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## FISCAL IMPACT REPORT

**SPONSOR** Beffort **ORIGINAL DATE** 3/17/15  
**LAST UPDATED** 3/18/15 **HB** \_\_\_\_\_

**SHORT TITLE** Corrections Healthcare Task Force **SM** 132/aSRC

**ANALYST** Chenier

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY15	FY16	FY17	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>		Indeterminate	Indeterminate	Indeterminate	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

Responses Received From

### SUMMARY

#### Synopsis of SRC Amendment

The Senate Rules Committee amendment to Senate Memorial 132 clarifies that the secretary of corrections “or the secretary’s designee” be asked to convene a corrections healthcare taskforce and adds a new subsection allowing for the secretary to include members in the taskforce from the “community-level”.

#### Synopsis of Bill

Senate Memorial 132 requests that the New Mexico Corrections Department (NMCD) convene a corrections health care task force consisting of members from the criminal justice and health care professions. The taskforce is requested to examine healthcare outcome measures, the costs of healthcare services, the measures required to become accredited by a national corrections healthcare accreditation body, the possibility of maximizing 340b drug pricing, the measures NMCD has taken to maximize efficiency in claim reimbursement, the opportunities for decreasing recidivism through effective healthcare service delivery, and the implementation of risk needs assessments for corrections healthcare services.

### FISCAL IMPLICATIONS

For FY16 the NMCD budget appropriation included \$45.2 million for the inmate medical care

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contract, a 3.7 percent increase. The contract with the medical care provider, Corizon Inc., includes an upward 0.75 percent adjustment in compensation for each of four performance benchmarks met, amounting to 3 percent total. The performance benchmarks Corizon must meet to receive upward compensation adjustments include maintaining staffing levels at 90 percent, achieving American Correctional Association accreditation, and maintaining therapeutic levels for patients with diabetes or liver diseases. For FY16 LFC recommended the department consider renegotiating the contract, adding better performance measures, to ensure high-quality contractor performance. To ensure high quality medical care, a 2007 LFC evaluation of the department recommended the department also include downward adjustments in the contract for performance benchmarks not met.

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