State Correctional Health Care Expenditures
Matt McKillop
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mmckillop@pewtrusts.org
202-540-6398
www.pewtrusts.org/healthcarespending
State Health Care Spending Project

Objectives:

• Provide a cohesive picture of state health care spending

• Help policymakers gain a better understanding of what’s driving costs in specific health care areas

• Highlight policies and practices that may contain costs while maintaining or improving health outcomes

• Create a baseline of state-level data to measure impacts of upcoming changes
Managing Prison Health Care Spending

State Prison Health Care Spending
An examination
Spending on Prison Health Care Rose 49 Percent from 2001 to 2008

Correctional health care spending change by state, 2001–08

CATEGORIES:
- 90% and above
- 0 to 30%
- 31 to 89%
- -7 to -1%
- No data available
Total prison health care spending increased in 41 states from 2007 to 2011. Median growth was 13 percent.

**Per-inmate** health care spending went up in 39 states. The median growth was 10 percent.

Spending peaked in a majority of states before 2011.
• Per-inmate spending varied dramatically.

• Higher spending is not necessarily an indication of waste. Lower spending is not necessarily a sign of efficiency.

• Primary driver behind the spending downturn was a drop in state prison populations.
## Spending Summary

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>$7.7 billion</td>
<td>13%</td>
<td>Yes</td>
<td>$6,047</td>
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<tr>
<td>Southern States</td>
<td>$2.4 billion</td>
<td>9%</td>
<td>10 yes, 5 no</td>
<td>$4,545</td>
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<tr>
<td>Alabama</td>
<td>$97 million</td>
<td>9%</td>
<td>No</td>
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<tr>
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<td>$67 million</td>
<td>16%</td>
<td>No</td>
<td>$4,166</td>
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<td>Florida</td>
<td>$425 million</td>
<td>4%</td>
<td>Yes</td>
<td>$4,670</td>
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<td>Georgia</td>
<td>$208 million</td>
<td>1%</td>
<td>Yes</td>
<td>$4,018</td>
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<tr>
<td>Kentucky</td>
<td>$63 million</td>
<td>26%</td>
<td>Yes</td>
<td>$5,390</td>
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<tr>
<td>Louisiana</td>
<td>$73 million</td>
<td>6%</td>
<td>Yes</td>
<td>$4,660</td>
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<td>Mississippi</td>
<td>$65 million</td>
<td>12%</td>
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<td>$3,345</td>
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<td>Missouri</td>
<td>$143 million</td>
<td>29%</td>
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<td>$4,674</td>
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<td>North Carolina</td>
<td>$255 million</td>
<td>9%</td>
<td>Yes</td>
<td>$6,287</td>
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<td>Oklahoma</td>
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<td>-14%</td>
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<td>$2,558</td>
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<td>South Carolina</td>
<td>$69 million</td>
<td>0%</td>
<td>Yes</td>
<td>$2,933</td>
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<tr>
<td>Tennessee</td>
<td>$95 million</td>
<td>23%</td>
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<td>$6,388</td>
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<tr>
<td>Texas</td>
<td>$582 million</td>
<td>25%</td>
<td>Yes</td>
<td>$3,805</td>
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<tr>
<td>Virginia</td>
<td>$150 million</td>
<td>15%</td>
<td>No</td>
<td>$4,870</td>
</tr>
<tr>
<td>West Virginia</td>
<td>$23 million</td>
<td>9%</td>
<td>Yes</td>
<td>$4,545</td>
</tr>
</tbody>
</table>
Few states reported complete component spending

Average distribution of funds by category for 10 states, 2007-2011

- 20% Hospitalization
- 14% Pharmaceuticals
- 14% Mental health care
- 5% Substance abuse treatment
- 4% Health care administration
- 4% Dental care
- 1% Other
- 37% General medical care
Prison Populations Skyrocketed 677 Percent from 1971 to 2011

U.S. prison population growth, sentenced state and federal inmates, 1925-11

Notes: Annual figures prior to 1977 reflect the total number of sentenced prisoners in custody. Beginning in 1977, all figures reflect the jurisdictional population as reported in the Bureau of Justice Statistics' “Prisoners” series.

Sources: Sourcebook of Criminal Justice Statistics, University at Albany; US Department of Justice, Bureau of Justice Statistics

However, average daily prison population peaked in 2009 and then began to fall.
Health status of inmates

- Higher incidence of chronic and infectious diseases, such as AIDS and hepatitis C, and mental illness.
- In 2010, roughly 65 percent had an alcohol or drug use disorder
  - Seven times likelier than individuals in the community to have such a condition.
- 1/3 suffered from mental illness
- 1/4 had a co-occurring mental illness and substance use disorder
- National rate of hepatitis C among inmates was 17.4 % in 2006. Rate in general population is 1 %. 
The Number of Prisoners Age 55+ Increased by 204%, 1999-2012

Percentage change in sentenced prison populations by age group

- More susceptible to chronic medical and mental conditions
- Necessitate increased staffing levels, more officer training, and special housing
- Experience the effects of age sooner
- Cost at least 2-3 times as much as younger inmates
The Share of Older Inmates in State Prison Populations

Percentage of inmates age 55 and older by state, 2007-11 average

7.1% 42-state average
### Older inmate summary

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>6.24%</td>
<td>8.21%</td>
<td>7.15%</td>
<td>33%</td>
</tr>
<tr>
<td>Southern States</td>
<td>6.10%</td>
<td>7.96%</td>
<td>7.08%</td>
<td>32%</td>
</tr>
<tr>
<td>Alabama</td>
<td>6.30%</td>
<td>7.90%</td>
<td>6.96%</td>
<td>25%</td>
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<tr>
<td>Arkansas</td>
<td>5.80%</td>
<td>8.20%</td>
<td>7.10%</td>
<td>41%</td>
</tr>
<tr>
<td>Florida</td>
<td>7.00%</td>
<td>9.00%</td>
<td>7.60%</td>
<td>29%</td>
</tr>
<tr>
<td>Georgia</td>
<td>6.30%</td>
<td>7.91%</td>
<td>7.08%</td>
<td>26%</td>
</tr>
<tr>
<td>Kentucky</td>
<td>5.27%</td>
<td>6.28%</td>
<td>5.85%</td>
<td>19%</td>
</tr>
<tr>
<td>Louisiana</td>
<td>5.61%</td>
<td>7.96%</td>
<td>6.72%</td>
<td>42%</td>
</tr>
<tr>
<td>Mississippi</td>
<td>6.00%</td>
<td>6.00%</td>
<td>5.60%</td>
<td>0%</td>
</tr>
<tr>
<td>Missouri</td>
<td>5.93%</td>
<td>7.54%</td>
<td>6.81%</td>
<td>27%</td>
</tr>
<tr>
<td>North Carolina</td>
<td>5.26%</td>
<td>6.99%</td>
<td>6.06%</td>
<td>33%</td>
</tr>
<tr>
<td>Oklahoma</td>
<td>6.60%</td>
<td>8.80%</td>
<td>7.56%</td>
<td>33%</td>
</tr>
<tr>
<td>South Carolina</td>
<td>4.80%</td>
<td>7.00%</td>
<td>5.82%</td>
<td>46%</td>
</tr>
<tr>
<td>Tennessee</td>
<td>6.34%</td>
<td>8.25%</td>
<td>7.40%</td>
<td>30%</td>
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<tr>
<td>Texas</td>
<td>6.60%</td>
<td>8.70%</td>
<td>7.60%</td>
<td>32%</td>
</tr>
<tr>
<td>Virginia</td>
<td>6.10%</td>
<td>8.60%</td>
<td>7.26%</td>
<td>41%</td>
</tr>
<tr>
<td>West Virginia</td>
<td>9.30%</td>
<td>13.20%</td>
<td>11.22%</td>
<td>42%</td>
</tr>
</tbody>
</table>
### States with older inmates tended to have higher per-inmate spending

Per-inmate health care spending in states with the highest and lowest percentage of inmates age 55 and over, 2007-11 average

<table>
<thead>
<tr>
<th>Bottom 10</th>
<th>Average share of prisoners age 55 and older, 2007-11</th>
<th>Average health care spending per inmate, 2007-11</th>
</tr>
</thead>
<tbody>
<tr>
<td>Connecticut</td>
<td>4.0%</td>
<td>$5,437</td>
</tr>
<tr>
<td>Indiana</td>
<td>5.0%</td>
<td>$3,529</td>
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<td>New Jersey</td>
<td>5.0%</td>
<td>$5,886</td>
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<td>Minnesota</td>
<td>5.1%</td>
<td>$6,994</td>
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<td>Maryland</td>
<td>5.5%</td>
<td>$6,140</td>
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<td>Mississippi</td>
<td>5.6%</td>
<td>$3,238</td>
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<td>Delaware</td>
<td>5.7%</td>
<td>$6,317</td>
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<tr>
<td>Arizona</td>
<td>5.8%</td>
<td>$4,050</td>
</tr>
<tr>
<td>South Carolina</td>
<td>5.8%</td>
<td>$2,976</td>
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<tr>
<td>Kentucky</td>
<td>5.9%</td>
<td>$4,955</td>
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<tr>
<td>Median</td>
<td>5.6%</td>
<td>$5,196</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Top 10</th>
<th>Average share of prisoners age 55 and older, 2007-11</th>
<th>Average health care spending per inmate, 2007-11</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pennsylvania</td>
<td>7.9%</td>
<td>$4,870</td>
</tr>
<tr>
<td>Michigan</td>
<td>8.0%</td>
<td>$7,103</td>
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<td>Maine</td>
<td>8.0%</td>
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<td>Illinois</td>
<td>8.8%</td>
<td>$3,162</td>
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<td>Wyoming</td>
<td>8.8%</td>
<td>$11,532</td>
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<tr>
<td>Massachusetts</td>
<td>9.4%</td>
<td>$8,507</td>
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<td>Montana</td>
<td>10.5%</td>
<td>$7,952</td>
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<tr>
<td>West Virginia</td>
<td>11.2%</td>
<td>$4,709</td>
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<tr>
<td>Vermont</td>
<td>11.9%</td>
<td>$11,015</td>
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<td>Oregon</td>
<td>12.4%</td>
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<tr>
<td>Median</td>
<td>9.1%</td>
<td>$7,142</td>
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</table>
A legal standard for care
Promising cost containment strategies

• Strategic use of telehealth.
• Effective management of outsourcing agreements.
• Enrolling eligible prisoners in Medicaid.
• Using medical or geriatric parole policies.
Other research

The State Health Care Spending Project is releasing a series that will map out where state dollars are going across the complex and shifting health care landscape.

The series will examine several spending areas, including:

- Medicaid
- State employee and retiree health care
- ACA excise tax projection
- The Children’s Health Insurance Program
- Mental health services
- Substance abuse treatment and prevention programs

The project has also put this spending in context by tracking key health indicators in each state.