Meadows Mental Health Policy Institute

Coordinated Specialty Care for Texans – April 2026

First Episode Psychosis

- Each year, about **3,000 Texas youth and young adults** ages 12 to 35 experience a **first episode psychosis (FEP)**.[1]
- Psychotic episodes include troubling symptoms, such as **hallucinations** (hearing or seeing things that are not there) and **delusions** (false and sometimes bizarre beliefs).
- FEP can be detected by **law enforcement** or in **emergency rooms and hospital settings**. Screening can also occur in primary care practices, schools, and even faith communities, if training is provided. Brief screening tools are available.[2]
- Many people with FEP have access to health insurance through their parents (up to age 26), Medicaid, or CHIP, but they do not typically receive treatment until well after the onset of psychosis. A national study found that the median duration for untreated psychosis was **74 weeks** or **approximately 18 months after symptom onset**.[3]

Coordinated Specialty Care

- Coordinated Specialty Care (CSC) is a **team- and evidence-based approach** to treating FEP.
- In Texas, **local mental health authorities** and some **health-related institutions** provide CSC.
- Core components of CSC include **psychotherapy**, **medication management**, **family support and education**, **service coordination**, and **supported education and employment**.
- The sooner CSC is accessed after FEP, the better; one study found that people who began treatment **within 17 months of symptom onset** had better outcomes.[4]
- The duration of CSC treatment is about **two years**, on average, and it costs approximately **$15,000 per year per person served**.

Why Should Texas Expand Access to CSC Treatment?

- The **homicide rate** during FEP is **15 times higher** than the annual rate after treatment.[5]
- Within 12 months of FEP, the **risk of suicide and other mortality is 24 times higher** than in same-age peers. This reflects both elevated suicide risk as well as physical health complications associated with untreated psychosis.[6]
- Without intervention, FEP often leads to **chronic unemployment**, **homelessness**, **incarceration**, and **long-term disability**.[7]
- The longer the delay between FEP and treatment, the worse the outcome, both for the individual and for society.[8] Although most people who experience psychosis are not violent, they are much **more likely to be violent or become entangled in our criminal justice system** when their conditions go untreated.[9]
- Compared to usual care, CSC is **more cost-effective** in improving quality of life.[10]

The Need in Texas

- FEP can occur at almost any age, but the vast majority occurs between **ages 12 and 35**; roughly **3,000 Texans** in that age group experience FEP in a 12-month period. This estimate represents a minimum expected number of *new cases in each 12-month period*.
- Given that CSC treatment takes about **two years**, and program enrollment is limited to **30 people** at one time, Texas would need 200 teams to meet statewide need. However, even with a comprehensive effort to detect and refer everyone in need, we estimate that *only half would agree to receive treatment and follow through with a referral*, such that **100 CSC teams** is a more realistic, statewide goal. The state should ramp up capacity over time.
- Texas currently has **48 CSC teams**, serving 171 counties, that operate primarily through Substance Abuse and Mental Health Services Administration (SAMHSA) block grant funding, with state general revenue funding added for the first time in June 2022.

Policy Options

- Add CSC as a **Medicaid bundle** by adopting a single Healthcare Common Procedure Coding System (HCPCS) billing code (T1024) for the evidenced-based model.
  - While most components of CSC are reimbursable in Medicaid, the flexible use of the entire package of services, tailored to individual needs, makes the program effective.
- Require Texas Department of Insurance (TDI) regulated health plans to provide coverage for CSC (see 87(R) SB 1141).
- Encourage self-funded plans and employers to cover CSC under national billing codes.

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[1] Our estimate of 3,000 cases of FEP in a 12-month period was calculated using Kirkbride, J. B., Hameed, Y., Ankireddypalli, G., Ioannidis, K., Crane, C. M., Nasir, M., Kabacs, N., Metastasio, A., Jenkins, O., Espandian, A., Spyridi, S., Ralevic, D., Siddabattuni, S., Walden, B., Adeoye, A., Perez, J., & Jones, P. B. (2017). The epidemiology of first episode psychosis in early intervention in psychosis services: Findings from the Social Epidemiology of Psychoses in East Anglia [SEPEA] study. *The American Journal of Psychiatry*, *174*(2), 143–153. https://doi.org/10.1176/appi.ajp.2016.16010103. The incidence rates for ages 16–35 reported in Kirkbride et al. (2017) were applied to Texans of the same ages; we also derived extrapolated estimates for Texans ages 12–15, since other studies have found first episode psychosis can occur in those ages, as well. However, FEP incidence varies considerably, depending on a community's rate of migration, poverty rate, crime rate, and other factors – FEP incidence, therefore, can vary considerably across different Texas communities.

[2] For example, the Prodromal Questionnaire, Brief Version (PQ-B) or the Yale University PRIME Screening Test are frequently used.

[3] Robinson, D. G., Woerner, M. G., Napolitano, B., Patel, R. C., Sevy, S. M., Gunduz-Bruce, H., … Kane, J. M. (2015). Duration of untreated psychosis in community treatment settings in the United States. *Psychiatric Services, 66*(7), 753–756. https://doi.org/10.1176/appi.ps.201400124

[4] Kane, J. M., et al. (2015). Comprehensive versus usual community care for first episode psychosis: 2-year outcomes from the NIMH RAISE early treatment program. *American Journal of Psychiatry, AJP in Advance*, 1–11.

[5] Nielssen, O., & Large, M. (2010). Rates of homicide during the first episode of psychosis and after treatment: A systematic review and meta-analysis. *Schizophrenia Bulletin, 36*(4), 702–712, and Randall, J. R., Chateau, D., Smith, M., Taylor, C., Bolton, J., Katz, L., ... & Brownell, M. (2016). An early intervention for psychosis and its effect on

criminal accusations and suicidal behavior using a matched-cohort design. *Schizophrenia Research*, *176*(2–3), 307–311.

[6] Schoenbaum, M., et al. (2017). Twelve-month health care use and mortality in commercially insured young people with incident psychosis in the United States. Schizophrenia Bulletin, 43(6), 1262–1272.

[7] National Institute of Mental Health (NIMH). (2023). RAISE-ing the Standard of Care for Schizophrenia: The Rapid Adoption of Coordinated Specialty Care in the United States. https://www.nimh.nih.gov/news/science-updates/2023/raise-ing-the-standard-of-care

[8] Kane, J.M., et al. (2015). Previously cited.

[9] Nielssen & Large (2010). Previously cited.

[10] Rosenheck, R., et al. (2016). Cost-effectiveness of comprehensive, integrated care for first episode psychosis in the NIMH RAISE early treatment program. *Schizophrenia Bulletin, 42*(4), 896–906. https://academic.oup.com/schizophreniabulletin/article/42/4/896/2413925