

CORRECTIONAL MANAGED HEALTH CARE FOR STATE INCARCERATED ADULT OFFENDERS IN TEXAS

AN ISSUE BRIEF FROM LEGISLATIVE BUDGET BOARD STAFF

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The Texas Department of Criminal Justice (TDCJ) is responsible for the health care of approximately 150,000 incarcerated adult offenders in Texas.

KEY FACTS

- ◆ The delivery of correctional health care services to offenders incarcerated within TDCJ facilities includes medical, dental, nursing, pharmacy, hospital, and mental health services.
- ◆ The direct delivery of correctional health care primarily involves two state entities: the University of Texas Medical Branch and the Texas Tech University Health Sciences Center. Both entities utilize a combination of university employees and outsourcing to provide the correctional health care services.

BUDGETARY IMPACT

The 2014–15 biennial appropriations to TDCJ for correctional managed health care total \$963.1 million.

STATUTORY REFERENCES

Texas Government Code, Chapter 501, Subchapter E, defines correctional managed health care.

TDCJ Rider 50 in Article V of the 2014–15 General Appropriations Act (page V–16) specifies CMHC spending requirements and limitations.

The Texas Department of Criminal Justice (TDCJ) is responsible for the security and safety of approximately 150,000 adult offenders incarcerated in 109 different correctional facilities statewide. A vital segment of those daily responsibilities includes the provision and management of health care to incarcerated offenders, which is currently at a TDCJ average cost of \$481.6 million per fiscal year. The agency ensures the delivery of health care services through a model typically referred to as “correctional managed health care”.

CORRECTIONAL MANAGED HEALTH CARE DESCRIPTION

Correctional managed health care (CMHC) was established by the Texas Legislature in 1993. Current statutory provisions and requirements for CMHC can be found in the Texas Government Code, Chapter 501, Subchapter E. Key legislative provisions are:

- establishes the CMHC Committee and committee membership requirements;
- requires the CMHC Committee to develop and approve a managed health care plan for all persons confined by TDCJ;
- requires TDCJ to establish a managed health care network of physicians and hospitals to provide CMHC;
- authorizes TDCJ to contract with any entity to fully implement the CMHC plan;
- in contracting for the implementation of the CMHC plan, requires TDCJ to integrate Texas’ public medical schools into the CMHC network to the extent possible;
- requires the CMHC Committee to establish procedures for monitoring the quality of care delivered by CMHC providers; and
- requires TDCJ to monitor the medical care delivered, investigate medical grievances, ensure access to medical care, and conduct operational reviews of medical care provided.

Since 1993, the initial CMHC model the state enacted has evolved due to various statutory and policy changes. Currently, the direct delivery of health care services to offenders incarcerated within TDCJ correctional facilities primarily involves two state entities. Those two entities are the University of Texas Medical Branch and the Texas Tech University Health Sciences Center. Administration and oversight of CMHC is mainly the responsibility of two other state entities: the Correctional Managed Health Care Committee and TDCJ’s Health Services Division. Details regarding each of these four state entities and their roles and responsibilities are included in a comprehensive CMHC report titled *Correctional Managed Health Care For State Incarcerated Adult Offenders In Texas*. That report, published by the Legislative Budget Board (LBB) in February 2013, may be found on the LBB website at: http://www.lbb.state.tx.us/PubSafety_CrimJustice/Reports/Correctional_Managed_Health_Care_Corner.htm.

CORRECTIONAL MANAGED HEALTH CARE APPROPRIATIONS AND EXPENDITURES

Appropriations to TDCJ specifically for CMHC services are provided through three distinct funding strategies. Those three funding strategies are “Unit and Psychiatric Care,” “Hospital

and Clinical Care,” and “Pharmacy” and are shown in Fig. 1. The 2014–15 biennial appropriations to TDCJ for CMHC total \$963.1 million. Fig. 1 shows a comparison, by fiscal year and biennium, of expenditures for fiscal years 2010–13 and appropriations for fiscal years 2014–15.

FIG. 1
TDCJ'S CORRECTIONAL MANAGED HEALTH CARE
EXPENDITURES HISTORY FOR FISCAL YEARS 2010–2013 AND APPROPRIATIONS FOR FISCAL YEARS 2014–2015
(IN MILLIONS)

FISCAL YEAR	UNIT AND PSYCHIATRIC CARE	HOSPITAL AND CLINICAL CARE	PHARMACY	FISCAL YEAR TOTAL	BIENNIAL TOTAL	BIENNIAL PERCENTAGE CHANGE
2010	\$247.9	\$172.3	\$49.9	\$470.1		
2011	\$276.2	\$188.6	\$55.7	\$520.5	\$990.6	11.2%
2012	\$233.9	\$155.6	\$51.2	\$440.7		
2013	\$246.5	\$168.4	\$46.1	\$461.0	\$901.7	(9.0%)
2014	\$252.6	\$166.5	\$58.3	\$477.4		
2015	\$256.1	\$170.8	\$58.8	\$485.7	\$963.1	6.8%

NOTES:

- 1) The Eighty-second Legislature, 2011, decreased correctional managed health care (CMHC) funding as a result of various fiscal and policy changes established through a General Appropriations Act rider. Those fiscal and policy changes were effective beginning in fiscal year 2012.
- 2) The above expenditure and appropriation figures for CMHC exclude Texas Department of Criminal Justice's Health Services Division, and exclude state employee insurance and other benefits costs incurred by contracted medical school providers (University of Texas Medical Branch and Texas Tech University Health Sciences Center) that provide CMHC services.

SOURCES: Legislative Budget Board; Texas Department of Criminal Justice.

RECENT LEGISLATIVE CHANGES

As shown in Fig. 1, compared to 2010–11 biennial expenditures, CMHC expenditures for fiscal years 2012–13 decreased by nine percent. This spending reduction was made possible through various actions by the Eighty-second Legislature, Regular Session, 2011. The Eighty-second Legislature established new CMHC spending requirements and limitations within the General Appropriations Act related to correctional unit medical staffing models and to inpatient and outpatient reimbursement rates. During the Eighty-second Legislature, First Called Session, 2011, various statutory changes affecting CMHC were enacted. One of those statutory changes was transferring the authority to contract for offender health services from the CMHC Committee to TDCJ.

The Eighty-third Legislature, Regular Session, 2013, enacted additional changes to the CMHC statutes. Changes included:

- expanding the membership of the CMHC committee from six members to 10 members, to include representatives of additional medical schools as well as licensed mental health professionals;
- transferring certain CMHC Committee responsibilities to TDCJ; and
- clarifying TDCJ may contract with any entity to implement the managed health care plan.

The Eighty-third Legislature, Regular Session, 2013, also provided \$61.7 million in additional CMHC appropriations to TDCJ for the 2014–15 biennium to maintain operations at the 2012–13 biennial level (\$30.6 million), for market level salary adjustments of medical staff (\$16 million), for critical capital equipment needs (\$5.4 million), and for the restoration of key CMHC staff (\$9.7 million).

USEFUL REFERENCES

The LBB's February 2013 report on *Correctional Managed Health Care For State Incarcerated Adult Offenders In Texas* may be found on the LBB website at: http://www.lbb.state.tx.us/PubSafety_CrimJustice/Reports/Correctional_Managed_Health_Care_Corner.htm. Also, CMHC-related publications by the State Auditor's Office and the Sunset Advisory Commission are posted on the LBB website. The CMHC Committee's website may be found at <http://www.tdcj.state.tx.us/divisions/cmhc/index.html>.

CONTACT

John Newton Email: Issuebrief@lbb.state.tx.us