Correctional Managed Care Overview

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Governor & Legislature

Correctional Managed Health Care Committee (CMHCC)

Texas Department of Criminal Justice (TDCJ)

University of Texas Medical Branch (UTMB)

Texas Tech University Health Science Center (TTUHSC)
Geographic Responsibility

- Texas has a total of 112 prison units with approximately 150,000 offenders
- UTMB provides service to Eastern portion of State at 83 units
- TTUHSC provides service to Western portion of State at 25 units
UTMB Correctional Managed Care

- Legislatively created partnership in 1994
- FTEs: 3,000
- Patients: 120,000
- 83 facilities: full medical, dental and psych
- 2 inpatient medical and 2 inpatient mental health units
- Dialysis, infectious disease, geriatric and assistive disability programs
- Medical transportation
- EMR, telemedicine and radiology
- Pharmacy
- Hospital Galveston and Free World hospital network
PMPD Expenses

UTMB - Correctional Managed Care
Total Revenue Per Member Per Day
TDCJ Contract - Medical & Mental

- FY04: $7.36
- FY05: $7.28
- FY06: $7.54
- FY07: $7.69
- FY08: $8.48
- FY09: $9.21
- FY10: $9.77
- FY11: $9.61
- FY12: $9.01
- FY13: $9.53

Total Revenue PMPD
Historical Challenges

- **Estelle v. Gamble (1976)** – Texas case that went to Supreme Court and set national standard for correctional health care
- **Prior to 1994 Texas’ prison health care was largely provided by the prison system**
  - Faced challenges recruiting and retaining health care professionals
- **Funding of correctional health care**
  - Correctional health care expenses often exceed appropriations and require supplemental/emergency appropriations
  - Health care expenses often difficult to project

Working Together to Work Wonders
Keys to Success

- State Commitment to a Model of Care
- Hospital Galveston
- Pharmacy Program & 340B Pharmaceutical Pricing
- Strategic Technology Investments
- Dedicated Staff
Hospital Galveston

- Manages tertiary hospital and planned offender care
- Secure facility accommodating all custodies
- Utilizes corrections knowledgeable medical staff
- Allows care to be balanced with available resources
- All specialty clinical services are available
- Reduces risk and litigation
Pharmacy Program & 340B Pharmacy Pricing

• **340B Drug Pricing Program**
  o FY13 savings of $50.4M or 56.9%
  o UTMB is the eligible entity
  o Disproportionate share hospital, employ prescribers, manage the medical record

• **Reclamation of pharmaceuticals**
  o FY13 $8M in drugs

• **Formulary Management**
  o FY13 $3.58M in savings

• **91% generic utilization**
340B Savings

Estimated average annual savings over the last 5 years is $38.9 million or 48%.
Strategic Technology

• Telemedicine has increased access to care, decreased offender movement, and increased public safety
• Provided 100K encounters in FY13
• Primary care services drive volume
• Improved recruitment and retention
• EMR has improved productivity and continuity of care
• EMR has improved patient outcomes and reduced state risk
Dedicated Staff

• Texas has the lowest staff per offender ratio in the nation – 1:40

• CMC has had to reduce FTEs by 33% since 1994

• All facilities are ACA accredited

• Clinical outcomes remain exemplary

• Commitment to the delivery model has improved retention
Rising Cost of Prison Health Care

- Workforce Competition and need for market salaries
- New Hepatitis C treatments
- Growth of 55 and older population
- Growth in Chronic Disease and Cancer
  - End Stage Liver Disease
  - Dialysis and Chronic Kidney Disease
- Increasing Hospital Utilization
  - Hospital admission and sub-specialty clinic growth
Potential Hepatitis C (HCV) Drug Cost

- FY09
- FY10
- FY11
- FY12
- FY13
- Potential

HCV Cost

- $0
- $2,000,000
- $4,000,000
- $6,000,000
- $8,000,000
- $10,000,000
- $12,000,000
- $14,000,000
- $16,000,000
TDCJ* Population 55 and Older

* Includes all offenders in UTMB and TTUHSC sectors

![Bar chart showing TDCJ population 55 and older from 2005 to 2014.](chart.png)
TDCJ* Population with Chronic Disease

- **Cardiovascular**: 34,544 (2006), 44,011 (2014)
- **HCV**: 17,583 (2006), 17,419 (2014)
- **Asthma**: 7,558 (2006), 9,610 (2014)
- **Diabetes**: 6,334 (2006), 9,610 (2014)
- **Seizure**: 2,256 (2006), 5,088 (2014)

*Includes all offenders in UTMB and TTUHSC sectors*

Working Together to Work Wonders
Questions or Comments:

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