

DEPARTMENT OF CORRECTIONS



**Senate Finance
Sub Committee
February 9, 2018**

Mission

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The Alaska Department of Corrections provides secure confinement, reformative programs, and a process of supervised community reintegration to enhance the safety of our communities.

Sources

Mission: <http://www.correct.state.ak.us/>

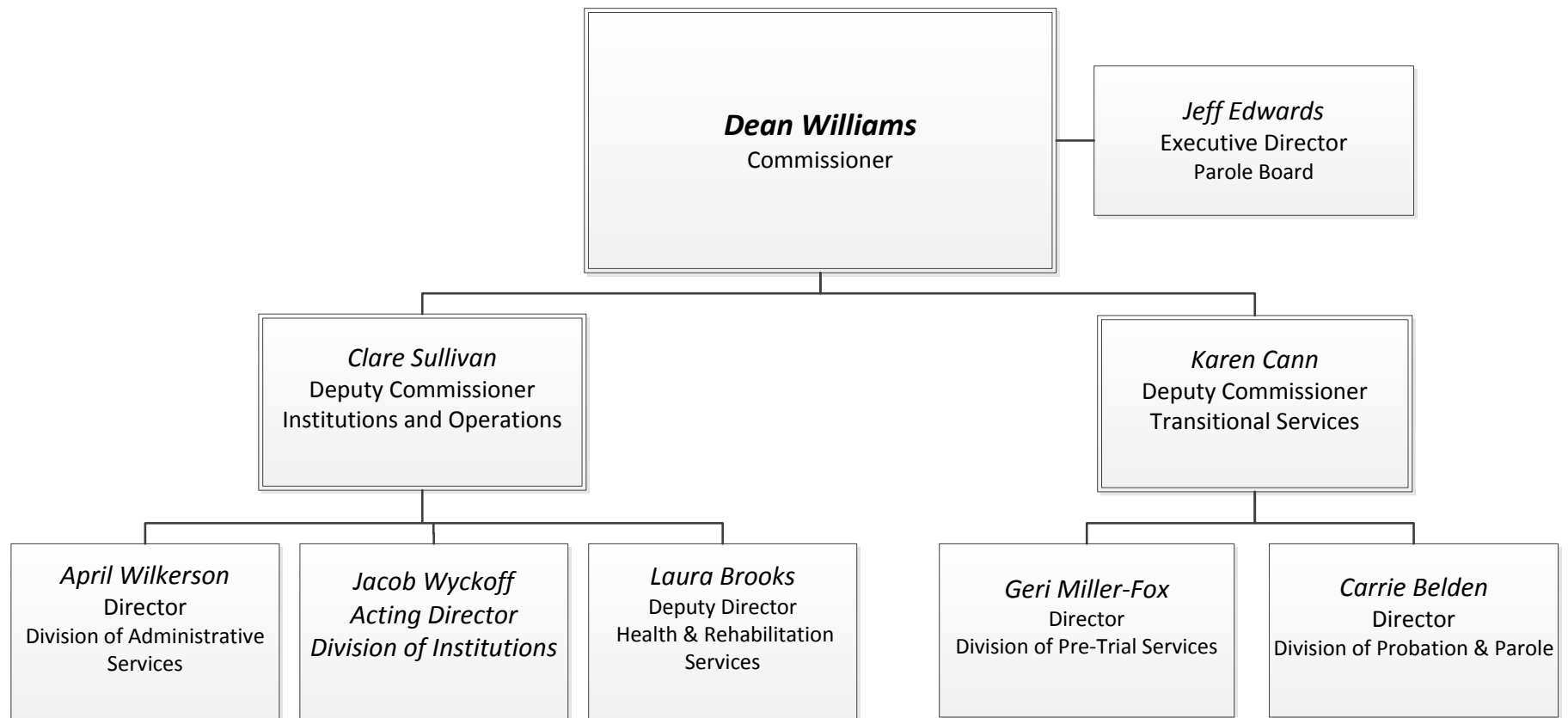
Constitutional Authority: <http://ltgov.alaska.gov/services/alaskas-constitution/>

Full Budgets: <https://www.omb.alaska.gov/html/budget-report/departments-table.html?dept=DOC&fy=18&type=Proposed>

Division Measures: <http://www.correct.state.ak.us/>

Organizational Structure

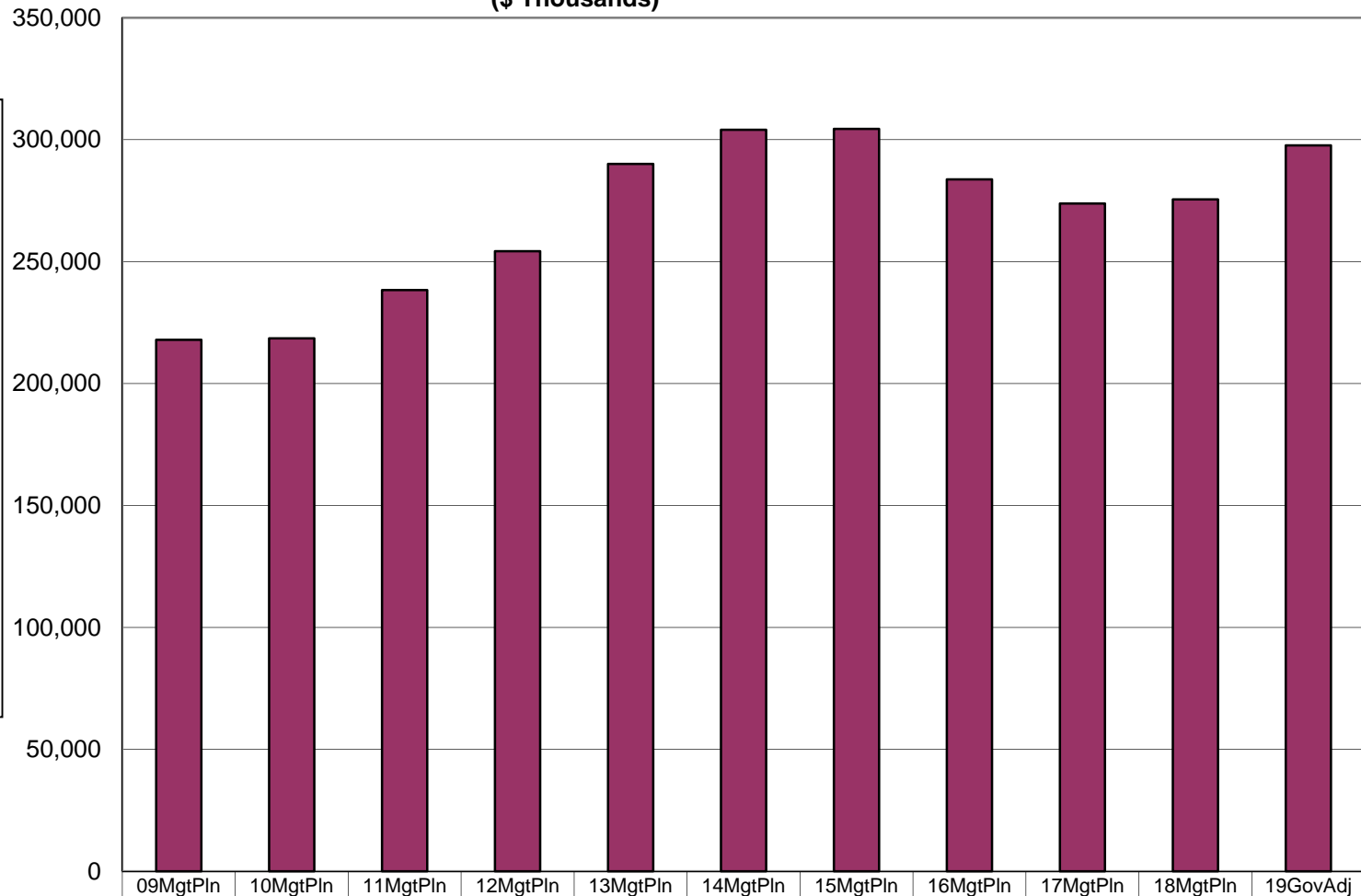
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**Department of Correction's Share of Total Agency Operations
(GF Only)
(\$ Thousands)**

The department's GF budget grew by \$79.7 million between FY09 and the FY19 Governor's Request--an average annual growth rate of 3.2%.

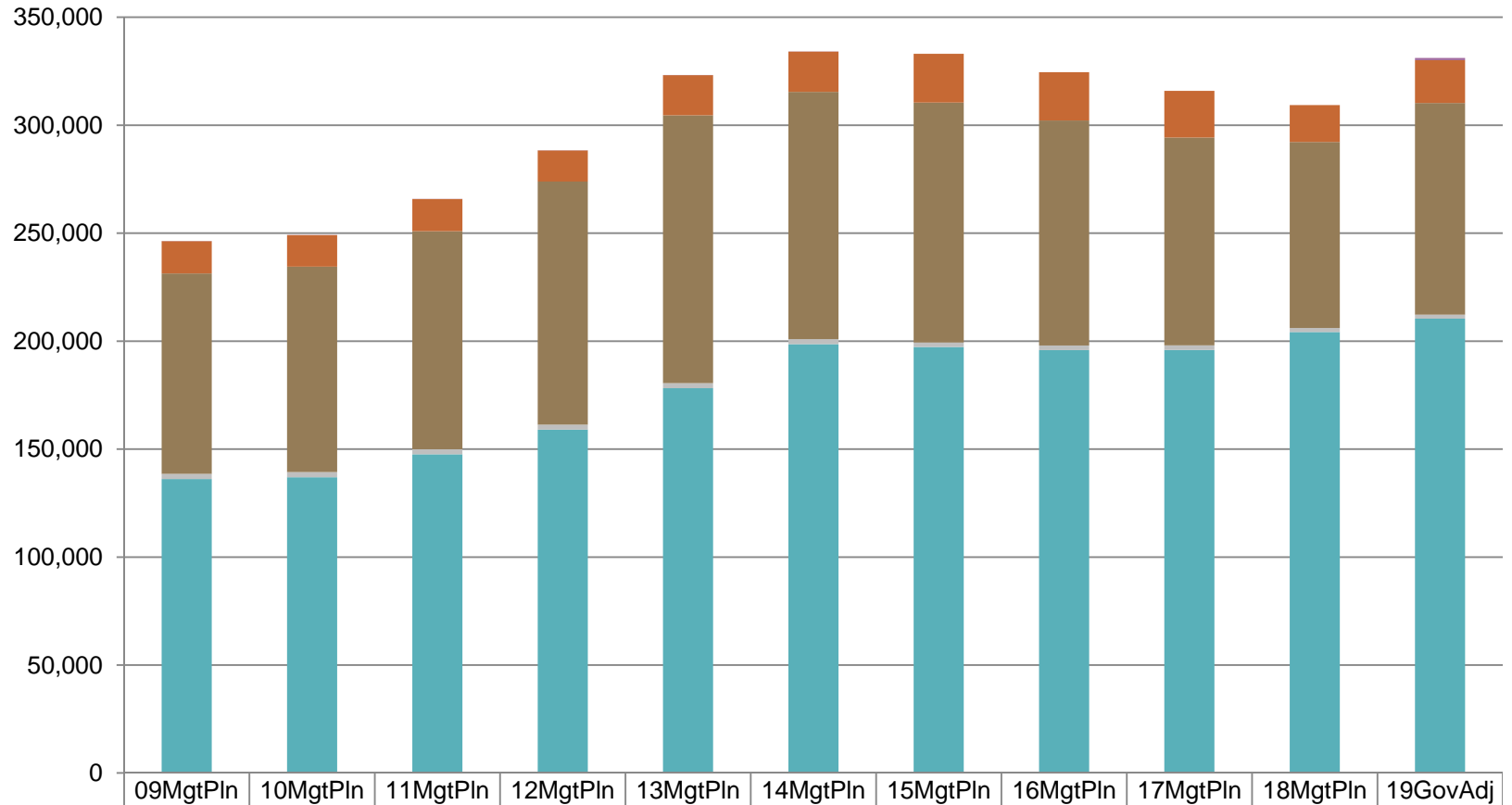
The department's total FY19 Governor's Request GF budget equals \$895 per resident worker.*



■ Total Agency Budget (GF Only)	217,952.7	218,546.2	238,299.4	254,256.6	290,024.2	304,075.3	304,435.3	283,744.0	273,825.8	275,509.6	297,675.7
% of Agency Budget to Total Agencies' Budgets	5.4%	5.4%	5.5%	5.4%	5.8%	6.0%	5.9%	5.9%	5.8%	5.9%	6.3%

* According to the Department of Labor, there were 332,583 resident workers in Alaska in 2015.

Department of Corrections
Line Items
(All Funds)
(\$ Thousands)



Recent significant UGF budget items within the **Population Management** appropriation include:

FY16 (\$3 million) - 2% Institution-Wide Reduction

FY16 (\$2.4 million) - Portion of Agency-Wide Unallocated Reduction

FY16 (\$3.5 million) - Reduce Regional and Community Jails

FY17 (\$5.6 million) - Closure of Palmer Correctional Center, **SB91**

FY17 (\$1.5 million) - CRC bed and contract reductions, **SB91**

FY17 \$3.2 million, 29 PFT - Establish new Pre-Trial Services Division, **SB91**

FY17 \$700.9, 5 PFT - Parole Board Positions, **SB91**

FY18 (\$11.7 million) - Year Two Reductions Related to **SB91**

FY18 \$6.9 million - Year Two, Fully Fund Pre-Trial Services Division, **SB91**

FY18 (\$8.1 million) - CRC bed and contract reductions

FY19 \$10.4 million UGF to restore portion of SB91 Savings

Appropriations within the Department of Corrections (GF Only) (\$ Thousands)

FY15-FY19 Population Management: After peaking in FY14 with the opening of Goose Creek (GCCC), the Population Management appropriation has decreased by \$21.4 million GF (8.6%) between FY14 Mgmt Plan and the FY19 Governor's Request.

Health and Rehabilitation Services

FY16 (\$1.5 million) UGF, Portion of Agency-Wide Unallocated

FY17 (\$6 million) UGF due to projected savings associated with Medicaid Expansion

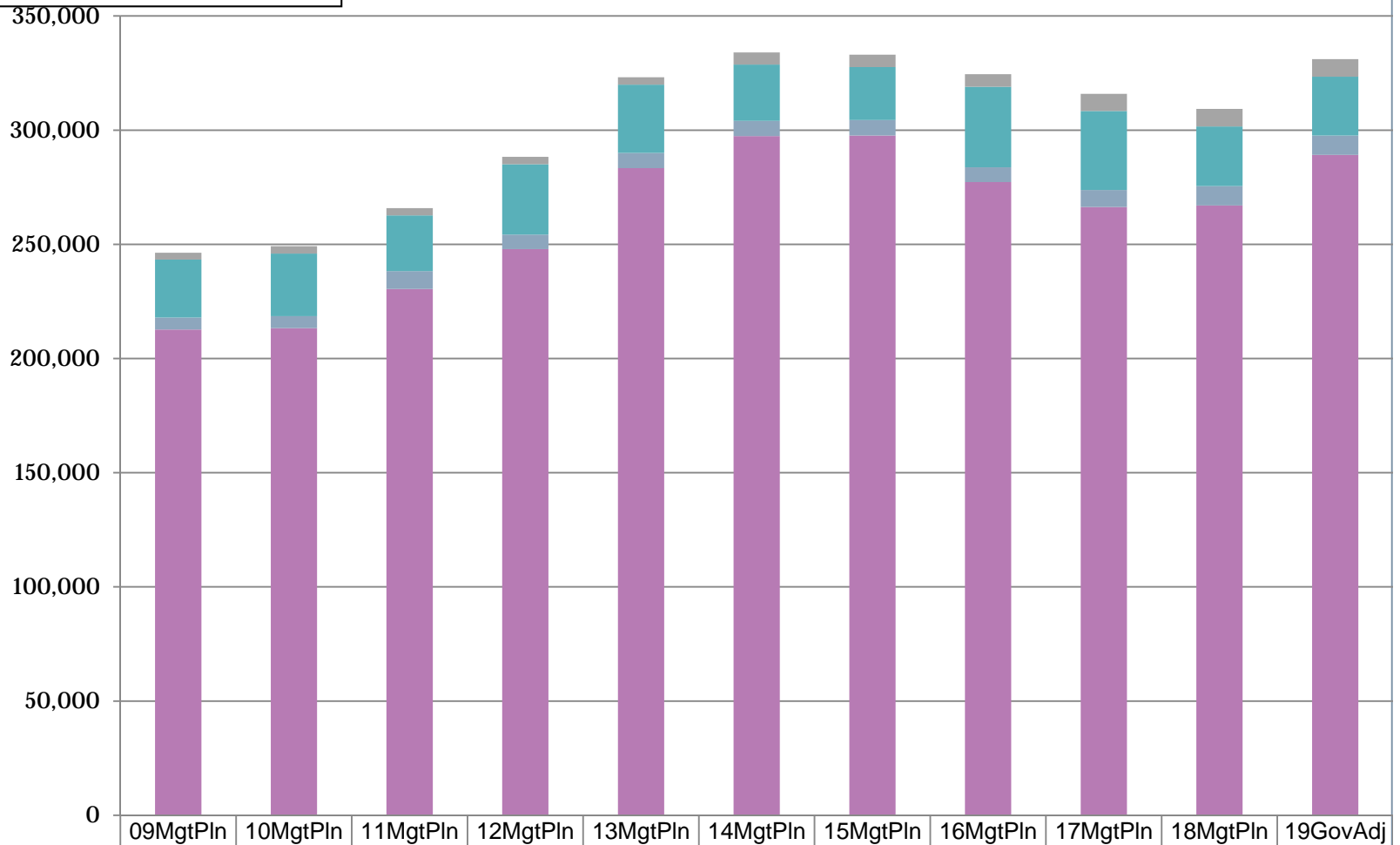
FY18 \$8.6 million of UGF replacing PFD Criminal Funds

FY19 \$10.3 million UGF for Health Care Costs and known shortfalls

	09MgtPln	10MgtPln	11MgtPln	12MgtPln	13MgtPln	14MgtPln	15MgtPln	16MgtPln	17MgtPln	18MgtPln	19GovAdj
Population Management	190,487.0	185,749.8	193,420.3	209,673.8	242,061.7	249,741.3	240,932.5	230,340.5	225,643.9	216,693.7	228,323.9
Health and Rehabilitation Services	21,187.6	26,345.0	29,857.7	28,590.9	32,243.5	37,587.1	41,637.4	31,546.3	26,516.1	35,844.5	46,360.1
24 Hour Institutional Utilities	-	-	7,724.2	8,444.2	7,724.2	7,724.2	10,224.2	11,224.2	11,224.2	11,224.2	11,224.2
Administration and Support	6,278.1	6,451.4	6,649.9	6,892.8	7,178.4	8,201.8	10,321.4	8,733.6	8,543.5	9,846.8	9,865.6
Offender Habilitation	-	-	647.3	654.9	816.4	820.9	819.8	1,399.4	1,398.1	1,399.1	1,400.6
Recidivism Reduction Grants	-	-	-	-	-	-	500.0	500.0	500.0	501.3	501.3

Between FY09 & FY19 Governor's Request:
 --UGF increased by \$76.57 million (36%)
 --DGF increased by \$3.3 million (62%)
 --Other funds increased by \$341.6 (1%)
 --Federal Funds increased by \$4.7 million

Department of Corrections
Total Funding Comparison by Fund Group
 (All Funds)
 (\$ Thousands)



FY19 Budget Request By Division

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Appropriation	FY19 Governor Funding (thousands)	Permanent Positions	% Cost Through Fees	Constitutional Requirement	Required by Statute
Institutions	\$225,857.7	1,358		Yes	Yes
Health and Rehabilitation Services	\$58,559.1	209		Yes	Yes
Probation and Parole	\$21,256.2	176		Yes	Yes
Pretrial Services	\$10,233.8	61		Yes	Yes
Board of Parole	\$1,732.0	11		Yes	Yes
Administrative Services	\$9,702.8	55		Yes	Yes
Office of the Commissioner	\$3,765.9	25		Yes	Yes
Department Total:	\$331,107.5	1,895	66%		

DOC at a Glance

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- Alaska is one of six states in the nation that operates a unified correctional system (*Alaska, Connecticut, Delaware, Hawaii, Rhode Island, and Vermont*)
- In FY2017, DOC booked 29,481 offenders into its facilities
 - 17,565 were unique offenders
 - 2,271 were non-criminal Title 47 bookings
 - (a 19% decrease from last year)
- During FY2017 there was a daily average of 5,111 offenders in a prison, community residential center (CRC) or on electronic monitoring (EM)
- During FY2017 there was a daily average of 5,187 offenders on probation or parole

Division of Institutions

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Provide secure confinement and supervision of male and female, sentenced and unsentenced adult felons and misdemeanants that are committed to the care and custody of the Alaska Department of Corrections.

Division of Institutions

Secure Confinement

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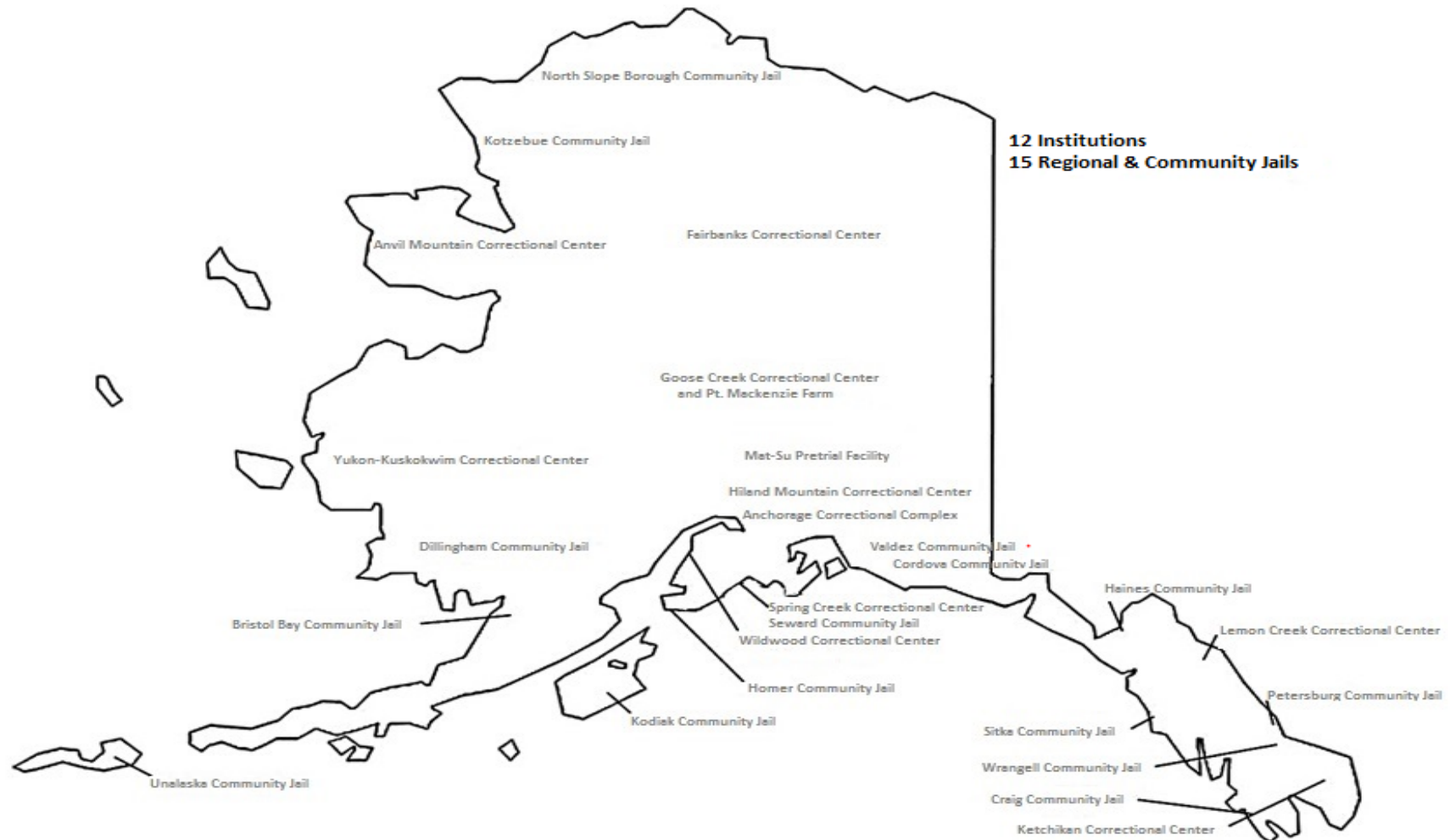
- Institution Director's Office
 - \$1,862.0 w/9 PFTs
- Classification & Furlough
 - \$1,094.9 w/9 PFTs
- Inmate Transportation/Point of Arrest
 - \$3,714.8 w/14 PFTs
- 12 Prison Institutions
 - \$193,816.7 w/1,323 PFTs
- 6 Community Residential Centers
 - \$16,812.4
- 15 Regional and Community Jails
 - \$7,000.0
- Education and Vocational Programs
 - \$1,556.9 w/3 PFTs

<i>TOTAL</i>	<i>\$ 225,857.7</i>
UGF	\$ 199,394.8
DGF	\$ 5,852.5
Other	\$ 13,179.3
Federal	\$ 7,431.1

<i>Budgeted Positions</i>	<i>1,354</i>
PFT	1,358
PPT	0
Non Perm	0

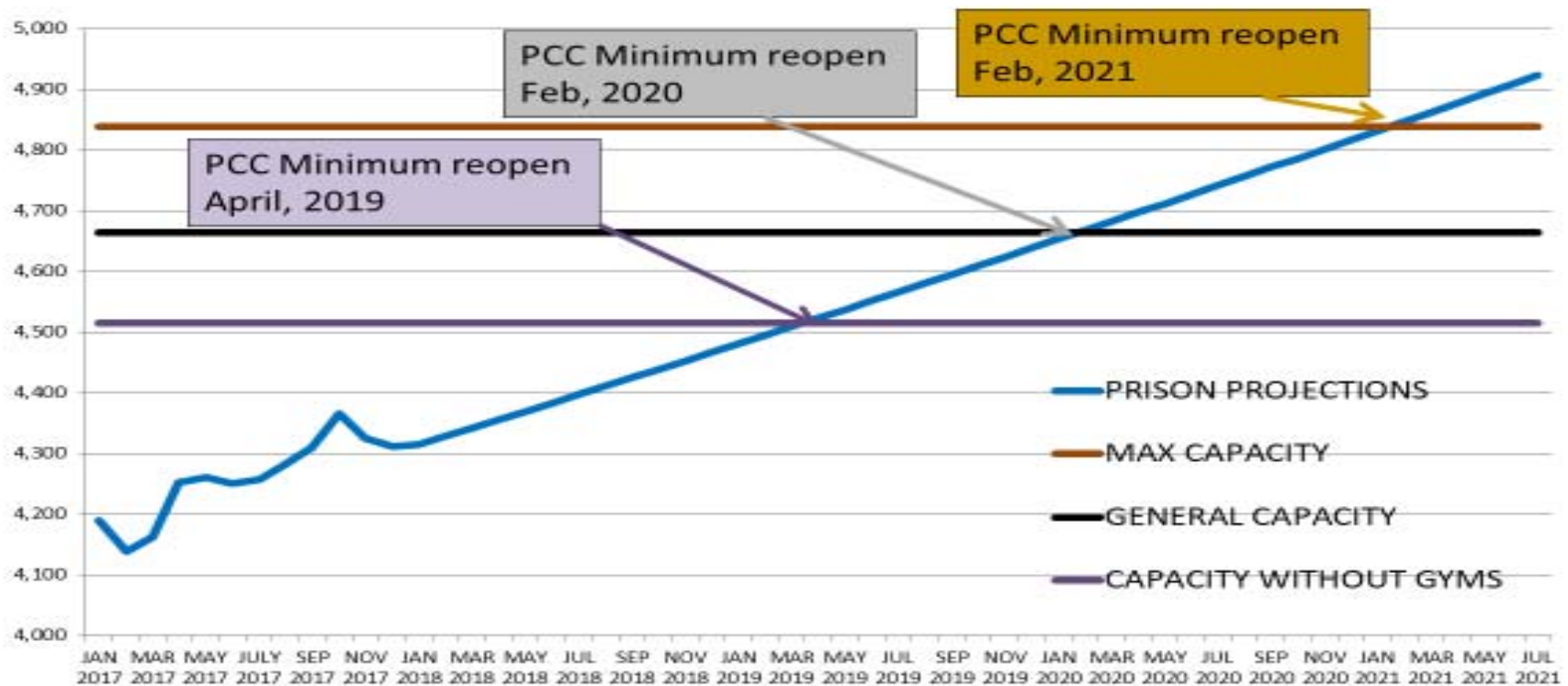
Division of Institutions

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Prison Population Projections

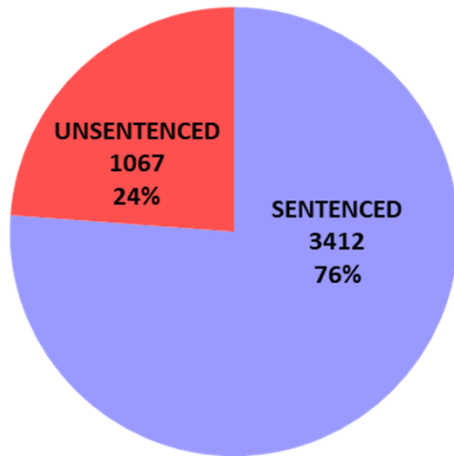
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Prison Population Trends

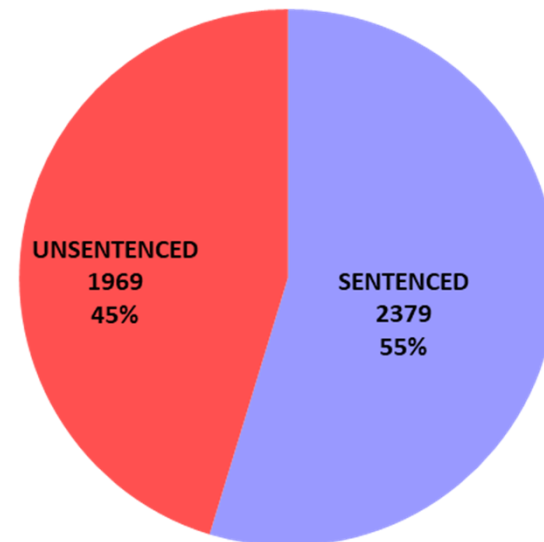
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PRISON POPULATION BY LEGAL STATUS: JULY 2008

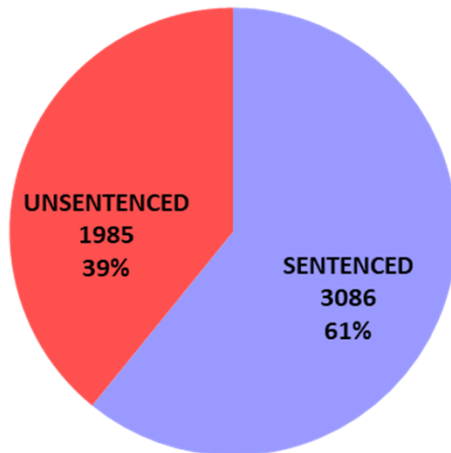


The number and percent of unsentenced offenders has been increasing over the last several years increasing from 24% of the prison population in 2008 to 45% of the prison population in 2018. While the sentenced population has been steadily decreased. This change has had a downstream impact on DOC resulting in fewer sentenced inmates for CRC placement.

PRISON POPULATION BY LEGAL STATUS: JAN. 2018



PRISON POPULATION BY LEGAL STATUS: JULY 2014



Prison Population by Offense Class

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- Since January, 2014 – the prison population has dropped by nearly 800 (773) inmates.
- The biggest drop occurred in the count of Probation and Parole violators falling by over half.
- However, crimes against a person saw an increase with sex offenders increasing over 12% and Person crimes increasing over 6%.

OFFENSE CLASS	JAN 2014	JUL 2017	JAN 2018	CHANGE SINCE 2014	PERCENT CHANGE SINCE 2014
ALCOHOL	275	161	158	-117	-74.05%
DRUGS	377	186	167	-210	-125.75%
OTHER	8	30	30	22	73.33%
PAROLE/PROBATION	1051	505	491	-560	-114.05%
PERSON	1395	1440	1485	90	6.06%
PROPERTY	578	515	586	8	1.37%
PUBLIC ORDER/ADMINISTRATION	580	490	489	-91	-18.61%
SEX OFFENSE (REG)	677	771	771	94	12.19%
TRANSPORTATION	122	83	77	-45	-58.44%
WEAPONS	58	82	94	36	38.30%
TOTAL	5121	4263	4348	-773	-17.78%

Division of Health & Rehabilitation Services

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Health & Rehabilitation Services (HARS) has a constitutional and statutory obligation under AS 33.30.011 to provide essential health care to offenders who are placed under the custody of the Alaska Department of Corrections.

Division of Health and Rehabilitation Services

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- Health & Rehabilitation Director's Office
 - \$885.1 w/7 PFTs
- Physical Health Care
 - \$40,575.9 w/143 PFTs
- Behavioral Health Care
 - \$8,285.8 w/52 PFTs
- Substance Abuse
 - \$5,573.4 w/2 PFTs
- Sex Offender Management Program
 - \$3,063.9 w/5 PFTs
- Domestic Violence
 - \$175.0

<i>TOTAL</i>	<i>\$ 58,559.1</i>
UGF	\$ 45,275.1
DGF	\$ 1,085.0
Other	\$ 12,134.0
Federal	\$ 65.0

<i>Budgeted Positions</i>	<i>209</i>
PFT	209
PPT	0
Non Perm	0

What DOC Pays For

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- All outpatient procedures and provider visits
 - (e.g., chemotherapy, day surgeries, colonoscopies, orthopedic visits, dialysis)
- All ER visits
- All ambulance transports
- All in-house services provided by DOC staff
 - (e.g., nursing care, pre-op, post-op, infirmary care, hospice, dental)
- In-house specialty services (e.g., physical therapy, optometry)
- All labs, CT scans, mammograms, ultrasounds, MRIs and x-rays
- All medications
- All medical equipment & supplies (e.g., bandages, wheelchairs, oxygen, CPAP machines)

What DOC Does Not Pay For

- Hospitalizations of 24 hours or more (if Medicaid eligible)
- Injuries covered by Worker's Compensation (CRC placements or work furloughs)
- CRC medical care (if offender applies for and is eligible for Medicaid)
- Outside medical care for someone with private insurance (if their coverage applies and they cooperate)

The Need for Care is Unpredictable

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- Planning and budgeting for inmate health care is complicated by constant changes in the inmate population and their needs.
 - 29,481 bookings & 30,239 releases
 - 2,586 Title 47 Non-Criminal Holds
 - New diagnoses made in custody
 - Acute injuries and emergency room visits
 - Procedures not covered by Medicaid

	FY13	FY14	FY15	FY16	FY17
ER Visits	545	635	772	793	840

	FY13	FY14	FY15	FY16	FY17
Hospital	\$6,861,473	\$8,028,665	\$9,897,989	\$6,310,199	\$6,388,620
Out Patient Services	\$4,520,843	\$7,839,145	\$8,639,211	\$7,011,063	\$8,365,633
Total	\$11,392,316.	\$15,867,810	\$18,537,109	\$13,32,263	\$14,754,253

Cost Containment Efforts

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- Utilization Review Committee
- Telehealth
- In-house infirmaries
- Expanding in-house services
- Heart-healthy focused diet, with efforts to fully convert to the American Heart Association Heart Healthy Diet
- Early identification & release of high cost cases
- Out of state transfers for sentenced chronic needs prisoners
- Aggressive contract negotiations (10-55%)
- Medicaid coverage

Medicaid Coverage for Hospitalized Inmates

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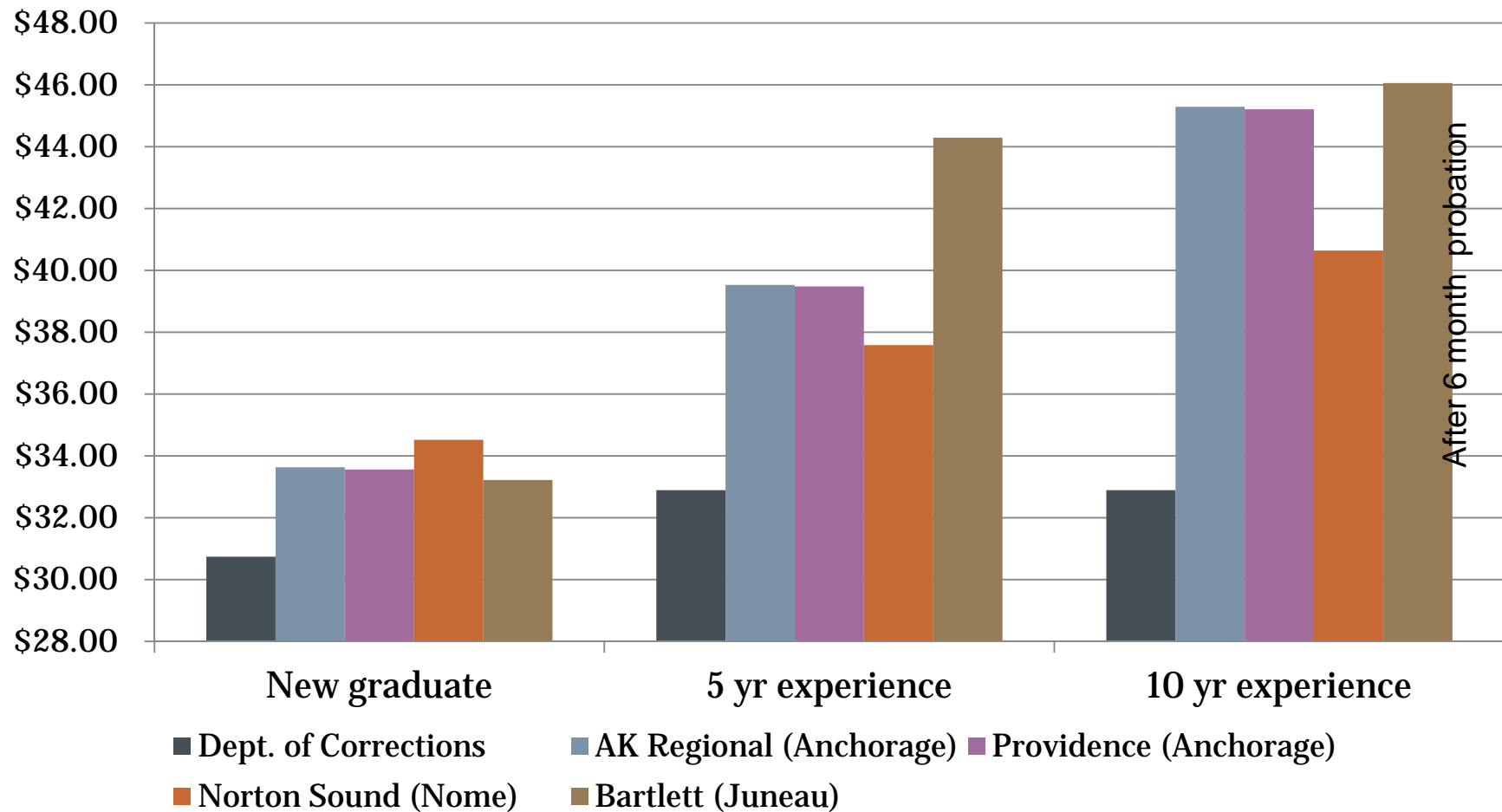
FY16 Post-Expansion	
Approved	125
Ineligible	8
Incapacitated	9
Refused	5
Total Hospitalizations	147

FY17	
Approved	160
Ineligible	17
Incapacitated	0
Refused	1
Total Hospitalizations	178

YTD FY18	
Approved	74
Ineligible	9
Incapacitated	0
Refused	2
Total Hospitalizations	85

Disparity In Registered Nurse Salaries

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Recruitment and Retention Efforts

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- Built a pool of non-perm nurses and health practitioners to help cover vacancies statewide.
- Offering hiring bonuses & move stipends
- Providing retention incentives
- One-step salary bumps
- Payment for CMEs
- Student loan reimbursement
- Training sites for students

Corrections Comparison

FY2018 Management Plan to FY2019 Governor's Request

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FY2018 Management Plan:

	<u>UGF</u>	<u>DGF</u>	<u>Other</u>	<u>Federal</u>	<u>Total</u>
Secure Confinement	197,258.6	2,596.6	24,716.1	7,571.0	232,142.3
Supervised Release	48,973.4	4,905.0	96.5	50.0	54,024.9
Reformative Programs	20,776.0	1,000.0	1,310.8	65.0	23,151.8
FY2018 Management Plan Total	267,008.0	8,501.6	26,123.4	7,686.0	309,319.0

Add Authority to Meet Operational Needs within the Institutions	10,447.6				10,447.6
Add Authority Due to Increased Health Care Costs	10,341.5				10,341.5
Annual Maintenance & Repair	1,000.0				1,000.0
Fund Change PFD/UGF	124.0		(124.0)		-
MH TrustRecommend - APIC Model			260.0		260.0
MH TrustRecommend - Grant 3507 Research Analyst			101.9		101.9
MH TrustRecommend - Reverse OTI Funding			(387.9)		(387.9)
MH TrustRecommend - Staff Training			25.0		25.0
Reverse Auth to Receive Reimb from CRJ for Diversion Planner			(175.0)		(175.0)
Reverse JRI Coordinator			(117.4)		(117.4)
Salary & Health Insurance Increases	247.4	5.6	29.9	9.9	292.8
Total	22,160.5	5.6	(387.5)	9.9	21,788.5

FY2019 Governor's Request:

	<u>UGF</u>	<u>DGF</u>	<u>Other</u>	<u>Federal</u>	<u>Total</u>	<u>Total Changes</u>
Secure Confinement	219,288.1	2,598.4	24,521.6	7,580.9	253,989.0	21,846.7
Supervised Release	49,076.2	4,908.8	-	50.0	54,035.0	10.1
Reformative Programs	20,804.2	1,000.0	1,214.3	65.0	23,083.5	(68.3)
FY2019 Governor's Request Total	289,168.5	8,507.2	25,735.9	7,695.9	331,107.5	21,788.5

% change from FY2018 Management Plan to FY2019 Governor's Request UGF Only is 8.3 %

Department of Corrections

Increased Operational Needs

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\$10,447.6 UGF for Division of Institutions

Provides funding to maintain safe institutional operations for the incarcerated population and meet the costs associated with security and housing of offenders.

\$ 1,000.0 UGF for Facilities CIP for Annual Maintenance, Repair and Equipment Replacement

Annual maintenance, repair or replacement of electrical, mechanical, roofing, walls, fire and life safety, security, structural, food services, pavement and site drainage systems at all correctional facilities.

\$10,341.5 UGF for Division of Health & Rehabilitation / Physical Health Care

Provides funding to meet the offender medical services such as: fees-for-service outside medical care not covered by Medicaid, laboratory costs, pharmaceutical and medical supplies, increased contractual obligations and personal service cost overages due to overtime, non-perm or on-call medical coverage.

Future Cost Saving Efforts

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- Implementation of community work release programs
- Prison Industries
- Expand designated community placement opportunities
- Review of high cost medical cases for community or out of state placement
- Re-work Community Residential Centers and Electronic Monitoring processes for appropriate community placements
- Implementation of “behind the walls” opioid intervention
- Implementation of “heart healthy” food menus
- Expansion of farm production for distribution to correctional facilities to offset food costs

THANK YOU

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