



Iowa Department of Corrections Response:
Inmate Geriatric and Psychiatric Patients Study Committee
November 29, 2011

Request: The Geriatric Inmate and Psychiatric Patients Interim Committee needs the DOC and DHS to provide a joint cost comparison of services provided to the specific populations of geriatric inmates and psychiatric patients at its next meeting, tentatively scheduled for early December. The Committee needs a robust discussion of costs of providing services to these populations. As an example, please provide the DOC costs of caring for a medically needy offender and then, total costs (split between state and federal) if that individual were paroled to a nursing home facility. Another possibility may be the DHS providing direct services rather than contracting with a nursing home.

Response: We would offer the following:

- **Cost comparison, Nursing Homes.**
 - ✓ The cost to house a medically needy offender at the Iowa Medical & Classification Center (IMCC) varies widely. The average per diem cost for housing an offender at IMCC was \$156.59 in FY2011, or \$57,155.35 per year.
 - ✓ Treating a person in a nursing home averages about \$52,000 per year, of which about 60% would be covered by the federal share of Medicaid for those determined Medicaid eligible. The state share would therefore be about 40% of total cost or \$21,000 per year.¹
 - ✓ Conclusion: For Medicaid-eligible persons, paroling appropriate offenders to nursing homes would save the state about \$36,155 per person per year. It is uncertain how many persons in IMCC or elsewhere in DOC facilities would be found Medicaid eligible.

- **Cost comparison, Gero-Psychiatric Care.**
 - ✓ The cost to house a medically needy offender at IMCC varies widely. The average per diem cost for housing an offender at IMCC was \$156.59 in FY2011, or \$57,155.35 per year. The cost for caring for offenders with gero-psychiatric needs is higher than this, but lower than for patients in the forensic psychiatric hospital (per diem cost of \$186.27). A reasonable estimate for the DOCs cost to provide gero-psychiatric care is \$171 per day per offender, or about \$62,415 per year.
 - ✓ Treating a person in the Gero-Psychiatric ward at the Clarinda Mental Health Institute (MHI) costs about \$590 per patient per day. At the current Medicaid rate for this facility the state share is about \$327 per day.¹
 - ✓ There is a private, less expensive specialty nursing facility that cost around \$226 per patient per day, or \$82,490 per year. Again, assuming Medicaid eligibility, the state share for this latter facility would be about 40% of total cost or \$32,996 per year.¹
 - ✓ Conclusion: For Medicaid-eligible persons, paroling appropriate offenders to the Gero-Psychiatric ward at the Clarinda MHI would not save the state money. However, placements in private facilities equipped to handle this type of patient could potentially save the state about \$24,159 per person per year.

¹ Information provided by the Department of Human Services

While the Federal share of Medicaid varies year to year, there will continue to be a cost savings associated with nursing home placements and private facilities offering gero-psychiatric care, even if the Federal share were reduced to 50%.

Question: *I think the DOC relies on UIHC for medical care and does not reimburse the UIHC?*

Response: Correct.

Question: *If so, would this same option be available to a nursing home provider or DHS?*

Response: Not under current law. However, the legislature might contemplate changing the law.

Question: *It may be cheaper for the DOC to provide services because the staffing is already in place (treatment, security and support), and the DOC does not need to meet hospital standards (except for the forensic hospital?)*

Response: The DOC still strives to meet those standards even though we are not required to do so. We would also note we do not currently have the type of bed available to meet all needing those beds. There are waiting lists for these beds currently, and demand for these beds will continue to rise. The Iowa Division of Criminal and Juvenile Justice Planning projects the percentage of prison inmates over age 51 will increase from 12% to 18% over the next ten years. This aging of the prison population will bring continuing challenges to manage rising costs to care for offenders with chronic medical needs and provide the types of beds and staff necessary to ensure an appropriate standard of care.

Request: *Please address the budget (revenues and expenditures) for moving the forensic hospital outside the DOC.*

Response: Per diem for the IMCC forensic psychiatric hospital is currently \$186.27. Costs may be higher if DHS is charged with operating a forensic psychiatric hospital. Also, we are aware DHS will need to substantially renovate existing space in an MHI or, in the likely event renovation is not financially feasible, build a standalone facility. DHS would be unable to provide this service with any fewer staff costs than what DOC requires. We are aware the forensic psychiatric hospitals in Arkansas and California make use of teaching affiliations and fellowships with nearby universities and medical schools. It is unknown whether this option is available in Iowa.

Further questions initiated by Co Chairs Senator Hancock and Representative Worthan:

1. *An overview of how the DOC makes recommendations to the Board of Parole for release of offenders. Are there different methods the DOC uses? Please explain how each method works (e.g., Staff Initiated Review – SIR process).*

Response: In addition to the Iowa Board of Parole's annual review schedule, there is a process for DOC staff-initiated review of offenders. Such staff-initiated reviews may be in response to the Board of Parole's directives (such as to review an inmate upon completion of certain programs) or at staff discretion (usually at a time when offenders have completed recommended programs and a release plan has been created). The SIR process was initiated by the Iowa Board of Parole for the purpose of identifying low risk offenders for early release consideration. DOC staff uses the Board of Parole's criteria to screen offenders at the time of prison admission, and release plans are prepared for the Board's review.

2. Data for each method the DOC uses to makes recommendations for release - how many (actual numbers) offenders did the Board release (either to work release or parole) that the DOC recommended for release (percentage released/not released) over the last two fiscal years, by fiscal year (additional data is welcome if it is readily available).

Response: Overall across all recommendation types the Board of Parole agreed with DOC recommendations in 65.8% of cases in FY2010, and 68.2% of cases in FY2011. SIR-Qualified cases accounted for about 4% and 7% of release recommendations in FY2010 and FY2011, respectively.

3. Any research that shows whether or not there is a difference in recidivism (explain how recidivism is defined) between those offenders released to supervision in the community (parole or work release) and offenders who served the full sentence in prison and were released without supervision.

Response: Iowa offenders paroled from prison or work release are significantly less likely to return to prison for a new conviction within three years of release compared to offenders who discharge their sentences. Put another way, for every 100 offenders who are paroled rather than discharge by way of expiration of sentence, we can prevent 9 new convictions involving prison incarceration.

