



NEW MEXICO
LEGISLATIVE
FINANCE
COMMITTEE

OVERVIEW OF INMATE HEALTH CARE CONTRACTS

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PRESENTATION TO THE JOINT MEETING OF THE LEGISLATIVE
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COURTS, CORRECTIONS AND JUSTICE COMMITTEE

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Overview

Prisons are constitutionally obligated to provide adequate healthcare for inmates.

As of August 2nd, 2018, the New Mexico Corrections Department (NMCD) housed 7,168 inmates, 753 women and 6,415 men. On average, 51 percent of inmates are housed in privately operated facilities while the other 49 percent are housed in public facilities. Overall, the total average population increased 0.6 percent in FY18 compared with FY17.

- The New Mexico Sentencing Commission (NMSC) reports New Mexico incarcerates slightly more men between the ages of 55-65 years of age and women between 60-64 years of age than the national average. However, overall, the state's prison population has become younger since FY15.
- The report also states "in 2014, the Pew Charitable Trusts calculated that the number of state and federal prisoners [nationally] 55 years old or older had increased by 234% from 1999 to 2013. These increases in the prevalence of older prisoners matter to policy makers as older populations incur substantially higher health care costs (Kim and Peterson, 2014)."



Contracts

- At the start of FY17, NMCD contracted with Centurion Correctional Healthcare to provide comprehensive healthcare, Boswell to provide pharmacy services, and MHM Correctional Services to provide behavioral health treatment for female offenders in accordance with National Commission on Correctional Health Care, American Correctional Association, and community standards.
- Between FY08 and FY16, NMCD contracted with Corizon for all health services, but did not have a separate female mental health or pharmacy contract.

NMCD Healthcare Actual and Budgeted Costs

| | Centurion Healthcare Contract | Centurion Healthcare Contract Cost per Inmate | Boswell Pharmacy Contract | Boswell Pharmacy Contract Cost per Inmate | MHM Mental Health for Female Inmates | MHM Mental Health for Female Inmates Cost per Inmate | Total Inmate Per Year Male | Total Inmate Per Year Female | Fiscal Year Total |
|------------------------|-------------------------------|---|---------------------------|---|--------------------------------------|--|----------------------------|------------------------------|---------------------|
| FY16 (Actuals)* | \$ 45,685.0 | \$ 6.2 | - | - | - | - | \$ 6.2 | \$ 6.2 | \$ 45,685.0 |
| FY17 (Actuals) | \$ 39,264.2 | \$ 5.3 | \$ 4,424.4 | \$ 0.6 | \$ 1,100.0 | \$ 1.5 | \$ 5.9 | \$ 7.4 | \$ 44,788.5 |
| FY18 (Actuals) | \$ 38,728.7 | \$ 5.3 | \$ 5,919.5 | \$ 0.8 | \$ 1,993.6 | \$ 2.6 | \$ 6.1 | \$ 8.7 | \$ 46,641.9 |
| FY19 (Budgeted) | \$ 42,192.9 | \$ 5.6 | \$ 6,983.4 | \$ 0.9 | \$ 2,255.0 | \$ 2.8 | \$ 6.6 | \$ 9.4 | \$ 51,431.3 |
| Total | \$ 198,568.6 | \$ 26.7 | \$ 27,722.9 | \$ 3.7 | \$ 8,457.7 | \$ 10.8 | \$ 30.4 | \$ 41.2 | \$ 234,749.2 |

Source: SHARE and LFC files

* In FY16, the state used Corizon to provide all healthcare services before switching to Centurion, Boswell, and MHM in FY17.

Per inmate costs are derived using average yearly inmate population data gathered from the Sentencing Commission.

Contracts

- NMCD audits health contractors at each facility every month through tools including the Continuous Quality Improvement model which uses data to improve management.
- The contracts, while much improved from previous years, still lack good performance criteria and collection of quality-of-service data.
 - There are numerous performance measures about disease treatment rates, chronic care clinic service timeliness, and psychiatric service usage but no data on how many inmates were cured from their disease or relapse rates.
 - It is not currently possible to ascertain whether health indicators improved, worsened, or remained static between an inmate's entry and release from prison.
- Multiple lawsuits against Centurion have been filed in New Mexico alleging neglect and lack of timely and appropriate care. According to a January 28, 2018, Santa Fe New Mexican article, there have been at least 17 filed since Centurion began providing care.
- Last fiscal year, NMCD contracted with the New Mexico Medical Review Association to perform audits on the medical vendor; however, it does not appear this contract was renewed.

Hepatitis C

- The cost to treat hepatitis C has fallen precipitously over the last three years due to market pressure

| NMCD Hepatitis C Treatment History | | | |
|---|----------------------------------|-----------------------------------|---------------------------|
| Fiscal Year | Number of Inmates Treated | Average Cost per Treatment | Total Cost to NMCD |
| FY19 (projected) | 100 | \$20 thousand | \$2 million |
| FY18 | 46 | \$34 thousand | \$1.6 million |
| FY17 | 37 | \$59.9 thousand | \$2.2 million |
| FY16 | 66 | \$88.4 thousand | \$5.8 million |

Other Financial Details

- In FY17, NMCD fined Centurion about \$1.3 million and MHM \$270 thousand in staffing penalties .
- NMCD started a program in March 2018 with Christus St. Vincent Hospital to purchase human immunodeficiency virus (HIV) drugs at 340b federal discount pricing levels
 - The department expects to save \$372 thousand per year and will continue to pursue 340b pricing with the hospital for cancer and rheumatology treatments
- LFC staff are currently conducting a program evaluation with NMCD on corrections healthcare and recidivism reduction programs, with a particular focus on the re-entry process and how to most effectively assist released inmates successfully return to the community. The report will be issued in October.