Meadows Mental Health Policy Institute
Andy Keller, PhD — Testimony on Senate Bill 26, March 22, 2023

Long-Term Residents at State Hospital Facilities
Before COVID-19, 34% of people in Texas state hospitals had been there for longer than one year (365ers). With state hospital beds offline due to staffing issues, 51% of current state hospital bed capacity is occupied by long-term residents.

Long-Term State Hospital Utilization by Commitment Type

![Long-Term State Hospital Utilization by Commitment Type](image)

Inpatient hospitals are designed for *acute psychiatric care*, not housing people. While there are some people who are under long-term court commitments due to being found not guilty by reason of insanity (NGRI), nearly half of the 365ers could be discharged with adequate community capacity and discharge planning.

- **Many people on the 365+ day list need a secure setting with 24/7 care, but at a lower level of care than state hospitals provide.** These people have severe functional limitations that require a nursing home level of care for a variety of reasons, including dementia and traumatic brain injuries.
  - To develop more secure nursing facility options, **Senate Bill (SB) 26** provides for the potential development of an incentive payment under the Quality Incentive Payment Program (QIPP) for providers.
  - This option is significantly less expensive to operate over time than a state hospital bed, easier to staff, and better suited to a person’s functional needs.
• Other people on the 365+ day list can be successfully transitioned to the community with appropriate discharge planning and transition support services.
  – The HCBS-AMH 1915(i) State Plan Amendment (SPA) was designed to transition people living at state hospitals for lengthy periods of time back into the community, but the program is not being properly leveraged.
  – SB 26 provides for discharge planning to ensure the successful transition of patients who are determined by the state hospital to be medically appropriate for discharge. This requires a strong partnership between the state hospital system and community providers to ensure for the provision of services and Medicaid reinstatement, before discharge.

Innovation Grant Program
The Texas Legislature has a long history of investing in mental health grant programs: Healthy Community Collaborative (83(R) SB 58), the Texas Veterans + Family Alliance (84(R) SB 55), the Mental Health Grant Program for Justice-Involved Individuals (85(R) SB 292), and the Community Mental Health Grant Program (85(R) HB 13).

The Innovation Grant Program in SB 26 would be the first grant program specifically designed to support community-based initiatives that promote identification of mental health issues and improve access to early intervention and treatment for children and families.

Based on our assessments in communities across Texas, we know there are gaps for intensive, community-based services that this program can help address. These grants can have a direct result on placements in foster care and the juvenile justice system as well as demand for inpatient facilities and residential treatment centers. SB 26 harnesses the full spectrum of potential grantees to foster innovation to meet Texas communities’ particular needs.