

California State Auditor

B U R E A U O F S T A T E A U D I T S

Department of Corrections

*Issues Identified and Key
Recommendations Made in
Bureau of State Audits Reports*

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This presentation document is only intended to
outline selected portions of

**Bureau of State Audits Reports
on the Department of Corrections**

For a more complete explanation of the points outlined in this
document, please refer to the reports.

Suggested Reforms at the Department of Corrections

We have been asked to briefly describe the range of correctional audits we have performed in recent years, the progress of reforms to date, and our thoughts on the reorganization. Over the past five years we have completed seven audits that focused on four particularly important areas in which we concluded that the Department of Corrections (Corrections) needs to improve its performance: In the time allowed today, we will briefly summarize some of the key recommendations the Bureau of State Audits (bureau) included in these audit reports and Corrections' reports regarding its progress in implementing them.

- Controlling its personnel costs.
- The high cost of its labor agreement with custody staff.
- Administering employee discipline.
- Controlling the cost of providing health care to inmates.

CONTROLLING PERSONNEL COSTS

The California Performance Review (CPR) recommends numerous changes to Corrections' personnel and training operation designed to improve its hiring, retention, discipline, and training of its employees. Our audits have targeted Corrections' excessive and expensive use of overtime among its custody staff, which is linked to the excessive use of sick leave by custody staff, and the fact that many custody staff positions are currently vacant.

BSA Recommendations	Corrective Actions
<p>Report No. 99026 January 2000</p> <p>To reduce its overtime expense resulting from the high use of sick leave by custody staff, we recommended that Corrections:</p> <ul style="list-style-type: none"> • Take stronger discipline against those staff abusing sick leave. • Collect more information regarding sick leave usage. • Determine the number of full-time and part-time employees it needs to cover for sick leave and optimize the use of permanent intermittents. 	<p>Response Dated: April 2001</p> <p>In April 2001, Corrections reported they were more rigorously disciplining employees who abused sick leave and they were tracking the use of sick leave and overtime. In spite of this, however, sick leave use was continuing to increase. However, we recently learned from Corrections deputy director for legal affairs that as of August 2004, Corrections had not implemented a revised sick leave policy, although Corrections told us it is working on a new statewide procedure for sick leave.</p>
<p>We recommended that the institutions study their daily resource needs, determine base staffing levels, and hire enough permanent full-time employees to meet their minimum daily needs.</p>	<p>Corrections directed each institution to create a pool of employees to cover for day-to-day vacancies due to sick leave. But, as of the last time Corrections reported to us on this issue in early 2001, not all institutions had created this pool of employees and overtime was continuing to climb.</p>

BSA Recommendations	Corrective Actions
<p>Report No. 2001-108 November 2001</p> <p>To resolve its funding shortfall for custody staff, Corrections should act aggressively to fill all vacant custody staff positions and continue its efforts to lower, to budgeted levels, its staff's use of sick leave.</p>	<p>Response Dated: December 2002</p> <p>Corrections reported a 30 percent increase in correctional officer applicants for the year ended in July 2002.</p> <p>Corrections also amended its union contracts to allow them to post 400 additional vacation and holiday relief positions. As of October 21, 2002, Corrections reported that it had 586 vacant permanent full-time correctional officer positions versus 1,040 positions on June 30, 2002.</p> <p>As of September 2002, Corrections reported that it experienced an increase of 346,115 hours of sick leave usage since the terms and conditions of the agreement with the correctional officer's union changed in January 2002.</p>
<p>To manage its fiscal operations more effectively, we recommended that Corrections ensure its spending plans correspond to its spending authority.</p>	<p>Corrections reported that its fiscal year 2002-03 initial allotments were issued in August 2002 and tie to its spending authority.</p>
<p>Corrections should prepare and present a report to the Legislature that reflects its spending plans and realistic projections for where it expects its expenditures to occur.</p>	<p>Corrections stated that it could not comply with this recommendation due to a lack of staff resources or adequate systems.</p> <p>However, we believe Corrections' current data systems are adequate for preparing the suggested report.</p>
<p>To improve its fiscal management, we recommended that Corrections fully implement and use its new automated monthly budget plan and review and ensure that it prepares and implements corrective action plans to aid in the resolution of projected spending deficiencies.</p>	<p>Corrections reported that its automated monthly budget plan has been implemented statewide and, effective November 1, 2001, Corrections is conducting monthly evaluations of the plans.</p> <p>The monthly budget plans have become the basis for quarterly fiscal reviews.</p>
<p>Report No. 2002-101 July 2002</p> <p>To reduce its use of overtime, Corrections should further increase the number of applicants for custody staff jobs and the physical capacity for training them.</p>	<p>Response Dated: August 2003</p> <ul style="list-style-type: none"> • As part of its fiscal year 2003-04 budget, Corrections proposed reducing the length of the academy training program by four weeks (25 percent reduction). • At the same time, Corrections had pursued authority and funding for additional correctional officer positions. • During the first six months of 2003, Corrections converted 193 intermittent officers to full-time positions.
<p>To better match the supply of correctional officers with the demand that the use of overtime indicates, Corrections should assign its academy graduates to those prisons that experience the highest overtime.</p>	<p>Corrections stated that it was conducting a standardized staffing study that will assess staffing needs and establish standardized staffing patterns for each prison based on mission and location.</p> <p>Corrections noted that the number of correctional officers averaging more than 80 hours of overtime has decreased from 235 we reported for July through December 2001, to 159 for January through July 2003.</p> <p>Finally, Corrections stated that until the pool of candidates on its correctional officer certification list increased significantly, competition is inadequate to make high vacancy institutions attractive to correctional officer candidates.</p>

THE HIGH COST OF THE LABOR AGREEMENT

The CPR expressed concern about the balance between management’s obligation to direct the activities of Corrections to achieve operational goals and the correctional officer’s union to ensure that its members receive just wages and work in a safe and fair environment. The CPR felt that the current labor agreement between Corrections and the California Correctional Peace Officers Association (CCPOA) shifted the balance too far to the union’s side. We made no recommendations regarding the February 2002 labor agreement between Corrections and the CCPOA. Provisions in the labor agreement addressing salary increases, enhanced retirement benefits, decreased work period, and enhanced physical fitness pay all add to Corrections’ cost. We estimated that Corrections’ added cost for the new agreement would eventually amount to \$518 million annually. Also, we believe that several changes in the provisions related to Corrections’ ability to address sick leave will likely result in additional overtime to cover for increased sick leave. We also noted that a continuing provision related to how post assignments are made limits Corrections’ ability to assign particular individuals to posts of its choosing.

Although we could make no recommendations regarding the labor agreement because it had already been approved and ratified, we did have recommendations that Corrections could implement to reduce overtime costs and better match the supply of correctional officers to the demand at its institutions.

BSA Recommendations	Corrective Actions
<p>Report No. 2002-101 July 2002</p> <p>To reduce its overtime, Corrections should consider the feasibility of further increasing the number of correctional officer applicants and, if warranted, the physical capacity for training them.</p>	<p>Response Dated: August 2003</p> <p>Corrections told us that it is pursuing authority and funding for additional correctional officer positions. In addition, it submitted a proposal to restructure the academy so that 12 weeks of training will be provided at the academy and the remaining four weeks of training will be provided at the cadets’ assigned institution.</p> <p>Corrections stated that implementation of the restructured academy is contingent upon the State and the union reaching agreement on the implementation of on-the-job training requirements.</p>
<p>Corrections should maximize its use of intermittent officers by either converting them to full-time or ensuring that they work as close to the 2,000-hour-a-year maximum as possible.</p>	<p>Corrections stated that it had developed procedures to project the overtime necessary to cover vacancies and has incorporated this information into its fiscal year 2003–04 budget request.</p> <p>Corrections indicated that its institutions maximize their use of intermittent officers by converting them to full-time when positions become vacant and if, or when, intermittent officers are eligible for and accept permanent positions.</p>
<p>To reduce its use of overtime, Corrections should fill vacant relief officer positions currently in its Institutional Vacancy Plan once it has filled its positions currently vacant because of insufficient staff.</p>	<p>Corrections reported that it has reduced its vacant permanent full-time positions to 429 as of June 30, 2003, compared to 1,040 at June 30, 2002. It also adds that 160 additional cadets were scheduled to graduate in August 2003 and another 504 in October 2003.</p>

BSA Recommendations

To better match the supply of correctional officers with the demand for correctional officers that the use of overtime hours indicates, Corrections should consider assigning its academy graduates to those prisons that experience the highest levels of overtime.

Corrective Actions

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In addition, Corrections stated that until the pool of candidates on its correctional officer certification list increased significantly, competition is inadequate to make high vacancy institutions attractive to correctional officer candidates.

ADMINISTERING EMPLOYEE DISCIPLINE

Corrections employs about 45,000 full-time employees. And, although the vast majority of these employees do not experience the disciplinary process, those who do, encounter a process that is time-consuming. The CPR also had concerns about employee discipline in Corrections that they found is not uniform and in which the employees have little trust. The CPR recommended that a matrix of disciplinary actions should guide management actions in its penalty recommendations, and that vertical investigative teams made up of an investigator and an attorney should be responsible for cases from inception through resolution. In our October 2004 report, we made similar recommendations. We also pointed out that Corrections can improve the coordination and consistency of its processes, become more timely in dealing with disciplinary matters, and that its employment-related computer databases continue to need improvement.

BSA Recommendations	Corrective Actions
<p>Report No. 2004-105 October 2004</p> <p>Standardize its adverse action and investigative processes.</p>	<p>Response dated: October 2004</p> <p>In its October 2004 response to our report, Corrections agreed to standardize adverse action and disciplinary processes, forms, and file checklists; and is continuing its efforts to implement a disciplinary matrix, which imposes specific levels of discipline for specified conduct.</p>
<p>Monitor for improvement the adverse-action timelines for each step in the process for each program and institution.</p> <p>Adopt procedures to allow for expedited investigations in straightforward cases and eliminate headquarters and regional review of all cases.</p>	<p>Corrections agreed to this recommendation and promised the federal court to develop a plan for continual monitoring of the investigative and disciplinary process.</p> <p>With respect to investigations conducted by the Office of Civil Rights, Corrections has drafted a new procedure that would enable more expedited investigations of certain cases.</p> <p>Corrections has also agreed to eliminate most, if not all, headquarters and regional office review of cases.</p>
<p>Corrections should ensure that it enforces the requirement for the Office of Investigative Services (OIS) to review all high priority investigations.</p> <p>Continue its efforts to implement a department-wide vertical advocacy model to allow for greater attorney involvement in adverse action cases.</p>	<p>Corrections agrees, and as part of its remedial plan has committed to a self-audit plan for all high priority investigations by December 30, 2004.</p> <p>In September 2004, Corrections presented to the federal court judge and special master its plan to roll out the vertical advocacy model department-wide.</p>
<p>Complete its implementation of the new databases for tracking investigations and eliminate the redundant systems.</p>	<p>This is still a work in progress, but Corrections intends to extend the implementation of its new case management system from OIS to the institutions, the Office of Civil Rights (OCR), the Legal Affairs Division, and the Office of Personnel Management. Full implementation is expected by August 30, 2005.</p>
<p>Establish mandatory training requirements for key employees in the disciplinary process.</p>	<p>Corrections reports that it has begun to design a mandatory training curriculum for its employee-relations officers, its litigation coordinators, the Equal Employment Opportunity Commission coordinators, OCR investigators, and other investigative staff.</p>
<p>Consolidate policy development and monitoring for all types of adverse action investigations under one branch.</p>	<p>The Youth and Adult Correctional Agency chartered an internal affairs team to address this and other recommendations. As part of its activities, the team will be considering various structural changes, including the viability of consolidating all types of adverse actions under one organization.</p>

CONTROLLING THE COST OF PROVIDING HEALTH CARE TO INMATES

The CPR expressed concern about the escalating cost to Corrections of providing health care. To address this concern, the CPR recommended the establishment of an Office of Health Care Administration headed by a top-level health care administrator and supported by experienced program managers. Furthermore, the CPR recommended that Corrections enter into an agreement with the University of California for the development of a pilot project to manage and provide all health care services for a defined group of institutions. If the pilot is successful it could be expanded to other institutions.

We, too, are concerned about the escalating cost of providing health care to the inmates, and during the past five years have completed several audits on this topic. In January 2000, we produced the first of several audits on Corrections' delivery of health care to inmates. In this report, we found that Corrections was limited in its ability to ensure cost-effective medical services because it had just begun to develop an infrastructure for inmate health care, an infrastructure that is standard in managed care organizations. Lacking comprehensive treatment guidelines, regular analysis of treatment outcomes, and limitations in its data collection systems, Corrections was hampered in its ability to provide cost-effective care to the inmates. Also, in this audit we concluded that Corrections could achieve savings if it purchased more of its prescription drugs through the statewide master agreement that the Department of General Services had negotiated with a drug wholesaler. The master agreement between the State and the drug wholesaler allows state departments to purchase many of the drugs they need at discounted prices. During the six-month period that we reviewed, Corrections made 60 percent of its drug purchases outside the statewide master agreement, generally paying higher prices. We made the following recommendations:

BSA Recommendations	Corrective Actions
<p>Report No. 99027 January 2000</p> <p>Corrections should report annually to the Legislature on its progress in adopting managed care techniques.</p>	<p>Response Date: February 2001</p> <p>When Corrections last reported to us on this issue in February 2001, it had not yet reported to the Legislature. Corrections reports that it has hired a contractor to establish a framework for evaluating its inmate medical delivery system.</p>
<p>Corrections should periodically review key operating data and investigate unusual or inconsistent information.</p>	<p>In the 2000–01 budget, Corrections sought resources to create a centralized utilization management database, which would enable Corrections' utilization management staff to better gauge the effectiveness and appropriateness of the care provided to inmates.</p>
<p>To ensure that its prison pharmacy operations are properly staffed, Corrections should address the conditions that have led to high vacancies among its pharmacists.</p>	<p>A statewide recruitment and retention pay differential was approved for pharmacists in state service, which Corrections believed would help address its vacancies. However, as of June 2001, these bonuses were not having the desired effect because some of the prison pharmacies had vacancy rates as high as 67 percent. Corrections also hired a contractor to do a study of the workload and staffing arrangements in its pharmacy operations.</p>

BSA Recommendations	Corrective Actions
<p>Corrections should monitor drug usage, including physician prescription practices, periodically so that information regarding the most appropriate and cost-effective drugs are available for developing and updating Corrections' drug formulary.</p>	<p>As of January 2002, Corrections had not improved its prescription tracking system, which it must do to improve the quality of data available to better monitor and document drug use. Further, as of November 2001, Corrections had not updated its formulary.</p>
<p>To ensure that its methods for procuring pharmaceuticals allow for the fullest competition, Corrections should work with the Department of General Services to ensure that as many items as possible are purchased through the statewide master agreement with a pharmacy wholesaler.</p>	<p>Corrections has been working with the Department of General Services on contracting issues. For example, Corrections is aiding the Department of General Services in its efforts to develop a statewide formulary.</p>

CONTRACTING OUT FOR HEALTH CARE SERVICES

More recently, we reviewed Corrections' practice of contracting out for medical services that it is unable to provide in its own facilities. Corrections contracts out to community providers such as hospitals, specialty care physicians, and laboratories for health care services not available within its facilities. In an April 2004 audit report, we concluded that three-fourths of the 1,149 contracts awarded during fiscal years 2001–02 and 2002–03 were not competitively bid. This is because the staff that negotiated these contracts tended to rely on a 30-year-old state policy exemption that allows them to award contracts for most medical services without seeking competitive bids. Also, Corrections' negotiation practices were flawed because Corrections' staff often lacked information vital to Corrections receiving discounted prices. Also, we found that Corrections was not always adhering to its own policy for reviewing the appropriateness of services provided by outside contractors. Such reviews are designed to ensure that inmates receive quality care at contained costs. Finally, we found that Corrections sometimes overpaid for some services because the contractor's claim for payment had not been properly reviewed.

BSA Recommendations	Corrective Actions
<p>Report No. 2003-117 April 2004</p> <p>To protect the State's interests in future contracts, the Department of General Services should consider removing its long-standing exemption that allows Corrections to award, without advertising or competitive bidding, medical service contracts with physicians, medical groups, local community hospitals, and other providers.</p>	<p>Response Dated: October 2004</p> <p>Corrections disagreed with our recommendation, citing the need for hospitals and other providers to keep the terms of their contracts confidential. Corrections pointed out that the disclosure of hospital rates would create a "floor" during negotiations thereby hindering the State's ability to obtain competitive rates. We believe, however, that Corrections can follow the State's process for entering into noncompetitive contracts, in which Corrections would be required to complete a price analysis and obtain higher-level approvals before awarding a contract that had not been awarded competitively.</p> <p>The Department of General Services' preliminary conclusion is that it would be in the State's best interest to require that medical services contracts either be competitively bid or a justification be completed and submitted to the Department of General Services for approval that fully documents why competitive processes cannot be used.</p>

BSA Recommendations	Corrective Actions
<p>To improve its negotiation practices to obtain cost-effective medical service contracts, Corrections should:</p> <ul style="list-style-type: none"> • Obtain hospital charge masters for use in the negotiation of rates. • Require staff to consider utilization data when negotiating medical service contracts. • Offer specialized training for its negotiation staff so they can more effectively negotiate more favorable rates. • Attempt to obtain per diem rates as a compensation method when negotiating hospital contracts. 	<p>Corrections agrees with this recommendation, pointing out that recent statutory changes will make all hospital charge masters available through the Office of Statewide Health Planning and Development (OSHDP).</p> <p>Corrections has devised a new process for reviewing the reasonability of proposed rates for these contracts, which will involve a review of cost and utilization data as part of the rate review. In July 2004, Health Contract Services Unit (HCSU) initiated a final written procedure that requires staff that negotiate medical services contracts to consider utilization data.</p> <p>Corrections reported that its HCSU staff completed analytical skills training and some staff also completed cost benefit analysis and negotiation skills workshops. The remainder of HCSU staff is scheduled to complete these workshops by April 2005.</p> <p>Corrections has sought additional training on negotiating medical services contracts from the California Public Employees' Retirement System, other state departments, and outside consultants.</p> <p>To the extent possible, Corrections agrees to secure per diem rates in its hospital services contracts. Corrections also stated that it will require HCSU staff to document efforts to obtain per diem rates as part of the negotiation process in contract files. Beginning in January 2005, HCSU staff will track in a database their efforts to secure per diem rates for new and renewing hospital contracts.</p>
<p>To improve its efforts to provide only medically necessary services and contain medical services costs, Corrections should ensure that utilization review nurses adhere to the guidelines and properly document their review.</p>	<p>Corrections created a video training class on its utilization review program, which it directed to the appropriate staff at each institution. Following the training, headquarters required each institution to create procedures to implement the utilization review program at each facility.</p>
<p>Corrections should establish a quality control process that includes monthly reviews of a sample of invoices for medical services processed by each of the institutions.</p>	<p>Corrections stated that the Health Care Cost and Utilization Program (HCCUP) staff are in the process of contracting with a vendor to perform reviews of medical invoices and expects to have a contract in place by February 2005.</p> <p>The Budget Act of 2004 authorized the Health Care Services Division (HCSU) to establish 24 additional positions. The division plans to use these positions to establish quality control processes, including a review of a sample of invoices processed by the program's field analysts. Using new validation reports, HCCUP will begin, in March 2005, performing monthly audits of a sample of invoices submitted by field analysts.</p>

In a July 2004 audit report, we sought to further isolate the causes of Corrections' rapidly escalating cost of providing health care to inmates. In this audit, we targeted the cost of providing inpatient and outpatient services to inmates in community hospitals. Between fiscal years 1998–99 and 2002–03, even though the inmate population had remained relatively constant at about 160,000 inmates, Corrections' payments to community hospitals increased \$59.4 million from \$53.2 million to \$112.6 million. While part of the increase in payments was caused by an increase in the number of inpatient admittances and outpatient hospital visits, most of the increase was caused by higher costs for each admittance or visit.

Our analysis of inpatient hospital payments found that 71 percent of the increase Corrections experienced could be attributed to increased costs per admittance and 29 percent to a greater number of admittances. The primary driver, increased costs per admittance, relates to either Corrections paying a higher price for the same service or an increase in the complexity of cases for which inmates were admitted to the hospital. Our analysis of outpatient hospital payments revealed that higher prices and more outpatient visits were roughly equal drivers of increasing costs.

Two correctional institutions performed analyses showing that changes in contract terms resulted in their paying hospitals three times as much as they previously paid for the same inpatient stay. Another factor that one of the institutions cited as contributing to higher inpatient costs was a larger number of inmates with more complex medical and mental health issues that led to an increase in hospitalizations. To gain better insight into the level of prices Corrections was paying, we compared Corrections' payments to what Medicare would have paid hospitals for the same services, including an allowance for exceptional cases. The rates paid by Medicare are a useful benchmark because Medicare considers those factors that affect the cost the hospital incurs to provide the service. Our comparison showed that for more than half of the 15 hospitals we reviewed, Corrections paid amounts that were from two to eight times the amounts Medicare would have paid the same hospitals for the same services. For outpatient hospital services, Corrections paid two and one-half times the amounts Medicare would have paid for the same outpatient services. To more fully understand the inpatient hospital payments that were multiples of Medicare payments, we reviewed contracts related to these hospitals and found that the addition of stop-loss provisions significantly increased Corrections' costs.

BSA Recommendations	Corrective Actions
<p>Report No. 2003-125 July 2004</p> <p>Enter complete and accurate hospital billing and medical procedures data into its database for subsequent analysis by the medical utilization staff.</p>	<p>Response dated: September 2004</p> <p>As of August 2004 the HCCUP had established 52 separate validation reports to ensure data is entered correctly.</p> <p>In March 2005, the HCCUP will begin performing audits of data submitted by the field to specifically identify any missing procedure data.</p>
<p>For the purpose of cost containment, Corrections should perform regular analysis of the health care cost and utilization data, monitor its hospital payment trends, and investigate fully the reasons why its costs are rising.</p>	<p>As part of the Budget Act of 2004, the HCCUP received authorization to establish 24 additional positions. At the time Corrections submitted its response, its plan was to fill these positions within 60 to 90 days.</p> <p>Corrections reported that the HCSD has established a Specialty Care Workgroup that is tasked with reviewing utilization and cost reports to determine clinical appropriateness and cost-effectiveness, thereby identifying reasons for rising costs and implementing cost containment measures.</p>

BSA Recommendations	Corrective Actions
<p>Investigate the sudden increase in its inpatient hospital payments, beginning in fiscal year 2000–01 to determine whether renegotiated contract payment rates, reducing the length of stay in contract hospitals, or other cost containment measures can reduce contract hospital payments.</p>	<p>Corrections agreed to perform a review that focused on those contract provisions that are disadvantageous to the State based on negotiated rates and utilization patterns.</p> <p>As contracts expire and are renegotiated, the HCSU is requesting the Charge Description Master, which will be reviewed for increases in contracts containing percent to charge rates. HCSU is pursuing a maximum cap on all rates that are a percent of billed charges.</p> <p>Further, on an ongoing basis, Corrections agreed to compare its expenditure data for hospital services expenditures to Medi-Cal and Medicare rates.</p>
<p>Revisit hospital contract provisions that pay a discount on the hospital billed charges and consider renegotiating those contract terms based on hospital costs rather than hospital billed charges.</p>	<p>The HCSU has obtained Medi-Cal and Medicare fee schedules and is routinely reviewing OSHPD financial data as well as routinely reviewing and analyzing utilization and expenditure data.</p> <p>Corrections agreed to isolate those hospital contracts, based on hospital billed charges that may not be as advantageous to the State and within the next year will target these contracts for renegotiation. Those contracts with high utilization and low percent discounts from billed charges will be first in line for renegotiation.</p>
<p>To better prepare for the negotiation or renegotiation of hospital contract provisions, Corrections should obtain updated cost-to-charge ratios for each contracted hospital.</p>	<p>Corrections has met with Department of Health Services (DHS) to develop a plan for obtaining Medicare and Medi-Cal information. DHS was contacted to obtain hospital cost-to-charge ratio information and OSHPD was contacted to obtain financial information. The HCSU is reviewing OSHPD data and Medi-Cal rates from DHS for all contracted hospitals.</p>
<p>Detect abuses of contractual stop-loss provisions, by monitoring the volume and total amounts of payments made under stop-loss provisions, which are intended to protect hospitals from extraordinary financial loss in exceptional cases not to become a common method of payment.</p>	<p>The HCSU has identified those hospitals that have stop-loss provisions in their contracts and will negotiate with these hospitals as contracts are subject to renewal to establish a revised threshold or elimination of the stop-loss provision.</p> <p>An analysis of the use of stop-loss in fiscal year 2003–03 has been completed and this analysis will be ongoing. Corrections’ Fiscal and Business Management Audit Unit is currently auditing one of its contract hospital providers and will begin an audit on another beginning in mid-September.</p>

BUREAU OF STATE AUDITS REPORTS ON THE DEPARTMENT OF CORRECTIONS

January 2000	Report No. 99027	<i>Utilizing Managed Care Practices Could Ensure More Cost Effective and Standardized Health Care</i>
January 2000	Report No. 99026	<i>Poor Management Practices Have Resulted in Excessive Personnel Costs</i>
November 2001	Report No. 2001-108	<i>Its Fiscal Practices and Internal Controls Are Inadequate to Ensure Fiscal Responsibility</i>
July 2002	Report No. 2002-101	<i>A Shortage of Correctional Officers, Along With Costly Labor Agreement Provisions, Raises Both Fiscal and Safety Concerns and Limits Management's Control</i>
April 2004	Report No. 2003-117	<i>It Needs to Ensure That All Medical Service Contracts It Enters Are in the State's Best Interest and All Medical Claims It Pays Are Valid</i>
July 2004	Report No. 2003-125	<i>More Expensive Hospital Services and Greater Use of Hospital Facilities Have Driven the Rapid Rise in Contract Payments for Inpatient and Outpatient Care</i>
October 2004	Report No. 2004-105	<i>Although Addressing Deficiencies in Its Employee Disciplinary Practices, the Department Can Improve Its Efforts</i>