



“Tropical Texas Behavioral Health improves the lives of people with behavioral health needs through the efficient and effective provision of quality services delivered with respect, dignity, cultural sensitivity, and a focus on recovery.”

**STRATEGIC PLAN
FY2025
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I. EXECUTIVE SUMMARY

Fiscal Year (FY) 2025 will be a year where at least two new programs will commence. Milestone, transitional housing in McAllen, will be completed in the Fall of 2024 and start serving clients in the Spring of 2025. Admission criteria is being developed but the vision is to house clients who need a “step up” from homelessness while they are transitioning to supportive housing or a “step down” from an inpatient facility to the community.

As an outcome of the last legislative session and due to the State and County’s strong support of TTBH, funding was available to address the need for a mental health diversion program. The Diversion Center in Edinburg will begin construction by the Fall of 2024 and be completed at the end of FY25. Tropical is proud of the broad array of services offered to the Rio Grande Valley community. TTBH continues to grow the relationship with all stakeholders, especially the schools, law enforcement agencies and hospital systems.

Tropical celebrated the one-year anniversary of La Villa of Hope, TTBH’s 15 bed substance use disorder residential program. A large number of people have gone through the program and have successfully “graduated”. The plan is to eventually grow this greatly needed program.

TTBH continues to face the challenges of staffing shortage in specific areas but continues to experience an increase in applicants and decrease in vacancies. As an employer, TTBH is continuing the popular Alternative Work Schedule (AWS) so employees can work different hours or days of the week or certain days remotely. Additional retention incentives and the separate sick leave bank have continued and remain popular with TTBH employees.

TTBH successfully expanded Integrated Care with the addition of a Registered Dietician and continues to offer additional funds to cover more specialty services for clients in need of colonoscopies, mammograms, and other more advanced testing and treatment.

TTBH continues to adjust to the ever-changing world of the new Directed Payment Program (DPP) and Charity Care Program (CCP) that took the place of the CMS/HHSC Healthcare Transformation and Quality Improvement waiver. The State continues to change the formula for how it is calculated and dispersed remains challenging and ever changing.

TTBH continues as the Regional Suicide Care Support Center and is expanding the Suicide Care Initiative (SCI). TTBH continues the AS+K and CALM training, as well as expanding the Multi Systemic Therapy (MST) program.

TTBH was successfully re-certified as a Certified Community Behavioral Health Center (CCBHC) and the State continues to support the movement to CCBHC models of care.

Tropical Texas Behavioral Health is a leader in the innovative management and provision of healthcare for our local communities. The Center follows its Mission Statement of “improving the lives of people with behavioral health needs through the efficient and effective provision of quality services delivered with respect, dignity, cultural sensitivity, and a focus on recovery.” This mission is indicative of the Center’s total commitment to providing healthcare services that will improve the quality of life for individuals served.

The Center establishes annual goals and objectives to act as a guide in achieving our mission. Information is collected through the analysis of the internal/external environments and organizations, as well as consulting groups. This Strategic Plan provides guidance for promoting linkage and cohesion among the various functional components of outcome-based quality management, business and utilization management plans. TTBH is proud of the accreditation by the Commission on Accreditation of Rehabilitation Facilities (CARF) which commenced in August of 2008. The following programs are accredited: Assertive Community Treatment-Mental Health Adults; Outpatient Treatment-Mental Health Adults; Outpatient Treatment-Mental Health Children and Adolescents; Governance: Crisis Services; MH Case Management; Integrated BH/Primary Care, Supported Living (Supportive Housing), Alcohol and Other Drugs (substance use disorders), and Consumer-Run (Drop-In Centers). TTBH received CARF re-accreditation in February of 2024 and extends to February 28, 2027.

The goals and objectives for the operational strategies fall under the following categories:

- Management of Human Resources
- Management of Fiscal Resources
- Management of Service Delivery
- Directed Payment Program (DPP) and Crisis Services
- Standards Compliance

These goals are continuously reassessed due to the constant change in the healthcare system throughout the state and across the nation. Progress on goals and objectives will be published for review by, and celebrated with, agency employees and stakeholders. Progress is presented and reviewed by the Board of Trustees on a regular and on-going basis. Many improvements have been realized by Tropical Texas Behavioral Health during the preceding twelve months, and many more opportunities for improvement exist. Undertaking the activities outlined in this strategic plan will result in the achievement and accomplishment of the goals/objectives and, ultimately, lead to fulfillment of the Center Vision Statement - “Tropical Texas Behavioral Health continues its commitment to excellence and will be an innovative provider of comprehensive and compassionate recovery-oriented services to individuals with behavioral health needs. We will treat all stakeholders with honesty, fairness and respect.”

II. OVERVIEW

A. STRENGTHS, WEAKNESSES, OPPORTUNITIES, THREATS (SWOT analysis)

Strengths

1. Dedication to clients
2. Quality of service provision
3. Financial position
4. Solid relationships with local stakeholders
5. Lean organization – administrative overhead costs low
6. Adaptable/flexible staff
7. Change oriented
8. High level of client and staff satisfaction
9. Understanding numerous external requirements
10. Advocate on behalf of clients at the local, state and national level
11. Involvement in the Community Center system, viewed as leaders and a valuable resource, statewide
12. Integrity
13. Strong productivity of staff
14. New/renovated facilities
15. CARF accreditation of key programs
16. Expanded crisis services
17. Expanded funding for local in-patient psychiatric care
18. Innovative use of technology
19. Fully electronic health record (EHR)
20. Involvement in State and National improvement projects (Wraparound, ASIST, COPSD, FEP, CCBHC, CSC, MST, etc.)
21. Suicide Care Initiative (Certified ASIST training site, AS+K, CALM)
22. Continued improvement in compensation package
23. Commitment and hard work of our improvement teams
24. Over 55 years of services to the Rio Grande Valley
25. Leader in Mental Health First Aid
26. Tenured Staff
27. Community Involvement (presentations, booths, media posts)
28. Awareness of the needs of the area
29. Strength in leadership as evidenced by the requests for speaking at local, state and national meetings and conferences
30. Innovative and cutting edge in numerous areas
31. Supportive and engaged Board of Trustees
32. Great reputation throughout the State of Texas
33. Highly supportive community partnerships (hospitals, law enforcement, educational systems, etc.)
34. Highly regarded by local funding entities. TTBH is often requested by local, state and federal agencies with funding opportunities.

Weaknesses/Barriers

1. Under served area/recruitment challenges for licensed master level staff
2. Bureaucracy (reporting requirements, external audits, etc.)
3. Border Issues/Poverty
4. Transportation
5. Continual increasing demand for services
6. Turnover
7. Development of technology and its usability
8. Complicated processes
9. Lack of clear, consistent directives from funding sources
10. Complex regulatory environment
11. Individualized requirements for a large number of grants
12. Funding for access to care limited by “qualifiers” and therefore lacks flexibility for local need.
13. Intermittent capacity issues.
14. Lack of community infrastructure for behavioral health services.
15. Increased number of grants not covering indirect costs.
16. Board turnover.

Opportunities

1. Strong financial position
2. Improvement in service delivery
3. Leadership development (Staff strengthening, mentorship)
4. Skill Building
5. Employee engagement
6. Improve use of information systems to support and track performance improvement (analyze data more effectively)
7. Improve employee satisfaction
8. Community partnerships and support of other local community providers in their development of behavioral health resources
9. Strengthen supervisory training
10. Expansion Substance Use Disorder Services
11. Succession Planning/Building the Bench
12. MCOs funding what TTBH is doing
13. CCBHC
14. Submitting for larger grants/right grants, improved vetting process
15. Emergence of artificial/augmented intelligence (AI) creates opportunities that remain difficult to gauge. As an early adopter of technology, TTBH is actively exploring strategies with expectation of improved decision support and quality management.
16. Often requested to respond to needs and capacity assessments (NCAs) from local, state and national funders.

Threats

1. Directed Payment Program (DPP) and Charity Care Program (CCP) requirements
2. Economic Issues

3. Increased demands of regulatory environment (targets, PASRR, etc.)
4. Local political environment
5. State budget concerns
6. Statewide forensic bed demand/civil bed capacity
7. Challenge to identify funding sources, or alternative funding, to sustain innovative programs.
8. Emergence of artificial/augmented intelligence (AI) may create risks that remain difficult to gauge.
9. New State mental health funding earmarked for other entities instead of the community mental health system.

B. VISION STATEMENT

Tropical Texas Behavioral Health continues its commitment to excellence and will be an innovative provider of comprehensive and compassionate recovery-oriented services to individuals with behavioral health needs. We will treat all stakeholders with honesty, fairness and respect.

C. MISSION STATEMENT

Tropical Texas Behavioral Health improves the lives of people with behavioral health needs through the efficient and effective provision of quality services delivered with respect, dignity, cultural sensitivity, and a focus on recovery.

D. PHILOSOPHY/CORE VALUES:

- Ethical*** Tropical Texas Behavioral Health (TTBH) is committed to abide by all honest, legal and moral principles in its operations.
- Competent*** TTBH is committed to providing efficient and quality services through qualified, trained and credentialed professional staff.
- Trustworthy*** TTBH is committed to responsibly provide an organized system of care through the careful and planned expenditure of all available resources.
- Dedicated*** TTBH is committed to the caring support of the individuals it is privileged to serve.
- Quality*** TTBH is committed to the provision of excellent customer service driven by the needs of all people it serves.
- Advocate*** TTBH is committed to furthering the interests of those served and to help them lead meaningful lives as members of the community. This includes

helping them to achieve their right to belong, to be valued, to participate and to make meaningful contributions.

Resiliency & Recovery TTBH is committed to using evidence-based practices which ensures the provision of interventions with empirical support to eliminate or manage symptoms and promote recovery.

Tropical Texas Behavioral Health **Strategic Plan**

Fiscal Year
2025

Board Review/Approval: November 18, 2024

1. Function and Purpose:

Management of Human Resources (HR)

FY2025

Evidenced by the development and maintenance of an effective management team; maintaining staffing levels that ensure appropriate quality of services and safety for consumers; providing an effective mechanism for staff orientation and ongoing training and development; and ensuring that a positive and growth-oriented system of employee performance and evaluation is developed and implemented.

	NOT MET (No score)	MEETS	score 1	EXCEEDS	score 2	COMMENDABLE	score 3
A. Staff satisfaction survey results are positive and based on standardized rating assessments							
1 Score on Overall Satisfaction	< 70%	70 - 79.99%	<input type="text"/>	80 - 89.99%	<input type="text"/>	≥ 90%	<input type="text" value="3"/>
B. Employee turnover is minimized in:							
1 Overall as compared to statewide LIDDA/LMHA average	Exceeds average	.01-.99% better than average	<input type="text"/>	1-1.49% better than average	<input type="text"/>	≥ 1.5% better than average	<input type="text" value="3"/>
2 Time to hire - the average amount of time from when an applicant applies to the time TTBH makes a job offer	≥ 31 days	24 - 30 Days	<input type="text"/>	16 - 23 Days	<input type="text"/>	≤ 15 Days	<input type="text" value="3"/>
C. Number of adverse HR related outcomes	> 2	2	<input type="text"/>	1	<input type="text"/>	0	<input type="text" value="3"/>
D. Supervisor Training: number of trainings	< 3	3	<input type="text"/>	4	<input type="text"/>	5 +	<input type="text" value="3"/>
E. Offer Acceptance Rate	< 70%	70 - 79.99%	<input type="text"/>	80 - 89.99%	<input type="text" value="2"/>	≥ 90%	<input type="text"/>
F. Average number of candidates interviewed monthly	< 25	25 - 29	<input type="text"/>	30 - 34	<input type="text"/>	35 +	<input type="text" value="3"/>
G. Agency-wide Training Compliance Rate	< 82%	82 - 86.99%	<input type="text"/>	87 - 91.99%	<input type="text"/>	≥ 92%	<input type="text" value="3"/>
H. Agency-wide Job Evaluation Completion Compliance Rate	< 82%	82 - 86.99%	<input type="text"/>	87 - 91.99%	<input type="text"/>	≥ 92%	<input type="text" value="3"/>
Totals :			<u>0</u>		<u>2</u>		<u>24</u>

Total possible score for this section: 27
Sum of scores for this section: 26
Score: 0.9630

Acceptable controls in place for management of Center funds with timely reporting of financial status to the Board: the development and implementation of a balanced operating budget. (Any major funding reductions outside of the Center's control will be taken into consideration if applicable.)

	NOT MET (No score)	MEETS	score 1	EXCEEDS	score 2	COMMENDABLE	score 3
A. Identified financial indicators (across FY):							
1 Days of Operating Reserve	< 60	60 - 90	<input type="text"/>	91 - 99	<input type="text"/>	100 +	<input type="text" value="3"/>
2 Acid Test Ratio	< .25	.25 - 2.0	<input type="text"/>	2.1 - 2.74	<input type="text"/>	2.75 +	<input type="text" value="3"/>
3 Current Ratio	< 1.75	1.75 - 4.0	<input type="text"/>	4.01 - 4.25	<input type="text"/>	4.26 +	<input type="text" value="3"/>
B. Medicaid and other 3rd party claims							
1 Average days in A/R	90.1 +	90 - 75	<input type="text"/>	74.99 - 60.01	<input type="text"/>	60 or less	<input type="text" value="3"/>
2 % of Medicaid/Medicare claims billed in 30 days	< 80%	80 - 84.99%	<input type="text"/>	85 - 89.99%	<input type="text"/>	90% +	<input type="text" value="3"/>
3 Collections of Billed Claims	< 80%	80%-84.99%	<input type="text"/>	85%-89.99%	<input type="text"/>	90% +	<input type="text" value="3"/>
C. Administrative/indirect cost control	> 15%	14.99 - 14%	<input type="text"/>	13.99 - 13.01 %	<input type="text"/>	< 13%	<input type="text" value="3"/>
D. E.H.R. system functional (downtime in hours/year) -unscheduled, based on 2080 hours, all users	< 98%	98 - 98.49%	<input type="text"/>	98.5 - 99.49%	<input type="text"/>	99.5%+	<input type="text" value="3"/>
E. Testing results ranking of the system's data security	D or Below	C Ranking	<input type="text"/>	B Ranking	<input type="text"/>	A Ranking	<input type="text" value="3"/>
F. Energy consumption not to exceed 15kW per square foot	> 15 kW/sq ft	15 kW/sq ft	<input type="text"/>	14.96 kW/sq ft	<input type="text"/>	< 14.96 kW/sq ft	<input type="text" value="3"/>
G. Average investment rate of return compared to the federal funds rate	< 3%	< 2%	<input type="text"/>	< 1%	<input type="text"/>	Federal Rate or Higher	<input type="text" value="3"/>
H. Close monthly financials within 10 business days	< 50%	50 - 59%	<input type="text"/>	60 - 74.99%	<input type="text"/>	≥ 75%	<input type="text" value="3"/>

2. Function and Purpose:

Management of Fiscal Resources (Finance)

FY2025

Acceptable controls in place for management of Center funds with timely reporting of financial status to the Board: the development and implementation of a balanced operating budget. (Any major funding reductions outside of the Center's control will be taken into consideration if applicable.)

NOT MET (No score)	MEETS	score 1	EXCEEDS	score 2	COMMENDABLE	score 3
Totals :		<u>0</u>		<u>0</u>		<u>36</u>

Total possible score for this section:	36
Sum of scores for this section:	36
Score	1.0000

Notes on Financial Indicators - state "acceptable ranges for centers" are: A.1. 60-90 days; A.2. >.25

3. Function and Purpose:

Management of Service Delivery

FY2025

Implementation of systems for short/long term; maintenance of svcs to meet needs of the consumers the system serves. All systems are effective, efficient and incorporates a QA & improvement plan

	NOT MET (No score)	MEETS	score 1	EXCEEDS	score 2	COMMENDABLE	score 3
A. Client Satisfaction with Services - Chief Operating Officer (5 pt Likert Scale, 5 is the highest)							
1 MH services - Overall Outcome	≤ 2.9	3.0 - 3.5	<input type="text"/>	3.51 - 3.99	<input type="text"/>	4 +	<input type="text" value="3"/>
2 IDD services - Overall Outcome	≤ 2.9	3.0 - 3.5	<input type="text"/>	3.51 - 3.99	<input type="text"/>	4 +	<input type="text" value="3"/>
3 SUD services - Overall Outcome	≤ 2.9	3.0 - 3.5	<input type="text"/>	3.51 - 3.99	<input type="text"/>	4 +	<input type="text" value="3"/>
4 Primary Care services - Overall Outcome	≤ 2.9	3.0 - 3.5	<input type="text"/>	3.51 - 3.99	<input type="text"/>	4 +	<input type="text" value="3"/>
B. Clinical Outcomes							
1 Quarterly IDD Community Service Target met	< 156	156 - 165	<input type="text"/>	166 - 175	<input type="text"/>	176 +	<input type="text" value="3"/>
2 % of Adults receiving MH service monthly	< 65%	65 - 67.99	<input type="text"/>	68 - 70.99	<input type="text"/>	≥ 71 %	<input type="text" value="3"/>
3 % of Youth receiving MH service monthly	< 65%	65 - 67.99	<input type="text"/>	68 - 70.99	<input type="text"/>	≥ 71 %	<input type="text" value="3"/>
4 % of Adults showing improvement on HHSC strengths assessment	< 20%	20 - 25	<input type="text"/>	25.1 - 30	<input type="text"/>	> 30 %	<input type="text" value="3"/>
5 % of Youth showing improvement on HHSC strengths assessment	< 32%	32 - 32.49	<input type="text"/>	32.5 - 35	<input type="text"/>	> 35 %	<input type="text" value="3"/>
6 % of adults with acceptable or improved employment	< 40%	40 - 41.99 %	<input type="text"/>	42 - 43.99 %	<input type="text"/>	≥ 44 %	<input type="text" value="3"/>
7 % adults admitted to in-patient care 3+ times in 180 days	> 0.3 %	0.29 - 0.27 %	<input type="text"/>	0.269 - 0.25 %	<input type="text"/>	< 0.25 %	<input type="text" value="3"/>
8 % of SUD clients discharged from residential care who engage in aftercare services after discharge	< 25%	25 - 39.99%	<input type="text"/>	40 - 54.99%	<input type="text"/>	≥ 55%	<input type="text" value="3"/>

3. Function and Purpose:

Management of Service Delivery

FY2025

Implementation of systems for short/long term; maintenance of svcs to meet needs of the consumers the system serves. All systems are effective, efficient and incorporates a QA & improvement plan

	NOT MET (No score)	MEETS	score 1	EXCEEDS	score 2	COMMENDABLE	score 3
9 SUD Residential - % successful completion of treatment plan at La Villa of Hope	< 62%	62 - 65.99%	<input type="text"/>	66 - 69.99%	<input type="text"/>	≥ 70%	<input type="text" value="3"/>
10 % of clients initiating SUD tx w/in 14 days of SUD diagnosis	< 25%	25 - 37.9%	<input type="text"/>	38 - 50%	<input type="text" value="2"/>	> 50%	<input type="text"/>
11 Consumer benefits - average # of applications submitted/mon	< 30	35 - 49.99	<input type="text"/>	50 - 64.99	<input type="text"/>	≥ 65	<input type="text" value="3"/>
C. Chief Medical Officer: Prescribers, UM, Primary Care (PC) Svcs							
1 % of patients referred for Medical Nutrition Therapy are evaluated within 90 days	< 30%	30 - 39.99%	<input type="text"/>	40 - 49.99%	<input type="text"/>	≥ 50%	<input type="text" value="3"/>
2 % of PC patient population with a 3rd party pay source, monthly average	< 22%	22 - 26.99%	<input type="text"/>	27 - 32.99%	<input type="text"/>	33%+	<input type="text" value="3"/>
3 % of Dietitian patients engaged in Medical Nutrition Therapy	< 30%	30 - 39.99%	<input type="text"/>	40 - 49.99%	<input type="text" value="2"/>	≥ 50%	<input type="text"/>
4 Prescribers average quality score	< 85%	85 - 87.99%	<input type="text"/>	88 - 91.99%	<input type="text"/>	≥ 92%	<input type="text" value="3"/>
5 Pharmacy - Average medication cost per client per visit	> \$130	\$130 - \$114.01	<input type="text"/>	\$114 - \$100	<input type="text"/>	< \$100	<input type="text" value="3"/>
6 Community Based Crisis Programs (CBCP) Utilization target	< 750	750 - 774	<input type="text"/>	775 - 799	<input type="text"/>	800 +	<input type="text" value="3"/>
* 7 Private Psychiatric Beds (PPB) Utilization (available bed days)	< 85%	85 - 89.99%	<input type="text" value="1"/>	90 - 96.99%	<input type="text"/>	≥ 97%	<input type="text"/>
8 UM Completion Rate - Adult Service Auth Renewal	< 70%	70 - 79.99%	<input type="text"/>	80 - 89.99%	<input type="text"/>	≥ 90%	<input type="text" value="3"/>
9 UM Completion Rate - Youth Service Auth Renewal	< 70%	70 - 79.99%	<input type="text"/>	80 - 89.99%	<input type="text"/>	≥ 90%	<input type="text" value="3"/>
10 % of clients screened for tobacco use	< 80%	80 - 84.99%	<input type="text"/>	85 - 89.99%	<input type="text"/>	≥ 90%	<input type="text" value="3"/>
11 Number of programs added, improved or expanded (reporting for baseline only FY25)	N/A	N/A	<input type="text"/>	N/A	<input type="text"/>	N/A	<input type="text"/>

3. Function and Purpose:

Management of Service Delivery

FY2025

Implementation of systems for short/long term; maintenance of svcs to meet needs of the consumers the system serves. All systems are effective, efficient and incorporate a QA & improvement plan

NOT MET (No score)	MEETS	score 1	EXCEEDS	score 2	COMMENDABLE	score 3
		<u>1</u>		<u>4</u>		<u>66</u>

Total possible score for this section: 75
Sum of scores for this section: 71
Score 0.9467

4. Function and Purpose:

Directed Payment Program (DPP) & Crisis Services

FY2025

Acceptable reporting and accountability of the Directed Payment Program and effective management of crisis response

	NOT MET (No score)	MEETS	score 1	EXCEEDS	score 2	COMMENDABLE	score 3
A. % of reporting progress completion on DPP Component One Structured Measures and Component Two Outcome Measures	< 90%	90 - 94.99%	<input type="text"/>	95 - 99.99%	<input type="text"/>	100%	<input type="text" value="3"/>
B. % of Crisis resolution for 30+ days without hospitalization	< 75%	75 - 77.50%	<input type="text"/>	77.51 - 79.99%	<input type="text"/>	80%+	<input type="text" value="3"/>
C. Hospitalization Follow-Up 7 Day	< 62%	62 - 64.99%	<input type="text"/>	65 - 68.99%	<input type="text" value="2"/>	69%+	<input type="text"/>
D. % of Adult MH clients not requiring psychiatric hospitalization	< 96%	96 - 96.99%	<input type="text"/>	97 - 97.99%	<input type="text"/>	98%+	<input type="text" value="3"/>
E. % of Youth MH clients not requiring psychiatric hospitalization	< 96%	96 - 96.99%	<input type="text"/>	97 - 97.99%	<input type="text"/>	98%+	<input type="text" value="3"/>
F. % of crisis hotline calls receive a service within 24 hours	< 62%	62 - 64.99%	<input type="text"/>	65 - 68.99%	<input type="text"/>	69%+	<input type="text" value="3"/>
G. Average number of hours between first Crisis Contact and Crisis Service	> 6 Hrs.	6:00 - 4:30 Hrs.	<input type="text"/>	4:29 - 3:00 Hrs.	<input type="text"/>	≤ 2:59 Hrs.	<input type="text" value="3"/>
Totals:			<u><u>0</u></u>		<u><u>2</u></u>		<u><u>18</u></u>
Total possible score for this section:				21			
Sum of scores for this section:				20			
Score				0.9524			

5. Task and Purpose:

Standards Compliance

FY2025

Demonstrated by ensuring all programs/services are operated in compliance with state contracts, applicable regulations, standards and laws, Texas Administrative Code, rules, public responsibility laws, Mental Health Code, etc; and by ensuring the Center performs acceptably on evaluations such as QA / Program / Fiscal Reviews, CARF surveys, etc.

	NOT MET (No score)	MEETS	score 1	EXCEEDS	score 2	COMMENDABLE	score 3
A. External Reviews of TTBH Services							
1 Plans of Correction submitted on time	< 90%	90 - 95.99%	<input type="text"/>	96 - 99.99%	<input type="text"/>	100%	<input type="text" value="3"/>
2 # HHSC audits with signif deficiencies cited & confirmed (ex: repeat findings, imm jeopardy)	> 2	2	<input type="text"/>	1	<input type="text"/>	0	<input type="text" value="3"/>
B. Internal TTBH Service Reviews	< 5	5	<input type="text"/>	6 - 7	<input type="text"/>	8+	<input type="text" value="3"/>
C. Total annual valid/confirmed sanctions or penalties from HHSC are minimized unless resulting from Board directive	> \$25,000	\$25,000 - \$15,001	<input type="text"/>	\$15,000 - \$10,001	<input type="text"/>	\$10,000 - \$0	<input type="text" value="3"/>
D. QA audits of network/contracted services (inpatient and outpatient services)							
1 # of audits per year	< 2	2 - 4	<input type="text"/>	5 - 8	<input type="text"/>	9+	<input type="text" value="3"/>
2 Indicated follow-up completed w/in 90 days	< 70%	70 - 84.99%	<input type="text"/>	85 - 99.99%	<input type="text"/>	100%	<input type="text" value="3"/>
E. Continuous survey/certification readiness reviews of accredited or certified programs:							
1 # of audits per year	< 5	5	<input type="text"/>	6	<input type="text"/>	7+	<input type="text" value="3"/>
2 Indicated follow-up completed within 90 Days	< 70%	70 - 84.99%	<input type="text"/>	85 - 99.99%	<input type="text"/>	100%	<input type="text" value="3"/>
	Totals :		<u><u>0</u></u>		<u><u>0</u></u>		<u><u>24</u></u>

Total possible score for this section: 24
Sum of scores for this section: 24
Score 1.0000

Evaluation Scoring Summary:

	Average Rating for Section	x	Weight	=	Total Weighted Score
Human Resources	0.9630	x	15	=	14.44
Finance	1.0000	x	15	=	15.00
Service Delivery	0.9467	x	25	=	23.67
DPP_Crisis Services	0.9524	x	25	=	23.81
Standards Compliance	1.0000	x	20	=	20.00

Overall Score: **96.92**

IV. Business Plan for FY 2025

Introduction

The purpose of Tropical Texas Behavioral Health's (Center) *Business Plan* is to identify financial mechanisms that can be used to respond to fluctuations in the Center's revenues in ways that least affect the level and quality of services the Center provides its consumers. The *Business Plan* includes long-term strategies for dealing with reasonably predictable revenue and expense fluctuations and shorter-term strategies that are more effective in addressing unusual, unpredictable, or time-limited budgetary issues as they arise.

The dualistic long-term/short-term approach enables us to make the best use of current resources while we prepare for leaner times when operating within a fee-for-service environment. It maximizes our flexibility in responding to changes in our financial environment without having to reduce or eliminate programs and services when such changes occur.

The Center's primary revenue source is state general revenue received through a contract with Health and Human Services Commission (HHSC). The revenue is state appropriated every biennium and is dependent on the legislative funding of the appropriation request submitted by the Health & Human Services Commission.

Goals & Objectives

Many of the goals and objectives included in the FY 2025 *Strategic Plan* have financial implications. Collaboration by program and financial staff is essential to achieve successful outcomes for the various goals and objectives. Below is a list of Program and Services, and Administrative Support that need to be provided to meet goals and objectives.

1. Program and Services:

- Client satisfaction surveys
- Directed Payment Program & Crisis Services
- Reductions in pharmacy costs
- Prescribers' average quality scores
- Technology upgrades
- Clinical outcomes
- Inpatient hospitalization usage

2. Administrative Support

- Maintain a minimum operating fund balance of 150-250 days.
- Increase the efficiency of the third-party claims billing and collection processes so that a maximum of Medicaid claims is billed within 30 days of service and 100% of the federal Medicaid revenue is collected within 90 days.
- Keep administrative costs below 13%.
- Reduce energy consumption Center-wide.
- Minimize employee turnover, hiring timeliness and # of posted vacant positions.

Environmental Considerations

Programs and Services

Mental Health

The shift to a fee-for-service model has presented many challenges for the mental health programs under the Texas Resilience and Recovery (TRR) model and provider of last resort initiatives for both Mental Health (MH) and Intellectual Developmental Disabilities (IDD) programs. Many of the required services performed by the Center have no payor source other than state general revenue while other services are not covered due to server credentials. The rates paid for eligible services at this time are consistent with the Medicaid rates. Those rates are based on historical cost. The rates set for mental health services are based on Medicaid reimbursable rates.

Rehab and Case Management

In FY25, 31.05 % of these services were reimbursed by the Medicaid Managed Care insurance companies. Tropical performs well on these types of services.

YES Waiver Services

Youth Empowerment Services (YES) waiver program includes services for Children and Adolescents at risk of being removed from their families or at risk of parental relinquishment due entirely to the parents not being equipped to properly provide for their severe emotionally disturbed children. The YES waiver program provides for: Art; Music; Animal Assisted, and Recreational Therapies; Community Living Supports; Family, and Paraprofessional Services; Supported Employment, and Employment Assistance; Respite; Adaptive Aids, and Minor Home Modifications. This program also provides a one-time pre-engagement service and a one-time transitional service coordination service for the youth who are aging out of services. The rates we pay to external providers are based on the published rates from the Texas Health and Human Services Commission. We continue to receive positive feedback from the families who have a child or youth in the program and these families are seeing the positive impact on their lives and on the children's behaviors.

Supportive Housing

The Supportive Housing Program is intended to provide financial assistance to individuals who are homeless or at risk of becoming homeless or "marginally" homeless in locating, obtaining, and maintaining safe, integrated housing in the community of choice. Services and supports are provided to enrolled individuals based on a Person-Centered Recovery Plan developed in collaboration with the person served. Services are focused on a detailed Self-Sufficiency Transition Plan developed with the client and intended to help the client achieve self-sufficiency. Based on the availability of funds and as clinically indicated, TTBH will provide eligible individuals temporary financial assistance with rent and utilities payments, housewares, furnishings or other basic needs. Funding for supportive housing financial assistance is provided

through a contract with the Texas Health and Human Service Commission (HHSC). The Supportive Housing Program services promotes regular integrated housing options in the community. Consistent with the individual's goals and choices, TTBH staff assist individuals in locating, obtaining, maintaining, and retaining regular integrated housing that is safe, affordable, accessible, and chosen by the individual.

Intellectual Developmental Disabilities (IDD)

The Center actively practices "person directed planning". Person Directed Planning empowers the individual and Legally Authorized Representative (LAR) to direct the development of a plan of services and support, this requires listening, acknowledging, and discovering the individual's story. The individual and his or her needs are the basis and focus. Center staff provides employment assistance to individuals interested in employment. Staff do not provide employment services, we refer/link and support by assisting them with referrals, training on how to apply for a job, etc. In January 2021, the 21st Century Cures Act mandated that states implement an electronic visit verification (EVV) system for Medicaid personal care services. This system captures log in and out times for attendants delivering services to TTBH clients. We currently have about 81 attendants using the EVV system.

Respite, Community Support and Individualized Skills and Socialization Services

The rates set for Home & Community Services (HCS), and Texas Home Living (TxHmL) services are based on services performed primarily by private providers. The costs for the private providers tend to be lower than the costs for community IDD centers due to authority functions required of the community centers. TTBH pay rates to the private attendants to 100% of the direct rate for Foster Care and Individualized Skills and Socialization, and 90% of the direct rate on all other services. These rates are based upon the rates published by Texas Health and Human Services Commission. These rates are also extended to the general revenue clients receiving similar services. HHSC continues to release both TxHmL and HCS slots for GR clients to move into. This will shift general revenue to Medicaid revenues. Currently TTBH is paid at the enhancement rate level 25 for all services.

Service Coordination

Currently the Center is paid based on encounters defined as Type A and Type B. Type A encounters are usually a face-to-face contacts and type B encounters are telephone contacts. Only one Type A encounter will be paid a month at \$92.80 and up to three Type B encounters will be paid at \$30 each. Payments will be capped based on the number of unduplicated census for the year. Senate Bill 7 from the 2013 Texas Legislature directs HHSC to provide Medicaid acute care services to people who have Intellectual and Developmental Disabilities (IDD) through a managed care system. The change will apply to individuals determined to have IDD who are Medicaid eligible. People may live in a community-based Intermediate Care Facility for Individuals with Intellectual Disabilities or Related Conditions (ICF-IID) or receive services through an ICF-IID waiver program. Individuals who live in state supported living centers and those who receive both Medicaid and Medicare benefits are not included in this initiative. For individuals enrolled in

managed care, STAR+PLUS will provide the acute care Medicaid services and HHSC will continue to provide long term services and supports.

Community First Choice (CFC)

Community First Choice (CFC) provides certain services and supports to individuals living in the community who are enrolled in the Medicaid program and meet CFC eligibility requirements. Services and supports may include:

- daily living (eating, toileting, and grooming), independent living in the community, and health-related tasks (personal assistance services);
- acquisition, maintenance, and enhancement of skills necessary for the individuals to care for themselves and to live independently in the community (habilitation);
- provide a backup system or ways to ensure continuity of services and supports (emergency response services); and
- train people how to select, manage and dismiss their own attendants (support management).

Substance Use Services (SUDS)

Tropical Texas Behavioral Health (TTBH) SUDS is a frontline assessment and treatment provider for clients who are unable to afford substance use services or may require assistance locating services for drug and alcohol use.

The Center has a contract with the Texas Health and Human Services Commission (HHSC) to provide Outreach, Screening, Assessment & Referral (OSAR) services for Texans who live within the nineteen (19) counties of Texas Region 11, The nineteen (19) counties of Texas Region 11 are: Aransas, Bee, Brooks, Cameron, Duval, Hidalgo, Jim Hogg, Jim Wells, Kenedy, Kleberg, Live Oak, McMullen, Nueces, Refugio, San Patricio, Starr, Webb, Willacy, & Zapata. TTBH is also accredited by the Commission on Accreditation of Rehabilitation Facilities (CARF) as a SUDS outpatient treatment provider for youth and adults within our service areas (Hidalgo, Cameron and Willacy counties) and has the ability to bill Managed Care Organizations. In addition to this contract the Center is the recipient of additional agreements with HHSC State Opioid Response (SOR) Grants. Starting in late 2017 TTBH received the Texas Targeted Opioid Response (TTOR) Grants for (1) High Fidelity Supported Employment, (2) Peer Supported Re-Entry, (3) Priority Admissions Counselor, and (4) Office Based Opioid Treatment. Clients under the SOR programs are offered specialized opioid overdose education, access to life saving opioid overdose preventive nasal spray (Narcan) and access to Medication Assisted Treatment. Moreover, TTBH offers inpatient SUDS detox stabilization services. TTBH contracts with three local hospitals to provide up to five (5) days of voluntary inpatient stabilization. TTBH also contracts with local community partners for residential treatment services. Individuals who qualify are offered voluntary residential treatment for up to thirty (30) calendar days. Our treatment curriculums are evidence based such as but not limited to Motivational Interviewing and Cognitive Behavioral Therapy. Client plans of care are individualized according to the specific strengths, needs, abilities and preferences of each person served to maximize opportunity for client recovery.

Major Grants & Contracts

Among numerous other small grants TTBH has been awarded the following grants and contracts.

JII – Justice Involved Individuals

This is a grant through the state Department of Health and Human Services Commission to TTBH to implement the Mental Health Grant Program as directed by Senate Bill (S.B.) 292, 85th Texas Legislature, Regular Session, 2017. The purpose of this program is to provide matching grants to county-based community collaboratives to reduce rates of recidivism, arrests, and incarcerations amongst individuals with mental illness and to also reduce wait times for individuals with mental illness placed on forensic commitment to a state hospital. The contract was effective on April 1, 2023, and terminates on August 31, 2025. The total amount of the contract for FY25 is \$799,821.

FEP / CSC - First Episode Psychosis / Coordinated Specialty Care

This is a grant through the state Department of Health and Human Services Commission to TTBH to provide services to individuals who meet the diagnostic criteria for the early stages of a primary psychotic disorder and range in age from 15-30 years. At the end of FY 2020 the state added additional monies for Tropical to expand into Cameron County. FEP-CSC utilizes evidence-based practices in the provision of services which meet CSC criteria and engage in community outreach and education to identify potential candidates.

PATH – Projects for Assistance in Transition from Homelessness

This is a grant through the state Department of Health and Human Services Commission. PATH aims to provide services to persons with serious mental illness or co-occurring substance use disorders who are homeless or at imminent risk of becoming homeless. The program provides outreach services to connect and engage these individuals with mainstream mental health services, primary health care, and substance abuse service systems.

TVFA- Texas Veterans and Families Alliance

TVFA provides Texas veterans, their spouses, and dependents with mental health education and support through curriculum-based training. The program initiates, enhances, and expands peer-to-peer support groups related to behavioral health issues and includes outreach services in order to create awareness of the available community-based behavioral health supports and services for Texas veterans and their families.

TCOOMMI – Texas Correctional Office on Offenders with Medical or Mental Impairments

This program serves mental health consumers who are also engaged in the legal system. Pre-release screenings are provided along with aftercare referrals to individuals being released from correctional settings. TTBH has programs for adults and youth.

OSAR - Outreach, Screening, Assessment, and Referral & TTOR – PAC Texas Targeted Opioid Response (TTOR) – Priority Admissions Counselor

The OSAR program provides coordinated access to a continuum of substance use disorder services for all Texas residents by offering outreach, screening, assessment, and referral services at locations that maximize client access to substance use disorder treatment. OSAR provides these services to individuals who meet the criteria for diagnosis of a substance use disorder and/or provides referrals for family support, housing, and health-related issues. In conjunction with TTOR, OSAR designates a Priority Admissions Counselor at every OSAR site. The PAC is responsible for targeted outreach to individuals with opioid use disorders and provides screening services and overdose prevention education.

TTOR OBOT - TTOR Office-Based Opioid Treatment

TTOR-OBOT aims to provide services to alleviate the adverse physiological effects of withdrawal from the use of opioids. OBOT expends funds to provide adult Texas residents who meet the financial and diagnostic criteria for a moderate or severe opioid use disorder with counseling and behavioral therapies.

TTOR HFSE – High Fidelity Supported Employment

The TTOR – High Fidelity Supported Employment program provides supportive employment services to individuals that are determined to have and/or are recovering from an opioid use disorder. TTOR-HFSE offers support through substance use disorder and medication assisted treatment teams and other necessary skills for potential employment opportunities.

CCBHCA- Certified Community Behavioral Health Clinic – Improvement and Advancement

The Certified Community Behavioral Health Clinic Improvement and Advancement grant is through the Substance Abuse and Mental Health Services Administration (SAMSHA) from a funding opportunity issued from the Department of Health and Human Services. The purpose of the grant is for TTBH to transform community behavioral health systems and provide comprehensive, integrated, coordinated, and person-centered behavioral health care by enhancing and improving CCBHCs that currently meet the CCBHC certification criteria. The grant was awarded and applied for in September 2022. The award is effective from September 2022 – September 2026. The amount of the award was \$4,000,000.

Bureau of Justice Assistance (BJA) – Harlingen, Brownsville, Justice and Mental Health Collaborative

This grant is funded through the Office of Justice Programs (OJP). These grants will enhance the Mental Health-Law Enforcement Co-Responder Team program with the cities of Harlingen and Brownsville and the counties of Hidalgo and Cameron. The goal of this grant is to reduce and divert individuals with serious mental illness away from jail and provide linkages to mental health treatment and support services. This program will benefit individuals in crisis who come in contact with law enforcement for misdemeanor offenses determined to be related to the symptoms of their mental illness, who may be appropriate for diversion from the

criminal justice system into routine behavioral health care services. Approved expenditures include personnel costs for TTBH staff and contractual costs for the officers working with TTBH staff on the grant. Currently, Tropical Texas Behavioral Health has 4 contracts, one with , one with Harlingen Police Department, one with Brownsville Police Department, one with Hidalgo County, and one with Cameron County. The Harlingen P.D. and Brownsville P.D. contracts are effective October 1, 2022, to September 30, 2025. The Justice and Mental Health Collaborative grant with Cameron and Hidalgo counties is effective October 1, 2024 to September 30, 2027. The total contract value for the 3 contracts is \$781,250 each. \$550,000 will be covered by BJA and \$231,250 is the match portion that will be covered by TTBH. . Total Harlingen and Brownsville contract amounts for Year 3 (October 1, 2024, to September 30, 2025) is \$375,000. \$225,000 will be covered by BJA and \$150,000 will be covered by TTBH. Total Justice and Mental Health Collaborative contract amount for Year 1 is \$125,000. \$100,000 will be covered by BJA and \$25,000 will be covered by TTBH.

Edinburg Police Department Community Crisis Response Team

This grant is funded through Substance Abuse and Mental Health Services Administration SAMHSA. The purpose of this program is to create or enhance a mobile crisis response team with Edinburg Police Department to divert adults, children, and youth experiencing mental health crises from law enforcement. This grant offers the opportunity to create a formal program that will aid those individuals with the greatest needs in our community by promoting effective strategies by law enforcement to identify and reduce the risk of harm to individuals with mental health crisis or co-occurring mental health and substance use disorders and identify the most appropriate services while improving public safety. Approved expenditures for this grant include personnel costs and contractual costs for the officers working with TTBH staff on this grant. The contract is effective September 30, 2023, to September 29, 2027. Total contract value is \$3,000,000. Total contract amount for Year 2 September 30, 2024, to September 29, 2025, is \$750,000.

Mental Health Awareness Training – Mental Health First Aid Expansion Project

This grant is funded through Substance Abuse and Mental Health Services Administration SAMHSA. This grant will focus on training of non-educators. Approved expenditures include personnel costs for MHAT staff, local travel, and training materials for MHAT trainings. The contract is effective December 31, 2022, to September 29, 2026. Total contract value is \$500,000. Total contract amount for September 30, 2024, to September 29, 2025, is \$125,000.

Zero Suicide Program

This grant is funded through Substance Abuse and Mental Health Services Administration SAMHSA. The purpose of this program is to implement the Zero Suicide intervention and prevention model for adults throughout a health system. Approved expenditures include personnel costs for Zero Suicide Staff, local travel, and out of Town travel to the American Association of Suicidology for 2 staff. The contract is effective September 30, 2023 to September 29, 2028. Total contract value is \$2,000,000. Total contract amount for FY25 is \$400,000.

Unite US

This grant is funded through Unite USA Inc. The purpose of the grant is to assist the agency to coordinate electronic referrals and case management tasks between health and social service organizations. This will be achieved on a common platform, the Unite Us Platform. Approved expenditures include personnel expenses for a community relations coordinator for one year, a yearly subscription for the Unite US software, and local travel. The contract is effective September 15, 2023 to September 25, 2025. The total contract value is \$638,925. The contract amount for September 15, 2024 to September 14, 2025 is \$373,241.

Needs and Capacity Assessment (NCA) – Diversion Center

This grant is funded through the Health and Human Services Commission. This program will facilitate the transition of individuals with serious mental illness with or without co-occurring substance use disorders from jail and into community-based treatment services. Approved expenditures include personnel costs, out of town travel to a center with a current jail diversion program, and items to furnish the diversion center such as furniture for group counseling, mattresses, and kitchen appliances. Total contract value is \$3,520,000. The contract amount for FY25 is \$1,760,000.

MST Multi-Systemic Therapy Expansion

This grant is funded through the Health and Human Services Commission. This program will address service gaps individuals and families experience in our community by promoting effective strategies to improve behaviors and create sustainable solutions for at-risk individuals. This will serve as an expansion to our current MST grant. Approved expenditures include personnel costs, local travel to deliver MST services, and contractual costs with MST Institute. This contract will provide training and support to license TTBH in MST services. Total contract value is \$1,384,090 for 2 years. FY25 contract amount is \$692,045.

Supporting Mental Health and Resiliency in Texans (SMART)

This grant is funded through the Health and Human Services Commission. This program will promote identification of potential mental health needs and improve access to early intervention and treatment for Children and Families through community-based initiatives. Approved expenditures include personnel costs, local travel to deliver SMART services, and client support costs. Total contract value for FY25 is \$512,073.

Crisis Counseling Program (CCP)/Disaster Relief/FEMA

TTBH was contracted to provide support to those affected by floods in Kerr County, Texas. TTBH sent a small team to assist the LMHA in Kerr County in providing crisis counseling to those affected. These services are to be funded by the Federal Management Emergency Administration (FEMA). The purpose of these services is to prevent and/or mitigate the adverse effects of natural and human-caused disasters through community-based outreach.

Rural Mental Health Initiative Grant Program

This grant is funded through the Health and Human Services Commission. This program will expand behavioral health centers to provide outpatient mental health services to adults and children and to reduce recidivism and the frequency of arrest, incarceration, and emergency detentions amount persons with mental illness. Approved expenditures include personnel costs, local travel costs to provide services, and specialized therapies. Total contract value for \$1,100,000 for 5 years. Total contract value for FY25 is \$268,000.

CCBHC – Certified Community Behavioral Health Care Clinic

While the state of Texas was not chosen by the Centers for Medicaid and Medicare Services (CMS) to participate in the pilot for this new payment methodology, the state of Texas decided to perform our own pilot. Seven Centers including TTBH were chosen to participate along with one other provider. TTBH received the re-certification as a CCBHC. Under the CCBHC model a provider, which TTBH would be, is paid a monthly rate to provide all services covered to the client. This differs from the current fee for service payment model in that currently TTBH is paid for all services individually, and under CCHBC we would receive one monthly amount regardless of how many services were provided. Another major difference is that under the CCBHC model TTBH would provide a care coordination service to our clients which includes coordinating not only within TTBH but with all providers the client has chosen to use.

Staff Productivity

Client Treatment Hours (CTH)

Staff are held accountable for meeting established targets and are eligible for both team-based and individual financial incentives for meeting and/or exceeding targets. CTH is continually updated since it impacts all client services staff and is a measure of productivity for the Center.

An incentive program was developed to coincide with the productivity initiative. Individual performance has been monitored since 2006 and was replaced by a group incentive program during the summer of 2007 and continues today. Incentives paid were \$1,896,280 and \$1,996,413 for FY 2023 and 2024 respectively. During 2024 we are planning to use the lapsed salaries from budgeted but unfilled positions to cover the monthly incentives.

The TTBH Physician Incentive Program is designed to attract staff. The quarterly incentive in place was changed to a yearly incentive. In 2024, 19 physicians were eligible for the incentive, and all met the quality portion for a total incentive payment of \$458,000.

Technology

In response to a national accreditation requirement, TTBH has begun conducting an annual technology assessment, and updating or replacing equipment as necessary.

A significant portion of services are delivered in the community. The staff providing these services use laptop computers while in the community to increase their efficiency. Technology demands have shifted to keep pace with change. Currently, TTBH uses Oracle Millennium software system for clinical services. During 2015 the Center began implementation of a new time and attendance system from Kronos, we have completed the move into Kronos for the HR talent and recruitment. During 2017 the Center converted the fiscal system from Cerner to Financial Edge which is a web-based software created by Blackbaud. The moves of both the Payroll/HR system and the Fiscal system were required as the prior system no longer supported either system.

The clinical system is a vital component of the service delivery system, especially with the Center's continued improvement to its electronic medical record. To ensure that the system is dependable and reliable, Management Information System (MIS) staff schedule promotions and enhancements after hours. Promotions/enhancements are completed regularly.

Training sessions are held for first-time users of the clinical system, and as needed for existing staff for changes and to correct problems. Key staff actively participate in the Oracle Millennium Users Group. The involvement enables staff to receive current information about the system and participate in system design discussions. Additionally, the MIS Director is also an active participant in the Texas Council Information Management Consortium.

The use of technology at TTBH enhances individual services, efficiency and productivity of personnel, communication with stakeholders and greatly improves our ability to serve isolated populations.

TTBH joined the Tejas Behavioral Health Management Association during FY 2017. Included in the monthly membership fee are a variety of resources available to the Center, which we currently purchase. TTBH will have access to resources such as: MCO/Health Plan negotiations, business and IT consulting including reporting/outcome data analytics. In addition, all current members of the association use the Cerner/Anasazi software platform for clinical services, a potential for talent boost.

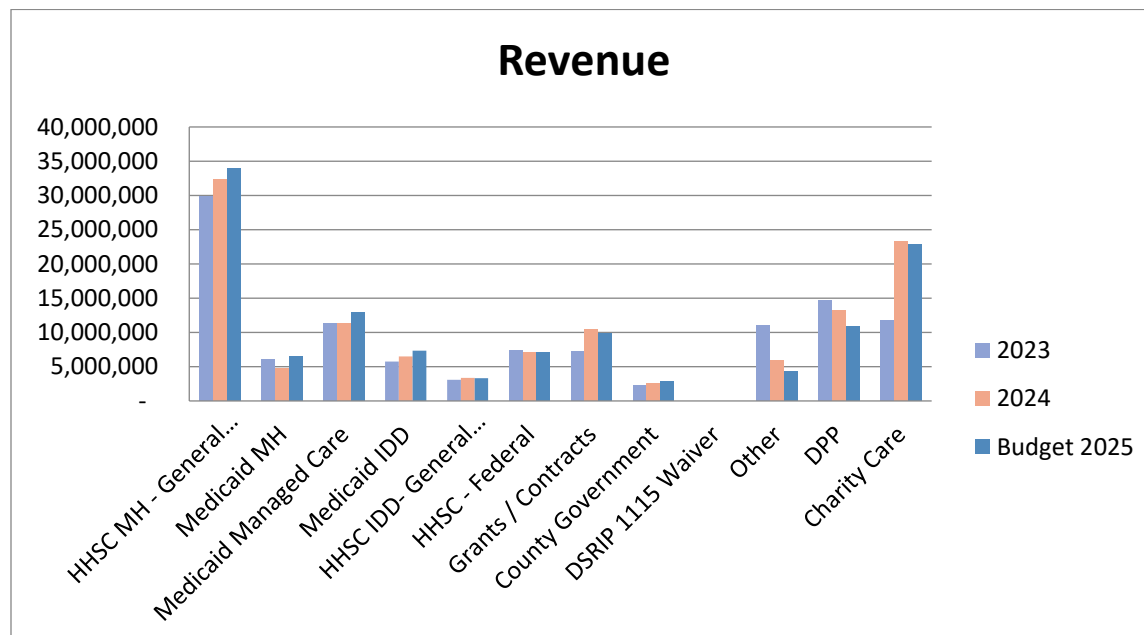
Tropical continues to be a leader in technology among Texas community centers. At the onset of the pandemic, its service team was active and delivering services within weeks' time. We continue to equip our teams with the technology to be able to deliver services remotely and with minor issues.

Financial Considerations

Operating Revenues

The Center's ability to generate revenue or create new revenue sources is limited by social and economic conditions, state statute, Board policy, and private provider competition. The *Texas Health and Safety Code* defines the services to be provided by a Community MHMR Center. Legal protection does not extend beyond the services listed in the statute and those defined in the Center's *Local Plan*. There have been some modifications made during the last few legislative sessions. It is anticipated that these changes will increase flexibility for MHMR Centers in Texas.

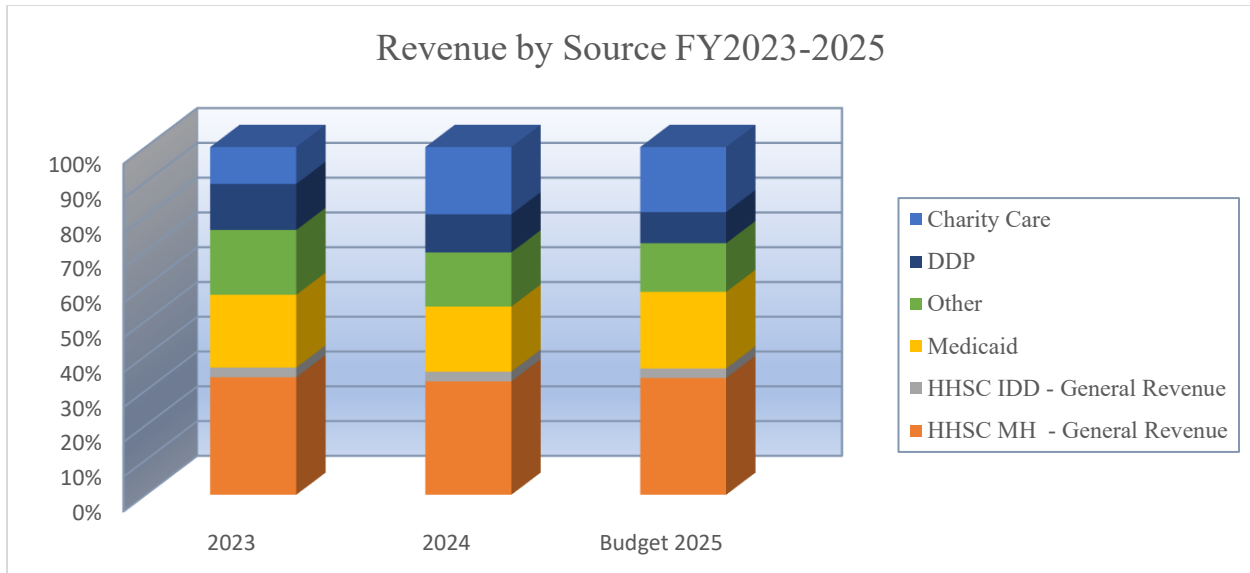
The projected revenue for FY 2025 is \$122,307,361. The following graph shows the various revenue sources comparing actual FY 2023 & 2024 to the budgeted amounts for FY 2025.



General Revenue

The percentage of state general revenue received by the Center decreased from 37% in 2023 to 36% in 2025. Medicaid earnings have increased from 21% in 2023 to 22% currently, the Center

in continuing to receive new funding streams each year. The change in funding streams helped “force” the statewide Community MHMR Centers to become more efficient. Where the Centers used to receive the majority of the funding from the state in recent years more than half of the funding comes from sources other than the state as evidenced thru the graph below:



MH General Revenue FY 2025 is expected to be \$41,107,186.

IDD General Revenue FY 2025 is expected to be \$3,322,543.

Medicaid Revenue

Medicaid revenue is budgeted to be \$26,911,290 in FY 2025.

The Center’s goals include an increase in revenue received from Medicaid and other sources. Procedures implemented to expand Medicaid revenue include the following:

- Training staff in verifying and data entering the payor source for every consumer during each visit to a mental health program.
- Monitoring the percentage of consumers with Medicaid to determine if there is an increase or a decrease so that measures can be taken as soon as a change is detected.
- Bi-monthly review of MBOW reports for Potential Medicaid revenue.
- Comparing the Medicaid database with our Consumer Data system to determine if any consumers have third-party coverage which was not previously identified.
- Benefits Eligibility Comparison Application (BECA) implemented. Batches Cerner Data and compares to the Medicaid Eligibility File (TMHP) to identify discrepancies in client’s Medicaid, Medicare, and Managed Care coverages.
- Service Request Form Generator creates and faxes the Service Request Forms to the Managed Care companies.

In March 2012, Medicaid Managed care was expanded into the Center's catchment area. Five insurance companies were awarded contracts to provide managed care programs to clients currently enrolled in the State Medicaid program. The Center secured contracts with each of the managed care insurance companies in the area. Since FY 2017, the Center has been re-negotiating the contracts with the Managed Care Organizations due to the integration of both Substance Use Services and Integrated Primary Care to increase the amount of funding that TTBH is able to receive.

Other Revenue Sources

In FY 2025 the Center budgeted \$50,966,342 from other revenue sources compared to \$55,302,829 in FY 2024. These various revenue streams as a combined total are staying fairly constant as TTBH works to increase the number of grants and the variety of funding streams available to us to serve our clients in all areas of need. The Center continues to expand and diversify the funding sources through various grants and contracts. In late FY 2015, the Center received a Section 501(c)(3) designation with the Internal Revenue Service. This designation allows the Center to continue to qualify for grants awarded by foundations, certain federal agencies, and federal pass-through grants such as Community Development Block Grants.

Fund Balance

The Center's fund balance in the General Fund, as of August 31, 2024, was \$80,350,990. The Center has had a positive fund balance since FY 2001.

Financial Ratios

The following financial ratios are completed monthly to monitor the liquidity, days of operating cash available and debt load. The ratios were developed by Capital Markets in order to have an industry standard for Texas Community MHMR Centers.

- **Current Ratio** The ability to meet short-term obligations. This is presented in “times”. If the ratio is too low, the Center may not be able to pay its obligations. If the ratio is too high, the Center may have money tied up in investments/savings that could be used for the provision of services.
Acceptable range for community centers: 4.26 +
Ratio at August 31, 2024 5.25 Times
- **Acid Test Ratio** A more stringent measure of liquidity. Eliminates the variable of Converting investments and other tangible assets to cash.
Acceptable range for community centers: 2.75 +
Ratio at August 31, 2024 4.63 Times
- **Days of Operation** Reserve
Expresses the unreserved fund balance of the organization in terms of the number of days it can operate if there was no further inflow of revenue. Represented in days.
Acceptable range for community centers: 100 +
Ratio at August 31, 2024 197.46 Days
- **Debt Service Coverage Ratio** A measure of how well the Center has managed the assumption of long-term debt. Indicates available cash levels to accommodate debt service payments. Represented in “times”.
Acceptable range for community centers: > 1.25

This ratio is not currently being calculated as the center has no debt.

The ratios are included in the monthly financial statement packet presented to the Board of Trustees. The ratios reported are limited to the General Fund.

Financial ratios are also a key component of the internal monitoring system for the Center. The following graph outlines the acceptable minimum ranges and the Centers ratios. We have consistently been meeting the acceptable ranges and do not anticipate any changes in the near future.

**Financial Ratios
Community Services Performance Report**

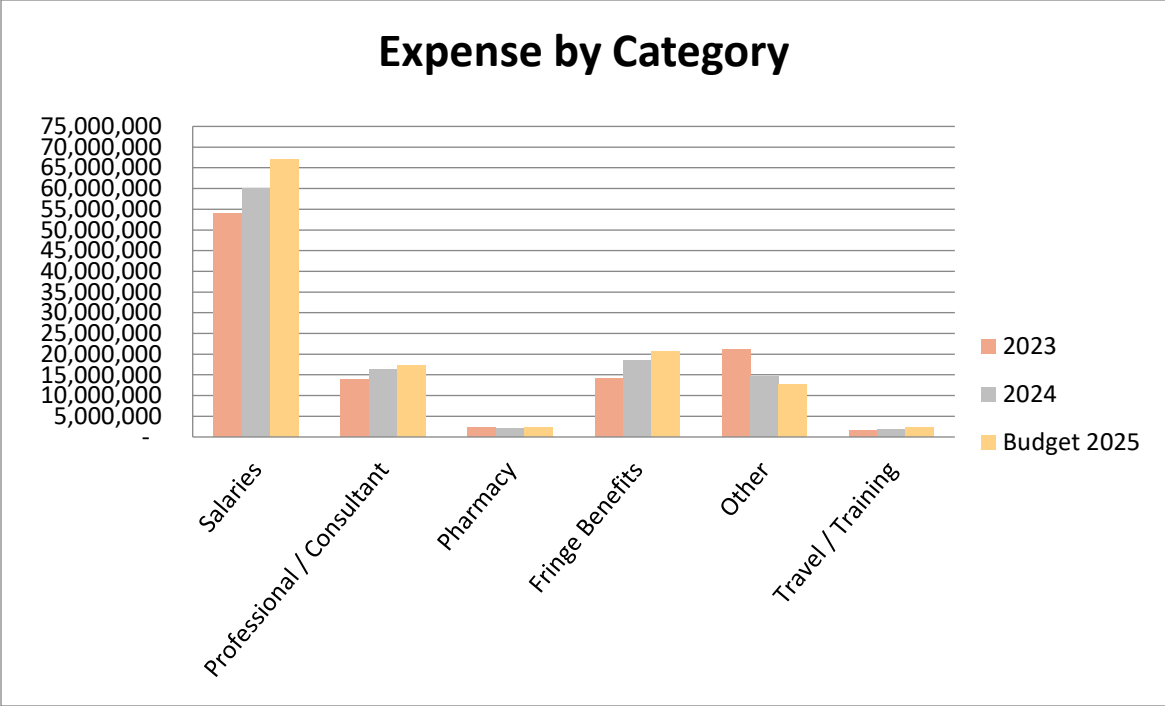
Financial Measure	August 2023	August 2024	Minimum Acceptable Range	Maximum Acceptable Range
Current Ratio	4.99	5.25	1.75	Unlimited
Acid Test Ratio	4.48	4.63	.25	Unlimited
Debt Service Coverage Ratio	N/A	N/A	1	Unlimited
Days of Operation without Further Funding	242.44	197.46	60	Unlimited

Expenditures

The Center’s FY 2025 adjusted operating budget totals \$122,307,361. As with other service industry organizations, the majority of the expenses are for personnel costs. FTEs in FY 2024 were 1,381 of which 1,079 were filled, and budgeted FTEs for FY 2025 are 1,320.

FY24 fringe rate was 30.72% and our anticipated FY25 is 30.76% due primarily to an anticipated increase in retirement participation. The Centers retirement plan was revised to include an opt-out clause where employees are automatically enrolled at a 3% rate unless they opt-out of the plan. The opt-out clause has increased participation significantly. In addition, the Center has a retirement match of up to 12%.

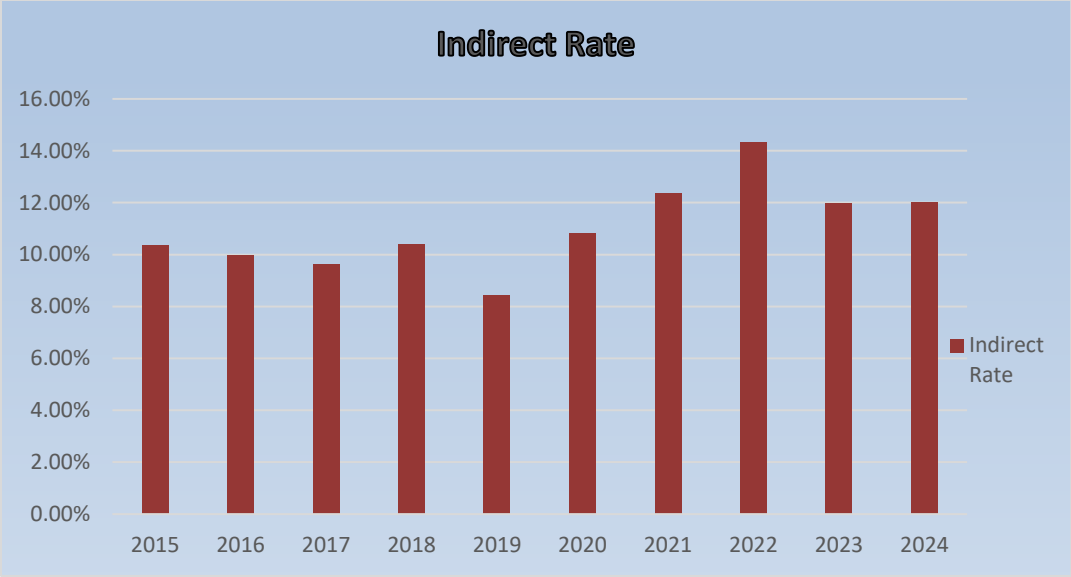
Medication expense represented approximately 1.83% of our FY 2024 operating expenses, and the budget will be 1.96% for the FY 2025. Tropical continues to use the Patient Assistance Program (PAP). PAP allows the Center to request medications on behalf of eligible consumers directly from the manufacturer. In FY24 there were 5,462 PAP applications submitted thru August for a value of \$17,200,026.



Indirect Cost

The Center uses the indirect cost percentage as an indicator of its administrative efficiency. The indirect cost is a relationship of the administrative costs to the direct/program costs. The indirect cost percentage was calculated in accordance with the *Audit Guidelines for Community MHMR Centers, 20th Revision – Summer 2003*, the cost principles in the OMB Circular A-87 and the *Cost Accounting Methodology* promulgated by Health & Human Services.

The following graph shows the indirect cost percentage for the past ten (10) years. The guidelines used have changed during that time period which contributed to the variances.



The Center’s Performance Contract with HHS includes a 10% funding limitation for state general revenue that can be used to fund administrative costs. Any additional funding needs are covered by various other funding streams. The Center has successfully demonstrated the ability to operate within the funding limitation.

The indirect cost percentage as of August 31, 2024, was 10.77%. Administrative costs are monitored closely to determine where reductions can be made without doing harm to the programs or the Center’s system of internal controls.

Capital Projects

Among the center’s building projects in FY24 is the renovation of the Edinburg Plaza area for more office space, storage, and a crisis diversion center. Tropical is also doing renovations to the main building for the existing elevator, adding a new elevator to the building, an electronic digital billboard sign, and 17,707 square feet construction in the main building. In FY 24, the Center completed the McAllen Housing and Drop in Center project. The projects that still need to be completed with the Housing and Drop in Center project are landscaping, irrigation, a sidewalk and a new fence. The center is looking for space to expand diversion services into Cameron County.

The Center’s transportation fleet has also been evaluated and we are continuing to update aging vehicles.

Directive Payment Program (DPP)

The new Directed Payment Program for Behavioral Health Services (DPP BHS), which began September 1, 2021, requires an annual application. Program funds will be paid to Managed Care Organizations (MCOs) through two components of the managed care per member per month (PMPM) capitation rates. Component one is comprised of structured measures and semi-annual reporting requirements which equals to 65 percent of the total program value. Component two is comprised of outcome measures and semi-annual reporting requirements which equals to 35 percent of the total program value. The Center is expected to receive \$10,938,481 in FY 2025.

Public Health Providers-Charity Care Program (PHP-CCP)

HHSC approved the Public Health Provider-Charity Care Program (PHP-CCP) on December 22, 2021. The program is designed to allow qualified providers to receive reimbursement for the cost of delivering healthcare services, including behavioral health services, immunizations, and other preventative services that are not reimbursed by another source. The program is authorized under the 1115 waiver. Year 1 reimbursed Centers for uncompensated care and Medicaid shortfall. In future periods, the program will consist of only charity care. The cost report is due on November 14th after each demonstration year. The Center is expected to receive \$22,901,206 in FY25.