



TEXAS DEPARTMENT OF STATE HEALTH SERVICES

JOHN HELLERSTEDT, M.D.
COMMISSIONER

August 17, 2016

REPORT/PUBLICATION CLEARANCE REQUEST

MEMORANDUM FOR THE COMMISSIONER

THROUGH: Anne Mosher, Point of Contact
Executive Communications and Correspondence

FROM: Lauren Lacefield Lewis
Assistant Commissioner, Mental Health and Substance Abuse Services

SUBJECT: Report on state hospitals and academic partnerships required by Rider 86

Purpose

1. To request approval and publication of the *State Hospitals and Academic Partnerships* report (Attachment 1) to the Office of the Governor and to the Legislative Budget Board.
2. To request your signature on the accompanying transmittal letters (Attachment 2).

Background

The State Hospital System Long-Term Plan, published in January 2015, highlighted the potential benefits to be gained by expanding university affiliations and partnerships.¹ In addition to partnering with universities in the areas of workforce development and patient care, DSHS proposed pursuing opportunities for universities to assume responsibility for operating state hospitals.

The General Appropriations Act, H.B. 1, 84th Legislature, Regular Session, 2014 (Article II, Department of State Health Services, Rider 86), requires the Department of State Health Services (DSHS) to evaluate the benefits of a university health related institution operating a state

¹ Department of State Health Services, State Hospital System Long Term Plan, <http://dshs.texas.gov/WorkArea/linkit.aspx?LinkIdentifier=id&ItemID=8589995809>,

hospital. The evaluation is to include administrative, legal, and financial considerations as well as a timeline for transition and a report on the expansion of efforts to increase academic partnerships. The report must be submitted to the Governor's Office and the Legislative Budget Board no later than September 1, 2016.

Summary

Over the past biennium, DSHS has conducted a variety of activities aimed at increasing academic linkages and gaining a better understanding of the factors that contribute to successful state-university partnerships in behavioral health. These include:

- Pursuing new and expanded agreements
- Identifying examples of successful university-public behavioral health partnerships within the state
- Conducting surveys and interviews with other states
- Reviewing the literature on state-university collaboration in mental health

DSHS leaders are also engaging university leaders from across the state regarding academic-state hospital partnerships. These conversations have revealed two significant takeaways:

- Universities are hesitant to assume responsibility for the operation of an existing facility within the state hospital system.
- There is widespread interest in other collaborative relationship types that encompass a range of activities, from expanded residency programs to provision of clinical services.

Discussions are still in the exploratory phase, but the broad parameters of potential collaborative state-university relationships have begun to emerge. Over the long term, more comprehensive arrangements involving public, university, and private partners may evolve in some areas.

Although the potential benefits and challenges associated with any proposed partnership will depend on the specifics of the arrangement, it is possible to highlight some of the potential benefits and challenges that might be expected based on the literature and similar efforts in Texas and other states.

Overall, DSHS identified a number of benefits stemming from collaboration, including:

- Improving staff recruitment and retention
- Providing training and staff development
- Integrating services through leveraging of existing resources and relationships
- Increasing focus on best practices
- Enhancing service delivery through innovation

However, collaboration may present a number of programmatic and administrative challenges that will need careful consideration. Successful partnerships also require strong and committed leadership, shared goals, an environment of mutual respect and trust, the ability to integrate the

expertise and experience of both institutions, and a durable organizational structure with clear mechanisms for communication and problem solving.

Two key tangible elements were identified as potential barriers.

- **Facilities.** The poor condition of some of the existing state hospitals may deter university affiliation.
- **Funding.** Universities require agreements that do not place them at risk of financial loss, and adequate resources are a key ingredient in any successful partnership. At this time, it is unclear whether any state-university partnership can be established without additional funding and a clear pathway towards long-term fiscal stability.

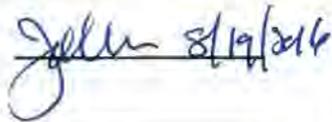
This version of the report has been reviewed by the Office of Mental Health Coordination, DSHS Deputy Commissioner, DSHS Government Affairs, Dr. Lakey, and university representatives who submitted preliminary proposals that are highlighted in the body of this report.

Government Affairs Comment:

Jordan Hill has reviewed and approved.

Commissioner's Decision

Approve

 8/19/2016

Disapprove

Modify

Needs More Discussion

Pend for Future Consideration

cc: Jennifer Sims, Associate Commissioner

Attachments

DSHS Report Rider 86a
Transmittal letters

Cc: Mike Maples, Deputy Commissioner