

COST-EFFECTIVE

Medical

Management

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The corrections industry is in desperate need of an alternative to the privatization of medical care or the significantly riskier self-management models used in the majority of jails and prisons in the United States.

On average, correctional facilities spend 13 to 18 percent of their budgets on health care each year.

Currently, approximately 2.4 million inmates are housed in correctional facilities across the United States. That equates to 1 out of every 110 Americans behind bars on any given day. Incarcerated individuals are the only segment of the U.S. population with a constitutional right to receive adequate physical and mental health care. Still, one of the most heavily scrutinized aspects of a correctional facility is the cost of its medical department.

But how much does this quality medical care cost taxpayers? On average, correctional facilities spend 13 to 18 percent of their budgets on health care each year. Because correctional facilities are required to provide adequate and timely care for acute, serious, and chronic medical and mental health conditions, a properly designed self-management model helps to manage that cost and provides a transparent “fee-for-service” product.

Jail and prison facilities, however, face increases in medical costs. Several factors contribute to this. For example, the inmate population has quadrupled since 1980. This population increase, paired with offsite visits and a national average of 21 percent inflation over the past five years, has significantly increased the cost of operating a medical department. The evolving demographic of the inmates housed in these facilities also plays a role. A higher degree of poverty, less education, undiagnosed or under-diagnosed medical conditions, and higher rates of infection and substance abuse all contribute to a sicker inmate population.

Another major challenge for correctional facilities is adequate staffing in their medical departments. Because the majority of correctional facilities are located in rural and remote areas and clinical supervision is often inadequate, many qualified nurses prefer to work at patient care-focused centers instead of in the corrections industry.

The main cost drivers of medical services in correctional facilities are:

- Health care staff (45%).
- Pharmaceuticals (23%).
- Outside services (18%).
- Other (14%).

Staff and pharmaceutical costs are fairly stable, but outside services can vary significantly. Also, it should be noted that the “Other” category does not include costs associated with lawsuits.

As they tackle such financial challenges, correctional facilities must also be proactive and strive to meet certain goals for their medical departments to operate smoothly. It is possible for a self-management model to provide quality medical and mental health care that

meets inmates’ constitutional rights while acknowledging the unique characteristics of the jail population, including such issues as higher rates of drug-seeking and manipulative behavior. Because of such behaviors, lawsuits are common in correctional facilities, and medical departments must be managed in a way that minimizes their frequency. When medical departments and staff are managed properly, and if a standard of adequate and timely community care is maintained, a correctional facility stands a good chance of successfully defending itself against lawsuits.

As noted, the health care staff is almost always the major source of cost increases in a corrections medical department. Therefore, it is extremely important to retain a quality nursing staff versus continually recruiting new staff. Although there is a national nurse shortage, correctional facilities can promote recruitment and retention of nursing staff in several ways:

- Offer a competitive salary and benefits that are as good as or better than those of private industry.
- Provide comprehensive, user-friendly nursing guidelines that do not force nurses to perform beyond their State licensure rules and regulations. Also, a physician or midlevel health care provider should be available (at least by telephone) 24/7.
- Train nursing staff on a regular basis. This improves nurses’ confidence and comfort level. Either the medical director or a senior nursing staff member should provide such training.
- Redesign clinical staffing and work flow based on objectives or tasks that not only improve staff satisfaction and quality of care, but also fit within the budget.
- Give a one-time tour of the facility not just to applicants, but also to their significant others. This shows them that correctional facilities are significantly different from what they see portrayed in the movies.
- Have nursing staff conduct a more efficient sick call process. This reduces the number of hours that a physician is needed on site.

Medications are an additional source of cost increases within the medical departments of correctional facilities. The following steps can alleviate this burden:

- Promote competition between different pharmacy vendors and learn the meaning of the language that vendors commonly use in their proposals, such as *average wholesale price (AWP)* and *wholesale acquisition cost (WAC)*. Negotiate your rate upward from WAC, not downward from AWP.
- Adopt a formulary with limited “designer drugs.” The formulary should be reviewed annually by the medical director because some brand name and designer medications may become available in

generic form. Communicate this information to your pharmacy vendor.

- Monitor at least quarterly the cost and percentage of prescriptions that use formulary and nonformulary medications, particularly psychotropic drugs. Medical directors need to be aware of the findings and take a proactive approach before these numbers get out of control.
- Beware of electronic prescription software marketed as an "added value." There have been indications that this added value shifts labor costs and liability for errors from vendor pharmacies to medical staff who function as pharmacy technicians at facilities.
- Monitor the monthly costs of medication. A reasonable benchmark for the monthly cost of medications is \$25 to \$35 per inmate. For example, in a jail with an average daily population of 500, expect to spend approximately \$17,500 per month, assuming that (depending on demographic variances) approximately 35 percent of inmates require prescription medications.

Offsite visits—either to emergency rooms or elective consults—represent an additional source of cost increases. The following actions can reduce and control such costs:

- Implement a comprehensive, practical screening of all arrivals at intake/booking. Health care provid-

ers should conduct these medical *and* mental health screenings on all arrivals within the first 12 to 24 hours to ensure early identification and intervention when indicated.

- Recognize early on the symptoms of withdrawal from alcohol and opiates, and take immediate and appropriate action.
- Obtain relevant outside records prior to incarceration to minimize duplicate or unnecessary offsite visits.
- Organize medical records to enable health care providers to make more timely and appropriate clinical decisions for in-house or outside visits.
- Implement chronic care clinics for common medical conditions to reduce the number of offsite visits.
- Eliminate paper files and use electronic medical records (EMRs) that are user friendly for correctional facilities. EMRs not only improve communication among staff, they also decrease redundancy of care. EMRs gather statistics and decrease the chances of lawsuits caused by illegible handwriting.
- Train nursing staff consistently to enable them to communicate crucial information to physicians or midlevel health care providers and to make appropriate clinical decisions regarding transferring inmates to emergency departments.



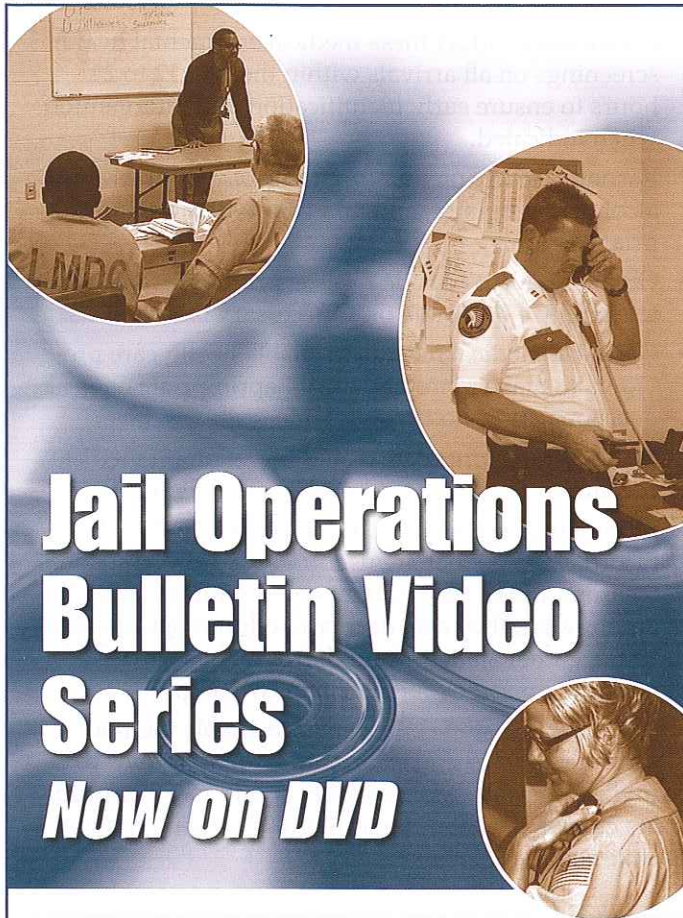
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Mental Health in Jails

Jails and prisons have become a dumping ground for the mentally ill in our society. With the invention of the psychotropic drug Thorazine in 1955, thousands of patients were released from mental health hospitals. Soon, they filled community health clinics so quickly that the caseload was unmanageable. When the patients became unstable and came into contact with law enforcement, they were sent to jail. In an attempt to resolve this problem, jails have typically utilized the following ineffective strategies:

- Primary care physicians diagnose and prescribe psychotropic medications with which they may not be comfortable.
- Psychiatrists from local mental health clinics struggle to find the time to visit patients at correctional facilities in addition to handling their normal caseloads.
- Jails are forced to transport inmates offsite for mental health needs, thus increasing costs and posing security risks.

Unfortunately, each of these strategies results in long waiting lists for mentally ill inmates and may expose facilities to liability.

One viable option is telepsychiatry, which uses live videoconferencing to connect inmates with qualified psychiatrists, regardless of geographic location. By implementing telepsychiatry, correctional facilities can reduce the number of labor hours and security staff needed to transport inmates offsite. Timely access to mental health care also helps reduce the number of grievances filed by inmates and their families, dangerous or aggressive behavior, and the abuse of psychotropic medications. Psychiatrists participating in a telemedicine program must be sensitive to the special needs of the correctional population and comfortable with prescribing generic, time-proven psychotropic medications, thereby further managing pharmaceutical costs.

Conclusion

There is a great need to control costs and provide standard community care in correctional medical departments. There is an alternative to the privatization of medical departments that can positively affect both quality of care and costs in jails and prisons. By retaining current staff, monitoring medications, and using telepsychiatry, facilities can reduce the cost of providing medical care to inmates and still meet inmates' constitutional right to adequate physical and mental health care. ■

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