

LEGISLATIVE BUDGET BOARD
Austin, Texas

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Revision 1

March 26, 2013

TO: Honorable Lois W. Kolkhorst, Chair, House Committee on Public Health

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB205** by McClendon (Relating to the allocation of beds in and the commitment of certain persons to certain mental health facilities.), **As Introduced**

The probable fiscal impact of implementing the bill cannot be determined at this time due to the lack of information regarding the state hospital bed allocation plan.

The bill would amend the Health and Safety Code relating to the allocation of beds in, and the commitment of certain persons to, certain mental health facilities. Under the provisions of the bill, the Health and Human Services Commission (HHSC) would be required to plan separately for the allocation of beds for civil and forensic patients in the state hospitals. The bill would require that HHSC contract with private mental health facilities to make available a sufficient number of beds as specified in the plan developed by HHSC. Additionally, the bill would require that HHSC develop and implement a procedure through which a court that has the authority to commit patients in the hospital system is aware of all mental health facilities with available beds. Under the provisions of the bill, HHSC would be required to adopt rules to implement these provisions.

The bill may have a negative fiscal impact if the state hospital allocation plan requires additional beds. Whether the bill would result in a significant amount of cost to the State cannot be determined since the plan has not yet been developed. For example, if the plan included guidelines to increase the current average number of psychiatric beds (11 per 100,000 state residents) to the national average (14 per 100,000 state residents), the estimated annual costs would be \$137.5 million in General Revenue.

It is assumed that HHSC can absorb any costs associated with rule-making within the existing agency budget.

Local Government Impact

According to the Texas Association of Counties, a survey of 75 counties showed estimated statewide savings of \$4.5 million per year associated with inmates with serious mental illnesses. This represents 90 inmates: 44 for maximum security and 46 for non-maximum-security. This survey, however, is not exhaustive and fiscal impact to counties (as for the state) would depend on how hospital beds would be allocated under the provisions of the bill.

Source Agencies: 537 State Health Services, Department of

LBB Staff: UP, CL, CH, SD, LR, NB, KKR