



COUNTY ISSUE BRIEF

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State Mental Health System Capacity

The mental health crisis in Texas has placed a significant burden on counties, which are responsible for providing essential care to inmates in their jails. Historically, counties have encountered an increase in the number of inmates with mental health needs. With that increase, there has also been a rise in the number of inmates who are awaiting placement in state psychiatric facilities for evaluation and treatment. For decades, the demand for state hospital beds has outpaced local mental health resources and has outstripped capacity. Due to limited state-level capacity, a large segment of Texans with mental illness are held long-term in county jail facilities that are ill-equipped to treat mental illness, subjecting county law enforcement personnel and the entire county jail population to increased risk of injuries and deaths, and straining county budgets and shifting the cost of care to local taxpayers.

Forensic beds are designated for individuals involved in the criminal justice system who require psychiatric treatment. These individuals are often deemed incompetent to stand trial or not guilty by reason of insanity. Once placed in a state facility, they are typically housed in state psychiatric hospitals until they are either restored to competency or deemed no longer a threat. Forensic patients usually require longer stays in state hospitals compared with civil commitments, creating significant demand for forensic bed capacity.

Despite substantial state investments in mental health infrastructure, counties are struggling to manage the extended waits for state hospital beds, particularly in regions lacking nearby facilities. Although there have been investments in building new state facilities, immediate relief to those suffering with mental illness, their families, and the county governments paying for these costs remains a high priority.

To reduce the burden on local taxpayers, counties have identified the following priorities:

- Additional funding for outpatient and jail-based competency restoration programs to reduce the number

of individuals held in county jails awaiting transfer.

- Reimburse counties holding inmates waiting for forensic beds by enacting legislation similar to House Bill 2620 (88R, 2023). HB 2620 requires that the Texas Department of Criminal Justice (TDCJ) take custody of an individual convicted of a felony and sentenced to prison no later than 45 days after TDCJ receives the required paperwork. Should TDCJ not take custody of the individual at that time, TDCJ must reimburse the county for the cost of confinement it would have incurred if the individual was in TDCJ custody. New legislation could authorize reimbursement for inmates found incompetent to stand trial or not guilty by reason of insanity, but held beyond a certain number of days, funding these payments to counties out of appropriations to the Texas Health and Human Services Commission (HHSC).
- Fund regional collaborations between counties to share the cost of providing diversion, crisis, transitional, and inpatient services and facilities, in addition to funding from the state.

Background

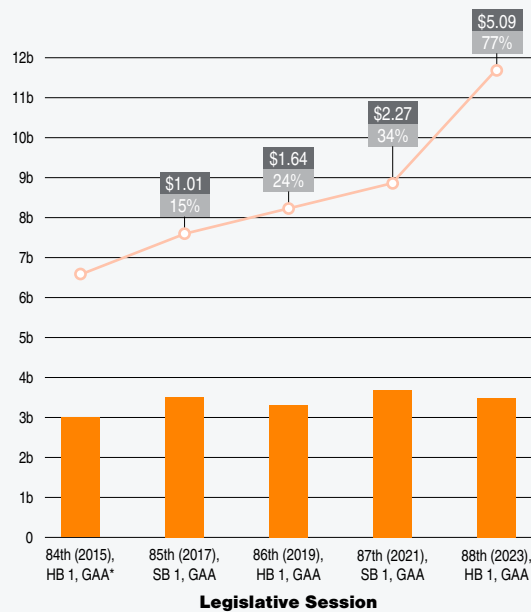
The State of Texas operates 11 state psychiatric hospitals and one inpatient residential facility for adolescents, with a total capacity of 2,329 beds as of January 2025. The state also contracts for additional psychiatric beds through Local Mental Health Authorities (LMHAs) and private facilities. Three new state hospital facilities are currently under construction. Recently, the state has begun funding projects to expand capacity at, renovate or construct community mental health hospitals. These projects often require forensic bed capacity. Despite this infrastructure, there is a chronic shortage of forensic beds to accommodate the growing number of individuals who require psychiatric care.

In response to the escalating demand, the 85th Legislature directed HHSC to create a comprehensive plan to modernize the state hospital system, referred to as the "Comprehensive Plan for State-Funded Inpatient Mental Health Services." During the past five legislative sessions, Texas invested over \$2.5 billion in state hospital construction and infrastructure projects, resulting in a net increase of 434 state hospital beds. However, this increase has not been sufficient to meet demand, particularly for forensic patients.

LEGISLATIVE APPROPRIATIONS FOR BEHAVIORAL AND MENTAL HEALTH SERVICES

■ Medicaid Behavioral Health Budget
○ Total Behavioral Health Budget
■ Cumulative Increase
■ % increase from the 84th Session
 *General Appropriations Act (GAA)

Source: Meadows Mental Health Policy Institute; Texas 2036



Residual Issues From the Pandemic

Despite these investments, county judges and sheriffs consistently report a severe shortage of forensic inpatient capacity. This results in longer jail stays for individuals awaiting transfer to state hospitals. In regions such as the Panhandle and Rio Grande Valley, where no state inpatient psychiatric facilities exist, the problem is even more acute.

The COVID-19 pandemic worsened the situation, as many state hospital beds were taken offline due to staffing shortages. This workforce crisis caused the average wait time for a bed in a maximum security unit to reach 827 days by November 2022 — the longest wait time ever reported by the Joint Committee on Access and Forensic Services (JCAFS). The wait time for non-maximum security beds peaked at 308 days in April 2023.

State Mental Health Delivery System – Cost to Local Government

Adequate diversion resources, such as crisis intervention teams, outpatient programs, mental health courts and community-based treatment centers, are crucial for keeping individuals with mental health needs out of the criminal justice system. These programs provide timely care, reducing the need for incarceration and freeing up space in state hospitals for civil commitments. Counties have increased investment in a variety of diversion options, provided jail-based treatment, and piloted in-jail competency restoration programs to reduce the wait for forensic beds. Finally, at around 80%, counties provide the biggest share of local tax-funded support to their local mental health authorities.

In 2015, the Meadows Mental Health Policy Institute partnered with the Texas Conference of Urban Counties to document the burden of unmet mental health needs on local governments. A 2016 update of this data found that unmet mental health needs cost local governments more than \$2 billion annually or nearly \$3 billion in current dollars.

11

STATE PSYCHIATRIC HOSPITALS

TOTAL CAPACITY

2,255 beds

BEDS ONLINE

1,967

1

INPATIENT RESIDENTIAL TREATMENT FACILITY FOR ADOLESCENTS

TOTAL CAPACITY

74 beds

BEDS ONLINE

74

5

EXISTING STATE HOSPITALS UNDERGOING EXPANSION AND RENOVATION PROJECTS

3

NEW STATE HOSPITAL UNDER CONSTRUCTION

Source: Health and Human Services Commission, January 2025

Average wait time

The COVID-19 pandemic worsened the situation, as many state hospital beds were taken offline due to staffing shortages.



827 days

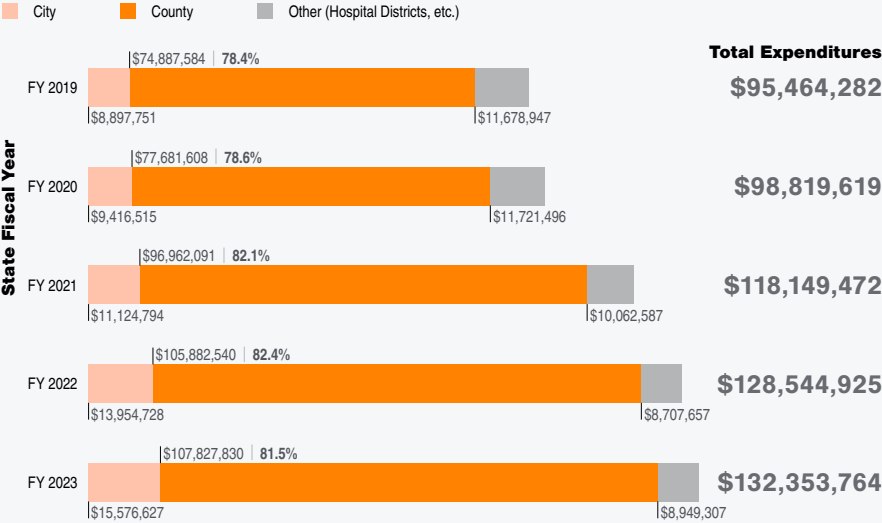
average wait time for a bed in a maximum security unit as of November 2022.



308 days

average wait time for a bed in a non-maximum security unit as of April 2023.

LOCAL TAX-FUNDED SUPPORT FOR COMMUNITY-BASED MENTAL HEALTH CENTERS (FY 2019-2023)



Source: Texas Council of Community Centers

The Local Burden of Unmet Mental Health Needs, 2016

2016 In 2024 Dollars

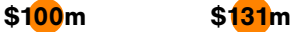
Jail Costs for Individuals With Mental Illness



Psychiatric Emergency Department Costs



Other Costs (e.g., homeless shelter services, school district costs)



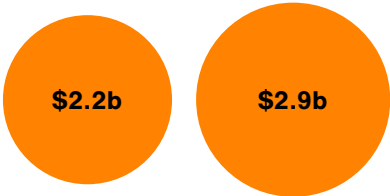
Juvenile Justice Costs for Youths With Serious Emotional Disturbances



Alcohol and Substance Abuse Emergency Department Costs



Total Costs



Forensic Waitlists and Wait Times

Housing inmates who are awaiting transfer to a state hospital for forensic commitments continue to be a burden on county jails. For some individuals, these waits can last 10 to 27 months.

Certain forensic commitments require placement in maximum security units at hospitals such as Rusk, North Texas and Kerrville state hospitals. Only these facilities are equipped to handle the most serious cases. During the past two decades, the forensic population in state hospitals has surged from 28% in 2006 to 65% in 2021.

According to the JCAFS dashboard, 1,842 individuals were waiting in county jails for transfer to state hospital beds as of June 2024. Of this number, 675 were awaiting placement in a maximum security unit bed, with an average wait time of 429 days. The remaining 1,167 were waiting for non-maximum security unit beds, with an average wait time of 194 days. The cost to maintain these inmates varies by individual, wait time and county. Using HHSC’s most recent estimate of a state hospital per bed per day rate — \$933 per day, the current waitlist and average wait time, and assuming counties would be reimbursed for wait times more than 365 days only, the estimated reimbursement to Texas counties would total \$40.3 million. Assuming reimbursement for wait times of more than six months, the estimated reimbursement to counties increases to \$172.1 million.

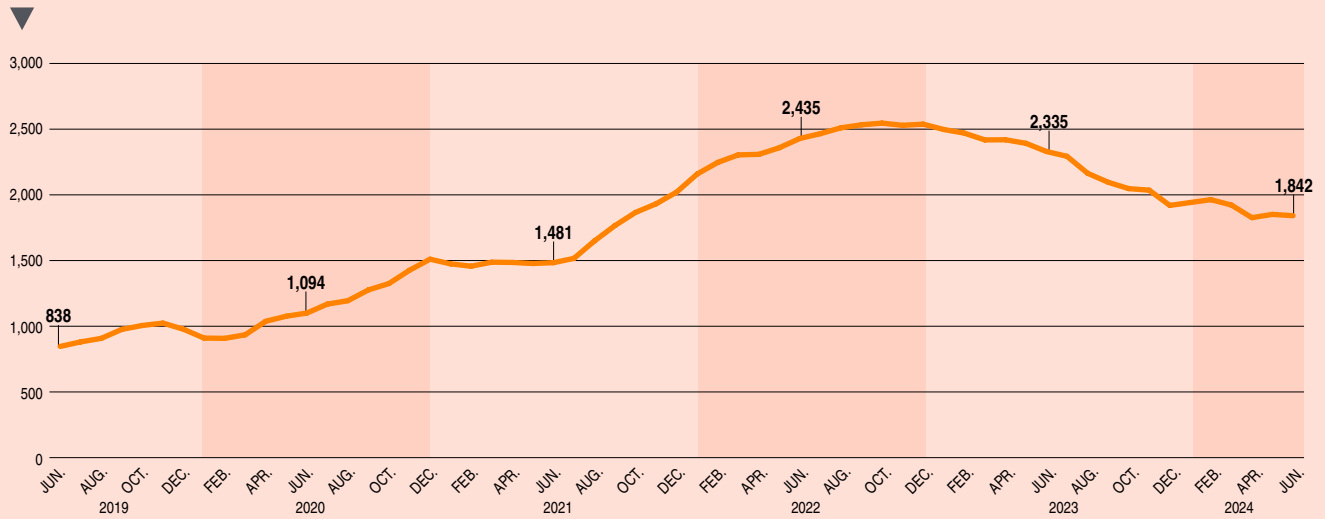
Summary

Shortage of state hospital beds often leads to counties housing and caring for inmates awaiting transfer to state psychiatric facilities. Focused legislative considerations of the priorities listed here will help reduce the strain on county resources and the risk of injury and death in jail facilities.

FORENSIC WAITLISTS AND WAIT TIMES

People waiting for a state hospital forensic bed in county jails

The graph below shows data from June 2019-June 2024.



Average wait time

1,842 individuals were waiting in county jails for transfer to state hospital beds as of June 2024.

429 days

average wait time for 675 individuals awaiting placement in a maximum security unit bed.

194 days

average wait time for 1,167 individuals waiting for non-maximum security unit beds.