H.464

An Act relating to health care reform and cost reductions in the Department of Corrections

In 2011 the GA passed ACT 041 War on Recidivism which also recognized the following important points related to inmate health care and provided funding in **Section 9a** for The Feasibility Study:

1) that "the corrections population is "part of the greater community"
2) that any need for reform of "offender health care should be conducted within the context and framework of the state's ongoing health care reform efforts for the entire state"
3) that "creating barriers to health care based on one's status as an offender is not in the state's best interests because it contradicts Vermont's efforts to create systems of care that work for all Vermonters"
4) that a study would be conducted "on how the state can best provide quality health care services to people incarcerated in Vermont at a cost savings to the state"

This Act shall direct the reform, reduce cost and barriers to care and shall create mechanisms which support changes recommended in the Feasibility Study as directed in Section 9a) Act 041 in.

Section 1. The state shall require that reimbursement rates for services rendered to incarcerated persons is no greater than that of Medicaid rates or where applicable Medicare rates, for all off-site services including specialty consultants, outpatient care including dialysis and testing and inpatient hospital care This may result in a potential **cost savings** to the State of **~$300-600,000**

Section 2. Agency of Human Services shall ensure that the Department of Vermont Health Access (DVHA) creates within its current and future Medicaid claims processing system a mechanism to allow the processing of claims submitted on behalf of inmates for offsite care and services; thus allowing the state to realize a **potential cost savings** of **~$140,000-$170,000/year. This will also enhance the state's ability to ensure that all Vermont citizens have equal access to and enrollment in the Health Benefit Exchange and Health Benefit Plans as determined by the State's health care reform plan.**

Section 3. The State shall establish a mechanism whereby 'preferred provider/partner status' would be given to Federally Qualified Health Centers FQHCs (FQHC look alikes, Community Health Centers) choosing to bid on a corrections contract for inmate health services. This status would not relieve the FQHC from meeting all contract requirements. Partnerships with corrections and FQHCs could result in a substantial savings to the state by allowing the use of 340b mechanism to purchase pharmaceuticals. Corrections current pharmacy spending tops $1.2 mil/year. 340b pricing may allow the state to realize a potential **cost savings** of **~$300K/year**. Partnerships between corrections and FQHCs would also enhance reentry efforts by providing a seamless transition for inmates into the FQHCs medical home. FQHCs would be reimbursed for managing and providing inmate health services as well as being eligible to receive monies now being paid as management fee under Corrections' current system. These funds could support improved services and infrastructure within the wider spread community health system to the benefit of all Vermonters

Section 4. The State shall establish a mechanism whereby 'preferred provider/partner status' would be given to Designated Agencies (DAs) which may choose to bid on a corrections contract for inmate mental health services. This status would not relieve the DA from meeting all contract requirements.

Corrections and DA partnerships would potentially increase the consistency of services and reduce disparities between correctional mental health care and that which is provided in the community. DAs would be reimbursed for managing and providing inmate mental health services as well as being eligible to receive monies now being paid as management fee under Corrections' current system. These funds could support improved services and infrastructure within the wider spread community mental health system to the benefit of all Vermonters.

~~**Section 5**. The state's inmate health care reform activities shall include through rule making or law a means to prohibit the disenrollment of incarcerated inmates from benefits under its Medicaid or similarly funded insurance plan; rather it shall allow suspension of benefits. This best practice is encouraged by Centers for Medicare and Medicaid. This practice will enhance reentry planning and provide consistency and continuity of health and mental health services which is known to have a positive effect on lowering re-incarceration rates.~~ Completed

Section 6. Green Mountain Care Board or other authority overseeing Vermont's Health Care reform shall ensure 1) the promulgation of rules for enrollment and benefits related to participation in a Health Benefit Exchange (HBE) and Qualified Health Plan (QHP). The rules shall state that an incarcerated person who is not yet sentenced (detainee) may enroll in (if new) or continue coverage under (If previously enrolled) a QHP during a period of incarceration prior to adjudication (detainee status) as is currently permissible under the Affordable Care Act (ACA). The rules will establish processes for the participation to occur and; 2) that processes are developed whereby DOC and or its contractor for inmate health and mental health services can submit claims to the inmate's QHP for medical, mental health and substance abuse services during the period of time that the enrollee is on detainee status and;

3) that pursuant to the goals of act 48 in creating a single-payer system, at the point at which the Green Mountain board applies for an 1115A Medicaid waiver from CMS they are also instructed to include in that application a request to waive that portion of section 1903 known as the ***inmate exception*** so that inmates in the State of Vermont can be fully included within the single-payer system

Section 7. DOC shall be provided with a budgetary allocation for purchase of an Electronic Health Record (EHR) to support the essential needs of a fully functioning inmate health and mental health system of care. The provision of high quality Inmate health care is dependent upon the ability of DOC and it contractors to engage in communication and sharing of inmate health information with other AHS Departments and systems including DVHA, Health Benefit Exchange, Blueprint for Health and Green Mountain Care Board and VHCURES. An EHR will support the electronic sharing of inmate health information as required for partnering with FQHCs or DAs. The **cost** of the EHR could be in whole or part offset by **savings from aforementioned Sections 1, 2 and 3 and through CMS EHR Incentive Program (HITECH Act) as recently made available to correctional health programs meeting eligibility requirements under the Meaningful Use Act Stage 2. This program can potentially provide $63,750 over 6 years to support adoption, upgrade, implementation and demonstration of meaningful use of certified EHR technology within corrections.**