



Presentation of the FY17 Budget Request to the LFC

12/7/15

FY17 GENERAL FUND APPROPRIATION REQUEST

- NMCD is requesting \$302.6 million in general fund appropriations. The requested amount is \$12 million or 4% increase over the FY16 Operating Budget.

General Fund (In Thousands)	FY16 Operating Budget	FY17 Appropriation Request	FY17 Over/(Under) FY16
P530- Program Support	\$ 12,978.8	\$ 13,428.8	\$ 450.0
P531- Inmate Management and Control	\$ 245,248.9	\$ 257,590.9	\$ 12,342.0
P534- Community Offender Management	\$ 31,393.8	\$ 31,542.8	\$ 149.0

FY17 GENERAL FUND APPROPRIATION

REQUEST- P530 PROGRAM SUPPORT

- The FY17 Program Support request for general fund exceeds the FY16 operating budget by \$450 thousand due to a requested transfer of recently reclassified FTE from the Inmate Management and Control program to the Office of General Counsel.
- The realignment allows NMCD to mitigate legal issues and provide a legal presence at each facility by strategically placing attorneys at the Penitentiary of New Mexico, Southern New Mexico Correction Facility and Central New Mexico Correctional Facility.
- These attorneys will assist in:
 - Investigations involving employment discrimination, sexual harassment, and various work related disputes.
 - Providing training regarding employee discrimination.
 - ADA accommodation requests.
 - FMLA related issues.
 - Addressing and resolving grievances.

FY17 GENERAL APPROPRIATION REQUEST-

P531 INMATE MANAGEMENT & CONTROL (IMAC)

- IMAC requires \$12 million above the FY16 operating budget. The increases include:
 - Inmate growth- \$7,659,000
 - Hepatitis C treatment- \$2,420,000
 - STIU expansion- \$1,900,000

FY17 GENERAL APPROPRIATION REQUEST- P531 INMATE MANAGEMENT & CONTROL (IMAC) CONT... INMATE GROWTH

- NMCD based the \$7,659,000 increase for inmate growth on the New Mexico Sentencing Commission Prison Population Forecast published in July of 2015.
- The request factors in credits for penalties charged to the private facilities for insufficient staffing levels and releases beyond the eligible date.
- According to the published report, NMCD will experience growth of 1.2% in the male and 15.6% in the female population in FY17 over FY15.
- Please note that NMCD will be at 98% capacity in July 2016.

FY17 GENERAL APPROPRIATION REQUEST- P531 INMATE MANAGEMENT & CONTROL (IMAC) CONT... HEPATITIS C TREATMENT \$2,420,900

- In FY16, NMCD began the mandatory treatment of Hepatitis C. The cost of the treatment is high but comes with fewer side effects and a 90% - 98% cure rate. There are over 3,000 inmates with Hepatitis C in NMCD custody. Treatment began for inmates with Aspartate aminotransferase to Platelet Ratio Index (APRI) scores indicating the need for treatment immediately. A partnership with Project ECHO set the guidelines and criteria for treatment. Some inmates do not need immediate treatment.
- At the time of the submission of the FY17 Budget Request, NMCD estimated treating between 20 and 40 inmates, based on the best available information at the time. The estimated costs were \$90,000 for a twelve week treatment and \$180,000 for a twenty four week treatment.
- Estimated 13 inmates treated for 12 weeks at an estimated cost of \$90,000 each.
- Estimated 7 inmates treated for 24 weeks at an estimated cost of \$180,000 each.

FY17 GENERAL APPROPRIATION REQUEST- P531 INMATE MANAGEMENT & CONTROL (IMAC) CONT... SECURITY THREAT INTELLIGENCE UNIT

- As NMCD inmates experience more congregate movement within the prisons, the STIU Unit becomes even more crucial to increasing risk mitigation. The purpose of the expansion is to increase intelligence capabilities inside the prison to reduce assaults on inmates and staff, reduce contraband introduced into the facilities, and to ensure fugitive absconder compliance.
- The \$1.9 million expansion will allow NMCD to:
 - Enhance and focus on intelligence gathering processes
 - Properly assess and house gang members remanded into custody
 - Collaborate with law enforcement agencies statewide
 - Implement technology to force multiply security measures within prisons.
 - **Increase** the number of monitored inmate phone calls to identify introduction of contraband and to deter acts of violence in the prison facilities and in the community.
 - Decrease the number of absconders in our communities violating the conditions of supervision and committing additional crimes.
- The request is as follows:
 - Funding for 9 vacant and 9 additional FTE
 - Operational and equipment expenses
 - Vehicles leases
 - Canines (K-9)

FY16 SUPPLEMENTAL APPROPRIATION REQUEST- \$15 MILLION

- The department is projecting the need for a supplemental appropriation based on the ambiguity of both the inmate growth projections provided by the NM Sentencing Commission and the costs to treat Hepatitis C.
- NMCD anticipates the mandatory treatment of 150 inmates throughout the fiscal year.
- There are approximately 3,000 known inmates with Hep C.
- In July 2015, NMCD began treatment for inmates with APRI scores indicating the need for immediate treatment. A partnership with Project ECHO set the guidelines and criteria for treatment. Some inmates do not need treatment at this time.
- Newly introduced prescription treatment is available that reports fewer side effects and a 90% - 98% cure rate.

FY16 SUPPLEMENTAL APPROPRIATION REQUEST- \$15 MILLION

Inmate Growth- \$5 million

- In FY16 NMCD prioritized the budget to accommodate inmate growth based on New Mexico Sentencing Commission projections published in July of 2014. The Sentencing Commission identified that the population growth projections were off target the prior year (FY15), and revised the FY16 population growth projections to be more aggressive, especially with the female population. The requested supplemental appropriation is based on the more aggressive Sentencing Commission projections.
- The revised FY16 projection reflects that 141 male and 110 female inmates were under projected in the previous report used to establish the FY16 Budget Request.
- The projected costs for inmate growth are complex; however, NMCD is attempting to the best of its ability to forecast expense. To further complicate the issue, NMCD is in the process of a request for proposal of a male sex offender facility and at this point per diem rates for these inmates are unknown.

FY16 SUPPLEMENTAL APPROPRIATION REQUEST- \$15 MILLION

Hepatitis C Treatments-\$10 million

- The New Mexico Corrections Department also took a proactive approach to the mandatory treatment of inmates with Hepatitis C. The Department partnered with Project ECHO to establish guidelines for treatment based on community indigent standards of care. New prescription drugs recently arrived on the market with fewer side effects and a 90% - 98% cure rate. The Department attempted treatment in the past with available drugs that were less effective with a 50% cure rate and more adverse side effects.
- Based on the community indigent standards of care, NMCD anticipates approximately 150 inmates will receive treatment in FY16.
- The supplemental request is based on 67% of the eligible inmates receiving Harvoni treatment alone, and 33% receiving Harvoni with a pharmaceutical cocktail.

BUDGET DEFICIT MITIGATION

- **NMCD implemented unsustainable austerity measures since 2014 and continues these measures today:**
- Held key positions vacant
- Scrutinized all purchases for operational necessity
- Held back on purchasing maintenance equipment and supplies
- Held back on repairs of vehicles such as ATVs and tractors
- Delayed the replacement of high mileage and overused transport vehicles
- Delayed implementation of programming such as the goat farm in Roswell
- Cut back on training and travel
- Cut back on memberships and dues
- Postponed repairs
- Actions as simple as turning lights off, shutting down computers, turning off fans and heaters
- Held back on purchasing office supplies