



LEGISLATIVE BUDGET BOARD

State Hospitals: Mental Health Facilities in Texas

Legislative Primer

**SUBMITTED TO THE EIGHTY-EIGHTH TEXAS LEGISLATURE
PREPARED BY LEGISLATIVE BUDGET BOARD STAFF**

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STATE HOSPITALS – MENTAL HEALTH FACILITIES IN TEXAS

The Texas Health and Human Services Commission manages 10 state-owned mental health facilities and one state-owned inpatient residential treatment facility for adolescents. These 11 facilities, collectively referred to as state hospitals, are a component of the statewide mental health delivery system and provide various inpatient services for children, adolescents, adults, and forensic patients. This primer provides an overview of the operations and funding of the state hospitals, a major element of the state's mental health service delivery system.

OVERVIEW

Senate Bill 200, Eighty-fourth Legislature, 2015, transferred behavioral health services, including management of the state hospitals, to the Health and Human Services Commission (HHSC) from the Department of State Health Services as part of a larger consolidation of health and human services functions within Texas. State hospital management was transferred September 1, 2017. **Appendices A and B** show the service areas for each state hospital.

In addition to managing the state hospitals, HHSC contracts with 39 local mental health authorities (LMHA) and local behavioral health authorities (LBHA) to coordinate mental health services for individuals residing within each state hospital's local service area. The LMHAs and LBHAs promote continuity of care between inpatient and community mental health services and plan and develop policy to coordinate mental health services.

The primary purpose of the state hospitals is to stabilize patients who cannot be treated safely with existing community services by providing the following services in a residential setting: inpatient mental health treatment, including medical services, nursing services, and social services; therapeutic activities; and psychological services ordered by the treating physician. The goal is to stabilize patients to return them safely to treatment services coordinated through LMHAs and LBHAs in their communities.

PATIENT ADMISSIONS PROCESS

Several mechanisms can lead to admission into a state hospital. Typically, LMHAs or LBHAs screen individuals who are self-referred or referred by a community source within the service area, such as a peace officer. The LMHA or LBHA identifies

the least restrictive, most appropriate treatment setting for the patient, including referral to a state hospital for serious cases. If an individual seeks admission independently of an LMHA or LBHA, law requires the state hospital to conduct an emergency psychiatric screening, which may result in admission at the discretion of the admitting physician and consistent with the hospital's available resources.

A voluntary admission occurs when an individual seeks an admission outside the referral process. This admission may occur when an individual, age 16 or older, files a written request for admission with the state hospital administrator, or when a minor's parent, managing conservator, or guardian submits a written request for admission on the minor's behalf. A state hospital may admit or provide services to a minor from ages 16 to 18 if the minor's parent, managing conservator, or guardian consents, even if the minor does not. Requests for admissions facilitated by a guardian or conservator representing the state or a political subdivision of the state may be submitted only if a physician states that the minor has a mental illness or demonstrates symptoms of a serious emotional disorder and presents a risk of serious harm to self or others if not immediately restrained or hospitalized.

An individual may be detained involuntarily by a peace officer, with or without a warrant, and presented to a state hospital for evaluation. This type of admission is known as civil commitment and may occur when an individual is determined to need detention and treatment to protect the welfare of the individual or others. When a peace officer detains an individual without a warrant, the officer must submit a written notification of emergency detention stating the following assessments: (1) the peace officer believes the individual is mentally ill and exhibits a substantial and imminent risk of serious harm to self or others unless immediately restrained; and (2) the officer does not have sufficient time to obtain a warrant before taking the individual into custody. An individual may be held under emergency detention for up to 48 hours, and a physician must examine the individual within 12 hours after the individual is apprehended. If the examining physician agrees with the peace officer's assessment, the physician can admit the individual to the state hospital without the individual's consent. Any adult also may submit a written application to a judge or magistrate for emergency detention of another individual that meets these

FIGURE 1
TEXAS STATE HOSPITALS, FISCAL YEAR 2021

HOSPITAL	YEAR ESTABLISHED	BED TYPES	BED COUNT
Austin State Hospital	1857	Adults, adolescents, and children	263
Big Spring State Hospital	1938	Adults only	144
El Paso Psychiatric Center	1996	Adults only	71
Kerrville State Hospital	1951	Adults only	220
North Texas State Hospital (NTSH) – Total		Adults, adolescents, and children	562
<i>NTSH – Vernon Campus</i>	1969	<i>Adults and adolescents</i>	294
<i>NTSH – Wichita Falls Campus</i>	1917	<i>Adults, adolescents, and children</i>	268
Rio Grande State Center	1962	Adults only	52
Rusk State Hospital	1917	Adults only	288
San Antonio State Hospital	1892	Adults only	262
Terrell State Hospital	1885	Adults, adolescents, and children	305
Waco Center for Youth	1919	Adolescents only	74
Total, All Bed Types			2,241

SOURCE: Health and Human Services Commission.

criteria. A judge or magistrate then may issue a warrant or an order authorizing a peace officer to detain that individual according to the same process.

Pursuant to the Texas Code of Criminal Procedure, a criminal defendant may be ordered by the court to an involuntary commitment, known as a forensic commitment, for competency restoration or because of an insanity defense. If a court or jury determines an individual to be incompetent to stand trial following examination by a qualified expert, the individual may be committed to a state hospital for up to 120 days as prescribed by law or as specified by a judge's order. The individual may be committed to an inpatient or outpatient facility based on the court's determination of the danger posed by the individual, including to a maximum-security unit depending on the severity of the crime. Forensic commitments for individuals deemed incompetent to stand trial are used for the purpose of competency restoration, which is intended to stabilize patients enough to understand the legal proceedings rationally and factually and to restore their ability to consult with legal counsel. A defendant acquitted by reason of insanity may be committed post-adjudication but may not be committed to a state hospital for longer than the maximum term provided by law for the offense for which the individual was tried.

The superintendent of a residential care facility for individuals with intellectual disabilities may transfer a court-committed resident to a state hospital if a licensed physician determines

that care, treatment, and rehabilitation in a state hospital is in the resident's best interest. A resident transferred from a residential care facility to a state hospital may not remain there longer than 30 consecutive days unless the transfer is authorized by a court order. If a patient requires a longer period of psychiatric hospitalization, the state hospital must seek a civil commitment. An individual voluntarily admitted to a residential care facility for individuals with intellectual disabilities may be transferred to a state hospital only if the individual consents.

STATE-OWNED HOSPITALS IN TEXAS

The state hospitals had a total of 2,241 beds for mental health services in fiscal year 2021. **Figure 1** shows the year established, type of patients served, and number of beds at each state hospital. The following sections briefly describe each facility and its performance on selected statewide performance indicators in fiscal year 2021, including average daily census, average length of stay, average monthly cost per patient, turnover rate for critical staff, and percentage of vacancies for critical staff. **Figures 2 to 8** show the average length of stay, average monthly cost per patient, funding by method of finance, average daily census for civil and forensic beds, critical staff vacancies, and critical staff turnover rates at state hospitals. Critical staff include psychiatrists, registered nurses, psychiatric nursing assistants, and licensed vocational nurses. HHSC calculated vacancies and turnover rates for each facility in alignment with the State Auditor's Office methodology.

AUSTIN STATE HOSPITAL

The Austin State Hospital (ASH) facility was established in 1857. ASH is a 263-bed facility on an 80.0-acre campus that provides services for adults and children in South Central Texas and for children in counties in East Texas. ASH offers adult, geriatric, child, and teenage psychiatric services. The facility provides forensic competency-restoration services and co-occurring intellectual and developmental disabilities services.

For fiscal year 2021, the average daily census at ASH was 203 patients. The average length of stay at discharge was 208 days. The average monthly cost per patient served was \$21,792. The turnover rate for critical staff was 33.8 percent, and the rate of vacancies for critical staff was 21.9 percent.

BIG SPRING STATE HOSPITAL

The Big Spring State Hospital (BSSH) was established in 1938 and has a campus of 138.0 acres. BSSH has a capacity of 144 beds and provides psychiatric services including forensic competency-restoration services for adults age 18 and older in West Texas and the Texas South Plains.

For fiscal year 2021, the average daily census at BSSH was 127 patients. The average length of stay was 301 days. The average monthly cost per patient served was \$19,131. The turnover rate for critical staff was 59.3 percent, and the rate of vacancies for critical staff was 25.7 percent.

EL PASO PSYCHIATRIC CENTER

The El Paso Psychiatric Center (EPPC) is a 71-bed facility that opened in 1996 and has a campus of 4.0 acres. EPPC provides adult psychiatric care for residents of El Paso County.

For fiscal year 2021, the average daily census at EPPC was 43 patients. The average length of stay was 72 days. The average monthly cost per patient served was \$27,978. The turnover rate for critical staff was 49.0 percent, and the rate of vacancies for critical staff was 25.8 percent.

KERRVILLE STATE HOSPITAL

The Kerrville State Hospital (KSH) began providing psychiatric treatment in 1951 and has a campus of 130.0 acres. KSH has 220 beds available for individuals statewide who are hospitalized on forensic commitments. Services include forensic competency-restoration and long-term care and treatment for court-committed adults with mental illness who do not require a maximum-security setting.

For fiscal year 2021, the average daily census at KSH was 199 patients. The average length of stay was 1,640 days. The

average monthly cost per patient served was \$13,238. The turnover rate for critical staff was 43.8 percent, and the rate of vacancies for critical staff was 25.7 percent.

NORTH TEXAS STATE HOSPITAL

The North Texas State Hospital (NTSH) consists of two campuses: Vernon, established in 1969; and Wichita Falls, established in 1917. The Vernon Campus is a 294-bed statewide facility on a 65.0-acre campus that provides maximum-security forensic psychiatric services for adults, secured forensic services for teenagers, and forensic competency-restoration services for individuals statewide. The Wichita Falls Campus houses 268 beds on a 271.0-acre campus and provides adult, child, and teenage psychiatric services, including forensic competency-restoration services. The Wichita Falls Campus serves adults and children in North Texas and the Panhandle and children in certain counties in the Texas South Plains and West Texas.

For fiscal year 2021, the average daily census at NTSH was 432 patients, which includes 222 patients at the Vernon Campus and 210 patients at the Wichita Falls Campus. The average length of stay was 198 days, averaging 234 days at Vernon and 159 days at Wichita Falls. The average monthly cost per patient served was \$18,794 at Vernon and \$19,017 at Wichita Falls. The turnover rate for critical staff was 56.1 percent at the Vernon Campus and 44.9 percent at the Wichita Falls Campus, and the rate of vacancies for critical staff was 43.6 percent at Vernon and 21.7 percent at Wichita Falls.

RIO GRANDE STATE CENTER

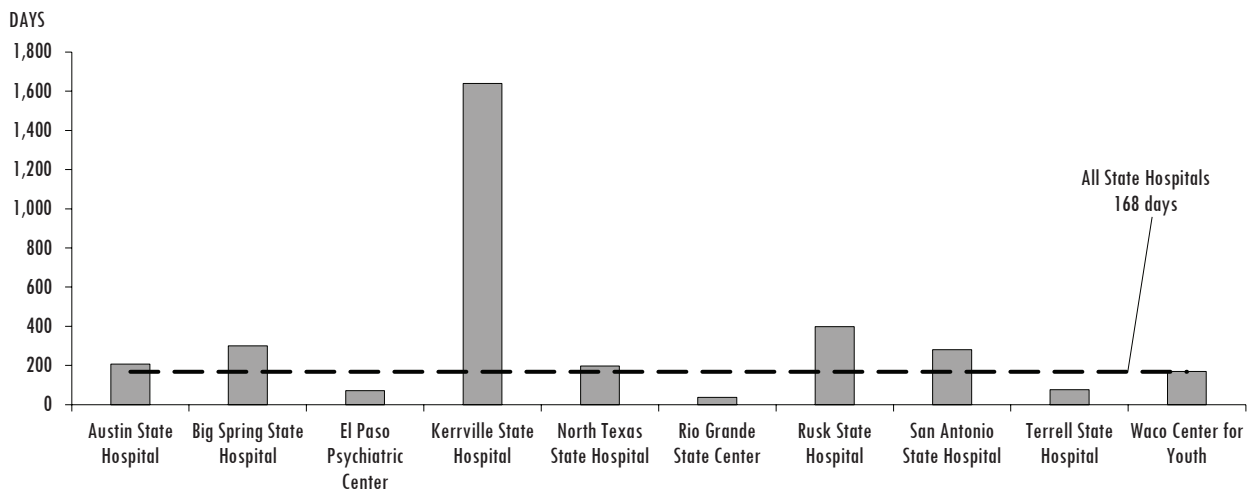
The Rio Grande State Center (RGSC) was established in 1962. RGSC has 52 beds for mental health services on a campus of 78.0 acres. RGSC operates inpatient adult psychiatric services and outpatient services, including primary care, women's health, diagnostic services, psychiatric consults, and prescription assistance. RGSC provides inpatient services for eight counties and outpatient services for four counties in South Texas.

For fiscal year 2021, the average daily census for mental health inpatient services at RGSC was 48 patients. The average length of stay was 38 days. The average monthly cost per patient served was \$25,464. The turnover rate for critical staff was 26.0 percent, and the rate of vacancies for critical staff was 5.4 percent.

RUSK STATE HOSPITAL

The Rusk State Hospital (RSH) was established in 1917. RSH is a 288-bed facility, including 40 maximum-security beds, on a campus of 623.0 acres. Rusk provides adult psychiatric services, maximum-security forensic psychiatric services for

FIGURE 2
AVERAGE LENGTH OF STAY AT DISCHARGE FROM STATE HOSPITALS, FISCAL YEAR 2021



SOURCE: Health and Human Services Commission.

adult men, forensic competency-restoration services, and residential psychiatric services in 36 East Texas counties.

For fiscal year 2021, the average daily census at RSH was 228 patients, including 24 maximum-security patients. The average length of stay was 399 days. The average monthly cost per patient served was \$17,828. The turnover rate for critical staff was 60.2 percent, and the rate of vacancies for critical staff was 24.5 percent.

SAN ANTONIO STATE HOSPITAL

The San Antonio State Hospital (SASH) opened in 1892. SASH is a 262-bed facility on a 361.0-acre campus that provides adult psychiatric services and forensic competency-restoration services for adults in 45 South Texas counties.

For fiscal year 2021, the average daily census at SASH was 200 patients. The average length of stay was 281 days. The average monthly cost per patient served was \$19,596. The turnover rate for critical staff was 41.1 percent, and the rate of vacancies for critical staff was 33.1 percent.

TERRELL STATE HOSPITAL

The Terrell State Hospital (TSH) opened in 1885. TSH is a 305-bed facility on a campus of 160.0 acres that provides psychiatric services for certain counties in North and Northeast Texas. TSH provides adult, geriatric, child, and teenage psychiatric services, and forensic competency-restoration services.

For fiscal year 2021, the average daily census at TSH was 209 patients. The average length of stay was 76 days. The average

monthly cost per patient served was \$19,771. The turnover rate for critical shortage staff was 35.1 percent, and the rate of vacancies for critical staff was 21.1 percent.

WACO CENTER FOR YOUTH

The Waco Center for Youth (WCFY) was established in 1919. WCFY is a 74-bed facility on a 47.0-acre campus that provides statewide residential psychiatric services for teenagers with severe emotional and behavioral disorders and serious dysfunctional family issues.

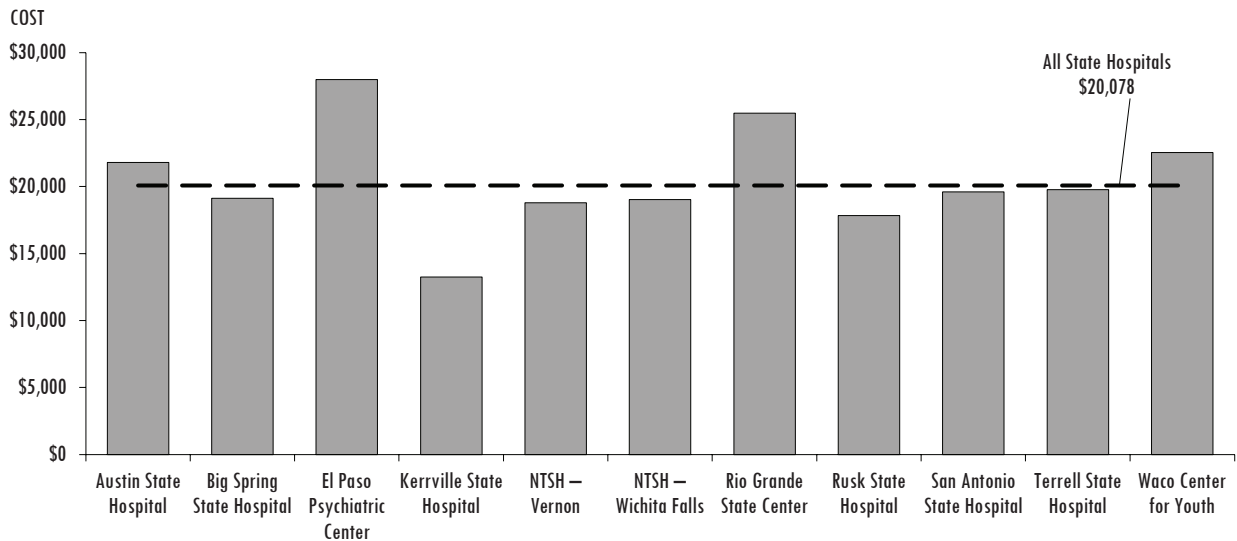
For fiscal year 2021, the average daily census at WCFY was 43 patients. The average length of stay was 169 days. The average monthly cost per patient served was \$22,529. The turnover rate for critical staff was 39.7 percent, and the rate of vacancies for critical staff was 41.7 percent.

AVERAGE LENGTH OF STAY

The average length of stay at discharge from state hospitals has increased during recent years, averaging 107 days for fiscal year 2018, 122 days for fiscal year 2019, 139 days for fiscal year 2020, and 168 days for fiscal year 2021. **Figure 2** shows the average length of stay at discharge from each facility for fiscal year 2021.

For fiscal year 2021, Kerrville State Hospital had by far the longest average length of stay at 1,640 days. The next longest average length of stay in fiscal year 2021 was 399 days at Rusk State Hospital. The Rio Grande State Center had the shortest average length of stay at 38 days. The average length of stay at each hospital varies by the type of population

FIGURE 3
AVERAGE MONTHLY COST PER PATIENT SERVED AT STATE HOSPITALS IN TEXAS, FISCAL YEAR 2021



NOTE: NTSH=North Texas State Hospital.
SOURCE: Health and Human Services Commission.

served. Kerrville State Hospital historically provides care for individuals hospitalized on forensic commitment after a determination that they are not manifestly dangerous and require long lengths of stay.

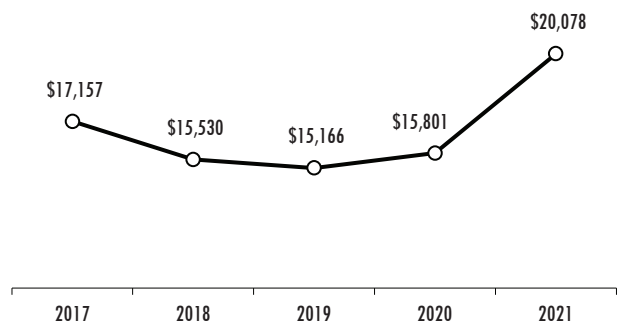
AVERAGE MONTHLY COST

The average monthly cost per patient for all state hospitals increased in fiscal year 2021 compared to the previous two fiscal years. This section examines some of the factors affecting the cost per patient. **Figure 3** shows the average monthly cost per patient served in each state hospital for fiscal year 2021. **Figure 4** shows the average monthly cost per patient served at all state hospitals for the past five fiscal years. After decreasing in fiscal years 2018 and 2019, the average monthly cost per patient increased by \$4,912, or 32.4 percent, from fiscal years 2019 to 2021. Increased costs per patient are due to increasing total costs at all state hospitals and to a decreasing patient census, which was particularly significant in fiscal year 2021 due to staffing shortages resulting in lower bed capacity but not overall lower costs.

The average monthly cost per patient at each facility depends on the following factors:

- facility size – larger facilities can spread certain fixed costs across a greater number of patient cases;

FIGURE 4
AVERAGE MONTHLY COST PER PATIENT SERVED AT ALL STATE HOSPITALS IN TEXAS FISCAL YEARS 2017 TO 2021



SOURCE: Health and Human Services Commission.

- patient types – acute and maximum-security patient services tend to require higher costs;
- outside medical services – facilities serving a patient with serious medical complications have higher costs;
- salaries of key clinical staff;
- labor pool size; and
- utility costs.

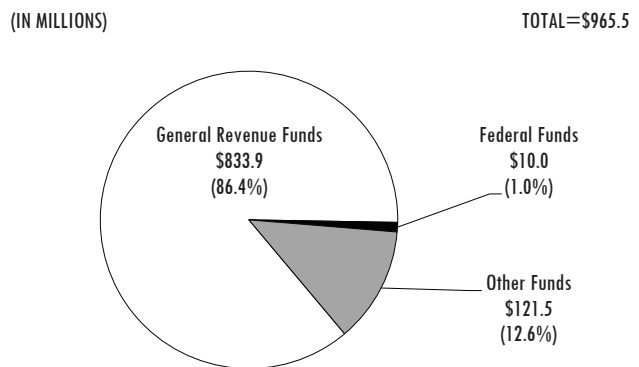
FUNDING STATE-OWNED HOSPITALS IN TEXAS

Figure 5 shows the type of funding and percentage of state appropriations for operating the state hospitals for the 2022–23 biennium. The state hospitals are funded predominantly with General Revenue Funds. Federal Funds and Other Funds constitute approximately 13.6 percent of funding. The Eighty-seventh Legislature, Regular Session, 2021, appropriated \$965.5 million in All Funds for state hospital operations for the 2022–23 biennium, including 7,858.8 full-time-equivalent (FTE) positions per fiscal year. Overall, the Legislature increased 2022–23 biennial appropriations for state hospital operations by \$54.5 million in All Funds from the 2020–21 biennium, primarily to operate expanded bed capacity at San Antonio State Hospital, Kerrville State Hospital, and the John S. Dunn Behavioral Sciences Center in Houston. Appropriations include \$833.9 million in General Revenue Funds.

Federal Funds constitute \$10.0 million, or 1.0 percent, of the 2022–23 biennial appropriation for state hospitals. This amount includes \$7.1 million in Temporary Assistance for Needy Families (TANF) that has been transferred to Social Services Block Grant (SSBG) funding. States may transfer up to 10.0 percent of their TANF funds to SSBG to provide programs and services for children or families whose income is less than 200 percent of the federal income poverty guidelines.

Federal Funds appropriations also include \$2.9 million in Medicaid funding. Pursuant to federal law, Medicaid funding appropriated to Texas state hospitals can be used only to serve children and adolescents age 20 and younger and eligible adults age 65 and older. Federal law prohibits federal Medicaid matching payments to institutions for mental diseases (IMD) for patients ages 21 to 64, known as the IMD exclusion policy. The federal Social Security Act, Section 1905, defines an IMD as a hospital, nursing facility, or other institution of more than 16 beds primarily engaged in providing diagnosis, treatment, or care of individuals with mental diseases, including medical attention, nursing care, and related services. All 11 Texas state hospitals are classified as IMDs. The IMD exclusion policy has been in place since Medicaid was enacted in 1965. The original law included an exception for individuals age 65 and older, and the exemption for individuals age 20 and younger was added through the Social Security Amendments of 1972.

FIGURE 5
STATE HOSPITAL FUNDING BY METHOD OF FINANCE
2022–23 BIENNIUM



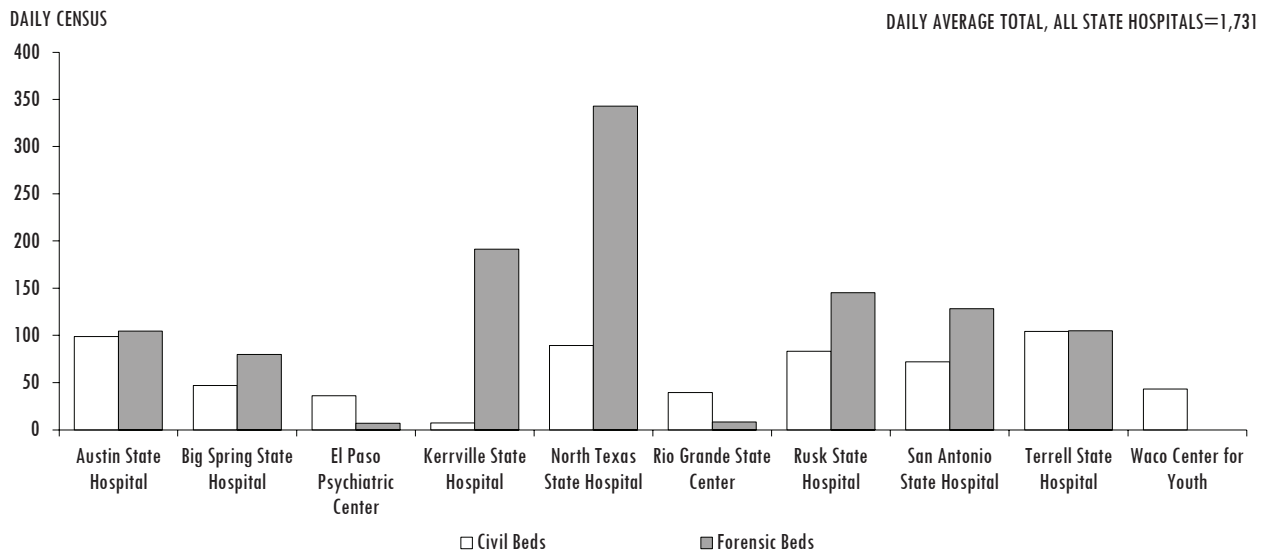
SOURCE: Legislative Budget Board.

Other Funds contribute 12.6 percent of the 2022–23 biennial appropriations for Texas state hospitals and total \$121.5 million. This amount includes \$94.6 million in Public Health Medicaid Reimbursements that are collected by the Department of State Health Services (DSHS) for laboratory services and historically have been appropriated in lieu of General Revenue Funds to maintain state hospital operations.

Other Funds also include \$1.9 million in Interagency Contracts with DSHS for laboratory testing and facility site support at the San Antonio State Hospital and with Texas Tech University Health Sciences Center for telemedicine services and \$3.9 million in MH (Mental Health) Collections for Patient Support and Maintenance, which are defined as reimbursements received for health and other services provided to individuals in state hospitals from third-party payers. These parties include insurance companies, clients, relatives, trusts and estates, and government retirement benefit programs, including the U.S. Civil Service Retirement System, Federal Railroad Administration, U.S. Social Security Administration, U.S. Veteran Benefits Administration, the state of Texas, and the Teacher Retirement System of Texas. The remaining \$21.1 million in Other Funds is provided through Appropriated Receipts, consisting of the receipts from fees and reimbursements for services that are appropriated to HHSC to offset costs.

In addition to funding for state hospital operations, the Eighty-seventh Legislature, Regular Session, 2021, appropriated \$18.2 million in General Revenue Funds to HHSC for program support and for repairs and renovations at state hospitals.

FIGURE 6
AVERAGE DAILY CENSUS FOR CIVIL AND FORENSIC BEDS AT STATE HOSPITALS
FISCAL YEAR 2021



SOURCE: Health and Human Services Commission.

FACTORS AFFECTING STATE HOSPITALS IN TEXAS

Several factors affect the costs, operations, and growth of state hospitals in Texas. This section discusses the increasing proportion of the forensic population, workforce shortages, the COVID-19 pandemic, and waitlists. The Legislature also provided funding for new construction and other budgetary actions to address the challenges facing state hospitals.

INCREASING FORENSIC POPULATION

Forensic commitments typically involve longer lengths of stay at state hospitals. In fiscal year 2021, the average length of stay at discharge for civil patients was 98 days compared to 323 days for forensic patients. The longer lengths of stay associated with forensic patients lead to the following results: (1) fewer patients per year receive services; and (2) the proportion of forensic patients to nonforensic patients increases consistently.

More than half of patients at state hospitals are admitted on forensic commitments, and the average daily census in fiscal year 2021 consisted of 64.2 percent forensic patients. Forensic patients represented less than 30.0 percent of the average daily census in fiscal year 2006, and the proportion has increased consistently, with forensic patients representing more than half of patients beginning in fiscal year 2016.

Figure 6 shows the average daily census for civil and forensic beds at each state hospital in fiscal year 2021.

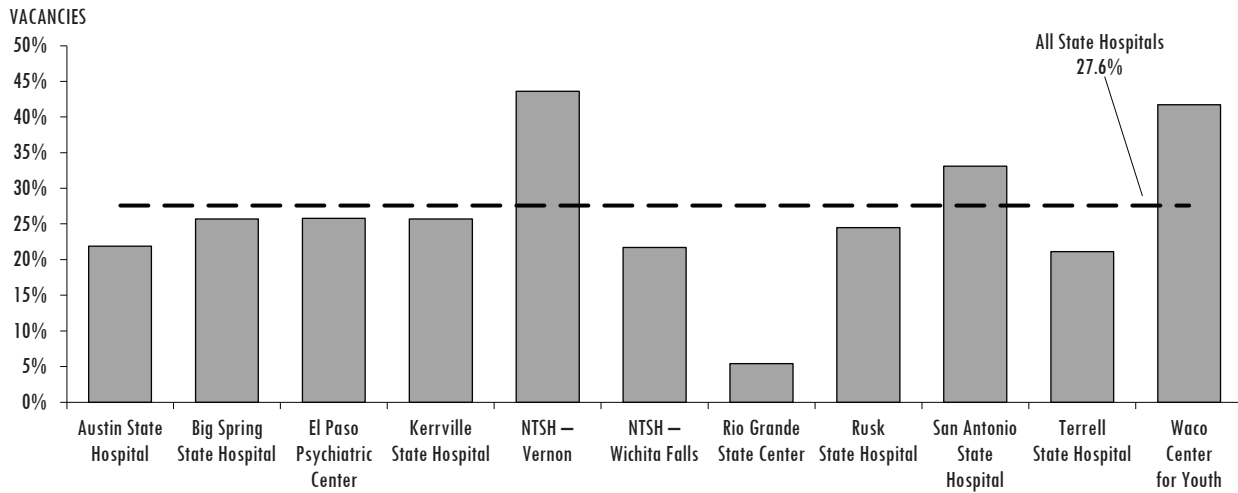
WORKFORCE SHORTAGES

State hospitals experience consistent shortages in critical staff, particularly among psychiatrists, registered nurses, licensed vocational nurses, and psychiatric nursing assistants. The statewide rate of vacant critical staff positions was 27.6 percent in fiscal year 2021. **Figure 7** shows the vacancy rates in critical staff positions by facility for fiscal year 2021.

A major contributing factor to vacancies is high turnover in these critical staff positions. The statewide average turnover rate in critical staff positions was 45.9 percent in fiscal year 2021. Turnover rates vary by position, with the lowest annualized turnover rate of 9.0 percent occurring among psychiatrists and the highest annualized rate of 53.5 percent occurring among psychiatric nursing assistants. **Figure 8** shows the turnover rate by facility for fiscal year 2021.

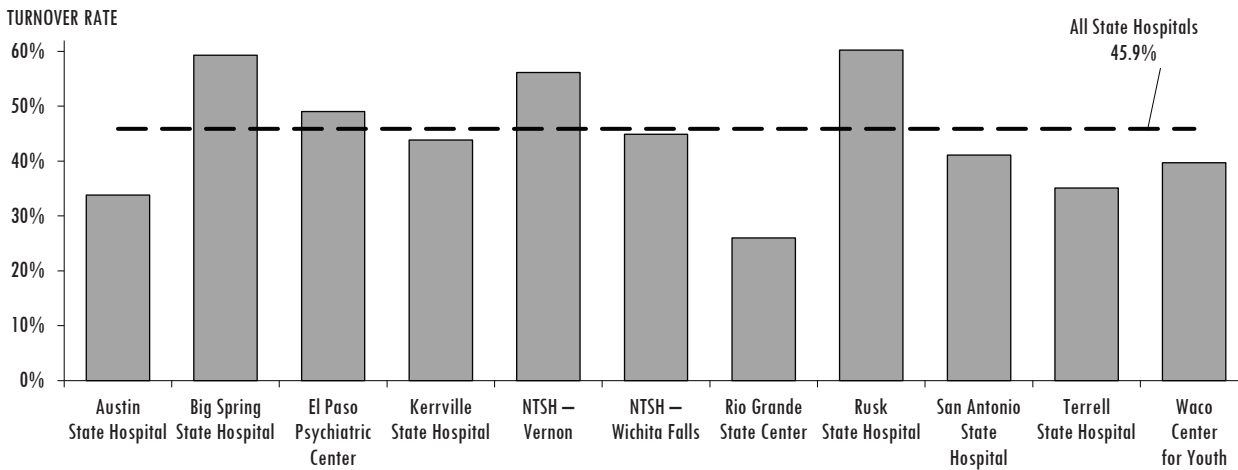
According to HHSC, significant staffing issues have led to a decrease in state hospital capacity, resulting in fewer patients being served and longer waitlists. HHSC has noted that compensation for positions at state hospitals often is not competitive with employment opportunities in the private sector.

FIGURE 7
VACANCY RATES IN CRITICAL STAFF POSITIONS AT STATE HOSPITALS, FISCAL YEAR 2021



NOTE: NTSH=North Texas State Hospital.
 SOURCE: Health and Human Services Commission.

FIGURE 8
TURNOVER RATE FOR CRITICAL STAFF POSITIONS AT STATE HOSPITALS, FISCAL YEAR 2021



NOTE: NTSH=North Texas State Hospital.
 SOURCE: Health and Human Services Commission.

AGING HOSPITAL INFRASTRUCTURE

Most state hospital facilities were built before 1965. Although the state hospitals remain structurally sound overall, the facilities need renovation and repair, or beds may need to be taken offline to maintain certain standards and programmatic requirements. Addressing repair and renovation needs are critical for continued accreditation by the Joint Commission

(TJC), a not-for-profit organization that sets standards for healthcare organizations and evaluates them in accordance with nationally recognized guidelines. To maintain accreditation, hospitals must comply with TJC’s environment-of-care standards that require buildings and equipment to be maintained in a safe manner and provide a therapeutic environment conducive to clients’ recovery. All 11 state hospitals currently are accredited by TJC.

COVID-19 PANDEMIC

The COVID-19 pandemic affected state hospital operations as facilities were required to follow certain protocols for cleaning, social distancing, and quarantining of units. These protocols resulted in 309 beds being taken offline starting in April 2020. Reduced capacity has contributed to an increasing waitlist. Visitation and on-campus events at state hospitals also were suspended temporarily, and new guidelines for professional staff were implemented based on the Centers for Disease Control and Prevention's guidelines. HHSC received and distributed personal protective equipment for patients and staff at state hospitals and implemented testing protocols to limit the spread of the virus. HHSC began tracking and publishing weekly data on case counts and deaths in state hospitals on its website.

WAITLISTS

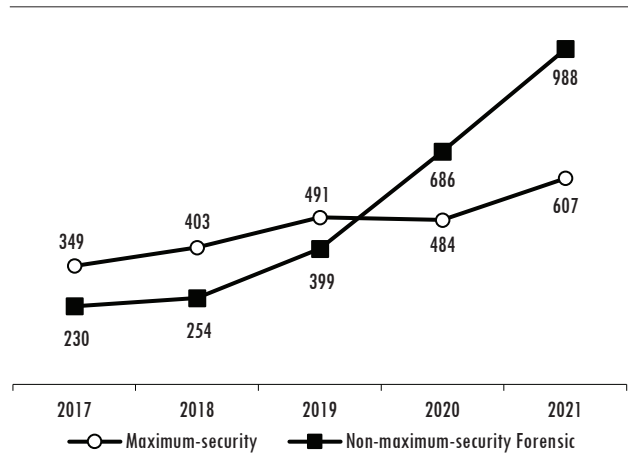
The challenges discussed previously have contributed to a growing waitlist in the state hospital system for forensic and maximum-security patients, who typically remain incarcerated until a psychiatric bed becomes available. At the end of fiscal year 2021, HHSC reported 607 individuals on the maximum-security bed waitlist and 988 individuals on the non-maximum-security forensic waitlist. This amount is an increase from the end of fiscal year 2020, when 484 individuals were on the maximum-security bed waitlist and 686 individuals were on the non-maximum-security forensic waitlist. **Figure 9** shows the waitlists for these bed types at the end of each fiscal year from 2017 to 2021.

NEW CONSTRUCTION

The Eighty-fifth Legislature, General Appropriations Act (GAA), 2018–19 Biennium, Article II, Health and Human Services Commission, Rider 147, New Construction of State Hospitals, required HHSC to develop a comprehensive inpatient mental health plan for the replacement or significant repair of state hospitals or other state-funded inpatient mental health facilities to expand inpatient mental health capacity. HHSC's plan, which focused on providing care, easy access, and a systems-based continuum of care, prepared a three-phased approach to improve the state hospital system during several biennia. Improvements sought to add capacity to the state hospital system and to replace aging infrastructure that otherwise would become unusable.

The 2018–19 GAA appropriated \$300.0 million from the Economic Stabilization Fund to HHSC for new state

FIGURE 9
STATE HOSPITALS' WAITLISTS AT THE END OF THE FISCAL YEAR, FISCAL YEARS 2017 TO 2021



SOURCE: Health and Human Services Commission.

hospital construction expenditures, following written approval from the Legislative Budget Board and the Office of the Governor, pursuant to Rider 147. HHSC received approval to spend \$298.0 million for various construction projects, including new maximum-security beds at Kerrville State Hospital and the new John S. Dunn Behavioral Sciences Center in Houston.

Senate Bill 500, Eighty-sixth Legislature, 2019, appropriated an additional \$445.4 million from the Economic Stabilization Fund for construction projects, including the replacement of Austin, Rusk, and San Antonio state hospital beds that otherwise would have been taken offline due to the need for substantial repairs.

House Bill 2, Eighty-seventh Legislature, Regular Session, 2021, provides an additional \$276.5 million from the Economic Stabilization Fund for Austin and San Antonio state hospital construction and \$44.8 million for pre-planning and planning efforts for a new state hospital in the Dallas–Fort Worth metropolitan area. The Eighty-seventh Legislature, GAA, 2022–23 Biennium, also provides \$3.0 million in General Revenue Funds for related demolition at Rusk State Hospital. Appropriations for state hospital construction for the 2022–23 biennium also include \$237.8 million in federal funding from the American Rescue Plan Act of 2021 for construction of the hospital in the Dallas–Fort Worth metropolitan area. **Appendix C** shows the appropriated funding by legislation and project for state hospital construction, including estimated move-in dates.

OTHER BUDGETARY ACTIONS

In addition to providing significant funding for new construction, the Legislature has appropriated funding to address deferred maintenance and operational needs at state hospitals. The Eighty-fifth Legislature, Regular Session, 2017, provided \$66.3 million from the Economic Stabilization Fund for deferred maintenance needs at state hospitals. In addition, it appropriated General Revenue Funds of \$24.8 million to maintain service levels and \$10.3 million to increase maximum-security bed capacity at North Texas State Hospital – Vernon Campus. An additional \$6.0 million in General Revenue Funds supported enhancements to the state hospitals' electronic health record system.

Funding for state hospital operations in the 2020–21 biennium increased by \$62.9 million in All Funds compared to 2018–19 biennial expenditures, primarily due to the following increases:

- \$17.7 million in General Revenue Funds for daily operations;
- \$19.1 million in General Revenue Funds for cost increases;
- \$15.5 million in General Revenue Funds and an additional 378.3 FTE positions in fiscal year 2021 to operate expanded bed capacity at San Antonio State Hospital and Kerrville State Hospital;
- \$10.2 million in General Revenue Funds to provide salary increases for psychiatric nursing assistants; and
- \$7.0 million in General Revenue Funds for improvements to information technology (IT) infrastructure.

These increases were offset partially by a decrease of \$6.5 million in General Revenue Funds associated with enhancements to the state hospitals' electronic health record system. In addition to increases in operational funding, HHSC received \$142.4 million in All Funds to address deferred maintenance needs at state hospitals.

The 2022–23 GAA includes an increase of \$54.5 million in All Funds for state hospital operations compared to 2020–21 biennial expenditures, primarily due to the following increases:

- \$86.0 million in General Revenue Funds to operate expanded bed capacity at San Antonio State Hospital, Kerrville State Hospital, and the John S. Dunn

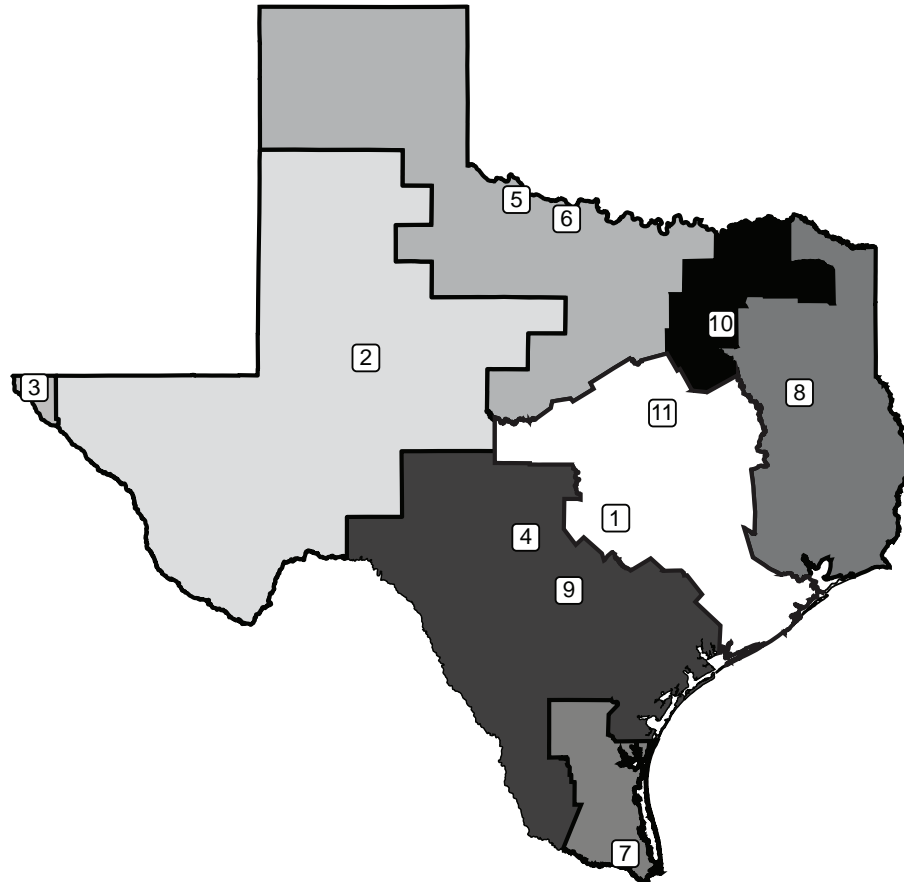
Behavioral Sciences Center, partially offset by a decrease of \$13.7 million in General Revenue Funds provided by the Eighty-sixth Legislature, 2019, for onetime facility preparation costs;

- \$6.4 million in General Revenue Funds to maintain greater fiscal year 2021 cost increases; and
- \$1.3 million in General Revenue Funds to provide hepatitis C treatment to patients at the state mental health hospitals.

These increases were offset partially by a decrease of \$11.9 million in General Revenue Funds associated with onetime funding provided for technology upgrades and equipment for the renovated units; a decrease of \$11.4 million in federal funding from the Provider Relief Fund received in the 2020–21 biennium for response to the COVID-19 pandemic; and a decrease of \$2.2 million in General Revenue Funds to maintain certain lower fiscal year 2021 costs.

APPENDIX A – STATE HOSPITALS IN TEXAS AND COUNTIES SERVED

FIGURE A-1
STATE HOSPITALS IN TEXAS AND COUNTIES SERVED, FISCAL YEAR 2021



HOSPITALS

- | | |
|--|-------------------------------|
| 1. Austin State Hospital | 7. Rio Grande State Center |
| 2. Big Spring State Hospital | 8. Rusk State Hospital |
| 3. El Paso Psychiatric Center | 9. San Antonio State Hospital |
| 4. Kerrville State Hospital | 10. Terrell State Hospital |
| 5. North Texas State Hospital – Vernon Campus | 11. Waco Center for Youth |
| 6. North Texas State Hospital – Wichita Falls Campus | |

COUNTIES SERVED

	Austin State Hospital		Rio Grande State Center
	Big Spring State Hospital		Rusk State Hospital
	El Paso Psychiatric Center		San Antonio State Hospital
	North Texas State Hospital		Terrell State Hospital

NOTE: Facilities serving the entire state include Waco Center for Youth; Rusk State Hospital and North Texas State Hospital – Vernon Campus, both of which provide maximum-security services; and Kerrville State Hospital, which provides transitional forensic services. Children and adolescent services are provided in additional counties at Austin State Hospital, North Texas State Hospital – Wichita Falls Campus, and Terrell State Hospital.
 SOURCE: Health and Human Services Commission.

APPENDIX B – COUNTIES IN STATE HOSPITAL SERVICE AREAS

Facilities serving the entire state include Waco Center for Youth; Rusk State Hospital and North Texas State Hospital-Vernon Campus, both of which provide maximum security services; and Kerrville State Hospital, which provides transitional forensic services. Children and adolescent services are provided in additional counties at Austin State Hospital, North Texas State Hospital – Wichita Falls Campus, and Terrell State Hospital.

AUSTIN STATE HOSPITAL

Austin, Bastrop, Bell, Blanco, Bosque, Brazoria, Brazos, Burleson, Burnet, Caldwell, Colorado, Coryell, Falls, Fayette, Fort Bend, Freestone, Galveston, Grimes, Hamilton, Hays, Hill, Lampasas, Lee, Leon, Limestone, Madison, Matagorda, McCulloch, McLennan, Milam, Mills, Robertson, San Saba, Travis, Waller, Washington, Wharton, and Williamson

BIG SPRING STATE HOSPITAL

Andrews, Bailey, Borden, Brewster, Briscoe, Callahan, Castro, Cochran, Coke, Concho, Crane, Crockett, Crosby, Culberson, Dawson, Ector, Fisher, Floyd, Gaines, Garza, Glasscock, Hale, Hockley, Howard, Hudspeth, Irion, Jeff Davis, Jones, Kent, Lamb, Loving, Lubbock, Lynn, Martin, Midland, Mitchell, Motley, Nolan, Parmer, Pecos, Presidio, Reagan, Reeves, Runnels, Scurry, Shackelford, Stephens, Sterling, Swisher, Taylor, Terrell, Terry, Tom Green, Upton, Ward, Winkler, and Yoakum

EL PASO PSYCHIATRIC CENTER

El Paso

KERRVILLE STATE HOSPITAL

Provides statewide adult forensic services

NORTH TEXAS STATE HOSPITAL – VERNON CAMPUS

Provides statewide adult and adolescent forensic services

NORTH TEXAS STATE HOSPITAL – WICHITA FALLS CAMPUS

Archer, Armstrong, Baylor, Brown, Carson, Childress, Clay, Coleman, Collingsworth, Comanche, Cooke, Cottle, Dallam, Deaf Smith, Denton, Dickens, Donley, Eastland, Erath, Foard, Gray, Grayson, Hall,

Hansford, Hardeman, Hartley, Haskell, Hemphill, Hood, Hutchinson, Jack, Johnson, King, Knox, Lipscomb, Montague, Moore, Ochiltree, Oldham, Palo Pinto, Parker, Potter, Randall, Roberts, Sherman, Somervell, Stonewall, Tarrant, Throckmorton, Wheeler, Wichita, Wilbarger, Wise, and Young

RIO GRANDE STATE CENTER

Brooks, Cameron, Duval, Hidalgo, Jim Wells, Kenedy, Kleberg, and Willacy

RUSK STATE HOSPITAL

Anderson, Angelina, Bowie, Cass, Chambers, Cherokee, Gregg, Hardin, Harris, Harrison, Henderson, Houston, Jasper, Jefferson, Liberty, Marion, Montgomery, Nacogdoches, Newton, Orange, Panola, Polk, Rains, Red River, Rusk, Sabine, San Augustine, San Jacinto, Shelby, Smith, Trinity, Tyler, Upshur, Van Zandt, Walker, and Wood

SAN ANTONIO STATE HOSPITAL

Aransas, Atascosa, Bandera, Bee, Bexar, Calhoun, Comal, DeWitt, Dimmit, Edwards, Frio, Gillespie, Goliad, Gonzales, Guadalupe, Jackson, Jim Hogg, Karnes, Kendall, Kerr, Kimble, Kinney, La Salle, Lavaca, Live Oak, Llano, Mason, Maverick, McMullen, Medina, Menard, Nueces, Real, Refugio, San Patricio, Schleicher, Starr, Sutton, Uvalde, Val Verde, Victoria, Webb, Wilson, Zapata, and Zavala

TERRELL STATE HOSPITAL

Camp, Collin, Dallas, Delta, Ellis, Fannin, Franklin, Hopkins, Hunt, Kaufman, Lamar, Morris, Navarro, Rockwall, and Titus

WACO CENTER FOR YOUTH

Provides statewide residential psychiatric services for adolescents ages 13 to 17

APPENDIX C – STATE HOSPITAL CONSTRUCTION PROJECTS, 2018–19 TO 2022–23 BIENNIA

FIGURE C–1
APPROPRIATIONS FOR STATE HOSPITAL CONSTRUCTION PROJECTS
2018–19 TO 2022–23 BIENNIA

(IN MILLIONS) PROJECT	ESTIMATED MOVE-IN DATE (1)	2018–19 GAA (2)	SENATE BILL 500, 2019 (3)	HOUSE BILL 2, 2021 (4)	SENATE BILL 8, 2021 (5)	2022–23 GAA (6)
San Antonio State Hospital – 40-bed unit	March 2021	\$11.5				
John S. Dunn Behavioral Sciences Center, Houston – 264-bed facility	March 2022	\$125.0				
Kerrville State Hospital – 70-bed maximum-security unit (MSU)	July 2022	\$30.5				
Rusk State Hospital – 100-bed MSU	May 2023	\$91.5				
Rusk State Hospital – 100-bed non-MSU	May 2023	\$4.5	\$90.1			
Austin State Hospital – 240-bed replacement	November 2023	\$15.5	\$165.0	\$124.1		
San Antonio State Hospital – 300-bed replacement	January 2024	\$14.5	\$190.3	\$152.4		
Dallas–Fort Worth Metropolitan Area – new state hospital	May 2025			\$44.8	\$237.8	
Fiber infrastructure at Rusk State Hospital	N/A	\$0.5				
Oversight full-time-equivalent positions	N/A	\$0.7				
Storm water runoff system at Rusk State Hospital and John S. Dunn Behavioral Sciences Center, Houston	N/A	\$3.8				
Demolition at Rusk State Hospital	N/A					\$3.0
Total		\$298.0	\$445.4	\$321.3	\$237.8	\$3.0

NOTES:

(1) Move-in dates are subject to change.

Appropriations shown are provided in the following legislation:

(2) Eighty-fifth Legislature, General Appropriations Act (GAA), 2018–19 Biennium, Article II, Health and Human Services Commission, Rider 147;

(3) Senate Bill 500, Eighty-sixth Legislature, 2019;

(4) House Bill 2, Eighty-seventh Legislature, Regular Session, 2021;

(5) Senate Bill 8, Eighty-seventh Legislature, Third Called Session, 2021; and

(6) Eighty-seventh Legislature, GAA, 2022–23 Biennium, Article IX, Section 17.32.

SOURCES: Legislative Budget Board; Health and Human Services Commission.

