Regional Laundry Services

Relating to the operation of regional laundry centers

Sen. Dawn Buckingham • Senate Bill 1234 | Rep. Andrew S. Murr • House Bill 3675

Problem

- The Texas Health and Human Services Commission (HHSC) operates regional laundry centers to address the unique and high-volume laundry needs at state hospitals and state supported living centers (SSLCs).

- State hospitals and SSLCs rely on constant laundry operations. When machines occasionally break or fail, it hampers operations at multiple campuses.

- Because of the extreme nature (for example, significant soil) and volume of the laundry, finding a provider willing to take the work is difficult. Those who are willing charge a very high price. In some areas, no private provider is available.

- HHSC can’t contract with other public entities in the event of machine failure or other disruption of operations.

Solution

- Regional laundry service centers may be able to establish reciprocal relationships with other public entities, such as a Veterans Affairs hospital, to provide laundry services in the event of machine failure or other disruption of operations.

- For example, if Kerrville State Hospital can provide contracted services to the local VA hospital when they experience a need, the VA hospital might be able to assist Kerrville State Hospital as needed.

- This will help ensure continuity of operations in the event of equipment failure and lessen the financial burden of costly contracts when machines break.

What happens if we don’t change the statute?

When laundry machines break or need repairs, HHSC must continue contracting with outside entities who charge a significantly higher-than-market premium to capitalize on these urgent situations.

Questions, comments or concerns?
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Q&A

How much revenue will this generate for the state?
The agency doesn’t expect to profit from the contracts, only to cover the costs for additional production or avoid additional expenses of a third-party commercial laundry. Additionally, the more laundry a center processes, the less per pound it costs, thereby using our resources more efficiently.

Where are the regional laundry services located?
- Abilene State Supported Living Center
- Kerrville State Hospital
- Mexia State Supported Living Center
- North Texas State Hospital – Wichita Falls campus
- Richmond State Supported Living Center

Together, these five facilities process laundry needs for the HHSC Health and Specialty Care System, which serves over 5,000 people on any given day.

How frequently does laundry equipment fail?
Total machine failure and service disruption is rare, but as machines age, we’re seeing more frequent issues. Recent examples of mechanical failure that disrupted services include damage to laundry facilities at Mexia SSLC following a tornado; disruption at Richmond SSLC when the computer system that controlled the service center went down; and an outage following a lightning strike that caused a power surge. Disruption of services is usually limited in duration, but in Mexia, services were unavailable for months while the facility repaired tornado damage.

Why are laundry services performed in-house instead of outsourced?
In-house laundry has proven to be a more efficient use of state funds, and HHSC switched to a regional laundry model. When contracted services have been used in the past — for example, when the Mexia SSLC had to outsource laundry because of tornado damage — the contracted service was approximately 15 percent more expensive.

Won’t performing laundry services for others take away resources used to serve patients and residents?
The people served at state hospitals and SSLCs are our highest priority. This statutory change would give HHSC the ability to enter into these arrangements. It would not require us to engage in these activities if we found it to be detrimental to our core mission.