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Overview of Adult Correctional Health Care Spending

LEGISLATIVE ANALYST'S OFFICE

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Hon. Mark DeSaulnier, Chair





Major Legal Cases Affecting Adult Correctional Health Care

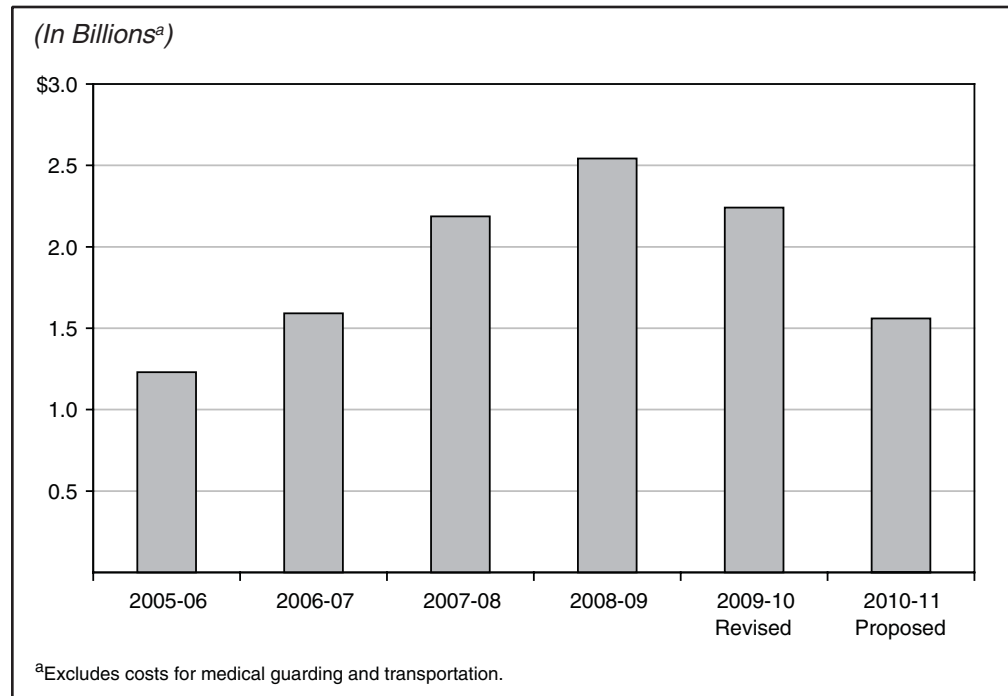
- ☑ ***Plata v. Schwarzenegger.*** The *Plata* case, filed in 2001, contends the state failed to meet U.S. constitutional standards for medical care for inmates. In 2006, the federal court appointed a Receiver to take over the direct management and operation of the state's prison medical care delivery system from the California Department of Corrections and Rehabilitation (CDCR).

- ☑ ***Coleman v. Schwarzenegger.*** The *Coleman* case, filed in 1992, involves allegations that the state prison system provided constitutionally inadequate psychiatric care for inmates. The federal court found the state to be in violation of federal constitutional standards for inmate mental health care and established a special master in 1995 to monitor state efforts to remedy the problems.

- ☑ ***Perez v. Cate.*** The *Perez* case, filed in 2005, contends that CDCR provides inadequate dental care to prison inmates. The lawsuit was filed concurrently with a settlement agreement between the state and the plaintiffs. The agreement requires the state to phase in new policies and procedures over six years to improve the quality of dental care and access to care for inmates.



Actual Spending on Adult Correctional Health Care Has Increased Dramatically



Actual state spending on adult correctional health care services grew from \$1.2 billion in 2005-06 to \$2.5 billion in 2008-09, an average annual increase of 27 percent.



Major Factors Driving Adult Correctional Health Care Costs

- Contract Medical Services.** The increase in correctional health care costs has been largely driven by greater usage of contract medical services, such as for specialty medical care provided outside prison, private ambulance transportation, and nursing and pharmacy registries. In recent years, contract medical costs have more than doubled—increasing from \$394 million in 2005-06 to \$845 million in 2008-09.

- Additional Health Care Staff.** The CDCR and the federal court-appointed Receiver have hired thousands of additional health care staff (such as physicians, nurses, dentists and psychiatric staff).

- Employee Compensation.** The cost to provide correctional health care has been impacted by significant increases in salaries for health care professionals, including physicians, nurses, dentists, and psychiatrists.

- Inflation.** Costs have also risen with general health care price increases, which increased at an average annual rate of 4.4 percent nationally between 2005-06 and 2008-09.



California's Annual Cost to Provide Health Care to an Inmate in Prison

(2008-09)

Type of Health Care Expenditure	Per Inmate Costs
Medical care	\$11,233
Mental health care	2,280
Pharmaceuticals	1,373
Dental care	955
Other	345
Total	\$16,187

- The average cost to incarcerate an inmate in prison was about \$51,000 in 2008-09. Of this amount, the state spent an average of roughly \$16,000 per inmate on various health care services.

- As shown in the figure, more than two-thirds of the \$16,000 per inmate health care cost was specifically for medical care.



Vacancy Rates for Some Health Care Classifications Have Declined

- Health Care Positions Overseen by Receiver.*** The federal Receiver reports that the vacancy rate for physicians declined from 29 percent in 2006 to 13 percent in 2009. During the same time period, the vacancy rate for nurses and pharmacy staff also declined, from 28 percent to 13 percent and from 30 percent to 15 percent respectively.
- Health Care Positions Overseen by CDCR.*** In December 2009, the CDCR reported a vacancy rate of 10 percent for psychologists and 29 percent for psychiatrists.
- Regional Variations in Vacancy Rates.*** Our analysis indicates that there is great variation in vacancy rates for most health care positions, based on geographic region. Specifically, prisons located in rural and more remote locations tend to have higher vacancy rates. For example, Avenal State Prison, Pelican Bay State Prison, and Pleasant Valley State Prison each had a physician vacancy rate of over 30 percent in 2009, compared to the state prison-wide average of 13 percent.