



**SB 843**  
**Correctional Health Care Costs**  
**Work Group**

**April 14, 2014**



# Final Report Overview and Findings

Steve Robbins, Health Services Administrator



# Health Care Costs Report Overview

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- Workgroup Overview
- Legislature's Charge to the Workgroup
- Workgroup's Process
- Meeting Summaries
- Workgroup Findings
- Recommendations and Next Steps



# Workgroup Findings

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Determined cost avoidance in other states.

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Correctional health care systems have found televideo technology to be useful and cost effective.

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Many states are tapping into the resource of federal financial participation funds.

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Similar to other states, Oregon law provides early parole release of geriatric or medically fragile adults in custody.

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As with public and commercial insurance policies, discounts on health services are available through contracts with health care networks.

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Many states are recruiting the help of Third Party Administrators.



# Workgroup Findings (cont.)

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Use of generics as a basic health care practice is recognized universally as a cost-savings strategy.

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Pharmacy purchasing through group purchasing organizations are significantly lower than retail.

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Better health care case management as a concept is used in many fields including corrections.

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The use of electronic health records systems allow closer, more careful case management of patients.

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Geriatric care is on the forefront of most correctional agencies' budget concerns, and a ten-year forecast by age is necessary.



# Recommendations and Next Steps

**Colette Peters, Director**

**Mike Gower, Assistant Director for Operations**

**Steve Robbins, Health Services Administrator**

**Oregon Department of Corrections**



# Recommendations and Next Steps

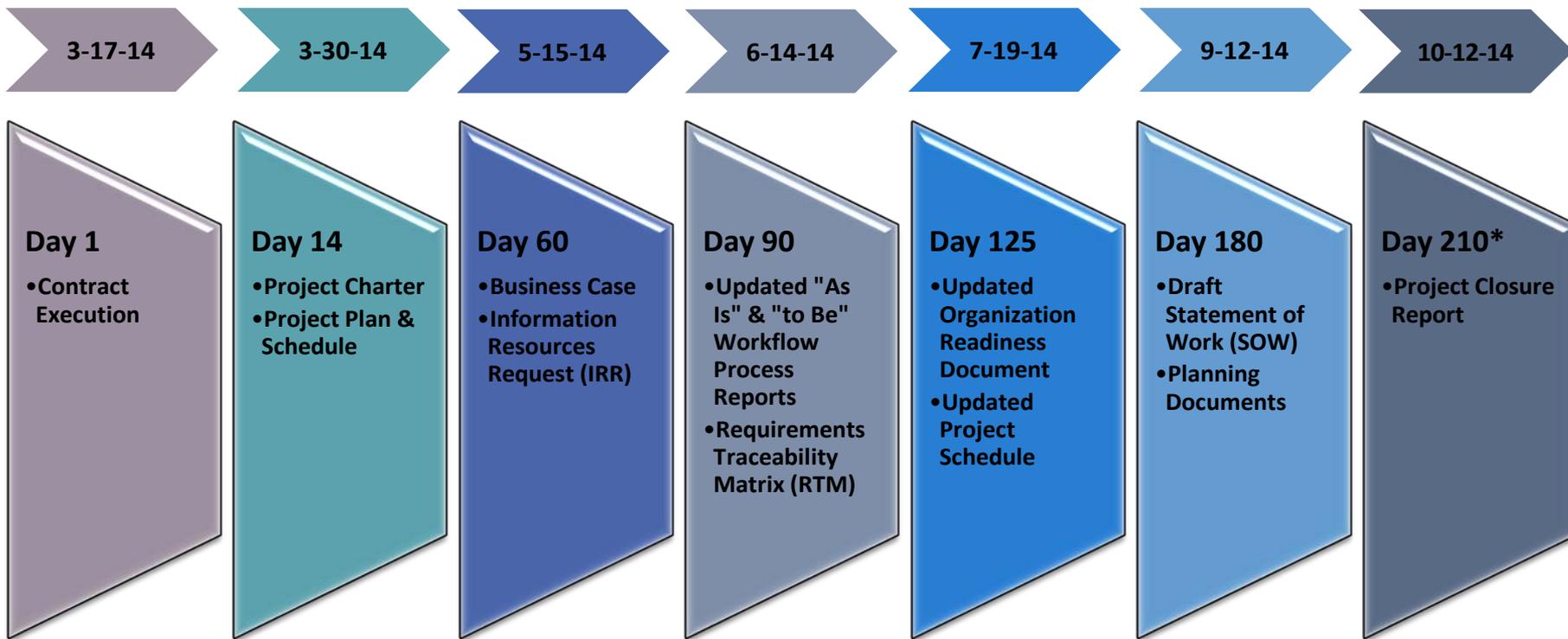
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- ❑ Electronic health records that best fit the needs of the department
- ❑ Legislative remedies for HB 2087 to enable suspension vs. termination of Medicaid eligibility
- ❑ Create a case management program with health classifications and clinical guidelines
- ❑ Prison-to-community connection for all aspects of health care
- ❑ Nutritional review of food and associated costs
- ❑ Explore providing healthier food options through commissary and associated impacts to health care as well as the safety and security of prisons



# Electronic Health Record Update

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**1st Business Day Each Month - Monthly Project Status Reports**



# Recommendations and Next Steps (cont.)

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# Medicaid Update

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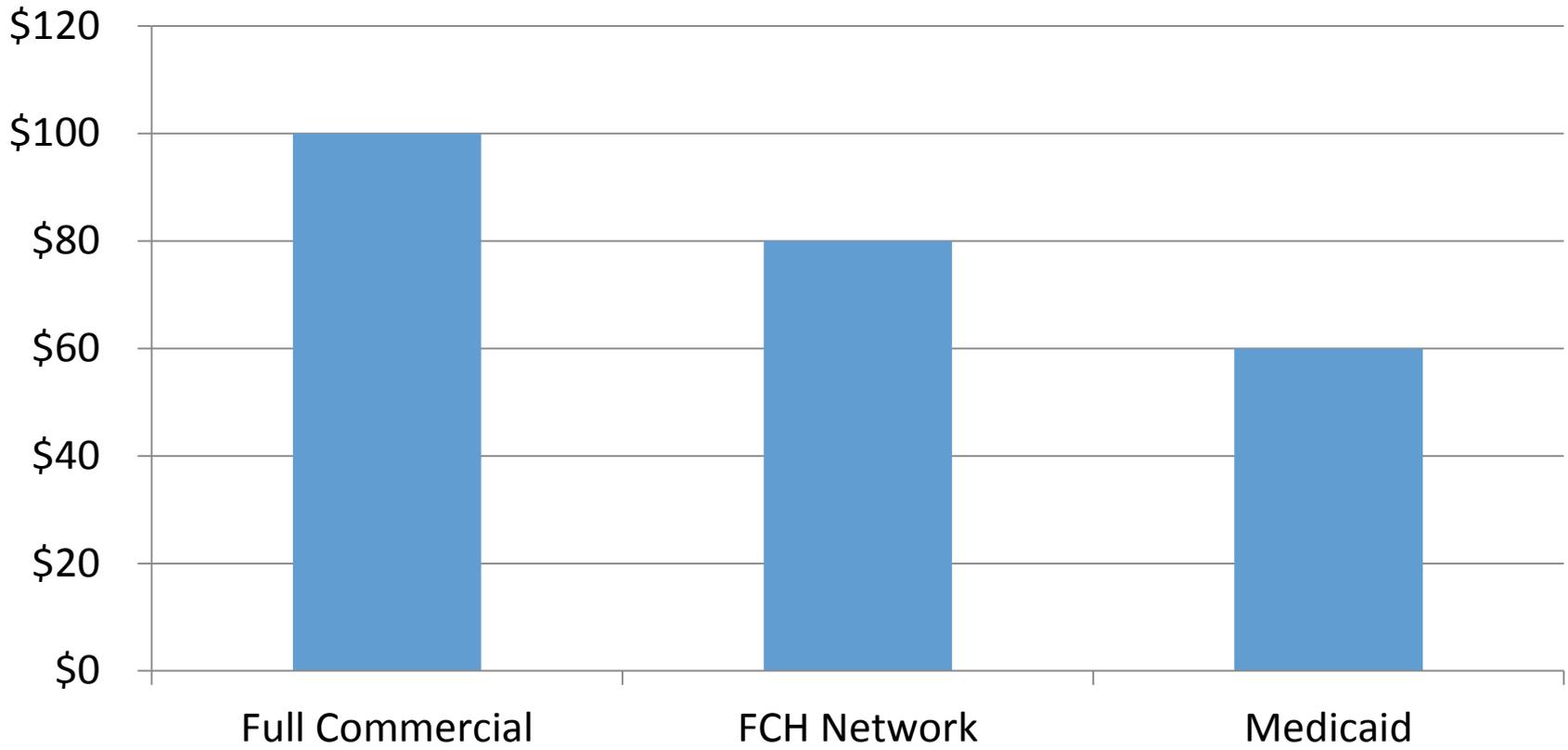
	YTD (as of 4-5-2014)
Number of Offsite Inpatient Events:	108
Number of Applications Submitted:	88
Number of Applications Approved:	34
Number of Applications Pending Approval or Denial:	54
Number of Applications Denied:	0
Number of Claims Paid:	Unknown
Value of Claims Paid:	TBD*



# Value of Claims Paid

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## Claims Rate Comparison





# Recommendations and Next Steps (cont.)

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- Prison-to-community connection for all aspects of health care
- Nutritional review of food and associated costs
- Explore providing healthier food options through commissary and associated impacts to health care as well as the safety and security of prisons



# Recommendations and Next Steps (cont.)

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- Electronic health records that best fit the needs of the department
- Legislative remedies for HB 2087 to enable suspension vs. termination of Medicaid eligibility
- Create a case management program with health classifications and clinical guidelines
- **Prison-to-community connection for all aspects of health care**
- Nutritional review of food and associated costs
- Explore providing healthier food options through commissary and associated impacts to health care as well as the safety and security of prisons



# Prison-to-Community

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- March 2014
- Not medical offsite, but transition:
  - 169 Cover Oregon portal applicants eligible
  - 47 additional applications not submitted yet
    - Further than one week to release
  - 10 not submitted due to interstate compact
  - 10 not submitted due to already having insurance upon release
  - 2 wanted to wait until release to apply
  - No 65+ applications to complete during time period



# Recommendations and Next Steps (cont.)

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- Electronic health records that best fit the needs of the department
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- Create a case management program with health classifications and clinical guidelines
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- **Nutritional review of food and associated costs**
- **Explore providing healthier food options through commissary and associated impacts to health care as well as the safety and security of prisons**



# ASCA Food Audit

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- ASCA completed a review of DOC's food service program in December 2013
- Overall, ASCA concluded that DOC is operating a successful food service operation
- ASCA did not recommend contracting out food services
- ASCA provided several recommendations for further cost savings



# Nutrition Education & Improvements

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- Marking heart-healthy choices on the canteen list
- Broadcasting a heart-healthy snack video
- Developing carbohydrate counts
- Distributing nutrition articles in inmate newsletters
- Developing a gender-appropriate caloric menu
- Removing fryers from institution kitchens



# Statewide Commissary Overview

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- The DOC commissary system consists of two warehouses and three storefront operations that service all 14 institutions.
- DOC commissary sells a wide variety of products from food items to electronics.
- The commissary has price agreement contracts with 16 vendors.
- The commissary stocks and sells over 1,100 items.
- For fiscal year ending June 30, 2013, we achieved over \$14.4 million dollars in total sales.
- Seventy-five percent of sales come from:
  - Food items (58 percent)
  - Nutritional supplements (4.5 percent)
  - Electronics (12 percent)



# Warehouse Operations

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- ❑ Orders are filled and bagged at the warehouses and then sent to each institution for distribution.
- ❑ Northwest Commissary provides employment to 48 adults in custody at the Central Distribution Center in Salem.
- ❑ SRCI provides employment to 30 adults in custody at the SRCI facility.
- ❑ Northwest Commissary's total sales were \$5.17 million for fiscal year ending June 30, 2013.
- ❑ SRCI's total sales were \$3.36 million for fiscal year ending June 30, 2013.



# Statewide Commissary Institution Storefront

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- ❑ Oregon State Penitentiary, Two Rivers Correctional Institution, and Eastern Oregon Correctional Institution all collect orders at a commissary storefront.
- ❑ Each of these three storefront commissaries employ 10 to 18 adults in custody per location.
- ❑ OSP total sales were \$2.22 million fiscal year ending June 30, 2013.
- ❑ TRCI total sales were \$1.7 million fiscal year ending June 30, 2013.
- ❑ EOICI total sales were \$1.94 million fiscal year ending June 30, 2013.



# Recommendations and Next Steps (cont.)

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- Early mental health intervention to prevent incarceration including mental health courts for both DOC and OYA populations
- Proposed legislation to prohibit insurance companies from terminating insurance coverage while incarcerated in both state prison and county jails
- Ongoing analysis for possible Early Parole Release restructure by this workgroup



# Recommendations and Next Steps (cont.)

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- Legislatively mandated exercise programs
- Health incentive programs for adults in custody
- Track and measure health care coverage upon release



# Next Meeting Agenda Items

Director Colette Peters, Chair