

BILL ANALYSIS

Senate Research Center

S.B. 2111
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Health & Human Services
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The 85th Legislature appropriated \$300 million to begin a multi-biennium effort to replace deteriorating state mental health hospitals and expand state inpatient mental health capacity. It included \$15.5 million to begin the pre-planning and planning process for the Austin State Hospital (ASH). The Health and Human Services Commission (HHSC) contracted with the Dell Medical School at The University of Texas at Austin (Dell Med) to lead the collaborative process.

Dell Med convened a steering committee of key stakeholder groups from across the region—all of whom see the ASH Brain Health System Redesign (ASH Redesign) as a unique opportunity to reimagine not just a hospital, but also the entire continuum of care for brain health. Using a patients-first approach, the ASH Redesign aims to optimize the overall operational budget through efficiencies to serve more people per tax dollar by delivering the right care at the right time in the right place. The priority on patient care guides every aspect of the design of the physical structure and delivery of care services.

A key recommendation regarding the operations of ASH was to move the management of ASH to an academic partner and create an oversight board. This model has been successfully employed for 30 years at the Harris County Psychiatric Center.

S.B. 2111 directs HHSC to develop a plan under which the state could contract with a local, public institution of higher education to transfer the operations of ASH. The plan should be developed in consultation with stakeholders, ensure the quality of care is maintained or improved, and include a mechanism for ensuring transparency and measuring client outcomes. HHSC would report back to the legislature and governor a written report containing the plan and any recommendations for legislation or other actions necessary.

As proposed, S.B. 2111 amends current law relating to the Health and Human Services Commission developing a plan to contract with public institutions of higher education to operate state hospitals.

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 552, Health and Safety Code, by adding Subchapter E, as follows:

SUBCHAPTER E. STATE HOSPITAL OPERATIONS

Sec. 552.151. TRANSITION PLANNING FOR CONTRACTED OPERATIONS OF CERTAIN STATE HOSPITALS. Requires the Health and Human Services Commission (HHSC) to establish a plan under which HHSC would contract with local, public institutions of higher education to transfer the operations of certain state hospitals, to

include Austin State Hospital, from HHSC to a local, public institution of higher education.

Sec. 552.152. PLAN REQUIREMENTS. (a) Requires HHSC, in developing the plan, to:

- (1) consult with local, public institutions of higher education;
- (2) establish procedures and policies to ensure that a public institution of higher education that contracts with HHSC to operate a state hospital operates the hospital at a quality level at least equal to the quality level achieved by HHSC; and
- (3) establish procedures and policies to monitor the care of state hospital patients.

(b) Requires the procedures and policies required to be established under Subsection (a) to ensure that HHSC is able to obtain and maintain information on activities carried out under the contract without violating privacy or confidentiality rules. Requires the procedures and policies to account for HHSC obtaining and maintaining information on:

- (1) client outcomes;
- (2) individual and average lengths of stay, including computation of lengths of stay according to the number of days a patient is in the facility during each calendar year, regardless of discharge and readmission;
- (3) the number of incidents in which patients were restrained or secluded;
- (4) the number of incidents of serious assaults in the hospital setting; and
- (5) the number of occurrences in the hospital setting involving contacts with law enforcement personnel.

Sec. 552.153. GOVERNING BOARDS FOR STATE HOSPITALS. (a) Requires the plan required under this subchapter to establish guidelines for developing a governing board for each state hospital for independent governance of the state hospital. Requires the governing board to be vested with a fiduciary responsibility.

(b) Requires a state hospital's governing board to include stakeholders interested in the provision of mental health services as follows:

- (1) at least one representative of HHSC;
- (2) at least one sheriff working in the catchment area;
- (3) at least one judge presiding over mental health issues working in the catchment area;
- (4) at least one leader from an organization serving persons with mental illness;
- (5) at least one person with expertise in private health care system management;
- (6) at least one representative from a local mental health authority serving the catchment area; and
- (7) at least one representative from the local, public institution of higher education.

(c) Authorizes HHSC's plan to provide for a state hospital's governing board to include any other person considered suitable by HHSC in developing the plan.

Sec. 552.154. **GOVERNING BOARD RESPONSIBILITIES.** Requires the plan to account for the governing board overseeing the performance of the state hospital operated by a public institution of higher education. Requires each governing board to undertake to develop regional cross-service care integration.

Sec. 552.155. **REPORT.** Requires HHSC, not later than September 1, 2020, to prepare and deliver to the governor, the lieutenant governor, the speaker of the house of representatives, and the legislature a written report containing the plan and any recommendations for legislation or other actions necessary.

SECTION 2. Effective date: September 1, 2019.