

# Texas Council of Community Centers

*The Journey to Value-Based Payment and Care*

## The Challenge

The Texas Council of Community Centers (Texas Council) represents 39 community mental health centers (CMHCs) that serve approximately 600,000 people across all 254 Texas counties. As a non-Medicaid expansion state, Texans have struggled to receive physical and behavioral health services due to lack of coverage, which has also affected the ability of providers to care for this population. In the past decade, Texas lawmakers and human services agencies identified a need for delivery and payment system reform.

The Texas Health and Human Services Commission (HHSC) outlined a [Value-Based Purchasing Roadmap](#), which included efforts to transform managed care provider payments to risk-based models. The state mandate, in addition to the HHSC [Statewide Behavioral Health Strategic Plan](#) for 2017-2021, prompted the Texas Council to seek demonstration funding to implement a [Certified Community Behavioral Health Clinic](#) (CCBHC) model.<sup>1</sup> The CCBHC model, which elevates standards for infrastructure and care delivery, and offers a financing and payment mechanism to support the care, was an attractive model that could help overcome financial challenges and lack of access to quality behavioral health services. This work was also pressing because the 1115 Waiver in Texas, which funds bidirectional integration of physical and mental health services, will expire in 2021, and a sustainable funding model will be needed to continue these services. However, the CMHCs faced obstacles negotiating innovative payment structures in a fragmented health care environment, with patient populations often

<sup>1</sup> Certified Community Behavioral Health Clinics (CCBHCs) refer to federally-recognized clinics that provide a comprehensive range of addiction and mental health services to vulnerable individuals. Congress enacted the CCBHC program, which launched in 2017 in eight states, to fill the gaps in unmet need for addiction and mental health care and expand access to comprehensive, community-based treatment. They are a new provider type in Medicaid.

*The Delta Center for a Thriving Safety Net provides technical assistance to primary care associations and behavioral health state associations to advance value-based payment and care, particularly in ambulatory care settings. The Delta Center is a national initiative led by JSI Research & Training Institute, Inc., the Center for Care Innovations, and the MacColl Center for Health Care Innovation at Kaiser Permanente Washington Health Research Institute.*

Support  
provided by



Robert Wood Johnson  
Foundation

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divided between multiple health plans. With support from the Delta Center, the Texas Council assisted their member CMHCs with moving towards value-based payment and care to improve and lower the cost of care, and improve behavioral health outcomes for Texans in the safety net.

## Approach to Improving Care and Payment

In 2016, the Texas Council and HHSC worked together to apply for a federal CCBHC demonstration grant. The CCBHC model moves behavioral health provider organizations [beyond “business as usual”](#) by requiring a wide range of services, such as 24/7/365 mobile crisis teams, immediate risk screening and assessment, and expanded care coordination. In return for providing this comprehensive array of behavioral health, physical health, and social services while meeting specific standards, CCBHCs receive an enhanced Medicaid reimbursement rate commensurate with the costs of expanding access and sustaining this care. Though Texas was not selected for this grant, the planning experience set the stage for a state-sponsored CCBHC pilot to advance integration, care transformation, and payment reform, in both urban and rural areas. The Texas Council used its Delta Center grant funding—its first grant ever—to develop a system-wide model for the CCBHC model of care, create a capitated alternative model payment for it, and expand coverage for persons with severe and persistent mental illness (SPMI) through the 1115 Waiver.

To operationalize the details necessary for statewide approval for implementation of a system-wide CCBHC model, the Texas Council compiled information from numerous sources within and outside of their system. Leveraging Delta Center funds, the Texas Council also developed an

alternative payment model (APM) with the CMHCs to obtain Centers for Medicare & Medicaid Services (CMS) approval for Texas to direct payments to CCBHCs through managed care organizations. Other states that won the federal CCBHC demonstration opted for a cost-based reimbursement model akin to Prospective Payment System (PPS) rates for health centers, which would be substantially higher than historical rates for behavioral health services. Instead, the Texas Council supported CMHCs in collecting, tracking, and reporting data, and in completing cost reports to develop the APM, which resulted in proposed system-wide monthly rates, distinguishing Texas’s approach from other CCBHCs participating in the federal demonstration. In addition, the Texas Council is helping to prepare CMHCs across the state to implement the CCBHC model. Delta Center funds have supported the training of 237 CMHC staff on change management, trauma-informed care training for 39 centers, and participation in the National Council Behavioral Health’s Middle Management Academy at six regional trainings across the state. The Texas Council’s work in advancing policy and practice for a system-wide implementation of the CCBHC model has improved Texas behavioral health providers’ financial sustainability opportunities and change management capacity, and enhanced the quality of care for the 600,000 Texans they serve.

*“Delta Center funding provided the opportunity to facilitate statewide convenings and support for our members, energizing our system as we completed cost reports and developed a proposed funding strategy within the 1115 Waiver that supports our CCBHC model.”*

– Grantee

The Texas Council also collaborated with stakeholders to build the case for an overarching plan for 1115 Waiver replacement, which provided access to Medicaid benefits for tens of thousands of persons with SPMI and included the system-wide CCBHC model.

## Key Factors for Success

- **Theoretical discussions are insufficient to move a system.** The operational details necessary to transition from theory to practice are the most important and require the most effort. Large in-person meetings create the momentum, smaller group meetings address focus areas, while one-to-one TA is often needed to navigate the uniqueness of providers.
- **Investing in data collection, analysis, and reporting was critical to devising an alternative payment model.** Working with CMHCs to complete cost reports to understand the true cost of care was necessary to articulate CMHC value to the state. This work has also helped to inform and advance Texas behavioral health providers' financial and change management capacity to implement the CCBHC model.
- **Investing in building internal capacity is valuable.** The Texas Council recognized that building internal capacity to meet the needs of their system was much more valuable than engaging outside consultants in developing the alternative payment model. Their vision of a unique approach to a system-wide cost methodology did not correlate well to the expertise of outside entities without in-depth knowledge of the Texas system.

## Next Steps

Through additional funding from the Episcopal Health Foundation, a connection garnered through Delta Center participation and the Robert Wood Johnson Foundation, the Texas Council is continuing to advance value-based payment and care for the safety net in Texas.

Having published eligibility criteria and standards for CCBHC certification for Texas, 12 out of 39 CMHCs are now CCBHCs, with plans to increase the number to 24 CCBHCs in FY2020. They are also developing an approach for CCBHCs to promote greater collaboration with community-based organizations and incorporate risk stratification of social determinants of health. Through the spread of the CCBHC model and the 1115 Waiver benefit expansion to persons with SPMI, Texas has enacted policy and practice changes that fundamentally improve Texas's behavioral health care services, leading to increased access and improved care for individuals.

*"We have a philosophy of 'nevers': never one opportunity, never one approach, never one solution, and never give up."*

*– Grantee*

*The Delta Center would like to thank Jolene Rasmussen, MS, Director of Adult Behavioral Health at the Texas Council of Community Centers for their input and reflections.*