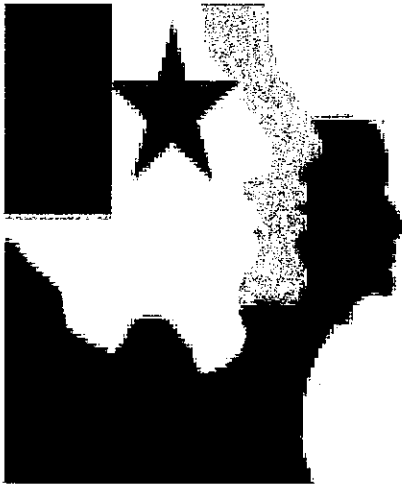


**STUDY OF FEASIBILITY OF FACILITY CLOSURES AND
CONSOLIDATIONS – FISCAL YEAR 2005
(STATE SCHOOLS)**

Texas Health & Human Services Commission



TEXAS
Health and Human
Services Commission

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State School Overview

1.1 Project Background

During the 78th Regular Session, the Texas State Legislature passed Rider 55 as part of the General Appropriations Act. Rider 55 requires the Health and Human Services Commission (HHSC) to study the feasibility of closure and consolidation of state hospitals and state schools. To comply with the rider, HHSC issued an RFP and selected Public Consulting Group, Inc. (PCG) to study the feasibility of closure and/or consolidation of state hospitals and state schools.

1.2 State School Background Information

Many states have undertaken reviews of state hospital and state school bed capacity. The U.S. Supreme Court's decision in the *Olmstead vs. L.C.* case, the widespread use of evidenced based practices and other improved practices that increase access to community based care, and efforts among stakeholders and advocacy groups to promote de-institutionalization of persons with mental illness and mental retardation have raised questions about the future of large residential settings across the country. In addition, many states experience decreases in their net costs when selected institutional services are relocated to community settings.

Chart 1-1 sums the total number of mental retardation caseloads above and compares it to Texas' population. This chart reveals that as Texas' population has risen over the past six years, the caseloads receiving mental retardation services per 100,000 persons in the population has declined. While it is important to note that the total number of persons served by the Texas Mental Retardation system appears to have decreased since 1999, the services included in the caseload computation do not represent every service available to persons with developmental disabilities. Rather, this computation includes those services that are exclusive to persons with developmental disabilities. The Department of Aging and Disability Services (DADS) provides other services that are available to persons with developmental disabilities but are also open to others who are eligible for DADS services.

**Chart 1-1
Proportion of Caseloads Relative to TX Population Receiving Mental Retardation Services
1999-2004**

| Year | Caseloads Receiving Mental Retardation Services¹ | US Census Texas Population | Caseloads Receiving Mental Retardation Services per 100,000 |
|-------------|--|-----------------------------------|--|
| 1999 | 50,495 | 20,044,141 | 252 |
| 2000 | 51,022 | 20,851,820 | 245 |
| 2001 | 51,734 | 21,325,018 | 243 |
| 2002 | 49,637 | 21,518,555 | 231 |
| 2003 | 50,617 | 22,118,509 | 229 |
| 2004 | 47,306 | 22,293,020 | 212 |

¹ Legislative Appropriation Request and DADS Monthly Forecasts

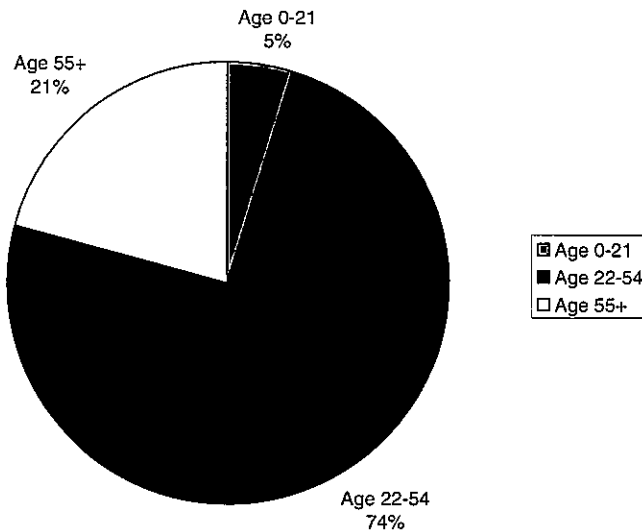
The steady incidence of mental retardation in the overall population, the increases in life span among those with developmental disabilities and the expanding Texas population suggests there is increased pressure on the existing service system, community and institutional, to meet the needs of persons with mental retardation. Anecdotally, it would appear that much of the demand has shifted from institutional services to the community system. However, closing additional state facility beds would exacerbate the unmet demand for services without creating the financial opportunity for the state to respond.

In FY04, Texas provided residential services for approximately 4,879 individuals with developmental disabilities in 11 state schools and 2 state centers. All state schools reported near full occupancy when measuring residents to funded beds; however, the number of funded beds in the state mental retardation system does not represent the total number of beds. It is a count of the number of beds for which the state provides funding. In fact, there are an additional 990 beds across state schools that, with funding and renovation, could be made available to clients.

Unlike state hospitals, state schools do not have beds dedicated to specific populations, although three state schools do have special programs to serve individuals admitted through the criminal justice system. The majority of state school residents are adults; however, there is an increasing elderly population. Advances in medicine have enabled many persons with developmental disabilities to live into old age. This is illustrated by the number of state school residents above the age of 55 which is projected to steadily increase.

Chart 1-2

State School Residents by Age



Admissions to state schools have increased in the past three years but at a slower rate than discharges (including community placements, discharges and resident deaths)². As a result, enrollment in state schools has decreased overall. According to the same data source, the average number of admissions per month across state schools between 9/1/01 and 4/1/04 was 17 persons while the average number of discharges for the same time was 24 people. Given the low turnover, it is clear that residents in state schools tend to reside there for extended periods of time.

Although the funded capacity of state schools is near full occupancy, it is clear from the decreasing utilization of the service combined with the number of additional certified beds that many of the facilities have space that is not being used for active residential or treatment purposes. This suggests that, from a facility standpoint, it may be possible to consolidate state facilities. Facility consolidation can avoid the high, deferred costs associated with the maintenance of state-owned properties, as well as reduce the need to rebuild existing facilities or construct new ones. Other factors could support consolidation: Re-direction of facility funds and expertise can significantly expand access to high quality community based services for clients. Well-planned moves can yield higher quality of life for many residents. These benefits, however, can only be attained with extensive data collection, planning, careful analysis and widespread stakeholder input. Also, leadership from the legislature and the executive branch would be required to be involved in the process to ensure that resources are transferred appropriately. The utilization decline also presents an opportunity to “right size” facilities with declining censuses-- restructuring facility usage to accommodate reduced censuses in an efficient manner while developing the capacity to provide needed community services.

This feasibility study is a step in determining if the benefits of closure and consolidation are feasible for Texas. Based on criteria provided by the Legislature, the study determines if a closure or consolidation is possible and suggests those facilities best suited for the change. The criteria provided by the Legislature were:

- proximity to other facilities and geographical distribution of remaining facilities;
- administrative cost of the facility;
- availability of other employment opportunities in the area for employees displaced by the closure;
- condition of existing facility structures;
- marketability of the property where the facility is located when considering possible sale of the property or alternate use possibilities;
- ease of client transfer capability;
- capacity at remaining facilities to accommodate persons transferred from a facility identified for closure; and
- identification of specialty programs and services.

PCG and HHSC determined that the best approach to fulfilling these requirements was to develop a baseline analysis of statistical, financial and facility data from the state mental health facilities based on the above criteria. PCG drafted a list of indicators that addressed each of the criteria put forth by the Legislature. HHSC reviewed and approved these statistics and directed TDMHMR to provide PCG with the data to produce the analysis. We presented our first draft to HHSC and our contacts in TDMHMR and after refining our data, PCG sent the baseline analysis to state school administrators. The administrators reviewed the analysis, made any necessary corrections and suggested some changes. PCG

² TDMHMR Enrollment Projections in State Mental Retardation Facilities 9/1/01 – 8/1/05

then updated the baseline analysis. A detailed description of the evaluation criteria used in the baseline analysis follows.

The table below identifies the indicators PCG selected for each of the criteria required by the Legislature.

| CRITERIA | MEASUREMENT | SOURCE DATA |
|-------------------|--|--|
| Geography | Travel Distance in Miles to 2 Closest Facilities | Determined the mileage between facilities from TX Comptroller's Mileage Chart and averaged the mileage between the two closest facilities. |
| | Travel Distance in Minutes to 2 Closest Facilities | Determined the travel time between facilities from Mapquest and averaged the time between the two closest facilities. Converted the results to minutes. |
| Cost | Total Cost/Day | Averaged total costs and total patient days from the FY02 and FY03 cost report (Medicaid cost report for state schools). Divided total costs by total patient days. |
| | Administration Cost/Day | Averaged the total administration costs for each facility from FY02 and FY03 (from TDMHMR). Averaged total patient days for the FY02 and FY03 Medicaid cost report. Divided administrative costs by total patient days. |
| Employment | State Employees/10,000 Population | Divided the average number of full-time state employees as of 8/31 in FY01-FY04 (from TDMHMR) by the US Census 2000 population of the county of the institution and contiguous counties. Multiplied by 10,000. |
| | Unemployment Rate | Obtained the unemployment rate of each institution's county and contiguous counties for FY03 from the Bureau of Labor & Statistics. Calculated the weighted average for each facility based on US Census 2000 population |
| | Size of Employer within Area | Identified the rank of the facility based on employees (using average full-time state employees as of FY01-FY04) as compared to other institutions within the county (from Chambers of Commerce). |

| CRITERIA | MEASUREMENT | SOURCE DATA |
|---------------------------|---|---|
| Facility Condition | Facility Condition Index | Divided total deferred maintenance costs reported on the 2004 Computer Aided Facility Management (CAFM) system report, Facility Summary with Site Systems, (where total deferred maintenance costs are total maintenance costs that are deferred to a future budget cycle) by the Current Replacement Value (current costs of replacing items) reported on same report. |
| | Value of Planned Construction | Summed value for Architect/Engineer (AE) contract awards, construction contract awards, construction documents, design development, on-hold programming and schematic design for FY01-FY04 from TDMHMR. |
| | Forecasted Renewal Costs/Staffed Bed | Divided the forecasted renewal costs for the next five years reported on the 2004 CAFM system report, Facility Summary with Site Systems, by the number of beds (Staffed beds from the FY03 Medicaid cost report for state schools). |
| | Critical Deferred Maintenance/ Staffed Bed | Divided the critical deficiency costs reported on the 2004 CAFM system report, Facility Summary with Site Systems, by the number of beds (Staffed beds from the FY03 Medicaid cost report for state schools). |
| Marketability | Market Value of Land | Inventory value of land from the General Land Office Report to the 77th Legislature |
| | Bonded Amount to Repay in the Event of the Sale of the Facility | Sum of bonded amounts left to repay as of April 2004 (from TDMHMR) |

| CRITERIA | MEASUREMENT | SOURCE DATA |
|--|---|--|
| Client Impact/Ease of Transfer | ADC/100,000 Population | Multiplied the average daily census in FY01-FY03 by 100,000 (from TDMHMR). Divided by US Census 2000 population of area served based on each institution's service delivery area (as defined on the TDMHMR website). |
| | Current Enrollment | Determined the current enrollment based on FY03 patient days from the cost report (Medicaid cost report for state schools). |
| | Average Wait Days Between Referral for Community Placement and Actual Placement | Averaged the number of days between a referral for community placement with an actual placement for FY03-FY04 (from TDMHMR). |
| | Elderly Residents | Calculated the number of residents over the age of 55 in each facility as of FY04 (from TDMHMR). |
| | Number of Clients with Pervasive or Pervasive Plus LON | Calculated the number of residents with either a pervasive or pervasive plus level of need in each facility as of FY04 (from TDMHMR). |
| | Number of Clients in Facility Greater than 20 Years | Calculated the number of residents with lengths of stay in each facility of greater than 20 years as of FY04 (from TDMHMR). |
| | Number of Clients with Severe Health Status | Calculated the number of current residents with health status of severe as of FY04 (from TDMHMR). |
| Capacity to Accommodate Clients | Vacant and Presently Unfunded Certified Beds | Calculated the current number of vacant certified beds as of FY04 (from TDMHMR) |
| | Vacant and Presently Unfunded Available Certified Beds | Calculated the current number of immediately available vacant certified beds as of FY04 (from TDMHMR) |
| Specialty Program | Admits from the Criminal Justice System | Determined which facilities admit residents from the criminal justice system. |

After calculating the measurements described above, PCG calculated the range spanned by the facilities. We divided this information by four and then arranged the facilities into quartiles. For example, if the highest result of a measurement across all schools was 25 and the lowest result was 1, PCG calculated the range at 24. Each quartile then was valued at 6. Facilities with a result of 1-6 were assigned to quartile 1; facilities with a result of 6-12 were assigned to quartile 2; and so on. PCG arranged the quartiles such that results representing the lowest barriers to closure were assigned to the first quartile and results represented the greatest barriers to closure were assigned to the fourth quartile. Each measurement within a criterion was assigned the same weight.

The following graphs detail the summarized results of the baseline analysis (individual results can be found in the detailed description of each facility). Each chart weights the criteria in a different manner, with Chart 1-4 assigning equal weight across all criteria. Because ease of transfer and capacity to accommodate transfers represent criteria related to patient care, these criteria were weighted twice the other criteria in every other chart. The charts rotate assigning double weight to another criterion besides

ease of transfer and capacity to accommodate transfers. For example, Chart 1-5 assigns double weight to geography, ease of transfer and capacity to accommodate transfers. In the absence of specific weighting instructions in the rider, PCG produced results that consistently weighted the patient and client criteria twice that of other criteria. The criteria specified by the Legislature allow for a decision to be made based on the criteria alone; however, there are situations in which the criteria and the conclusions that can be drawn from them may be influenced by outside circumstances. To account for this, HHSC and Public Consulting Group developed several statistics that would measure each criterion. We believe that the measures developed afford a good look at where facilities fall within the criteria. However, there exists the possibility that how the measures are defined, developed and used could influence the outcome of the baseline analysis. The various weighting of the criteria attempts to minimize this possibility.

**1.3 Summary of Baseline Analysis – Schools
 Chart 1-3**

**TX STATE SCHOOL BASELINE ANALYSIS
 Baseline Analysis Summary**

*Average of quadrant ranking where the highest number represents the biggest barriers to closure
 The criteria are weighted equally*

| Criteria | Geography | Cost | Employment | Facility Condition | Marketability | Ease of Transfer | Capacity to Accommodate Clients | Specialty Program | Total |
|----------------|-----------|------|------------|--------------------|---------------|------------------|---------------------------------|-------------------|-------|
| Austin | 1.00 | 3.00 | 1.33 | 2.00 | 1.00 | 2.71 | 1.50 | 1.00 | 13.55 |
| El Paso | 4.00 | 2.00 | 2.00 | 3.75 | 2.50 | 1.00 | 1.00 | 1.00 | 17.25 |
| San Antonio | 1.00 | 4.00 | 1.67 | 3.50 | 3.50 | 1.71 | 1.50 | 1.00 | 17.88 |
| Lufkin | 1.00 | 4.00 | 3.00 | 2.25 | 2.50 | 2.14 | 2.00 | 1.00 | 17.89 |
| Denton | 1.00 | 4.00 | 2.67 | 2.50 | 3.00 | 3.14 | 1.50 | 1.00 | 18.81 |
| Lubbock | 2.00 | 3.50 | 2.33 | 3.00 | 2.50 | 2.00 | 2.50 | 1.00 | 18.83 |
| San Angelo | 1.50 | 1.00 | 3.00 | 1.75 | 3.00 | 1.71 | 3.50 | 4.00 | 19.46 |
| Brenham | 1.00 | 3.50 | 2.33 | 3.25 | 3.00 | 1.71 | 4.00 | 1.00 | 19.80 |
| Richmond | 1.00 | 3.00 | 2.67 | 2.50 | 3.00 | 3.14 | 3.50 | 1.00 | 19.81 |
| Corpus Christi | 1.50 | 3.50 | 3.00 | 2.50 | 2.00 | 1.86 | 2.50 | 4.00 | 20.86 |
| Abitene | 1.00 | 3.50 | 3.00 | 2.50 | 4.00 | 3.29 | 3.50 | 1.00 | 21.79 |
| Mexia | 1.00 | 1.50 | 3.00 | 2.00 | 4.00 | 2.57 | 4.00 | 4.00 | 22.07 |

The graph above assigns the same weight to each of the eight criteria identified by the Legislature. Under this ranking scheme, Austin State School with 13.55 points presents the lowest barrier to closure while the Mexia State School with 22.07 points presents the greatest barrier to closure. The average school has 19.00 points and there is a range of 8.52 points between the facility with the lowest barriers to closure and the facility with the highest barriers to closure.

Chart 1-4

TX STATE SCHOOL BASELINE ANALYSIS
Baseline Analysis Summary

*Average of quadrant ranking where the highest number represents the biggest barriers to closure
 The geography, ease of transfer and capacity criteria are weighted twice the other criteria*

| Criteria | Geography | Cost | Employment | Facility Condition | Marketability | Ease of Transfer | Capacity to Accommodate Clients | Specialty Program | Total |
|----------------|-----------|------|------------|--------------------|---------------|------------------|---------------------------------|-------------------|-------|
| Austin | 2.00 | 3.00 | 1.33 | 2.00 | 1.00 | 5.43 | 3.00 | 1.00 | 18.76 |
| San Antonio | 2.00 | 4.00 | 1.67 | 3.50 | 3.50 | 3.43 | 3.00 | 1.00 | 22.10 |
| Lufkin | 2.00 | 4.00 | 3.00 | 2.25 | 2.50 | 4.29 | 4.00 | 1.00 | 23.04 |
| El Paso | 8.00 | 2.00 | 2.00 | 3.75 | 2.50 | 2.00 | 2.00 | 1.00 | 23.25 |
| Denton | 2.00 | 4.00 | 2.67 | 2.50 | 3.00 | 6.29 | 3.00 | 1.00 | 24.45 |
| Lubbock | 4.00 | 3.50 | 2.33 | 3.00 | 2.50 | 4.00 | 5.00 | 1.00 | 25.33 |
| San Angelo | 3.00 | 1.00 | 3.00 | 1.75 | 3.00 | 3.43 | 7.00 | 4.00 | 26.18 |
| Brenham | 2.00 | 3.50 | 2.33 | 3.25 | 3.00 | 3.43 | 8.00 | 1.00 | 26.51 |
| Corpus Christi | 3.00 | 3.50 | 3.00 | 2.50 | 2.00 | 3.71 | 5.00 | 4.00 | 26.71 |
| Richmond | 2.00 | 3.00 | 2.67 | 2.50 | 3.00 | 6.29 | 7.00 | 1.00 | 27.45 |
| Abilene | 2.00 | 3.50 | 3.00 | 2.50 | 4.00 | 6.57 | 7.00 | 1.00 | 29.57 |
| Mexia | 2.00 | 1.50 | 3.00 | 2.00 | 4.00 | 5.14 | 8.00 | 4.00 | 29.64 |

The graph above weights geography, ease of transfer and capacity to accommodate clients at twice the other criteria. Under this ranking scheme, Austin State School with 18.76 points presents the lowest barrier to closure while the Mexia State School with 29.64 points presents the greatest barrier to closure. The average school has 25.25 points and there is a range of 10.88 points between the facility with the lowest barriers to closure and the facility with the highest barriers to closure.

Chart 1-5

TX STATE SCHOOL BASELINE ANALYSIS
Baseline Analysis Summary

*Average of quadrant ranking where the highest number represents the biggest barriers to closure
 The cost criterion, ease of transfer and capacity criteria are twice the other criteria*

| Criteria | Geography | Cost | Employment | Facility Condition | Marketability | Ease of Transfer | Capacity to Accommodate Clients | Specialty Program | Total |
|----------------|-----------|------|------------|--------------------|---------------|------------------|---------------------------------|-------------------|-------|
| Austin | 1.00 | 6.00 | 1.33 | 2.00 | 1.00 | 5.43 | 3.00 | 1.00 | 20.76 |
| El Paso | 4.00 | 4.00 | 2.00 | 3.75 | 2.50 | 2.00 | 2.00 | 1.00 | 21.25 |
| San Antonio | 1.00 | 8.00 | 1.67 | 3.50 | 3.50 | 3.43 | 3.00 | 1.00 | 25.10 |
| San Angelo | 1.50 | 2.00 | 3.00 | 1.75 | 3.00 | 3.43 | 7.00 | 4.00 | 25.68 |
| Lufkin | 1.00 | 8.00 | 3.00 | 2.25 | 2.50 | 4.29 | 4.00 | 1.00 | 26.04 |
| Lubbock | 2.00 | 7.00 | 2.33 | 3.00 | 2.50 | 4.00 | 5.00 | 1.00 | 26.83 |
| Denton | 1.00 | 8.00 | 2.67 | 2.50 | 3.00 | 6.29 | 3.00 | 1.00 | 27.45 |
| Corpus Christi | 1.50 | 7.00 | 3.00 | 2.50 | 2.00 | 3.71 | 5.00 | 4.00 | 28.71 |
| Brenham | 1.00 | 7.00 | 2.33 | 3.25 | 3.00 | 3.43 | 8.00 | 1.00 | 29.01 |
| Richmond | 1.00 | 6.00 | 2.67 | 2.50 | 3.00 | 6.29 | 7.00 | 1.00 | 29.45 |
| Mexia | 1.00 | 3.00 | 3.00 | 2.00 | 4.00 | 5.14 | 8.00 | 4.00 | 30.14 |
| Abilene | 1.00 | 7.00 | 3.00 | 2.50 | 4.00 | 6.57 | 7.00 | 1.00 | 32.07 |

The graph above weights cost, ease of transfer and capacity to accommodate clients at twice the other criteria. Under this ranking scheme, Austin State School with 20.76 points presents the lowest barrier to closure while the Abilene State School with 32.07 points presents the greatest barrier to closure. The average school has 26.88 points and there is a range of 11.31 points between the facility with the lowest barriers to closure and the facility with the highest barriers to closure.

Chart 1-6

TX STATE SCHOOL BASELINE ANALYSIS
Baseline Analysis Summary

*Average of quadrant ranking where the highest number represents the biggest barriers to closure
 The employment, ease of transfer and capacity criteria are weighted twice the other criteria*

| Criteria | Geography | Cost | Employment | Facility Condition | Marketability | Ease of Transfer | Capacity to Accommodate Clients | Specialty Program | Total |
|----------------|-----------|------|------------|--------------------|---------------|------------------|---------------------------------|-------------------|-------|
| Austin | 1.00 | 3.00 | 2.67 | 2.00 | 1.00 | 5.43 | 3.00 | 1.00 | 19.10 |
| El Paso | 4.00 | 2.00 | 4.00 | 3.75 | 2.50 | 2.00 | 2.00 | 1.00 | 21.25 |
| San Antonio | 1.00 | 4.00 | 3.33 | 3.50 | 3.50 | 3.43 | 3.00 | 1.00 | 22.76 |
| Lufkin | 1.00 | 4.00 | 6.00 | 2.25 | 2.50 | 4.29 | 4.00 | 1.00 | 25.04 |
| Lubbock | 2.00 | 3.50 | 4.67 | 3.00 | 2.50 | 4.00 | 5.00 | 1.00 | 25.67 |
| Denton | 1.00 | 4.00 | 5.33 | 2.50 | 3.00 | 6.29 | 3.00 | 1.00 | 26.12 |
| San Angelo | 1.50 | 1.00 | 6.00 | 1.75 | 3.00 | 3.43 | 7.00 | 4.00 | 27.68 |
| Brenham | 1.00 | 3.50 | 4.67 | 3.25 | 3.00 | 3.43 | 8.00 | 1.00 | 27.85 |
| Corpus Christi | 1.50 | 3.50 | 6.00 | 2.50 | 2.00 | 3.71 | 5.00 | 4.00 | 28.21 |
| Richmond | 1.00 | 3.00 | 5.33 | 2.50 | 3.00 | 6.29 | 7.00 | 1.00 | 29.12 |
| Abilene | 1.00 | 3.50 | 6.00 | 2.50 | 4.00 | 6.57 | 7.00 | 1.00 | 31.57 |
| Mexia | 1.00 | 1.50 | 6.00 | 2.00 | 4.00 | 5.14 | 8.00 | 4.00 | 31.64 |

The graph above weights employment, ease of transfer and capacity to accommodate clients at twice the other criteria. Under this ranking scheme, Austin State School with 19.10 points presents the lowest barrier to closure while the Mexia State School with 31.64 points presents the greatest barrier to closure. The average school has 26.33 points and there is a range of 12.55 points between the facility with the lowest barriers to closure and the facility with the highest barriers to closure.

Chart 1-7

TX STATE SCHOOL BASELINE ANALYSIS
Baseline Analysis Summary

*Average of quadrant ranking where the highest number represents the biggest barriers to closure
 The facility condition, ease of transfer and capacity criteria are weighted twice the other criteria*

| Criteria | Geography | Cost | Employment | Facility Condition | Marketability | Ease of Transfer | Capacity to Accommodate Clients | Specialty Program | Total |
|----------------|-----------|------|------------|--------------------|---------------|------------------|---------------------------------|-------------------|-------|
| Austin | 1.00 | 3.00 | 1.33 | 4.00 | 1.00 | 5.43 | 3.00 | 1.00 | 19.76 |
| El Paso | 4.00 | 2.00 | 2.00 | 7.50 | 2.50 | 2.00 | 2.00 | 1.00 | 23.00 |
| Lufkin | 1.00 | 4.00 | 3.00 | 4.50 | 2.50 | 4.29 | 4.00 | 1.00 | 24.29 |
| San Antonio | 1.00 | 4.00 | 1.67 | 7.00 | 3.50 | 3.43 | 3.00 | 1.00 | 24.60 |
| Denton | 1.00 | 4.00 | 2.67 | 5.00 | 3.00 | 6.29 | 3.00 | 1.00 | 25.95 |
| Lubbock | 2.00 | 3.50 | 2.33 | 6.00 | 2.50 | 4.00 | 5.00 | 1.00 | 26.33 |
| San Angelo | 1.50 | 1.00 | 3.00 | 3.50 | 3.00 | 3.43 | 7.00 | 4.00 | 26.43 |
| Corpus Christi | 1.50 | 3.50 | 3.00 | 5.00 | 2.00 | 3.71 | 5.00 | 4.00 | 27.71 |
| Brenham | 1.00 | 3.50 | 2.33 | 6.50 | 3.00 | 3.43 | 8.00 | 1.00 | 28.76 |
| Richmond | 1.00 | 3.00 | 2.67 | 5.00 | 3.00 | 6.29 | 7.00 | 1.00 | 28.95 |
| Mexia | 1.00 | 1.50 | 3.00 | 4.00 | 4.00 | 5.14 | 8.00 | 4.00 | 30.64 |
| Abitene | 1.00 | 3.50 | 3.00 | 5.00 | 4.00 | 6.57 | 7.00 | 1.00 | 31.07 |

The graph above weights facility condition, ease of transfer and capacity to accommodate clients at twice the other criteria. Under this ranking scheme, Austin State School with 19.76 points presents the lowest barrier to closure while the Abilene State School with 31.07 points presents the greatest barrier to closure. The average school has 26.46 points and there is a range of 11.31 points between the facility with the lowest barriers to closure and the facility with the highest barriers to closure.

Chart 1-8

TX STATE SCHOOL BASELINE ANALYSIS
Baseline Analysis Summary

Average of quadrant ranking where the highest number represents the biggest barriers to closure. The marketability, ease of transfer and capacity criteria are weighted twice the other criteria

| Criteria | Geography | Cost | Employment | Facility Condition | Marketability | Ease of Transfer | Capacity to Accommodate Clients | Specialty Program | Total |
|----------------|-----------|------|------------|--------------------|---------------|------------------|---------------------------------|-------------------|-------|
| Austin | 1.00 | 3.00 | 1.33 | 2.00 | 2.00 | 5.43 | 3.00 | 1.00 | 18.76 |
| El Paso | 4.00 | 2.00 | 2.00 | 3.75 | 5.00 | 2.00 | 2.00 | 1.00 | 21.75 |
| Lufkin | 1.00 | 4.00 | 3.00 | 2.25 | 5.00 | 4.29 | 4.00 | 1.00 | 24.54 |
| San Antonio | 1.00 | 4.00 | 1.67 | 3.50 | 7.00 | 3.43 | 3.00 | 1.00 | 24.60 |
| Lubbock | 2.00 | 3.50 | 2.33 | 3.00 | 5.00 | 4.00 | 5.00 | 1.00 | 25.83 |
| Denton | 1.00 | 4.00 | 2.67 | 2.50 | 6.00 | 6.29 | 3.00 | 1.00 | 26.45 |
| Corpus Christi | 1.50 | 3.50 | 3.00 | 2.50 | 4.00 | 3.71 | 5.00 | 4.00 | 27.21 |
| San Angelo | 1.50 | 1.00 | 3.00 | 1.75 | 6.00 | 3.43 | 7.00 | 4.00 | 27.68 |
| Brenham | 1.00 | 3.50 | 2.33 | 3.25 | 6.00 | 3.43 | 8.00 | 1.00 | 28.51 |
| Richmond | 1.00 | 3.00 | 2.67 | 2.50 | 6.00 | 6.29 | 7.00 | 1.00 | 29.45 |
| Abilene | 1.00 | 3.50 | 3.00 | 2.50 | 8.00 | 6.57 | 7.00 | 1.00 | 32.57 |
| Mexia | 1.00 | 1.50 | 3.00 | 2.00 | 8.00 | 5.14 | 8.00 | 4.00 | 32.64 |

The graph above weights marketability, ease of transfer and capacity to accommodate clients at twice the other criteria. Under this ranking scheme, Austin State School with 18.76 points presents the lowest barrier to closure while the Abilene State School with 32.64 points presents the greatest barrier to closure. The average school has 26.67 points and there is a range of 13.88 points between the facility with the lowest barriers to closure and the facility with the highest barriers to closure.

Chart 1-9

TX STATE SCHOOL BASELINE ANALYSIS
Baseline Analysis Summary

*Average of quadrant ranking where the highest number represents the biggest barriers to closure
 The ease of transfer and capacity criteria are weighted twice the other criteria*

| Criteria | Geography | Cost | Employment | Facility Condition | Marketability | Ease of Transfer | Capacity to Accommodate Clients | Specialty Program | Total |
|----------------|-----------|------|------------|--------------------|---------------|------------------|---------------------------------|-------------------|-------|
| Austin | 1.00 | 3.00 | 1.33 | 2.00 | 1.00 | 5.43 | 3.00 | 1.00 | 17.76 |
| El Paso | 4.00 | 2.00 | 2.00 | 3.75 | 2.50 | 2.00 | 2.00 | 1.00 | 19.25 |
| San Antonio | 1.00 | 4.00 | 1.67 | 3.50 | 3.50 | 3.43 | 3.00 | 1.00 | 21.10 |
| Lufkin | 1.00 | 4.00 | 3.00 | 2.25 | 2.50 | 4.29 | 4.00 | 1.00 | 22.04 |
| Lubbock | 2.00 | 3.50 | 2.33 | 3.00 | 2.50 | 4.00 | 5.00 | 1.00 | 23.33 |
| Denton | 1.00 | 4.00 | 2.67 | 2.50 | 3.00 | 6.29 | 3.00 | 1.00 | 23.45 |
| San Angelo | 1.50 | 1.00 | 3.00 | 1.75 | 3.00 | 3.43 | 7.00 | 4.00 | 24.68 |
| Corpus Christi | 1.50 | 3.50 | 3.00 | 2.50 | 2.00 | 3.71 | 5.00 | 4.00 | 25.21 |
| Brenham | 1.00 | 3.50 | 2.33 | 3.25 | 3.00 | 3.43 | 8.00 | 1.00 | 25.51 |
| Richmond | 1.00 | 3.00 | 2.67 | 2.50 | 3.00 | 6.29 | 7.00 | 1.00 | 26.45 |
| Abilene | 1.00 | 3.50 | 3.00 | 2.50 | 4.00 | 6.57 | 7.00 | 1.00 | 28.57 |
| Mexia | 1.00 | 1.50 | 3.00 | 2.00 | 4.00 | 5.14 | 8.00 | 4.00 | 28.64 |

The graph above weights ease of transfer and capacity to accommodate clients at twice the other criteria. Under this ranking scheme, Austin State School with 17.76 points presents the lowest barrier to closure while the Abilene State School with 28.64 points presents the greatest barrier to closure. The average school has 23.83 points and there is a range of 10.88 points between the facility with the lowest barriers to closure and the facility with the highest barriers to closure.

Chart 1-10

TX STATE SCHOOL BASELINE ANALYSIS
 Baseline Analysis Summary

*Average of quadrant ranking where the highest number represents the biggest barriers to closure
 The specialty, ease of transfer and capacity criteria are weighted twice the other criteria*

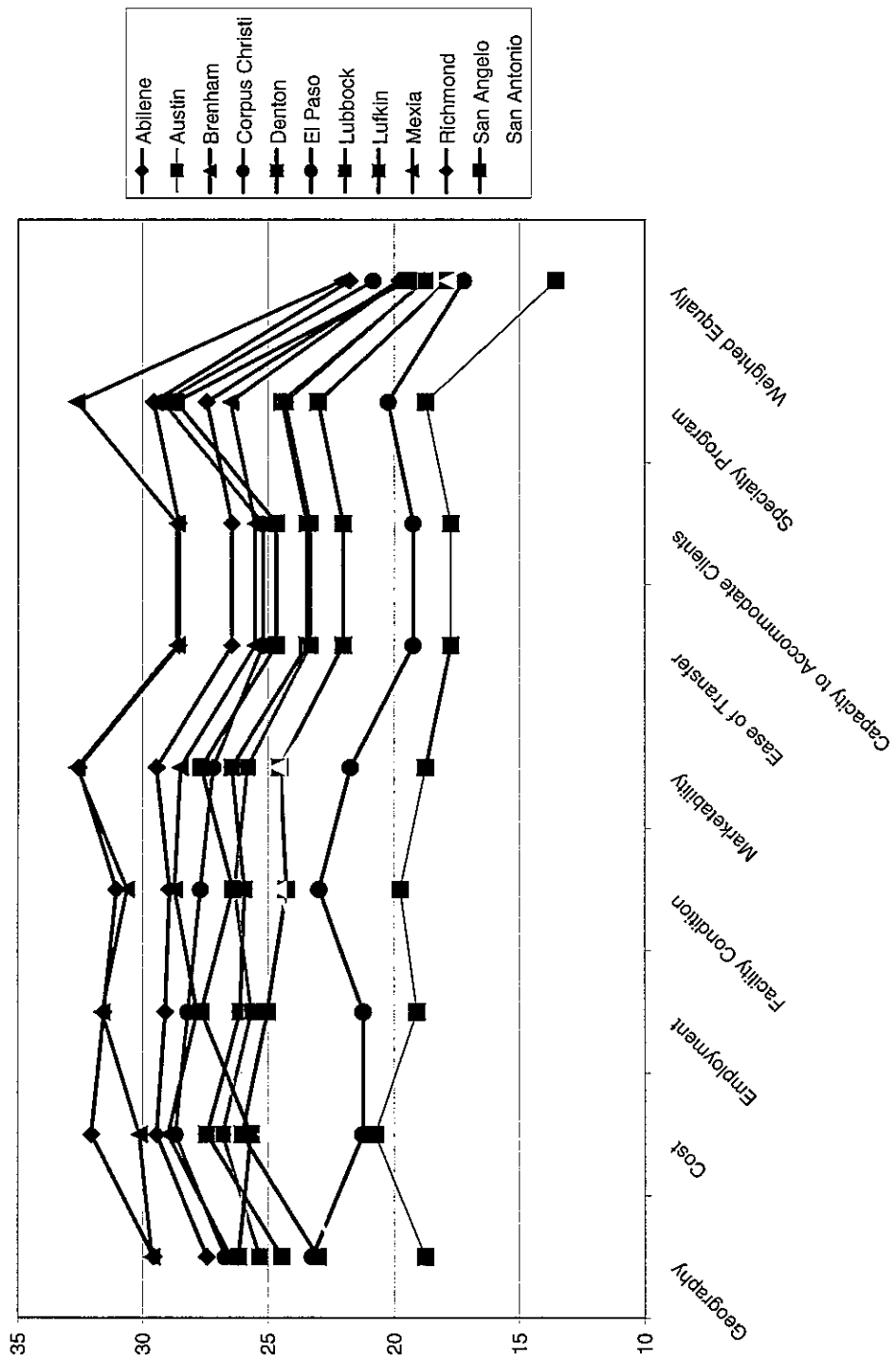
| Criteria | Geography | Cost | Employment | Facility Condition | Marketability | Ease of Transfer | Capacity to Accommodate Clients | Specialty Program | Total |
|----------------|-----------|------|------------|--------------------|---------------|------------------|---------------------------------|-------------------|-------|
| Austin | 1.00 | 3.00 | 1.33 | 2.00 | 1.00 | 5.43 | 3.00 | 2.00 | 18.76 |
| El Paso | 4.00 | 2.00 | 2.00 | 3.75 | 2.50 | 2.00 | 2.00 | 2.00 | 20.25 |
| San Antonio | 1.00 | 4.00 | 1.67 | 3.50 | 3.50 | 3.43 | 3.00 | 2.00 | 22.10 |
| Lufkin | 1.00 | 4.00 | 3.00 | 2.25 | 2.50 | 4.29 | 4.00 | 2.00 | 23.04 |
| Lubbock | 2.00 | 3.50 | 2.33 | 3.00 | 2.50 | 4.00 | 5.00 | 2.00 | 24.33 |
| Denton | 1.00 | 4.00 | 2.67 | 2.50 | 3.00 | 6.29 | 3.00 | 2.00 | 24.45 |
| Brenham | 1.00 | 3.50 | 2.33 | 3.25 | 3.00 | 3.43 | 8.00 | 2.00 | 26.51 |
| Richmond | 1.00 | 3.00 | 2.67 | 2.50 | 3.00 | 6.29 | 7.00 | 2.00 | 27.45 |
| San Angelo | 1.50 | 1.00 | 3.00 | 1.75 | 3.00 | 3.43 | 7.00 | 8.00 | 28.68 |
| Corpus Christi | 1.50 | 3.50 | 3.00 | 2.50 | 2.00 | 3.71 | 5.00 | 8.00 | 29.21 |
| Abilene | 1.00 | 3.50 | 3.00 | 2.50 | 4.00 | 6.57 | 7.00 | 2.00 | 29.57 |
| Mexia | 1.00 | 1.50 | 3.00 | 2.00 | 4.00 | 5.14 | 8.00 | 8.00 | 32.64 |

The graph above weights specialty services, ease of transfer and capacity to accommodate clients at twice the other criteria. Under this ranking scheme, Austin State School with 18.76 points presents the lowest barrier to closure while the Mexia State School with 32.64 points presents the greatest barrier to closure. The average school has 25.58 points and there is a range of 13.88 points between the facility with the lowest barriers to closure and the facility with the highest barriers to closure.

The following graph illustrates all the different weightings of the criteria described in the above pages together. This model gives the reader a sense of how each school is doing overall, rather than just its performance with regard to each criterion.

Chart 1-11

Health and Human Services Commission
 Study of Feasibility of Facility Closures and Consolidation



State School Baseline Analysis

2.1 Proximity to Other Facilities and Geographical Distribution of Remaining Facilities

The unique demands of the Texas geography play an important role in evaluating facility closure and consolidation. The availability and proximity of state hospital and school services is a critical factor in the success of Local Mental Retardation Authorities in Texas, and potential facility consolidation and closure pose a real threat to these critical factors. In addition, access to state schools is important for visiting family and friends and for residents on furlough. Therefore, any plan must address future access and capacity requirements to ensure continued availability of these critical services for clients and local providers.

In order to measure the impact of geography on the feasibility of closure and consolidation, the report determined the distance between facilities and then averaged the proximity of the two closest remaining facilities to the one being evaluated for closure. The rationale for using this criterion is that, in the event of closure, the State would likely accommodate displaced clients in the next closest facilities. State schools that are relatively far from other facilities were indicated as having higher barriers for closure in evaluating Geography as the clients would be forced further from their home communities. Those with relatively close proximity to other schools were considered as having lower barriers for closure.

The methodology for evaluating the relative distances between facilities was based on the driving distances, in miles, of the facility being evaluated for closure to the two closest remaining facilities. In addition, travel time to the two closest remaining facilities was also evaluated due to the variability in road systems and proximity to major highways.

Because the measurements use the location of the state schools as the basis for the distance calculation, these criteria do not comprehensively address the full impact of travel times and distances facing families and other affected parties who travel long distances to visit clients in their current facility. These indicators also do not incorporate proximity to medical centers that enable some schools to treat individuals with significant medical issues in addition to developmental disabilities. Despite these limitations, the most accurate and reasonable estimate of the impact of geography on the feasibility of closure and consolidation was determined to be these two criteria.

The following charts provide the detailed analysis that was used to evaluate the impact of geography on the feasibility of closure and consolidation:

At the suggestion of several school administrators, we calculated distances between facilities using the Texas Comptroller's Mileage Guide.

Chart 2-1

| Travel Distances in Miles | Abilene | Austin | Brenham | Corpus Christi | Denton | El Paso | Lubbock | Lufkin | Mexia | Richmond | San Angelo | San Antonio |
|---------------------------|---------|--------|---------|----------------|--------|---------|---------|--------|--------|----------|------------|-------------|
| Abilene | - | 218.40 | 278.40 | 386.60 | 185.60 | 429.00 | 158.60 | 338.70 | 222.60 | 342.30 | 86.70 | 244.90 |
| Austin | 218.40 | - | 88.60 | 192.00 | 222.90 | 569.40 | 371.00 | 213.50 | 141.10 | 140.60 | 201.30 | 77.50 |
| Brenham | 278.40 | 88.60 | - | 200.40 | 234.70 | 656.70 | 436.90 | 140.00 | 119.70 | 63.90 | 289.70 | 146.90 |
| Corpus Christi | 386.60 | 192.00 | 200.40 | - | 406.00 | 684.40 | 525.00 | 323.20 | 306.30 | 175.80 | 349.60 | 141.90 |
| Denton | 185.60 | 222.90 | 234.70 | 406.00 | - | 606.60 | 293.80 | 203.90 | 121.80 | 295.00 | 255.90 | 295.40 |
| El Paso | 429.00 | 569.40 | 656.70 | 684.40 | 606.60 | - | 337.90 | 753.70 | 644.00 | 705.90 | 397.20 | 544.40 |
| Lubbock | 158.60 | 371.00 | 436.90 | 525.00 | 293.80 | 337.90 | - | 487.60 | 381.20 | 500.80 | 183.60 | 383.30 |
| Lufkin | 338.70 | 213.50 | 140.00 | 323.20 | 203.90 | 753.70 | 487.60 | - | 121.20 | 147.40 | 357.90 | 285.70 |
| Mexia | 222.60 | 141.10 | 119.70 | 306.30 | 121.80 | 644.00 | 381.20 | 121.20 | - | 176.50 | 248.20 | 218.10 |
| Richmond | 342.30 | 140.60 | 63.90 | 175.80 | 295.00 | 705.90 | 500.80 | 147.40 | 176.50 | - | 340.80 | 173.80 |
| San Angelo | 86.70 | 201.30 | 289.70 | 349.60 | 255.90 | 397.20 | 183.60 | 357.90 | 248.20 | 340.80 | - | 207.90 |

Once the distances between all facilities were calculated, we identified the two facilities that were closest. In evaluating the relative impact of geography on closure, we used the average of these two distances as an estimate of increased travel distances should there be a closure or consolidation.

Chart 2-2

| Travel Distances in Miles | Abilene | Austin | Brenham | Corpus Christi | Denton | El Paso | Lubbock | Lufkin | Mexia | Richmond | San Angelo | San Antonio |
|---------------------------|---------|--------|---------|----------------|--------|---------|---------|--------|--------|----------|------------|-------------|
| Minimum | 86.70 | 77.50 | 63.90 | 141.90 | 121.80 | 337.90 | 158.60 | 121.20 | 119.70 | 63.90 | 86.70 | 77.50 |
| Minimum 2 | 158.60 | 88.60 | 88.60 | 175.80 | 185.60 | 397.20 | 183.60 | 140.00 | 121.20 | 140.60 | 183.60 | 141.90 |
| Average | 122.65 | 83.05 | 76.25 | 158.85 | 153.70 | 367.55 | 171.10 | 130.60 | 120.45 | 102.25 | 135.15 | 109.70 |

The results of this analysis show that Brenham State School is closest in proximity to two other state schools while El Paso State School is furthest from other state schools. To determine the relative significance of these criteria, we have used a quadrant methodology to group facilities in more meaningful categories. Because El Paso State is disproportionately farther than other state schools, they were placed in quadrant 4. This indicates that it has the highest barrier for closure based on geographical distances. The following chart provides the quadrant groupings for the facilities based on travel distance in miles:

Chart 2-3

Average Travel Distance to Two Closest Facilities

| Travel Distances in Miles | Average Miles | Q1 76.25-149.08 | Q2 149.08-221.90 | Q3 221.90-294.73 | Q4 294.73-367.55 |
|----------------------------------|----------------------|----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Abilene | 122.65 | Abilene | - | - | - |
| Austin | 83.05 | Austin | - | - | - |
| Brenham | 76.25 | Brenham | - | - | - |
| Corpus Christi | 158.85 | - | Corpus Christi | - | - |
| Denton | 153.70 | - | Denton | - | - |
| El Paso | 367.55 | - | - | - | El Paso |
| Lubbock | 171.10 | - | Lubbock | - | - |
| Lufkin | 134.30 | Lufkin | - | - | - |
| Mexia | 121.50 | Mexia | - | - | - |
| Richmond | 105.65 | Richmond | - | - | - |
| San Angelo | 135.15 | San Angelo | - | - | - |
| San Antonio | 109.70 | San Antonio | - | - | - |

The quadrant ranking shows that El Paso is a significant outlier with regard to distance and that under the quadrant system, the majority of the state schools fall in the same quadrant and are given the same ranking for barrier to closure.

The chart below tracks the one-way distance in minutes between state schools.

Chart 2-4

| Travel Distances in Minutes | Abilene | Austin | Brenham | Corpus Christi | Denton | El Paso | Lubbock | Lufkin | Mexia | Richmond | San Angelo | San Antonio |
|-----------------------------|---------|--------|---------|----------------|--------|---------|---------|--------|-------|----------|------------|-------------|
| Abilene | - | 256 | 395 | 435 | 192 | 465 | 213 | 391 | 276 | 455 | 139 | 311 |
| Austin | 256 | - | 122 | 209 | 230 | 606 | 502 | 335 | 173 | 196 | 296 | 92 |
| Brenham | 395 | 122 | - | 295 | 287 | 724 | 583 | 185 | 193 | 101 | 413 | 196 |
| Corpus Christi | 435 | 209 | 295 | - | 425 | 680 | 634 | 417 | 368 | 241 | 399 | 129 |
| Denton | 192 | 230 | 287 | 425 | - | 634 | 242 | 382 | 132 | 312 | 322 | 309 |
| El Paso | 465 | 606 | 724 | 680 | 634 | - | 438 | 832 | 717 | 738 | 435 | 556 |
| Lubbock | 213 | 502 | 583 | 634 | 242 | 438 | - | 581 | 466 | 646 | 229 | 503 |
| Lufkin | 391 | 335 | 185 | 417 | 382 | 832 | 581 | - | 188 | 193 | 529 | 345 |
| Mexia | 276 | 173 | 193 | 368 | 132 | 717 | 466 | 188 | - | 220 | 382 | 251 |
| Richmond | 455 | 196 | 101 | 241 | 312 | 738 | 646 | 193 | 220 | - | 461 | 205 |
| San Angelo | 139 | 296 | 413 | 399 | 322 | 435 | 229 | 529 | 382 | 461 | - | 275 |
| San Antonio | 311 | 92 | 196 | 129 | 309 | 556 | 503 | 345 | 251 | 205 | 275 | - |

*Source=Mapquest

Once the travel time between all facilities was calculated, we identified the two facilities that were closest. In evaluating the relative impact of geography on closure, we used the average of these two travel times as an estimate of increased travel time should there be a closure or consolidation.

Chart 2-5

| Travel Distances in Minutes | Abilene | Austin | Brenham | Corpus Christi | Denton | El Paso | Lubbock | Lufkin | Mexia | Richmond | San Angelo | San Antonio |
|-----------------------------|---------|--------|---------|----------------|--------|---------|---------|--------|-------|----------|------------|-------------|
| Minimum | 139 | 92 | 101 | 129 | 132 | 435 | 213 | 185 | 132 | 101 | 139 | 92 |
| Minimum 2 | 192 | 122 | 122 | 209 | 192 | 438 | 229 | 188 | 173 | 193 | 229 | 129 |
| Average | 166 | 107 | 112 | 169 | 162 | 437 | 221 | 187 | 153 | 147 | 184 | 111 |

The results of this analysis show that Austin State School is closest in proximity to two other state schools with regard to travel time. This is different than travel distance in which Brenham was closest in proximity. This reflects the difference in road access for the two schools. Again, El Paso State School is furthest from other state schools. To determine the relative significance of these criteria, we have used a quadrant methodology to group facilities in more meaningful categories. Because El Paso State is disproportionately farther than other state schools, they were placed in quadrant 4. This indicates that it has the highest barrier for closure based on geographical distances. The following chart provides the quadrant groupings for the facilities:

Chart 2-6

Average Travel Time in Minutes to Two Closest Facilities

| Travel Distances in Minutes | Average Time (Minutes) | Q1 | Q2 | Q3 | Q4 |
|------------------------------------|-------------------------------|----------------------|----------------------|----------------------|----------------------|
| | | 107.00-189.38 | 189.38-271.75 | 271.75-354.13 | 354.13-436.50 |
| Abilene | 166 | Abilene | - | - | - |
| Austin | 107 | Austin | - | - | - |
| Brenham | 112 | Brenham | - | - | - |
| Corpus Christi | 169 | Corpus Christi | - | - | - |
| Denton | 162 | Denton | - | - | - |
| El Paso | 437 | - | - | - | El Paso |
| Lubbock | 221 | - | Lubbock | - | - |
| Lufkin | 187 | Lufkin | - | - | - |
| Mexia | 153 | Mexia | - | - | - |
| Richmond | 147 | Richmond | - | - | - |
| San Angelo | 184 | San Angelo | - | - | - |
| San Antonio | 111 | San Antonio | - | - | - |

The quadrant ranking shows that El Paso is a significant outlier with regard to distance and under the quadrant system; the majority of the state schools fall in the same quadrant and are given the same ranking for barrier to closure.

2.2 Administrative Cost of the Facility

The current state budget situation in Texas necessitates that cost be one of the most critical elements of this study. The State must understand how much it costs to provide services in state schools, not only to compare state schools to one another, but to determine if savings could be achieved through community residential placements. It is also important for the State to understand the components of facility costs. Administrative costs are one of the principal areas in which state schools might achieve savings through consolidation so it is useful to analyze those expenses.

In order to measure the impact of cost on the feasibility of closure and consolidation, Medicaid FY02 and FY03 cost reports for the state schools were gathered and a weighted average, based on total reported patient days was calculated. Costs per day were computed by dividing the identified administrative costs and the total costs by the average FY02 and FY03 total patient days. The rationale for calculating both administrative and total costs is that state schools have some flexibility in defining their administrative costs, resulting in varying definitions of administrative costs across facilities. This makes it difficult to compare facilities based on administrative costs. Total costs are a more accurate baseline for comparing state schools.

The methodology for evaluating administrative and total cost of schools was based on costs per day. Facilities with more residents will have higher total costs than small facilities. Comparisons, therefore, are made on a per day basis. Lower costs per day were identified as higher barriers to closure while higher costs per day were classified as lower barriers to closure.

We recognize that not all costs on the Medicaid cost report and included in this analysis are generated by the state schools. Some costs, such as the costs of the commissioner's office, are allocated to the facilities from the state and DADS central office. Other costs, such as pension costs, may be generated by the state school but would not be eliminated under a closure or consolidation. However, the Medicaid cost report is a nationally recognized, audited report that all the facilities are required to complete and it treats the schools the same with regard to statewide costs.

In addition to statewide costs and cost that would not be eliminated by a closure, there are additional costs (i.e., severance pay, cost of moving consumers) that would be incurred with closure and consolidation. This baseline does not incorporate these or the potential savings that might arise from a closure.

Advocates and consumers noted in public meetings and in the project website that baseline analysis does not compare state school costs to community residential costs. While such comparisons should be made if the State plans to close state school beds and transition consumers to the community, this study was limited to investigating facility costs.

The following charts provide the detailed analysis that was used to evaluate the impact of cost on the feasibility of closure and consolidation.

The chart below divides total costs for each of the facilities by total days to calculate a total cost per day. Detailed charts of how total costs we computed from the cost reports can be found in Section 3 – State School Details.

Chart 2-7

| Average Total Costs per Day | Total Avg Cost | Total Avg Days | Avg Cost Day |
|-----------------------------|----------------|----------------|--------------|
| Abilene | \$ 52,386,637 | 193,835 | \$ 270.26 |
| Austin | \$ 45,099,315 | 158,185 | \$ 285.10 |
| Brenham | \$ 40,306,983 | 148,555 | \$ 271.33 |
| Corpus Christi | \$ 35,731,456 | 133,280 | \$ 268.09 |
| Denton | \$ 60,442,987 | 238,167 | \$ 253.78 |
| El Paso | \$ 14,113,181 | 52,228 | \$ 270.22 |
| Lubbock | \$ 33,704,524 | 128,992 | \$ 261.29 |
| Lufkin | \$ 39,415,558 | 155,674 | \$ 253.19 |
| Mexia | \$ 57,514,887 | 191,544 | \$ 300.27 |
| Richmond | \$ 54,748,020 | 194,421 | \$ 281.60 |
| San Angelo | \$ 31,263,822 | 104,488 | \$ 299.21 |
| San Antonio | \$ 26,637,012 | 106,659 | \$ 249.74 |

The range in cost per day among state schools is about \$50.00. Over the course of a year, this is a difference in about \$18,000 per resident. Mexia and San Angelo, which have the highest costs per day, were judged to have the fewest barriers to closure; however, it should be remembered that these two facilities serve clients from the criminal justice system which may require increased costs.

Chart 2-8

| Average Total Costs per Day | Cost/Day | Q1 \$300.27- \$287.64 | Q2 \$287.64- \$275.01 | Q3 \$275.01- \$262.37 | Q4 \$262.37- \$249.74 |
|-----------------------------|-----------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Abilene | \$ 270.26 | - | - | Abilene | - |
| Austin | \$ 285.10 | - | Austin | - | - |
| Brenham | \$ 271.33 | - | - | Brenham | - |
| Corpus Christi | \$ 268.09 | - | - | Corpus Christi | - |
| Denton | \$ 253.78 | - | - | - | Denton |
| El Paso | \$ 270.22 | - | - | El Paso | - |
| Lubbock | \$ 261.29 | - | - | - | Lubbock |
| Lufkin | \$ 253.19 | - | - | - | Lufkin |
| Mexia | \$ 300.27 | Mexia | - | - | - |
| Richmond | \$ 281.60 | - | Richmond | - | - |
| San Angelo | \$ 299.21 | San Angelo | - | - | - |
| San Antonio | \$ 249.74 | - | - | - | San Antonio |

Administrative costs were isolated from total costs and divided by the number of resident days to calculate the administrative costs per day for each state school.

Chart 2-9

| Average Administration Costs/Days | Total Admin Avg Cost | Total Avg Days | Admin Avg Cost Day |
|-----------------------------------|----------------------|----------------|--------------------|
| Abilene | \$ 3,527,187 | 193,835 | \$ 18.20 |
| Austin | \$ 2,837,180 | 158,185 | \$ 17.94 |
| Brenham | \$ 2,465,649 | 148,555 | \$ 16.60 |
| Corpus Christi | \$ 2,418,767 | 133,280 | \$ 18.15 |
| Denton | \$ 3,742,800 | 238,167 | \$ 15.72 |
| El Paso | \$ 1,291,261 | 52,228 | \$ 24.72 |
| Lubbock | \$ 2,503,259 | 128,992 | \$ 19.41 |
| Lufkin | \$ 2,524,763 | 155,674 | \$ 16.22 |
| Mexia | \$ 4,425,396 | 191,544 | \$ 23.10 |
| Richmond | \$ 3,394,862 | 194,421 | \$ 17.46 |
| San Angelo | \$ 2,705,212 | 104,488 | \$ 25.89 |
| San Antonio | \$ 1,729,662 | 106,659 | \$ 16.22 |

Administrative costs, on average, comprise less than 10% of total costs and the range in administrative costs per day is across facilities is only about \$10.00. It is difficult to compare schools on this criterion because there is no standard for assigning costs to the administrative line item. It is likely that most schools define administrative costs similarly, but it is not certain that the same expenses are included in this line item. Consequently, the results of this criterion should be reviewed with this in mind.

Chart 2-10

| Average Administration Costs/Day | Cost/Day | Q1 \$25.89-\$23.35 | Q2 \$23.35-\$20.80 | Q3 \$20.80-\$18.26 | Q4 \$18.26-\$15.72 |
|----------------------------------|----------|-----------------------|-----------------------|-----------------------|-----------------------|
| Abilene | \$ 18.20 | - | - | - | Abilene |
| Austin | \$ 17.94 | - | - | - | Austin |
| Brenham | \$ 16.60 | - | - | - | Brenham |
| Corpus Christi | \$ 18.15 | - | - | - | Corpus Christi |
| Denton | \$ 15.72 | - | - | - | Denton |
| El Paso | \$ 24.72 | El Paso | - | - | - |
| Lubbock | \$ 19.41 | - | - | Lubbock | - |
| Lufkin | \$ 16.22 | - | - | - | Lufkin |
| Mexia | \$ 23.10 | - | Mexia | - | - |
| Richmond | \$ 17.46 | - | - | - | Richmond |
| San Angelo | \$ 25.89 | San Angelo | - | - | - |
| San Antonio | \$ 16.22 | - | - | - | San Antonio |

2.3 Availability of Other Employment Opportunities in the Area for Employees Displaced by the Closure

The closure or consolidation of state facilities is a sensitive issue for many stakeholders. State employees, in particular, are quite vulnerable in these changes. In rural areas of the state, these schools are significant regional employers and as such, the local areas depend upon not only the services that are provided to patients but also the employment opportunities and economies that these facilities provide. Therefore, it is important to review the existing employment market to project the impact closure might have on employees.

In order to measure the impact of employment opportunities on the feasibility of closure and consolidation, the report includes three employment indicators. First, we determined the number of budgeted full-time employees per 10,000 persons in the school's county and contiguous counties. Next, we calculated a weighted average of unemployment rates in the school's county and contiguous counties. Finally, we determined the size of the state school as an employer in the local area with information from local Chambers of Commerce. The rationale for using these criteria is that they quantify the significance of the state schools as employers in their local economies. We also attempted to ascertain the availability of other opportunities in the local area by looking at unemployment rates.

The rationale for using the county in which the schools are located and the contiguous counties when calculating the employment indicators is that employees are likely to reside in one of these counties. Facilities with low employee to population ratios and other large employers were identified as having lower barriers to closure while schools with high employee to population ratios and/or who are large area employers were classified as having higher barriers to closure. Similarly, schools in areas with low unemployment had lower barriers to closure while schools in regions of high unemployment had higher barriers to closure.

These indicators do have several limitations. For example, they do not comprehensively calculate the economic impact of a closure. In addition to providing jobs, the state schools provide a benefit to the local economy. Employees and families spend their money in the community and schools often hire local businesses for contract services. The indicators also do not account for cost of living. Several of the state schools are situated in areas of low cost of living. They believe that this would be advantageous for attracting employees in the event of a consolidation. Finally, the report does not account for employee loyalty. Advocates and consumers suggested including turnover rates and length of employment as a means of identifying the long relationships employees have with state schools and their residents. The instructions from the Legislature, however, were limited to reviewing employment with regard to employment opportunities.

The following charts provide the detailed analysis that was used to evaluate the impact of employment on the feasibility of closure and consolidation:

Chart 2-11

| Employees per Surrounding County Population * 10,000 | Full-time State Employees | Population of Surrounding Counties | Employees/ 10K Population |
|---|----------------------------------|---|----------------------------------|
| Abilene | 1,307 | 204,423 | 63.94 |
| Austin | 1,065 | 1,307,985 | 8.14 |
| Brenham | 1,011 | 316,524 | 31.94 |
| Corpus Christi | 909 | 451,658 | 20.13 |
| Denton | 1,508 | 4,905,196 | 3.07 |
| El Paso | 331 | 682,966 | 4.84 |
| Lubbock | 896 | 355,681 | 25.18 |
| Lufkin | 1,003 | 329,510 | 30.43 |
| Mexia | 1,500 | 380,791 | 39.39 |
| Richmond | 1,383 | 4,132,195 | 3.35 |
| San Angelo | 742 | 131,794 | 56.29 |
| San Antonio | 608 | 1,711,703 | 3.55 |

The chart above identifies the number of full-time budgeted employees per state school and divides it by the population of the county in which the school is located and surrounding counties. (Detailed descriptions of the populations and counties can be found in Section 3 – State School Details) The result was multiplied by 10,000 to come to the number of employees per 10,000 people in the local population.

Chart 2-12

| Employees per Surrounding County Population | Employees/ 10K Population | Q1 3.07-18.29 | Q2 18.29-33.51 | Q3 33.51-48.72 | Q4 48.72-63.94 |
|--|----------------------------------|--------------------------|---------------------------|---------------------------|---------------------------|
| Abilene | 63.94 | - | - | - | Abilene |
| Austin | 8.14 | Austin | - | - | - |
| Brenham | 31.94 | - | Brenham | - | - |
| Corpus Christi | 20.13 | - | Corpus Christi | - | - |
| Denton | 3.07 | Denton | - | - | - |
| El Paso | 4.84 | El Paso | - | - | - |
| Lubbock | 25.18 | - | Lubbock | - | - |
| Lufkin | 30.43 | - | Lufkin | - | - |
| Mexia | 39.39 | - | - | Mexia | - |
| Richmond | 3.35 | Richmond | - | - | - |
| San Angelo | 56.29 | - | - | - | San Angelo |
| San Antonio | 3.55 | San Antonio | - | - | - |

The results of this statistic are that facilities located in areas with sparser populations have employees that comprise a much larger portion of the population than urban areas and therefore have greater barriers to closure.

Weighted averages of unemployment rates in the county in which the state school is located and contiguous counties contributed to the next statistic. (Detailed descriptions of the individual unemployment rates per county can be found in Section 3 – State School Details.)

Chart 2-13

| Unemployment Rate | Average Rates | Q1 3.30-4.47 | Q2 4.47-5.65 | Q3 5.65-6.82 | Q4 6.82-7.99 |
|-------------------|---------------|-----------------|-----------------|-----------------|-----------------|
| Abilene | 3.85 | Abilene | - | - | - |
| Austin | 4.67 | - | Austin | - | - |
| Brenham | 3.44 | Brenham | - | - | - |
| Corpus Christi | 6.30 | - | - | Corpus Christi | - |
| Denton | 6.00 | - | - | Denton | - |
| El Paso | 7.99 | - | - | - | El Paso |
| Lubbock | 4.21 | Lubbock | - | - | - |
| Lufkin | 6.27 | - | - | Lufkin | - |
| Mexia | 4.81 | - | Mexia | - | - |
| Richmond | 6.45 | - | - | Richmond | - |
| San Angelo | 3.30 | San Angelo | - | - | - |
| San Antonio | 5.02 | - | San Antonio | - | - |

*Source=Texas Workforce Commission Ave of Jan-May 2004 -
Weighted by Populations of Surrounding Counties

The range in unemployment rates is about 4.7%. As with distance, El Paso is an outlier and poses the greatest barriers to closure.

With help from local Chambers' of Commerce, PCG also compared the number of state school employees to other employers in the area. The majority of state schools are among the top employers in their local areas. Only areas that are relatively urban have many other large employers, causing lower barriers to closure.

Chart 2-14

| Size of Employer within Area | Number of Employees | Rank in Community | Largest Employer | Q1 51-68 | Q2 35-51 | Q3 18-35 | Q4 1-18 |
|------------------------------|---------------------|-------------------|------------------|-------------|-------------|-------------|----------------|
| Abilene | 1,274 | 4 | 5,442 | - | - | - | Abilene |
| Austin | 1,048 | 68 | 20,277 | Austin | - | - | - |
| Brenham | 996 | 1 | 996 | - | - | - | Brenham |
| Corpus Christi | 918 | 17 | 3000+ | - | - | - | Corpus Christi |
| Denton | 1,514 | 4 | 6,995 | - | - | - | Denton |
| El Paso | 328 | 60 | 8,663 | El Paso | - | - | - |
| Lubbock | 872 | 10 | 5,270 | - | - | - | Lubbock |
| Lufkin | 991 | 3 | 1,200 | - | - | - | Lufkin |
| Mexia | 1,473 | 1 | 1,473 | - | - | - | Mexia |
| Richmond | 1,327 | 8 | 7500+ | - | - | - | Richmond |
| San Angelo | 756 | 10 | 4,974 | - | - | - | San Angelo |
| San Antonio | 607 | 39 | 35,762 | - | San Antonio | - | - |

2.4 Condition of Existing Facility Structures

According to the data provided to PCG by HHSC, TDMHMR owns more than 1,300 buildings on state hospital and state school campuses. While certain state schools are relatively new, some of the institutions opened in the early 1900's. Many of these buildings have aged beyond their useful life and, as a result, maintenance costs have increased dramatically. An evaluation of facility structures is important to identify those state schools with excessive maintenance needs as well as to disclose facilities that are either in excellent physical condition or may be appropriate to admit additional residents in the event of a consolidation.

In order to measure the impact of facility condition on the feasibility of closure and consolidation, the report includes four facility condition indicators from the State's Computer Aided Facilities Management (CAFM) system. This software system is used by all state schools to manage facility maintenance needs. The first item CAFM items selected for the baseline analysis was Facility Condition Index. This is a ratio of total deferred costs per facility (where total deferred costs are total maintenance costs that are deferred to a future budget cycle) to current replacement value per facility (where current replacement value is the current cost to replace those items). Facility condition index ratios closest to zero represent those facilities in the best condition. These were associated with higher barriers to closure. We also computed the value of planned construction between 2001 and 2004. This information identifies those facilities planning significant outlays for construction in the near future. Schools with higher planned construction were considered to have low barriers to closure because of the offset in costs that might come about as a result of a closure. The final two measurements collected from the CAFM data were forecasted renewal costs and critical deferred maintenance. Renewal costs are the costs of replacing equipment based on their life cycles. The CAFM system ranks deferred maintenance in three categories, according to importance. Life-safety issues, which are likely to be financed by the State, are awarded the highest level of importance; this is the category known as critical deferred maintenance that is included in the analysis. The other deferred maintenance costs were not incorporated in the calculation because they may not represent deferred maintenance costs the State would be likely to fund in the near future.

The methodology for evaluating forecasted renewal costs and critical deferred maintenance costs was based on costs per funded bed. Larger schools will have higher total costs than smaller facilities; comparisons, therefore, are made on a per funded bed basis. Lower costs per bed were identified as higher barriers to closure while higher costs per bed were classified as lower barriers to closure.

In addition to the baseline indicators, PCG's subcontractor, BLGY Inc., an architectural firm, made site visits to select facilities to review the capital assessment of facility structures. BLGY has significant expertise in providing facility survey and condition assessment services to both State and Federal government clients. For example, it provides facility surveys and condition assessment surveys to the Indian Health Services and more than 60 Texas independent school districts. During the site visits, BLGY met with facility representatives familiar with building and campus condition to verify the campus condition and maintenance requirements documented in the CAFM system. The goal of the tours was to develop an overview of the physical and functional conditions on campus for use in determining short and long-term facility needs and capabilities – and the relative needs and capabilities of the state schools.

The following charts provide the detailed analysis that was used to evaluate the impact of facility condition on the feasibility of closure and consolidation.

As indicated above, facility condition index is a ratio of total deferred maintenance costs per facility to replacement value per facility. Facility condition index ratios closest to zero represent those facilities in the best condition. According to the quadrant ranking below, El Paso, the newest state school facility, has the lowest facility condition index. This indicates that its facility is in the best condition, giving it the highest barriers to closure.

Chart 2-15

| Facility Condition Index | FCI | Q1 .19-.15 | Q2 .15-.11 | Q3 .11-.07 | Q4 .07-.03 |
|--------------------------|------|---------------|----------------|---------------|---------------|
| Abilene | 0.14 | - | Abilene | - | - |
| Austin | 0.19 | Austin | - | - | - |
| Brenham | 0.07 | - | - | - | Brenham |
| Corpus Christi | 0.13 | - | Corpus Christi | - | - |
| Denton | 0.19 | Denton | - | - | - |
| El Paso | 0.03 | - | - | - | El Paso |
| Lubbock | 0.15 | - | Lubbock | - | - |
| Lufkin | 0.17 | Lufkin | - | - | - |
| Mexia | 0.17 | Mexia | - | - | - |
| Richmond | 0.17 | Richmond | - | - | - |
| San Angelo | 0.19 | San Angelo | - | - | - |
| San Antonio | 0.12 | - | San Antonio | - | - |

Planned construction values were also collected to estimate costs of construction in state schools now and in the near future. As the planned construction costs were for 2001-2004, many of these projects have either gone into or are near construction phase.

Chart 2-16

| Value of Planned Construction 2001-2004 | AE Contract Award | Construction Contract Award | Construction Documents | Design Development | On-Hold Programming | Schematic Design | Total |
|---|-------------------|-----------------------------|------------------------|--------------------|---------------------|------------------|------------|
| Abilene | | | 2,517,351 | | | | 2,517,351 |
| Austin | | 224,890 | 1,411,829 | 1,670,217 | | | 3,306,936 |
| Brenham | 1,017,608 | | 204,085 | | | | 1,221,693 |
| Corpus Christi | 33,261 | | 1,171,424 | 268,627 | 120,732 | | 1,594,045 |
| Denton | | | 1,984,854 | | | | 1,984,854 |
| El Paso | 64,990 | | 318,200 | | | | 383,190 |
| Lubbock | | | 598,617 | | | | 598,617 |
| Lufkin | 1,236,891 | | 215,675 | 390,830 | | | 1,843,396 |
| Mexia | 1,344,128 | | 812,519 | | | | 2,156,647 |
| Richmond | | | 797,107 | 1,268,710 | | 1,659,725 | 3,725,542 |
| San Angelo | | | 394,460 | | | | 394,460 |
| San Antonio | | | 438,469 | | | | 438,469 |
| TOTAL | 3,696,878 | 224,890 | 10,864,591 | 3,598,384 | 120,732 | 1,659,725 | 20,165,200 |

*Source-CAFM MHMR Construction 2001-2004

The range in planned construction is about \$3.3M, with Richmond having the greatest value of planned construction costs and El Paso having the smallest value of planned construction costs. El Paso has the newest facility, so it is unsurprising that it has few planned construction costs. Richmond, while not one of the older state schools, did commence construction on a number of home-style residences for clients recently.

Chart 2-17

| Value of Planned Construction | Totals | Q1 3,725,542- 2,889,954 | Q2 2,889,954- 2,054,366 | Q3 2,054,366- 1,218,778 | Q4 1,218,778- 383,190 |
|-------------------------------|-----------|-------------------------------|-------------------------------|-------------------------------|-----------------------------|
| Abilene | 2,517,351 | - | Abilene | - | - |
| Austin | 3,306,936 | Austin | - | - | - |
| Brenham | 1,221,693 | - | - | Brenham | - |
| Corpus Christi | 1,594,045 | - | - | Corpus Christi | - |
| Denton | 1,984,854 | - | - | Denton | - |
| El Paso | 383,190 | - | - | - | El Paso |
| Lubbock | 598,617 | - | - | - | Lubbock |
| Lufkin | 1,843,396 | - | - | Lufkin | - |
| Mexia | 2,156,647 | - | Mexia | - | - |
| Richmond | 3,725,542 | Richmond | - | - | - |
| San Angelo | 394,460 | - | - | - | San Angelo |
| San Antonio | 438,469 | - | - | - | San Antonio |

PCG divided the total value for renewal costs by the number of staffed beds per facility to determine renewal costs per staffed bed. Renewal costs per staffed bed normalizes the difference between larger and smaller state schools. For example, Mexia has the greatest total renewal costs, but has lower renewal costs per staffed bed than Brenham which has about \$3M less in total renewal costs.

Chart 2-18

| Forecasted Renewal Costs for the next 5 years/Staffed Bed | Renewal Costs | FY03 Staffed Beds | Renewal Costs/ Staffed Beds |
|---|---------------|-------------------|-----------------------------|
| Abilene | \$ 14,387,095 | 528 | \$ 27,248 |
| Austin | \$ 8,041,559 | 436 | \$ 18,444 |
| Brenham | \$ 9,931,350 | 398 | \$ 24,953 |
| Corpus Christi | \$ 11,426,098 | 383 | \$ 29,833 |
| Denton | \$ 12,586,339 | 664 | \$ 18,955 |
| El Paso | \$ 2,962,690 | 150 | \$ 19,751 |
| Lubbock | \$ 8,267,542 | 348 | \$ 23,757 |
| Lufkin | \$ 12,994,019 | 433 | \$ 30,009 |
| Mexia | \$ 13,314,536 | 541 | \$ 24,611 |
| Richmond | \$ 5,761,478 | 540 | \$ 10,669 |
| San Angelo | \$ 10,178,881 | 294 | \$ 34,622 |
| San Antonio | \$ 3,329,715 | 297 | \$ 11,211 |

*Source-CAFM System Report, Facility Summary with Site Systems

The quadrant ranking identifies Richmond and San Antonio State School as having the greatest barriers to closure while San Angelo State School has the lowest barrier to closure with regard to forecasted renewal costs.

Chart 2-19

| Renewal Costs/Staffed Bed | Renewal Costs/ Staffed Bed | Q1 \$34,622- \$28,634 | Q2 \$28,634- \$22,646 | Q3 \$22,646- \$16,658 | Q4 \$16,658- \$10,669 |
|---------------------------|----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Abilene | \$ 27,248 | - | Abilene | - | - |
| Austin | \$ 18,444 | - | - | Austin | - |
| Brenham | \$ 24,953 | - | Brenham | - | - |
| Corpus Christi | \$ 29,833 | Corpus Christi | - | - | - |
| Denton | \$ 18,955 | - | - | Denton | - |
| El Paso | \$ 19,751 | - | - | El Paso | - |
| Lubbock | \$ 23,757 | - | Lubbock | - | - |
| Lufkin | \$ 30,009 | Lufkin | - | - | - |
| Mexia | \$ 24,611 | - | Mexia | - | - |
| Richmond | \$ 10,669 | - | - | - | Richmond |
| San Angelo | \$ 34,622 | San Angelo | - | - | - |
| San Antonio | \$ 11,211 | - | - | - | San Antonio |

Critical deferred maintenance costs were also divided by staffed beds to identify deferred maintenance costs per staffed bed.

Chart 2-20

| Critical Deferred Maintenance/Staffed Bed | Deferred Maintenance | FY03 Staffed Beds | Deferred Maint/ Staffed Beds |
|---|----------------------|-------------------|------------------------------|
| Abilene | \$ 4,117,823 | 528 | \$ 7,799 |
| Austin | \$ 5,078,678 | 436 | \$ 11,648 |
| Brenham | \$ 1,500,061 | 398 | \$ 3,769 |
| Corpus Christi | \$ 1,777,475 | 383 | \$ 4,641 |
| Denton | \$ 9,162,126 | 664 | \$ 13,798 |
| El Paso | \$ 121,768 | 150 | \$ 812 |
| Lubbock | \$ 1,765,222 | 348 | \$ 5,072 |
| Lufkin | \$ 1,145,488 | 433 | \$ 2,645 |
| Mexia | \$ 10,475,255 | 541 | \$ 19,363 |
| Richmond | \$ 4,071,540 | 540 | \$ 7,540 |
| San Angelo | \$ 12,251,833 | 294 | \$ 41,673 |
| San Antonio | \$ 1,266,019 | 297 | \$ 4,263 |

*Source-CAFM System Report, Facility Summary with Site Systems

While San Angelo had the greatest renewal costs per staffed bed, its costs were not considerably higher than several other state schools. However, San Angelo is a significant outlier with regard to critical deferred maintenance costs per staffed bed. Because San Angelo State School would require sizeable maintenance investment, it has the lowest barriers to closure with regard to critical deferred maintenance.

Chart 2-21

| Critical Deferred Maintenance/Staffed Beds | Deferred Maint/ Staffed Beds | Q1 \$41,673- \$31,458 | Q2 \$31,458- \$21,242 | Q3 \$21,242- \$11,027 | Q4 \$11,027- \$812 |
|---|-------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|-----------------------------------|
| Abilene | \$ 7,799 | - | - | - | Abilene |
| Austin | \$ 11,648 | - | - | Austin | - |
| Brenham | \$ 3,769 | - | - | - | Brenham |
| Corpus Christi | \$ 4,641 | - | - | - | Corpus Christi |
| Denton | \$ 13,798 | - | - | Denton | - |
| El Paso | \$ 812 | - | - | - | El Paso |
| Lubbock | \$ 5,072 | - | - | - | Lubbock |
| Lufkin | \$ 2,645 | - | - | - | Lufkin |
| Mexia | \$ 19,363 | - | - | Mexia | - |
| Richmond | \$ 7,540 | - | - | - | Richmond |
| San Angelo | \$ 41,673 | San Angelo | - | - | - |
| San Antonio | \$ 4,263 | - | - | - | San Antonio |

2.5 Marketability of the Property where the Facility is Located When Considering Possible Sale of the Property or Alternate Use Possibilities

Both cost and facility condition are critical elements in evaluating the feasibility of closure or consolidation of Texas state schools. Marketability of state school property blends both of these elements. Sale or redevelopment of a facility may be financially advantageous for the State. Additionally, it might be more fiscally sound to sell property that requires significant infrastructure investment to appropriately serve residents. As a result, the baseline analysis attempts to quantify the marketability of state school properties.

In order to measure the impact of marketability on the feasibility of closure and consolidation, market value of facility land is included in the report. The General Land Office provided estimates of state school properties that were collected for the 77th Legislature. The rationale for using simply the estimated value of the land, rather than the land and buildings, is that the Land Office indicated that land only is a better proxy, in its experience, as a selling price. Typically, the buildings cannot be used or buyers do not have a use for them. As such, market value of the land more closely represents the selling price. In addition, any deed restrictions on the property were included in the report, as this could impact marketability. Those schools with higher market values were considered to have lower barriers to closure and those with lower market values were considered to have higher barriers to closure.

Facility values of bonded indebtedness were also included as an indicator of marketability. Many of the state schools issue bonds in order to complete expensive capital projects. A number of these bonds include a clause stipulating that the bonds could be recalled in full in the event of a sale of the facility. This means that the State could be responsible for repaying the entire amount of the bond at once, rather than using the current multi-year monthly payment plan. Those schools with lower bonded indebtedness were considered to have lower barriers to closure while schools with higher bonded indebtedness had higher barriers to closure.

The following charts provide the detailed analysis that was used to evaluate the impact of marketability on the feasibility of closure and consolidation:

Chart 2-22

| Market Value (Land Only) | Market Value | Q1 \$15,150,000- \$3,014,001 | Q2 \$3,014,000- \$2,015,167 | Q3 \$2,015,167- \$1,016,333 | Q4 \$1,016,333- \$17,500 |
|--------------------------|---------------|------------------------------------|-----------------------------------|-----------------------------------|--------------------------------|
| Abilene | \$ 894,655 | - | - | - | Abilene |
| Austin | \$ 15,150,000 | Austin | - | - | - |
| Brenham | \$ 872,398 | - | - | - | Brenham |
| Corpus Christi | \$ 1,152,000 | - | - | Corpus Christi | - |
| Denton | \$ 3,014,000 | - | Denton | - | - |
| El Paso | \$ 17,500 | - | - | - | El Paso |
| Lubbock | \$ 520,000 | - | - | - | Lubbock |
| Lufkin | \$ 214,950 | - | - | - | Lufkin |
| Mexia | \$ 420,805 | - | - | - | Mexia |
| Richmond | \$ 1,160,832 | - | - | Richmond | - |
| San Angelo | \$ 515,335 | - | - | - | San Angelo |
| San Antonio | \$ 240,884 | - | - | - | San Antonio |

The market value of Austin's land is so much greater than more than the other facilities that the normal quadrant calculation was abandoned for this statistic. We assigned Austin to the lowest barrier to closure quadrant. We divided the range of the other market values by three to compute ranges for quadrant 2-4. Two state schools, El Paso and Lubbock, have deed restrictions that limit buyers and use of the property.

Chart 2-23

| Bonded Amount to be Repaid After Sale of Facility | Bonded Amount | Q1 \$2.6M-\$6.2M | Q2 \$6.2M-\$9.7M | Q3 \$9.7M-\$13.2M | Q4 \$13.2M-\$16.8M |
|--|----------------------|-----------------------------|-----------------------------|------------------------------|-------------------------------|
| Abilene | \$ 16,767,840 | - | - | - | Abilene |
| Austin | \$ 5,974,719 | Austin | - | - | - |
| Brenham | \$ 8,685,547 | - | Brenham | - | - |
| Corpus Christi | \$ 5,737,966 | Corpus Christi | - | - | - |
| Denton | \$ 14,815,679 | - | - | - | Denton |
| El Paso | \$ 2,612,841 | El Paso | - | - | - |
| Lubbock | \$ 5,795,987 | Lubbock | - | - | - |
| Lufkin | \$ 4,235,577 | Lufkin | - | - | - |
| Mexia | \$ 14,744,028 | - | - | - | Mexia |
| Richmond | \$ 10,507,033 | - | - | Richmond | - |
| San Angelo | \$ 8,035,608 | - | San Angelo | - | - |
| San Antonio | \$ 10,525,676 | - | - | San Antonio | - |

Despite low land values, all state schools have high bonded amounts that may be called in full in the event of a sale. El Paso has the lowest bonded amounts to repay, while Abilene would have the highest bonded amounts to repay, giving it the greatest barriers to closure for this statistic.

2.6 Ease of Client Transfer Capability

The most important stakeholders in any health and human service project are the people receiving services. Residents who might be displaced by the closure of a state school must be ensured of continuing treatment that is equal to or better than services at their current location. If the State cannot make this commitment, or a comparable quality commitment, opponents of closure and consolidation will have an issue that will resonate with many elected officials, advocates and other interested stakeholders. As such, this report includes several indicators that measure the impact a transfer might have on state school residents.

The report included several indicators as a means of measuring the impact of client transfer capability on the feasibility of closure and consolidation. First, we gathered statistics on the current enrollment in certified beds per state school. Schools with higher enrollment were considered to have higher barriers to closure because the more clients to transfer, the more difficult the closure. After reviewing the enrollment, we calculated the average daily census between FY01 and FY03 per 100,000 people in the service delivery area. This indicator identified schools that treated large numbers of residents, relative to the population they serve, which increases barriers to closure. Another indicator related to transfer capability is the average number of wait days between referrals for community placement and actual placements. Those schools with a lower average wait times for placements had lower barriers to closure because clients had a history of being transferred to the community in a timely manner.

The baseline analysis also identified specific populations that might be impacted differently by a transfer to another facility. First, it identifies residents over the age of 55. While 65+ is the standard age bracket for senior citizens, the baseline uses age 55 as a cut-off. Until recently, most individuals with developmental disabilities had much shorter life expectancy than average. While their life expectancy has increased, it is still lower than average and individuals with developmental disabilities often show complications associated with aging earlier than the average person. Therefore, schools with greater numbers of elderly residents were considered to have higher barriers to closure. Consumers with pervasive or pervasive plus levels of need were also pinpointed in the report. These are residents with the most severe developmental disabilities and who may respond most negatively to a transfer. The report considers those schools with both the highest number and highest proportions of pervasive or pervasive plus residents to have the highest barriers to closure. PCG also collected information on lengths of stay of the current state school residents and found that about half have been there more than 20 years. Our rationale for including this indicator is that a move may be more difficult to a resident who has been in the same facility for a long time. State schools with larger proportions of consumers having lived in the facility for over 20 years were considered to have greater barriers to closure. Finally, the report identifies the number of residents in each facility with severe health statuses. These are consumers who are medically fragile in addition to having developmental disabilities. It is more difficult to transport these clients so facilities with higher numbers of residents with severe health status were considered to have greater barriers to closure.

The following charts provide the detailed analysis that was used to evaluate the impact of ease of client transfer on the feasibility of closure and consolidation.

The enrollment in certified beds provides an estimate of how many residents would have to be transferred in event of a consolidation. Denton, which is the largest state school, has the greatest barriers to closure

under this measurement because it would require the most transfers should it be closed. El Paso is the smallest state school has the lowest barriers to closure for this reason.

Chart 2-24

| Current Enrollment in Certified Beds | FY04 | Q1 143-271 | Q2 271-400 | Q3 400-528 | Q4 528-656 |
|---|-------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Abilene | 517 | - | - | Abilene | - |
| Austin | 436 | - | - | Austin | - |
| Brenham | 392 | - | Brenham | - | - |
| Corpus Christi | 364 | - | Corpus Christi | - | - |
| Denton | 656 | - | - | - | Denton |
| El Paso | 143 | El Paso | - | - | - |
| Lubbock | 343 | - | Lubbock | - | - |
| Lufkin | 422 | - | - | Lufkin | - |
| Mexia | 484 | - | - | Mexia | - |
| Richmond | 522 | - | - | Richmond | - |
| San Angelo | 298 | - | San Angelo | - | - |
| San Antonio | 302 | - | San Antonio | - | - |

The Average Daily Census (ADC) information below is the state school average daily census divided by the US Census 2000 population of the service delivery area and then multiplied by 100,000. Since we did not use different census information for each year and the ADC still decreased over time for most state schools, this indicates that the census at most schools is declining over time.

Chart 2-25

| ADC per 100,000 Population | FY 2001 | FY 2002 | FY 2003 | Average |
|-----------------------------------|----------------|----------------|----------------|----------------|
| Abilene | 120.9 | 114.5 | 110.9 | 115.5 |
| Austin | 24.2 | 24.2 | 24.3 | 24.2 |
| Brenham | 65.5 | 60.3 | 56.2 | 60.7 |
| Corpus Christi | 38.9 | 37.1 | 36.6 | 37.5 |
| Denton | 17.9 | 17.7 | 17.5 | 17.7 |
| El Paso | 21.3 | 21.3 | 20.4 | 21.0 |
| Lubbock | 37.2 | 34.4 | 32.9 | 34.8 |
| Lufkin | 36.2 | 34.9 | 34.1 | 35.1 |
| Mexia | 22.5 | 21.8 | 21.0 | 21.8 |
| Richmond | 11.7 | 11.2 | 10.8 | 11.2 |
| San Angelo | 48.5 | 46.5 | 46.8 | 47.2 |
| San Antonio | 18.5 | 18.4 | 18.5 | 18.4 |

*Source=3_1-AvgDailyCensusFY01-04, Crosswalk for MRA and Counties.xls & US Census 2000

This statistics is a measurement of how many clients are treated relative to the service delivery area. Those with higher numbers treat a great proportion of the service delivery area or, more likely, have clients from other service delivery areas. These facilities, such as Abilene, present greater barriers to closure because the services appear to be in greater demand.

Chart 2-26

| ADC per 100,000 Population | Average | Q1 11.2-37.3 | Q2 37.3-63.3 | Q3 63.3-89.4 | Q4 89.6-115.7 |
|----------------------------|---------|-----------------|-----------------|-----------------|------------------|
| Abilene | 115.5 | - | - | - | Abilene |
| Austin | 24.2 | Austin | - | - | - |
| Brenham | 60.7 | - | Brenham | - | - |
| Corpus Christi | 37.5 | - | Corpus Christi | - | - |
| Denton | 17.7 | Denton | - | - | - |
| El Paso | 21.0 | El Paso | - | - | - |
| Lubbock | 34.8 | Lubbock | - | - | - |
| Lufkin | 35.1 | Lufkin | - | - | - |
| Mexia | 21.8 | Mexia | - | - | - |
| Richmond | 11.2 | Richmond | - | - | - |
| San Angelo | 47.2 | - | San Angelo | - | - |
| San Antonio | 18.4 | San Antonio | - | - | - |

If a facility were to be closed, it is likely that some residents would choose and be ready to live in the community. As such, PCG gathered data on how many days a typical resident waits from the time he or she is referred for a community placement and when a placement is available. The chart below identifies the average wait days between a referral and the actual placement weighted based on days. An asterisk indicates no placements.

Chart 2-27

| Average Wait Days Between Referral for Community Placement & Actual Placement | FY03 | Thru 2nd Quarter FY04 | Weighted Average |
|---|------|-----------------------|------------------|
| Abilene | 77 | * | 77 |
| Austin | 147 | * | 147 |
| Brenham | 120 | 58 | 99 |
| Corpus Christi | 123 | 103 | 116 |
| Denton | 41 | * | 41 |
| El Paso | 46 | * | 46 |
| Lubbock | 121 | 175 | 139 |
| Lufkin | 155 | 48 | 119 |
| Mexia | 145 | 118 | 136 |
| Richmond | 128 | 133 | 130 |
| San Angelo | 94 | 88 | 92 |
| San Antonio | 44 | 65 | 51 |

*Source-Avg WaitDaysforCP020304

Austin has the longest average wait days for community placements. This indicates a greater barrier to closure than those state schools with short wait time because it would take longer to find placements in the community.

Chart 2-28

| Average Wait Days Between Referral for Community Placement & Actual Placement | Average | Q1 41-68 | Q2 68-94 | Q3 94-121 | Q4 121-147 |
|---|---------|-------------|-------------|----------------|---------------|
| Abilene | 77 | - | Abilene | - | - |
| Austin | 147 | - | - | - | Austin |
| Brenham | 99 | - | - | Brenham | - |
| Corpus Christi | 116 | - | - | Corpus Christi | - |
| Denton | 41 | Denton | - | - | - |
| El Paso | 46 | El Paso | - | - | - |
| Lubbock | 139 | - | - | - | Lubbock |
| Lufkin | 119 | - | - | Lufkin | - |
| Mexia | 136 | - | - | - | Mexia |
| Richmond | 130 | - | - | - | Richmond |
| San Angelo | 92 | - | San Angelo | - | - |
| San Antonio | 51 | San Antonio | - | - | - |

The number of residents over the age of 55 is a relevant barrier to closure because elderly residents are generally more difficult to transfer to another state school. Denton, the largest state school, and Mexia have the greatest number of elderly residents and thus the greatest barriers to closure under this statistic.

Chart 2-29

| Elderly Residents | Residents 55+ | Q1 14-50 | Q2 50-87 | Q3 87-123 | Q4 123-159 |
|-------------------|------------------|----------------|-------------|--------------|---------------|
| Abilene | 114 | - | - | Abilene | - |
| Austin | 120 | - | - | Austin | - |
| Brenham | 67 | - | Brenham | - | - |
| Corpus Christi | 41 | Corpus Christi | - | - | - |
| Denton | 132 | - | - | - | Denton |
| El Paso | 14 | El Paso | - | - | - |
| Lubbock | 42 | Lubbock | - | - | - |
| Lufkin | 73 | - | Lufkin | - | - |
| Mexia | 159 | - | - | - | Mexia |
| Richmond | 96 | - | - | Richmond | - |
| San Angelo | 113 | - | - | San Angelo | - |
| San Antonio | 53 | - | San Antonio | - | - |

Clients with the most significant developmental disabilities are also difficult to transfer. Therefore, it was also important to look at this type of resident. El Paso has the fewest number of residents with pervasive or pervasive plus developmental disabilities and the fewest barriers to closure under this measurement.

Chart 2-30

| Number of Clients with Pervasive or Pervasive Plus LON | High LON | Q1 10-54 | Q2 54-99 | Q3 99-143 | Q4 143-187 |
|--|----------|-------------|----------------|--------------|---------------|
| Abilene | 174 | - | - | - | Abilene |
| Austin | 111 | - | - | Austin | - |
| Brenham | 42 | Brenham | - | - | - |
| Corpus Christi | 82 | - | Corpus Christi | - | - |
| Denton | 179 | - | - | - | Denton |
| El Paso | 10 | El Paso | - | - | - |
| Lubbock | 87 | - | Lubbock | - | - |
| Lufkin | 77 | - | Lufkin | - | - |
| Mexia | 77 | - | Mexia | - | - |
| Richmond | 187 | - | - | - | Richmond |
| San Angelo | 25 | San Angelo | - | - | - |
| San Antonio | 80 | - | San Antonio | - | - |

PCG also calculated the number of clients who have resided in the state school more than 20 years. Three of the schools have populations of more than 300 who have lived in those facilities for more than 20 years. These state schools have the highest barriers to closure for this measurement, while El Paso and San Angelo, schools with less than 100 residents living there for more than 20 years, have the lowest barriers to closure.

Chart 2-31

| Clients in Facility Greater than 20 Years | Number of Residents | Q1 29 - 121 | Q2 121 - 212 | Q3 212 - 304 | Q4 304 - 395 |
|---|---------------------|----------------|-----------------|-----------------|-----------------|
| Abilene | 365 | - | - | - | Abilene |
| Austin | 238 | - | - | Austin | - |
| Brenham | 186 | - | Brenham | - | - |
| Corpus Christi | 161 | - | Corpus Christi | - | - |
| Denton | 395 | - | - | - | Denton |
| El Paso | 29 | El Paso | - | - | - |
| Lubbock | 159 | - | Lubbock | - | - |
| Lufkin | 258 | - | - | Lufkin | - |
| Mexia | 266 | - | - | Mexia | - |
| Richmond | 368 | - | - | - | Richmond |
| San Angelo | 83 | San Angelo | - | - | - |
| San Antonio | 121 | - | San Antonio | - | - |

2.7 Capacity at Remaining Facilities to Accommodate Persons Transferred from a Facility Identified for Closure

While the study focuses on barriers to closure, it is also critical to identify those schools that may accommodate persons if there is a closure. The first step in assessing the capacity of a facility to accommodate new clients or services will be an assessment of the availability of space and the physical conditions of the campus buildings. The physical capacity requirements must address not only the space available for additional patients but must also consider the implications that these additions will have on the various support services provided.

In order to measure the impact of capacity on the feasibility of closure and consolidation, the report identifies the number of total vacant certified beds and the total number of vacant certified beds that could be made available immediately if funding was available for staff. State schools have varying amounts of beds for which they are currently certified that are not in use. Many of these beds have not been in use for a long time and would require renovation before consumers could be transferred. Just under half of the vacant beds could be made available almost immediately, assuming the facility received funding for the increase in staffing requirements. Those schools with high numbers of vacant beds were determined to have higher barriers to closure while those schools with low number of vacant beds were determined to have lower barriers to closure.

These indicators do not measure the impact additional consumers might have on support services; however, many schools have consolidated their support services (i.e. dental or laundry) and have already accommodated larger numbers of residents for lower costs. While plans to accommodate additional residents cannot be part of the analysis until decisions in favor of consolidation occur, careful planning should also take place to ensure that the facilities and communities that are scheduled to receive newly transferred individuals are appropriately prepared. This analysis would require careful planning and as well as discussion, consideration, and input from a host of users and constituents of the services.

The following charts provide the detailed analysis that was used to evaluate the impact of capacity on the feasibility of closure and consolidation.

State schools have between 12 and 128 beds that are both vacant and certified. Some of these beds may not be immediately available for residents, but, with renovation, could accept additional residents. Those state schools with less than 40 available beds were accorded the fewest barriers to closure because they would be less valuable if the State were looking to transfer residents. Schools with more than 100 vacant, certified beds were determined to have the greatest barriers to closure.

Chart 2-32

| Vacant Certified Beds | Vacant Bed Totals | Q1 12-41 | Q2 41-70 | Q3 70-99 | Q4 99-128 |
|------------------------------|--------------------------|---------------------|---------------------|---------------------|----------------------|
| Abilene | 115 | - | - | - | Abilene |
| Austin | 24 | Austin | - | - | - |
| Brenham | 128 | - | - | - | Brenham |
| Corpus Christi | 46 | - | Corpus Christi | - | - |
| Denton | 44 | - | Denton | - | - |
| El Paso | 12 | El Paso | - | - | - |
| Lubbock | 83 | - | - | Lubbock | - |
| Lufkin | 50 | - | Lufkin | - | - |
| Mexia | 116 | - | - | - | Mexia |
| Richmond | 120 | - | - | - | Richmond |
| San Angelo | 71 | - | - | San Angelo | - |
| San Antonio | 37 | San Antonio | - | - | - |

A proportion of the total beds that are vacant and certified need no renovation and, with funding for staff, could be made immediately available. San Angelo has the greatest number of immediately available beds, while Denton has only six available vacant beds. Since more residents could be transferred to San Angelo in the event of a closure, it has the greatest barriers to closure with regard to available vacant beds.

Chart 2-33

| Vacant Available Certified Beds | Vacant Bed Totals | Q1 6-22 | Q2 22-39 | Q3 39-55 | Q4 55-71 |
|--|--------------------------|--------------------|---------------------|---------------------|---------------------|
| Abilene | 43 | - | - | Abilene | - |
| Austin | 24 | - | Austin | - | - |
| Brenham | 58 | - | - | - | Brenham |
| Corpus Christi | 46 | - | - | Corpus Christi | - |
| Denton | 6 | Denton | - | - | - |
| El Paso | 12 | El Paso | - | - | - |
| Lubbock | 35 | - | Lubbock | - | - |
| Lufkin | 34 | - | Lufkin | - | - |
| Mexia | 64 | - | - | - | Mexia |
| Richmond | 46 | - | - | Richmond | - |
| San Angelo | 71 | - | - | - | San Angelo |
| San Antonio | 37 | - | San Antonio | - | - |

2.8 Identification of Specialty Programs and Services.

Any evaluation of the role of state hospitals and schools must specifically address the facility's capacity to provide high quality care to sub-populations requiring specialized care. Specifically, PCG identified those state schools accepting residents from the criminal justice system. Since special accommodations are often required for these populations, higher barriers to closure were assigned to those schools treating consumers from the criminal justice system.

Some state schools have developed expertise in certain areas. For example, several state schools treat residents with both developmental disabilities and mental illness. Others are located in areas with large Hispanic populations and have developed language options and cultural sensitivities not available in all schools. These strengths were noted in the study but without a formal program designation under DADS could not be quantified in the baseline.

Another service provided by state schools that is not specifically mentioned in the baseline analysis are the partnerships state schools have with local training programs and businesses. Many of the schools have occupational training programs with local universities in which clinical specialties receive on-site rotational training. Furthermore, most schools have contracts with local businesses in which the consumers are hired to perform specific duties.

The final item not quantified in the baseline analysis with regard to specialty program is the effort of the volunteer organizations. Volunteers provide many important services and, in some cases, raise large amounts of money for the facilities. While it is difficult to assign a dollar value to the efforts of volunteer guilds, it was clear from the public meeting and site visits that they have a large impact.

Specialty programs is also the only criterion in which results were only assigned to either the highest or lowest quadrant. Because there is no middle ground between accepting clients from the criminal justice system and not accepting them, no school was judged to be in quadrants 2 or 3. The effect of this decision is that it gives significant weight to specialty services.

The following chart provides the data that was used to evaluate the impact of specialty programs on the feasibility of closure and consolidation. It identifies those state schools that admit residents from the criminal justice system.

Chart 2-34

| Facility | Adults Admitted from Criminal Justice System | Male Adol. Admitted from Criminal Justice System | Female Adol. Admitted from Criminal Justice System |
|-----------------------|---|---|---|
| Abilene | No | No | No |
| Austin | No | No | No |
| Brenham | No | No | No |
| Corpus Christi | Yes | No | No |
| Denton | No | No | No |
| El Paso | No | No | No |
| Lubbock | No | No | No |
| Lufkin | No | No | No |
| Mexia | Yes | Yes | No |
| Richmond | No | No | No |
| San Angelo | Yes | No | Yes |
| San Antonio | No | No | No |

Since special accommodations have to be made for these residents, state schools that admit clients from the criminal justice system were assigned to the quadrant with the greatest barriers to closure, while those that do not accept these individuals were assigned to the quadrant indicating the lowest barriers to closure. It should be noted that specialty programs, while unique to a specific facility, could be moved to another facility if the facility was properly prepared to receive the program.

Chart 2-35

| Admits from the Criminal Justice System | Criminal Justice Admissions? | Q1 No | Q2 | Q3 | Q4 Yes |
|--|-------------------------------------|--------------|-----------|-----------|----------------|
| Abilene | No | Abilene | - | - | - |
| Austin | No | Austin | - | - | - |
| Brenham | No | Brenham | - | - | - |
| Corpus Christi | Yes | - | - | - | Corpus Christi |
| Denton | No | Denton | - | - | - |
| El Paso | No | El Paso | - | - | - |
| Lubbock | No | Lubbock | - | - | - |
| Lufkin | No | Lufkin | - | - | - |
| Mexia | Yes | - | - | - | Mexia |
| Richmond | No | Richmond | - | - | - |
| San Angelo | Yes | - | - | - | San Angelo |
| San Antonio | No | San Antonio | - | - | - |

Conclusion

In general, Abilene and Mexia State School possess the greatest barriers to closure while Austin State School exhibits the lowest barriers to closure. However, the feasibility of facility closure and consolidation varies based on the how much emphasis is placed on each of the criterion. Ease of client transfer capability and capacity at remaining facilities to accommodate persons transferred from a facility identified for closure are the two criteria that measure the impact of closure or consolidation on clients; therefore, the results of these criteria should be given careful consideration. Furthermore, statistical data cannot truly approximate the feasibility of closure or consolidation of any facility.

State School Details

3.1 Abilene State School

Location:
2501 Maple Street
Abilene, TX 79601

Superintendent:
Bill Waddill

Facility History:
Opened in 1904
581 acres

Service Area:
17 counties

FY 04 Funded Beds:
520 beds

Enrollment as of 5/28/04
518 residents

Proximity to other facilities and geographical distribution of remaining facilities

The average one-way distance from Abilene State School to the two closest facilities is 123 miles and 166 minutes, which is less than the mean for state schools. Those two facilities, San Angelo and Lubbock, have 154 available vacant beds. Assuming that 15% of the residents at Abilene could be transferred to the community and 154 residents could move to either San Angelo or Lubbock, 286 residents would need to be transferred to other state schools. Assuming the residents would move to the next closest schools, average travel distances would increase by 199 miles.

Condition of existing facility structures

Opened in 1904, Abilene is the oldest state school. According to MHMR, it has 97 buildings, 94 of which are in use by either people or storage. While Abilene is an old school, it does not belong to the lowest quadrant (the one with the fewest barriers to closure) for either facility condition or forecasted renewal costs. In fact, it belongs to the highest quadrant with regard to deferred maintenance. This suggests that the facility is in relatively good condition.

Marketability of the property where the facility is located when considering possible sale of the property or alternate use possibilities

According to the General Land Office Report to the 77th Legislature, the market value of Abilene State School's 581 acres is just under \$900,000. Twenty-six of those acres are leased to the City of Abilene and Abilene Industrial Foundation.

Administrative cost of the facility

The chart below details exactly how PCG calculated total and administrative costs from the FY 02 and FY 03 Medicaid cost reports. These values were weighted based on patient days to determine an average for the two years.

Chart 3-1

*Abilene State School
Cost Analysis*

| <u>Expenses</u> | <u>FY 2003 Amount</u> | <u>FY 2002 Amount</u> | <u>Weighted Average Amount</u> |
|----------------------------------|---------------------------|---------------------------|------------------------------------|
| Resident Care Staff | \$ 16,623,710 | \$ 16,517,617 | \$ 16,569,843 |
| Other Routine Daily Services | 610,381 | 623,915 | 617,253 |
| Training | - | - | - |
| Social Services | 176,309 | 175,467 | 175,881 |
| Activity Services | 302,810 | 272,924 | 287,636 |
| Therapy Services | 1,020,010 | 992,704 | 1,006,146 |
| Other Resident Care Services | 170,640 | 215,015 | 193,171 |
| Laundry, Linen, and Housekeeping | 1,345,964 | 1,307,555 | 1,326,463 |
| Subtotal Resident Care | \$ 20,249,824 | \$ 20,105,197 | \$ 20,176,392 |
| Day Program Costs | 773,202 | 779,329 | 776,313 |
| Medical Expenses | | | |
| Classified Salaries | \$ 4,155,020 | \$ 3,814,844 | \$ 3,982,302 |
| FICA Contributions | 300,103 | 277,761 | 288,759 |
| Employee Benefits | 1,087,862 | 817,544 | 950,613 |
| Other | 4,505,739 | 3,981,934 | 4,239,787 |
| Subtotal Medical | \$ 10,048,723 | \$ 8,892,083 | \$ 9,461,461 |
| Subtotal Routine Costs | \$ 31,071,749 | \$ 29,776,609 | \$ 30,414,167 |
| Administration | 3,423,881 | 3,627,347 | 3,527,187 |
| Overhead Costs | | | |
| Miscellaneous Overhead | \$ 4,024,251 | \$ 2,030,391 | \$ 3,011,907 |
| Dietary | 2,278,414 | 2,275,198 | 2,276,781 |
| Facility Costs | 4,862,259 | 4,430,961 | 4,643,276 |
| Payroll Taxes | 1,784,085 | 1,824,099 | 1,804,401 |
| Employee Benefits | 6,156,984 | 6,103,943 | 6,130,053 |
| Workers Compensation | 1,175,912 | - | 578,865 |
| Subtotal Overhead Costs | \$ 20,281,905 | \$ 16,664,592 | \$ 18,445,284 |
| Total Expenses | \$ 54,777,535 | \$ 50,068,548 | \$ 52,386,637 |
| Total Patient Days as Reported | 190,838 | 196,832 | 193,835 |
| <i>Administration Cost/Day</i> | <i>\$ 17.94</i> | <i>\$ 18.43</i> | <i>\$ 18.20</i> |
| <i>Overhead Cost/Day</i> | <i>\$ 106.28</i> | <i>\$ 84.66</i> | <i>\$ 95.16</i> |
| <i>Routine Cost/Day</i> | <i>\$ 162.82</i> | <i>\$ 151.28</i> | <i>\$ 156.91</i> |
| Total Cost/Day | \$ 287.04 | \$ 254.37 | \$ 270.26 |

We learned in a site visit to another facility that Abilene is one of several facilities who are trying to cut costs through economies of scale. Rather than providing all services at every location, certain state schools are taking on functions for a group of schools. For example, San Angelo's accounting and laundry are being done by Abilene.

Availability of other employment opportunities in the area for employees displaced by a closure

PCG believes that employees who might be displaced by a closure probably live either in the county of the state school or a contiguous county. We used population totals from these counties to calculate several of the statistics for this criterion.

Chart 3-2

| Facility | Contiguous Counties | US Census 2000 Population |
|----------------------|----------------------------|----------------------------------|
| Abilene State School | Callahan | 12,905 |
| Abilene State School | Coleman | 9,235 |
| Abilene State School | Fisher | 4,344 |
| Abilene State School | Jones | 20,785 |
| Abilene State School | Nolan | 15,802 |
| Abilene State School | Runnels | 11,495 |
| Abilene State School | Shackelford | 3,302 |
| Abilene State School | Taylor | 126,555 |
| | Total | 204,423 |

Unemployment rates were weighted based on population and then averaged for the county in which the state school is located and contiguous counties.

Chart 3-3

| Facility | County | Jan-May 2004 Ave. Unemployment Rate TX Workforce Commission |
|----------------------|----------------------|--|
| Abilene State School | Callahan | 3.8 |
| Abilene State School | Coleman | 6.6 |
| Abilene State School | Fisher | 5.0 |
| Abilene State School | Jones | 2.9 |
| Abilene State School | Nolan | 5.0 |
| Abilene State School | Runnels | 3.6 |
| Abilene State School | Shackelford | 2.2 |
| Abilene State School | Taylor | 3.7 |
| | Weighted Ave. | 3.9 |

Based on information from the 2003 Abilene Industrial Economic Development Foundation, Abilene State School is the 4th largest employer in the community.

Ease of client transfer capability

The average daily census at Abilene declined by 8% between FY 03 and FY 01.

Chart 3-4

| Avg. Daily Census | FY01 | FY02 | FY03 |
|-------------------|------|------|------|
| Abilene | 567 | 536 | 520 |

PCG used the US Census 2000 population figures of Abilene's service delivery area (shown below) to compute the average daily census per 100,000 population.

Chart 3-5

| Facility | County | US Census 2000 Population | County | US Census 2000 Population | County | US Census 2000 Population |
|----------------------|-----------------|---------------------------------|-----------------|---------------------------------|--------------------|---------------------------------|
| Abilene State School | Brown | 37,674 | Hood | 41,100 | San Saba | 6,186 |
| Abilene State School | Callahan | 12,905 | Jones | 20,785 | Shackelford | 3,302 |
| Abilene State School | Coleman | 9,235 | McCulloch | 8,205 | Somervell | 6,809 |
| Abilene State School | Comanche | 14,026 | Mills | 5,151 | Stephens | 9,674 |
| Abilene State School | Eastland | 18,297 | Palo Pinto | 27,026 | Taylor | 126,555 |
| Abilene State School | Erath | 33,001 | Parker | 88,495 | | |
| | Subtotal | 125,138 | Subtotal | 190,762 | Subtotal | 152,526 |
| | | | | | Grand Total | 468,426 |

Capacity at remaining facilities to accommodate persons transferred from a facility identified for closure

Abilene State School has a large number of vacant beds that could be available given a transfer. About 35% of those beds could be made immediately available given funding for the increase in staff.

Identification of specialty programs and services

Abilene State School does not admit clients from the criminal justice system.

3.2 Austin State School

Location:
2203 West 35th Street
Austin, TX 78703

Superintendent:
Ray Wells

Facility History:
Opened in 1917
96 acres

Service Area:
28 counties

FY 04 Funded Beds:
436 beds

Enrollment as of 5/28/04
441 residents

Proximity to other facilities and geographical distribution of remaining facilities

The average one-way distance from Austin State School to the two closest facilities is 83 miles and 107 minutes, which is less than the mean for state schools. Those two facilities, San Antonio and Brenham, have 165 available vacant beds. Assuming that 15% of the residents at Austin could be transferred to the community and 165 residents could move to either San Antonio or Brenham, 210 residents would need to be transferred to other state schools. Assuming the residents would move to the next closest schools, average travel distances would increase by 112 miles.

Condition of existing facility structures

Opened in 1917, Austin is one of the oldest state schools. According to MHMR, it has 94 buildings, 89 of which are in use by either people or storage. While Austin is an old school and it belongs to the lowest quadrant (the one with the fewest barriers to closure) for facility condition, it does have greater barriers to closure with regard to forecasted renewal costs and deferred maintenance.

Marketability of the property where the facility is located when considering possible sale of the property or alternate use possibilities

According to the General Land Office Report to the 77th Legislature, the market value of Austin State School's 96 acres is just over \$15,00,000. Austin State School leases space to AT&T for a cell tower.

Administrative cost of the facility

The chart below details exactly how PCG calculated total and administrative costs from the FY 02 and FY 03 Medicaid cost reports. These values were weighted based on patient days to determine an average for the two years.

Chart 3-6

*Austin State School
Cost Analysis*

| <u>Expenses</u> | <u>FY 2003 Amount</u> | <u>FY 2002 Amount</u> | <u>Weighted Average Amount</u> |
|----------------------------------|---------------------------|---------------------------|------------------------------------|
| Resident Care Staff | \$ 17,174,532 | \$ 16,487,640 | \$ 16,831,915 |
| Other Routine Daily Services | 325,664 | 802,380 | 563,446 |
| Training | - | - | - |
| Social Services | 115,882 | 115,091 | 115,487 |
| Activity Services | 373,498 | 397,879 | 385,659 |
| Therapy Services | 624,189 | 687,685 | 655,860 |
| Other Resident Care Services | 100,325 | 154,987 | 127,590 |
| Laundry, Linen, and Housekeeping | 764,525 | 732,465 | 748,534 |
| Subtotal Resident Costs | \$ 19,478,615 | \$ 19,378,127 | \$ 19,428,492 |
| Day Program Costs | 891,006 | 893,276 | 892,138 |
| Medical Expenses | | | |
| Classified Salaries | \$ 1,540,381 | \$ 1,593,377 | \$ 1,566,815 |
| FICA Contributions | 110,223 | 125,810 | 117,998 |
| Employee Benefits | 362,143 | 297,350 | 329,825 |
| Other | 3,335,043 | 2,709,421 | 3,022,988 |
| Subtotal Medical | \$ 5,347,789 | \$ 4,725,959 | \$ 5,037,625 |
| Subtotal Routine Costs | \$ 25,717,410 | \$ 24,997,362 | \$ 25,358,256 |
| Administration | 2,709,623 | 2,965,355 | 2,837,180 |
| Overhead Costs | | | |
| Miscellaneous Overhead | \$ 3,906,006 | \$ 1,999,776 | \$ 2,955,193 |
| Dietary | 2,129,822 | 2,359,913 | 2,244,590 |
| Facility Costs | 4,649,753 | 3,096,243 | 3,874,874 |
| Payroll Taxes | 1,926,299 | 1,838,206 | 1,882,359 |
| Employee Benefits | 5,459,983 | 5,066,262 | 5,263,598 |
| Workers Compensation | 1,363,241 | - | 683,267 |
| Subtotal Overhead Costs | \$ 19,435,104 | \$ 14,360,400 | \$ 16,903,879 |
| Total Expenses | \$ 47,862,137 | \$ 42,323,117 | \$ 45,099,315 |
| | | | |
| Total Patient Days as Reported | 158,567 | 157,803 | 158,185 |
| | | | |
| <i>Administration Cost/Day</i> | <i>\$ 17.09</i> | <i>\$ 18.79</i> | <i>\$ 17.94</i> |
| <i>Overhead Cost/Day</i> | <i>\$ 122.57</i> | <i>\$ 91.00</i> | <i>\$ 106.86</i> |
| <i>Routine Cost/Day</i> | <i>\$ 162.19</i> | <i>\$ 158.41</i> | <i>\$ 160.31</i> |
| <i>Total Cost/Day</i> | <i>\$ 301.84</i> | <i>\$ 268.20</i> | <i>\$ 285.10</i> |

Availability of other employment opportunities in the area for employees displaced by a closure

PCG believes that employees who might be displaced by a closure probably live either in the county of the state school or a contiguous county. We used population totals from these counties to calculate several of the statistics for this criterion.

Chart 3-7

| Facility | Contiguous Counties | US Census 2000 Population |
|---------------------|----------------------------|----------------------------------|
| Austin State School | Bastrop | 57,733 |
| Austin State School | Blanco | 8,418 |
| Austin State School | Burnet | 34,147 |
| Austin State School | Caldwell | 32,194 |
| Austin State School | Hays | 97,589 |
| Austin State School | Lee | 15,657 |
| Austin State School | Travis | 812,280 |
| Austin State School | Williamson | <u>249,967</u> |
| | Total | 1,307,985 |

Unemployment rates were weighted based on population and then averaged for the county in which the state school is located and contiguous counties.

Chart 3-8

| Facility | County | Jan-May 2004 Ave. Unemployment Rate TX Workforce Commission |
|---------------------|----------------------|--|
| Austin State School | Bastrop | 5.6 |
| Austin State School | Blanco | 3.7 |
| Austin State School | Burnet | 4.0 |
| Austin State School | Caldwell | 6.6 |
| Austin State School | Hays | 4.8 |
| Austin State School | Lee | 3.8 |
| Austin State School | Travis | 4.8 |
| Austin State School | Williamson | <u>3.9</u> |
| | Weighted Ave. | 4.7 |

Based on information from the 2002 Greater Austin Chamber of Commerce, Austin State School is the 68th largest employer in the community.

Ease of client transfer capability

The average daily census at Austin remained about the same between FY 03 and FY 01.

Chart 3-9

| Avg. Daily Census | FY01 | FY02 | FY03 |
|-------------------|------|------|------|
| Austin | 429 | 429 | 431 |

PCG used the US Census 2000 population figures of Austin's service delivery area (shown below) to compute the average daily census per 100,000 population.

Chart 3-10

| Facility | County | US Census 2000 Population | County | US Census 2000 Population | County | US Census 2000 Population |
|---------------------|-----------------|---------------------------------|-----------------|---------------------------------|--------------------|---------------------------------|
| Austin State School | Bandera | 17,645 | Guadalupe | 89,023 | Menard | 2,360 |
| Austin State School | Bastrop | 57,733 | Hays | 97,589 | Real | 3,047 |
| Austin State School | Blanco | 8,418 | Kendall | 23,743 | Schleicher | 2,935 |
| Austin State School | Burnet | 34,147 | Kerr | 43,653 | Sutton | 4,077 |
| Austin State School | Caldwell | 32,194 | Kimble | 4,468 | Travis | 812,280 |
| Austin State School | Comal | 78,021 | Kinney | 3,379 | Williamson | 249,967 |
| Austin State School | Edwards | 2,162 | Lee | 15,657 | Uvalde | 25,926 |
| Austin State School | Fayette | 21,804 | Llano | 17,044 | Val Verde | 44,856 |
| Austin State School | Gillespie | 20,814 | Mason | 3,738 | | |
| Austin State School | Gonzales | 18,628 | Medina | 39,304 | | |
| | Subtotal | 291,566 | Subtotal | 337,598 | Subtotal | 1,145,448 |
| | | | | | Grand Total | 1,774,612 |

Capacity at remaining facilities to accommodate persons transferred from a facility identified for closure

Austin State School has a small number of vacant beds that could be available given a transfer; however, all of these beds could be made immediately available given funding for the increase in staff.

Identification of specialty programs and services

Austin State School does not admit clients from the criminal justice system.

3.3 Brenham State School

Location:
4001 Highway 36 South
Brenham, TX 77833

Superintendent:
Rick Browder

Facility History:
Opened in 1974
198 acres

Service Area:
10 counties

FY 04 Funded Beds:
394 beds

Enrollment as of 5/28/04
392 residents

Proximity to other facilities and geographical distribution of remaining facilities

The average one-way distance from Brenham State School to the two closest facilities is 76 miles and 112 minutes, which is less than the mean for state schools. Those two facilities, Richmond and Austin, have 144 available vacant beds. Assuming that 15% of the residents at Brenham could be transferred to the community and 144 residents could move to either Austin or Richmond, 189 residents would need to be transferred to other state schools. Assuming the residents would move to the next closest schools, average travel distances would increase by 112 miles.

Condition of existing facility structures

Opened in 1974, Brenham is one of the newest state schools. According to MHMR, it has 33 buildings, all of which are in use by either people or storage. Because it is newer and is in good condition, Brenham State School has fairly high barriers to closure with regard to facility physical condition.

Marketability of the property where the facility is located when considering possible sale of the property or alternate use possibilities

According to the General Land Office Report to the 77th Legislature, the market value of Brenham State School's 198 acres is just under \$900,000. About half the land is in use by the facility.

Administrative cost of the facility

The chart below details exactly how PCG calculated total and administrative costs from the FY 02 and FY 03 Medicaid cost reports. These values were weighted based on patient days to determine an average for the two years.

Chart 3-11

***Brenham State School
Cost Analysis***

| <u>Expenses</u> | <u>FY 2003 Amount</u> | <u>FY 2002 Amount</u> | <u>Weighted Average Amount</u> |
|----------------------------------|---------------------------|---------------------------|------------------------------------|
| Resident Care Staff | \$ 15,351,006 | \$ 15,438,087 | \$ 15,396,081 |
| Other Routine Daily Services | 587,152 | 645,352 | 617,278 |
| Training | 79,702 | 193,061 | 138,379 |
| Social Services | 140,719 | 147,466 | 144,211 |
| Activity Services | 126,443 | 221,536 | 175,665 |
| Therapy Services | 387,834 | 495,545 | 443,588 |
| Other Resident Care Services | 135,152 | 105,190 | 119,643 |
| Laundry, Linen, and Housekeeping | 813,303 | 920,469 | 868,774 |
| Subtotal Resident Care | \$ 17,621,311 | \$ 18,166,706 | \$ 17,903,619 |
| Day Program Costs | 1,260,493 | 1,111,206 | 1,183,219 |
| Medical Expenses | | | |
| Classified Salaries | \$ 1,128,868 | \$ 1,111,360 | \$ 1,119,805 |
| FICA Contributions | 78,952 | 76,261 | 77,559 |
| Employee Benefits | 198,177 | 146,770 | 171,568 |
| Other | 1,948,364 | 1,627,866 | 1,782,467 |
| Subtotal Medical | \$ 3,354,362 | \$ 2,962,256 | \$ 3,151,400 |
| Subtotal Routine | \$ 22,236,166 | \$ 22,240,168 | \$ 22,238,238 |
| Administration | 2,268,912 | 2,648,991 | 2,465,649 |
| Overhead Costs | | | |
| Miscellaneous Overhead | \$ 3,923,777 | \$ 1,811,639 | \$ 2,830,489 |
| Dietary | 2,116,582 | 2,296,837 | 2,209,886 |
| Facility Costs | 4,088,830 | 3,120,881 | 3,587,799 |
| Payroll Taxes | 1,593,181 | 1,647,614 | 1,621,357 |
| Employee Benefits | 5,222,048 | 5,056,627 | 5,136,423 |
| Workers Compensation | 683,093 | (217,082) | 217,143 |
| Subtotal Overhead Costs | \$ 17,627,511 | \$ 13,716,516 | \$ 15,603,096 |
| Total Costs | \$ 42,132,589 | \$ 38,605,675 | \$ 40,306,983 |
| | | | |
| Total Patient Days as Reported | 143,319 | 153,790 | 148,555 |
| | | | |
| Administration Cost/Day | \$ 15.83 | \$ 17.22 | \$ 16.60 |
| Overhead Cost/Day | \$ 122.99 | \$ 89.19 | \$ 105.03 |
| Routine Cost/Day | \$ 155.15 | \$ 144.61 | \$ 149.70 |
| Total Cost/Day | \$ 293.98 | \$ 251.03 | \$ 271.33 |

We learned in a site visit that Brenham is one of several facilities who are trying to cut costs through economies of scale. Brenham and Richmond partner in providing a number of services including dental, audiology, laundry and accounting. In this manner, the school can cut administrative costs while still providing the same levels of service.

Availability of other employment opportunities in the area for employees displaced by a closure

PCG believes that employees who might be displaced by a closure probably live either in the county of the state school or a contiguous county. We used population totals from these counties to calculate several of the statistics for this criterion.

Chart 3-12

| Facility | Contiguous Counties | US Census 2000 Population |
|----------------------|----------------------------|----------------------------------|
| Brenham State School | Austin | 23,590 |
| Brenham State School | Brazos | 152,415 |
| Brenham State School | Burleson | 16,470 |
| Brenham State School | Fayette | 21,804 |
| Brenham State School | Grimes | 23,552 |
| Brenham State School | Lee | 15,657 |
| Brenham State School | Waller | 32,663 |
| Brenham State School | Washington | <u>30,373</u> |
| | Total | 316,524 |

Unemployment rates were weighted based on population and then averaged for the county in which the state school is located and contiguous counties.

Chart 3-13

| Facility | County | Jan-May 2004 Ave. Unemployment Rate TX Workforce Commission |
|----------------------|----------------------|--|
| Brenham State School | Austin | 4.1 |
| Brenham State School | Brazos | 2.0 |
| Brenham State School | Burleson | 5.4 |
| Brenham State School | Fayette | 2.6 |
| Brenham State School | Grimes | 7.2 |
| Brenham State School | Lee | 3.8 |
| Brenham State School | Waller | 6.1 |
| Brenham State School | Washington | <u>3.7</u> |
| | Weighted Ave. | 3.4 |

Based on information from the 2003 Texas Department of Banking – Comptroller of the Currency, Brenham State School is the top largest employer in the community.

Ease of client transfer capability

The average daily census at Brenham declined by 17% between FY 03 and FY 01.

Chart 3-14

| Avg. Daily Census | FY01 | FY02 | FY03 |
|-------------------|------|------|------|
| Brenham | 454 | 418 | 389 |

PCG used the US Census 2000 population figures of Brenham’s service delivery area (shown below) to compute the average daily census per 100,000 population.

Chart 3-15

| Facility | County | US Census 2000 Population | County | US Census 2000 Population |
|----------------------|-----------------|---------------------------------|--------------------|---------------------------------|
| Brenham State School | Brazos | 152,415 | Madison | 12,940 |
| Brenham State School | Burleson | 16,470 | Montgomery | 293,768 |
| Brenham State School | Grimes | 23,552 | Robertson | 16,000 |
| Brenham State School | Leon | 15,335 | Walker | 61,758 |
| Brenham State School | Liberty | 70,154 | Washington | 30,373 |
| | Subtotal | 277,926 | Subtotal | 414,839 |
| | | | Grand Total | 692,765 |

Capacity at remaining facilities to accommodate persons transferred from a facility identified for closure

Brenham State School has a large number of vacant beds that could be available given a transfer. About 45% of those beds could be made immediately available given funding for the increase in staff.

Identification of specialty programs and services

Brenham State School does not admit clients from the criminal justice system.

3-4 Corpus Christi State School

Location:
902 Airport Boulevard
Corpus Christi, TX 78405

Superintendent:
Gail Sharp

Facility History:
Opened in 1970
104 acres

Service Area:
21 counties for general services
Statewide for adults admitted through the
criminal justice system

FY 04 Funded Beds:
366 beds

Enrollment as of 5/28/04
362 residents

Proximity to other facilities and geographical distribution of remaining facilities

The average one-way distance from Corpus Christi State School to the two closest facilities is 159 miles and 169 minutes, which is about the mean for state schools. Those two facilities, San Antonio and Richmond, have 191 available vacant beds. Assuming that 15% of the residents at Corpus Christi could be transferred to the community and 191 residents could move to either San Antonio or Richmond, 117 residents would need to be transferred to other state schools. Assuming the residents would move to the next closest schools, average travel distances would increase by 178 miles.

Condition of existing facility structures

Opened in 1970, Corpus Christi is one of the newest state schools. According to MHMR, it has 44 buildings, all of which are in use by either people or storage. While Corpus Christi is a newer state school, it is not among the schools with the highest barriers to closure with regard to facility condition, except for deferred maintenance costs. This is predominantly a result of high forecasted renewal costs.

Marketability of the property where the facility is located when considering possible sale of the property or alternate use possibilities

According to the General Land Office Report to the 77th Legislature, the market value of Corpus Christi State School's 104 acres is about \$1,150,000. State school operations cover 102 acres of the site.

Administrative cost of the facility

The chart below details exactly how PCG calculated total and administrative costs from the FY 02 and FY 03 Medicaid cost reports. These values were weighted based on patient days to determine an average for the two years.

Chart 3-16

*Corpus Christi State School
Cost Analysis*

| <u>Expenses</u> | <u>FY 2003 Amount</u> | <u>FY 2002 Amount</u> | <u>Weighted Average Amount</u> |
|----------------------------------|---------------------------|---------------------------|------------------------------------|
| Resident Care Staff | \$ 12,480,863 | \$ 12,034,816 | \$ 12,256,360 |
| Other Routine Daily Services | 364,606 | 404,246 | 384,557 |
| Training | - | - | - |
| Social Services | 97,412 | 98,642 | 98,031 |
| Activity Services | 45,679 | 48,907 | 47,304 |
| Therapy Services | 554,645 | 536,094 | 545,308 |
| Other Resident Care Services | 155,759 | 143,595 | 149,637 |
| Laundry, Linen, and Housekeeping | 805,572 | 818,461 | 812,059 |
| Subtotal Resident Care | \$ 14,504,536 | \$ 14,084,761 | \$ 14,293,256 |
| Day Program Costs | 675,006 | 529,595 | 601,818 |
| Medical Expenses | | | |
| Classified Salaries | \$ 2,201,659 | \$ 1,983,401 | \$ 2,091,806 |
| FICA Contributions | 158,094 | 143,975 | 150,988 |
| Employee Benefits | 544,210 | 388,745 | 465,962 |
| Other | 3,407,051 | 2,641,272 | 3,021,622 |
| Subtotal Medical | \$ 6,311,014 | \$ 5,157,392 | \$ 5,730,377 |
| Subtotal Routine Costs | \$ 21,490,556 | \$ 19,771,748 | \$ 20,625,452 |
| Administration | 2,403,661 | 2,433,674 | 2,418,767 |
| Overhead Costs | | | |
| Miscellaneous Overhead | \$ 3,095,504 | \$ 1,263,179 | \$ 2,173,265 |
| Dietary | 1,456,773 | 1,452,257 | 1,454,500 |
| Facility Costs | 3,769,542 | 2,181,493 | 2,970,251 |
| Payroll Taxes | 1,314,094 | 1,275,649 | 1,294,744 |
| Employee Benefits | 4,557,510 | 4,313,603 | 4,434,748 |
| Workers Compensation | 724,262 | - | 359,729 |
| Subtotal Overhead Costs | \$ 14,917,685 | \$ 10,486,181 | \$ 12,687,236 |
| Total Expenses | \$ 38,811,902 | \$ 32,691,603 | \$ 35,731,456 |
| | | | |
| Total Patient Days as Reported | 132,396 | 134,164 | 133,280 |
| | | | |
| <i>Administration Cost/Day</i> | <i>\$ 18.16</i> | <i>\$ 18.14</i> | <i>\$ 18.15</i> |
| <i>Overhead Cost/Day</i> | <i>\$ 112.67</i> | <i>\$ 78.16</i> | <i>\$ 95.19</i> |
| <i>Routine Cost/Day</i> | <i>\$ 162.32</i> | <i>\$ 147.37</i> | <i>\$ 154.75</i> |
| <i>Total Cost/Day</i> | <i>\$ 293.15</i> | <i>\$ 243.67</i> | <i>\$ 268.09</i> |

Availability of other employment opportunities in the area for employees displaced by a closure

PCG believes that employees who might be displaced by a closure probably live either in the county of the state school or a contiguous county. We used population totals from these counties to calculate several of the statistics for this criterion.

Chart 3-17

| Facility | Contiguous Counties | US Census 2000 Population |
|-----------------------------|---------------------|---------------------------------|
| Corpus Christi State School | Jim Wells | 39,326 |
| Corpus Christi State School | Kleberg | 31,549 |
| Corpus Christi State School | Nueces | 313,645 |
| Corpus Christi State School | San Patricio | 67,138 |
| | <i>Total</i> | <i>451,658</i> |

Unemployment rates were weighted based on population and then averaged for the county in which the state school is located and contiguous counties.

Chart 3-18

| Facility | County | Jan-May 2004 Ave. Unemployment Rate TX Workforce Commission |
|-----------------------------|----------------------|---|
| Corpus Christi State School | Jim Wells | 6.9 |
| Corpus Christi State School | Kleberg | 5.7 |
| Corpus Christi State School | Nueces | 6.1 |
| Corpus Christi State School | San Patricio | 7.5 |
| | <i>Weighted Ave.</i> | <i>6.3</i> |

Based on information from the 2003 Texas Workforce Commission, Corpus Christi State School is the 17th largest employer in the community.

Ease of client transfer capability

The average daily census at Corpus Christi declined by 6% between FY 03 and FY 01.

Chart 3-19

| Avg. Daily Census | FY01 | FY02 | FY03 |
|-------------------|------|------|------|
| Corpus Christi | 380 | 363 | 358 |

PCG used the US Census 2000 population figures of Corpus Christi's service delivery area (shown below) to compute the average daily census per 100,000 population.

Chart 3-20

| Facility | County | US Census 2000 Population | County | US Census 2000 Population | County | US Census 2000 Population |
|-----------------------------|-----------------|---------------------------------|-----------------|---------------------------------|--------------------|---------------------------------|
| Corpus Christi State School | Aransas | 22,497 | Jackson | 14,391 | Nueces | 313,645 |
| Corpus Christi State School | Bee | 32,359 | Jim Hogg | 5,281 | Refugio | 7,828 |
| Corpus Christi State School | Brooks | 7,976 | Jim Wells | 39,326 | San Patricio | 67,138 |
| Corpus Christi State School | Calhoun | 20,647 | Kenedy | 414 | Starr | 53,597 |
| Corpus Christi State School | DeWitt | 20,013 | Kleberg | 31,549 | Victoria | 84,088 |
| Corpus Christi State School | Duval | 13,120 | Lavaca | 19,210 | Webb | 193,117 |
| Corpus Christi State School | Goliad | 6,928 | Live Oak | 12,309 | Zapata | 12,182 |
| | Subtotal | 123,540 | Subtotal | 122,480 | Subtotal | 731,595 |
| | | | | | Grand Total | 977,615 |

Capacity at remaining facilities to accommodate persons transferred from a facility identified for closure

Corpus Christi State School has a smaller number of vacant beds that could be available given a transfer; however, all of those beds could be made immediately available given funding for the increase in staff.

Identification of specialty programs and services

Corpus Christi State School admits clients from the criminal justice system.

3-5 Denton State School

Location:
State School Road
Denton, TX 76210

Superintendent:
Jim Sibley

Facility History:
Opened in 1960
188 acres

Service Area:
16 counties

FY 04 Funded Beds:
654 beds

Enrollment as of 5/28/04
651 residents

Proximity to other facilities and geographical distribution of remaining facilities

The average one-way distance from Denton State School to the two closest facilities is 154 miles and 162 minutes, which is less than the mean for state schools. Those two facilities, Mexia and Abilene, have 231 available vacant beds. Assuming that 15% of the residents at Denton could be transferred to the community and 231 residents could move to either Mexia or Abilene, 322 residents would need to be transferred to other state schools. Assuming the residents would move to the next closest schools, average travel distances would increase by 217 miles.

Condition of existing facility structures

Opened in 1960, Denton is about the average age of a state school. According to MHMR, it has 76 buildings, all of which are in use by either people or storage. Denton's facility condition index ranks it among the facilities with the fewest barriers to closure. While it reports better figures in other statistics, it may have some facility condition problems.

Marketability of the property where the facility is located when considering possible sale of the property or alternate use possibilities

According to the General Land Office Report to the 77th Legislature, the market value of Denton State School's 188 acres is about \$3,000,000. State school operations cover 145 acres of the site.

Administrative cost of the facility

The chart below details exactly how PCG calculated total and administrative costs from the FY 02 and FY 03 Medicaid cost reports. These values were weighted based on patient days to determine an average for the two years.

Chart 3-21

*Denton State School
Cost Analysis*

| Expenses | FY 2003 Amount | FY 2002 Amount | Weighted Average Amount |
|----------------------------------|---------------------------|---------------------------|------------------------------------|
| Resident Care Staff | \$ 22,901,173 | \$ 21,522,259 | \$ 22,208,755 |
| Other Routine Daily Services | 560,055 | 600,131 | 580,179 |
| Training | - | - | - |
| Social Services | 5,817 | 145,880 | 76,149 |
| Activity Services | 157,667 | 159,022 | 158,347 |
| Therapy Services | 773,592 | 838,197 | 806,033 |
| Other Resident Care Services | 209,972 | 254,036 | 232,099 |
| Laundry, Linen, and Housekeeping | 1,303,211 | 1,371,900 | 1,337,703 |
| Subtotal Resident Care | \$ 25,911,487 | \$ 24,891,425 | \$ 25,399,265 |
| Day Program Costs | 1,207,351 | 1,294,520 | 1,251,123 |
| Medical Expenses | | | |
| Classified Salaries | \$ 4,430,754 | \$ 4,241,488 | \$ 4,335,714 |
| FICA Contributions | 320,295 | 308,589 | 314,417 |
| Employee Benefits | 987,306 | 810,490 | 898,518 |
| Other | 5,337,557 | 3,610,652 | 4,470,396 |
| Subtotal Medical | \$ 11,075,912 | \$ 8,971,218 | \$ 10,019,045 |
| Subtotal Routine Costs | \$ 38,194,750 | \$ 35,157,163 | \$ 36,669,433 |
| Administration | 3,743,866 | 3,741,744 | 3,742,800 |
| Overhead Costs | | | |
| Miscellaneous Overhead | \$ 4,951,843 | \$ 1,968,897 | \$ 3,453,964 |
| Dietary | 1,999,177 | 2,078,563 | 2,039,040 |
| Facility Costs | 4,903,186 | 4,425,403 | 4,663,268 |
| Payroll Taxes | 2,306,257 | 2,258,449 | 2,282,250 |
| Employee Benefits | 7,530,535 | 6,880,352 | 7,204,047 |
| Workers Compensation | 779,716 | - | 388,183 |
| Subtotal Overhead Costs | \$ 22,470,714 | \$ 17,611,664 | \$ 20,030,754 |
| Total Expenses | \$ 64,409,330 | \$ 56,510,571 | \$ 60,442,987 |
| Total Patient Days as Reported | 237,144 | 239,190 | 238,167 |
| <i>Administration Cost/Day</i> | <i>\$ 15.79</i> | <i>\$ 15.64</i> | <i>\$ 15.72</i> |
| <i>Overhead Cost/Day</i> | <i>\$ 94.76</i> | <i>\$ 73.63</i> | <i>\$ 84.10</i> |
| <i>Routine Cost/Day</i> | <i>\$ 161.06</i> | <i>\$ 146.98</i> | <i>\$ 153.97</i> |
| Total Cost/Day | \$ 271.60 | \$ 236.26 | \$ 253.78 |

Availability of other employment opportunities in the area for employees displaced by a closure

PCG believes that employees who might be displaced by a closure probably live either in the county of the state school or a contiguous county. We used population totals from these counties to calculate several of the statistics for this criterion.

Chart 3-22

| Facility | Contiguous Counties | US Census 2000 Population |
|---------------------|----------------------------|----------------------------------|
| Denton State School | Collin | 491,675 |
| Denton State School | Cooke | 36,363 |
| Denton State School | Dallas | 2,218,899 |
| Denton State School | Denton | 432,976 |
| Denton State School | Grayson | 110,595 |
| Denton State School | Hunt | 76,596 |
| Denton State School | Rockwall | 43,080 |
| Denton State School | Tarrant | 1,446,219 |
| Denton State School | Wise | 48,793 |
| | Total | 4,905,196 |

Unemployment rates were weighted based on population and then averaged for the county in which the state school is located and contiguous counties.

Chart 3-23

| Facility | County | Jan-May 2004 Ave. Unemployment Rate TX Workforce Commission |
|---------------------|----------------------|--|
| Denton State School | Collin | 5.0 |
| Denton State School | Cooke | 4.3 |
| Denton State School | Dallas | 6.9 |
| Denton State School | Denton | 4.4 |
| Denton State School | Grayson | 6.4 |
| Denton State School | Hunt | 6.2 |
| Denton State School | Rockwall | 5.0 |
| Denton State School | Tarrant | 5.7 |
| Denton State School | Wise | 3.8 |
| | Weighted Ave. | 6.0 |

Based on information from the 2004 Denton Chamber of Commerce, Denton State School is the 4th largest employer in the community.

Ease of client transfer capability

The average daily census at Denton declined by 2% between FY 03 and FY 01.

Chart 3-24

| Avg. Daily Census | FY01 | FY02 | FY03 |
|-------------------|------|------|------|
| Denton | 656 | 648 | 642 |

PCG used the US Census 2000 population figures of Denton's service delivery area (shown below) to compute the average daily census per 100,000 population.

Chart 3-25

| Facility | County | US Census 2000 Population | County | US Census 2000 Population | County | US Census 2000 Population |
|---------------------|-----------------|---------------------------------|-----------------|---------------------------------|-----------------|---------------------------------|
| Denton State School | Camp | 11,549 | Fannin | 31,242 | Lamar | 48,499 |
| Denton State School | Collin | 491,675 | Franklin | 9,458 | Morris | 13,048 |
| Denton State School | Cooke | 36,363 | Grayson | 110,595 | Rockwall | 43,080 |
| Denton State School | Dallas | 2,218,899 | Hopkins | 31,960 | Titus | 28,118 |
| Denton State School | Delta | 5,327 | Hunt | 76,596 | | |
| Denton State School | Denton | 432,976 | Kaufman | 71,313 | | |
| | Subtotal | 3,196,789 | Subtotal | 331,164 | Subtotal | 132,745 |
| | | | | Grand Total | | 3,660,698 |

Capacity at remaining facilities to accommodate persons transferred from a facility identified for closure

Denton State School has a smaller number of vacant beds that could be available given a transfer. About 15% of those beds could be made immediately available given funding for the increase in staff.

Identification of specialty programs and services

Denton State School does not admit clients from the criminal justice system.

3-6 El Paso State Center

Location:
6700 Delta Drive
El Paso, TX 79905

Superintendent:
Chuck Jones

Facility History:
Opened in 1974
20 acres

Service Area:
1 county

FY 04 Funded Beds:
143 beds

Enrollment as of 5/28/04
144 residents

Proximity to other facilities and geographical distribution of remaining facilities

The average one-way distance from El Paso State Center to the two closest facilities is 368 miles and 437 minutes, which much more than the mean for state schools. Those two facilities, San Angelo and Lubbock, have 154 available vacant beds. This means that all residents could move to one of these two facilities.

Condition of existing facility structures

Opened in 1974, El Paso is one of the newest state schools. According to MHMR, it has 19 buildings, all of which are in use by either people or storage. According to the CAFM data, El Paso is in excellent condition and presents high barriers to closure when looking at facility condition.

Marketability of the property where the facility is located when considering possible sale of the property or alternate use possibilities

According to the General Land Office Report to the 77th Legislature, the market value of El Paso State Center's 20 acres is \$17,500. Additionally, there is a deed restriction on the property that indicates that it is limited to state use.

Administrative cost of the facility

The chart below details exactly how PCG calculated total and administrative costs from the FY 02 and FY 03 Medicaid cost reports. These values were weighted based on patient days to determine an average for the two years.

Chart 3-26

*El Paso State Center
Cost Analysis*

| Expenses | FY 2003 | | FY 2002 | | Weighted Average | |
|----------------------------------|-------------------------|------------------|----------------------|------------------|-------------------------|------------------|
| | Amount | | Amount | | Amount | |
| Resident Care Staff | \$ 4,820,279 | \$ | 4,477,519 | \$ | 4,645,700 | \$ |
| Other Routine Daily Services | 206,192 | | 186,078 | | 195,947 | |
| Training | - | | - | | - | |
| Social Services | 41,708 | | 41,127 | | 41,412 | |
| Activity Services | 133,371 | | 134,971 | | 134,186 | |
| Therapy Services | 188,902 | | 133,099 | | 160,480 | |
| Other Resident Care Services | 54,932 | | 53,709 | | 54,309 | |
| Laundry, Linen, and Housekeeping | 302,512 | | 312,732 | | 307,717 | |
| Subtotal Resident Care | \$ 5,747,896 | \$ | 5,339,235 | \$ | 5,539,751 | \$ |
| Day Program Costs | 101,960 | | 159,572 | | 131,304 | |
| Medical Expenses | | | | | | |
| Classified Salaries | \$ 670,634 | \$ | 660,313 | \$ | 665,377 | \$ |
| FICA Contributions | 47,661 | | 46,778 | | 47,212 | |
| Employee Benefits | 162,969 | | 97,616 | | 129,682 | |
| Other | 1,189,914 | | 1,111,485 | | 1,149,967 | |
| Subtotal Medical | \$ 2,071,178 | \$ | 1,916,192 | \$ | 1,992,238 | \$ |
| Subtotal Routine Costs | \$ 7,921,034 | \$ | 7,414,999 | \$ | 7,663,293 | \$ |
| Administration | 1,116,133 | | 1,459,970 | | 1,291,261 | |
| Overhead Costs | | | | | | |
| Miscellaneous Overhead | \$ 1,359,234 | \$ | 661,126 | \$ | 1,003,664 | \$ |
| Dietary | 667,069 | | 708,118 | | 687,977 | |
| Facility Costs | 1,373,019 | | 1,060,037 | | 1,213,607 | |
| Payroll Taxes | 505,338 | | 262,276 | | 381,538 | |
| Employee Benefits | 1,770,357 | | 1,592,791 | | 1,679,917 | |
| Workers Compensation | 391,153 | | - | | 191,925 | |
| Subtotal Overhead Costs | \$ 6,066,170 | \$ | 4,284,348 | \$ | 5,158,628 | \$ |
| Total Expenses | \$ 15,103,337 | \$ | 13,159,317 | \$ | 14,113,181 | \$ |
| | | | | | | |
| Total Patient Days as Reported | 51,253 | | 53,203 | | 52,228 | |
| | | | | | | |
| <i>Administration Cost/Day</i> | <i>\$ 21.78</i> | <i>\$</i> | <i>27.44</i> | <i>\$</i> | <i>24.72</i> | <i>\$</i> |
| <i>Overhead Cost/Day</i> | <i>\$ 118.36</i> | <i>\$</i> | <i>80.53</i> | <i>\$</i> | <i>98.77</i> | <i>\$</i> |
| <i>Routine Cost/Day</i> | <i>\$ 154.55</i> | <i>\$</i> | <i>139.37</i> | <i>\$</i> | <i>146.73</i> | <i>\$</i> |
| <i>Total Cost/Day</i> | <i>\$ 294.68</i> | <i>\$</i> | <i>247.34</i> | <i>\$</i> | <i>270.22</i> | <i>\$</i> |

Availability of other employment opportunities in the area for employees displaced by a closure

PCG believes that employees who might be displaced by a closure probably live either in the county of the state school or a contiguous county. We used population totals from these counties to calculate several of the statistics for this criterion.

Chart 3-27

| Facility | Contiguous Counties | US Census 2000 Population |
|----------------------|---------------------|---------------------------|
| El Paso State Center | El Paso | 679,622 |
| El Paso State Center | Hudspeth | 3,344 |
| | <i>Total</i> | <i>682,966</i> |

Unemployment rates were weighted based on population and then averaged for the county in which the state school is located and contiguous counties.

Chart 3-28

| Facility | County | Jan-May 2004 Ave. Unemployment Rate TX Workforce Commission |
|----------------------|----------------------|---|
| El Paso State School | El Paso | 8.0 |
| El Paso State School | Hudspeth | 6.5 |
| | <i>Weighted Ave.</i> | <i>8.0</i> |

Based on information from the 2003 El Paso Economic Development Foundation, El Paso State Center is the 60th largest employer in the community.

Ease of client transfer capability

The average daily census at El Paso declined by 4% between FY 03 and FY 01.

Chart 3-29

| Avg. Daily Census | FY01 | FY02 | FY03 |
|-------------------|------|------|------|
| El Paso | 145 | 145 | 139 |

PCG used the US Census 2000 population figures of El Paso's service delivery area (shown below) to compute the average daily census per 100,000 population.

Chart 3-30

| <u>Facility</u> | <u>County</u> | <u>US Census 2000 Population</u> |
|----------------------|------------------------|--|
| El Paso State Center | El Paso | 679,622 |
| | Grand Total | 679,622 |

Capacity at remaining facilities to accommodate persons transferred from a facility identified for closure

El Paso State Center has a small number of vacant beds that could be available given a transfer; however, all of those beds could be made immediately available given funding for the increase in staff.

Identification of specialty programs and services

El Paso State Center does not admit clients from the criminal justice system.

3-7 Lubbock State School

Location:
3401 North University Avenue
Lubbock, TX 79417

Superintendent:
Jackie Porch

Facility History:
Opened in 1969
226 acres

Service Area:
54 counties

FY 04 Funded Beds:
342 beds

Enrollment as of 5/28/04
344 residents

Proximity to other facilities and geographical distribution of remaining facilities

The average one-way distance from Lubbock State School to the two closest facilities is 171 miles and 221 minutes, which is more than the mean for state schools. Those two facilities, San Angelo and Abilene, have 186 available vacant beds. Assuming that 15% of the residents at Lubbock could be transferred to the community and 186 residents could move to either San Angelo or Abilene, 106 residents would need to be transferred to other state schools. Assuming the residents would move to the next closest schools, average travel distances would increase by 288 miles.

Condition of existing facility structures

Opened in 1969, Lubbock is one of the newer state schools. According to MHMR, it has 41 buildings, all of which are in use by either people or storage. Lubbock has relatively low current replacement values, which causes it to report less favorable facility condition index figures. It does have high barriers to closure with regard to deferred maintenance.

Marketability of the property where the facility is located when considering possible sale of the property or alternate use possibilities

According to the General Land Office Report to the 77th Legislature, the market value of Lubbock State School's 226 acres is \$520,000. There is an undeveloped portion of land that is approximately 139 acres; however, there is a deed restriction on Lubbock State School's property that limits it to mental retardation use.

Administrative cost of the facility

The chart below details exactly how PCG calculated total and administrative costs from the FY 02 and FY 03 Medicaid cost reports. These values were weighted based on patient days to determine an average for the two years.

Chart 3-31

**Lubbock State School
Cost Analysis**

| Expenses | FY 2003 Amount | FY 2002 Amount | Weighted Average Amount |
|----------------------------------|---------------------------|---------------------------|------------------------------------|
| Resident Care Staff | \$ 11,530,344 | \$ 10,868,449 | \$ 11,191,726 |
| Other Routine Daily Services | 323,731 | 423,293 | 374,666 |
| Training | 27,323 | 27,135 | 27,227 |
| Social Services | 99,934 | 131,140 | 115,899 |
| Activity Services | 152,877 | 232,894 | 193,813 |
| Therapy Services | 356,383 | 461,396 | 410,106 |
| Other Resident Care Services | 138,473 | 51,587 | 94,023 |
| Laundry, Linen, and Housekeeping | 758,549 | 847,118 | 803,860 |
| Subtotal Resident Care | \$ 13,387,614 | \$ 13,043,012 | \$ 13,211,320 |
| Day Program Costs | 556,196 | 497,859 | 526,351 |
| Medical Expenses | | | |
| Classified Salaries | \$ 2,776,953 | \$ 2,727,812 | \$ 2,751,813 |
| FICA Contributions | 199,407 | 199,297 | 199,351 |
| Employee Benefits | 672,531 | 573,537 | 621,887 |
| Other | 2,926,454 | 2,764,258 | 2,843,477 |
| Subtotal Medical | \$ 6,575,344 | \$ 6,264,903 | \$ 6,416,526 |
| Subtotal Routine Costs | \$ 20,519,154 | \$ 19,805,774 | \$ 20,154,198 |
| Administration | 2,333,782 | 2,665,058 | 2,503,259 |
| Overhead Costs | | | |
| Miscellaneous Overhead | \$ 2,717,255 | \$ 723,104 | \$ 1,697,071 |
| Dietary | 1,524,202 | 1,592,377 | 1,559,080 |
| Facility Costs | 2,172,612 | 2,284,802 | 2,230,007 |
| Payroll Taxes | 1,232,383 | 1,208,077 | 1,219,948 |
| Employee Benefits | 4,118,708 | 4,039,123 | 4,077,993 |
| Workers Compensation | 538,414 | - | 262,968 |
| Subtotal Overhead Costs | \$ 12,303,574 | \$ 9,847,483 | \$ 11,047,067 |
| Total Expenses | \$ 35,156,510 | \$ 32,318,315 | \$ 33,704,524 |
| | | | |
| Total Patient Days as Reported | 126,002 | 131,981 | 128,992 |
| | | | |
| Administration Cost/Day | \$ 18.52 | \$ 20.19 | \$ 19.41 |
| Overhead Cost/Day | \$ 97.65 | \$ 74.61 | \$ 85.64 |
| Routine Cost/Day | \$ 162.85 | \$ 150.07 | \$ 156.24 |
| Total Cost/Day | \$ 279.02 | \$ 244.87 | \$ 261.29 |

Availability of other employment opportunities in the area for employees displaced by a closure

PCG believes that employees who might be displaced by a closure probably live either in the county of the state school or a contiguous county. We used population totals from these counties to calculate several of the statistics for this criterion.

Chart 3-32

| Facility | Contiguous Counties | US Census 2000 Population |
|----------------------|---------------------|---------------------------|
| Lubbock State School | Crosby | 7,072 |
| Lubbock State School | Floyd | 7,771 |
| Lubbock State School | Garza | 4,872 |
| Lubbock State School | Hale | 36,602 |
| Lubbock State School | Hockley | 22,716 |
| Lubbock State School | Lamb | 14,709 |
| Lubbock State School | Lubbock | 242,628 |
| Lubbock State School | Lynn | 6,550 |
| Lubbock State School | Terry | 12,761 |
| | Total | 355,681 |

Unemployment rates were weighted based on population and then averaged for the county in which the state school is located and contiguous counties.

Chart 3-33

| Facility | County | Jan-May 2004 Ave. Unemployment Rate TX Workforce Commission |
|----------------------|----------------------|---|
| Lubbock State School | Crosby | 6.9 |
| Lubbock State School | Floyd | 9.3 |
| Lubbock State School | Garza | 3.9 |
| Lubbock State School | Hale | 6.6 |
| Lubbock State School | Hockley | 3.9 |
| Lubbock State School | Lamb | 7.4 |
| Lubbock State School | Lubbock | 3.2 |
| Lubbock State School | Lynn | 6.3 |
| Lubbock State School | Terry | 7.8 |
| | Weighted Ave. | 4.2 |

Based on information from the 2002 Market Lubbock, Inc., Lubbock State School is the 10th largest employer in the community.

Ease of client transfer capability

The average daily census at Lubbock declined by 13% between FY 03 and FY 01.

Chart 3-34

| Avg. Daily Census | FY01 | FY02 | FY03 |
|-------------------|------|------|------|
| Lubbock | 388 | 359 | 343 |

PCG used the US Census 2000 population figures of Lubbock's service delivery area (shown below) to compute the average daily census per 100,000 population.

Chart 3-35

| Facility | County | US Census 2000 Population | County | US Census 2000 Population | County | US Census 2000 Population |
|----------------------|-----------------|---------------------------------|-----------------|---------------------------------|--------------------|---------------------------------|
| Lubbock State School | Archer | 8,854 | Foard | 1,622 | Montague | 19,117 |
| Lubbock State School | Armstrong | 2,148 | Gray | 22,744 | Moore | 20,121 |
| Lubbock State School | Bailey | 6,594 | Hale | 36,602 | Motley | 1,426 |
| Lubbock State School | Baylor | 4,093 | Hall | 3,782 | Ochiltree | 9,006 |
| Lubbock State School | Briscoe | 1,790 | Hansford | 5,369 | Oldham | 2,185 |
| Lubbock State School | Carson | 6,516 | Hardeman | 4,724 | Parmer | 10,016 |
| Lubbock State School | Castro | 8,285 | Hartley | 5,537 | Potter | 113,546 |
| Lubbock State School | Childress | 7,688 | Haskell | 6,093 | Randall | 104,312 |
| Lubbock State School | Clay | 11,006 | Hemphill | 3,351 | Roberts | 887 |
| Lubbock State School | Cochran | 3,730 | Hockley | 22,716 | Sherman | 3,186 |
| Lubbock State School | Collingsworth | 3,206 | Hutchinson | 23,857 | Stonewall | 1,693 |
| Lubbock State School | Cottle | 1,904 | Jack | 8,763 | Swisher | 8,378 |
| Lubbock State School | Crosby | 7,072 | King | 356 | Throckmorton | 1,850 |
| Lubbock State School | Dallam | 6,222 | Knox | 4,253 | Wheeler | 5,284 |
| Lubbock State School | Deaf Smith | 18,561 | Lamb | 14,709 | Wichita | 131,664 |
| Lubbock State School | Dickens | 2,762 | Lipscomb | 3,057 | Wilbarger | 14,676 |
| Lubbock State School | Donley | 3,828 | Lubbock | 242,628 | Wise | 48,793 |
| Lubbock State School | Floyd | 7,771 | Lynn | 6,550 | Young | 17,943 |
| | Subtotal | 112,030 | Subtotal | 416,713 | Subtotal | 514,083 |
| | | | | | Grand Total | 1,042,826 |

Capacity at remaining facilities to accommodate persons transferred from a facility identified for closure

Lubbock State School has a large number of vacant beds that could be available given a transfer. About 40% of those beds could be made immediately available given funding for the increase in staff.

Identification of specialty programs and services

Lubbock State School does not admit clients from the criminal justice system.

3-8 Lufkin State School

Location:
Highway 69 North
Lufkin, TX 75902

Superintendent:
Randy Spense

Facility History:
Opened in 1960
159 acres

Service Area:
28 counties

FY 04 Funded Beds:
425 beds

Enrollment as of 5/28/04
421 residents

Proximity to other facilities and geographical distribution of remaining facilities

The average one-way distance from Lufkin State School to the two closest facilities is 134 miles and 187 minutes, which is about the mean for state schools. Those two facilities, Mexia and Brenham, have 244 available vacant beds. Assuming that 15% of the residents at Lufkin could be transferred to the community and 2444 residents could move to either Mexia or Brenham, 114 residents would need to be transferred to other state schools. Assuming the residents would move to the next closest schools, average travel distances would increase by 136 miles.

Condition of existing facility structures

Opened in 1960, Lufkin is about the average age of a state school. According to MHMR, it has 73 buildings, all of which are in use by either people or storage. While Lufkin is not one of the older facilities, it does not present high barriers to closure with regard to facility condition. While deferred maintenance costs are low, it does not have a good facility condition index and has high renewal costs.

Marketability of the property where the facility is located when considering possible sale of the property or alternate use possibilities

According to the General Land Office Report to the 77th Legislature, the market value of Lufkin State School's 159 acres is just under \$215,000. The property is divided into four parcels, of which the school is located on one. Ninety-nine acres are woodland.

Administrative cost of the facility

The chart below details exactly how PCG calculated total and administrative costs from the FY 02 and FY 03 Medicaid cost reports. These values were weighted based on patient days to determine an average for the two years.

Chart 3-36

***Lufkin State School
Cost Analysis***

| Expenses | FY 2003 Amount | FY 2002 Amount | Weighted Average Amount |
|------------------------------------|---------------------------|---------------------------|------------------------------------|
| Resident Care Staff | \$ 13,748,210 | \$ 13,487,928 | \$ 13,616,441 |
| Other Routine Daily Services | 525,397 | 683,083 | 605,226 |
| Training | 52 | 107,061 | 54,226 |
| Social Services | 126,998 | 137,368 | 132,248 |
| Activity Services | 371,400 | 175,649 | 272,300 |
| Therapy Services | 673,219 | 911,997 | 794,101 |
| Other Resident Care Services | 159,938 | 167,022 | 163,524 |
| Laundry, Linen, and Housekeeping | 892,170 | 928,806 | 910,717 |
| Subtotal Resident Care | \$ 16,497,384 | \$ 16,598,914 | \$ 16,548,784 |
| Day Program Costs | 672,417 | 663,388 | 667,846 |
| Medical Expenses | | | |
| Classified Salaries | \$ 2,697,042 | \$ 2,449,093 | \$ 2,571,517 |
| FICA Contributions | 194,246 | 177,821 | 185,931 |
| Employee Benefits | 570,373 | 459,509 | 514,248 |
| Other | 3,101,700 | 2,552,455 | 2,823,643 |
| Subtotal Medical | \$ 6,563,362 | \$ 5,638,877 | \$ 6,095,338 |
| Subtotal Routine Costs | \$ 23,733,163 | \$ 22,901,179 | \$ 23,311,968 |
| Administration | 2,415,528 | 2,631,299 | 2,524,763 |
| Overhead Costs | | | |
| Miscellaneous Overhead | \$ 3,577,279 | \$ 1,475,382 | \$ 2,513,186 |
| Dietary | 1,606,616 | 1,688,309 | 1,647,973 |
| Facility Costs | 3,186,432 | 2,419,019 | 2,797,927 |
| Payroll Taxes | 1,462,487 | 1,502,612 | 1,482,800 |
| Employee Benefits | 4,983,387 | 4,910,061 | 4,946,265 |
| Workers Compensation | 386,180 | - | 190,675 |
| Subtotal Overhead Costs | \$ 15,202,381 | \$ 11,995,383 | \$ 13,578,827 |
| Total Expenses | \$ 41,351,072 | \$ 37,527,860 | \$ 39,415,558 |
| Total Patient Days as Reported | 153,727 | 157,621 | 155,674 |
| <i>Administration Cost/Day</i> | <i>\$ 15.71</i> | <i>\$ 16.69</i> | <i>\$ 16.22</i> |
| <i>Overhead Cost/Day</i> | <i>\$ 98.89</i> | <i>\$ 76.10</i> | <i>\$ 87.23</i> |
| <i>Routine Cost/Day</i> | <i>\$ 154.39</i> | <i>\$ 145.29</i> | <i>\$ 149.75</i> |
| <i>Total Cost/Day</i> | <i>\$ 268.99</i> | <i>\$ 238.09</i> | <i>\$ 253.19</i> |

Availability of other employment opportunities in the area for employees displaced by a closure

PCG believes that employees who might be displaced by a closure probably live either in the county of the state school or a contiguous county. We used population totals from these counties to calculate several of the statistics for this criterion.

Chart 3-37

| Facility | Contiguous Counties | US Census 2000 Population |
|---------------------|----------------------------|----------------------------------|
| Lufkin State School | Angelina | 80,130 |
| Lufkin State School | Cherokee | 46,659 |
| Lufkin State School | Houston | 23,185 |
| Lufkin State School | Jasper | 35,604 |
| Lufkin State School | Nacogdoches | 59,203 |
| Lufkin State School | Polk | 41,133 |
| Lufkin State School | San Augustine | 8,946 |
| Lufkin State School | Trinity | 13,779 |
| Lufkin State School | Tyler | 20,871 |
| | Total | 329,510 |

Unemployment rates were weighted based on population and then averaged for the county in which the state school is located and contiguous counties.

Chart 3-38

| Facility | County | Jan-May 2004 Ave. Unemployment Rate TX Workforce Commission |
|---------------------|----------------------|--|
| Lufkin State School | Angelina | 7.1 |
| Lufkin State School | Cherokee | 3.9 |
| Lufkin State School | Houston | 4.9 |
| Lufkin State School | Jasper | 11.1 |
| Lufkin State School | Nacogdoches | 4.4 |
| Lufkin State School | Polk | 5.7 |
| Lufkin State School | San Augustine | 6.9 |
| Lufkin State School | Trinity | 6.2 |
| Lufkin State School | Tyler | 7.8 |
| | Weighted Ave. | 6.3 |

Based on information from the 2004 Lufkin-Angelina Economic Development Partnership, Lufkin State School is the 3rd largest employer in the community.

Ease of client transfer capability

The average daily census at Lufkin declined by 6% between FY 03 and FY 01.

Chart 3-39

| Avg. Daily Census | FY01 | FY02 | FY03 |
|-------------------|------|------|------|
| Lufkin | 443 | 427 | 417 |

PCG used the US Census 2000 population figures of Lufkin's service delivery area (shown below) to compute the average daily census per 100,000 population.

Chart 3-40

| Facility | County | US Census 2000 Population | County | US Census 2000 Population | County | US Census 2000 Population |
|---------------------|-----------------|---------------------------------|-----------------|---------------------------------|--------------------|---------------------------------|
| Lufkin State School | Anderson | 55,109 | Marion | 10,941 | San Jacinto | 22,246 |
| Lufkin State School | Angelina | 80,130 | Nacogdoches | 59,203 | Shelby | 25,224 |
| Lufkin State School | Bowie | 89,306 | Newton | 15,072 | Smith | 174,706 |
| Lufkin State School | Cass | 30,438 | Panola | 22,756 | Trinity | 13,779 |
| Lufkin State School | Cherokee | 46,659 | Polk | 41,133 | Tyler | 20,871 |
| Lufkin State School | Gregg | 111,379 | Rains | 9,139 | Upshur | 35,291 |
| Lufkin State School | Harrison | 62,110 | Red River | 14,314 | Van Zandt | 48,140 |
| Lufkin State School | Henderson | 73,277 | Rusk | 47,372 | Wood | 36,752 |
| Lufkin State School | Houston | 23,185 | Sabine | 10,469 | | |
| Lufkin State School | Jasper | 35,604 | San Augustine | 8,946 | | |
| | Subtotal | 607,197 | Subtotal | 239,345 | Subtotal | 377,009 |
| | | | | | Grand Total | 1,223,551 |

Capacity at remaining facilities to accommodate persons transferred from a facility identified for closure

Lufkin State School has an average number of vacant beds that could be available given a transfer. About 68% of those beds could be made immediately available given funding for the increase in staff.

Identification of specialty programs and services

Lufkin State School does not admit clients from the criminal justice system.

3-9 Mexia State School

Location:
Highway 171 North
Mexia, TX 76667

Superintendent:
Bill Lowry

Facility History:
Opened in 1942
842 acres

Service Area:
15 counties for general services
Statewide for adults and male adolescents
admitted through the criminal justice system

FY 04 Funded Beds:
516 beds

Enrollment as of 5/28/04
518 residents

Proximity to other facilities and geographical distribution of remaining facilities

The average one-way distance from Mexia State School to the two closest facilities is 122 miles and 153 minutes, which is less than the mean for state schools. Those two facilities, Brenham and Lufkin, have 178 available vacant beds. Assuming that 15% of the residents at Mexia could be transferred to the community and 178 residents could move to either Brenham or Lufkin, 262 residents would need to be transferred to other state schools. Assuming the residents would move to the next closest schools, average travel distances would increase by 160 miles.

Condition of existing facility structures

Opened in 1942, Mexia is one of the older state schools. According to MHMR, it has 180 buildings, 179 of which are in use by either people or storage. Mexia has fairly low barriers to closure with regard to facility condition, which could be explained by the age of the facility.

Marketability of the property where the facility is located when considering possible sale of the property or alternate use possibilities

According to the General Land Office Report to the 77th Legislature, the market value of Mexia State School's 842 acres is just over \$420,000. The school leases 620 acres for agricultural use and one of its buildings to a local college.

Administrative cost of the facility

The chart below details exactly how PCG calculated total and administrative costs from the FY 02 and FY 03 Medicaid cost reports. These values were weighted based on patient days to determine an average for the two years.

Chart 3-41

*Mexia State School
Cost Analysis*

| Expenses | FY 2003 Amount | FY 2002 Amount | Weighted Average Amount |
|----------------------------------|---------------------------|---------------------------|------------------------------------|
| Resident Care Staff | \$ 21,332,084 | \$ 20,530,794 | \$ 20,925,443 |
| Other Routine Daily Services | 343,511 | 577,319 | 462,164 |
| Training | - | - | - |
| Social Services | 122,438 | 141,651 | 132,188 |
| Activity Services | 952,927 | 1,522,951 | 1,242,204 |
| Therapy Services | 588,287 | 691,863 | 640,850 |
| Other Resident Care Services | 340,731 | 335,952 | 338,306 |
| Laundry, Linen, and Housekeeping | 1,101,552 | 1,100,218 | 1,100,875 |
| Subtotal Resident Care | \$ 24,781,530 | \$ 24,900,748 | \$ 24,842,031 |
| Day Program Costs | 1,061,929 | 1,132,530 | 1,097,758 |
| Medical Expenses | | | |
| Classified Salaries | \$ 3,060,290 | \$ 3,158,732 | \$ 3,110,248 |
| FICA Contributions | 214,180 | 224,221 | 219,276 |
| Employee Benefits | 730,696 | 626,863 | 678,003 |
| Other | 3,077,518 | 2,767,845 | 2,920,365 |
| Subtotal Medical | \$ 7,082,685 | \$ 6,777,662 | \$ 6,927,891 |
| Subtotal Routine Costs | \$ 32,926,144 | \$ 32,810,940 | \$ 32,867,680 |
| Administration | 4,372,552 | 4,476,681 | 4,425,396 |
| Overhead Costs | | | |
| Miscellaneous Overhead | \$ 3,953,466 | \$ 1,458,041 | \$ 2,687,081 |
| Dietary | 2,468,846 | 2,435,435 | 2,451,890 |
| Facility Costs | 5,279,576 | 4,312,104 | 4,788,601 |
| Payroll Taxes | 2,258,410 | 2,290,151 | 2,274,518 |
| Employee Benefits | 7,548,880 | 7,347,262 | 7,446,562 |
| Workers Compensation | 1,163,733 | - | 573,159 |
| Subtotal Overhead Costs | \$ 22,672,911 | \$ 17,842,993 | \$ 20,221,811 |
| Total Expenses | \$ 59,971,607 | \$ 55,130,614 | \$ 57,514,887 |
| | | | |
| Total Patient Days as Reported | 188,677 | 194,410 | 191,544 |
| | | | |
| <i>Administration Cost/Day</i> | <i>\$ 23.17</i> | <i>\$ 23.03</i> | <i>\$ 23.10</i> |
| Overhead Cost/Day | \$ 120.17 | \$ 91.78 | \$ 105.57 |
| Routine Cost/Day | \$ 174.51 | \$ 168.77 | \$ 171.59 |
| Total Cost/Day | \$ 317.85 | \$ 283.58 | \$ 300.27 |

Availability of other employment opportunities in the area for employees displaced by a closure

PCG believes that employees who might be displaced by a closure probably live either in the county of the state school or a contiguous county. We used population totals from these counties to calculate several of the statistics for this criterion.

Chart 3-42

| Facility | Contiguous Counties | US Census 2000 Population |
|--------------------|----------------------------|----------------------------------|
| Mexia State School | Falls | 18,576 |
| Mexia State School | Freestone | 17,867 |
| Mexia State School | Hill | 32,321 |
| Mexia State School | Leon | 15,335 |
| Mexia State School | Limestone | 22,051 |
| Mexia State School | McLennan | 213,517 |
| Mexia State School | Navarro | 45,124 |
| Mexia State School | Robertson | 16,000 |
| | Total | 380,791 |

Unemployment rates were weighted based on population and then averaged for the county in which the state school is located and contiguous counties.

Chart 3-43

| Facility | County | Jan-May 2004 Ave. Unemployment Rate TX Workforce Commission |
|--------------------|----------------------|--|
| Mexia State School | Falls | 5.0 |
| Mexia State School | Freestone | 4.2 |
| Mexia State School | Hill | 5.8 |
| Mexia State School | Leon | 6.1 |
| Mexia State School | Limestone | 3.9 |
| Mexia State School | McLennan | 4.3 |
| Mexia State School | Navarro | 6.5 |
| Mexia State School | Robertson | 5.4 |
| | Weighted Ave. | 4.8 |

Based on information from the 2004 Onco Economic Development Department, Mexia State School is the top largest employer in the community.

Ease of client transfer capability

The average daily census at Mexia declined by 7% between FY 03 and FY 01.

Chart 3-44

| Avg. Daily Census | FY01 | FY02 | FY03 |
|-------------------|------|------|------|
| Mexia | 544 | 526 | 508 |

PCG used the US Census 2000 population figures of Mexia's service delivery area (shown below) to compute the average daily census per 100,000 population.

Chart 3-45

| Facility | County | US Census 2000 Population | County | US Census 2000 Population |
|--------------------|-----------------|---------------------------------|--------------------|---------------------------------|
| Mexia State School | Bell | 237,974 | Johnson | 126,811 |
| Mexia State School | Bosque | 17,204 | Lampasas | 17,762 |
| Mexia State School | Coryell | 74,978 | Limestone | 22,051 |
| Mexia State School | Ellis | 111,360 | McLennan | 213,517 |
| Mexia State School | Falls | 18,576 | Milam | 24,238 |
| Mexia State School | Freestone | 17,867 | Navarro | 45,124 |
| Mexia State School | Hamilton | 8,229 | Tarrant | 1,446,219 |
| Mexia State School | Hill | 32,321 | | |
| | Subtotal | 518,509 | Subtotal | 1,895,722 |
| | | | Grand Total | 2,414,231 |

Capacity at remaining facilities to accommodate persons transferred from a facility identified for closure

Mexia State School has a large number of vacant beds that could be available given a transfer. About 55% of those beds could be made immediately available given funding for the increase in staff.

Identification of specialty programs and services

Mexia State School admits clients from the criminal justice system.

3-10 Richmond State School

Location:
2100 Preston Street
Richmond, TX 77469

Superintendent:
Al Barrera

Facility History:
Opened in 1968
242 acres

Service Area:
13 counties

FY 04 Funded Beds:
525 beds

Enrollment as of 5/28/04
524 residents

Proximity to other facilities and geographical distribution of remaining facilities

The average one-way distance from Richmond State School to the two closest facilities is 106 miles and 147 minutes, which is less than the mean for state schools. Those two facilities, Brenham and Austin, have 152 available vacant beds. Assuming that 15% of the residents at Richmond could be transferred to the community and 152 residents could move to either Brenham or Austin, 293 residents would need to be transferred to other state schools. Assuming the residents would move to the next closest schools, average travel distances would increase by 168 miles.

Condition of existing facility structures

Opened in 1968, Richmond is one of the newer state schools. According to MHMR, it has 51 buildings, all of which are in use by either people or storage. While Richmond is a newer school, it belongs to the lowest quadrant (the one with the fewest barriers to closure) for facility condition. It does have low renewal and critical deferred maintenance costs.

Marketability of the property where the facility is located when considering possible sale of the property or alternate use possibilities

According to the General Land Office Report to the 77th Legislature, the market value of Richmond State School's 242 acres is just over \$1,160,000. The state school resides on 145 acres; the rest is river bottomland or upland flats.

Administrative cost of the facility

The chart below details exactly how PCG calculated total and administrative costs from the FY 02 and FY 03 Medicaid cost reports. These values were weighted based on patient days to determine an average for the two years.

Chart 3-46

***Richmond State School
Cost Analysis***

| Expenses | FY 2003 Amount | FY 2002 Amount | Weighted Average Amount |
|----------------------------------|---------------------------|---------------------------|------------------------------------|
| Resident Care Staff | \$ 20,479,137 | \$ 20,529,765 | \$ 20,504,919 |
| Other Routine Daily Services | 557,308 | 687,316 | 623,514 |
| Training | - | - | - |
| Social Services | 190,567 | 182,668 | 186,544 |
| Activity Services | 452,294 | 475,067 | 463,891 |
| Therapy Services | 623,261 | 626,557 | 624,939 |
| Other Resident Care Services | 282,994 | 305,089 | 294,246 |
| Laundry, Linen, and Housekeeping | 1,083,558 | 1,204,333 | 1,145,062 |
| Subtotal Resident Care | \$ 23,669,119 | \$ 24,010,795 | \$ 23,843,117 |
| Day Program Costs | 729,438 | 724,005 | 726,671 |
| Medical Expenses | | | |
| Classified Salaries | \$ 3,217,981 | \$ 3,228,902 | \$ 3,223,542 |
| FICA Contributions | 225,851 | 227,902 | 226,895 |
| Employee Benefits | 696,916 | 589,297 | 642,111 |
| Other | 3,213,108 | 2,697,292 | 2,950,430 |
| Subtotal Medical | \$ 7,353,857 | \$ 6,743,392 | \$ 7,042,979 |
| Subtotal Routine Costs | \$ 31,752,414 | \$ 31,478,192 | \$ 31,612,767 |
| Administration | 3,413,388 | 3,377,009 | 3,394,862 |
| Overhead Costs | | | |
| Miscellaneous Overhead | \$ 4,826,989 | \$ 2,026,867 | \$ 3,401,033 |
| Dietary | 2,113,443 | 2,202,571 | 2,158,831 |
| Facility Costs | 5,433,306 | 4,179,029 | 4,794,568 |
| Payroll Taxes | 2,079,205 | 2,094,325 | 2,086,905 |
| Employee Benefits | 7,027,316 | 6,815,278 | 6,919,336 |
| Workers Compensation | 773,747 | - | 379,718 |
| Subtotal Overhead Costs | \$ 22,254,006 | \$ 17,318,070 | \$ 19,740,391 |
| Total Expenses | \$ 57,419,808 | \$ 52,173,271 | \$ 54,748,020 |
| Total Patient Days as Reported | 190,825 | 198,017 | 194,421 |
| Administration Cost/Day | \$ 17.89 | \$ 17.05 | \$ 17.46 |
| Overhead Cost/Day | \$ 116.62 | \$ 87.46 | \$ 101.53 |
| Routine Cost/Day | \$ 166.40 | \$ 158.97 | \$ 162.60 |
| Total Cost/Day | \$ 300.90 | \$ 263.48 | \$ 281.60 |

We learned in a site visit that Richmond is one of several facilities who are trying to cut costs through economies of scale. Brenham and Richmond partner in providing a number of services including dental, audiology, laundry and accounting. In this manner, the school can cut administrative costs while still providing the same levels of service.

Availability of other employment opportunities in the area for employees displaced by a closure

PCG believes that employees who might be displaced by a closure probably live either in the county of the state school or a contiguous county. We used population totals from these counties to calculate several of the statistics for this criterion.

Chart 3-47

| Facility | Contiguous Counties | US Census 2000 Population |
|-----------------------|----------------------------|--|
| Richmond State School | Austin | 23,590 |
| Richmond State School | Brazoria | 241,767 |
| Richmond State School | Fort Bend | 354,452 |
| Richmond State School | Harris | 3,400,578 |
| Richmond State School | Matagorda | 37,957 |
| Richmond State School | Waller | 32,663 |
| Richmond State School | Wharton | <u>41,188</u> |
| | Total | 4,132,195 |

Unemployment rates were weighted based on population and then averaged for the county in which the state school is located and contiguous counties.

Chart 3-48

| Facility | County | Jan-May 2004 Ave. Unemployment Rate TX Workforce Commission |
|-----------------------|----------------------|--|
| Richmond State School | Austin | 4.1 |
| Richmond State School | Brazoria | 8.1 |
| Richmond State School | Fort Bend | 5.3 |
| Richmond State School | Harris | 6.4 |
| Richmond State School | Matagorda | 13.4 |
| Richmond State School | Waller | 6.1 |
| Richmond State School | Wharton | <u>6.2</u> |
| | Weighted Ave. | 6.5 |

Based on information from the 2003 Fort Bend Jobs website, Richmond State School is the 8th largest employer in the community.

Ease of client transfer capability

The average daily census at Richmond declined by 9% between FY 03 and FY 01.

Chart 3-49

| Avg. Daily Census | FY01 | FY02 | FY03 |
|-------------------|------|------|------|
| Richmond | 564 | 537 | 518 |

PCG used the US Census 2000 population figures of Richmond's service delivery area (shown below) to compute the average daily census per 100,000 population.

Chart 3-50

| Facility | County | US Census 2000 Population | County | US Census 2000 Population |
|-----------------------|-----------------|---------------------------------|--------------------|---------------------------------|
| Richmond State School | Austin | 23,590 | Harris | 3,400,578 |
| Richmond State School | Brazoria | 241,767 | Jefferson | 252,051 |
| Richmond State School | Chambers | 26,031 | Matagorda | 37,957 |
| Richmond State School | Colorado | 20,390 | Orange | 84,966 |
| Richmond State School | Fort Bend | 354,452 | Waller | 32,663 |
| Richmond State School | Galveston | 250,158 | Wharton | 41,188 |
| Richmond State School | Hardin | 48,073 | | |
| | Subtotal | 964,461 | Subtotal | 3,849,403 |
| | | | Grand Total | 4,813,864 |

Capacity at remaining facilities to accommodate persons transferred from a facility identified for closure

Richmond State School has a large number of vacant beds that could be available given a transfer. About 40% of those beds could be made immediately available given funding for the increase in staff.

Identification of specialty programs and services

Richmond State School does not admit clients from the criminal justice system. During our site visit to Richmond, the staff indicated that it provides specialty services to individual suffering from pica disorder and has furnished a residence specifically for this client type.

3-11 San Angelo State School

| | |
|--|---|
| Location: Highway 87 North San Angelo, TX 76934 | Superintendent: Philip Baugh |
| Facility History: Built in 1911 Opened as a state school in 1969 1031 acres | Service Area: 38 counties Statewide for adults and female adolescents admitted through the criminal justice system |
| FY 04 Funded Beds: 294 beds | Enrollment as of 5/28/04 298 residents |

Proximity to other facilities and geographical distribution of remaining facilities

The average one-way distance from San Angelo State School to the two closest facilities is 135 miles and 184 minutes, which is about the mean for state schools. Those two facilities, Abilene and Lubbock, have 198 available vacant beds. Assuming that 15% of the residents at San Angelo could be transferred to the community and 198 residents could move to either Abilene or Lubbock, 55 residents would need to be transferred to other state schools. Assuming the residents would move to the next closest schools, average travel distances would increase by 170 miles.

Condition of existing facility structures

Built in 1911 as a tuberculosis hospital and then converted in the 60's for residential developmental disabilities services, San Angelo is one of the oldest state schools. According to MHMR, it has 83 buildings, all of which are in use by either people or storage. Although relative to the other schools, San Angelo presents very low barriers to closure with regard to facility condition. PCG's architectural subcontractor noted that the buildings are structurally very sound.

Marketability of the property where the facility is located when considering possible sale of the property or alternate use possibilities

According to the General Land Office Report to the 77th Legislature, the market value of San Angelo State School's 1,031 acres is just over \$515,000. San Angelo leases 935 of the acres to Texas A&M.

Administrative cost of the facility

The chart below details exactly how PCG calculated total and administrative costs from the FY 02 and FY 03 Medicaid cost reports. These values were weighted based on patient days to determine an average for the two years.

Chart 3-51

*San Angelo State School
Cost Analysis*

| Expenses | FY 2003 Amount | FY 2002 Amount | Weighted Average Amount |
|----------------------------------|---------------------------|---------------------------|------------------------------------|
| Resident Care Staff | \$ 11,007,121 | \$ 10,527,914 | \$ 10,768,126 |
| Other Routine Daily Services | 443,126 | 507,177 | 475,070 |
| Training | - | - | - |
| Social Services | 50,348 | 140,441 | 95,280 |
| Activity Services | 667,191 | 739,180 | 703,094 |
| Therapy Services | 235,489 | 263,662 | 249,540 |
| Other Resident Care Services | 30,874 | 43,630 | 37,236 |
| Laundry, Linen, and Housekeeping | 587,869 | 589,638 | 588,751 |
| Subtotal Residential Care | \$ 13,022,018 | \$ 12,811,642 | \$ 12,917,097 |
| Day Program Costs | 277,314 | 290,374 | 283,827 |
| Medical Expenses | | | |
| Classified Salaries | \$ 1,335,794 | \$ 1,140,801 | \$ 1,238,545 |
| FICA Contributions | 94,623 | 79,336 | 86,999 |
| Employee Benefits | 298,478 | 213,469 | 256,081 |
| Other | 2,582,521 | 2,390,536 | 2,486,773 |
| Subtotal Medical | \$ 4,311,416 | \$ 3,824,143 | \$ 4,068,398 |
| Subtotal Routine Costs | \$ 17,610,748 | \$ 16,926,159 | \$ 17,269,323 |
| Administration | 2,554,315 | 2,856,878 | 2,705,212 |
| Overhead Costs | | | |
| Miscellaneous Overhead | \$ 2,486,123 | \$ 1,022,776 | \$ 1,756,309 |
| Dietary | 1,195,326 | 1,127,539 | 1,161,519 |
| Facility Costs | 3,446,828 | 2,770,263 | 3,109,405 |
| Payroll Taxes | 1,142,395 | 1,117,981 | 1,130,219 |
| Employee Benefits | 3,894,725 | 3,725,134 | 3,810,145 |
| Workers Compensation | 643,283 | (1,540) | 321,691 |
| Subtotal Overhead Costs | \$ 12,808,680 | \$ 9,762,153 | \$ 11,289,287 |
| Total Expenses | \$ 32,973,743 | \$ 29,545,190 | \$ 31,263,822 |
| Total Patient Days as Reported | 104,753 | 104,222 | 104,488 |
| <i>Administration Cost/Day</i> | <i>\$ 24.38</i> | <i>\$ 27.41</i> | <i>\$ 25.89</i> |
| <i>Overhead Cost/Day</i> | <i>\$ 122.28</i> | <i>\$ 93.67</i> | <i>\$ 108.04</i> |
| <i>Routine Cost/Day</i> | <i>\$ 168.12</i> | <i>\$ 162.40</i> | <i>\$ 165.28</i> |
| Total Cost/Day | \$ 314.78 | \$ 283.48 | \$ 299.21 |

We learned in a site visit that San Angelo is one of several facilities who are trying to cut costs through economies of scale. Rather than providing all services at every location, certain state schools are taking on functions for a group of schools. For example, San Angelo's accounting and laundry are being done by Abilene.

Availability of other employment opportunities in the area for employees displaced by a closure

PCG believes that employees who might be displaced by a closure probably live either in the county of the state school or a contiguous county. We used population totals from these counties to calculate several of the statistics for this criterion.

Chart 3-52

| Facility | Contiguous Counties | US Census 2000 Population |
|-------------------------|----------------------------|--|
| San Angelo State School | Coke | 3,864 |
| San Angelo State School | Concho | 3,966 |
| San Angelo State School | Irion | 1,771 |
| San Angelo State School | Menard | 2,360 |
| San Angelo State School | Runnels | 11,495 |
| San Angelo State School | Schleicher | 2,935 |
| San Angelo State School | Sterling | 1,393 |
| San Angelo State School | Tom Green | 104,010 |
| | Total | 131,794 |

Unemployment rates were weighted based on population and then averaged for the county in which the state school is located and contiguous counties.

Chart 3-53

| Facility | County | Jan-May 2004 Ave. Unemployment Rate TX Workforce Commission |
|-------------------------|----------------------|--|
| San Angelo State School | Coke | 2.5 |
| San Angelo State School | Concho | 2.3 |
| San Angelo State School | Irion | 4.0 |
| San Angelo State School | Menard | 6.4 |
| San Angelo State School | Runnels | 3.6 |
| San Angelo State School | Schleicher | 1.8 |
| San Angelo State School | Sterling | 2.9 |
| San Angelo State School | Tom Green | 3.3 |
| | Weighted Ave. | 3.3 |

Based on information from the 2002 San Angelo Chamber of Commerce, San Angelo State School is the 10th largest employer in the community.

Ease of client transfer capability

The average daily census at San Angelo declined by 4% between FY 03 and FY 01.

Chart 3-54

| Avg. Daily Census | FY01 | FY02 | FY03 |
|-------------------|------|------|------|
| San Angelo | 294 | 282 | 284 |

PCG used the US Census 2000 population figures of San Angelo's service delivery area (shown below) to compute the average daily census per 100,000 population.

Chart 3-55

| Facility | County | US Census 2000 Population | County | US Census 2000 Population | County | US Census 2000 Population |
|-------------------------|-----------------|---------------------------------|-----------------|---------------------------------|--------------------|---------------------------------|
| San Angelo State School | Andrews | 13,004 | Glasscock | 1,406 | Reagan | 3,326 |
| San Angelo State School | Borden | 729 | Howard | 33,627 | Reeves | 13,137 |
| San Angelo State School | Brewster | 8,866 | Hudspeth | 3,344 | Runnels | 11,495 |
| San Angelo State School | Coke | 3,864 | Irion | 1,771 | Scurry | 16,361 |
| San Angelo State School | Concho | 3,966 | Jeff Davis | 2,207 | Sterling | 1,393 |
| San Angelo State School | Crane | 3,996 | Kent | 859 | Terry | 12,761 |
| San Angelo State School | Crockett | 4,099 | Loving | 67 | Terrell | 1,081 |
| San Angelo State School | Culberson | 2,975 | Martin | 4,746 | Tom Green | 104,010 |
| San Angelo State School | Dawson | 14,985 | Midland | 116,009 | Upton | 3,404 |
| San Angelo State School | Ector | 121,123 | Mitchell | 9,698 | Ward | 10,909 |
| San Angelo State School | Fisher | 4,344 | Nolan | 15,802 | Winkler | 7,173 |
| San Angelo State School | Gaines | 14,467 | Pecos | 16,809 | Yoakum | 7,322 |
| San Angelo State School | Garza | 4,872 | Presidio | 7,304 | | |
| | Subtotal | 201,290 | Subtotal | 213,649 | Subtotal | 192,372 |
| | | | | | Grand Total | 607,311 |

Capacity at remaining facilities to accommodate persons transferred from a facility identified for closure

San Angelo State School has an average number of vacant beds that could be available given a transfer. All of those beds could be made immediately available given funding for the increase in staff.

Identification of specialty programs and services

San Angelo State School admits clients from the criminal justice system. In particular, it provides treatment to developmentally disabled sexual offenders.

PCG and HHSC made a site visit to San Angelo and learned that San Angelo also has several programs set up with a local university in which is provides occupational training for nurses, occupational and physical therapists and psychologists.

3-12 San Antonio State School

Location:
6711 South New Braunfels Avenue
San Antonio, TX 78223

Superintendent:
Ric Savage

Facility History:
Built in 1951
Opened as a state school in 1978
43 acres

Service Area:
10 counties

FY 04 Funded Beds:
296 beds

Enrollment as of 5/28/04
299 residents

Proximity to other facilities and geographical distribution of remaining facilities

The average one-way distance from San Antonio State School to the two closest facilities is 110 miles and 111 minutes, which is less than the mean for state schools. Those two facilities, Austin and Corpus Christi, have 70 available vacant beds. Assuming that 15% of the residents at San Antonio could be transferred to the community and 70 residents could move to either Austin or Corpus Christi, 184 residents would need to be transferred to other state schools. Assuming the residents would move to the next closest schools, average travel distances would increase by 135 miles.

Condition of existing facility structures

Opened in 1951, San Antonio is about the average age of a state school. According to MHMR, it has 48 buildings, all of which are in use by either people or storage. While San Antonio does not have the best facility condition index, the other measures indicate that it is in fairly good condition, presenting some barriers to closure.

Marketability of the property where the facility is located when considering possible sale of the property or alternate use possibilities

According to the General Land Office Report to the 77th Legislature, the market value of San Antonio State School's 43 acres is about \$240,000. The property is owned by San Antonio State Hospital.

Administrative cost of the facility

The chart below details exactly how PCG calculated total and administrative costs from the FY 02 and FY 03 Medicaid cost reports. These values were weighted based on patient days to determine an average for the two years.

Chart 3-56

*San Antonio State School
Cost Analysis*

| Expenses | FY 2003 Amount | FY 2002 Amount | Weighted Average Amount |
|----------------------------------|---------------------------|---------------------------|------------------------------------|
| Resident Care Staff | \$ 10,770,608 | \$ 10,596,589 | \$ 10,683,798 |
| Other Routine Daily Services | 340,765 | 584,270 | 462,238 |
| Training | - | - | - |
| Social Services | 90,955 | 85,192 | 88,080 |
| Activity Services | 268,027 | 252,326 | 260,195 |
| Therapy Services | 285,942 | 328,252 | 307,048 |
| Other Resident Care Services | 99,046 | 126,983 | 112,982 |
| Laundry, Linen, and Housekeeping | 461,630 | 504,574 | 483,053 |
| Subtotal Residential Care | \$ 12,316,973 | \$ 12,478,186 | \$ 12,397,394 |
| Day Program Costs | 654,778 | 692,681 | 673,686 |
| Medical Expenses | | | |
| Classified Salaries | \$ 1,099,442 | \$ 1,327,682 | \$ 1,213,300 |
| FICA Contributions | 47,697 | 51,201 | 49,445 |
| Employee Benefits | 144,922 | 103,618 | 124,317 |
| Other | 2,123,808 | 1,964,597 | 2,044,385 |
| Subtotal Medical | \$ 3,415,870 | \$ 3,447,098 | \$ 3,431,448 |
| Subtotal Routine Costs | \$ 16,387,621 | \$ 16,617,965 | \$ 16,502,528 |
| Administration | 1,705,720 | 1,753,715 | 1,729,662 |
| Overhead Costs | | | |
| Miscellaneous Overhead | \$ 2,436,748 | \$ 1,255,213 | \$ 1,847,338 |
| Dietary | 1,201,999 | 1,228,588 | 1,215,263 |
| Facility Costs | 424,377 | 1,785,008 | 1,103,130 |
| Payroll Taxes | 1,018,415 | 1,023,566 | 1,020,985 |
| Employee Benefits | 3,062,498 | 2,730,405 | 2,896,833 |
| Workers Compensation | 641,076 | - | 321,274 |
| Subtotal Overhead Costs | \$ 8,785,113 | \$ 8,022,780 | \$ 8,404,822 |
| Total Expenses | \$ 26,878,454 | \$ 26,394,460 | \$ 26,637,012 |
| Total Patient Days as Reported | 106,904 | 106,414 | 106,659 |
| <i>Administration Cost/Day</i> | <i>\$ 15.96</i> | <i>\$ 16.48</i> | <i>\$ 16.22</i> |
| <i>Overhead Cost/Day</i> | <i>\$ 82.18</i> | <i>\$ 75.39</i> | <i>\$ 78.80</i> |
| <i>Routine Cost/Day</i> | <i>\$ 153.29</i> | <i>\$ 156.16</i> | <i>\$ 154.72</i> |
| Total Cost/Day | \$ 251.43 | \$ 248.04 | \$ 249.74 |

Availability of other employment opportunities in the area for employees displaced by a closure

PCG believes that employees who might be displaced by a closure probably live either in the county of the state school or a contiguous county. We used population totals from these counties to calculate several of the statistics for this criterion.

Chart 3-57

| Facility | Contiguous Counties | US Census 2000 Population |
|--------------------------|---------------------|---------------------------------|
| San Antonio State School | Atascosa | 38,628 |
| San Antonio State School | Bandera | 17,645 |
| San Antonio State School | Bexar | 1,392,931 |
| San Antonio State School | Cornal | 78,021 |
| San Antonio State School | Guadalupe | 89,023 |
| San Antonio State School | Kendall | 23,743 |
| San Antonio State School | Medina | 39,304 |
| San Antonio State School | Wilson | 32,408 |
| | Total | 1,711,703 |

Unemployment rates were weighted based on population and then averaged for the county in which the state school is located and contiguous counties.

Chart 3-58

| Facility | County | Jan-May 2004 Ave. Unemployment Rate TX Workforce Commission |
|--------------------------|----------------------|---|
| San Antonio State School | Atascosa | 5.5 |
| San Antonio State School | Bandera | 3.7 |
| San Antonio State School | Bexar | 5.2 |
| San Antonio State School | Cornal | 4.5 |
| San Antonio State School | Guadalupe | 3.6 |
| San Antonio State School | Kendall | 2.8 |
| San Antonio State School | Medina | 5.4 |
| San Antonio State School | Wilson | 3.5 |
| | Weighted Ave. | 5.0 |

Based on information from the 2003 San Antonio Economic Development Foundation, San Antonio is the 39th largest employer in the community.

Ease of client transfer capability

The average daily census at San Antonio remained about the same between FY 03 and FY 01.

Chart 3-59

| Avg. Daily Census | FY01 | FY02 | FY03 |
|-------------------|------|------|------|
| San Antonio | 290 | 289 | 290 |

PCG used the US Census 2000 population figures of San Antonio's service delivery area (shown below) to compute the average daily census per 100,000 population.

Chart 3-60

| Facility | County | US Census 2000 Population | County | US Census 2000 Population |
|--------------------------|-----------------|---------------------------------|--------------------|---------------------------------|
| San Antonio State School | Atascosa | 38,628 | La Salle | 5,866 |
| San Antonio State School | Bexar | 1,392,931 | Maverick | 47,297 |
| San Antonio State School | Dimmit | 10,248 | McMullen | 851 |
| San Antonio State School | Frio | 16,252 | Wilson | 32,408 |
| San Antonio State School | Karnes | 15,446 | Zavala | 11,600 |
| | Subtotal | 1,473,505 | Subtotal | 98,022 |
| | | | Grand Total | 1,571,527 |

Capacity at remaining facilities to accommodate persons transferred from a facility identified for closure

San Antonio State School has a small number of vacant beds that could be available given a transfer; however, all of those beds could be made immediately available given funding for the increase in staff.

Identification of specialty programs and services

San Antonio State School does not admit clients from the criminal justice system.

State School Public Meetings

Between October 27, 2004 and November 23, 2004, the Texas Health and Human Services Commission (HHSC) and Public Consulting Group, Inc. (PCG) held nine (9) public meetings to gather information about the feasibility of closing and/or consolidating state schools in Texas. Based on sign-up sheets from the meetings, approximately 1,600 people attended the meetings and nearly 550 people gave oral testimony. The areas in which the meetings took place are listed below.

- Houston
- San Antonio
- Austin
- San Angelo
- Lubbock
- Dallas
- El Paso
- Harlingen
- Lufkin

In each meeting, HHSC and PCG presented a presentation describing Rider 55 and the feasibility study. PCG then presented the findings from its baseline analysis and then opened the floor for comments. Public officials were allowed to speak first and did not have any timeline imposed. General stakeholders were called for oral testimony in the order in which their names appeared on the sign-in sheet and were allowed between 2-3 minutes for comments (time limits were imposed based on the number of meeting attendants). Stakeholders were asked to keep their comments limited in scope to the recommendations or objectives of the criteria for the feasibility study and the baseline analysis findings. Stakeholders were encouraged to submit written testimony as well. All input was reviewed to produce this document.

The information below summarizes the suggestions and input provided at the public hearings and in written testimony. While this document does not include each submission heard, it incorporates those comments that were presented frequently to PCG and HHSC. The document provides a brief description of each of the above comments, organized based on the criteria provided by the Texas Legislature.

Geographic Proximity

- *Travel distance.* The importance of considering travel distance in the feasibility study was mentioned many times. Family members often visit on a regular basis and they believe that if their loved ones were transferred other state schools, they would not be able to continue to visit on a regular basis. These family members believe the visits are beneficial to themselves and to the facility residents. Some stakeholders also believe that since the average enrollment in state schools is 407 and the average number of available vacant beds at state schools is 40, the average travel distance included in the feasibility study should be the average to the ten closest facilities. These stakeholders would also like to see the average and median travel distances as well as estimates for travel costs for friends and family members.
- *Border cities.* Several of the facilities are located in border cities. Several stakeholders asked that the unique circumstances associated with facilities located on the border of Texas be considered.

- *Proximity to medical centers.* It was pointed out that some state schools are located in close proximity to medical centers that enable the schools to treat individuals who have significant medical issues in addition to developmental disabilities.
- *Furlough days.* It was indicated that residents of state schools receive a set number of furlough days. Stakeholders pointed out that furlough days currently spent on vacation would be spent on travel if residents were transferred to facilities farther away from their home.

Cost

- *Cost of providing services in the community.* In every meeting, stakeholders indicated that the cost of providing services to people with developmentally disabilities in the community should be compared to the cost of providing comparable services in state schools.
- *State funding for persons with developmentally disabilities.* Stakeholders in every meeting noted that Texas ranks near the bottom on per capita spending for people with developmentally disabilities and suggested comparing funding for developmental disabilities in Texas to other states in the feasibility study.
- *Money following the person.* Many stakeholders expressed concern that savings from a consolidation or closure would be applied to the State's General Fund rather than financing additional services for individuals with developmentally disabilities. Several suggested applying the strategy of "Money Follows the Person", a system of flexible funding for long-term services that enables available funds to move with the individual between institutional and community settings.
- *Employee salaries.* Stakeholders indicated that employees in state schools get paid more than comparable employees in the community, which results in more consistency of employees and, in some cases, more experienced or higher credentialed staff.
- *Contract work for residents.* Several outside firms have agreements with state schools in which residents are employed in production work at the facilities. Closure or consolidation may have an impact on these contracts.
- *Centralization of administrative duties.* Stakeholders suggested reviewing the possibility of consolidating administrative tasks among state schools and other state institutions as a means to reduce costs.
- *Texas population.* Stakeholders asked to have the increase in the Texas population in the past five years and the anticipated increase in population in the near future considered in estimating costs and population statistics in the report. It was recommended to report population statistics for adults and children separately.
- *Cost of living.* Certain stakeholders asked to have the cost of living included in the feasibility study. Several state schools are located in areas with low costs of living. As a result, these stakeholders believe that the schools would be good candidates for accepting additional residents in a consolidation.

- *Economic impact.* In several meetings, examples were provided of how closure of a facility would have an economic impact beyond school employees. Facilities often have contracts with local companies to provide needed services. Employees spend their money in the community as do the people who receive services from the facilities and their visitors. It is estimated that approximately 75% of each school's operating budget is spent in the local area.
- *Local economic development groups.* In a couple meetings, representatives from local economic development groups pledged potential financial support toward the retention and expansion of the state school in their area. These local development groups feel the state schools provide valuable and necessary services for residents, are valued employers and contribute significantly to the local economy.
- *Savings.* Several stakeholder groups indicated that they would like the report to include an estimate of savings as a criterion for closure and consolidation.
- *Closure/consolidation costs.* Stakeholders suggested including the cost of incentive pay for employees to maintain services for current residents from the time a closure is announced and the cost of moving residents and equipment to the feasibility study.

Employment

- *Unemployment expense.* Stakeholders proposed including the cost of providing unemployment compensation to employees displaced by a closure or consolidation in the feasibility study. In addition, payouts of vacation and sick leave balances or retirement costs (for eligible employees) should be considered as cost to closure or consolidation.
- *Staff turnover.* Stakeholders asked to have staff turnover statistics included in the feasibility study for closure and/or consolidation.
- *Length of employment.* Several stakeholders recommended including the average length of staff employment in the feasibility report. Some state schools have staff who have been employed for long periods of time and are able to provide special care to residents because of their long-term relationships.

Facility

- *Expanding schools.* Several stakeholders expressed interest in expanding state schools in their area to accept additional residents from a consolidation. These stakeholders wanted to include ease of expansion in the feasibility study.
- *Cost to maintain facilities.* Stakeholders asked to have the cost required to maintain the state school facilities highlighted in the report. These stakeholders believe that state school maintenance costs are higher than maintenance costs for community-based settings.

Marketability

- *Deed restrictions.* Stakeholders asked to have deed restrictions for state school facilities checked. It is believed that property sales would be prohibited under the deed restrictions for several facilities.

Client Impact

- *Age.* In every public meeting, stakeholders emphasized that the average age of both the residents and the parents of the residents is rising. As the residents age, many face increasing medical issues. In addition, many of the parents of residents are elderly and have mobility restrictions. The combined effect limits the potential for parents to have residents live or even visit their homes. Parental aging also diminishes the ability to tolerate travel to the facilities.
- *Relocation.* Stakeholders noted that many residents of state schools have difficulty adjusting to new surroundings. These individuals experience crises with small structure changes, such as a move to a new dorm, and could suffer setbacks or, as it is commonly referred to, placement trauma if transferred to an unfamiliar setting.
- *Guardianship.* Guardianship is a legal process utilized when a person can no longer make or communicate safe or sound decisions about his/her person and/or property or has become susceptible to fraud or undue influence. Some of these individuals have family members who are willing and suitable to be appointed by courts to be guardians to make decisions for these individuals. Many incapacitated individuals do not have family members who are willing or suitable to be appointed as guardians. In order to solve this problem, many communities have established guardianship and money management programs to provide either paid staff or volunteers to be appointed as guardians or to provide money management services. These guardianship programs may be at risk if individuals are moved to state schools in other parts of Texas.
- *Community options.* Stakeholders asked to have the availability of community services included as part of the feasibility study. In general, stakeholders feel that there is a dearth of available community options and that it would be impossible to close a state school (assuming some residents would transfer to the community) with the existing community infrastructure.
- *Demand for services.* Stakeholders requested an analysis of demand for services for the developmentally disabled. In particular, stakeholders wanted to compare the change in demand in recent year for institutional services with the change in demand for community services. It was recommended to report demand for adults and children separately, to the extent possible.
- *Service levels in community.* Some stakeholders expressed concern about the consistency of service provided in the community. Many individuals who attended the public meetings had experience with both the state school and community systems and found that the care provided by the state schools was more consistent and better able to meet the medical needs of some of the residents.

- *Safety.* Stakeholders communicated concern for the safety of individuals with developmental disabilities in the community. They believe that some individuals with developmental disabilities may not be able to make sound decisions on their own and could place themselves in danger in the community. As a result, they believe that state schools provide safer surroundings.
- *Vocational opportunities.* Stakeholders identified vocational opportunities in the community for individuals with developmental disabilities as an additional measure they would like included in the feasibility study.
- *Stakeholder interviews.* Several stakeholders suggested adding a satisfaction survey to the feasibility study. These stakeholders proposed interviewing employees, parents and individuals with developmental disabilities regarding their experiences with state schools and community services.
- *Facility visits.* In nearly all the public meetings, advocates asked the panel to visit the state schools as part of the feasibility study to meet the individuals who live there and see their level of need.
- *Disgruntled employees.* Several stakeholders mentioned that the state should be mindful of the possibility of disgruntled employees should a closure or consolidation be announced. This situation might result in decreased standards of care for consumers during a closure or consolidation.
- *Waiting list.* At each meeting, stakeholders asked the panel to review the waiting lists for state institutions and community services when determining the feasibility of closure or consolidation.
- *Length of stay in state schools.* Stakeholders highlighted the long lengths of stay many individuals have had in the state schools and the fact that these individuals often consider the state school to be their home. They believe a transfer to the community or another facility would emotionally debilitating.
- *Hospitals/infirmaries.* Stakeholders indicated that the clinicians employed in the hospitals/infirmaries of the state schools provide specialized services to the residents that would not be provided by a clinician unfamiliar with residents and their unique health needs.
- *Wording of baseline analysis.* A couple stakeholders suggested changing the word “Census” to “Clients” or “Residents” in the baseline analysis.
- *Best practices.* Stakeholders would like current “best practice” information regarding treatment for individuals with developmental disabilities to be included as part of the report.

Specialty Programs and Services

- *Dual-diagnosis capabilities.* A couple of the state schools provide services to individuals with developmental disabilities and mental illness. Several stakeholders asked to have dual-diagnosis capabilities included in the list of specialty programs and services.
- *Dental services.* Some state schools provide dental services to facility residents and to individuals with developmental disabilities who live in the community. It was indicated that the community would lose these services in the event of a closure.
- *Occupational training.* Several state schools provide occupational training to local college and post graduate college students. The internship programs at state schools are a valuable experience and often a degree requirement. These stakeholders asked to have the occupational training offered at the state schools included in the list of specialty programs and services.
- *Volunteer organizations.* Representatives from state schools volunteer organizations attended several of the public meetings. These volunteers provide many important services and, in some cases, raise large amounts of money for the facilities. These stakeholders asked to have the efforts of volunteer guilds included in the list of specialty programs and services as it relates to in-kind and real dollar value to the facilities.
- *Culture/language.* Several state schools are located in areas with large Hispanic populations. These schools offer language options and cultural sensitivity not available in areas without the large ethnic influence. Stakeholders asked to have this included in the list of specialty programs and services.
- *Transferring specialty programs.* Some stakeholders suggested transferring specialty programs from institutions into the community as a means by which to increase community options, save jobs and continue to provide the specialty programs.
- *Opening up specialty programs.* Stakeholders recommended offering specialized program available in the state schools to individuals with developmental disabilities in the community as a means to increase revenue and provide needed community programs.
- *Multi-use facilities.* Stakeholders proposed making state hospitals and state schools multi-use facilities. This would allow increased community options and maintain flexible space for individuals needing higher levels of care. Facilities could be used as regional human services campuses or be utilized as special health care centers for people with developmental disabilities living in the community.