

Budget Brief – UDC Medical Services

MDA

EOCJ-UDC-03

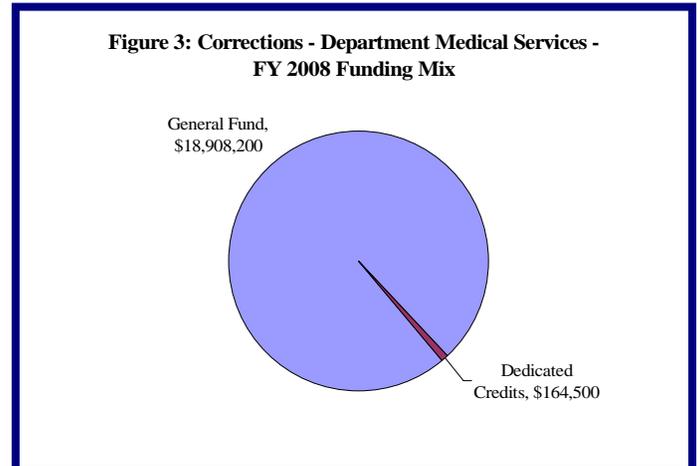
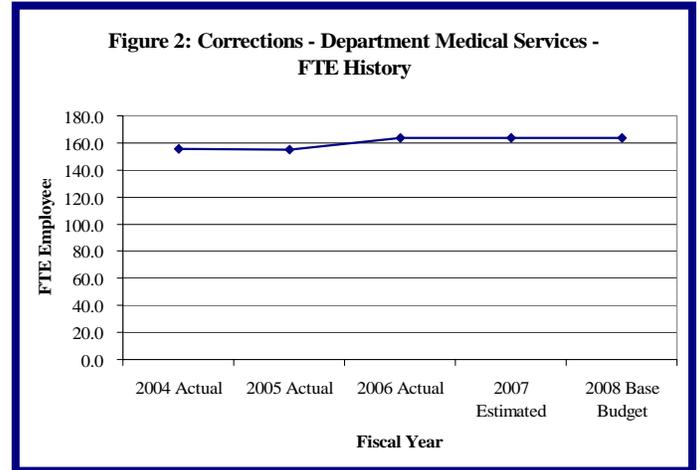
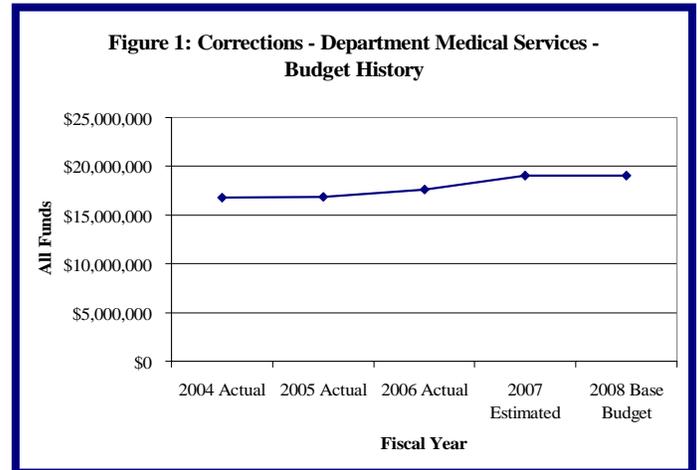
SUMMARY

The Utah Department of Corrections’ Clinical Services Bureau provides medical care for incarcerated inmates in secure facilities operated or contracted by the State. Inmates are treated by UDC doctors, nurses, dentists and aids, as well as through contracts with private health care providers. UDC is required by federal law to provide medical, dental and mental health care to those incarcerated by the state. The Bureau also provides mental health services offenders that are mentally ill or suffering from emotional problems. The Bureau is accredited by the National Commission on Correctional Health Care.

ISSUES AND RECOMMENDATIONS

Medical inflation is a significant issue for the Department of Corrections’ Clinical Services Bureau. The cost of medical care has increased substantially nationwide and Utah is no exception. The Bureau reports an average annual medical inflation rate of 8.4 percent since FY 2004. Utah medical inflation has averaged 9.7 percent since 1980 and pharmaceutical costs have increased between 8 and 14 percent annually since 2000. The primary issue the Bureau is facing is its contractual costs for services from the University of Utah Medical Center. The University provides hospital services for state prison inmates. The costs of services provided by the University have increased nearly 2.5 times since FY 1998. Funding requests and recommendations can be found on page 2 under the Budget Increase Recommendation heading.

In order to control pharmaceutical costs, the Bureau requested two pharmacy costs analyses from private providers to determine if costs could be controlled more effectively. The one company never responded to the request that the company initiated and the second pharmacy company showed savings of \$.03 per blister pack. However, the second company did not include emergency meds or IVs that are among the most costly scripts. After reviewing the analysis, the Bureau decided that the cost savings were not significant enough to merit a switch at this time.



ACCOUNTABILITY MEASURES

The following measures examine Clinical Services' goals and performance. The Clinical Services Bureau is refining their performance measures and data needed to insure accountability for funds received from the Legislature.

Clinical Services

Performance Data Summary - Clinical Services					
Goal	Measure	Measure Type	FY 2006		FY 2007 Target
			Target	Observed	
Reduce time before exams	% intake within 7 days	Output	96%	99%	96%
Expedite mental health and medical requests	% MH/Medical requests seen within 7 days	Output	97%	85%	97%
Reduce legal actions	# of inmate legal actions	Outcome	0	0	0

BUDGET DETAIL

Programs and operations funds come primarily from General Fund with some funds from dedicated credits.

Budget Increase Recommendation

UDC Medical Services has requested an additional \$2,000,000 ongoing funding in FY 2008 for increased University of Utah Medical Center contract costs. The Department of Corrections had also requested a supplemental request of \$1,000,000 for shortfalls in University of Utah medical services provided. The Department recommended that \$1,000,000 in nonlapsing funds be transferred from the Jail Contracting line-item to the Medical Services line-item. As noted on page one, medical inflation has increased the costs of services for inmates treated at the University Medical Center and the Analyst recommends that the Legislature consider increasing funding for costs related to the University Medical Center contract in FY 2008.

Intent Language

The Analyst recommends the continuation of the following Legislative intent language: *It is the intent of the Legislature that the funds for the Clinical Services line-item shall not lapse.*

LEGISLATIVE ACTION

1. The Analyst recommends a one-time transfer of \$1,000,000 from the Jail Contracting line-item to the Medical Services line-item. These funds will be used to pay for services performed by the University of Utah Medical Center in FY 2007.
2. The Analyst recommends a base budget for Clinical Services of \$19,072,700 plus the shift outlined above for a total of \$20,072,700.
3. Consider non-lapsing intent language for the line-item as discussed on page 2.

BUDGET DETAIL TABLE

Corrections - Department Medical Services						
Sources of Finance	FY 2006 Actual	FY 2007 Appropriated	Changes	FY 2007 Revised	Changes	FY 2008* Base Budget
General Fund	17,170,900	18,908,200	0	18,908,200	0	18,908,200
General Fund, One-time	0	(28,300)	0	(28,300)	28,300	0
Dedicated Credits Revenue	162,100	154,200	0	154,200	10,300	164,500
Beginning Nonlapsing	300,000	0	12,300	12,300	(12,300)	0
Closing Nonlapsing	(12,300)	0	0	0	0	0
Total	\$17,620,700	\$19,034,100	\$12,300	\$19,046,400	\$26,300	\$19,072,700
Programs						
Medical Services	17,620,700	19,034,100	12,300	19,046,400	26,300	19,072,700
Total	\$17,620,700	\$19,034,100	\$12,300	\$19,046,400	\$26,300	\$19,072,700
Categories of Expenditure						
Personal Services	8,595,400	11,312,600	1,625,200	12,937,800	(1,625,200)	11,312,600
In-State Travel	2,600	0	0	0	0	0
Out of State Travel	1,800	0	0	0	0	0
Current Expense	3,575,800	3,678,800	(996,000)	2,682,800	1,034,600	3,717,400
DP Current Expense	212,500	127,200	0	127,200	0	127,200
Capital Outlay	75,100	0	0	0	0	0
Other Charges/Pass Thru	5,157,500	3,915,500	(616,900)	3,298,600	616,900	3,915,500
Total	\$17,620,700	\$19,034,100	\$12,300	\$19,046,400	\$26,300	\$19,072,700
Other Data						
Budgeted FTE	163.8	156.0	7.8	163.8	0.2	164.0
Vehicles	3	3	0	3	0	3

*Does not include amounts in excess of subcommittee's state fund allocation that may be recommended by the Fiscal Analyst.