

STATE OF CALIFORNIA
Budget Change Proposal - Cover Sheet
 DF-46 (REV 08/15)

Fiscal Year 2016-17	Business Unit 5225	Department California Department of Corrections & Rehabilitation	Priority No. 5
Budget Request Name 5225-027-BCP-BR-2016-GB		Program 4545 – ADULT CORRECTIONS AND REHABILITATION OPERATIONS- CONTRACTED FACILITIES	Subprogram 4545010 – COMMUNITY CORRECTIONAL FACILITIES

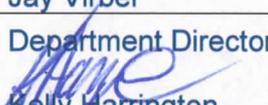
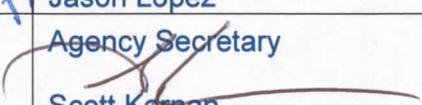
Budget Request Description
 Medical Coverage for In-State Contracted Facilities

Budget Request Summary

The California Department of Corrections and Rehabilitation requests \$1.978 million General Fund beginning in fiscal year 2016-17 to provide additional contracted Physician and Licensed Vocational Nurse coverage at six Modified Community Correctional Facilities and one Female Community Reentry Facility per direction from the Federal Receiver's Office.

Requires Legislation <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Code Section(s) to be Added/Amended/Repealed	
Does this BCP contain information technology (IT) components? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>If yes, departmental Chief Information Officer must sign.</i>	Department CIO	Date
For IT requests, specify the date a Special Project Report (SPR) or Feasibility Study Report (FSR) was approved by the Department of Technology, or previously by the Department of Finance. <input type="checkbox"/> FSR <input type="checkbox"/> SPR Project No. Date:		

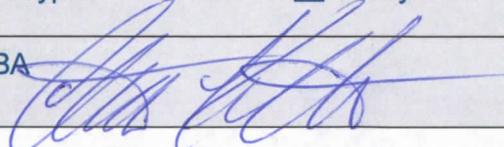
If proposal affects another department, does other department concur with proposal? Yes No
Attach comments of affected department, signed and dated by the department director or designee.

Prepared By  Jay Virbel	Date 1/4/16	Reviewed By  Jason Lopez	Date 01.04.16
Department Director  Kelly Harrington	Date 1/4/16	Agency Secretary  Scott Kernan	Date 1-4-16

Department of Finance Use Only

Additional Review: Capital Outlay ITCU FSCU OSAE CALSTARS Dept. of Technology

BCP Type: Policy Workload Budget per Government Code 13308.05

PPBA 	Date submitted to the Legislature 1/7/16
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BCP Fiscal Detail Sheet

BCP Title: Medical Coverage for In-State Contracted Facilities

DP Name: 5225-027-BCP-DP-2016-GB

Budget Request Summary

		FY16				
	CY	BY	BY+1	BY+2	BY+3	BY+4
Operating Expenses and Equipment						
5340 - Consulting and Professional Services - External	0	1,978	1,978	1,978	1,978	1,978
Total Operating Expenses and Equipment	\$0	\$1,978	\$1,978	\$1,978	\$1,978	\$1,978
Total Budget Request	\$0	\$1,978	\$1,978	\$1,978	\$1,978	\$1,978

Fund Summary

Fund Source - State Operations						
0001 - General Fund	0	1,978	1,978	1,978	1,978	1,978
Total State Operations Expenditures	\$0	\$1,978	\$1,978	\$1,978	\$1,978	\$1,978
Total All Funds	\$0	\$1,978	\$1,978	\$1,978	\$1,978	\$1,978

Program Summary

Program Funding						
4545010 - Community Correctional Facilities	0	1,978	1,978	1,978	1,978	1,978
Total All Programs	\$0	\$1,978	\$1,978	\$1,978	\$1,978	\$1,978

Analysis of Problem

A. Budget Request Summary

The California Department of Corrections and Rehabilitation (CDCR) Contract Beds Unit (CBU) requests \$1.978 million General Fund (GF) beginning in fiscal year 2016-17 to provide funding for additional contracted Physician and Licensed Vocational Nurse (LVN) coverage for inmates housed in six Modified Community Correctional Facilities (MCCF) and one Female Community Reentry Facility (FCRF). This additional medical coverage is deemed necessary by the Federal Receiver to provide the quality of medical care mandated by the California Correctional Health Care Services (CCHCS), under the direction of the Federal Receiver.

B. Background/History

As stated in the CCHCS Twenty-Eighth Tri-Annual Report of the Federal Receiver's Turnaround Plan of Action (RTPA) (for the period covering September 1 - December 31, 2014), "the expectation is for each contracted facility to demonstrate the ability and to deliver a level of care that is consistent and comparable to the health care provided to all patients housed within the CDCR system. Twice a year, the Private Prison Compliance Monitoring Unit (PPCMU) of CCHCS conducts an on-site audit of each of the contracted facilities which results in a written detailed report wherein all of the audit team members' findings are clearly articulated."

The Twenty-Ninth Tri-Annual Report of the Federal RTPA (for the period covering January 1 - April 30, 2015) highlighted the little progress made in resolving, much less improving, the quality of care provided to the approximately 4,200 inmates housed at the six MCCFs and one FCRF in California. CCHCS submitted recommendations to CBU identifying the need to amend the current contract. The recommendations detailed necessary changes to the existing contract language that would address health care delivery gaps. Additionally, Physician expectations were clearly defined as it relates to health care staffing and the relationships between health care delivered at the MCCFs, FCRF and the associated CDCR hub institutions.

C. State Level Considerations

The 2001 *Plata v. Brown* class action lawsuit was filed in federal court contending the State of California violated the Eighth Amendment of the U.S. Constitution by failing to provide adequate medical care to inmates. In 2006, the federal court appointed a Receiver to take over the direct management and operation of the state's prison medical care delivery system. The federal court ruled that in order for the State of California to exit the federal Receivership, and regain full control over the medical care delivery system provided to its inmates, it must demonstrate the ability to provide a sustainable constitutional level of care. The court has stated there is no one clear benchmark to prove the state has achieved that goal. However, the court has developed several evaluation tools it can use as evidence of a constitutional level of care.

D. Justification

The CCHCS Model has been adapted to the contracted facilities. In a traditional CDCR institution, there are a number of full-time physicians as well as a minimum of 3 staff performing the functions of a Registered Nurse (RN) and LVN. Currently, the MCCFs and FCRF are expected to perform the same functions as that of a traditional CDCR facility (see duties below) but are only staffed by a half-time Physician and 24/7 RN care. Not providing the Physician additional hours limits the availability to see inmate patients. Without a support LVN to assist the Physician, Physician productivity will fall, and access to care will decrease. Currently, the LVN role is filled by the RN, which is a 24/7 position. Adding provider support functions to the current RN responsibilities greatly compromises the RN's ability to perform primary functions including but not limited to: seeing patients for sick calls; administering medications; and responding to emergencies in a timely manner.

Due to the location of the in-state contract facilities and current time-base of the .5 Physician position, qualified applicants are hard to obtain. Therefore, providing 40-hour week Physician coverage ensures that adequate access to medical care and the basic outpatient medical needs are met. Adequate access is evaluated based on the volume of backlogs for: provider appointments; medication refills; and

Analysis of Problem

signoffs on incoming documentation. In traditional CDCR institutions, the Physician examines, interviews, diagnoses, and treats medical and psychiatric conditions of inmate/patients, both in and outside of their medical specialty area. The Physician also orders radiological and laboratory studies, writes prescriptions, and responds to medical emergencies. Additionally, the Physician may perform minor surgical procedures. It is the responsibility of the LVN to ensure there is a safe therapeutic environment for the inmate/patient. The LVN provides basic hygiene and nursing care as ordered by the Physician including administration of prescribed medications and the therapeutic effects, treatments and disease prevention. The LVN obtains specimens for diagnostic testing as ordered by the physician or existing protocols, assists the Physician with medical or minor surgical procedures and prepares records and reports.

The Physician's duties include but are not limited to:

- Attends to patient visits
- Performs physical examinations
- Attends to chronic care visits
- Attends to sick calls
- Completes medication refills
- Reviews diagnostics
- Assists RN with clinical questions

The LVN duties include but are not limited to:

- Serves as the provider support nurse by conducting basic assessments
- Takes vital signs
- Records findings
- Collects specimens
- Checks, records, and locates material for appointments
- Ensures that orders are forwarded to the appropriate agencies for action after the visit
- Processes physician orders
- Ensures medication orders are sent to the pharmacy
- Ensures lab orders are processed
- Ensures that the area is stocked
- Assists the Physician as needed during procedures, physical exams, and minor surgeries
- Performs treatments and point of care testing as directed
- Ensures follow up appointments are scheduled

The requested resources will ensure the medical care coverage at the six MCCFs and one FCRF is consistent with services provided to inmates housed in a traditional CDCR facility. Care is expected to be delivered within Plata guidelines for emergency, urgent, routine, and periodic chronic needs.

E. Outcomes and Accountability

Expected outcomes and accountability for the level of care will be based upon the Audit Tool that is currently utilized during PPCMU's audits of the CDCR contracted facilities. The Audit Tool reflects the key elements of health care policies to ensure consistency in reviews. Even though the medical staff at the contracted facilities are not CCHCS staff, the medical staff are obligated to adhere to the Inmate Medical Services Policies & Procedures as the staff members are an independent entity caring for Plata class action members. The audits are completed to ensure that access to care rules, access to medications, and adequacy of qualified work force is available. This will prevent long waiting times, allow for appropriateness of diagnosis, treatment and subsequent follow up. Furthermore, this will also ensure that the environmental/physical plant operations are all sufficient to support necessary medical care. The audit criteria are supported by the federal court as well as evidence based guidelines and recommendations. The contractor is responsible for addressing and remediating any issues that may arise based on the Audit Tool. The goal is to provide patients timely access to safe, effective and efficient medical care.

F. Analysis of All Feasible Alternatives

Alternative 1:

Approve \$1.978 million GF beginning in 2016-17 to provide additional contracted Physician and LVN coverage to in-state contracted facilities.

Pros:

- Provide CDCR inmates at the contracted facilities with quality medical care.
- No increase to workload at the medical hub institutions.
- Adheres to Federal Receiver's mandate.
- Enables conformity to the CCHCS Tri-Annual Reports.

Cons:

- Additional GF expenditures.

Alternative 2:

Approve \$11.8 million GF and 14.0 positions to send inmates for routine medical care to local community resources.

Pros:

- Inmates receive routine medical care.

Cons:

- Does not comply with the Federal Receiver's mandate.
- Potential delay in services.
- Local community may have limited resources and may not be able to handle additional workload.
- Increase in transportation costs in getting inmates to medical service locations.
- Potential safety and security concerns having inmates in various, non-vetted, non-prepared community settings.
- Potential increase in medical costs due to non-contract with various entities.
- CDCR will be invoiced for medical services.
- Additional GF expenditures.
- Additional positions needed for transportation needs.
- Increase to CDCR fleet authority.

Alternative 3:

Approve \$4 million GF and 25.9 positions to provide routine medical care to inmates at designated medical hub.

Pros:

- Minimize additional medical cost to CDCR as medical hubs are already staffed and established.
- Provide quality medical care and meet the legal obligations to inmates.

Cons:

- Does not comply with the Federal Receiver's mandate.
- Additional transportation costs incurred.

Analysis of Problem

- Delay to medical care access could potentially create complications to injuries/illness which would normally be mitigated.
- Possible increase in medical related lawsuits.
- Potential increase in inmate complaints which require additional CDCR staff to respond.
- Increased use of resources at medical hub potentially creating deficiencies at the hub.
- Additional positions needed for transportation costs.
- Increase to CDCR fleet authority.

Alternative 4:

Approve \$28.1 million GF and 226.9 positions to perform the necessary medical services consistent with medical coverage provided by adult facilities.

Pros:

- Provide a standardized level of service.
- Provide a greater medical network of services.
- Provide quality medical care and meet the legal obligations to inmates.
- Consistent with CCHCS staffing model.

Cons:

- Increase costs to CDCR through retirement and benefits paid to staff.
- Increase costs to CDCR in training and recruiting.
- Hiring permanent staffing creates limited flexibility to respond to changes in inmate population with permanent staff.
- CDCR will experience an increase in displaced staff when contracts end.
- Potential difficulty in recruitment and retention based on location of contracted facilities.

G. Implementation Plan

July 1, 2015.

H. Supplemental Information

Attachment A – Physician-LVN Need

I. Recommendation

Approve Alternative 1 for \$1.978 million GF to provide additional physician and LVN coverage at in-state contract facilities.

CLASSIFICATION	Hourly Wage	Number of Hours	Yearly Salary	Admin Fee*	TOTAL Benefit Cost (Incl. In Hrly)	TOTAL Annual Cost	Relief Funding	Difference From Current Contract
Shafter								
Licensed Vocational Nurse (LVN)	\$22	\$2,080	\$45,760	\$13,428		\$59,188	\$11,838	\$71,026
Physician	\$180	\$2,080	\$374,400	\$48,672		\$423,072		\$211,536
Delano								
Licensed Vocational Nurse (LVN)	\$22	\$2,080	\$45,760	\$13,428		\$59,188	\$11,838	\$71,026
Physician	\$180	\$2,080	\$374,400	\$48,672		\$423,072		\$211,536
Taft								
Licensed Vocational Nurse (LVN)	\$22	\$2,080	\$45,760	\$13,428		\$59,188	\$11,838	\$71,026
Physician	\$180	\$2,080	\$374,400	\$48,672		\$423,072		\$211,536
Golden State								
Licensed Vocational Nurse (LVN)	\$22	\$2,080	\$45,760	\$13,428		\$59,188	\$11,838	\$71,026
Physician	\$180	\$2,080	\$374,400	\$48,672		\$423,072		\$211,536
Central Valley								
Licensed Vocational Nurse (LVN)	\$22	\$2,080	\$45,760	\$13,428		\$59,188	\$11,838	\$71,026
Physician	\$180	\$2,080	\$374,400	\$48,672		\$423,072		\$211,536
Desert View								
Licensed Vocational Nurse (LVN)	\$22	\$2,080	\$45,760	\$13,428		\$59,188	\$11,838	\$71,026
Physician	\$180	\$2,080	\$374,400	\$48,672		\$423,072		\$211,536
McFarland								
Licensed Vocational Nurse (LVN)	\$22	\$2,080	\$45,760	\$13,428		\$59,188	\$11,838	\$71,026
Physician	\$180	\$2,080	\$374,400	\$48,672		\$423,072		\$211,536
GRAND TOTAL						\$3,375,820	\$82,863	\$1,978,000

*Administrave fee includes: (1) insurance and taxes related to the LVN and (2) hiring/oversight fee charged by contracting agency for the Physician