

**SUBJECT:** Creating a grant program for quality-of-life projects in nursing homes

**COMMITTEE:** Human Services — favorable, without amendment

**VOTE:** 7 ayes — Hupp, Eissler, A. Allen, J. Davis, Gonzalez Toureilles, Naishtat, Reyna  
0 nays  
2 absent — Goodman, Paxton

**SENATE VOTE:** On final passage, April 14 — 31-0 on Local and Uncontested calendar

**WITNESSES:** For — Richard Hernandez, EduCare Community Living  
Against — None  
On — Leslie Cortes, Department of Aging and Disability Services; Carole Smith, Private Providers Association of Texas

**BACKGROUND:** The Department of Aging and Disability Services oversees long-term care providers, including nursing homes, intermediate care facilities for the mentally retarded (ICF-MRs), assisted living facilities, and home health care agencies and can charge them administrative penalties for violation of the state regulations. Monies collected from administrative penalties is deposited to general revenue, although the state has a quality-of-life competitive grant program that can be funded by some fees collected from nursing homes. That program has not been appropriated funds for grants.

**DIGEST:** SB 52 would create a competitive grant program to test innovative practices and distribute information about them to long-term care providers, including nursing homes, ICF-MRs, assisted living facilities, and home health care agencies. Grants for testing innovative practices could be awarded only to institutions of higher education that partnered with private entities. The grant program would be administered by DADS, and grants would be funded using a portion of administrative penalties collected from long-term care providers, if appropriated by the Legislature.

The bill would take effect September 1, 2005.

**SUPPORTERS  
SAY:**

SB 52 would use industry funding to improve the quality of life for Texas= long-term care residents. The industry can be innovative in developing ways to improve quality of life. Rising costs and flat reimbursement have forced many institutions to focus on core services at the expense of quality-of-life projects. The bill would set up a program to give them grants to try these projects with the goal of improving residents= quality of life.

This program would build on the program that exists in statute because it would provide for the dissemination of information, not just testing new practices.

**OPPONENTS  
SAY:**

There is no funding for this program, as there has not been for the one that exists in statute. Neither the House or Senate appropriations proposal would allocate a portion of the administrative penalties to these grants.

**OTHER  
OPPONENTS  
SAY:**

Texas already is studying best practices for nursing homes through the Texas Long-Term Care Institute at Texas State University, whose mission is to conduct research, consultation, technical assistance, and training to improve the quality of long-term health care in Texas. The institute also publishes research reports and a newsletter detailing its activities, which are available on its web site. Both the House and Senate versions of SB 1 by Ogden, the general appropriations bill for fiscal 2004-05, include \$293,664 in Texas State University's budget for the Long-Term Care Institute. The state should not spend more money to duplicate these efforts.

**NOTES:**

The fiscal note estimates a cost of \$150,000 in fiscal 2006-07 if four grants were awarded.