

Overview of Inmate Healthcare Series

1. Improvements to Inmate Healthcare Reimbursement and Internal Processes Could Save \$5.6 Million Annually
2. Modifications to Inmate Pharmacy Purchasing and Monitoring Could Save \$13.4 Million Annually
3. Inadequate Data Collection and Cost Recovery Practices Limit Economy of Healthcare for Safekeepers
4. Modifying Criteria for NC's Medical Release Program Could Reduce Costs of Inmate Healthcare

Total Savings = \$19 Million Annually



Background



State Prisons Provide Custody and Healthcare Services to County Jail Inmates

- Safekeepers are county jail inmates sent to a state prison for certain purposes at a sheriff's request
- State law stipulates
 - Judge must sign Safekeeper order
 - Admission can be granted for eight reasons, including for medical or mental health treatment
 - Inmates admitted for healthcare purposes are returned to the county upon a determination of appropriateness by DPS staff

Report pp. 3-5



State Law Requires DPS to Seek Reimbursement for Health Services Provided to Safekeepers

- In addition to \$40/day per diem, counties must reimburse DPS for
 - In-prison health services valued at $\geq \$35$
 - Pharmaceuticals
 - Outside health services
 - Counties must pursue Medicaid eligibility and reimbursement themselves

Report pp. 8-9



Findings and Recommendations



Overview of Safekeepers Report

Finding	Recommendation
1. DPS does not systematically collect, analyze, or report data on usage of healthcare services by Safekeepers	1. Direct DPS Health Services to expand the data elements it collects on Safekeepers



Overview of Safekeepers Report

Finding	Recommendation
<p>2. Inconsistent billing practices, gaps in policy, and other issues limit the State's ability to receive full reimbursement from counties for internal medical costs incurred by Safekeepers</p>	<p>2. Direct DPS Health Services to revise its service rates and billing and reimbursement practices and complete Medicaid applications for Safekeepers</p> <p>3. Change the daily rate charged to counties that fail to reassume Safekeepers in a timely manner</p> <p>4. Prohibit counties not reimbursing the State in a timely manner from sending Safekeepers for healthcare purposes</p> <p>5. Modify how Safekeepers are admitted for health-related purposes</p>



Finding 2:

Five Issues Hinder DPS in Recouping Internal Healthcare Expenditures for Safekeepers

- Only two prisons charge for internal medical costs
- These two prisons do not bill counties consistently
- DPS bills counties for in-prison services at rates not sanctioned by rule or policy
- In-prison service rates have not been updated since 2009
- DPS does not bill counties for Safekeeper sick call visits

Report pp. 10-11



Finding 2:

State Law Provides a Mechanism to Recoup Past-Due Safekeeper Balances

- County jails are reimbursed for services provided to State Misdemeanant Confinement Program (SMCP) participants
 - Individuals convicted of misdemeanor offenses who serve sentences in local jail facilities rather than in a state prison
 - Includes reimbursement to counties for transportation and custody costs associated with outside healthcare services
- State law requires the NC Sheriff's Association (NCSA) to withhold SMCP funds from counties with past-due balances ≥ 120 days and redirect them to DPS
 - NCSA withheld nearly \$93,000 last year

Report pp. 11-12



Finding 2:

Effectiveness of the State's Cost Recovery Mechanism for Safekeeper Charges is Limited

- Not all counties participate in SMCP
- No other way to force counties to pay besides settlements or legal action
- As of July 2017, two non-SMCP counties had past-due Safekeeper balances totaling more than \$500,000 but are still allowed to send Safekeepers to state prisons

Report pp. 11-12



Recommendation 2

- DPS should be directed to :
 - Collect data and bill counties for transportation and custody costs for Safekeeper outside health services
 - Complete Medicaid applications for Safekeepers
 - Update its 2009 schedule of in-house health services
 - Ensure in-house charges, including sick call visits, are charged consistently and at all prisons



Recommendations 3 and 4

- Recommendation 3:
 - Charge counties an additional \$20 per diem when Safekeepers admitted for healthcare-related purposes are not picked up within 3 days, unless there are extenuating circumstances
- Recommendation 4:
 - Prohibit healthcare-related Safekeeper admissions for counties:
 - That have Safekeeper balances of 120 days or more, or
 - That do not receive SMCP inmates for reasons other than documented jail capacity



Recommendation 5

- Only allow initial healthcare-related Safekeeper orders for a maximum of 10 days
- DPS Health Services evaluates Safekeeper and determines appropriate setting of service
 - Based on health evaluation and inventory of available services at respective county jail to be compiled by Sheriff's Association
- Counties must obtain a second judicial order for any stays beyond 10 days and provide judges with DPS's determination



Summary

- Two findings and five recommendations related to
 - Process for admitting Safekeepers for healthcare purposes
 - Billing and cost recovery mechanisms for Safekeeper prison healthcare services

