

SUBJECT: Creating local mental health authority groups in rural areas

COMMITTEE: Public Health — favorable, with amendment

VOTE: 10 ayes — S. Thompson, Allison, Coleman, Frank, Guerra, Lucio, Ortega, Price, Sheffield, Zedler

0 nays

1 absent — Wray

SENATE VOTE: On final passage, April 10 — 30-0

WITNESSES: For — (*Registered, but did not testify:* Kyle Piccola, The Arc of Texas; Anne Dunkelberg, Center for Public Policy Priorities; Maggie Stern, Children’s Defense Fund; Chris Masey, Coalition of Texans with Disabilities; Eric Woome, Federation of Texas Psychiatry; Mary Cullinane, League of Women Voters of Texas; Christine Yanas, Methodist Healthcare Ministries of South Texas, Inc.; Eric Kunish, National Alliance on Mental Illness Austin; Greg Hansch and Alissa Sughrue, National Alliance on Mental Illness Texas; Richard Perez, San Antonio Chamber of Commerce; Carl Bowen, Brian Hawthorne, and AJ Louderback, Sheriffs' Association of Texas; Lee Johnson, Texas Council of Community Centers; Douglas Smith, Texas Criminal Justice Coalition; Nora Belcher, Texas e-Health Alliance; Carrie Kroll, Texas Hospital Association; Kevin Stewart, Texas Psychological Association; Beth Cortez-Neavel, TexProtects-The Texas Association for the Protection of Children; Jennifer Allmon, The Texas Catholic Conference of Bishops; Nataly Saucedo, United Ways of Texas; Khrystal K. Davis)

Against — (*Registered, but did not testify:* Margarita Strickland; Joshua Stubbs; Ruth York)

On — (*Registered, but did not testify:* Robert Dole and Sonja Gaines, Health and Human Services Commission)

BACKGROUND: Tax Code ch. 323 establishes the County Sales and Use Tax Act, which governs the administration of sales and use taxes in counties. Tax Code ch. 26 excludes certain city, county, and hospital districts' additional sales and use taxes from certain property tax assessment provisions.

Interested parties have noted that while local mental health authorities are required to plan, develop, and coordinate on a local level, there are concerns that broader regional planning and cooperation among such authorities is lacking, particularly in rural areas.

DIGEST: SB 633, as amended, would require the Health and Human Services Commission (HHSC) to form local mental health authority (LMHA) groups in rural areas of the state and to develop a mental health services development plan for each group.

The bill also would allow the Midland County Hospital District to impose a sales and use tax and make other conforming changes in Special District Local Laws Code ch. 1061 and Tax Code ch. 26.

Local mental health authority groups. SB 633 would require HHSC, using existing resources, to identify each LMHA in the state that was located in a county with a population of 250,000 or less or that provided services predominantly in such a county. HHSC would assign these mental health authorities to regional groups of at least two authorities and notify each authority of its assignment.

Mental health services development plans. Using existing resources, HHSC would be required to develop a mental health services development plan for each LMHA group that would increase the capacity of the authorities in the group to provide access to needed services.

In developing a plan, HHSC would have to focus on reducing:

- the cost to local governments of providing services to individuals experiencing mental health crises;
- the transportation of individuals served by an authority in the

- LMHA group to mental health facilities;
- the incarceration of individuals with mental illnesses in county jails that were located in an area served by an authority in the LMHA group; and
- the number of hospital emergency room visits by individuals with mental illness in an area served by an authority in the LMHA group.

In developing a mental health services development plan, the commission would have to assess the capacity of the authorities in the LMHA group to provide access to needed services. HHSC and the LMHA group would have to evaluate whether and to what degree increasing the capacity of the authorities in the group to provide access to needed services would offset the cost to state or local governmental entities of:

- the transportation of individuals for mental health services to non-local facilities;
- admissions to and inpatient hospitalizations at state hospitals or other treatment facilities;
- the provision of services by hospital emergency rooms to individuals with mental illness who were served by or resided in an area served by an authority in the LMHA group; and
- the incarceration in county jails of individuals with mental illness who were served by or resided in an area served by an authority in the LMHA group.

The commission and LMHA group also would have to evaluate whether available state funds or grant funding sources could be used to fund the plan and what measures would be necessary to ensure that the plan aligned with the statewide behavioral health strategic plan and the comprehensive inpatient mental health plan.

In each plan developed under the bill, HHSC, in collaboration with the LMHA group, would have to determine a method of increasing the capacity of the authorities in the LMHA group to provide access to needed services.

The commission also would have to evaluate each plan to determine the plan's cost-effectiveness and how each plan would improve the delivery of mental health treatment and care to residents in the service areas of the LMHA group.

Report. By December 1, 2020, HHSC would have to produce and publish on its website a report that contained:

- the commission's evaluation of each plan;
- each mental health services development plan evaluated by the commission; and
- a comprehensive statewide analysis of mental health services in counties with a population of 250,000 or less, including recommendations to the Legislature for implementing the plans developed under the bill.

Possible implementation of plans. HHSC and the authorities in each LMHA group could implement a plan evaluated by the commission under the bill if HHSC and the LMHA group to which the plan applied identified a method of funding that implementation.

Funding. The commission would be required to implement a provision of the bill only if the Legislature appropriated money specifically for that purpose. If the Legislature did not appropriate money specifically for that purpose, HHSC could, but would not be required to, implement a provision of the bill using other appropriations available for that purpose.

The provisions of the bill related to local mental health authority groups would expire September 1, 2021.

Midland County Hospital District. SB 633, as amended, would authorize the Midland County Hospital District to adopt, change the rate of, or abolish a sales and use tax at an election held in the district. The bill would prohibit the district from adopting or increasing a tax if as a result the combined rate of all sales and use taxes in the district would exceed 2

percent. Revenue collected from a tax imposed under the bill could be used by the Midland County Hospital District for any purpose of the district authorized by law.

The bill would establish election procedures, a tax effective date, and other provisions governing the tax rate and a tax election of the district.

The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2019.

NOTES:

According to the Legislative Budget Board, the bill would have a negative impact of about \$659,000 to general revenue related funds through fiscal 2020-21.

The committee amendment would allow the Midland County Hospital District to impose a sales and use tax and make other conforming changes in Special District Local Laws Code ch. 1061 and Tax Code ch. 26.