

(The House considered SB 1878 by Nelson, the Senate companion bill, in lieu of HB 3219, the House version of the bill, which had been set on the daily calendar and was analyzed by the House Research Organization. The bill subsequently was enacted as SB 1878.)

HOUSE RESEARCH ORGANIZATION	bill analysis	5/6/2009	HB 3219 Chavez (CSHB 3219 by Rose)
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SUBJECT: Creating a council to increase efforts to offer service-enriched housing

COMMITTEE: Human Services — committee substitute recommended

VOTE: 8 ayes — Rose, Herrero, Darby, Elkins, Hughes, Legler, Naishtat, Walle
0 nays
1 absent — Hernandez

WITNESSES: For — George Linial, Texas Association of Homes and Services for the Aging; (*Registered, but did not testify:* Carlos Higgins, Texas Silver-Haired Legislature; Walter Moreau, Foundation Communities; Laurie Vanhoose, AARP)

Against — Bob Kafka, ADAPT of Texas

On — Jean Langendorf, United Cerebral Palsy of Texas

BACKGROUND: Service-enriched housing is an approach to long-term care for senior citizens that is an alternative to institutional care. Service-enriched housing allows individuals to “age in place” by bringing health and social services together with housing, in one accessible, supportive environment. Examples of service-enriched housing are senior citizen independent living apartments, assisted living facilities, and public housing apartments that offer services such as meals, transportation, and health services.

DIGEST: CSHB 3219 would create the Housing and Health Services Coordination Council to increase state efforts to offer service-enriched housing through increased coordination of housing and health services. The council would be composed of 15 members including the director of the Texas Department of Housing and Community Affairs (TDHCA) and representatives from various related state agencies and interest groups. Interest group members would be appointed by the governor. The council would meet quarterly and would:

- develop and implement policies to coordinate and increase state efforts to offer service-enriched housing;
- identify barriers preventing or slowing service-enriched housing efforts, including regulatory, administrative, and funding limitations;
- develop a system to cross-educate staff in housing and health services agencies to increase staff expertise in the area;
- develop performance measures to track progress of stated goals;
- develop a biennial plan to implement the goals; and
- deliver a report of the council's findings and recommendations to the governor and the LBB no later than August 1 of each even-numbered year.

Council members representing agencies would be required to have administrative responsibility for agency programs for older adults, knowledge of projects integrating housing and health services, or knowledge of services used by older adults. In addition, agency members would have authority to make decisions for and commit resources of the agency, subject to approval of the agency head.

Agency members would serve at the pleasure of the agency head, while members appointed by the governor would serve staggered six-year terms, with the terms of two or three members expiring on September 1 of each odd-numbered year.

Members appointed by the governor could receive reimbursement for expenses incurred in performing council functions.

Under the bill, TDHCA employees assigned to provide advisory support to the council would identify state and federal sources of funding and requirements to obtain funds. TDHCA staff also would create a financial feasibility model.

In addition, the department would provide training materials, research best practices, and facilitate communication between state agencies and sources of funding, service providers, and other entities.

The bill would take effect September 1, 2009, and the first report of the council's findings and recommendations would be submitted no later than

September 1, 2010.

**SUPPORTERS
SAY:**

CSHB 3219 would address LBB recommendations by bringing together state agencies and public experts. The LBB explained in the 2009 *Government Effectiveness and Efficiency* (GEE) report that there are two main components to long-term care: housing and services. Older Texans like to “age in place” or remain in their own homes as long as possible, and research indicates that individuals who age in place have favorable clinical outcomes compared to those in institutional care. In addition, the GEE stated that service-enriched housing would likely result in cost savings compared to nursing home care. The LBB recommended amending Government Code, ch. 2306 to create a housing and health services council within TDHCA so that the state could study and determine how best to achieve these goals.

The Census Bureau predicts the population of older Texans will go from 10 percent or 2.6 million people in 2010 to 15.6 percent or 5.2 million people in 2030. Likewise, the Joint Center for Housing Studies at Harvard University indicated that the need for services for older Americans (65 and older) will grow dramatically over the next two decades, while TDHCA states that right now 365,690 elderly households in Texas are in need of affordable housing.

The bill would allow future senior citizens to remain independent and out of institutional care and would allow others currently in institutional care to move back into the community. The council established by CSHB 3219 would be the first step in preparing for the future and could improve the lives of older Texans in the most cost-effective manner.

**OPPONENTS
SAY:**

CSHB 3219 is unclear about the roles of housing and services. With the term “service-enriched housing,” CSHB 3219 would lead the council to believe the goal of the state was to provide housing that included services, thus linking housing with services in a way that could be detrimental to elderly and disabled Texans in the long run.

The goal of CSHB 3219 should be to coordinate the two elements of housing and services, meaning an individual could live in a congregate setting provided by the state and the services would be coordinated and brought to them there by the state. The provision of services should be

separate from the provision of housing so that services are tied to the individual rather than being tied to the building. This should be made explicit in the bill.

Appointment of the director of TDHCA to lead the council could cause council members to believe that their role primarily is to study housing, with services simply tacked on. The bill would be stronger if the council was co-chaired by the executive commissioner of HHSC, so that "services" would be conceptually equal to "housing."

NOTES:

The committee substitute differs from the original bill by adding a definition of "service-enriched housing" and by removing knowledge and experience regarding services used by individuals with disabilities as a requirement to serve on the council.

The LBB estimates the cost to implement the bill for fiscal 2009-10 would be \$572,058. The House-passed version of SB 1, the general appropriations bill for fiscal 2010-11, includes \$600,000 in Rider 16, Contingency Appropriation for Housing and Health Services Coordination in Article 7.

The companion bill, SB 1878 by Nelson, passed the Senate by 29-1 on April 22 and is scheduled for a public hearing by the House Human Services Committee on May 7.