An Overview of Correctional Managed Health Care

March 1, 2008
Outline of Presentation

- Organization of the CMHCC
- Statutory History
- Constitutional Standard
- Roles & Responsibilities
- How Health Care is Delivered
- Key Performance Indicators
- Fiscal Overview
- Challenges Facing Correctional Health Care
- National Developments to Watch
What is Correctional Managed Health Care?

- **A Strategic Partnership between:**
  - The Texas Department of Criminal Justice
  - The University of Texas Medical Branch at Galveston
  - Texas Tech University Health Sciences Center

- **Focused upon a shared Mission:**
  - To develop a statewide health care network that provides TDCJ offenders with timely access to a constitutional level of health care while also controlling costs

- **Managed by a statutorily established body:**
  - The Correctional Managed Health Care Committee
**Our Mission**

Manage the health care partnership and the overall delivery system in a *constitutional* manner that:

- **Insures** *Access* to Care
- **Maintains** *Quality* of Care
- **Manages the** *Cost* of Care

*Correctional Health Care’s Balancing Act*
Organizational Vision

As partners in the delivery of correctional health care, we dedicate ourselves to an organization that:

- Is committed to *excellence*
- Strives to *set the national standard* in correctional medicine
- Focuses on building & maintaining *open communications*
- Serves as a model for *intergovernmental cooperation*
Organizational Values

**Quality**

- We strive to provide health care services of recognized high quality and deliver them uniformly, promptly and efficiently to the limit of our resources and capabilities.

**Integrity**

- As public servants, we work to uphold the public’s trust through ethical and accountable personal and professional behavior.

**Commitment**

- We are dedicated to restoring and preserving the health of our patients and clients.

**Teamwork**

- We recognize that our mission and goals are achieved through teamwork, with each partner fully participating and contributing to the organization, work and systems and sharing in its success.
**CMHCC Organizational Detail**

**CMHCC Composition**
*February 2008*

**Chairman**
James D. Griffin, MD
Public Member
Apptd. 3/00

- Lannette Linthicum, MD
  TDCJ Physician
  Apptd. 2/94

- Desmar Walkes, MD
  Public Member
  Apptd. 11/04

- Ben G. Rainer, MD
  UTMB Physician
  Apptd. 9/99

- Cynthia Jumper, MD
  TTUHSC Physician
  Apptd. 9/05

- Larry Revill
  UTMB Non-Physician
  Apptd. 2/06

- Elmo Cavin
  TTUHSC Non-Physician
  Apptd. 7/93

**Executive Director**
Allen Hightower

**CMHCC Staff**
David McNutt
Lynn Webb
Tati Buentello
Statutory History
Statutory Authority & History

- **1993** – SB 378 created the Managed Health Care Advisory Committee
- **1995** - HB 1567 changed the name to reflect the correctional mission of the organization, extended the authority of the CMHCC to contract with other jurisdictions and authorized the universities to report benefits to ERS in accordance with the legislative intent to protect transitioned employee benefits.
- **1997** - CMHCC was added to the Sunset Advisory Commission review cycle to coincide with review of TDCJ.
- **1999** – SB 371 substantially amends CMHCC legislation to incorporate recommendations adopted through the Sunset process. Three public members were added to the Committee’s members, roles related to monitoring and review of quality of health care issues are clarified, and applicable across-the-board recommendations of the Sunset process are included. The CMHCC authorization is extended for a six-year period.
Statutory Authority & History (cont.)

- **2001** - SB 347 authorizes the CMHCC to make all reasonable efforts to qualify for participation in the federal public health service pricing program for pharmaceuticals (commonly referred to as 340B pricing or PHS pricing).
- **2003** - HB 1735 amends the CMHCC statute to require a study of the use of disease management guidelines for chronic illnesses of the offender population. Additionally, HB 2455 changed the Sunset review date for the CMHCC to 2011 to coincide with the review scheduled for TDCJ.
- **2005** - HB 1116 advances the Sunset review dates for both TDCJ and the CMHCC to 2007.
- **2007** - SB 909 continues the Sunset review dates for both TDCJ and the CMHCC to 2011. Majority of SB 909 recommendations requires the CMHCC to make healthcare information accessible to the public through the Committee’s website. It also requires reports to be provided to the Board of Criminal Justice at the Board meetings on policy decisions, financial status and corrective actions.
Constitutional Standard
Constitutional Level of Care

- **Prisoners have a constitutional right to health care services**
- **Estelle v. Gamble (1976):** A Texas case that went to the U.S. Supreme Court and set national standard for correctional health care:
  - “Deliberate Indifference” is standard of measure – knowing and disregarding an excessive risk to health and safety
- Three defined rights set by federal courts:
  - Right to access medical care
  - Right to professional medical judgment
  - Right to receive the medical care called for by professional medical judgment

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**Correctional Managed Health Care**

UTMB

The University of Texas Medical Branch

Texas Tech University

Health Sciences Center

Law School
Health Care and Medical Necessity

- **Health Care**: Health related actions taken, both preventive and medically necessary, to provide for the physical and mental well-being of the offender populations.

- **Medically Necessary**: Services, equipment or supplies furnished by a health care provider which are determined to be:
  - *Appropriate and necessary* for the symptoms, diagnosis or treatment of the medical condition; and
  - Provided for the *diagnosis or direct care and treatment* of the medical condition; and
  - Within *standards of good medical practice* within the organized medical community; and
  - *Not primarily for the convenience* of the TDCJ Offender Patient, the physician or another provider, or the TDCJ Offender Patient's legal counsel; and
  - The *most appropriate* provision or level of service which can *safely* be provided.
Roles and Responsibilities
Key Roles of the CMHCC

- Develop and manage contracts between the partner agencies
- Determine capitation rates, monitor and report on costs of care
- Set statewide clinical policy
- Monitor and report on quality of care
- Act as an independent third party for allocation of funding
- Act as an independent third party for dispute resolution
- Enforce compliance and insure corrective actions are taken
Overall Roles and Responsibilities

**CMHCC**
- Clinical Policy Oversight
- Resource Allocation
- Legislative/Legal Coordination
- Contract Coordination
- Financial Monitoring and Reporting
- Liaison Activities
- Dispute Resolution
- Quality of Care Monitoring Oversight

**University Providers**
- Onsite Services
- Offsite Services
  - Specialty Clinics
  - Hospitalization
- Pharmacy Services
- Mental Health Services
- Utilization Management
- Provider Network Management
- Quality of Care Monitoring
- TDCJ Employee Health Services

**TDCJ Health Services**
- Monitoring
  - Access to Care
  - Operational Reviews
  - Grievances
- Preventive Medicine
- Health Services Liaison
- Professional Standards
- Administrative Functions
Joint Committees/Work Groups

- The structure of the CMHCC presents the model adopted for the daily workings of the correctional health care program.
- Standing and ad hoc committees or work groups are formed with representatives of each partner agency to manage various functions including policy review and formation, disease management guideline and formulary development, quality improvement activities, etc.
- The CMHCC manages the health care program by actively insuring representation of all the partner agencies in all aspects of program policy and decision-making.
Approximately 31,500 Offenders

Approximately 120,300 Offenders
How Health Care Services are Delivered
Key Components of the Health Care Delivery System

- Initial Health Assessments
- Transfer Screenings
- Levels of Care Available
- Periodic Physical Exams
- Dental Clinics
- Chronic Care Clinics
- Telemedicine/EMR
- Mental Health Programs
  - Inpatient, Outpatient and Specialty Care
  - Physically Handicapped Offender Programs
  - Medically Recommended Intensive Supervision Program
  - In-Prison Hospice Program

Correctional Managed Health Care
Initial Health Assessment

- Comprehensive Intake Screening and Health Assessment
  - Obtaining personal and medical baseline data; medical, mental health and dental histories; physical, dental and mental health assessments
  - Screening for communicable diseases
  - Provided appropriate inoculations
  - Medications, appointments and referrals scheduled as appropriate, based on results of health appraisal
  - Offenders requiring further mental health assessment referred for more extensive evaluation
  - Health Summary for Classification screen is updated listing any health-related restrictions
Levels of Care Available

- Delivery System is comprised of various levels of care ranging from primary care (such as found in a freeworld doctor’s office) through highly specialized care (inpatient hospitalization or specialist outpatient procedures)
  - Basic Ambulatory Care Clinics
  - Cluster/Regional Infirmaries
  - Regional Medical Facilities
  - Hospitalization
  - Specialty Care
- An offender’s medical needs determine the level of care provided
Dental Services

- Offender’s basic preventive and essential treatment needs are provided for based on priority of need, length of incarceration, and maintenance of an acceptable level of good oral hygiene.
- Treatment needs are prioritized based on level of urgency. All offenders have access to emergency and urgent dental services.
- Offenders with non-emergency, non-urgent dental needs must demonstrate good oral self care prior to receiving services. Patient education is provided to encourage development of good oral hygiene habits.
Chronic Care Clinics

- Offenders with chronic illnesses are enrolled in chronic care clinics for monitoring of their condition.
- Examples of chronic care clinic categories are HIV, Hepatitis, Hypertension, Asthma and Diabetes.
- Patients on chronic clinic caseloads are scheduled to be seen by a medical provider on a regular basis (which varies by disease and need for monitoring). Patients are examined and medications checked and renewed or changed as needed.
- Chronic care is tracked in each health record and follow disease management guidelines developed for that disease.
**Telemedicine/EMR/DMS**

- Offenders access to specialty care is enhanced through the use of integrated telemedicine and electronic medical record technologies that permit interactive consults, without necessitating the transfer of the offender offsite.

- Telemedicine/EMR/DMS clinics are available for infectious disease, general orthopedics, GI medicine, psychiatry, emergency care, cardiology, general medicine, dermatology, general surgery, and many other specialties.

- EMR provides opportunity for access to comprehensive health record throughout system; enhanced management tools for scheduling and tracking patients.
Mental Health Program

- A comprehensive mental health services program is available that consists of inpatient, outpatient and specialized mental health services.
- Crisis management and on-call psychiatric services are available 24 hours a day.
- Inpatient programs are available at the Skyview, Jester IV and Montford facilities.
- Outpatient programs are available at most facilities.
- Specialized programs include the MROP program and the PAMIO program, as well as “step-down” facilities that transition care between the inpatient and outpatient facilities.
Physically Handicapped Offender Program (PHOP)

- Specialized programs and health care services are available for offenders with special medical needs, including physical disabilities.
- Special needs offenders receive a comprehensive assessment including an evaluation of their functional limitations and identification of treatment requirements.
- The Jester III facility provides specialized housing and rehabilitative services for offenders with mobility impairments and severe spinal cord injuries.
- The Estelle facility provides specialized services for visual, hearing or speech-impaired offenders.
Medically Recommended Intensive Supervision (formerly Special Needs Parole)

- Offenders meeting statutory criteria for release consideration may be referred for medically recommended intensive supervision (MRIS).
- Program is coordinated by TCOOMMI with the Board of Pardons and Paroles.
- Medical staff assist in identifying and referring offenders who meet criteria to TCOOMMI for processing.
- Criteria include offenders who are considered as having a chronic condition requiring long-term care, terminally-ill, elderly, physically handicapped or mentally ill.
- Release is to either a designated nursing facility or to an approved home plan.
In-Prison Hospice Program

- For offenders with terminal illnesses, a comprehensive hospice program is available within the prison setting.
- Hospice provides palliative care for offenders and their families that are available 24/7 during the last stages of illness, during death and during bereavement. Services are provided by an interdisciplinary team.
- Hospice services are provided on a continuum of care that has three levels of service: pre-hospice assistance, support and education, outpatient hospice and inpatient hospice.
- All hospice offenders are referred for MRIS consideration.
Other Offender Health Care Services

- Comprehensive pharmacy services, including many OTC medications
- Optometry exams and eyeglasses
- Full range of laboratory and radiology services
- Physical therapy, respiratory therapy and occupational therapy services
- Medical records administration
- Infection control program
- Therapeutic diet counseling
- Obstetrical services
Other Services Provided through CMHC

- DNA specimen collection
- Use of force exams
- Pre-segregation placement screenings
- Health-related training for correctional officers
- Payment of funeral/autopsy costs
- TDCJ employee health care services:
  - immediate medical attention to employees injured on job
  - TB screening
  - Hepatitis B vaccinations
  - Occupational exposure testing and counseling
Examples of Service Coordination with Other Entities

- TCOOMMI – MRIS Program, Continuity of Care, CMHCC represented on TCOOMMI Advisory Board
- State Department of Health Services – communicable disease reporting, HIV testing, Ryan White Act HIV drug funding calculations
- Federal HRSA Office of Pharmacy Affairs – 340B pricing
340B Drug Pricing Program

- SB 347, Regular Session, 2001 required a good faith effort to qualify for PHS pricing through the federal 340B program using UTMB’s status as a Disproportionate Share Hospital
- Federal approval granted April 2002
- Appropriation reduction taken in advance ($10M/yr)
- Key requirements:
  - Must be patient of an eligible entity
  - Health Care Providers are employees of eligible entity
  - Medical records must be maintained by eligible entity
Ongoing Cost Containment Initiatives

- Use of Disease Management Guidelines
- Strict Formulary Controls
- Access to 340B (PHS) pricing for drugs
- Utilization Management program
- Active participation in MRIS referral process
- Use of telemedicine/EMR technologies
- Cluster management team approach
Monitoring Processes

- Accreditation reviews
- Access to care monitoring, to include access to specialty clinics
- Credentialing reviews
- Operational Review Audits
- Quality Improvement Quality Management programs
- Quality of Care monitoring
- Utilization Management
- Tracking grievances and correspondence
- Peer review activities
- Morbidity/Mortality reviews
- Policy and procedure reviews
- Pharmacy and Therapeutics
- Infection Control activities
Key Performance Indicators
Correctional Managed Health Care
Performance Indicator: Step Two Grievances

<table>
<thead>
<tr>
<th>Year</th>
<th>No Action Required</th>
<th>Action Request Generated</th>
<th>Quality of Care Referral</th>
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<td>FY 2005</td>
<td>65%</td>
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<tr>
<td>FY 2006</td>
<td>70%</td>
<td></td>
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<tr>
<td>FY 2007</td>
<td>75%</td>
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Performance Indicator: Quality of Care

Comparison of Diabetic Outcome Indicators
Performance Indicator: Quality of Care

Comparison of Mean Compliance Rate with Selected Disease Management Guidelines

Correctional Managed Health Care
Performance Indicator: Cost of Care

STATEWIDE Cost Per Day

<table>
<thead>
<tr>
<th>Year</th>
<th>Cost Per Day</th>
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<tbody>
<tr>
<td>FY 03</td>
<td>$7.64</td>
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<tr>
<td>FY 04</td>
<td>$7.42</td>
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<td>FY 05</td>
<td>$7.46</td>
</tr>
<tr>
<td>FY 06</td>
<td>$7.61</td>
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<tr>
<td>4-Year Average</td>
<td>$7.53</td>
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<tr>
<td>FY 07 1st Qtr</td>
<td>$7.63</td>
</tr>
<tr>
<td>FY 07 2nd Qtr</td>
<td>$7.67</td>
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<tr>
<td>FY 07 3rd Qtr</td>
<td>$7.70</td>
</tr>
<tr>
<td>FY 07 4th Qtr</td>
<td>$7.81</td>
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Council of Governments Trends Alert (Jan 2004) found national average increase in costs for correctional health care was 10% per year. Costs are driven by chronic & communicable diseases; aging prisoner populations; mental health costs; and costs of Rx drugs.
Fiscal Overview
## FY 2008-09 Appropriations

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<th>Funding Source</th>
<th>FY 2008</th>
<th>FY 2009</th>
<th>Biennium</th>
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<td><strong>C.1.7. Psychiatric Care</strong></td>
<td>$43,094,589</td>
<td>$43,094,589</td>
<td>$86,189,178</td>
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<tr>
<td>Marlin VA Hospital I/P Care (contingent)</td>
<td>$0</td>
<td>$4,843,986</td>
<td>$4,843,986</td>
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<tr>
<td><strong>C.1.7 Total</strong></td>
<td>$43,094,589</td>
<td>$47,938,575</td>
<td>$91,033,164</td>
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<td><strong>C.1.8. Managed Health Care Baseline</strong></td>
<td>$332,656,232</td>
<td>$332,656,231</td>
<td>$665,312,463</td>
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<tr>
<td>1-Adjustment to Base</td>
<td>$11,800,000</td>
<td>$11,800,000</td>
<td>$23,600,000</td>
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<tr>
<td>2-Market Adjustment to Retain Staff</td>
<td>$7,951,000</td>
<td>$13,782,600</td>
<td>$21,733,600</td>
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<tr>
<td>3-Increased Hosp-Spec Care Costs</td>
<td>$8,220,346</td>
<td>$15,458,307</td>
<td>$23,678,653</td>
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<tr>
<td>Hep B Vaccine Program</td>
<td>$8,771,585</td>
<td>$4,066,298</td>
<td>$12,837,883</td>
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<td><strong>C.1.8 Total</strong></td>
<td>$369,399,163</td>
<td>$377,763,436</td>
<td>$747,162,599</td>
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<tr>
<td><strong>Total Funding to Allocate</strong></td>
<td>$412,493,752</td>
<td>$425,702,011</td>
<td>$838,195,763</td>
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</tbody>
</table>

**Correctional Managed Health Care**
Source of Funds
FY 2008-09 Appropriations

- Base Medical: 80%
- Base Mental Health: 10.3%
- Adj to Base: 2.8%
- Market Adj to Retain Staff: 2.6%
- Increase Hosp/Spec Care: 2.8%
- Hep B Vaccines: 1.5%
# Distribution of Funds

## Allocated to

<table>
<thead>
<tr>
<th>The University of Texas Medical Branch</th>
<th>FY 2008</th>
<th>FY 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medical Services</td>
<td>$296,042,256</td>
<td>$302,006,571</td>
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<tr>
<td>Mental Health Services</td>
<td>$25,619,350</td>
<td>$25,619,350</td>
</tr>
<tr>
<td>Marlin VA (contingent upon transfer)</td>
<td>$0</td>
<td>$4,843,986</td>
</tr>
<tr>
<td><strong>Subtotal UTMB</strong></td>
<td><strong>$321,661,917</strong></td>
<td><strong>$332,469,907</strong></td>
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<table>
<thead>
<tr>
<th>Texas Tech University Health Sciences Center</th>
<th>FY 2008</th>
<th>FY 2009</th>
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</thead>
<tbody>
<tr>
<td>Medical Services</td>
<td>$77,909,117</td>
<td>$80,308,354</td>
</tr>
<tr>
<td>Mental Health Services</td>
<td>$12,337,000</td>
<td>$12,337,000</td>
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<tr>
<td><strong>Subtotal TTUHSC</strong></td>
<td><strong>$90,246,117</strong></td>
<td><strong>$92,645,354</strong></td>
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</tbody>
</table>

| **SUBTOTAL UNIVERSITY PROVIDERS**             | **$411,908,034**| **$425,115,261**|

| Correctional Managed Health Care Committee    | $585,718        | $586,750        |

| **TOTAL DISTRIBUTION**                        | **$412,493,752**| **$425,702,011**|

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**Correctional Managed Health Care**
Distribution of Funds

Medical Services

- UTMB: 79.1%
- TTUHSC: 20.9%

Mental Health Services

- UTMB: 69.4%
- TTUHSC: 30.6%

Correctional Managed Health Care
UTMB Allocations Compared to Prior Four Years Expenses

Note: Excludes Benefit Reimbursements Funded Separately

Correctional Managed Health Care
TTUHSC Allocations Compared to Prior Four Year Expenses

Note: Excludes Benefit Reimbursements Funded Separately

Correctional Managed Health Care
Total Estimated Cost Per Offender Per Day

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<tbody>
<tr>
<td>Cost</td>
<td>$6.65</td>
<td>$6.74</td>
<td>$6.86</td>
<td>$7.01</td>
<td>$7.43</td>
<td>$7.69</td>
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<tr>
<td>Including Benefits</td>
<td>$7.42</td>
<td>$7.46</td>
<td>$7.61</td>
<td>$7.81</td>
<td>$8.27</td>
<td>$8.56</td>
</tr>
</tbody>
</table>

Excluding Benefits
Including Benefits

Correctional Managed Health Care
**CMHCC Expenses: FY 2007 ($M)**

- **UTMB Medical Svcs**: $317.6
- **CMHCC Operating**: $0.6
- **TTUHSC Mental Health**: $13.2
- **UTMB Mental Health**: $27.8
- **TTUHSC Medical Svs**: $74.0
Total Health Care Costs
by Category - FY 2007

- Salaries: 37.65%
- Benefits: 9.52%
- Operating: 12.10%
- Drug Purchases: 7.55%
- Univ. Professional Svcs.: 3.42%
- Freeworld Provider Svcs.: 6.58%
- Univ. Hospital Svcs.: 19.28%
- Est. IBNR: 0.59%
- Indirect Expense: 3.32%
- Total Health Care Costs: 100%

Correctional Managed Health Care

The University of Texas Medical Branch

Texas Tech University Health Sciences Center
Health Care Expense by Category
FY 2007

Onsite Services
- Salaries: 61.44%
- Operating: 22.98%
- Benefits: 15.58%

Pharmacy Services
- Drug Purchases: 78.01%
- Salaries: 12.07%
- Benefits: 3.05%
- Operating: 6.88%

Offsite Services
- Univ. Hospital Svcs.: 64.55%
- Univ. Professional Svcs.: 12.06%
- Freeworld Provider Svcs.: 22.02%
- Est. IBNR: 1.98%

Mental Health Services
- Salaries: 76.54%
- Benefits: 19.06%
- Operating: 4.40%
Key Challenges
Facing Correctional Health Care
Key Challenges for the CMHC System

- Maintain a **constitutional** level of care while facing **significant resource needs** being driven by:
  - Increases in TDCJ overall population,
  - An even more rapid growth in the *aging offender* population
  - Pent-up demand and *changing standards of care*, especially for infectious diseases such as HIV, Hepatitis C and mental illnesses
  - A *shortage of medical professionals*, especially nursing staff
  - Facility expansion and critical *equipment infrastructure* needs

- Increasing the financial **accountability** of the program
How has the CMHC Service Population Grown?

While overall base population was stable; older offender population has increased 34% from Aug 2004 to date.
Aging of Offender Population

Lack of Preventive Care
- No primary care physician
- Most health care system contact in ER
- Little/no dental care

Impact of Aging Offenders

“Early Aging”

Tendency to engage in high-risk behavior
- Drug & alcohol Abuse
- Smoking
- Unprotected sex

Inmates have a greater rate of chronic and infectious disease than persons of the same age in the free world

Longer and more frequent hospitalizations

More contact with health care providers

Higher health care expenditures

Correctional Managed Health Care
**Older Offenders have Major Impact on Resources**

**Onsite Medical Encounters Per Month**

<table>
<thead>
<tr>
<th></th>
<th>Under 55</th>
<th>Age 55+</th>
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<tbody>
<tr>
<td>0</td>
<td></td>
<td></td>
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<tr>
<td>0.5</td>
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<td>4.5</td>
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**Offsite Hospital Charges Per Offender Per Year**

<table>
<thead>
<tr>
<th></th>
<th>Under 55</th>
<th>Age 55+</th>
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<tbody>
<tr>
<td>0</td>
<td></td>
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</tr>
<tr>
<td>500</td>
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<td>3,500</td>
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Almost three times as many visits to Medical Dept.

While only 6.4% of population, older offenders account for 27.2% of hospital costs.

FY 2007 Data

**Correctional Managed Health Care**
“Chronic illnesses afflict thousands of inmates. A chronic illness is a debilitating health condition that is of long duration and requires continuous medical treatment. Inmates with these conditions place a significant financial burden on corrections health care systems.”

Changing Standard of Care
Hepatitis C Management

- NIH Consensus Statement
  - Initiate therapy earlier in disease progression
  - Use newer pegylated interferon in combination with Ribavirin
  - Increase use of genotyping and liver biopsy for therapeutic decision-making
- Currently more than 20,000 Hep C patients are being monitored in chronic clinic programs
  - Monitor ALT levels to determine need for specialty referral
  - Specialist examines and evaluates eligibility for therapy
- Moving from about 400 to about 800 in active therapy at a time
- Federal Court has pushed to keep liver transplantation option available to offender patients --- costs will be extraordinary

Seroprevalence study shows 28.8% of incoming offenders test positive
Medical Staff Shortages

Drive up Costs

- Medical staff costs are increasing, driven by market demand for professionals, especially for mid-levels (PA, NP) and RN’s.
- Mid-levels and RN’s are essential to program success. Vacancy rates in early 2004 reached critical levels.
- To stem loss of professionals, market adjustments in salaries and shift differential pay were instituted and may be required again.

“This country is facing a growing shortage of registered nurses. When there are too few nurses, patient safety is threatened and health care quality is diminished. Indeed, access even to the most critical care may be barred.”

As demands on health care facilities increase, additional investment in infrastructure, especially related to care for the elderly is needed. Areas of need being examined include:

- Female offender infirmary and inpatient psychiatric housing
- Geriatric housing, including special services for coronary arterial disease, pulmonary disease
- End-stage Liver disease
- Delayed Capital Equipment replacement needs reaching critical level at most units
  - Imaging technology at many of the TDCJ facilities is over 20 years of age and repairs are no longer supported as technologies have leaped forward to digital systems.
**Improve Financial Accountability**

- SAO report found that the CMHCC needed to make significant improvements to its financial reporting and monitoring systems.
- CMHCC previous focus had been on insuring service delivery—leaving financial monitoring up to each separate agency under their respective governing boards and leadership. The CMHCC has since embraced financial monitoring as a key responsibility.
- Working with the SAO and the Legislature during the last session, CMHCC staff developed a comprehensive management action plan to address each of the recommendations.
- The plan includes incorporating internal audit hours at both universities dedicated to the correctional health care program.
- Tracking of management response activities is reported to the CMHCC at each of its regular meetings.
### Status Report: Key SAO Management Response Strategies

<table>
<thead>
<tr>
<th>Strategy</th>
<th>Status</th>
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<tbody>
<tr>
<td>Adopt a formal MOU between the CMHCC and UTMB</td>
<td>Action Completed</td>
</tr>
<tr>
<td>Restructure staff duties, create and fill Finance Manager position to monitor and report on financial activities</td>
<td>Action Completed; duties are Ongoing</td>
</tr>
<tr>
<td>Increase the level of financial detail available to the CMHCC</td>
<td>Action Completed; duties are Ongoing</td>
</tr>
<tr>
<td>Strengthen accountability provisions in contracts</td>
<td>Action Completed; related activities are ongoing</td>
</tr>
<tr>
<td>Insure completion of contracts in a timely manner</td>
<td>Action Completed</td>
</tr>
<tr>
<td>Lapse all unexpended or unobligated funds at the end of each fiscal year</td>
<td>Action Completed; appropriations rider adopted</td>
</tr>
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National Developments to Watch

Correctional Managed Health Care
Some Key National Developments to Watch

- **State of California** – Correctional health care program put into receivership by federal courts. Costs over $1.1B per year, with potential for setting higher standards on critical standard of care issues.
- **State of Delaware** – Correctional health program under intense scrutiny for problems in quality of care and issues surrounding privatized health care performance.
- **Hepatitis C Litigation** – Gasca case in Texas; cases in Kentucky & Oregon, as well as pending in other jurisdictions. Standard of care being defined and raised.
- **Dental Services Litigation** – Several states have been pushed through courts to increase levels of dental care provided to prisoners—especially with increased prevalence of “meth mouth” dental complications.
- **Changes to 340B Program** – Federal program being reviewed – some concern exists that there will be move to disqualify offenders from eligibility.
- **Correctional Health Care Budgets** – Many states appear to be struggling with resource demands for rising and aging prison populations.
Concluding Remarks
Questions