CRUs)	Under Development		
Crisis Stabilization Units (CSUs)	Under Development		
Crisis Respite Units (CRUs)	Under Development		

4. List all contracts for fiscal year 2025 in the tables 5 and 6. Include contracts with provider organizations and individual practitioners for discrete services.
 - a) In tables 5 and 6, list the name of the provider organization or individual practitioner. LMHAs or LBHAs must have written consent to include names of individual peer support providers. State the number of individual peers (e.g., "3 individual peers") for peer providers that do not wish to have their names listed.
 - b) List the services provided by each contractor, including full levels of care, discrete services (such as Cognitive Behavioral Therapy, physician services, or family partner services), crisis and other specialty services, and support services (such as pharmacy benefits management, laboratory, etc.).

Table 5: Provider Organizations

Provider Organization	Service(s)
Cerner Corporation	Administration
Gallagher Benefit Services	Administration
Texas Behavioral Management	Behavioral Health
Athelas, Inc.	Computer Software
Community Brands	Computer Software
FasPsych, LLC	Contract Health Care Professionals
Xerox Business Solutions SW	Copiers
River City Advocacy	Client Operated Center
Avail Solutions	Crisis Hotline
Advantage Care Services	Day Habilitation

Provider Organization	Service(s)
Buda Brightside	Day Habilitation
Prestige Staffing	Employment Service
Austin Major Group	Employment Services
Koetter Fire Equipment	Fire Safety & Equipment
Curalinc Healthcare	Healthcare
Kimble Hospital	Hospital
Medina Community Hospital	Hospital
Scott & White Hospital-Dallas	Hospital
Camino Real Community Services	Interlocal Agreement
Communication by Hand	Interpreting Services
San Marcos Interpreting Services	Interpreting Services
Victor A. Gallegos	Janitorial
Clinical Pathology Labs	Laboratory
Quest Diagnostics	Labs
Ainsa, Hutson, Hester & Crews	Law Firm
Taylor, Olson, Adkins, Sralla	Law Firm
Domingo Gonzalez	Lawn Maintenance
Clarissa Araujo	Maintenance

Provider Organization	Service(s)
German Saldivar	Maintenance
Jani-King of SA	Maintenance
Texas A&M Corpus Christi	Nursing
Texas Vista Medical Center	Nursing
UTHSC – SA	Nursing
Genoa	Outsourced Pharmacy Services
IPM	Pharmacy Benefit Management
University of Texas Health Science Center San Antonio Psychiatry Residency	Contract Healthcare Professionals
Southtown Psychiatry	Contract Healthcare Professionals
Peterson Health	Physicians
Austin Lakes Hospital	Private Psychiatric Beds
Cross Creek Hospital	Private Psychiatric Beds
Georgetown Behavioral Health Hospital	Private Psychiatric Beds
Laurel Ridge Treatment Center	Private Psychiatric Beds
Rivercrest Hospital	Private Psychiatric Beds
San Antonio Behavioral Health Hospital	Private Psychiatric Beds
Shoal Creek Ascension	Private Psychiatric Beds

Provider Organization	Service(s)
Honey Bee Therapy	Recreation Therapy
Camp Camp	Respite Services
Shannon Behavioral Hospital	Single Patient Transfer Agreement
Austin Psychological & Testing Center	Testing
Harth Foundation	Therapy
Southwest Key Program	Therapy
Translators, USA	Translating Services
WINGS	Youth Empowerment Services (YES) Waiver

Table 6: Individual Practitioners

Individual Practitioner	Service(s)
Jennifer J. Roberts	Day Habilitation
Maria Teran	Day Habilitation
Anna Antomas	Host Home
Belia Castellanos	Host Home
Belinda Herrera	Host Home
Betty Reed	Host Home
Catherine Cleavinger	Host Home
Dixie Moorehead	Host Home

Individual Practitioner	Service(s)
Elda Maldonado	Host Home
Estella Guajardo	Host Home
Evangeline Koog	Host Home
Frances Porras	Host Home
Guadalupe Marroquin	Host Home
Hermelinda Quintanilla	Host Home
Hilda Crispin	Host Home
James Wilson, Jr.	Host Home
Jane L. Turner	Host Home
Janie Borjas	Host Home
Josie Campos	Host Home
Julio Ramos	Host Home
Kathy Stickland	Host Home
Larry Morelock	Host Home
Linda Rabun	Host Home
Lucia Menchaca	Host Home
Maria Sotomayor	Host Home
Marsha L. Holting	Host Home

Individual Practitioner	Service(s)
Martha R. Garcia	Host Home
Mary Guerrero	Host Home
Mary Olivarez	Host Home
Melina Garcia	Host Home
Miroslava Duhr	Host Home
Nelly Robles	Host Home
Olga Port	Host Home
Pam Terry	Host Home
Rosa Garcia	Host Home
Rosemary Osoris	Host Home
Ruben D. Cuellar	Host Home
San Juana Ramirez	Host Home
Sandia Bennett	Host Home
Sandra Baker	Host Home
Santiago Cabrales	Host Home
Sarah Senne	Host Home
Tommie Allen	Host Home
Veronica Guajardo	Host Home

Individual Practitioner	Service(s)
Vicki Callier	Host Home
Winnie J. Morgan	Host Home
Yolanda Arranaga	Host Home
Barbara Simpson	Host Home - Foster
Catherine Martinez	Host Home - Foster
Adrienne Pfiester	Nurse
Rhonda Maurer	Nurse
Deanna Kristofic	Nursing
Ailea Kiles	PasHab
Kelley Ahr, PhD	Psychologist
Margaret J. William, MD	Physician
Victoria Trickett, MD	Physician
Julio Rios	Respite
Petra Duran	Respite
Ann Gilkey	YOUTH EMPOWERMENT SERVICES (YES)
Brianna Giles	YOUTH EMPOWERMENT SERVICES (YES)
Jamie Netter	YOUTH EMPOWERMENT SERVICES (YES)
Jennifer Raines	YOUTH EMPOWERMENT SERVICES (YES)

Individual Practitioner	Service(s)
Jennifer Rodriguez	YOUTH EMPOWERMENT SERVICES (YES)
Jeremy Johnson	YOUTH EMPOWERMENT SERVICES (YES)
Johanna Gisell Alvarez-Motta	YOUTH EMPOWERMENT SERVICES (YES)
Raymond Montoya	YOUTH EMPOWERMENT SERVICES (YES)
Sindy Zapata	YOUTH EMPOWERMENT SERVICES (YES)
Wanda Ferguson	YOUTH EMPOWERMENT SERVICES (YES)
Amber Corder/Newberry	YOUTH EMPOWERMENT SERVICES (YES)
Tiffanie Armendariz	YOUTH EMPOWERMENT SERVICES (YES)
Christina Pena	YOUTH EMPOWERMENT SERVICES (YES)
Jill Broussard	YOUTH EMPOWERMENT SERVICES (YES)
Jose L. Perez	YOUTH EMPOWERMENT SERVICES (YES)
Jamie Netter	YOUTH EMPOWERMENT SERVICES (YES) – Rec. Therapy
Megan Scott	YOUTH EMPOWERMENT SERVICES (YES) – Rec. Therapy

Administrative Efficiencies

5. Using bullet format, describe the strategies the LMHA or LBHA is using to minimize overhead and administrative costs and achieve purchasing and other administrative efficiencies, as required by the state legislature (see Appendix C).

- Apply the requirements of Uniform Grant Management Standards when making financial decisions.**

- **Use internal controls for expenditures which requires a chain of approval based on monetary amounts before a payment can be processed.**
- **Implemented state of the art accounting and purchasing systems which have reduced both overhead and administrative costs.**
- **Contracted with outside companies to audit expenses for telephone, cell phone, internet, and utilities to reduce cost and be remunerated for services that were overcharged.**
- **Implemented the Paycom system that provides Human Resources efficiencies.**
- **Implemented Relias Training Program that provides training modules and tracking that has created a more efficient training program.**
- **Purchased and implemented Netsmart Electronic Medical Records.**

6. List partnerships with other LMHAs and LBHAs related to planning, administration, purchasing, and procurement or other authority functions, or service delivery in table 7. Include only current and ongoing partnerships.

Table 7: LMHA or LBHA Partnerships

Start Date	Partner(s)	Functions
2018	Tejas	Administration, Authority Functions

Provider Availability

The LPND process is specific to provider organizations interested in providing full LOCs to the non-Medicaid population or specialty services. It is not necessary to assess the availability of individual practitioners. Procurement for the services of individual practitioners is governed by local needs and priorities.

7. Using bullet format, describe steps the LMHA or LBHA took to identify potential external providers for this planning cycle. Be as specific as possible.

For example, if you posted information on your website, explain how providers were notified the information was available. Describe contacts with your existing network, Managed Care Organizations, past providers and other behavioral health providers and organizations in the local service area via phone and email. Include information on meetings with stakeholders, networking events and input from your PNAC about local providers.

- Regular communication with potential providers or providers who have expressed an interest during past planning cycles.
 - Monitored DSHS website for potential providers who completed the registration or provider inquiry form.
 - Posted contact information and plan on website and no response from providers.
 - Regular communication with potential providers or providers who have expressed an interest during past planning cycles.
8. Complete table 8 by listing each potential provider identified during the process described above. Include all current contractors, provider organizations that registered on the HHSC website, and provider organizations that have submitted written inquiries since submission of the fiscal year 2023 LPND plan. HHSC will notify an LMHA or LBHA if a provider expresses interest in contracting via the HHSC website. HHSC will accept new provider inquiry forms through the HHSC website from September 1, 2024, through December 1, 2024. When completing the table:
 - Note the source used to identify the provider (e.g., current contract, HHSC website, LMHA or LBHA website, e-mail, written inquiry).
 - Summarize the content of the follow-up contact described in Appendix A. If the provider did not respond to your invitation within 14 days, document your actions and the provider's response. In the final column, note the conclusion regarding the provider's

availability. For those deemed to be potential providers, include the type of services the provider can provide and the provider’s service capacity.

Do not finalize your provider availability assessment or post the LPND plan for public comment before September 1, 2024.

Table 8: Potential Providers

Provider	Source of Identification	Summary of Follow-up Meeting or Teleconference	Assessment of Provider Availability, Services, and Capacity
No providers to-date have expressed an interest.			

Part II: Required only for LMHAs and LBHAs with potential for network development

Procurement Plans

If the assessment of provider availability indicates potential for network development, the LMHA or LBHA must initiate procurement.

26 Texas Administrative Code (TAC) Chapter 301, Local Authority Responsibilities, Subchapter F, Provider Network Development describes the conditions under which an LMHA or LBHA may continue to provide services when there are available and appropriate external providers. Include plans to procure complete levels of care or specialty services from provider organizations. Do not include procurement for individual practitioners to provide discrete services.

9. Complete table 9, inserting additional rows as need.
 - a) Identify the service(s) to be procured. Make a separate entry for each service or combination of services that will be procured as a separate contracting unit. Specify Adult or Child if applicable.
 - b) State the capacity to be procured, and the percent of total capacity for that service.
 - c) State the method of procurement—open enrollment Request for Application (RFA) or request for proposal (RFP).
 - d) Identify the geographic area for which the service will be procured: all counties or name selected counties.
 - e) Document the planned begin and end dates for the procurement, and the planned contract start date.

Table 9: Procurement Plans

Service or Combination of Services to be Procured	Capacity to be Procured	Method (RFA or RFP)	Geographic Area(s) in Which Service(s) will be Procured	Posting Start Date	Posting End Date	Contract Start Date
N/A: No providers to-date have expressed an interest.						

Rationale for Limitations

Network development includes the addition of new provider organizations, services, or capacity to an LMHA’s or LBHA’s external provider network.

- 10. Complete table 10 based on the LMHA’s or LBHA’s assessment of provider availability. Review [26 TAC Section 301.259](#) carefully to be sure the rationale addresses the requirements specified in the rule (See Appendix B).
 - a) Based on the LMHA’s or LBHA’s assessment of provider availability, respond to each of the following questions.
 - b) If “yes” is answered for any restriction identified in table 10, provide a clear rationale.
 - c) If the restriction applies to multiple procurements, the rationale must address each of the restricted procurements or state that it is applicable to all the restricted procurements.
 - d) The rationale must provide a basis for the proposed level of restriction, including the volume of services to be provided by the LMHA or LBHA.

Table 10: Procurement Limitations

	Yes	No	Rationale
1. Are there any services with potential for network development that are not scheduled for procurement?		X	No providers to date have expressed an interest.
2. Are any limitations being placed on percentage of total capacity or volume of services external providers will be able to provide for any service?		X	No providers to date have expressed an interest.
3. Are any of the procurements limited to certain counties within the local service area?		X	No providers to date have expressed an interest.
4. Is there a limitation on the number of providers that will be accepted for any of the procurements?		X	No providers to date have expressed an interest.

11. Complete table 11 if the LMHA or LBHA will not be procuring all available capacity offered by external contractors for one or more services and identify the planned transition period and the year in which the LMHA or LBHA anticipates procuring the full external provider capacity currently available (not to exceed the LMHA’s or LBHA’s capacity).

Table 11: Procurement Transitions

Service	Transition Period	Year of Full Procurement
No providers to-date have expressed an interest.		

Capacity Development

12. In table 12, document the LMHA’s or LBHA’s procurement activity since the submission of the fiscal year 2023 LPND plan. Include procurements implemented as part of the LPND plan and any other procurements for full LOCs and specialty services that have been conducted.
- a) List each service separately, including the percent of capacity offered and the geographic area in which the service was procured.
 - b) State the results, including the number of providers obtained and the percent of service capacity contracted because of the procurement. If no providers were obtained because of procurement efforts, state “none.”

Table 12: Procurement Activities

Year	Procurement (Service, % of Capacity, Geographic Area)	Results (Providers and Capacity)
2024	No providers to-date have expressed an interest.	

PART III: Required for all LMHAs and LBHAs

PNAC Involvement

- 13. Complete table 13 to show PNAC involvement. PNAC activities should include input into the development of the plan and review of the draft plan. Briefly document the activity and the committee’s recommendations. Add additional lines as needed.

Table 13: PNAC Involvement

Date	PNAC Activity and Recommendations
<p style="text-align: center;">October 17, 2023</p>	<ul style="list-style-type: none"> • PNAC Meeting. • Discussed Local Planning Initiatives (CLSP and LPNDP) for FY 2024-25 <p>Discuss staff request for PNAC Members volunteer participation in Local Planning Workgroup. Meetings to be in-between Quarterly PNAC Meetings. Local Planning works on a Community Needs Assessment, Strategic Planning, Consolidated Local Service Plan, and Local Network Plan Development Plan. PNAC members discussed and agreed to support in the planning for these documents.</p>
<p style="text-align: center;">January 16, 2024</p>	<p style="text-align: center;">PNAC Meeting was rescheduled to February 20, 2024, due to bad weather.</p>

Date	PNAC Activity and Recommendations
<p align="center">February 20, 2024</p>	<ul style="list-style-type: none"> • PNAC Meeting • Staff discussed the purposes and process of developing the CLSP and LPND. • Staff and PNAC discussed following: <ul style="list-style-type: none"> ○ 26 Texas Administrative Code (TAC) Chapter 301, F et seq. ○ Rule 301.251 – Purpose ○ Rule 301.255 – Definitions ○ Rule 301.257 – Local Network Development ○ Rule 301.269 – Plan Approval and Implementation ○ Information Item I: Instructions for Local Planning ○ Performance Contract: Attachment A01 ○ Local Plan Timeline <p>Needs Assessment Update – Updated members on the status of the Needs Assessment Survey. Members were concerned about the low response rate from people and family in services.</p>

Date	PNAC Activity and Recommendations
<p align="center">April 16, 2024</p>	<ul style="list-style-type: none"> • PNAC Meeting • Update on 2024 Needs Assessment, Consolidated Local Service Plan (CLSP), and Local Provider Network Development Plan (LPNDP) <ul style="list-style-type: none"> ○ 2024 Needs Assessment, CLSP, and LPNDP. Plans are on track with timeline. Staff are providing input this week. The assessment is being compiled. • PNAC Recommended that staff continue to develop Needs Assessment and Plans. Since meetings have been changed to quarterly. PNAC recommends draft plans to be reviewed be sent to PNAC members via email for review and possible input in workgroups if needed.
<p align="center">June 24, 2024</p>	<ul style="list-style-type: none"> • Sent PNAC Copy of LPNDP for Review.

Date	PNAC Activity and Recommendations
<p align="center">July 16, 2024</p>	<ul style="list-style-type: none"> • Update on 2024 Needs Assessment, Consolidated Local Service Plan (CLSP), and Local Provider Network Development Plan (LPNDP) • HCMHDDC provided an update on the 2024 Needs Assessment, CLSP, and LPNDP. Plans are on track with timeline. Staff are providing input this week. The assessment is being compiled. • Review Annual Report – PNAC reviewed and discussed annual report. • PNAC recommended that staff continue to develop Needs Assessment and Plans. Since meetings have been changed to quarterly. PNAC recommends draft plans to be reviewed be sent to PNAC members via email for review and possible input in workgroups if needed.
<p align="center">October 15, 2024</p>	<p>Needs Assessment/CLSP/LPNDP</p> <ul style="list-style-type: none"> • Status: Approximately 534 pages, aiming for completion by November 1. • Scope: Comprehensive assessments for all 19 counties, including social determinants of health, housing, and prevalence data. • Purpose: Serves state contracts, local planning, and Certified Community Behavioral Health Center (CCBHC) recertification. • PNAC recommended scheduling a review for November 5 at 10:00 AM to approve plans, since there was not a quorum.

Date	PNAC Activity and Recommendations
October 19,2024	FY 2025 Needs Assessment sent to PNAC for review.

Stakeholder Comments on Draft Plan and LMHA or LBHA Response

Allow at least 30 days for public comment on draft plan. Do not post plans for public comment before September 1, 2024.

In table 14, summarize the public comments received on the LMHA’s or LBHA’s draft plan. If no comments were received, state “none”. Use a separate line for each major point identified during the public comment period and identify the stakeholder group(s) offering the comment. Add additional lines as needed. Describe the LMHA’s or LBHA’s response, which might include:

- Accepting the comment in full and making corresponding modifications to the plan;
- Accepting the comment in part and making corresponding modifications to the plan; or
- Rejecting the comment. Please provide explanation for the LMHA’s or LBHA’s rationale for rejecting comment.

Table 14: Public Comments

Comment	Stakeholder Group(s)	LMHA or LBHA Response and Rationale
Under Development		

Complete and submit entire plan to Performance.Contracts@hhs.texas.gov by **December 31, 2024**.

Appendix A: Assessing Provider Availability

Provider organizations can indicate interest in contracting with an LMHA or LBHA through the [LPND website](#) or by contacting the LMHA or LBHA directly. On the LPND website, a provider organization can submit a Provider Inquiry Form that includes key information about the provider. HHSC will notify both the provider and the LMHA or LBHA when the Provider Inquiry Form is posted.

During its assessment of provider availability, it is the responsibility of the LMHA or LBHA to contact potential providers to schedule a time for further discussion. This discussion provides both the LMHA or LBHA and the provider an opportunity to share information so both parties can make a more informed decision about potential procurements.

The LMHA or LBHA must work with the provider to find a mutually convenient time for an informational meeting. If the provider does not respond to the invitation or is not able to accommodate a teleconference or a site visit within 14 days of the LMHA's or LBHA's initial contact, the LMHA or LBHA may conclude that the provider is not interested in contracting with the LMHA or LBHA.

If the LMHA or LBHA does not contact the provider, the LMHA or LBHA must assume the provider is interested in contracting with the LMHA or LBHA.

An LMHA or LBHA may not eliminate the provider from consideration during the planning process without evidence the provider is no longer interested or is not qualified of specified provider services in accordance with applicable state and local laws and regulations.

Appendix B: Guidance on Conditions Permitting LMHA and LBHA Service Delivery

In accordance with [26 TAC Section 301.259](#) an LMHA or LBHA may only provide services if one or more of the following conditions is present.

1. The LMHA or LBHA determines that interested, qualified providers are not available to provide services in the LMHA's or LBHA's service area or that no providers meet procurement specifications.
2. The network of external providers does not provide the minimum level of individual choice. A minimal level of individual choice is present if a person and their legally authorized representative(s) can choose from two or more qualified providers.
3. The network of external providers does not provide people with access to services that is equal to or better than the level of access in the local network, including services provided by the LMHA or LBHA, as of a date determined by the department. An LMHA or LBHA relying on this condition must submit the information necessary for the department to verify the level of access.
4. The combined volume of services delivered by external providers is not sufficient to meet 100 percent of the LMHA's or LBHA's service capacity for each level of care identified in the LMHA's or LBHA's plan.
5. Existing agreements restrict the LMHA's or LBHA's ability to contract with external providers for specific services during the two-year period covered by the LMHA's or LBHA's plan. If the LMHA or LBHA relies on this condition, the department shall require the LMHA or LBHA to submit copies of relevant agreements.
6. The LMHA and LBHA documents that it is necessary for the LMHA or LBHA to provide specified services during the two-year period covered by the LMHA's or LBHA's plan to preserve critical infrastructure needed to ensure continuous provision of services. An LMHA or LBHA relying on this condition must:
 - a) Document that it has evaluated a range of other measures to ensure continuous delivery of services, including but not limited to those

identified by the PNAC and the department at the beginning of each planning cycle;

- b) Document implementation of appropriate other measures;
- c) Identify a timeframe for transitioning to an external provider network, during which the LMHA or LBHA shall procure an increasing proportion of the service capacity from external provider in successive procurement cycles; and
- d) Give up its role as a service provider at the end of the transition period if the network has multiple external providers and the LMHA or LBHA determines that external providers are willing and able to provide sufficient added service volume within a reasonable period of time to compensate for service volume lost should any one of the external provider contracts be terminated.

Appendix C: Legislative Authority

2022-23 General Appropriations Act, Senate Bill 1, 87th Legislature, Regular Session, 2021 (Article II, HHSC, Rider 139)

Efficiencies at Local Mental Health Authorities and Intellectual Disability Authorities. HHSC shall ensure that LMHAs, LBHAs and local intellectual disability authorities that receive allocations from the funds appropriated above to HHSC shall maximize the dollars available to provide services by minimizing overhead and administrative costs and achieving purchasing efficiencies. The Legislature also intends that each state agency which enters into a contract with or makes a grant to local authorities does so in a manner that promotes the maximization of third-party billing opportunities, including to Medicare and Medicaid.

Funds appropriated above to HHSC in Strategies I.2.1, Long-Term Care Intake and Access, and F.1.3, Non-Medicaid IDD Community Services, may not be used to supplement the rate-based payments incurred by local intellectual disability authorities to provide waiver or ICF/IID^a services.

^a ICF/IID - Intermediate Care Facilities for Individuals with an Intellectual Disability