

MINUTES

**CORRECTIONAL MANAGED HEALTH CARE COMMITTEE
June 9, 2009**

Chairperson: James D. Griffin, M.D.

CMHCC Members Present: Elmo Cavin, Bryan Collier, William Elger, Gerard Evenwel, Cynthia Jumper, Lannette Linthicum, M.D.,

CMHCC Members Absent: Ben G. Raimer, M.D., Desmar Walkes, M.D.

Partner Agency Staff Present: Owen Murray, D. O., Karen Sexton, R.N., Ph.D., FACHE, Joe Penn, M.D., Lauren Neumann, Steve Alderman, The University of Texas Medical Branch; Denise DeShields, M.D., Texas Tech University Health Sciences Center; Nathaniel Quarterman, Ron Steffa, Robert Williams, M.D., George Crippen, R.N., MSN, Michael Kelley, M.D. Chris Black, RN, BSN, Texas Department of Criminal Justice; David Nelson, Janice Lord, Texas Board of Criminal Justice; Jeannie Frazier, Past CMHCC Member; Allen Hightower, David McNutt, Lynn Webb, Tati Buentello, CMHCC Staff.

Others Present: Lynne Baker, GSK; Cathy Corey, Abbott-Institutional Managing

Location: Dallas Love Field Main Terminal Conference Room A, 8008 Cedar Springs Road, Dallas, Texas

| Agenda Topic / Presenter | Presentation | Discussion | Action |
|--|--|-------------------|---------------|
| I. Call to Order - James D. Griffin, M.D. | Dr. Griffin called the CMHCC meeting to order at 9:00 a.m. then noted that a quorum was present and the meeting would be conducted in accordance with Chapter 551 of the Texas Government Code, the Open Meetings Act. | | |
| II. Recognitions and Introductions - James D. Griffin, M.D. | Dr. Griffin next introduced Mr. Gerard Evenwel, recently appointed by the Governor to serve as the non-physician public member replacing Ms. Jeannie Frazier whose term expired on February 1, 2009. He further noted that Mr. Evenwel has close to 40 years experience in Human Resources and Benefits; and has been with the upper management of Fortune 50 and 500 companies. Mr. Evenwel recently retired from Pilgrim's Pride Corporation as Director, Compensation and Benefits and in that role, Mr. Evenwel consolidated and restructured self-insured health care and pharmacy benefit plans and case management programs to better manage employees with chronic illnesses. Dr. Griffin on behalf of the Committee and staff welcomed Mr. Evenwel to the meeting. | | |

| Agenda Topic / Presenter | Presentation | Discussion | Action |
|--|---|--|--|
| <p>Introductions / Recognitions Cont.</p> | <p>Dr. Griffin next stated that he introduced Mr. William Elger in-absentia at the last meeting as he was unable to attend due to scheduling conflicts. Dr. Griffin again noted that Mr. Elger was appointed by Dr. David Callendar, President, UTMB, to serve as the non-physician member representing the University of Texas Medical Branch replacing Mr. Larry Revill. Mr. Elger currently serves as the Executive Vice-President, Chief Business and Finance Officer for UTMB. He comes to UTMB from the University of Arizona College of Medicine where he was the Senior Associate Dean for Administration and Finance.</p> <p>Dr. Griffin welcomed Mr. Elger on behalf of the Committee.</p> <p>Dr. Griffin then acknowledged and thanked Mr. David Nelson and Ms. Janice Lord with the Texas Board of Criminal Justice and Dr. Karen Sexton, UTMB for attending the meeting.</p> <p>Dr. Griffin next stated that Ms. Jeannie Frazier was named to the CMHCC as one of the original three public members appointed by the Governor. He further noted that Ms. Frazier served for nine consecutive years and acknowledged her outstanding leadership, financial expertise and outstanding service to the Texas correctional health care program.</p> | <p>Dr. Griffin then read and asked the Committee to officially adopt the Resolution of Appreciation being presented to Ms. Frazier. (Attachment 1).</p> <p>Dr. Linthicum also presented Ms. Frazier with a gift in appreciation for her service and commitment to the TDCJ healthcare program on behalf of the Texas Department of Criminal Justice.</p> <p>Ms. Frazier thanked the Committee and stated that it was a pleasure to have served as one of the original three public members to be appointed by the Governor. She stated that all three partner agencies should be proud of the exemplary work they do in providing health care to the offender population which speaks well for the State of Texas.</p> | <p>Mr. Elmo Cavin moved that the Committee adopt the Resolution of Appreciation as presented by Dr. Griffin. Dr. Cynthia Jumper seconded the motion which prevailed by unanimous vote.</p> |

| Agenda Topic / Presenter | Presentation | Discussion | Action |
|--|---|---|---|
| <p>Recognition / Introductions (Cont.)</p> | <p>Dr. Griffin asked if there were any other introductions to be made?</p> | <p>Dr. Linthicum introduced Chris Black, Chief of Nursing, who will oversee compliance and access to care monitoring.</p> | |
| <p>III. Approval of Excused Absence</p> <p>- James Griffin, M.D.</p> | <p>Dr. Griffin then stated that he would entertain a motion to approve the excused absences of Mr. Bryan Collier and Mr. William Elger who were unable to attend the March 27, 2009 CMHCC meeting due to scheduling conflicts.</p> | | <p>Mr. Cavin moved to approve Mr. Bryan Collier and Mr. William Elger's absence from the March 27, 2009 CMHCC meeting. Dr. Cynthia Jumper seconded the motion. The motion passed by unanimous vote.</p> |
| <p>IV. Approval of Consent Items</p> <p>- James Griffin, M.D.</p> | <p>Dr. Griffin stated next on the agenda is the approval of the consent items to include the Minutes from the March 27, 2009 CMHCC meeting; the TDCJ Health Services Monitoring Report; both UTMB and TTUHSC Medical Director's Report, and the Summary of Joint Committee Activities. He then asked the members if they had any specific consent item(s) to pull out for separate discussion?</p> <p>Hearing no further discussion, Dr. Griffin stated that he would entertain a motion on approving the consent items as presented in the agenda booklet.</p> | | |
| <p>V. Executive Director's Report</p> <p>- Allen Hightower</p> | <p>Dr. Griffin then called on Mr. Hightower to provide the Executive Director's report.</p> <p>Mr. Hightower stated that he would only briefly touch on the appropriations as Mr. McNutt will be providing the detailed version later on the agenda. For the new CMHCC members, Mr. Hightower noted that Senate Bill 1, the General Appropriations bill is where the operational funding for the correctional health care program under Article V is found. Mr. Hightower further reported that the total operational funding for the correctional health care program in FY 2010 is \$466,370,463 and \$468,303,484 in FY 2011.</p> <p>Mr. Hightower next noted that House Bill 4586 appropriated \$48,144,918 in supplemental funding to help the university providers address projected losses during this current biennium.</p> | | <p>Mr. Cavin moved to approve the consent items as presented at Tab A of the agenda booklet. Mr. Collier seconded the motion. The motion passed by unanimous vote.</p> |

| Agenda Topic / Presenter | Presentation | Discussion | Action |
|---|---|------------|--------|
| <p data-bbox="128 164 411 220">- Executive Director's Report (Cont.)</p> <p data-bbox="92 621 415 678">VI. Performance and Financial Status Report</p> <p data-bbox="128 711 323 735">- David McNutt</p> | <p data-bbox="489 164 1087 402">Mr. Hightower further noted that the Sunset bill did not pass before the Legislative Session ended which included changing the original 2011 Sunset date for the correctional health care program to 2013. Mr. Hightower felt sure that the Governor will be calling for a Special Session but until that time, he noted the Committee will assume that the Sunset review will start in August, 2009.</p> <p data-bbox="489 440 1087 496">Mr. Hightower concluded by stating that he would be happy to entertain any questions.</p> <p data-bbox="489 534 1087 591">Hearing no further discussion, Dr. Griffin called on Mr. McNutt to provide the performance review update.</p> <p data-bbox="489 628 1087 802">Mr. McNutt noted that the Performance Dashboard is provided at Tab C of the agenda packet. He then reported that the offender population slightly decreased to 150,225 at the end of the second quarter FY 2009 compared to 151,723 for the same time period a year ago.</p> <p data-bbox="489 839 1087 980">The aging offenders continue to rise at a steady rate and Mr. McNutt reported that the number of offenders 55+ at the end of second quarter FY2008 was 10,211 compared to 10,824 this second quarter FY 2009 which is an increase of about 5.9%.</p> <p data-bbox="489 1018 1087 1192">The psychiatric inpatient census remained consistent at the 1,900 bed level which he noted, is governed largely to the number of available beds. The psychiatric outpatient numbers totaled at 18,583 for the month of December 2008; 18,413 for the month of January 2009 and 18,296 for the month February, 2009.</p> <p data-bbox="489 1229 1087 1370">Mr. McNutt again noted that the definition of the nine access to care indicators are included on page 84 of the agenda packet for use as a reference. He then reported that the medical access to care indicators remained within the 95% - 97% range; the mental health access</p> | | |

| Agenda Topic / Presenter | Presentation | Discussion | Action |
|--|--|------------|--------|
| <p>- Performance and Financial Status Update (Cont.)</p> | <p>to care stayed within the 97% - 99% range; and dental access to care remained consistently between the 98% -99% range.</p> <p>Mr. McNutt continued by stating that the UTMB sector physician vacancy rate for this quarter was 15.15%; mid-level practitioners at 8.80%; RN's at 9.78%; LVN's at 14.35%, dentists at 10.77% and psychiatrists at 6.67% which he noted are slightly lower than what was reported for the previous quarter.</p> <p>TTUHSC sector physician vacancy rate for the same quarter averaged at 19.20%; mid-level practitioners at 10.95%; RN's at 18.9%; LVN's at 23.5%; dentists at 19.76%, and psychiatrists at 37.59%. The Texas Tech sector's percent of vacancies are higher but Mr. McNutt again noted that this is due to the smaller number of employees for each discipline and noted for example, a rate of 20% or more for the dentist category may only equate to three or four vacant dental positions.</p> <p>The timeliness in the Medically Recommended Intensive Supervision Program (MRIS) medical summaries was at 95% in December 2008, dropped to 94% in January, 2009 which is slightly below the targeted level of 95%, but went back up to 96% in February, 2009.</p> <p>Mr. McNutt next reported that for the statewide revenue v. expenses by month; the slide provided on page 91 of the agenda packet shows the revenue and expenses being close to even for the month of December 2008, but then goes into the red for the months of January and February, 2009.</p> <p>Mr. McNutt concluded by reporting that the overall health costs through the second quarter of FY 2009 totaled \$243.8M. On a combined basis, this amount is above overall revenues earned by the university providers by approximately \$6.2M or 2.6%.</p> | | |

| Agenda Topic / Presenter | Presentation | Discussion | Action |
|--|---|---|---|
| <ul style="list-style-type: none"> - Financial and Performance Status Report (Cont.) | <p>Dr. Griffin asked if there were any comments or questions for Mr. McNutt?</p> | <p>Dr. Linthicum asked whether the data used for the access to care indicators were based on the unit reporting data or the sick call verification audits. She stated that the verification audits is where the auditors take random samples of the sick call requests to be sure the methodologies used are the same. She recommended the staff change the report to focus on areas where they are seeing more challenges in terms of access to care as in the specialty care areas.</p> <p>Dr. Griffin asked the committee staff to get with Dr. Linthicum to further discuss this issue before the next meeting.</p> | <p>Mr. McNutt stated that he would work with Dr. Linthicum on the reporting method for the medical access to care.</p> |
| <p>VII. Funding Update and Approval</p> <ul style="list-style-type: none"> - David McNutt - Supplemental Funding Allocations | <p>Dr. Griffin then asked Mr. McNutt to provide the funding updates.</p> <p>Mr. McNutt stated that he would be referring to two documents that were handed out earlier and began with the document titled, "Review and Approval of Supplemental Appropriations Request, FY 2008-2009" (Attachment 2).</p> <p>Mr. McNutt stated that House Bill 4586, Section 16 as noted earlier by Mr. Hightower appropriated \$48,144,918 in supplemental funding for the correctional health care program as the university providers experienced shortfalls in funding for the current biennium.</p> <p>For FY 2008, Mr. McNutt stated that UTMB reported a loss of \$14,720,961 and TTUHSC reported that they had none. For FY 2009, UTMB reported an additional shortfall of \$31,848,300 and Texas Tech reported a loss of \$1,474,657 for a combined total loss in the amount of \$33,423,957. Mr. McNutt further stated in order to address this shortfall, supplemental appropriations were requested during the 81st Legislative Session and asked that the committee authorize staff to distribute the supplemental funding amounts.</p> <p>Dr. Griffin hearing no further discussions, stated that he would entertain a motion.</p> | | <p>Mr. Bryan Collier moved that pursuant to its authority under Section 501.148(a)(4) of the Texas Government Code, the</p> |

| Agenda Topic / Presenter | Presentation | Discussion | Action |
|---|--|------------|---|
| <p>- Supplemental Funding Allocations (Cont.)</p> | | | <p>Committee allocate and authorize its staff to distribute the following supplemental funding amounts to UTMB: \$46,569,261 and TTUHSC: \$1,575,657. The distribution of these funds is to be made as soon as funds from HB 4586 are made available contingent upon the execution of contract amendments with the university providers that require the Chief Financial Officer for the university to certify the losses projected for the biennium. These allocations represent estimates that are: (1) calculated on projected end of year FY 2009 expenses; (2) based on actual data through the first seven months of the year; and (3) subject to a year end reconciliation to actual expenses incurred. Mr. Collier further moved that the staff be authorized to make a final adjustment and reconciliation of such allocations against final FY 2009 financial reports.</p> <p>Mr. Cavin seconded the motion. The motion passed by unanimous vote.</p> |
| <p>- FY 2010 – 2011 Budget Allocations</p> | <p>Mr. McNutt next referred to the second handout titled, “Review and Approval of FY 2010-2011 Budget Allocations” (Attachment 3).</p> <p>Mr. McNutt stated that Senate Bill 1, 81st Legislature provided the funding appropriations for the correctional health care program. He further noted that the allocations for the biennium were developed based on actual costs and projected needs.</p> <p>The distribution of funds in the FY 2010-2011 budget allocates all funding provided in the base appropriations for correctional health care contained in strategies C.1.7 and C.1.8 of the</p> | | |

| Agenda Topic / Presenters | Presentation | Discussion | Action |
|--|---|--|--------|
| <p>- FY 2010 – 2011 Budget Allocations (Cont.)</p> | <p>TDCJ’s appropriations under Senate Bill 1.</p> <p>Mr. McNutt further reported that the method used by the Legislative Budget Board to get the base appropriations for FY 2010-2011 was by adding together what was appropriated for FY 2008 and FY 2009 then divided that amount by two. He noted this resulted with the base amount being short \$4,182,138 going into the current legislative session.</p> <p>In addition to the adjustment to the base level of funding for the university providers at \$48.46M for the biennium; the market adjustment totaled \$20M; increased hospital / specialty care at \$10M and capital equipment replacement at \$5.7M. Mr. McNutt noted however that the request to implement Hepatitis biopsy in the amount of \$4.4M; phased in implementation of the staffing study in the amount of \$35.2M; and new initiatives in the amount of \$3.2M were not funded.</p> <p>Mr. McNutt further reported that for the distribution of funds for the biennium; the sub-total allocated to the university providers for FY 2010 is \$465,701,410 and the amount allocated for the Correctional Managed Health Care is \$669,053 for a total distribution of \$466,370,463. For FY 2011, the subtotal for the university providers is \$467,634,356 and \$669,128 for the Correctional Managed Health Care Committee for a total distribution of \$468,303,484.</p> <p>Mr. McNutt concluded by stating that the last two pages details the budget allocation assumptions similar to what has been provided in the past.</p> | <p>Dr. Linthicum asked if the Rider listed in the Budget Assumption for Marlin VA was for dual mission?</p> <p>Mr. McNutt responded that the way the appropriation is cited, it is for psychiatric care in FY 2011 and that the funding is contingent upon completion of the renovation of the facility.</p> | |

| Agenda Topic / Presenter | Presentation | Discussion | Action |
|--|---|---|--|
| <p>- FY 2010 – 2011 Budget Allocation (Cont.)</p> | <p>Hearing no further discussion, Dr. Griffin stated that he would entertain a motion for the budget allocation as presented by Mr. McNutt.</p> | <p>Mr. Collier added that they are clarifying with state leadership on this.</p> <p>Dr. Linthicum then asked about the Rider for TDCJ to do a cost study on CMHCC?</p> <p>Mr. Ron Steffa stated that he would check into that.</p> <p>Dr. Linthicum further asked that the Committee continue to support the request for funds needed for the phased in implementation of the requested staffing study.</p> | <p>Mr. Elmo Cavin moved that pursuant to its authority under Section 501.148(1)(4) of the Texas Government Code, the Committee approve the FY 2010-2011 budget allocations and accompanying budget assumptions as presented. He further moved that the CMHCC authorize its staff to make any final adjustments to the projected populations used in developing these allocations that may be necessary and to adjust the projected allocation accordingly; and that the Committee authorize the staff to finalize the contracted arrangements for the next biennium in accordance with these budget allocation.</p> <p>Mr. Collier seconded the motion The motion is approved by unanimous vote.</p> |
| <p>VIII. Summary of Critical Personnel Vacancies</p> <p>- Dr. Linthicum (TDCJ)</p> | <p>Dr. Griffin thanked Mr. McNutt for the update then called on Dr. Linthicum to provide the Critical Personnel Vacancy Updates for TDCJ.</p> <p>Dr. Linthicum stated for TDCJ Health Services, the Physician II position is still vacant but has been contracted as a part-time position. She further reported that there are still three nursing vacancy positions to be filled at this time.</p> | | |

| Agenda Topic / Presenter | Presentation | Discussion | Action |
|--|---|------------|--------|
| <ul style="list-style-type: none"> - Denise DeShields, M.D. (TTUHSC) | <p>Dr. Griffin then called on Dr. DeShields to provide the Texas Tech’s critical personnel vacancy updates.</p> <p>Dr. DeShields reported that Texas Tech started hiring part-time practitioners interested in working 20 hours a week which they arrange accordingly to fill in the 40 hour work week. She was also pleased to report that the PAMIO Director position has been filled and the person is set to start on July 1st. She concluded by stating that Texas Tech continues to utilize recruiting agencies and enhanced advertisements to recruit qualified applicants.</p> | | |
| <ul style="list-style-type: none"> - Owen Murray, D. O. (UTMB) <p>Nursing Market Adjustment</p> | <p>Dr. Griffin thanked Dr. DeShields for the update then called on Dr. Murray for the UTMB update.</p> <p>Dr. Murray reported that UTMB vacancy rates as noted earlier by Mr. McNutt continues to be an area of concern. He stated that he would like to take this opportunity to get support from the Committee concerning market increases for UTMB nursing staff adjustment that were budgeted to begin on January 1, 2009 but was put on hold due to Hurricane Ike.</p> <p>He further stated that the current statewide nursing shortages are projected to double by the year 2013 and the number is projected to quadruple by the year 2020. This is partly due to the availability of nursing schools in Texas and their ability to expand classes.</p> <p>Dr. Murray then referred to the handouts that were provided. The first sheet shows a graph of the UTMB-CMC 2009 nursing vacancy rates broken out by the six districts (Attachment 4). He then noted that certain geographical areas have higher vacancy rates such as Beaumont at 32% and San Antonio at 37% compared to Houston at 12%.</p> <p>He next reported that the contract agency cost is approximately \$4M and approximately \$1.5M is spent on salary overtime. He further added that staff working overtime is not cost effective as it leads to staff burnout resulting in higher turnover and vacancy rates.</p> | | |

| Agenda Topic / Presenter | | Discussion | Action |
|--|---|---|--------|
| <p>- Nursing Market Adjustment (Cont.)</p> | <p>Dr. Murray stated that the requested market adjustment would be \$1.2M over an annualized basis and approximately \$400,000 for the last quarter of FY 2009. He further noted that this salary adjustment will not only help recruit qualified health care providers but would be a good retention tool. He then referred to the second sheet of his handout which shows the UTMB-CMC Turnover Rates again broken out by the six geographical districts which shows both the involuntary and voluntary turnover rates. He added that two of the most common reasons for the high percentage of turnover rates are (1) they can be making more out in the community and (2) they do not like working in the prison environment.</p> <p>Dr. Murray added that nursing vacancies have increased significantly over the last five months due to increasing market competitiveness of the available nursing skills that are needed throughout Texas. He concluded by asking for the Committee's support of a 6% nursing market adjustment increases and again stated that this is something that had already been budgeted.</p> | <p>Dr. Karen Sexton added that they are not only looking at market adjustments but management is also looking to improve employee satisfaction in the working environment. She further indicated that as the national shortages of nurses increases, the harder it will be to recruit and retain nursing staff.</p> <p>Dr. Murray further added that market adjustments have had a positive impact and recalled that when the dental market adjustment was requested at the December 2008 CMHCC meeting and implemented; five of the ten dental vacancy positions were filled.</p> <p>Mr. David Nelson asked if the loan repayment bill recently passed by the legislature expanded to nurses?</p> <p>Dr. Murray responded that he did not know if nurses were included in that particular bill but that UTMB and TTUHSC got excluded because of the nature of the population being served.</p> <p>Dr. Linthicum again noted that the physicians working for TDCJ are able to participate in the Texas Higher Education Program to get assistance on their loans.</p> | |

| Agenda Topic / Presenter | Presentation | Discussion | Action |
|--|--------------|---|--------|
| <p>- Nursing Market Adjustment (Cont.)</p> | | <p>Dr. Griffin recalled that the legislature had set what the appropriated budget amount was for FY 2009 and wanted to be certain that the \$400,000 was available in the UTMB budget and that additional funds were not needed to implement this request for the end of this quarter.</p> <p>Dr. Murray responded that this was correct.</p> <p>Mr. McNutt added that Dr. Murray did relay to the Committee staff that the nursing market adjustment amount for the end of this quarter would be \$400,000 and over \$1M on an annualized basis, and because of that, UTMB is bringing this to the Committee's attention.</p> <p>Mr. Hightower clarified that the only additional funding UTMB requested for FY 2009 is the amount submitted for the Supplemental Appropriations Request (SAR) and that the FY 2010-2011 budget is what was requested in the Legislative Appropriation Request (LAR).</p> <p>Dr. Griffin noted then that the amount approved for FY 2010-2011 LAR would be \$12.3M for UTMB's market adjustment and that would include the different disciplines such as physicians and unit based nurses.</p> <p>Mr. Cavin asked if the Committee would look at market adjustments on a state-wide basis since Texas Tech is also seeing the nursing staff shortages within their own healthcare clinics as well as the TTUHSC correctional health care system. He further emphasized the need to maintain a balance where you do not start competing and recruiting staff away from one another.</p> | |

| Agenda Topic / Presenter | Presentation | Discussion | Action |
|---|--------------|---|--------|
| <p>- Nursing Market Adjustment (Cont.)</p> <p>-</p> | | <p>Dr. Linthicum agreed and noted that 15 years ago, John Sharpe in his role as Comptroller reported in his Performance Review that the managed health care model would benefit TDCJ. The report further stated that the partnership with the university medical schools would contribute with access to health care; retain costs; and the university providers would be able to recruit and retain the necessary professional health care staff that TDCJ was not able to accomplish at that time.</p> <p>Dr. Linthicum then noted that the university providers are now having the same difficulties recruiting and retaining the necessary professional health care staff and this challenge has become not just a correctional or free-world issue but an issue across the board in the health care profession.</p> <p>Dr. Griffin agreed that this is a national health care crises and asked if there were any other comments.</p> <p>Dr. Murray asked if any action would be taken by the Committee on the nursing market adjustment request?</p> <p>Dr. Linthicum added that the contract does state that any expenditures over \$1M be brought before the Committee.</p> <p>Dr. Griffin responded that the \$400,000 requested for the end of the quarter FY 2009 was reported as already included in the UTMB budget. In terms of how the Committee will go forward in looking at market increases for FY2010-2011 in the amount of \$12.3M for UTMB and \$7.6M for TTUHSC will be discussed further at future meetings.</p> <p>Dr. Griffin then asked if there were any other comments or questions? Hearing none, thanked Dr. Murray for the update.</p> | |

| Agenda Topic / Presenter | Discussion | Conclusion | Action |
|---|---|------------|--------|
| <p>X. Updates: Infection Control Manual Policies</p> <p>- Mike Kelley, M.D.</p> | <p>Dr. Griffin next called on Dr. Kelley to provide the updates to the Infection Control Manual Policies.</p> <p>Dr. Kelley noted that the changes requested for the Infection Control Manual Policy B-14.11, HIV and Policy B-14.13, Hepatitis are indicated by underline and strikeout text of the draft policies that are provided at Tab E of the agenda packet.</p> <p>He stated that the first change in the HIV policy is the policy statement under Procedure II, to clarify to medical staff that pre-test counseling is no longer required. This is in accordance with the recommendation from the Center for Disease Control and the Department of State Health Services to eliminate pre-test counseling to reduce barriers to testing.</p> <p>Changes in Procedures I.A and I.B are proposed in order to separate medical staff from the unit disciplinary process. The discipline should not be part of the provider-patient relationship and this separation is recommended in a guideline from the US Department of Justice.</p> <p>Dr. Kelley then noted that the next change in Procedure III.C which deletes toxoplasmosis and cytomegalovirus titers; second CD4 count and viral load from baseline testing requirements should have been a strike-out in the draft policy included in the agenda book.</p> <p>Dr. Kelley next stated that the changes requested for Policy B-14.13, Hepatitis were reviewed and recommended by the Infection Control Committee and the Pharmacy and Therapeutics Committee. These changes update the policy to the most current national guidelines on the management of Hepatitis B</p> | | |

| Agenda Topic/Presenter | Presentation | Discussion | Action |
|--|--|------------|---|
| <p>XI. Medical Director's Report</p> <p>- Lannette Linthicum, M.D. (TDCJ)</p> <p>- Office of Professional Standards</p> <p>- Grievances and Patient Liaison Correspondences.</p> <p>- Quality Improvement / Access to Care</p> | <p>that are published by the American Association for the Study of Liver Disease and the 2008 NIH Consensus Statement on Management of Chronic Hepatitis B.</p> <p>Dr. Kelley concluded by stating that the changes are to reduce the ALT threshold for considering treatment from twice the upper limit of normal to simply an elevated level and also simplifies the disease management pathway.</p> <p>Hearing no further discussion, Dr. Griffin stated that he would entertain a motion.</p> <p>Dr. Griffin next called on Dr. Linthicum to provide the TDCJ Medical Director's Report.</p> <p>Dr. Linthicum noted that her report is provided at Tab F of the agenda packet.</p> <p>During the second quarter of FY 2009, Dr. Linthicum reported that ten facilities were audited and those results are available on pages 138 – 139 of the agenda packet.</p> <p>She then reported that the Patient Liaison Program and the Step II Grievance Program received a total of 2,651 correspondences. Of the total number of correspondences received, 331 or 12.49% action requests were generated.</p> <p>Quality Improvement / Quality Monitoring staff performed 115 access to care audits for this quarter. A total of 1,035 indicators were reviewed and 41 indicators fell below the 80% threshold.</p> | | <p>Dr. Linthicum moved to approve the changes made to the CMHC Policy B-14.11, HIV and Policy B-14.13, Hepatitis as presented by Dr. Kelley.</p> <p>Mr. Bryan Collier seconded the motion. The motion passed by unanimous vote.</p> |

| Agenda Topic / Presenter | Presentation | Discussion | Action |
|--|--|------------|--------|
| <ul style="list-style-type: none"> - Mental Health Services Monitoring | <p>The Mental Health Services Monitoring and Liaison with County Jails identified 35 offenders with immediate mental health needs prior to TDCJ intake.</p> <p>Dr. Linthicum added that the MHMR history was reviewed for 18,009 offenders brought into TDCJ-ID/SJ through the intake process. She further noted that 366 offenders with high risk factors (very young or old or have long sentences) transferred into TDCJ-ID were interviewed which resulted in 20 referrals.</p> <p>The master's level psychiatrist made 19 Administrative Segregation visits this quarter and observed 4,312 offenders, interviewed 2,451 offenders and referred 10 for further evaluations.</p> | | |
| <ul style="list-style-type: none"> - Health Services Liaison Utilization Review | <p>During the second quarter of FY 2009, 21 Administrative Segregation facilities were audited. 4,608 offenders were observed, 2,417 of them were interviewed, and 37 offenders were referred for further evaluation.</p> | | |
| <ul style="list-style-type: none"> - Accreditation | <p>Dr. Linthicum next reported that the American Correctional Association Panel of Commissioners awarded ACA accreditation to the Cotulla, Jester I, Vance and Jester III facilities and re-accreditation was awarded to Briscoe, Cole, C. Moore, Gist, Luther, Polunsky and Smith facilities.</p> | | |
| <ul style="list-style-type: none"> - Biomedical Research Projects | <p>Dr. Linthicum concluded by stating that the summary and pending research projects as provided by the TDCJ Executive Services are included in the consent items on pages 52-57 of the agenda packet.</p> | | |
| <ul style="list-style-type: none"> - Medical Director's Report <p>Denise DeShields, M.D. (TTUHSC)</p> | <p>Dr. Griffin hearing no other comments, thanked Dr. Linthicum for the report and called on Dr. Deshields to provide the TTUHSC Medical Director's report.</p> <p>Dr. DeShields stated that she would briefly update the Committee on specialty care initiatives mentioned at the last meeting. She reported that staff from TDCJ, CMHCC, TTUHSC and Dr. Cynthia Jumper met with officials at the Grace Highland Clinic who used to provide ancillary services, outpatient services and ambulatory services from</p> | | |

| Agenda Topic / Presenter | Presentation | Discussion | Action |
|--|---|---|--------|
| <ul style="list-style-type: none"> - Medical Director's Report (TTUHSC – Cont.) | <p>October of 2007 through May of 2008. This hospital was taken over by a new group shortly afterwards and Dr. DeShields stated that they are in the process of getting those services back again with the submittal of a draft proposal. Grace Highland Clinic officials requested additional information which has been provided and are now waiting on their response.</p> <p>Dr. DeShields further reported that the Grace Highland Clinic primarily provided services to include general surgery, orthopedics, GI (gastrointestinal) services but hoped to expand on the types of services as clinically needed. She stated that they are seeing an increase of patients with end-stage liver disease and gastrointestinal complications. Dr. DeShield concluded by stating that she would keep the Committee updated on this issue.</p> | | |
| <ul style="list-style-type: none"> - UTMB Medical Director's Report | <p>Hearing no further questions, Dr Griffin thanked Dr. DeShields then called on Dr. Murray to provide the UTMB Medical Director's Report.</p> | | |
| <ul style="list-style-type: none"> - Owen Murray, D.O. | <p>Dr. Murray stated that he would brief the Committee on the general surgery cases reviewed by Dr. Robert Williams as an ongoing quality assurance effort.</p> <p>Dr. Murray stated there were 216 cases of individuals with potential hernia conditions that needed to be addressed and were brought in for evaluation. He further reported that 51 of those 216 patients had their hernia repaired; 104 appointments scheduled (45 of those appointments scheduled for June; 54 scheduled for July and 5 scheduled for August); 27 paroled out of the system and 28 patients refused surgery.</p> <p>Dr. Murray concluded by stating that he would continue to update the Committee then thanked Dr. Williams for reviewing the cases.</p> <p>Dr. Griffin asked if there were any questions?</p> | <p>Dr. Linthicum requested that Dr. Murray provide the data on the 216 cases of individuals with potential hernia conditions to her office.</p> | |

| Agenda Topic / Presenter | Presentation | Discussion | Action |
|---|---|--|--------|
| <p>UTMB Medical Director's Report (Cont.)</p> | <p>Hearing no further comments, thanked Dr. Murray for the report, then called on Dr. Kelley to provide the update on the Joint Infection Control Committee.</p> | <p>Dr. Murray stated that he would provide the data as requested.</p> <p>Dr. Griffin noted that there are still some concerns in the sub-specialty areas that need to be addressed further by the partner agencies. He further noted that there is currently an ongoing dispute resolution between TDCJ and UTMB on dialysis patients which they have been working on and are certainly seeing improvements after re-assessing those cases. Dr. Griffin thanked the university providers and TDCJ on their cooperative efforts in improving the care to those patients with sub-specialty care issues.</p> | |
| <p>X. Joint Infection Control Committee Update</p> <p>- Mike Kelley, M.D.</p> | <p>Dr. Kelley stated that his presentation is included at Tab G of the agenda packet.</p> <p>Dr. Kelley reported that the function of the Joint Infection Control Committee is to monitor the incidence of infectious diseases in the system; to determine factors related to occurrences of infectious diseases; recommend control measures; and to develop infection control policies.</p> <p>The membership includes TDCJ / TTUHSC / UTMB representatives in various discipline to include the Preventive Medicine staff; university Medical Directors, Dental Directors, Director of Nursing, and Director of Pharmacy. He further noted that the position of the TDCJ Director of Preventive Medicine serves as the Chair for the Committee as defined by policy.</p> <p>Dr. Kelley stated that one of the most tangible product is the Infection Control Manual used as a resource reference. The policies are reviewed annually and are divided into sections pertaining to employee health; management and control of specific diseases; disease reporting and infection control practices; offender occupational and housing</p> | | |

| Agenda Topic / Presenter | Presentation | Discussion | Action |
|--|---|------------|--------|
| <p>- Joint Infection Control Committee (Cont.)</p> | <p>issues; and food-borne outbreak procedures.</p> <p>Dr. Kelley stated that during their review process, the Joint Infection Control Committee tries to keep the policies evidence based by reviewing literature and following national and state guidelines such as those published by the Centers for Disease Control, Department of State Health Services, National Commission on Correctional Health Care and American Correctional Association.</p> <p>He further noted that two special policies, one for HIV and the other on Hepatitis are both managed within the Infection Control Manual but the final approval is reserved by the CMHCC. These policies are reviewed by the joint working committee with the involvement of a medical specialist such as a gastroenterologist for the Hepatitis policies.</p> <p>Dr. Kelley next reported that the legislature required mandatory pre-release HIV testing and have found that there are some concerns on the sero-conversions of the total HIV positives. He clarified by stating that the offender was HIV positive when tested at the pre-release HIV testing even though they came into the system as HIV negative.</p> <p>He then referred back to the Pandemic Flu plan that was initiated in 2007 and noted that staff worked and trained with the Department of State Health Services as to how the strategic national stockpile which is the emergency supply of drugs would be managed in the event of a bio-terrorist attack. Dr. Kelley also recalled that 2 years ago, TDCJ and CMHC purchased a stockpile of Tamiflu in the event of Pandemic Flu outbreak.</p> <p>Dr. Kelley next stated that other diseases of special interest include Norovirus that causes gastroenteritis; some reported cases of Varicella or chicken pox; and Parotitis or the swelling of the cheeks which they had sporadic cases of, but was never able to</p> | | |

| Agenda Topic / Presenter | Presentation | Discussion | Action |
|--|--|------------|--------|
| <p>- Joint Infection Control Committee (Cont.)</p> | <p>establish a diagnosis, and eventually went away before the State Health Department of Health was able to determine what the cause was.</p> <p>Dr. Kelley next stated that approximately a month ago, there were cases of swine flu or H1N1 which is a seasonal variety that was first reported in Mexico. The case fatality ratio reported at first was about 7% to 8% which is extremely high but as of last week the reported ratio was more like in the 1.8% range. He stated that the 1.8% percentage rate was still high and noted that the researchers had estimated the case fatality ratio for the 1918 Spanish flu outbreak was between 2% - 2.5%.</p> <p>The first Swine Flu case was reported on April 5th in Texas but that particular case was retrospectively reported. After the April 22nd case was reported, a meeting was held with Mr. Quarterman and staff to initiate the Pandemic Flu plan in response to those initial reports.</p> <p>The staff performed daily surveillance of influenza like illnesses; gathered and provided information being sent out by CDC to the unit staff. Dr. Kelley noted that one of the most disruptive portion of this process was to quarantine new intakes for up to seven days to be sure they were not infected. Other preventive measures included checking incoming staff and visitors; and isolating those with possible influenza type symptoms to keep it from getting it into the prison system.</p> <p>He then reported there were not enough swabs available on the units for cultures and even after redistributing swabs to the units from the Medical Warehouse, they ran out and could not get additional swabs as they were on back-order.</p> <p>Dr. Kelley also noted that CDC and DSHS got so far behind in their testing that they could not give a real time picture and had to read the daily CDC press conference transcript to get the most current data.</p> | | |

| Agenda Topic / Presenter | Presentation | Discussion | Action |
|--|--|---|--------|
| <p>- Joint Infection Control Committee (Cont.)</p> | <p>As of last week, Dr. Kelley reported that things are back to normal operations but there are future concerns on control measures in the event of an outbreak. He noted for example, determining whether or not they have enough access to swabs, protective attires and supplies; making sure that the right information gets relayed to the unit staff without any confusion as to whether or not it was something being sent out by UTMB campus or through UTMB-CMC; not being sure of how to handle large number of cases where they may have to convert cellblocks into an infirmary or dorms to be used to quarantine offender patients; and how to operate and staff shifts in the event the employee has symptoms of the flu.</p> <p>He further stated that there was also the issue of whether or not to distribute Tamiflu as this was not really considered pandemic from the stockpile that was purchased two years ago as there were no clarification or guidelines during the short Swine Flu outbreak.</p> <p>Dr. Kelley stated that those are the types of issues that still need to be looked at and he recalled that the 1918 Spanish Flu came in waves. It started in March, 1918 like a regular flu season and the case fatality ratio was low and quickly diminished. Then in November of 1919, the second wave hit with a more deadly case fatality ratio which was ten times higher because the virus had mutated.</p> <p>Dr. Kelley concluded by stating that the same can be said of the Swine Flu coming in waves as this is flu season in the Southern Hemisphere where it originated and would recommend that the Pandemic Flu epidemic plan be reviewed by medical, security and CMHCC staff to better protect both the work force and the offender patients.</p> | <p>Dr. Linticum added that the direction on how to use the stockpile comes from the Center for Disease Control and through the State Department of Health Services.</p> <p>Dr. Kelley agreed and stated that he had written the SDHS for clarification and was given guidance for use in the future.</p> <p>Mr. Nelson asked what the shelf life of Tamiflu was and who had the stockpile?</p> <p>Dr. Kelley responded that the shelf life is five years but there is a possibility that the shelf life will be re-certified to last longer. He further responded that TDCJ has about 9,000 or 10,000 courses of treatment for employees and CMHCC has about 15,000 courses of treatment.</p> <p>Dr. Griffin also addressed the question of how effective the vaccine would be for the different strain of flu.</p> | |

| Agenda Topic / Presenter | Presentation | Discussion | Action |
|--|--|------------|--------|
| <p>XIII. Suicide Prevention Effort</p> <p>- Joe Penn, M.D.</p> | <p>Hearing no further comments, Dr. Griffin thanked Dr. Kelley for the report then called on Dr. Penn to brief the Committee on the suicide prevention efforts.</p> <p>Dr. Penn introduced himself by stating that he was the Director of Mental Health for UTMB and also serves as Chair of the Mental Health Subcommittee at the request of Dr. Linthicum.</p> <p>Dr. Penn reported that suicide is the number one leading cause of death within jails. He further noted that suicide ranks as the third leading cause of death between natural causes and AIDS within the US prisons. He then noted that a good national data base on suicides does not exist at this time as it is not a legal duty or is it mandated to report suicides in the United States compared to other countries such as Scandinavia that have mandated reporting of suicides.</p> <p>The data that is available suggest that the annual suicide rate is approximately 11 to 12 per 100,000 which is the commonly accepted national general population number for the free-world. This number however is distorted when you look at the breakout of about 5 to 6 per 100,000 completed suicides for females and the males being at a higher risk at about 18 per 100,000.</p> <p>The suicide rate data currently available for the last three decades for state prisons range from 18 – 40 per 100,000 which shows that the suicide risk is much higher in prison settings compared to the general population. Dr. Penn added that data provided by his colleague in the State of New Jersey shows the annual suicide rate of 16.3 per 100,000.</p> <p>Dr. Penn next referred to the chart on page 151 of the agenda booklet titled, “Suicides 2000 – May 2009” that shows the number of suicides at TDCJ. Through Dr. Linthicum and Mr. Quarterman’s initiatives for</p> | | |

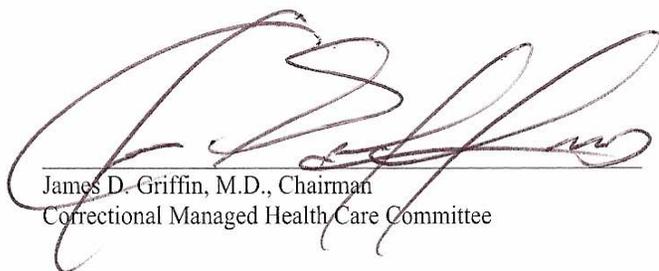
| Agenda Topic / Presenter | Presentation | Discussion | Action |
|--------------------------|---|---|--------|
| | <p>the suicide prevention programs, Dr. Penn noted that the number of suicides reported dropped from 32 in 2007 down to 19 in 2008; but there has been 14 suicides in 2009 to date.</p> <p>Dr. Penn added that the NCCHC standards on suicide prevention policies are provided at Tab H of the agenda packet. He further stated that the majority of these policies have been implemented through the collaborative efforts of the partner agencies.</p> <p>Dr. Penn then recalled at the December 2008 meeting, he had reported that the Joint Mental Health Committee held two retreats on suicide prevention to look over policies and procedures. The next such meeting is scheduled for June 19th to discuss topics directly related to security, crisis management, suicide prevention, constant supervision and the use of plexi-glass for observation.</p> <p>Dr. Penn again requested that the Committee consider having an outside consultant come in to see how they are doing and make recommendations on the suicide prevention program in our correctional setting. He further recommended increasing inpatient psychiatric beds as the Montford Unit built in 1994 currently provides the largest mental health care for the state with only 550 inpatient bed capacity.</p> <p>Dr. Penn then recommended the concept of having the dually diagnosed patients that have both medical issues such as HIV, Hepatitis C or diabetes who are also schizophrenic; and also having a specialized unit for treating females with mental health issues at the Murray Unit. He added that the geriatric component of the dementia patients also need to be placed in specialized housing as they require more of an assisted living and sheltered housing area type environment.</p> | <p>Dr. Griffin asked what the suicide ratio was between males and females that were reported?</p> <p>Dr. Penn responded the majority being males.</p> | |

| Agenda Topic / Presenter | Presentation | Discussion | Action |
|--|--|---|--------|
| <p data-bbox="100 467 373 495">XIV. Financial Report</p> <p data-bbox="170 527 323 555">- Lynn Webb</p> | <p data-bbox="464 164 1037 342">Dr. Penn appreciated the cost issues relating to his recommendations but noted that they will be advocating more funding for mental health services in the upcoming biennium with the support of the Committee. He concluded by stating that he would be happy to answer questions.</p> <p data-bbox="464 375 1010 431">Hearing no further discussions, Dr. Griffin thanked Dr. Penn for the report.</p> <p data-bbox="464 464 1024 521">Dr. Griffin next called on Lynn Webb to provide the financial update.</p> <p data-bbox="464 553 1037 675">Mr. Webb noted that the financial summary will cover data for the second quarter of FY 2009 ending February 28, 2009 and that the report is provided at Tab I of the agenda packet.</p> <p data-bbox="464 708 1037 829">The average daily offender population has declined slightly to 150,659 for the second quarter FY 2009 compared to 151,671 for the same quarter in FY 2008; which is a decrease of 1,012 or 0.66%.</p> <p data-bbox="464 862 1037 1040">Consistent with trends over the last several years, Mr. Webb noted that the number of offenders aged 55 and older has continued to rise at a faster than the overall offender population to 10,821 this quarter compared to 10,211 for the same quarter a year ago which is an increase of 610 or 5.9%.</p> <p data-bbox="464 1073 1037 1162">The overall HIV+ population has remained stable throughout the last two years at 2,472 through this quarter or about 1.64% of the population served.</p> <p data-bbox="464 1195 1037 1317">The average number of psychiatric inpatients within the system was 1,933 and this inpatient caseload is limited by the number of mental health beds available.</p> <p data-bbox="464 1349 1037 1438">The average number of psychiatric outpatient visits was 18,697 representing 12.4% of the service population.</p> | <p data-bbox="1062 164 1635 253">Dr. Griffin noted that he would like to get more specific information on Dr. Penn's recommendations to include costs.</p> <p data-bbox="1062 285 1635 496">Dr. Linthicum added that they are looking at putting a ward for dual medical and psychiatric patients at Marlin VA and not just those with Alzheimer but also for those with co-morbidity issues. They are looking at around 60 beds for both males and females which will then free the beds in mental hospitals for the truly psychotic patients.</p> | |

| Agenda Topic / Presenter | Presentation | Discussion | Action |
|-----------------------------------|--|------------|--------|
| <p>- Financial Report (Cont.)</p> | <p>Mr. Webb further reported that the overall health care costs through the second quarter of FY 2009 totaled \$243.8M. On a combined basis, this amount is above overall revenues earned by the university providers by approximately \$6.2M or 2.6%.</p> <p>UTMB's total revenue through the second quarter was \$188.3M; expenditures totaled \$193.4M, resulting in a net loss of \$5.1M. Texas Tech's total revenue through the same quarter was \$49.3M; expenditures totaled \$50.3M, resulting in a net loss of \$1.0M.</p> <p>Mr. Webb then noted that of the \$243.8M in expenses reported through the second quarter FY 2009, onsite services comprised of \$120.8M or about 49.5% of expenses; pharmacy services totaled \$24.8M or about 10.2% of total expenses; offsite services accounted for \$68.4M or 28.0% of total expenses; mental health services totaled \$22.9M or 9.4% of the total costs and indirect support expenses accounted for \$6.9M or about 2.8% of the total costs.</p> <p>Table 5 on page 182 shows that the total cost per offender per day for all health care services statewide through the second quarter FY 2009 was \$8.89; compared to \$8.40 through the same quarter in FY2008. The average cost per offender per day for the last four fiscal years was \$7.86</p> <p>Mr. Webb next noted again that the older offenders access the health care delivery system at a much higher acuity and frequency than younger offenders. Hospital costs received to date this fiscal year for older offenders averaged approximately \$1,634 per offender vs. \$260 for younger offenders. While comprising only about 7.2% of the overall service population, older offenders account for 32.7% of the hospitalization costs. Older offenders are represented four times more often in the dialysis population averaging about \$20.8K per patient per year. Providing dialysis treatment for an average of 188 patients through this quarter cost \$1,961,176.</p> | | |

| Agenda Topic / Presenter | Presentation | Discussion | Action |
|--|---|------------|--------|
| <p>- Financial Report (Cont.)</p> | <p>The total drug costs through the second quarter FY 2009 totaled \$18.2M. Of this, \$9.1M was for HIV medication costs which was about 50% of the total drug costs; psychiatric drug costs were approximately \$567K or about 3.1%; and Hepatitis C drug costs were \$623K and represented about 3.4% of the total drug cost.</p> <p>Mr. Webb again noted that it is a legislative requirement that both UTMB and Texas Tech report if they hold any monies in reserve for correctional managed health care.</p> <p>UTMB stated that they hold no such reserves and report a total shortfall of \$5,122,993 through the end of this quarter. UTMB was expected to have a \$22.7M shortfall for FY 2009 which was used in forecasting budget number in the submitted Legislative Appropriations Request (LAR) but as of May 15, 2009, UTMB is projecting to have a shortfall of \$29.3M in FY 2009.</p> <p>Texas Tech reports that they hold no such reserves and report a total operating shortfall of \$1,062,600 through this second quarter. Texas Tech forecasted a \$1.6M operating shortfall for FY2009 which was used in the submitted and forecasted budgeted LAR numbers.</p> <p>A summary analysis of the ending balances revenue and payments through February 28, FY 2009 is provided at Table 10 on page 187. The summary indicates that the net unencumbered balance on all CMHCC accounts on February 28, 2009 was negative \$106,423,092.52 due to the net effect of the third quarter FY 2009 advanced payments.</p> <p>Mr. Webb concluded by stating that detailed transaction level data from both providers is being tested on a monthly basis to verify reasonableness, accuracy, and compliance with policies and procedures.</p> <p>Hearing no further discussions, Dr. Griffin thanked Mr. Webb for the report.</p> | | |

| Agenda Topic / Presenter | Presentation | Discussion | Action |
|--|---|------------|--------|
| <p>- XV. Public Comments</p> <p>James Griffin, M.D.</p> | <p>Dr. Griffin then stated that the next agenda item is where the Committee at each regular meeting provides an opportunity to receive public comments. Dr. Griffin noted that there were no such request at this time.</p> | | |
| <p>- XVI. Date / Location of Next Meeting</p> <p>James Griffin, M.D.</p> | <p>Dr. Griffin next noted that the next CMHC meeting is scheduled for 9:00 a.m. on September 8, 2009 to be held at the Dallas Love Field Main Terminal Conference Room.</p> <p>Dr. asked if there were any other comments or discussions?</p> | | |
| <p>- XVII. Adjournment</p> | <p>Hearing no further comments, Dr. Griffin thanked Mr. Nelson and Ms. Lord for attending; then adjourned the meeting.</p> | | |



James D. Griffin, M.D., Chairman
Correctional Managed Health Care Committee

Date: 9/8/09

ATTACHMENT 1



Resolution of Appreciation

Jeannie Frazier

WHEREAS, Ms. Jeannie Frazier was appointed to the Correctional Managed Health Care Committee on March 27, 2000 and faithfully serving in that role for nine years; and,

WHEREAS, Ms. Frazier was appointed by Governor George W. Bush as one of the original three public member appointees pursuant to SB 371 of the 76th Legislature and has served continuously as an active member of the CMHCC through four legislative sessions; comprehensive state audits; and Sunset review; and,

WHEREAS, she has been actively involved in the correctional health care program, contributing her time, experience and expertise unselfishly in an ongoing effort to improve and promote the correctional health care program; and,

WHEREAS, the program has benefited greatly from her demonstrated leadership, consistent, thoughtful and dedicated guidance and financial expertise through a period of unprecedented growth and achievement; and,

WHEREAS, Ms. Frazier's distinguished professional career include serving as the former Senior Vice-President of Micher Healthcare; former Senior Vice President of Strategic Planning and Marketing at Memorial Hermann Health Care System; served as Chief Financial Officer at Hermann Hospital; and is currently Chief Financial Officer for the Southwest Foundation for Biomedical Research in San Antonio; and,

WHEREAS, Ms. Frazier excelled academically having attained her bachelor's and master's degree from Stanford University; and past president of the Gulf Coast Chapter of the Healthcare Financial Management Association; and,

WHEREAS, the Correctional Managed Health Care Committee, its staff and its partner agencies wish to gratefully acknowledge the leadership, expertise and contributions of Ms. Frazier;

THEREFORE BE IT RESOLVED, that the Committee adopt this resolution as an expression of our sincere appreciation for Ms. Frazier's professionalism, dedication and outstanding service to the Texas correctional health care program and as a token of our high esteem for her service, present to her a commemorative gavel inscribed with the dates of her service as member of the Correctional Managed Health Care Committee and a framed copy of this resolution with our collective best wishes for success.

**Adopted this 9th day of June in the Year 2009, by the
Correctional Managed Health Care Committee**

ATTACHMENT 2

Supplemental Funding Allocations:

FY 2008 – 2009

Background:

The university providers experienced shortfalls in funding for the current biennium. Based on the latest available expense data, combined losses in excess of 48.1M are projected for the biennium. To address this shortfall, supplemental appropriations were requested during the 81st Legislative Session.

House Bill 4586, Section 16 appropriates \$48,144,918 in supplemental funding for the correctional health care program.

The allocation of this supplemental funding to the university providers prior to August 31, 2009 as authorized by the 81st Legislature, will help address projected losses during this biennium. Allocations are based on universities estimates of loss used to formulate the supplemental appropriations requested as follows:

| | FY 2008 | FY 2009 | Total |
|---------|--------------|---------------------|---------------------|
| UTMB: | \$14,720,961 | \$31,848,300 | \$46,569,261 |
| TTUHSC: | _____ | <u>\$ 1,575,657</u> | <u>\$ 1,575,657</u> |
| TOTAL: | \$14,720,961 | \$33,423.957 | \$48,144,918 |

Statutory authority for CMHCC to allocate funds for correctional health care is found in Section 501.148(a)(4) of the Texas Government Code.

Requested Motion:

That pursuant to its authority under Section 501.148(a)(4) of the Texas Government Code, the Committee allocate and authorize its staff to distribute the following supplemental funding amounts to:

UTMB: \$46,569,261

TTUHSC: \$1,575,657

The distribution of these funds is to be made as soon as funds from HB 4586 are made available contingent upon the execution of contract amendments with the university providers that require the Chief Financial Officer for the university to certify the losses projected for the biennium. These allocations represent estimates that are:

- (1) calculated on projected end of year FY 2009 expenses;
- (2) based on actual data through the first 7 months of the year; and
- (3) subject to a year end reconciliation to actual expenses incurred.

Further move that the staff be authorized to make a final adjustment and reconciliation of such allocations against final FY 2009 financial reports.

ATTACHMENT 3

FY 2010 – 2011 Budget Allocations

Background:

Senate Bill 1, 81st Legislature provides appropriations for the correctional health care program.

Allocations of the appropriations for the biennium have been developed based on actual costs and projected needs. These proposed allocations are outlined in the presentation and budget allocation materials accompanying this motion.

Statutory authority for the CMHCC to allocate funds for correctional health care is found in Section 501.148(a)(4) of the Texas Government Code.

Requested Motion:

That, pursuant to its authority under Section 501.148(a)(4) of the Texas Government Code:

1. The Committee approve the Fiscal Year 2010-2011 budget allocations and accompanying budget assumptions as presented;
2. That the CMHCC authorize its staff to make any final adjustments to the projected populations used in developing these allocations that may be necessary, and to adjust the projected allocations accordingly; and,
3. That the Committee authorize the staff to finalize the contracted arrangements for the next biennium in accordance with these budget allocations.

FY 2010 – 2011 Budget Allocation Assumptions

Correctional Managed Health Care

The distribution of funds for the correctional managed health care program in Fiscal Years 2010 and 2011 is predicated on the following assumptions:

1. The budget allocations are calculated using a projected average daily population, plus or minus four percent for each university provider sector. Payments for medical and mental health services will be made on a sum-certain basis as long as the overall sector population remains within the population limits established.
2. The TDCJ offender population is currently at or near capacity and is projected to remain so throughout the budget period. Any capacity additions beyond the official capacities for TDCJ facilities included in the contract documents require discussions between the CMHCC, the applicable university providers and TDCJ on additional funding needs.
3. The distribution of funds in FY 2010-2011 budget allocated all funding provided in the base appropriations for correctional health care contained in Strategies C.1.7 and C.1.8 of the TDCJ Appropriations, SB1, 81st Legislature. These allocations acknowledge that funding for the Marlin VA Hospital is contingent upon completion of the renovation of the facility and occupancy.
4. The parties acknowledge that the funding provided by the 81st Legislature for the correctional health care program in addition to providing our adjustment to the base level of funding for services to reflect current costs, also includes increased funding for the following purposes; market adjustments to recruit and retain healthcare staff and funding for increased costs of hospital and specialty care and capital equipment.
5. As in prior budget cycles, the budget anticipates that the costs associated with psychiatric medications and the sharing of functions between medical and mental health services are paid from mental health funding and these allocations transfer funds from mental health to medical services for that purpose.
6. The university providers retain the flexibility to allocate the amounts paid pursuant to each capitation calculation in any manner necessary to meet their obligations under these arrangements.
7. Each partner agency will be responsible for any reimbursements for their employees required relating to unemployment benefits or worker's compensation payments as required by Article IX, SB 1, 81st Legislature.

8. Each partner agency will be responsible for providing financial data and assistance as necessary to comply with the financial reporting and financial monitoring responsibilities of the CMHCC relating to the correctional managed health care program.
9. The allocations are intended to fund the level of services outlined in the contracts for FY 2010 – 2011. Any change to these requirements must be considered based on their potential fiscal impact. Proposed changes to the services provided must include a fiscal estimate indicating the projected costs or savings involved and identifying a source of additional funding, if required.
10. Rider 42, TDCJ Appropriations, SB 1, 81st Legislature provides authority for the transfer of up to \$5M additional funding from TDCJ to the correctional health care program to address operational shortfalls. Such transfers may be made upon agreement of TDCJ and the CMHCC, with supporting documentation provided to the Governor and Legislative Budget Board. In the event that TDCJ and CMHCC disagree on the amount of transfer necessary, the Governor and the Legislative Budget Board will make a final decision.
11. Rider 72, TDCJ Appropriations, SB 1, 81st Legislature, spells out that \$4,843,986 is available in Strategy C.1.7, Psychiatric Care to provide mental health care in FY2011.
12. Rider 83, TDCJ Appropriations, SB 1, 81st Legislature states that the Correctional Managed Health Care Committee may transfer appropriations in an amount not to exceed \$20,000,000 made for Fiscal Year 2011 to Fiscal Year 2010, subject to the following conditions:
 - (a) if correctional managed health and psychiatric care populations exceed performance measure targets;
 - (b) if expenditures for correctional managed health care and psychiatric care exceed amounts appropriated for this purpose; and
 - (c) for any other emergency expenditure requirements including expenditures necessitated by public calamity.

The transfer authority provided above only applies to appropriations for Strategy C.1.7, Psychiatric Care; and Strategy C.1.8, Managed Health Care.

A transfer authorized by this section above must receive the prior approval of the Governor and the Legislative Budget Board.

The Comptroller of Public Accounts shall cooperate as necessary to assist the completion of transfer and spending made under this section.