

**TO:** Commission on Health Care Reform  
Corrections Oversight Committee

**FROM:** Hunt Blair, Deputy Director for Health Care Reform

**DATE:** July 31, 2009

**RE:** Health Care Costs in Corrections Work Group

Sec. 8a. of Act 59 (see page 4 for complete text) required the convening of a Work Group to explore a potential “mechanism for providing health services and prescriptions” by an entity eligible to participate in the federal 340B pharmacy discount program and to provide a report by July 31, 2009.

To make the most of the short time frame, the Work Group had its first meeting on May 29, before the bill had even been signed, and included invited representatives from Vermont’s federally qualified health centers (FQHCs), community mental health centers, the Bi-State Primary Care Association, the Behavioral Health Network, the Vermont Association of Hospitals and Health Systems, and the Heinz Family Philanthropies..

Other Work Group participants included representatives from the Office of the Defender General, Vermont Protection and Advocacy, the Department of Mental Health, the Department of Corrections, the Agency of Human Services IT department, the UVM College of Medicine, the JSI Research & Training Institute, and Fletcher Allen Health Care.

### **Work Group Outcome**

The Work Group held a series of meetings and sub-group meetings through June and early July, culminating in a final session on Friday, July 10, where it was agreed that it was not possible to create “a mechanism” in the time frame available.

In communication to the chairs of the House Health Care and Corrections and Institutions Committees at the end of the legislative session, it was clarified that if the Work Group was unable to develop a viable “mechanism” that would meet the standards and requirements of the Corrections health services contract as specified in the bid process, this report would reflect that outcome, notwithstanding the “shall” language in Act 59, Sec. 8a(a)(2). That being said, while it did not create a near term “mechanism,” the outcome of the Work Group was nonetheless positive and productive and does not reflect a dead end.

### **Time frame issues**

As noted in testimony to the legislature during consideration of this section of Act 59, the Department of Corrections will be going out to bid for a corrections health services contractor for both physical and mental health services early this fall. During testimony, it was also noted that the affiliation agreements necessary to meet federal statutory requirements related to 340B and the development of organizational relationships that would be necessary to make such a mechanism operational were complex, and that

given the time frame, might not be achievable, given the narrow window and the need for qualifying language in the RFP, the additional complexity for vendors to prepare proposals, proposal selection, and the necessary contractual language without significantly delaying the process. That proved to be the case.

### **Going Forward**

While the near term outcome – no 340B mechanism design for corrections health by fall 2009 – is not surprising because of the time constraints, the discussions that the legislature set in motion proved to be very engaging, leading to a commitment from both the FQHCs and community mental health centers to engage in a longer term strategic planning process to evaluate the feasibility of a joint-venture that might respond to a future RFP.

As importantly, the health centers and mental health centers identified another important opportunity, which is to work together – in collaboration with Bi-State, the Behavioral Health Network (BHN), the Departments of Mental Health and Corrections, and the MHISSION-VT project – to develop and start to implement better protocols related to intake and discharge transitions for corrections inmates.

Both the community health center and mental health centers recognize that they frequently serve patients who have recently been discharged from corrections, and that it would benefit both individuals and the institutions if better communication and other protocols could be established with DOC and its health services contractor related to discharge planning. Related to the last point, members of the Work Group recommend that Department of Corrections specifically include a requirement in the RFP that its health services contractor that it work with community providers, including the FQHCs and CMHCs, to coordinate post-incarceration medical and mental health services.

The Work Group recommends that a subset of the Work Group consult with DOC as they draft the RFP and contract for healthcare services to ensure the contract contains appropriate language requiring vendors to deliver specified services that will result in improved outcomes. These services include the following:

1. The vendor must coordinate discharge planning with community mental health centers and community health centers to ensure continuity of care for inmates in their transition back to the community. A discharge plan should include at minimum the following actions:
  - development of a care plan (assessment of current status; list of identified problems; interventions for each item on the problem list);
  - transfer of medical records to a designated provider; and
  - establishment of a medical and/or mental health appointment within 72 hours of discharge (to ensure continuity of medication maintenance, integration into network of social service providers).
2. Others as identified in consultation with DOC

Work Group members suggest that the contract should include actionable requirements such as specifically linking payments to these deliverables to ensure these services are completed appropriately and on time.

### **Other Opportunities**

Members of the Work Group identified a wide range of opportunities linked to better collaboration with Corrections' health services contractor and integration with a wide range of related state efforts such as the Co-Occurring Disorders Treatment Program.

The Co-Occurring Disorders Treatment Program (CODTP) is an outpatient program designed to provide fully integrated treatment and continuity of care and caregivers through time and setting to a vulnerable population with persistent mental illness, substance use disorders, and past or present correctional involvement, who are at high risk for relapse, for recurrence of symptoms of mental illness, and for re-arrest and incarceration.

At the core of CODTP is assertive case management offered by a multidisciplinary team. The team provides active and ongoing treatment with a primary goal of reducing the emphasis from intensive institutional care/supervision to less intensive community-based services. The program is designed to engage consumers and accommodate various levels of motivation, compliance, severity, disability, and treatment readiness.

The Work Group suggested that establishing collaborative case management across agencies based on the CODTP or other model could serve the dual purpose of improving post-incarceration transitions and build relationships between organizations that could ultimately form a consortium to compete for future DOC health services contracts. One question raised but not resolved: what entity within state government should be responsible for taking the lead role? Members of the Work Group indicate that they plan to explore these opportunities in more depth in the months to come.

Bi-State and BHN will take the lead in ensuring that the conversations begun in the Work Group continue going forward and will write a joint letter to the Commission and Oversight Committee to provide an update on these activities prior to the 2010 legislative session.

Finally, the state continues to explore other opportunities related to expanding access to 340B pharmacy pricing, particularly around affiliations between community health centers and community mental health centers. Staff from the Department of Mental Health, the Office of Vermont Health Access, and the Agency of Human Services central office will be engaging the services of a contractor to detail the options and necessary conditions for such affiliations and will be engaging stakeholders in further discussions around 340B opportunities this fall.

**Act 59: Sec. 8a. HEALTH CARE COSTS IN CORRECTIONS WORK GROUP**

(a) The director of health care reform, in consultation with the commissioner of corrections, shall convene a work group to:

(1) review the recommendations of the Heinz Family Philanthropies report entitled Making Connections: Utilizing the 340B Drug Pricing Program; and

(2) establish a mechanism for providing health services and prescriptions through a network of federally qualified health centers, disproportionate share hospitals, and other covered entities eligible under the Veterans Health Care Act of 1992, Public Law 102-585, codified at Section 340B of the Public Health Service Act.

(b) The work group shall include representatives from:

(1) Bi-State Primary Care Association;

(2) Fletcher Allen Health Care;

(3) Vermont Association of Hospitals and Health Systems;

(4) Behavioral Health Network;

(5) Heinz Family Philanthropies; and

(6) other interested stakeholders.

(c) No later than July 31, 2009, the work group shall provide a report to the commission on health care reform and the corrections oversight committee.