

# SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

**BILL NO.** Senate Bill 924

**PRINTER NO.** 1177

**AMOUNT**

See Fiscal Impact

**FUND**

General Fund

**DATE INTRODUCED**

October 26, 2021

**PRIME SPONSOR**

Senator Brooks

**DESCRIPTION**

Senate Bill 924 amends the Mental Health and Intellectual Disability Act of 1966 to impose a moratorium on state center closures and establishes a task force under the Department of Human Services (DHS) to perform a comprehensive evaluation of state centers to provide recommendations to DHS prior to the closure of a center.

The bill establishes the Task Force on the Closure of State Centers within DHS and requires that the secretary of DHS convene an initial meeting of the task force within sixty days of the effective date of this section. The legislation requires that the task force perform a comprehensive evaluation of the state centers and that it provides recommendations to the department prior to the closure of one or more state centers.

The bill stipulates that no state center shall close until the task force completes the comprehensive evaluation of the state center and provides its recommendations to the department, the state center is deemed eligible for closure and the plan for closure is approved by a majority vote of the task force. A vote for approval cannot be effective prior to five years after the effective date of this section.

Senate Bill 924 outlines that the task force members are to include the following:

- The secretary of DHS or a designee;
- One representative from each state center, which may include, but is not limited to, direct care providers or administrative staff members, to be appointed by each center director;
- One representative from the Governor’s Office;
- The chair and the minority chair of the Health and Human Services Committee of the Senate or their designees;
- The chair and the minority chair of the Health Committee of the House of Representatives or their designees;
- Two family members of residents of state centers, to be appointed by the secretary;
- One representative of a nonprofit organization which serves as an advocate for those with intellectual disabilities, to be appointed by the secretary; and

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- One physician, psychiatrist or psychologist with experience providing services to individuals with intellectual disabilities to be appointed by the secretary in consultation with the representatives appointed by each state center.

The bill requires that the task force shall meet biweekly to evaluate the impact of a closure on the residents of the state center and their families; employees, both union and nonunion; the local economy in which the state center is located; and the readiness of provider agencies in each region to expand the community-based residential infrastructure to support residents leaving state centers.

If the task force deems the state center eligible for closure, DHS shall prepare a plan for the closure of the state center and the transition of individuals with intellectual disabilities receiving care in the state center to a home or community-based support system. The legislation requires the task force to vote in the majority to approve the plan and that DHS shall make the plan available to the public and take any action necessary to commence the process of closing the state center.

The bill requires that the plan includes the following:

- An assessment of the state center to include:
  - A certified independent appraisal of the state center property;
  - A report of the state employees employed at the state center, both full time and part time, including the total number of employees, the cost of the total wages and total benefits paid to the employees and an organizational flow chart of employees working at the state center;
  - A detailed report of the services provided at the state center by contracted third-party vendors;
  - An inventory of assets located at and improvements on the state center;
  - A report of all electric, utility, water, landscaping, snow removal and maintenance costs of the state center;
  - Geospatial images of the state center;
  - A detailed description of the existence, ownership rights and appraised value of any mineral rights on the state center property; and
  - A historical report of the institutional property, including the date it was acquired or constructed, the dates of any improvements on the property, any changes in property records, such as subdivisions, historical employment or complement levels and other historical data.
- The timeline for the state center for the transition to a home and community-based support system for all of the individuals with intellectual disabilities living at the state center;
- The home and community-based support providers available in the immediate geographic area surrounding the state center;
- The process the department will utilize at each state center to transition individuals with intellectual disabilities supported at each state center to a home and community-based support system as provided under this section;

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- The process the department will utilize at the state center to close buildings and reassign staff when individuals with intellectual disabilities are transitioning from state centers to a home and community-based support system; and
- Any other information deemed appropriate by the department.

Senate Bill 924 stipulates that a state center subject to closure must continue to operate with the level of staff necessary until all residents have been transitioned into home or community-based services.

Provisions of this legislation shall only apply to closures made after July 31, 2019.

This act shall take effect immediately.

### **FISCAL IMPACT:**

Senate Bill 924 may have up to a \$66 million annual fiscal impact to the Commonwealth.

Since this bill delays the closure of any one or all of the state centers, below is a chart of the state cost differentials between serving individuals in state centers and community settings along with the potential state savings.

	Ebensburg	Polk	Selinsgrove	White Haven	
<b>Facility Costs:</b>					
Total Funding for ID Facility	\$76,375,000	\$76,910,000	\$77,622,000	\$42,416,000	
State Funding for ID Facility	\$27,977,000	\$27,418,000	\$28,033,000	\$15,714,000	
July 2020 Population	193	185	201	101	
Total Cost per Consumer - Facility	\$395,725	\$415,730	\$386,179	\$419,960	
State Cost per Consumer - Facility	\$144,959	\$148,205	\$139,468	\$155,584	
<b>Community Costs:</b>					
Total Cost per Consumer - Community	\$108,950	\$108,950	\$108,950	\$108,950	
State Cost per Consumer - Community	\$48,411	\$48,411	\$48,411	\$48,411	
<b>Potential Impact of the Bill:</b>					
Add'l Total Cost per Consumer for Remaining in Facility	\$286,775	\$306,780	\$277,229	\$311,010	
Add'l State Cost per Consumer for Remaining in Facility	\$96,548	\$99,794	\$91,057	\$107,173	<b>Total</b>
Add'l Total Cost for All Residents Remaining in Facility	\$55,347,650	\$56,754,250	\$55,723,050	\$31,412,050	<b>\$199,237,000</b>
Add'l State Cost for All Residents Remaining in Facility	\$18,633,677	\$18,461,965	\$18,302,389	\$10,824,489	<b>\$66,222,520</b>