

# Viewpoints: Split off health care from prisons agency

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Eighteen months ago, I promised to reduce prison medical costs by up to \$500 million while improving the quality of care ("Prison health care reform can save money"; Viewpoints, March 16, 2009). Now that the 2009-10 fiscal year has ended, it is time for me to report on my promise.

We began the year anticipating our expenditures would be \$2.146 billion. During the year, we implemented substantial changes to improve quality of care while simultaneously reducing unnecessary costs. The result? A reduction of \$408 million in our expenditures. That is almost a 20 percent reduction and just over 80 percent of what I had forecast 18 months ago. My executive team and staff in the 33 institutions deserve the credit for this success.

These were not one-time gimmicks. These were permanent reductions in operations costs. This is an extraordinary accomplishment in one year and proof to critics that the public sector is capable of healing itself if given the freedom, independence and direction to get the job done.

If our savings had come at the expense of quality of care, we would not have gotten our money's worth. My primary job as a federally appointed receiver is to raise the level of care to constitutional levels and turn back to the state a functioning prison medical care system that the state will be capable of maintaining.

The data show we did not sacrifice quality of care. The 2009 report of inmate deaths shows continued improvement. We have reduced the number of medical lapses by 16 percent, reduced the number of possibly preventable deaths by 26 percent and reduced the number of likely preventable deaths by 83 percent. There are other performance measures that I will be releasing soon. Those measures will reinforce that we are maintaining and improving the quality of care, although much work remains to be done.

Over the next two years, we will complete the implementation of key health information technologies, including patient scheduling, a basic electronic medical record and telemedicine. These systems will improve quality and reduce operating expenses. We will be making some prison facilities improvements, and we will be prepared to move into three prison health care facilities in 2013, one in Stockton, one in Chino and one in Paso Robles.

In addition to these initiatives, there are a few big policy decisions that still need to be made to fix the system permanently. This article outlines one of the most immediate issues – in subsequent articles I will cover other issues.

First, we need to formally remove the operational part of prison health care from the management of the California Department of Corrections and Rehabilitation by establishing an organizationally separate, board-governed health care authority. This can be accomplished without spending more money or creating more bureaucracy. In fact, having a separate authority will make it easier to implement our savings program and to get our fair share of federal dollars in support of health care.

The corrections department's mission is not health care. It is maintaining custody and control. The reason we have made so much progress on medical care in the past three years is because we have operated independently of CDCR and that independence let us focus on our health care

mission. If responsibility for prison health care returns to the department of corrections after the conclusion of the receivership, the most likely result will be backsliding as the health care mission once again becomes subordinate to custody and control. This is not intended as a criticism of the department of corrections and its executive team or staff. It simply reflects the reality of organizational behavior and culture.

The separation from CDCR needs to happen as soon as possible so that we can stabilize the new organization. This separation will allow the new organization to focus on issues that will provide benefits for all Californians – such as maximizing the federal funding or support California receives for health care recipients, particularly in light of federal health care reforms. For example, we are working with government stakeholders to create a mechanism that can provide California with tens of millions of dollars in federally sponsored reduced expenses and reimbursements for some health care costs. This is one of the more important initiatives where having a new organization focused on health care would pay off.

I call on the state's leaders to make the necessary decisions to address this issue promptly. It is sensible and cost-effective to take advantage of these opportunities as they arise, especially when California stands to gain so much in the process.