



Washington State
Department of Social
& Health Services



Report to the Legislature

Extraordinary Medical Placement Expenditures and Savings

Engrossed Substitute Senate Bill 6444
Section 206 (18)
Section 209 (31)
Section 223 (1) (f)

November 30, 2010

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Extraordinary Medical Placement Expenditure and Savings

Executive Summary

This Report fulfills requirements of Engrossed Substitute Senate Bill 6444 Sections 206 (18), 209 (31), and 223 (1) (f) to report Department of Social and Health Services (DSHS) expenditures and Department of Corrections (DOC) savings related to the Extraordinary Medical Placement (EMP) Program.

The department shall collaborate with the department of corrections to identify and track cost savings to the department of corrections, including medical cost savings and to identify and track expenditures incurred by the aging and disability services program for community services and by the medical assistance program for medical expenses. A joint report regarding the identified savings and expenditures shall be provided to the office of financial management and the appropriate fiscal committees of the legislature by November 30, 2010.

Section 9.94A.728 of the Revised Code of Washington allows the DOC to move low risk offenders with high medical or personal care needs who qualify for the EMP program out of prison before their planned release and into community settings that provide personal care. Offenders are still deemed to be under the guidance of the DOC while on EMP status and can be revoked back to prison at any time. Most individuals on EMP status qualify for Medicaid, and the DSHS receives federal match for medical or personal care services provided while they are in the community.

The 2009-2011 Biennial Budget increased the number of anticipated EMP placements in FY10. Proviso funding was provided to DSHS to support the anticipated increase in EMP placements, starting August 1, 2010.

This report from the DOC and the DSHS, Aging and Disability Services Administration, and Medicaid Purchasing Administration, includes information about activities related to individuals who participated in the EMP program from August 1, 2009 through June 30, 2010. The DOC also provides a review of all EMP activities in a calendar year through a separate annual report.

DSHS Expenditures related to FY 10 Activities

Medical Expenses covered by Medicaid Purchasing Administration:

GF-S	\$178,496
Federal Match	\$303,144
Total Medical Expenses	\$481,640

Long Term Care Expenses covered by DSHS Aging and Disability Services Administration:

GF-S	\$96,758
Federal Match	\$161,814
Total Long Term Care Expenses	\$258,572

Cost Avoidance of General State Fund dollars to DOC:

GF-S	\$377,400
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Total Saving of General State Fund Dollars Related to EMP program: \$102,146

[(\$178,496 + \$96,758) - \$377,400]

Background

Section 9.94A.728 of the Revised Code of Washington allows the Department of Corrections (DOC) to move individuals who qualify for the Extraordinary Medical Placement (EMP) program out of prison before their planned release and into community settings that provide personal care. An individual who is out of prison on EMP is still under the guidance and supervision of DOC and can be moved back to prison if he or she no longer qualifies for the program.

To qualify and maintain community placement as a result of EMP, individuals must meet certain criteria set by the DOC. The individual must be deemed incapacitated and have high medical or personal care needs. Initial criteria include having an assessment by the DOC that the individual poses a very low risk to the community. In addition, the offender must abide by conditions of release that are set forth by the DOC.

The 2009-2011 Biennial Budget established the number of anticipated Extraordinary Medical Placements (EMP) in FY10. Based on more recent information, which showed that the 2009-11 Biennial Budget assumptions were too high, the 2010 Supplemental Budget adjusted the number of EMP placements downward in FY10. Eleven total placements were assumed by the end of FY10.

Number of Individuals Served

The cost savings and expenditures in this report reflect activities from August 2009 through June 2010. Fifty-eight offenders were considered by the Department of Corrections for EMP during this time period; however, only 16 offenders met adequate criteria to go forward for review by DSHS.

Of the 16 offenders who ADSA assessed for potential placement from August 1, 2009 through June 30, 2010:

- Eight (8) had placements with DSHS funding between August 2009 and June 2010, for a total of 682 days on EMP during this reporting period
- One (1) moved to EMP as a private pay client
- Three (3) died while pending EMP approval
- Two (2) had their EMP request denied by DOC far into the process
- One (1) had a revised Earned Release Date (ERD) and released without EMP Status
- One (1) remains at DOC, but has not yet had her EMP request reviewed by DOC

In addition, five individuals who were placed on EMP status prior to August 1, 2009 had a total of 1205 days of EMP during this reporting period.

Referral and placement activities continue and are tracked by both agencies.

Considerations and Constraints

Several factors have contributed to the lower than expected number of days offenders were on EMP status. Since individuals are not referred for EMP until they are likely to fit the criteria, they have been referred for DSHS placement closer to earned release date than projected in the original DSHS assumptions. While DSHS continues to serve these individuals, expenses after they reach the earned release date are not tied to the proviso and are not included in this report. Others have been at the end stages of a terminal illness and they have either died before DOC was able to secure the EMP status or they died soon after their placement. DSHS and DOC are working together to obtain referrals for EMP earlier in the process. This should result in increased savings for DOC, as is intended by the EMP program.

The language of the law requires that offenders are incapacitated in order to be considered for EMP. Although the DOC definition for incapacitated reflects the eligibility criteria for DSHS personal care services, the Department of Corrections has additional criteria for EMP eligibility in order to ensure low-risk to the community.

Many offenders who would otherwise benefit from this program do not meet the additional criteria, although they are extremely ill or near death.

As the population of sex offenders and other individuals with high profile criminal histories continue to grow, both DSHS and DOC expect to have increasing difficulty finding viable placement options, even for individuals who otherwise meet all the criteria for EMP.

Updates

Individuals leaving prison with personal care needs are among the hardest to place in the community. DSHS continues to develop resources and coordinate supports for offenders across the state, including those who are not on EMP status.

Expenditures and Savings related to EMP for FY 10

	Total	Federal Match	General Fund- State
Personal care expenditures by DSHS Aging and Disability Services Administration for EMP clients who were served during this reporting period.	\$258, 572	\$161, 814	\$96,758
Expenditures by Medicaid Purchasing Administration for EMP clients who were served during this reporting period.	\$481, 640	\$303, 144	\$178,496
Total General State Funds Expenditures from DSHS for EMP Clients from August 1, 2009 through June 30, 2010 ¹			\$275, 254
Cost avoidance of General State Fund dollars to DOC ²			\$377,400
Total saving of General State Fund dollars related to EMP program			\$102, 146

¹ ADSA and MPA combined. Includes expenses of 13 individuals:

- 8 who were placed and served by DSHS during this reporting period
- 5 who were already on EMP as of August 1, 2009

This amount may not include all ADSA or MPA expenses, as there may be delays in billing by providers for services that took place in the reporting period.

² This amount assumes a DOC savings of \$200/day for each individual while on EMP status (1882 days X \$200); \$200 is assumed cost per day for offenders with medical or personal care needs; includes DOC funded medical and personal care supports, but does not include any outside medical costs. This figure represents cost avoidance for 14 individuals for a total of 1882 days on EMP during the reporting period:

- 8 who were placed and served by DSHS during this reporting period
- 1 who was placed with private funds
- 5 who were on EMP status as of August 1, 2009