

WEST VIRGINIA LEGISLATURE
Legislative Post Audit Division

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Denny Rhodes
Director

May 19, 2016

The Honorable William Cole, President
West Virginia State Senate
Post Audits Subcommittee, Co-Chair
Room 229 M, Building 1
State Capitol Complex
Charleston, WV 25305

The Honorable Timothy Armstead, Speaker
West Virginia House of Delegates
Post Audits Subcommittee, Co-Chair
Room 228 M, Building 1
State Capitol Complex
Charleston, WV 25305

Dear Mr. President and Mr. Speaker:

The Post Audit Division of the Legislative Auditor's Office is currently conducting an audit of the Division of Corrections (DOC). During the audit, we noted several areas where DOC's management of inmate data could be improved. While DOC is able to gather some management data related to inmate medical costs and transport costs, we were unable to determine if any programs or changes could be made in order to reduce the cost of incarcerating inmates in DOC prisons. In addition, DOC's ability to compare inmate populations (i.e. – elderly, chronically ill, etc.) and the cost of incarcerating those populations is limited.

Similarly, because DOC does not specifically track the costs of facility characteristics such as the presence of specialized units which increase costs (i.e. – Paws 4 Prison - a program for training service dogs, drug rehabilitation units, etc.), its ability to compare the costs of operating one facility versus another is also limited. Furthermore, because DOC does not maintain specific inmate and cost information, management's decision making processes could be hindered.

Inmate Medical Costs

DOC does not track costs associated with medical care by inmate. DOC tracks costs at the facility level regardless of specific inmate characteristics. Furthermore, a majority of contractual costs are assigned to "Reserve". For example, instead of tracking each inmate's medical treatments and costs, DOC allocates the entire cost of its medical services contract to "Reserve" and then allocates an amount to each inmate based on the total cost divided by the average inmate population.

Since medical care costs are the most significant variable cost, DOC is unable to determine how much more costly specific inmate populations (i.e. – elderly, chronically ill, etc.) are to incarcerate. Furthermore, DOC does not track the information related to the number of each type of medical visits (i.e. – clinic visits, diagnostic testing, emergency health, etc.) that the contractor, Wexford Health Solutions, Inc., provided to inmates at each of its facilities. As a result, DOC is unaware of how many times inmates received medical services.

Additionally, as a result of not compiling inmate and cost information, DOC is unable to evaluate the cost effectiveness of the medical services contract and whether or not DOC could reduce the costs of providing inmate health services by operating the infirmaries internally. During FY 2014, DOC paid Wexford Health Sources, Inc. approximately \$27 million to provide inmate medical services at all but two of its prisons. DOC Commissioner Jim Rubenstein has informed the Legislature he would like to open a clinic/infirmery internally operated by DOC. However, because DOC does not track the necessary management information concerning inmate medical costs, it will be difficult, if not impossible to determine if a DOC clinic/infirmery is feasible.

Inmate Transportations

DOC does not track individual inmate transportations in a way that would allow calculation of the costs associated with each type of inmate transport. In order to determine the costs associated with transporting inmates, the information related to the number of prisoners moved during each transport, custody staff assigned, custody staff hours (regular and overtime), miles traveled, and costs of any overnight stays (i.e. – hotel accommodations and meals) must be tracked. However, DOC's inmate management system does not track this information in a way that would facilitate the calculation of the costs associated with each of the six types of transports.

When an inmate is transported out of a facility, whether it be for a medical visit, court hearing, etc., DOC enters a movement code into its system. While the system is capable of providing a list of every movement (i.e. – when one inmate is transferred from one location to another) that occurred during a specified period, it does not track the number of transports (i.e. – number of trips occurring) and the details of those transports.

In addition, DOC's system does not track which transports are designated as secure versus non-secure. Whether or not the transport is secure or non-secure significantly affects the costs associated with the transport because the security level regulates the staff assigned to complete the transport.

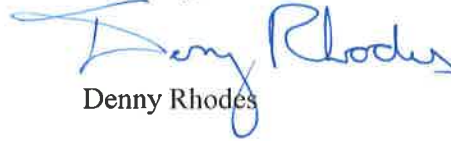
The limitations in the data maintained by DOC regarding prisoner transports hinders the ability of DOC management to make informed decisions and accurate comparisons when considering inmate transport costs.

Regarding these issues, the Legislative Auditor recommends the following:

- 1. The Legislative Auditor recommends DOC track individual inmate health care expenditures so costs can be analyzed by specific characteristics such as age and type of medical/mental health conditions. If DOC is able to modify its current Offender Information System, the cost associated with implementing this recommendation would most likely be de minimis.*
- 2. The Legislative Auditor recommends DOC implement a new system or improve its current system to track inmate transportations in more detail in order to identify the costs associated with the various types of inmate transportations. If DOC is able to modify its current Offender Information System or implements a Microsoft Access database or Microsoft Excel spreadsheet to compile the information entered on DOC's Transportation Receipt form, the cost associated with implementing this recommendation would most likely be de minimis.*

3. *The Legislative Auditor recommends DOC address the issues presented in this letter and report back to the Legislative Post Audits Subcommittee no later than the September 2016 interim meeting with a plan to mitigate the issues noted.*

Sincerely,



Denny Rhodes

cc: Joseph Thornton, DMAPS Cabinet Secretary
Jim Rubenstein, DOC Commissioner



STATE OF WEST VIRGINIA
DEPARTMENT OF MILITARY AFFAIRS AND PUBLIC SAFETY
DIVISION OF CORRECTIONS



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18 May 2016

Denny Rhodes, Director
West Virginia Legislature
Legislative Post Audit Division
1900 Kanawha Boulevard, East
Charleston, WV 25305

Dear Director Rhodes,

On behalf of the West Virginia Division of Corrections (DOC), I offer the following information in regard to the recommendations issued by the Legislative Auditor in regard to the following:

- 1. The Legislative Auditor recommends DOC track individual inmate health care expenditures so costs can be analyzed by specific characteristics such as age and type of medical/health conditions. If DOC is able to modify its current Offender Information System, the costs associated with implementing this recommendation would most likely be de minimis.*

DOC Response: DOC foresaw a need to appropriately address this data management deficit and took steps towards resolving it through the mechanism of our current inmate medical services contract. DOC's current medical services contract requires the successful bidder, Wexford Health Sources, Inc., to work with DOC to implement an Electronic Medical Record (EMR) system. This project is underway. Wexford is working with DOC and CorEMR to implement an EMR system for DOC. DOC and the State of West Virginia will retain ownership of all data entered into the system. DOC will require an EMR system as a mandatory specification in all future inmate medical services contract bids. The EMR system will provide a paperless data management system. For purposes of illustration, the EMR is expected to provide data management by inmate of Medication Administration, Sick Call participation, Chronic Care Clinic participation, outside hospitalizations, outside specialty care, DOC infirmary admissions and discharges, etc. DOC will be prepared to provide a more detailed briefing on the EMR system at the September 2016 Interim Meeting.

2. *The Legislative Auditor recommends DOC implement a new system or improve its current system to track inmate transportations in more detail in order to identify the costs associated with the various types of inmate transportations. If DOC is able to modify its current Offender Information System or implements a Microsoft Access database or Microsoft Excel spreadsheet to compile the information entered on DOC's Transportation Receipt Form, the costs associated with implementing this recommendation would most likely be de minimis.*

DOC Response: DOC is committed to examining the opportunities to meet this recommendation. However, to the extent that an electronic solution may be available, DOC believes it is pre-mature to characterize the end cost of such a solution as de minimis. To the extent that a digital solution can be had, linkages must be established between diverse data sources and employee work groups in order to maximize efficiencies in the collection and analysis of the pertinent data. DOC will establish a multi-disciplinary team and consult with the Office of Technology concerning the best long-term solution to this need.

Sincerely,

A handwritten signature in blue ink, appearing to read "M. Coleman", is written over the word "Sincerely,".

Mike Coleman, Deputy Commissioner

cc: Joseph Thornton, DMAPS Cabinet Secretary
Jim Rubenstein, DOC Commissioner
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