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An Audit Report on

# **Community Mental Health Mental Retardation Centers' Expenditures**

August 2006  
Report No. 06-061



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### Overall Conclusion

While auditors identified questionable expenditures at the two community mental health mental retardation centers we visited, those expenditures were not significant. However, there are opportunities for the Department of Aging and Disability Services (DADS), the Department of State Health Services (DSHS), and the Health and Human Services Commission (HHSC) to improve their financial oversight of community mental health mental retardation centers. Specifically:

- DADS, DSHS, and HHSC have not defined in a written agreement each agency's responsibilities for financial monitoring of community mental health mental retardation centers. These three agencies perform one or more financial oversight functions related to community mental health mental retardation centers. Without a written agreement, some aspects of financial monitoring could be overlooked.
- DADS has not established a financial monitoring function to ensure that community mental health mental retardation centers are spending state funds as intended for mental retardation services.
- DSHS has established a financial monitoring function to ensure that community mental health mental retardation centers are spending state funds as intended for mental health services. However, it should improve certain aspects of that function. For example, DSHS did not enforce compliance with a contract provision that required centers to separately account for each source of funds.

#### Background Information

There are 39 community mental health mental retardation centers in Texas. Two additional centers provide only mental retardation services. DADS is responsible for monitoring mental retardation services, and DSHS is responsible for monitoring mental health services.

In fiscal year 2005:

- The centers received \$283 million in General Revenue for mental health services and \$104 million in General Revenue for mental retardation services.
- The centers provided mental health services to 185,589 clients and mental retardation services to 31,264 clients.

The centers receive state funds (General Revenue), federal funds (grants, Medicaid, Medicare), and local funds. They also contract with other entities, such as local and county jails, the Department of Assistive and Rehabilitative Services, and the Texas Correctional Office on Offenders with Medical or Mental Impairments, to provide mental health and mental retardation services.

At the two community mental health mental retardation centers auditors visited, state funds could not be isolated in centers' accounting records. Therefore, these

two centers did not comply with their fiscal year 2005 and 2006 contracts with DADS and DSHS, which required them to separately account for each source of funds.

HHSC has established adequate access and security controls for the Encounter Data Warehouse and the Client Assessment and Registration (CARE) System, which are the two automated systems that DADS and DSHS use to monitor community mental health mental retardation centers. However, HHSC should make certain improvements to further ensure data accuracy and protect the confidential and financial information in these systems from unauthorized and inappropriate use. Information in the Encounter Data Warehouse and CARE System is self-reported by the centers and not always accurate. In addition, DADS and DSHS do not always use this information to its full potential to monitor the centers. Without monitoring of this data, potential errors, fraud and abuse may not be identified.

## ***Key Points***

**DADS and DSHS should improve their financial monitoring of community mental health mental retardation centers.**

DADS, DSHS, and HHSC have not entered into a written agreement that defines each agency's responsibilities for financial monitoring. This could allow some aspects of financial monitoring to be overlooked. For example, none of the three agencies prepares and submits the summary of significant findings from community mental health mental retardation centers' annual financial audits to the Office of the Governor, the Legislative Budget Board, and the Legislative Audit Committee as required by Texas Health and Safety Code, Section 534.068.

DADS did not establish a financial monitoring function for community mental health mental retardation centers in fiscal year 2005 or the first half of fiscal year 2006. DADS relied on DSHS to perform on-site financial monitoring of the centers from March 2005 through August 2005. However, DADS has not used the results of these site visits in its financial oversight of the centers. It has not conducted any on-site financial monitoring visits in fiscal year 2006 and did not have any planned at the time of this audit.

DSHS established a financial monitoring function for community mental health mental retardation centers. However, opportunities exist for DSHS to improve this function. For example, DSHS did not enforce compliance with a contract provision that required centers to separately account for each source of funds.

**State funds could not be isolated in community mental health mental retardation centers' accounting records, but auditors did not identify any significant questionable expenditures.**

The two community mental health mental retardation centers we visited were spending funds as intended. However, auditors could not isolate state funds from other sources of funds in the centers' financial records. Therefore, these two centers did not comply with their fiscal years 2005 and 2006 contracts with DADS and DSHS, which required them to separately account for each source of funds.

At the two centers auditors visited, auditors identified questionable expenditures of \$44,499 for fiscal year 2005 (0.1 percent of these centers' total state funds) and \$15,237 for fiscal year 2006 (0.06 percent of these centers' total state funds). These funds were spent on items such as staff food and entertainment, employee incentives, company picnics, luncheons, and banquets.

**HHSC has established adequate controls for the Encounter Data Warehouse and the CARE System, but it should make certain improvements to both systems.**

Insufficient password security for the Encounter Data Warehouse increases the risk that passwords will not be kept confidential and that unauthorized users could modify or view the data in that system. In addition, a lack of segregation of duties for the Encounter Data Warehouse, insufficient monitoring of Encounter Data Warehouse user access, and programmers with access to live CARE System data increase the risk that accidental or intentional changes could be made to data.

Information in the Encounter Data Warehouse and the CARE System is self-reported by the centers and not always accurate. We analyzed Encounter Data Warehouse data for fiscal year 2005 and the first half of fiscal year 2006 and identified 16,676 service dates (3 percent of 581,213 service dates) for which the Encounter Data Warehouse indicates that individual clients received 33 or more hours of services in a single day. The Encounter Data Warehouse indicated that one of those clients received 1,494.67 hours of services in one day.

Our analysis of CARE System data for fiscal year 2005 and the first half of fiscal year 2006 determined that 3,203 (2 percent) of the 203,442 client Social Security numbers in the CARE System may not be correct. For example, we identified 728 Social Security numbers that have not been issued by the Social Security Administration or are in an invalid format.

## ***Summary of Management's Response***

DADS, DSHS, and HHSC agree with the findings and recommendations.

## ***Summary of Information Technology Review***

Information technology audit work focused on the controls over the Encounter Data Warehouse and the CARE System and the accuracy of data in those systems. HHSC maintains these two automated systems for DADS and DSHS to monitor community mental health mental retardation centers:

- The Encounter Data Warehouse maintains all service transactions provided by the centers and is used to determine whether centers meet their contractual requirements.
- The CARE System is used to assign and register clients to service packages. This system also maintains the centers' quarterly financial reports in the format prescribed by DADS and DSHS.

As discussed above, HHSC has established adequate access and security controls for the Encounter Data Warehouse and the CARE System. However, it should make certain improvements to further ensure data accuracy and protect the confidential and financial information in these systems from unauthorized and inappropriate use. Information in the Encounter Data Warehouse and CARE System is self-reported by the centers and not always accurate.

## ***Summary of Objective, Scope, and Methodology***

The audit objective was to determine whether DSHS and DADS are ensuring that community mental health mental retardation centers are spending state funds as intended by the Legislature.

The audit scope covered DADS's and DSHS's operations from September 1, 2004, (when these agencies were created by House Bill 2292, 78th Legislature, Regular Session) through February 28, 2006.

Because HHSC performs some limited financial oversight functions related to the centers and maintains two automated systems that DADS and DSHS use to monitor the centers, we also included HHSC in this audit.

The audit methodology consisted of conducting interviews; collecting and reviewing information; and performing tests, procedures, and analyses against predetermined criteria.

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# Detailed Results

## Chapter 1

### ***DADS and DSHS Should Improve Their Financial Monitoring of Community Mental Health Mental Retardation Centers***

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We did not identify significant questionable expenditures at the two community mental health mental retardation centers we visited. However, there are opportunities for the Department of Aging and Disability Services (DADS), the Department of State Health Services (DSHS), and the Health and Human Services Commission (HHSC) to improve their financial oversight of the community mental health mental retardation centers. Specifically:

- DADS, DSHS, and HHSC perform one or more financial oversight functions related to the centers. However, these agencies have not entered into a written agreement to establish lines of responsibility for financial oversight of the centers.
- DADS has not established a financial monitoring function.
- DSHS has established a financial monitoring function, but it should improve certain aspects of that function. For example, DSHS did not enforce compliance with a contract provision that required centers to separately account for each source of funds.

#### Chapter 1-A

### **DADS, DSHS, and HHSC Have Not Established a Written Agreement to Define Financial Monitoring Responsibilities**

DADS, DSHS, and HHSC have not defined in a written agreement each agency's responsibilities for financial monitoring of the community mental health mental retardation centers. Texas Government Code, Chapter 771, specifies that agencies cooperate through a written agreement, contract, or letters of agreement when they are providing services or resources to another agency.

DADS, DSHS, and HHSC drafted a memorandum of understanding in fiscal year 2005 but never executed it. DADS and DSHS are statutorily responsible for providing mental retardation and mental health services, respectively. Furthermore, DADS, DSHS, and HHSC perform one or more financial oversight functions related to monitoring of the community mental health mental retardation centers.

Without a written agreement, the lines of responsibility for financial oversight of community mental health mental retardation centers have not been defined. This could allow some aspects of financial monitoring to be overlooked. For

example, none of the three agencies performs the following types of financial oversight:

- Texas Health and Safety Code, Section 534.068, requires that a summary of significant findings from the centers' annual financial audits be submitted to the Office of the Governor, the Legislative Budget Board, and the Legislative Audit Committee. DADS, DSHS, and HHSC have not submitted the required report because they have not determined which agency will be responsible for submitting it. The report was last submitted in fiscal year 2004, prior to the consolidation of the health and human services agencies.
- DADS, DSHS, and HHSC do not monitor or evaluate the level of access and security that community mental health mental retardation centers request for their employees who use the State's Client Assessment and Registration (CARE) System. As a result, none of these agencies determines whether the centers have established proper segregation of duties and appropriate access to this system.
- DADS, DSHS, and HHSC do not provide regular CARE System training to the users at the community mental health mental retardation centers. Training helps ensure that the centers are providing complete and accurate information to the State.

In addition, DADS and DSHS have not effectively coordinated and communicated their monitoring functions. For example, DADS staff informed auditors that DSHS performed on-site financial monitoring of mental retardation funds during its fiscal year 2005 site visits for mental health funding. DSHS staff informed auditors that DSHS had performed on-site monitoring of mental retardation funds at one community mental health mental retardation center requested by DADS. However, our review of DSHS site visit documentation and documentation from the external firm DSHS contracted with to conduct site visits indicated that monitoring of mental retardation funds did occur for other centers.

## Recommendations

DADS, DSHS, and HHSC should:

- Develop and execute a written agreement that outlines each agency's responsibilities for financial monitoring of community mental health mental retardation centers.
- Coordinate with each other and determine which agency or agencies will be responsible for financial monitoring of community mental health mental retardation centers, including:



- ♦ Reporting significant findings from the centers' annual financial audits to the Office of the Governor, the Legislative Budget Board, and the Legislative Audit Committee.
- ♦ Evaluating the levels of access and security the centers request for their users of the CARE System.
- ♦ Providing regular CARE System training to users at the centers.

#### Management's Response from HHSC

*DADS, DSHS, and HHSC will coordinate to determine specific agency responsibilities for financial monitoring of community MHMR centers, to include responsibility for reporting significant findings from the centers' annual financial audits to the Office of the Governor, the Legislative Budget Board, and the Legislative Audit Committee. The agencies will then coordinate to finalize a written agreement or policy to document those responsibilities.*

*Similarly, the agencies will coordinate to determine and document responsibilities for access, security, and training concerning CARE.*

*Estimated Completion Date:*

*March 2007*

*Title of Responsible Person:*

*DADS – Section Director, Mental Retardation Authorities*

*DSHS – Director of Contract Oversight and Support*

*HHSC – Director of Client Server Systems/Enterprise Applications, HHS Enterprise IT*

#### Management's Response from DADS

*DADS agrees with the findings and recommendations.*

*DADS will work with DSHS and HHSC to develop a written agreement outlining each agency's responsibilities for financial monitoring of community mental health mental retardation centers.*

*The agencies will coordinate and determine which agency will be responsible for financial monitoring of community MHMR centers to include reporting significant findings from the centers' annual financial audits to the Office of the Governor, the Legislative Budget Board, and the Legislative Audit*

*Committee. Similarly, the agencies will coordinate and determine responsibility for access, security and training concerning CARE.*

*Person Responsible: Section Director, Mental Retardation Authorities*

*Time Line: Estimated completion; February 28, 2007*

Chapter 1-B

## **DADS Should Establish a Financial Monitoring Function for Community Mental Health Mental Retardation Centers**

DADS has not established a financial monitoring function for fiscal year 2005 or the first half of fiscal year 2006 to ensure that community mental health mental retardation centers are spending state funds as intended for mental retardation services. Staff to perform on-site financial monitoring were transferred from the HHSC Office of Inspector General (OIG) to DSHS in fiscal year 2005. One staff position was later transferred to DADS in fiscal year 2006. According to DADS, the transfer contributed to its inability to monitor the centers because, although it received a position, it did not receive the staff person or the budget for that position. This required DADS to hire and train staff.

Because DSHS did receive financial monitoring staff in the transfer, DADS relied on DSHS to perform on-site financial monitoring of community mental health mental retardation centers from March 2005 through August 2005. DSHS reviewed the use of state funds for mental retardation services during its on-site monitoring, but DADS has not used the results of these site visits in its financial oversight of the centers. In addition, DADS has not conducted any on-site financial monitoring visits in fiscal year 2006 and it did not have any planned at the time of this audit.

Although DADS has not established a financial monitoring function, it performed limited monitoring activities in fiscal year 2005 and the first half of fiscal year 2006. Specifically, it:

- Tracked and compared funds allocated to the centers against funds that centers reported they had spent.
- Assessed and collected penalties in fiscal year 2006 from centers for noncompliance with contract terms (such as improper waiting list maintenance and submission of inaccurate encounter data). DSHS assessed and collected penalties for DADS in fiscal year 2005 (see Chapter 1-C for more detail on penalties DSHS assessed).

## Recommendations

DADS should:

- Develop and implement a comprehensive financial monitoring function to ensure that community mental health mental retardation centers spend state funds as intended. Financial monitoring activities could include the following:
  - ♦ Review of the centers' quarterly financial statements.
  - ♦ Risk assessment to identify high-risk centers.
  - ♦ On-site monitoring visits.
  - ♦ Follow-up on findings from on-site monitoring visits and centers' annual financial audits.
- Document and implement formal policies and procedures for the comprehensive financial monitoring function.
- Coordinate with DSHS and HHSC when establishing a financial monitoring function to ensure that no aspects of the monitoring function are overlooked or duplicated.

## Management's Response

*DADS agrees with the findings and recommendations. The MRA Section will coordinate with DSHS to ensure a comprehensive fiscal oversight function for community mental health mental retardation centers is developed and implemented that includes:*

- *The review of centers quarterly financial statements*
- *Performance of an annual risk assessment to identify centers who are high-risk*
- *Based on the annual risk assessment performance of on-site monitoring*
- *Follow-up on findings from on-site monitoring visits and the centers' annual financial audits*
- *Documenting and implementing formal procedures for the financial monitoring function.*

*Additionally, DADS will coordinate with DSHS and HHSC to ensure no aspects of the financial monitoring function are overlooked.*

*Person Responsible: Section Director, Mental Retardation Authorities*

*Time Line: February 28, 2007*

Chapter 1-C

## **DSHS Should Improve Certain Aspects of Its Financial Monitoring Function for Community Mental Health Mental Retardation Centers**

DSHS established a financial monitoring function for community mental health mental retardation centers to ensure that centers spend state funds as intended for mental health services. However, opportunities exist for DSHS to improve this function. For example:

- DSHS does not enforce compliance with a specific requirement in its fiscal year 2005 and 2006 contracts with the centers. The contracts require centers to use fund accounting when recording expenditures so that state funds could be isolated in centers' accounting records. DSHS's fiscal year 2005 on-site monitoring documentation shows that it was aware of the contract requirement, but this documentation did not address whether the centers complied with the requirement. DSHS's reports to the centers also did not address whether the centers complied with the requirement. According to DSHS, DADS, and center staff, historically the centers have not been required to comply with this contract requirement.
- On a quarterly basis, DSHS receives financial information that centers input into the CARE System. DSHS could use this information throughout the fiscal year to monitor the centers' expenditures. However, DSHS uses this information only annually to track and compare funds allocated to the centers against funds that centers reported they had spent.
- DSHS did not have updated policies and procedures for its financial monitoring function. It operated using policies and procedures from the former Department of Mental Health and Mental Retardation (whose responsibilities were transferred to DSHS and DADS after it was abolished). As a result, various sections responsible for carrying out the financial monitoring function within DSHS did not always have an understanding of each others' duties and responsibilities. This could have allowed monitoring activities to be overlooked or duplicated. During our audit, DSHS was drafting updated policies and procedures.

DSHS has performed the following fiscal oversight activities in fiscal year 2005 and the first half of fiscal year 2006:

- Assessed and collected penalties from centers for noncompliance with contract terms, such as failure to submit documentation and failure to provide required services. DSHS collected almost \$2 million in penalties for fiscal year 2005 and the first half of 2006.

DSHS waived \$2.7 million in penalties for the first half of fiscal year 2005 because the Resiliency Disease Management Program was implemented with no additional funding to the centers and increased service targets. In fiscal year 2006, it waived \$396,588 in penalties for which a majority was for centers affected by hurricanes.

- Calculated financial ratios from the centers' quarterly and annual financial statements.
- Conducted ten on-site financial monitoring visits of centers in fiscal year 2005. At the time of the State Auditor's Office's audit, DSHS had not conducted any on-site financial monitoring visits in fiscal year 2006, but it had six site visits planned. According to DSHS, this was due to confusion associated with the fact that DSHS and DADS began having separate contracts with the centers in fiscal year 2006. Prior to fiscal year 2006, DSHS and DADS had joint contracts with the centers to provide mental health and mental retardation services. In May 2006, DSHS executed a contract with an external firm to conduct on-site monitoring visits at these six centers.

## Recommendations

DSHS should:

- Amend its contracts with community mental health mental retardation centers or enforce its contract requirement requiring centers to use fund accounting when recording expenditures.
- Monitor financial information the centers enter into the CARE System and quarterly financial statements the centers prepare.
- Finalize and implement the updated policies and procedures for all divisions involved in financial monitoring of community mental health mental retardation centers.

## Management's Response

*DSHS concurs with the recommendations and intends to:*

- *Continue working with DADS to ensure that one method of accounting is specified between the agencies that will comply with applicable accounting standards and Uniform Grant Management Standards (UGMS);*
- *Evaluate financial information provided by the centers to enhance DSHS's ability to monitor their operations;*

- *Complete and implement policies and procedures for all divisions involved in financial monitoring of the centers.*

*Person Responsible:*

*Director, Contract Oversight & Support*

*Manager, Contracts Management Unit*

*Time Line: 09/01/07*

## ***State Funds Could Not Be Isolated in Community Mental Health Mental Retardation Centers' Accounting Records, But Auditors Did Not Identify Any Significant Questionable Expenditures***

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The two community mental health mental retardation centers we visited were spending funds as intended. However, auditors could not isolate state funds from other sources of funds in the centers' financial records. Therefore, these two centers were not in compliance with their contracts with DADS and DSHS for fiscal years 2005 and 2006, which required them to separately account for each source of funds. Separately accounting for each source of funds would have allowed auditors to isolate the funding sources for specific expenditures. Two other centers auditors contacted also indicated that their financial records could not identify specific expenditures made with state funds. As discussed in Chapter 1, DADS and DSHS have neither changed this contract requirement nor ensured that the centers comply with this requirement.

The two centers auditors visited receive funds from various sources including federal, state, and local. Each source of funding has different rules and restrictions on how the funds may be used. Auditors concluded that the two centers we visited were spending funds as intended because of the following:

- Total expenditures in the CARE System for these centers matched information in these centers' general ledgers and audited annual financial reports.
- The methodology each of these two centers used to allocate expenditures for reporting purposes was reasonable. However, it does not meet DADS's and DSHS's contract requirements (as discussed above).
- A review of the centers' expenditures from fiscal year 2005 through February 28, 2006, from all funding sources did not identify any significant questionable expenditures. All expenditures were reviewed because state funding sources could not be isolated. Although we identified questionable expenditures that would not be allowable under state funding restrictions, they were not material to the total state funds allocated to the two centers. For example:
  - ♦ At one of the two centers auditors visited, auditors identified questionable expenditures of \$34,762 for fiscal year 2005 (0.12 percent of this center's total state funds) and \$12,641 for fiscal year 2006 (0.07 percent of this center's total state funds). These funds were spent on items such as staff food and entertainment, employee incentives, company picnics, luncheons, and banquets.

- ♦ At the other center auditors visited, auditors identified questionable expenditures of \$9,737 for fiscal year 2005 (0.07 percent of this center's total state funds) and \$2,596 for fiscal year 2006 (0.03 percent of this center's total state funds). These funds were spent on items, such as a corporate table for an annual banquet and pizza for staff meetings.

## Recommendations

### DADS should:

- Review applicable standards and requirements and determine which method of accounting for expenditures it will require community mental health mental retardation centers to use.
- Coordinate with DSHS to ensure that community mental health mental retardation centers will not be required to use two different methods of accounting for state funds.
- If necessary, amend its contracts with community mental health mental retardation centers to require the method of accounting it determines centers should use.

### DSHS should:

- Review applicable standards and requirements and determine which method of accounting for expenditures it will require community mental health mental retardation centers to use.
- Coordinate with DADS to ensure that community mental health mental retardation centers will not be required to use two different methods of accounting for state funds.
- If necessary, amend its contracts with community mental health mental retardation centers to require the method of accounting it determines centers should use.

## Management's Response from DADS

*DADS agrees with the findings and recommendations.*

*The MRA Section will make a determination on the accounting method the community mental health mental retardation centers will be required to use. DADS will coordinate with DSHS to ensure centers will not be required to use two different accounting methods and will amend performance contracts, as necessary.*



*Person Responsible: Section Director, Mental Retardation Authorities*

*Time Line: Estimated completion; February 28, 2007*

**Management's Response from DSHS**

*DSHS concurs with the recommendations and intends to:*

- *Continue working with DADS to make a joint determination on the accounting method the community MHMR centers will be required to use and ensure that one method of accounting is specified between the agencies that will comply with applicable accounting standards and Uniform Grant Management Standards (UGMS).*

*Person Responsible:*

*Director, Contract Oversight & Support*

*Manager, Contracts Management Unit*

*Time Line: 09/01/07*

## ***HHSC Has Established Adequate Controls for the Encounter Data Warehouse and the CARE System, But It Should Make Certain Improvements to Both Systems***

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### **Data Systems**

HHSC maintains two automated systems for DADS and DSHS to monitor community mental health mental retardation centers:

- The Encounter Data Warehouse maintains all service transactions provided by the centers and is used to determine whether centers meet their contractual requirements.
- The CARE System is used to assign and register clients to service packages. This system also maintains the centers' quarterly financial reports in the format prescribed by DADS and DSHS.

HHSC has established adequate access and security controls for the Encounter Data Warehouse and the CARE System. DADS and DSHS use these automated systems to monitor community mental health mental retardation centers (see text box for details).

However, HHSC should make certain improvements to further ensure data accuracy and protect the confidential and financial information in these systems from unauthorized and inappropriate use. Information in the Encounter Data Warehouse and CARE System is self-reported by the centers and not always accurate. In addition, DADS and DSHS do not always use this information to its full potential to monitor the centers. Without monitoring of this data, potential errors, fraud and abuse may not be identified.

### Chapter 3-A

## **HHSC Should Strengthen Controls in the Encounter Data Warehouse and the CARE System to Reduce the Risk of Inappropriate and Unauthorized Use of Information**

Insufficient password security for the Encounter Data Warehouse increases the risk that passwords will not be kept confidential and that unauthorized users could modify or view the data in that system. In addition, a lack of segregation of duties for the Encounter Data Warehouse, insufficient monitoring of Encounter Data Warehouse user access, and programmers with access to live CARE System data increase the risk that accidental or intentional changes could be made to data.

There are weaknesses in password security for the Encounter Data Warehouse. HHSC does not require Encounter Data Warehouse passwords to expire. It is considered both a good business practice and an industry standard to change passwords every 60 to 90 days. Allowing users to keep the same passwords indefinitely increases the risk that the passwords will not be kept confidential and, therefore, that unauthorized users could access the system.

In addition, HHSC does not require passwords for the Encounter Data Warehouse to be sufficiently complex. According to the Texas Department of Information Resources' *Practices for Protecting Information Resource Assets*, sufficiently complex passwords include numbers, special characters, and/or a combination of upper and lower-case characters. Using simple passwords

increases the risk that unauthorized users could access the system and make accidental or intentional changes to the data.

There is a lack of segregation of duties for the Encounter Data Warehouse. The programmer for the Encounter Data Warehouse is the primary contact for that system and also manages all changes to that system. HHSC does not require the programmer to obtain approval prior to making changes to that system's data. This allows significant changes to be made without any supervisor oversight, which could result in accidental or intentional changes to the data. Title 1, Texas Administrative Code, Section 202.25 (6)(A), requires test functions to be kept separate from production functions. Therefore, a person independent of the programmer should manage the system or approve all changes.

In addition, there currently is only one person at HHSC who has the specific Encounter Data Warehouse knowledge necessary to manage and make programming changes, and that person is a contractor. HHSC has recently hired a second person to manage and program for the Encounter Data Warehouse, but this person's knowledge of the system is limited. Although HHSC has hired a second person, the lack of segregation of duties still exists.

There are weaknesses in user access to the Encounter Data Warehouse. HHSC relies on supervisors in the community mental health mental retardation centers to notify it when additions, changes, or deletions need to be made to users' access to the Encounter Data Warehouse. DADS, DSHS, or HHSC do not have an automated process to routinely verify changes in employees' status or job responsibilities at the centers. HHSC performs a manual process every six months to review users who have never logged into the system and users who have not logged into the system in the past six months. However, this process does not identify changes or deletions that should be made to users' access as a result of changes to their job responsibilities or the termination of their employment.

Title 1, Texas Administrative Code, Section 202.25 (3)(B), requires that a user's access be appropriately changed or removed when the user's employment status or job responsibilities change. Encounter Data Warehouse user access is set up so centers can view and transmit only their own data. However, if a center does not update its Encounter Data Warehouse user access, it is possible that former employees could go to work at other centers and continue to have access to view the previous center's data. Not regularly updating users' access increases the risk that unauthorized users could access and view data in the Encounter Data Warehouse.

There is a lack of segregation of duties for the CARE System. CARE System programmers have access to live data and can make changes to that data. These changes could affect the overall structure of the CARE System and could lead to production problems or inconsistencies in data and formats.

Title 1, Texas Administrative Code, Section 202.25 (6)(A), requires test functions to be kept separate from production functions. Therefore, programmers should have access only to test environments, and a person independent of the programmer should approve or make all changes to live data. Allowing programmers to access live data increases the risk of accidental or intentional changes being made to the data. The CARE System creates an audit file of unusual activities in the system, but HHSC does not review this file on a regular basis.

## Recommendations

HHSC should:

- Require Encounter Data Warehouse passwords to expire.
- Increase the complexity of Encounter Data Warehouse passwords by requiring them to include special characters, numbers, and a mix of upper and lower-case alpha characters.
- Require Encounter Data Warehouse programmers to obtain approval from management before making changes in the system.
- Regularly update Encounter Data Warehouse users' access. This could be done by implementing an automated or manual process to verify changes in employees' status or job responsibilities at community mental health mental retardation centers.
- Restrict CARE System programmers' access to only test environments. Alternatively, HHSC could implement a compensating control requiring programmers to obtain approval from management before making changes in the CARE System.
- Regularly review the audit file of unusual activities in the CARE System and investigate and resolve any issues identified.

## Management's Response

*HHS Enterprise IT will modify Encounter Data Warehouse system parameters to force user password changes every 90 days.*

*Estimated Completion Date:*

*September 2006*

*Title of Responsible Person:*

*Director of Infrastructure Management and Operations, HHS Enterprise IT*

*The current Encounter Data Warehouse software does not have the functionality to require password complexity. HHS Enterprise IT is planning to implement identity management for information systems, which will provide appropriate password complexity for access to the systems. The scheduling of the Encounter Data Warehouse for transition to the identity management solution will be completed by March 31, 2007. Once the Encounter Data Warehouse is included under identity management, password complexity requirements can be met.*

*Estimated Completion Date:*

*August 2007*

*Title of Responsible Person:*

*Director of Infrastructure Management and Operations, HHS Enterprise IT*

*The assigned data owner of the Encounter Data Warehouse has identified the scope of changes requiring notification and authorization and has designated appropriate authorizing parties for those changes. Formal procedures will be implemented to ensure that appropriate approval is obtained before modifications are made to the system. These procedures have been drafted and are in the process of being approved.*

*Estimated Completion Date:*

*September 2006*

*Title of Responsible Person:*

*Director of Infrastructure Management and Operations, HHS Enterprise IT*

*HHS Enterprise IT will communicate to DADS and DSHS the specific information it needs to appropriately maintain users' access to the Encounter Data Warehouse, and the frequency with which the information should be reported. This information should include transfers, changes in job responsibilities, terminations, and periodic verification of access rights for current users. Once processes are in place to ensure accurate and timely information is provided to HHS Enterprise IT, it will use this information to ensure users' access rights are appropriately maintained.*

*Estimated Completion Date:*

*December 2006*

*Title of Responsible Person:*

*Director of Architecture and Security Management, HHS Enterprise IT*

*Current resource limitations do not allow for the complete segregation of the test and production environments supporting the CARE System. As a compensating control, HHS Enterprise IT will implement formal procedures for management review of planned system modifications through a Client Management Systems Change Control Board composed of stakeholders at DSHS, DADS and HHS Enterprise IT. For unplanned or emergency modifications, a formal procedure will be established to ensure that appropriate management approval is obtained and documented before changes are made to the system.*

*Estimated Completion Date:*

*December 2006*

*Title of Responsible Person:*

*Director of Client Server Systems/Enterprise Applications, HHS Enterprise IT*

*HHS Enterprise IT will brief the Change Control Board (CCB) on unusual or suspicious activities identified during review of audit files. The CCB will provide guidance regarding disposition or referral of issues for resolution.*

*Estimated Completion Date:*

*September 2006*

*Title of Responsible Person:*

*Director of Client Server Systems/Enterprise Applications, HHS Enterprise IT*

Chapter 3-B

### **Information in the Encounter Data Warehouse and the CARE System Information Is Not Always Accurate, and DADS and DSHS Do Not Use This Information to Its Full Potential**

Information in the Encounter Data Warehouse and the CARE System is self-reported by the centers and not always accurate. In addition, DADS does not use the Encounter Data Warehouse to monitor community mental health mental retardation centers. DSHS uses the Encounter Data Warehouse to monitor whether community mental health mental retardation centers are meeting their contractual requirements; however, it does not appear to use the Encounter Data Warehouse to its full potential.

Without monitoring of data in the Encounter Data Warehouse and the CARE System, potential errors, fraud, and abuse could go undetected. For example:

- DADS and DSHS do not use the Encounter Data Warehouse to monitor whether community mental health mental retardation centers are appropriately recording service hours. We analyzed Encounter Data Warehouse data for fiscal year 2005 and the first half of fiscal year 2006 and identified 581,213 service dates for which the Encounter Data Warehouse indicates that services provided to the clients exceeded 24 hours.

Seventy-nine percent of these 581,213 service dates exceeded 24 hours between 4 and 8 hours. According to DADS, DSHS, and HHSC, there are some residential services (for example, when an individual resides in a facility or group home or is in foster care) for which the service hours are automatically recorded as 24 hours. It is possible that a client who receives residential services could receive other services (such as therapy, help finding a job, and training classes), which would cause the client's cumulative service hours for a single day to exceed the 24 hours.

However, we also identified 16,676 service dates (3 percent of 581,213 service dates) for which the Encounter Data Warehouse indicates that individual clients received 33 or more hours of services in a single day (see Table 1). For one client, the Encounter Data Warehouse indicated that the client received 1,494.67 hours of services in one day.

Table 1

Encounter Data Warehouse Information For Service Dates on Which Individual Clients Received 33 or More Hours of Services in a Single Day	
Total Hours of Services Received in a 24-Hour Period	Number of Service Dates
33.00 - 48.99 hours	9,304
49.00 - 167.99 hours	6,699
168.00 - 359.99 hours	305
360.00 - 791.99 hours	365
792.00 - 935.99 hours	2
1,494.67 hours	1
<b>Total</b>	<b>16,676</b>

Source: Unaudited information from the Encounter Data Warehouse.

The Encounter Data Warehouse does not have an edit check or query for the service date that would monitor whether services exceed 24 hours. In addition, DADS, DSHS, and HHSC do not have any compensating controls to ensure community mental health mental retardation centers are appropriately recording the number of service hours. This increases the potential for errors, fraud, and abuse. Centers could be reporting

encounters more than once or inflating the number of the encounters they report to meet their contractual requirements and avoid penalties.

- DADS and DSHS do not use Social Security numbers in the CARE System to monitor for potential errors, fraud, and abuse. This information also could be used to verify that the cost of services for the clients are charged to the appropriate funding source, such as federal, state, or local. Our analysis of CARE System data for fiscal year 2005 and the first half of fiscal year 2006 determined that client information for 3,203 (2 percent) of the 203,442 client Social Security numbers in the CARE System do not correspond to the information provided by the U.S. Social Security Administration. For example, we identified:
  - ♦ 728 Social Security numbers that have not been issued by the Social Security Administration or have an invalid format.
  - ♦ 846 Social Security numbers that are assigned to CARE System clients where the names and birth dates do not match the Social Security Administration's data.
  - ♦ 68 Social Security numbers that were associated with individuals who were deceased prior to fiscal year 2005, but client records in the Encounter Data Warehouse indicate they received services in fiscal year 2005.

Auditors did not perform any additional testing on Social Security number analysis, but we provided the results to DADS, DSHS, and HHSC for further review.

The CARE System has minimal edit checks that review only the general logic of the Social Security number. This is because other client information is used to identify, register, and assign clients in the CARE System. The edit checks do not assess whether the Social Security number is in a valid format or has been issued by the Social Security Administration. There are also no compensating controls to ensure that the client's name and date of birth match the Social Security Administration's information.

Strengthening the Social Security number edit checks in the CARE System would provide community mental health mental retardation centers with another tool to properly verify that the cost of services for clients is charged to the appropriate funding source. Strengthening the edit checks would also help DADS and DSHS in monitoring for potential errors, fraud, and abuse.

Although we identified specific problems with data in the Encounter Data Warehouse, we also determined that, as a result of effective controls, other client information in that system was accurate. For example:



- The service time in the Encounter Data Warehouse was appropriately recorded as zero when the provider or client canceled the appointment or the client did not come to the appointment. This is occurring as a result of an edit check that ensures the service time is zero in these cases.
- The service time in the Encounter Data Warehouse for individual service codes did not exceed 24 hours. This is the result of an edit check that ensures each individual service entered into the system does not have a service time that exceeds 24 hours.

## Recommendations

DADS, DSHS, and HHSC should:

- Implement automated or manual controls to ensure the total number of service hours per day are recorded appropriately in the Encounter Data Warehouse.
- Use the Social Security numbers in the CARE System to monitor community mental health mental retardation centers for potential errors, fraud, and abuse.
- Strengthen Social Security number edit checks in the CARE System to aid in monitoring.

## Management's Response from HHSC

*HHSC will coordinate with DADS and DSHS to:*

- *Evaluate and, if necessary, develop controls over the number of service hours per day recorded in the Encounter Data Warehouse.*
- *Assess and determine the appropriate use of Social Security numbers in the CARE System to improve monitoring.*

*Based on the resulting control structure design, HHS Enterprise IT will provide reports and propose system changes necessary to assist DADS and DSHS in implementing the control structure.*

*Estimated Completion Date:*

*March 2007*

*Title of Responsible Person:*

*Encounter Data Warehouse – Director of Infrastructure Management and Operations, HHS Enterprise IT*

*CARE System – Director of Client Server Systems/Enterprise Applications,  
HHS Enterprise IT*

**Management's Response from DADS**

*DADS will work with HHSC to determine whether or not the recommended enhancements can be made as discussed in the audit report.*

*DADS will evaluate the use of Social Security numbers in monitoring the centers for potential errors, fraud and abuse.*

*Person Responsible: Section Director, Mental Retardation Authorities*

*Time Line: Estimated completion; February 28, 2007*

# Appendices

Appendix 1

## ***Objective, Scope, and Methodology***

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### **Objective**

The audit objective was to determine whether the Department of State Health Services (DSHS) and the Department of Aging and Disability Services (DADS) are ensuring that community mental health mental retardation centers are spending state funds as intended by the Legislature.

Because the Health and Human Services Commission (HHSC) performs some limited financial oversight functions related to the centers and maintains two automated systems that DADS and DSHS use to monitor the centers, we also included HHSC in this audit.

### **Scope**

The audit scope covered DADS's and DSHS's operations from September 1, 2004, (when these agencies were created by House Bill 2292, 78th Legislature, Regular Session) through February 28, 2006.

Because the Health and Human Services Commission (HHSC) performs some limited financial oversight functions related to the centers and maintains two automated systems that DADS and DSHS use to monitor the centers, we also included HHSC in this audit.

### **Methodology**

The audit methodology consisted of conducting interviews; collecting and reviewing information; and performing tests, procedures, and analyses against predetermined criteria.

Information collected and reviewed included the following:

- Interviews with staff at DADS and DSHS
- Interviews with staff at HHSC (including staff in the Office of the Inspector General)
- Interviews with staff at four community mental health mental retardation centers
- Documentary evidence such as:
  - ♦ Applicable statutes and guidelines

- ♦ DSHS's contract oversight and support section policies and procedures
- ♦ DADS's and DSHS's contracts for fiscal years 2005 and 2006 with community mental health mental retardation centers
- ♦ DSHS's on-site monitoring visit reports and related documentation
- ♦ On-site monitoring visit reports and related documentation prepared by the external firm with which DSHS contracted
- ♦ Financial records and transaction history for fiscal years 2005 and the first half of 2006 and the fiscal year 2005 annual financial report for the two community mental health mental retardation centers visited
- ♦ DADS's and DSHS's *Cost Accounting Methodology Manual*
- ♦ DSHS's fiscal years 2005 and 2006 risk assessment and work plan for community mental health mental retardation centers
- ♦ Data for community mental health mental retardation centers from HHSC information systems

Procedures and tests conducted included the following:

- Reviewed and analyzed applicable statutes and guidelines
- Reviewed and analyzed DSHS's contract oversight and support section policies and procedures related to the community mental health mental retardation centers
- Reviewed and analyzed DADS's and DSHS's fiscal years 2005 and 2006 contracts with community mental health mental retardation centers
- Reviewed and analyzed DSHS's risk assessment processes and resulting work plans for fiscal years 2005 and 2006
- Selected and reviewed a sample of DSHS's fiscal year 2005 on-site monitoring visit reports of the community mental health mental retardation centers for findings and recommendations
- Selected and reviewed a sample of working papers from DSHS's fiscal year 2005 on-site monitoring visits of the community mental health mental retardation centers
- Selected and reviewed a sample of on-site monitoring visit reports for findings and recommendations prepared by the external firm with which DSHS contracted in fiscal year 2005
- Selected and reviewed a sample of working papers prepared by the external firm with which DSHS contracted in fiscal year 2005 to conduct

on-site monitoring visits of the community mental health mental retardation centers

- Reviewed and analyzed the fiscal year 2005 annual financial report for the two community mental health mental retardation centers' we visited
- Reviewed and analyzed data from HHSC's information systems
- Selected a sample of 261 expenditures at the two community mental health mental retardation centers visited to determine whether expenditures were allowable and accurate
- Reviewed and analyzed minutes from the Performance Contract Oversight Committee, which comprised staff from both DSHS and DADS staff, for fiscal year 2005

Criteria used included the following:

- Governor's Office of Budget and Planning Uniform Grant Management Standards
- Office of Management and Budget Circulars A-87 and A-133
- Texas Government Code, Chapters 531, 771, 2254 and 2262
- Texas Health and Safety Code, Chapter 534
- Title 1, Texas Administrative Code, Chapter 202
- Department of Information Resources' *Practices for Protecting Information Resource Assets*
- House Bill 2292, 78th Legislature, Regular Session
- DADS's and DSHS's contracts for fiscal years 2005 and 2006 with community mental health mental retardation centers
- Texas Building and Procurement Commission's *Purchasing Guide*
- Texas Building and Procurement Commission's *Contract Management Guide*

## Project Information

Audit fieldwork was conducted from April 2006 through July 2006. This audit was conducted in accordance with generally accepted government auditing standards.

The following members of the State Auditor's staff performed the audit:

- Kimberlee McDonald, CGAP (Project Manager)
- Brianna Lehman (Assistant Project Manager)
- Ileana Barboza, MBA, CGAP
- Nicole Elizondo
- Catherine K. Fallon, MPAff
- Joe Lawson, CPA
- Karen Smith
- Lisa M. Thompson
- Marlen Randy Kraemer, MBA, CISA (Information Systems Auditor)
- Serra Tamur, MPAff, CISA, CIA (Information Systems Auditor)
- Dennis Ray Bushnell, CPA (Quality Control Reviewer)
- Nicole M. Guerrero, MBA, CGAP (Audit Manager)

## ***Allocations of State Funds to and Expenditures From All Funding Sources by Community Mental Health Mental Retardation Centers***

Table 2 presents allocations of state funds to and expenditures from all funding sources made by each community mental health and mental retardation center in fiscal year 2005.

Table 2

Allocations of State Funds to Community Mental Health Mental Retardation Centers And Expenditures Community Mental Health Mental Retardation Centers Made from All Funding Sources Fiscal Year 2005						
Center and Location	Amount of State Funds Allocated			Expenditures Made from All Funding Sources <sup>a</sup>		
	Allocated by DADS for Mental Retardation Services	Allocated by DSHS for Mental Health Services	Total	Mental Retardation Services	Mental Health Services	Total
Anderson/Cherokee Jacksonville	\$ 1,548,755	\$ 2,601,471	\$ 4,150,226	\$ 3,139,777	\$ 2,704,907	\$ 5,844,684
Andrews Center Tyler	1,922,164	5,200,944	7,123,108	9,084,946	5,854,920	14,939,866
Austin-Travis County MHMR Center Austin	4,336,165	10,356,925	14,693,090	5,493,640	13,878,560	19,372,200
Betty Hardwick Center Abilene	1,202,296	2,804,263	4,006,559	3,780,240	4,147,491	7,927,731
Bluebonnet Trails Community MHMR Center Round Rock	4,130,225	7,997,661	12,127,886	8,991,993	9,732,262	18,724,255
Border Region MHMR Center Laredo	1,923,341	5,588,577	7,511,918	4,005,259	6,777,521	10,782,780
Brazos Valley, MHMR Authority of Bryan	1,250,959	3,689,092	4,940,051	2,828,558	4,614,097	7,442,655
Burke Center Lufkin	1,466,191	5,345,965	6,812,156	6,616,745	7,212,028	13,828,773
Camino Real Community MHMR Center Lytle	2,004,752	4,059,981	6,064,733	5,709,361	5,800,542	11,509,903
Center for Health Care Services, The San Antonio	5,067,204	16,928,740	21,995,944	9,871,232	21,605,847	31,477,079

**Allocations of State Funds to Community Mental Health Mental Retardation Centers  
And Expenditures Community Mental Health Mental Retardation Centers Made from All Funding Sources  
Fiscal Year 2005**

Center and Location	Amount of State Funds Allocated			Expenditures Made from All Funding Sources <sup>a</sup>		
	Allocated by DADS for Mental Retardation Services	Allocated by DSHS for Mental Health Services	Total	Mental Retardation Services	Mental Health Services	Total
Center for Life Resources, The Brownwood	810,460	2,085,693	2,896,153	2,820,710	2,566,372	5,387,082
Central Counties Center for MHMR Services Temple	1,629,719	4,896,968	6,526,687	3,256,196	5,064,969	8,321,165
Central Plains Center Plainview	657,256	1,787,530	2,444,786	1,625,380	2,020,411	3,645,791
Coastal Plains Community MHMR Center Portland	1,817,031	5,943,420	7,760,451	3,285,360	6,745,100	10,030,460
Concho Valley, MHMR Services for the San Angelo	937,493	2,107,145	3,044,638	2,842,951	2,803,326	5,646,277
Dallas Metrocare Services <sup>b</sup> Dallas	8,924,005	-	8,924,005	12,985,030	-	12,985,030
Denton County MHMR Center Denton	2,363,803	4,395,069	6,758,872	6,924,148	4,924,349	11,848,497
El Paso MHMR El Paso	1,981,782	12,033,638	14,015,420	3,789,521	15,863,674	19,653,195
Gulf Bend MHMR Center Victoria	418,670	2,674,758	3,093,428	3,391,838	3,836,792	7,228,630
Gulf Coast Center, The Galveston	2,137,435	9,399,504	11,536,939	2,601,500	12,350,855	14,952,355
Harris County, MHMR Authority of Houston	10,512,395	52,564,690	63,077,085	16,846,563	81,797,884	98,644,447
Heart of Texas Region MHMR Center Waco	2,240,864	3,884,212	6,125,076	7,121,792	5,899,662	13,021,454
Helen Farabee Regional MHMR Centers Wichita Falls	1,659,898	7,335,989	8,995,887	3,814,701	7,703,105	11,517,806



**Allocations of State Funds to Community Mental Health Mental Retardation Centers  
And Expenditures Community Mental Health Mental Retardation Centers Made from All Funding Sources  
Fiscal Year 2005**

Center and Location	Amount of State Funds Allocated			Expenditures Made from All Funding Sources <sup>a</sup>		
	Allocated by DADS for Mental Retardation Services	Allocated by DSHS for Mental Health Services	Total	Mental Retardation Services	Mental Health Services	Total
Hill Country Community MHMR Center Kerrville	2,765,184	7,232,828	9,998,012	9,221,607	10,375,646	19,597,253
Johnson-Ellis-Navarro MHMR Services Cleburne	1,912,785	1,660,808	3,573,593	5,019,330	1,857,653	6,876,983
Lakes Regional MHMR Center Terrell	2,026,388	5,092,532	7,118,920	6,231,212	9,236,246	15,467,458
Lifepath Systems <sup>b</sup> McKinney	968,952	-	968,952	3,896,961	-	3,896,961
Lubbock Regional MHMR Center Lubbock	1,817,436	7,472,119	9,289,555	7,691,468	10,041,157	17,732,625
Northeast Texas MHMR Center Texarkana	796,823	1,806,727	2,603,550	1,944,836	2,397,049	4,341,885
Nueces County, MHMR Center of Corpus Christi	868,157	4,521,674	5,389,831	4,093,746	6,514,891	10,608,637
Pecan Valley MHMR Region Stephenville	336,289	2,971,580	3,307,869	2,302,791	3,570,657	5,873,448
Permian Basin Community Centers for MHMR Midland	1,362,602	5,317,914	6,680,516	4,161,319	5,984,713	10,146,032
Sabine Valley Center Longview	1,035,363	5,621,830	6,657,193	4,755,631	7,082,233	11,837,864
Spindletop MHMR Services Beaumont	4,845,884	7,209,034	12,054,918	10,274,389	11,892,885	22,167,274
Tarrant County, MHMR of Fort Worth	9,115,655	20,105,163	29,220,818	20,051,352	28,677,276	48,728,628
Texana MHMR Center Rosenberg	3,744,212	7,310,305	11,054,517	16,638,315	7,707,683	24,345,998

**Allocations of State Funds to Community Mental Health Mental Retardation Centers  
And Expenditures Community Mental Health Mental Retardation Centers Made from All Funding Sources  
Fiscal Year 2005**

Center and Location	Amount of State Funds Allocated			Expenditures Made from All Funding Sources <sup>a</sup>		
	Allocated by DADS for Mental Retardation Services	Allocated by DSHS for Mental Health Services	Total	Mental Retardation Services	Mental Health Services	Total
Texas Panhandle MHMR Amarillo	4,641,260	5,705,285	10,346,545	9,691,778	6,473,365	16,165,143
Texoma, MHMR Services of Sherman	1,021,438	2,271,470	3,292,908	2,492,803	3,643,631	6,136,434
Tri-County MHMR Services Conroe	1,833,119	5,527,721	7,360,840	6,223,612	8,895,923	15,119,535
Tropical Texas Center for MHMR Edinburg	2,570,408	13,493,671	16,064,079	4,426,499	13,899,525	18,326,024
West Texas Centers for MHMR Big Spring	1,470,813	5,796,500	7,267,313	6,290,314	6,577,730	12,868,044
Totals	\$ 104,075,631	\$ 282,799,396	\$ 386,875,027	\$ 256,235,404	\$ 378,732,937	\$ 634,968,341

<sup>a</sup> Expenditures for the community mental health mental retardation centers exceed the amounts allocated for state funding because mental retardation and mental health services receive funds from various sources and auditors could not isolate expenditures with state funds.

<sup>b</sup> Dallas Metrocare Services and LifePath Systems provide mental health services through the NorthSTAR program. These two centers receive General Revenue funds for mental health services in a manner that differs from how other centers are funded; therefore, these two centers' mental health fund allocations and expenditures are not included in this table.

Source: Unaudited General Revenue allocation amounts are from DADS and DSHS. Unaudited expenditures information is from the CARE System.

## ***Statistics Regarding Fiscal Year 2005 Mental Health and Mental Retardation Clients and Services***

Table 3 presents the number of mental health and mental retardation service encounters at each community mental health and mental retardation center in fiscal year 2005. These centers provided mental health services to 185,589 clients and mental retardation services to 31,264 clients.

Table 3

<b>Encounters at Community Mental Health Mental Retardation Centers</b>			
<b>Fiscal Year 2005</b>			
<b>Center and Location</b>	<b>Mental Retardation Encounters</b>	<b>Mental Health Encounters</b>	<b>Total Encounters</b>
Anderson/Cherokee Jacksonville	38,136	25,566	63,702
Andrews Center Tyler	46,191	75,579	121,770
Austin-Travis County MHMR Center Austin	57,423	157,604	215,027
Betty Hardwick Center Abilene	62,670	50,629	113,299
Bluebonnet Trails Community MHMR Center Round Rock	162,229	101,568	263,797
Border Region MHMR Center Laredo	13,259	51,275	64,534
Brazos Valley, MHMR Authority of Bryan	36,496	45,077	81,573
Burke Center Lufkin	82,191	66,250	148,441
Camino Real Community MHMR Center Lytle	68,312	49,440	117,752
Center for Health Care Services, The San Antonio	76,194	182,896	259,090
Center for Life Resources, The Brownwood	38,255	37,217	75,472
Central Counties Center for MHMR Services Temple	67,795	58,593	126,388
Central Plains Center Plainview	31,940	22,757	54,697
Coastal Plains Community MHMR Center Portland	76,803	60,377	137,180
Concho Valley, MHMR Services for the San Angelo	34,807	28,118	62,925

Encounters at Community Mental Health Mental Retardation Centers			
Fiscal Year 2005			
Center and Location	Mental Retardation Encounters	Mental Health Encounters	Total Encounters
Dallas Metrocare Services <sup>a</sup> Dallas	138,340	-	138,340
Denton County MHMR Center Denton	88,777	51,844	140,621
El Paso MHMR El Paso	20,460	164,995	185,455
Gulf Bend MHMR Center Victoria	40,863	51,772	92,635
Gulf Coast Center, The Galveston	17,120	74,489	91,609
Harris County, MHMR Authority of Houston	141,672	615,855	757,527
Heart of Texas Region MHMR Center Waco	105,302	80,534	185,836
Helen Farabee Regional MHMR Centers Wichita Falls	60,771	103,877	164,648
Hill Country Community MHMR Center Kerrville	171,506	103,614	275,120
Johnson-Ellis-Navarro MHMR Services Cleburne	46,408	25,900	72,308
Lakes Regional MHMR Center Terrell	54,396	63,569	117,965
Lifepath Systems <sup>a</sup> McKinney	46,632	-	46,632
Lubbock Regional MHMR Center Lubbock	133,495	94,476	227,971
Northeast Texas MHMR Center Texarkana	6,234	19,544	25,778
Nueces County, MHMR Center of Corpus Christi	32,406	84,032	116,438
Pecan Valley MHMR Region Stephenville	35,591	40,831	76,422
Permian Basin Community Centers for MHMR Midland	68,045	96,773	164,818
Sabine Valley Center Longview	55,504	47,190	102,694
Spindletop MHMR Services Beaumont	176,109	108,881	284,990

Encounters at Community Mental Health Mental Retardation Centers			
Fiscal Year 2005			
Center and Location	Mental Retardation Encounters	Mental Health Encounters	Total Encounters
Tarrant County, MHMR of Fort Worth	238,937	267,517	506,454
Texana MHMR Center Rosenberg	204,245	64,719	268,964
Texas Panhandle MHMR Amarillo	110,984	62,858	173,842
Texoma, MHMR Services of Sherman	24,890	28,433	53,323
Tri-County MHMR Services Conroe	99,187	84,184	183,371
Tropical Texas Center for MHMR Edinburg	35,617	146,872	182,489
West Texas Centers for MHMR Big Spring	151,198	80,013	231,211
Totals	3,197,390	3,575,718	6,773,108
<sup>a</sup> Dallas Metrocare Services and LifePath Systems provide mental health services through the NorthSTAR program. These two centers receive General Revenue funds for mental health services in a manner that differs from how other centers are funded; therefore, these two centers' encounters are not included in this table.			

Source: Unaudited information from the Encounter Data Warehouse.

Copies of this report have been distributed to the following:

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The Honorable Tom Craddick, Speaker of the House, Joint Chair  
The Honorable Steve Ogden, Senate Finance Committee  
The Honorable Thomas “Tommy” Williams, Member, Texas Senate  
The Honorable Jim Pitts, House Appropriations Committee  
The Honorable Jim Keffer, House Ways and Means Committee

### **Office of the Governor**

The Honorable Rick Perry, Governor

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Mr. Albert Hawkins, Executive Commissioner

### **Department of Aging and Disability Services**

Ms. Adelaide Horn, Commissioner

### **Department of State Health Services**

Dr. Eduardo J. Sanchez, Commissioner



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