

From: [Sunset Advisory Commission](#)
To: [Janet Wood](#)
Subject: FW: Form submission from: Public Input Form for Agencies Under Review (Public/After Publication)
Date: Monday, June 30, 2014 4:30:38 PM

-----Original Message-----

From: sundrupal@capitol.local [<mailto:sundrupal@capitol.local>]
Sent: Monday, June 30, 2014 4:30 PM
To: Sunset Advisory Commission
Subject: Form submission from: Public Input Form for Agencies Under Review (Public/After Publication)

Submitted on Monday, June 30, 2014 - 16:30

Agency: DEPARTMENT STATE HEALTH SERVICES DSHS

First Name: Bob

Last Name: Libal

Title: Executive Director

Organization you are affiliated with: Grassroots Leadership

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City: Austin

State: Texas

Your Comments About the Staff Report, Including Recommendations Supported or
Opposed:

Re: Response to DSHS Sunset Commission Hearing Testimony

Dear Chairperson Nelson and committee members,

I write on behalf of Grassroots Leadership, a national nonprofit organization headquartered in Austin, TX, dedicated to enhancing the public trust and organizing people to fight injustice. We believe that no one should profit from the incarceration of human beings, and work to end the use of for-profit incarceration and halt the corporate takeover of our criminal justice system.

This belief extends to mental health facilities, a new area of growth for some private for-profit prison companies.

We write to express our opposition to the privatization of Terrell State Hospital and to respond to comments made at the Sunset Advisory Commission hearing on Tuesday, June 24th.

The Sunset Staff Report, which called for immediate action to address the "current crisis in the state mental health hospital system," did not include recommendations that warrant the privatization of state hospitals.

Yet Commissioner Kyle Janek introduced the recent release of a Request for Proposals to run Terrell State Hospital as a solution that the Health and Human Services Commission (HHSC) is pursuing. "We are in the business of operating facilities when we could contract with someone to operate those facilities," he stated. "I don't feel any hesitation if the private sector can run our facilities, I think they could offer something."

Commissioner Janek also referenced Rider 63 from the 82nd Legislature which originally gave the state the power to privatize one state hospital. Janek further noted the public outcry from advocates and locally impacted constituents when the state initially attempted to privatize Kerrville State Hospital in 2012. Grassroots Leadership

and a broad coalition of mental health care advocates, criminal justice reform, and civil rights and civil liberties organizations worked to stop that privatization proposal. The sole bidder, GEO Care, was a subsidiary of private prison company, GEO Group. GEO Care's proposal was eventually rejected by Department of State Health Services (DSHS) after the agency found the proposal included unsafe levels of staff reduction based on the RFP's requirement to cut costs by 10 percent.

Although the current Terrell State Hospital RFP does not require a 10 percent reduction in overall costs, it does ask that more patients be served at the same cost. Commissioner Janek revealed that he spoke with that bidder, GEO Care, back in 2011, who gave him the idea that rather than ask for a 10 percent cost reduction, HHSC could draft the RFP to ask that the vendor serve more patients at the same level of spending.

We believe there to be little difference between reducing staff to cut costs and increasing caseloads with no increased cost. The outcome would be the same: compromised patient care and public safety. Additionally, Grassroots Leadership opposes the privatization of state hospitals because it compromises the public's ability to monitor and regulate what happens inside. States should not relinquish the ability to regulate standards to ensure and monitor care and safety. Commissioner Janek said he did not "feel any hesitation" about privatizing our state hospital. We do.

GEO Care has a poor track record in providing mental health services to Texans. Although Commissioner Lakey referred to the Montgomery County Mental Health Treatment Facility, operated by GEO Care, as a successful model, that facility was fined \$50,000 in its first year of operation for "unauthorized restraint and seclusion of patients, incomplete medical records, failure to show patient consent for medications and failure to report serious injuries to the state." After learning that GEO Care is one of the four companies interested in submitting a proposal to operate Terrell State Hospital, we are deeply concerned about that DSHS may be expanding its relationship with a for-profit private prison company that has a history of human rights violations and poor quality of care.

We support calls by mental health advocates and experts for more transparency in the RFP process. We also believe that privatization has the potential to cause harm to patients. We realize that the Sunset Commission's report has illuminated serious capacity limitations in our state's mental health system, and we agree with the recommendation of the Sunset Commission to reduce the number of individuals in need of inpatient services. However, privatization is not the solution. To that end, DSHS certainly should not turn control of the state hospital over to a for-profit corporation, particularly not a for-profit prison corporation like GEO Care.

Sincerely,

Bob Libal
Executive Director
Grassroots Leadership

Any Alternative or New Recommendations on This Agency: We realize that the Sunset Commission's report has illuminated serious capacity limitations in our state's mental health system, and we agree with the recommendation of the Sunset Commission to reduce the number of individuals in need of inpatient services.

My Comment Will Be Made Public: I agree