**BILL ANALYSIS**

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| Senate Research Center | S.B. 602 |
| 85R6775 GCB-D | By: Hinojosa et al. |
|  | Health & Human Services |
|  | 4/3/2017 |
|  | As Filed |

**AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

S.B. 602 begins the process of right-sizing the number of state-operated facilities for people with intellectual and developmental disabilities (IDD) in Texas to maintain only the number of facilities necessary to meet the needs of the state.

S.B. 602 establishes the State Supported Living Center (SSLC) Restructuring Commission (commission) to develop recommendations on the number and location of SSLCs needed in Texas given declining populations, rapidly increasing costs, and inconsistent quality of care.

The commission will evaluate each SSLC to determine whether to close, consolidate or repurpose. They shall consider specific criteria such as quality of services, cost of operating the center, compliance with the 2009 DOJ settlement, input from parents and guardians of current residents, the availability of community service providers, capacity and resources in the community, staff turnover rates and availability of employment opportunities for center employees if the center is closed, repurposed, or consolidated, and infrastructure deficiency costs.

Not later than December 1, 2018, the commission shall submit a report to the governor, lieutenant governor, the Texas Legislature, and HHSC of their evaluation of each SSLC and their recommendation of which SSLCs will be closed. S.B. 602 specifies a cap so that no more than five SSLCs can be closed.

If the commission decides to close one or more SSLCs, then HHSC will begin the implementation process for closure. HHSC shall establish a closure plan for each SSLC that is recommended for closure. The plan must provide for closure of the facility and operations by August 31, 2027. The plan must provide procedures to transition residents to the community and must meet certain criteria to ensure a safe and appropriate transition.

The proceeds from the closure of any SSLC, including the sale or lease of a center's facilities or other property, shall only be appropriated for services for persons with IDD.

S.B. 602 improves services for those at the remaining SSLCs should one or more of the centers close. The shift to a smaller system would allow the state to focus on providing higher quality care to people with IDD who have the greatest needs.

Simultaneously, S.B. 602 significantly helps reduce waiting lists for community-based services by downsizing SSLCs and redirecting that money into the community. Currently, there is no waiting list for the SSLCs, but there is an extremely long waiting list for community living options for those with disabilities.

As proposed, S.B. 602 amends current law relating to the establishment of a restructuring commission to evaluate each state supported living center.

**RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

**SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Chapter 555, Health and Safety Code, by adding Subchapter F, as follows:

SUBCHAPTER F. STATE SUPPORTED LIVING CENTER RESTRUCTURING AND CLOSURES

Sec. 555.201. STATE SUPPORTED LIVING CENTER RESTRUCTURING COMMISSION. (a) Defines "restructuring commission” (commission).

(b) Provides that the commission consists of five members appointed by the governor and three nonvoting ex officio members, including the executive commissioner of the Health and Human Services Commission (HHSC) or the executive commissioner's designee; the executive director of the Texas Facilities Commission or the executive director's designee; and the commissioner of the General Land Office or the commissioner's designee.

(c) Establishes the commission to ensure that the state maintains only the number of state supported living centers (SSLCs) necessary to meet the level of need for those centers in this state. Requires the commission to evaluate each SSLC to determine whether to recommend the center be consolidated with another center, downsized, repurposed, or closed. Prohibits the commission from recommending the closure of more than five centers.

(d) Requires the commission to visit each SSLC in the course of making the commission's evaluation and determinations. Requires the commission, in evaluating an SSLC, to consider certain matters.

(e) Requires the commission, not later than December 1, 2018, to submit to the governor, the lieutenant governor, the speaker of the house of representatives, and the presiding officers of the standing committees of the senate and house of representatives having primary jurisdiction over intellectual and developmental disability issues, a report detailing the commission's evaluation of each SSLC and, as applicable, the commission's recommendation for the center to be consolidated with another center, downsized, repurposed, or closed.

(f) Provides that this commission is abolished and this section expires January 1, 2019.

Sec. 555.202. CLOSURE OF STATE SUPPORTED LIVING CENTER. Requires HHSC to ensure that an SSLC recommended for closure is closed not later than August 31, 2027, in accordance with the closure plan established for the center.

Sec. 555.203. CLOSURE PLAN FOR STATE SUPPORTED LIVING CENTER. (a) Requires HHSC to establish a closure plan for each SSLC for which closure is recommended under Section 555.202.

(b) Requires that the closure plan provide for closure of the facility and its operations not later than August 31, 2027. Requires that the plan provide procedures to transition to the community each resident for whom transition to the community is practicable while maintaining respect for resident choice.

Sec. 555.204. PROCEEDS FROM CLOSURE OF STATE SUPPORTED LIVING CENTER. Authorizes the proceeds from the closure of an SSLC, including from the sale or lease of center's facilities or other property, to be appropriated only for services for persons with intellectual and developmental disabilities, including persons with a dual diagnosis of intellectual and developmental disabilities and mental illness.

Sec. 555.205. EXPIRATION. Provides that this subchapter expires September 1, 2027.

SECTION 2. Requires the governor, not later than September 1, 2017, to appoint five members of the SSLC restructuring commission to serve under Section 555.201, Health and Safety Code, as added by this Act.

SECTION 3. Effective date: upon passage or September 1, 2017.