

HOUSE BILL REPORT

HB 1817

As Reported By House Committee On:
Corrections

Title: An act relating to the department of corrections health care costs.

Brief Description: Directing the department of corrections to review the offender health care system.

Sponsors: Representatives L. Johnson, Morris, Long, Edmondson, Valle, Rayburn, Karahalios, Riley, Springer, Campbell and Cothern.

Brief History:

Reported by House Committee on:
Corrections, March 1, 1993, DPS.

HOUSE COMMITTEE ON CORRECTIONS

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 9 members: Representatives Morris, Chair; Mastin, Vice Chair; Long, Ranking Minority Member; Edmondson, Assistant Ranking Minority Member; G. Cole; L. Johnson; Ogden; Riley; and Padden.

Staff: Antonio Sanchez (786-7383).

Background: The Department of Corrections is currently facing an unprecedented growth in their inmate population. Over the last two years, Washington has had the fastest growing increase in its incarceration rate of any state in the nation. We are currently engaged in one of the largest prison construction programs in the state's history. Despite this effort, it will be difficult for prison construction to keep pace with the demand for new and costly prison beds. A recent forecast indicated that the prison population will continue to increase to over 15,000 just after the turn of the century.

The costs associated with housing, feeding, clothing, and caring for offenders in our state corrections system is increasing commensurate with the growing prison population. These costs are approximately \$26,000 per prisoner per year. One of the most significantly rising costs in our prison system, is inmate health care. Since 1986, the health care

expenditures for inmates in prison have doubled. They have gone from \$10.97 million in 1986 to \$22.23 million in 1992. In 1992 alone, health care costs increased by 14 percent. These costs are expected to continue to rise as medical costs inflate, the prison population grows, and an increasing number of inmates become older and need additional health and long-term care.

Currently the Department of Corrections is required to provide and pay for health care for all inmates. These services include essential medical care, dental care, mental health treatment, prescription services, laboratory procedures, and radiological procedures. Health care services for inmates are provided in a variety of ways. Most health care services are provided on site by the department's health care staff. However, some services are provided on site by contracted health care providers, while services that cannot be conducted in the prison facility are provided outside in health care facilities in the community or where the appropriate level of care is available.

The Department of Corrections maintains a data base on offender health care provided in their facilities; however, a more comprehensive range of utilization and costs information needs to be available for adequate cost and quality of care analysis and future health care reform planning.

Summary of Substitute Bill: The Department of Corrections is required to review and submit a report on the scope, nature, and cost of their inmate health care system. A large portion of the data for the report must be taken from existing departmental health services quarterly reports. The analysis must use the quarterly reports to provide a summary on how much medical care is being used and how much the department is spending on it.

The report must also include descriptive information on the current capabilities of its health care information system and, to the extent possible, recommendations and a working plan for developing a fully integrated health care information system using shared resources with other state agencies or hospitals.

The department is required to investigate a range of potential cost savings options that include: purchasing health services through preferred contract providers, consolidated purchasing of high technology services, bulk purchasing of equipment and supplies, the use of generic pharmaceuticals, the use of preventive health care measures, implementation of utilization review, exploring federal program assistance, developing a preferred provider contract

with the state's Community Health Care Clinic Consortium, billing the offender's spouse's health care insurance for the medical care provided to the incarcerated spouse, and a review of chronically ill offenders and how they are impacting the system.

The department is also required to consult with the state Health Care Authority to establish plans for transitioning the department inmate health care system into the health care system reform measures currently under development.

By September 1, 1993, an initial report must be submitted by the Department of Corrections to the Department of Health, Department of Social and Health Services, and the health care authority for review and written comments on how additional savings can be made. The final report must be submitted to the Legislature by December 12, 1993.

An emergency is declared.

Substitute Bill Compared to Original Bill: The substitute bill removes the requirement that the Department of Corrections consult with the Legislative Budget Committee to develop a study design, conduct a study, and submit a report on the scope, nature, and cost of the Department of Corrections inmate health system. All analyses that require the report to include encounter-specific data gathered from sources not easily available to the Department of Corrections is eliminated.

Additional suggestions are made to the department that will reduce the cost of providing medical care, developing their health care information systems, and increasing the overall quality of care.

Fiscal Note: Available.

Effective Date of Substitute Bill: The bill contains an emergency clause and takes effect immediately.

Testimony For: This type of information is needed, however the Department of Corrections has difficulty accessing the needed data because most of the data is not stored in computers.

Testimony Against: None.

Witnesses: Ruben Cedeno (pro).