

SUBJECT: Continuation of the Texas Rehabilitation Commission

COMMITTEE: Human Services — committee substitute recommended

VOTE: 7 ayes — Naishtat, Maxey, J. Davis, Noriega, Telford, Truitt, Wohlgemuth
0 nays
2 absent — Chavez, Christian

WITNESSES: For — Frank Curtis, Texas Association of Goodwills; Redge Westbrook, Coalition of Texans with Disabilities
Against — None
On — Robert Morris, Sunset Advisory Commission

BACKGROUND: The Texas Rehabilitation Commission was established in 1969 and designated as the state's primary agency for rehabilitation of people with disabilities, except for people with visual impairments, which are served by the Texas Commission for the Blind. The agency's goal is to ensure that a person is not prevented from working because of a disability. The agency's primary emphasis is on vocational rehabilitation and helping persons with mental or physical disabilities to become employed. TRC vocational rehabilitation counselors determine client eligibility, conduct rehabilitation planning, provide or purchase services, and monitor client progress.

TRC also operates programs that help persons with disabilities who need intensive support to stay employed. Services might include job coaches or personal attendants who assist clients with personal care and transportation. Other programs that TRC operates provide non-employment services to persons with severe disabilities that focus on independent living services such as providing communication devices, therapies, mobility training, and intensive inpatient rehabilitation services.

TRC also is responsible for determining initial eligibility for Social Security disability benefits, which are funded totally by the federal government under the Social Security Administration. Social Security provides money to those

persons deemed unable to work.

The majority of TRC funds come from federal sources. For fiscal 1998-99, TRC was budgeted \$519.9 million and has 2,461 full-time equivalent positions.

TRC is governed by a six-member board appointed by the governor with the advice and consent of the Senate.

TRC is subject to the Sunset Act and underwent Sunset Advisory Commission review during the past interim. The agency will be abolished by September 1, 1999, unless continued by the Legislature.

DIGEST:

CSHB 1402 would continue the TRC until September 1, 2011. It would require TRC to establish guidelines for the delivery of vocational rehabilitation services. It would require TRC to provide vocational rehabilitation counselors more guidance and also would require TRC to monitor counselor performance and decision making. It would require TRC to make available to clients orientation materials that include the commission's decision-making criteria regarding program eligibility.

CSHB 1402 would require TRC to select vendors in a manner that provides "best value" in obtaining competitive bids. When selecting vendors, TRC would be required to review vendors for best value and document why a vendor was selected as well as negotiate price discounts with high-volume vendors. It would further require TRC to consolidate purchases with other agencies when possible, and provide public notification to potential vendors of planned purchases.

CSHB 1402 further would require TRC to target extended rehabilitation services to people with significant disabilities who are not eligible for services from Texas Department of Mental Health and Mental Retardation (TDMHMR) and to coordinate employment services with TDMHMR and the Texas Workforce Commission (TWC). It would require TRC and TDMHMR to define the roles and responsibilities of each agency regarding shared clients. It would require TRC to establish a formal referral process with TWC that would ensure vocational rehabilitation clients are referred to and receive services provided by TWC or local workforce development agencies. The bill would require TWC to track services provided to persons with disabilities, including clients referred from TRC.

CSHB 1402 would require TRC to meet health-care industry standards in approving medical services for clients, including the need for second opinions, and utilization review, and to adopt a quality-control system that includes medical consultation. It also would require TRC to assess whether medical services would benefit a client's ability to return to work, analyze the risk of funding medical procedures, and maintain a risk-management plan. The board also would have to adopt standards regarding payments for medical and health care services, develop a rate-setting methodology with public input, and tie rates to other cost-based rates such as Medicaid and Medicare.

CSHB 1402 would require TRC to assess the statewide need for transition services for students with disabilities, identify and reach students in need of transition planning, and establish collaborative relationships with school districts.

TRC would have to post agency reports and performance data on the Internet, and advisory committees would have to report to the board. The bill would clarify the statutory powers and duties of the TRC board and commissioner.

Other changes proposed by the bill include standard Sunset Advisory Commission recommendations board appointments, grounds for removal, board member training, separate policymaking and management responsibilities, equal employment opportunity, conflict of interest, and complaint records.

CSHB 1402 would take effect September 1, 1999.

**SUPPORTERS
SAY:**

CSHB 1402 would continue TRC, an agency that helps people with disabilities find and maintain employment. Everyone, regardless of disability, deserves the opportunity to be a productive member of the workforce. By making necessary changes recommended by the Sunset Advisory Commission, the bill would allow TRC to offer more services to more people with disabilities. The Legislative Budget Office estimates that the bill would save \$1 million in state funds in fiscal 2000 and \$1.5 million each year thereafter. Savings in federal funds would be \$3.4 million in year 2000 and \$5.6 million each year after that.

Currently, counselors have wide latitude when planning a client's vocational goals and deciding on services. There is a potential for discrepancy in how

clients are assisted across the state. Requiring TRC to provide more direction and oversight to counselors would help ensure that clients are appropriately determined eligible for services, that only necessary services are purchased, and that public money is being spent wisely.

CSHB 1402 would require TRC to strengthen its standard for approving medical services. Many TRC clients have significant medical problems and require complex medical procedures, such as back, abdominal, and thoracic surgeries, and knee and hip repair. The Sunset Commission staff found that TRC's decision-making process for paying for medical services does not meet standards followed by other purchasers of medical care. As a result, TRC may pay for expensive but ineffective services that may not contribute to employment. The bill would bring TRC in line with commonly used practices of the health care industry and stretch client service dollars.

In addition, CSHB 1402 would help ensure wise and effective use of funding by requiring TRC to develop a rate-setting methodology that ensures "best value" purchases of medical and health care services. Adding health care services provided by advance practice nurses to the realm of available services would give TRC flexibility in obtaining "best value" purchases. The Sunset Commission staff recommended that TRC tie payment rates to other established rates such as Medicaid and Medicare rates. As with other health and human services agencies, requiring public input on proposed rates would allow providers, clients, and others to comment on their appropriateness.

CSHB 1402 would direct TRC to better define and expand transitional planning services to students with disabilities. Transition planning helps students and with disabilities and their families prepare for life after school. The earlier a student can be assisted by the vocational rehabilitation system, the greater the benefits for the student and the state. Focusing early assistance would prevent those who are at risk from falling into isolation and becoming dependent on public assistance.

**OPPONENTS
SAY:**

CSHB 1402 should require the TRC board to be composed of a majority of persons with disabilities. Other boards and commissions, such as the Texas Commission for the Deaf and Hard of Hearing, have this statutory requirement. It is important that people with disabilities have their needs and concerns adequately represented on the policy making body of the TRC.

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OTHER
OPPONENTS
SAY:

CSHB 1402 should require TRC to more fully comply with all state and federal civil rights laws, especially the Americans with Disabilities Act (ADA), before contracting with vendors for services. TRC should certify that they are in compliance the ADA and other analogous state laws, such as the Texas Architectural Barriers Act.

NOTES:

The committee substitute would extend the Sunset date from September 1, 2007 to September 1, 2011 and make revisions to conform to current language in federal law. The bill also would change the name of the rehabilitation council and add that an instructional provision regarding the training of board members would not apply to members appointed before September 1, 1999.

The companion bill, SB 357 by Madla, has been referred to the Senate Health Services Committee.