

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2013-14		FY 2014-15	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	52,487	48,750	30,663	48,750
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	52,487	48,750	30,663	48,750

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

This bill would provide for a health care copayment for jail and prison inmates.

The following table uses information from the Nebraska Department of Correctional Services (NDCS) to show their estimated impact:

	FY2013-2014	FY2014-2015	FY2013-2014	FY2014-2015
ITEMS	Number of Positions		Expenditures	
Accounting Clerk I	1.00	1.00	23,067	23,587
Benefits			6,920	7,076
Programming			20,000	0
Desk, Computer, Chair			2,500	0
TOTAL	1.00	1.00	52,487	30,663

NDCS projects that the amount of inmate charges collected could be in the range of \$47,250 to \$50,250 per year. This is an average of \$48,750, and this is the amount shown in the boxes above under the "Revenue" column.

Douglas County Department of Corrections estimates this bill will increase revenues by \$178,313 per year and that they will incur expenses of \$75,842 per year.

Lancaster County Corrections Department estimates additional revenue of \$1,667 per year. They also note that they will incur costs in setting up the copayment system.

The responses of NDCS, Douglas County, and Lancaster County follow and all the responses include additional details.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: LB 246	AM:	AGENCY/POLIT. SUB: Nebraska Department of Corrections (046)	
REVIEWED BY: Joe Wilcox		DATE: January 31 st , 2013	PHONE: (402) 471-4178
COMMENTS: The agency estimate of fiscal impact for the Nebraska Department of Correctional Services appears reasonable, given the assumption made by the agency with current information available to them.			

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: LB 246	AM:	AGENCY/POLIT. SUB: Douglas County Department of Corrections	
REVIEWED BY: Joe Wilcox		DATE: January 24 th , 2013	PHONE: (402) 471-4178
COMMENTS: No basis to dispute fiscal analysis for the Douglas County Department of Corrections.			

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: LB 246	AM:	AGENCY/POLIT. SUB: Lancaster County Corrections Department	
REVIEWED BY: Joe Wilcox		DATE: January 23 rd , 2013	PHONE: (402) 471-4178
COMMENTS: No basis to dispute fiscal analysis for the Lancaster County Corrections Department.			

LB⁽¹⁾ 246 FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Department of Correctional Services (NDCS)

Prepared by: ⁽³⁾ Christina Peters Date Prepared: ⁽⁴⁾ 1/24/2013 Phone: ⁽⁵⁾ (402) 479-5702

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2013-14		FY 2014-15	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	52,487	48,750	30,663	48,750
CASH FUNDS		0	0	0
FEDERAL FUNDS	0	0	0	0
OTHER FUNDS		0	0	0
TOTAL FUNDS	52,487	48,750	30,663	48,750

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

NDCS Health Services does not currently track sick calls based on who initiated them, nor does it have the capability. In an effort to provide information for this fiscal note, the Department tracked sick calls at one facility during a 2-day period. Based on these numbers, it is estimated **18,900 – 20,100** inmate-initiated sick calls occur per year. This averages 363 – 387 inmate-initiated calls per week. The increase in the number of Inmate Institutional Checks (required to collect the funds) would require one (1) additional FTE (Accounting Clerk I) for Inmate Accounting as the current staff would be unable to absorb the increased work. The Inmate Accounting staff would also need a complete work station (desk, computer, chair, etc.).

The formula identified in the bill to collect the copayments is not consistent with the Department’s current automated collection practices, and would require substantial programming to the Correctional Inmate Tracking (CIT) system. It is believed a separate Medical Suspense screen would need to be designed to work within the existing format. An estimate puts the cost at \$18,000 - \$22,000, median of \$20,000.

An inmate earns between \$1.00 and \$4.72 a day, and Cornhusker State Industry (CSI) workers earn from \$.38 - \$1.08 per hour. In order to cover a minimum \$10.00 co-payment, facility inmate workers would need to work 3 – 10 days, and CSI inmate workers would need to work 9 – 26 hours.

Based on current collection of other inmate charges, it is estimated that 25% of the assessed charges would be collected in a year. Using the minimum \$10 charge, the amount collected is projected at \$47,250 – 50,250 per year.

MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2013-14	2014-15
	13-14	14-15	EXPENDITURES	EXPENDITURES
Accounting Clerk I	1	1	23,067	23,587
Benefits.....			6,920	7,076
Operating.....			20,000	
Travel.....				
Capital outlay.....			2,500	
Aid.....				
Capital improvements.....				
TOTAL.....			52,487	30,663

Please complete ALL (5) blanks in the first three lines.

2013

LB⁽¹⁾ 246 FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Douglas County Department of Corrections

Prepared by: ⁽³⁾ Mary Earley, CJM Date Prepared: ⁽⁴⁾ 1/23/2013 Phone: ⁽⁵⁾ (402) 599-2365

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2013-14</u>		<u>FY 2014-15</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	\$75,842	\$178,313	\$75,842	\$178,313
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$75,842	\$178,313	\$75,842	\$178,313

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

The proposed statutory change will provide for a ten dollar copayment for non-emergency visits to a health care provider by individuals/inmates incarcerated at the Douglas County Department of Corrections (DCDC).

The DCDC has a design capacity of 1453 beds. The Average Daily Population (ADP) was 1160 in 2010, 1165 in 2011 and 1107 in 2012. The table below identifies only Local Inmates in copayment estimates. The Local ADP includes all local arrestees. Local population numbers do not include Immigration and Customs Enforcement (ICE) detainees, United States Marshall (USM) holds, or individuals held for other agencies. ICE, USM, and other agencies pay a separate per diem which includes medical services provided. The table below indicates, in 2010, an average of 881 individuals classified as Local may have been eligible to make co-payments for medical care. In 2011, the number remains consistent at 883 and drops to 863 in 2012. Individuals excluded from the Local ADP would be exempt from co-payment.

Medical visits listed in the table do not include copayments for exclusions as identified in LB246. Twenty-four percent of the local population was subtracted from the total number of events which qualify for copayment to compensate for the non-local population. An additional twenty-five percent was subtracted from the qualifying local events to account for indigent status among the local population. Indigent inmates would not be required to make copayments.

Charges incurred by inmates would be processed by a Records Technician I, II, or III. The average mid-level hourly range for these positions is \$19.17. The estimated time for each transaction is ten minutes or \$3.19 per inmate co-payment transaction. The average of the past three calendar years listed in the table was used to estimate EXPENDITURES.

The average of the past three calendar years listed in the table is used to estimate REVENUE for General Funds.

DCDC 2010		DCDC 2011		DCDC 2012	
Average Daily Population	1160	Average Daily Population	1165	Average Daily Population	1107
ADP – LOCAL	881	ADP – LOCAL	883	ADP – LOCAL	863
Medical Visits		Medical Visits		Medical Visits	
Nurse sick call	13,191	Nurse sick call	17,011	Nurse sick call	14,366
Sick call Physician	1,910	Sick call Physician	2,154	Sick call Physician	1,796
Sick call mid-level	1,087	Sick call mid-level	2,214	Sick call mid-level	1,044
Walk-ins	1,231	Walk-ins	1,340	Walk-ins	1,237
Dental exams	1,466	Dental exams	1,483	Dental exams	1,574
Extractions	872	Extractions	827	Extractions	874
Off-site consults	344	Off-site consults	287	Off-site consults	150
Inmates on medication (Figure does not include psychotropics)	9,419	Inmates on medication (Figure does not include psychotropics)	9,191	Inmates on medication (Figure does not include psychotropics)	8,781

2010 total qualifying events	29,520	2011 total qualifying events	34,507	2012 total qualifying events	29,822
Minus 24% non-local	(7,085)	Minus 24% non-local	(8,282)	Minus 24% non-local	(7,157)
2010 local qualifying events	22,435	2011 local qualifying events	26,225	2012 local qualifying events	22,665
Processing cost of \$3.19 per local event	\$71,567	Processing cost of \$3.19 per local event	\$83,658	Processing cost of \$3.19 per local event	\$72,301
Estimated Expenditures	\$71,567	Estimated Expenditures	\$83,658	Estimated Expenditures	\$72,301
2010 qualifying local events	22,435	2011 qualifying local events	26,225	2012 qualifying local events	22,665
Minus 25% Indigent	(5,609)	Minus 25% Indigent	(6,556)	Minus 25% Indigent	(5,666)
Total events charged	16,826	Total events charged	19,669	Total events charged	16,999
At \$10.00 per visit	\$168,260	At \$10.00 per visit	\$196,690	At \$10.00 per visit	\$169,990
Estimated Revenue	\$168,260	Estimated Revenue	\$196,690	Estimated Revenue	\$169,990

MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2013-14 EXPENDITURES</u>	<u>2014-15 EXPENDITURES</u>
	<u>13-14</u>	<u>14-15</u>		
Records Technicians I, II, and III	n/a	n/a	\$75,842	\$75,842
Benefits.....				
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....				

Please complete ALL (5) blanks in the first three lines.

2013

LB⁽¹⁾ 246 FISCAL NOTE

State Agency OR Political Subdivision Name: (2) Lancaster County Corrections Department

Prepared by: (3) Lt. Rick C. Gray Date Prepared: (4) 01/23/2013 Phone: (5) 402-441-8915

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2013-14</u>		<u>FY 2014-15</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	<u>1667.00</u>	_____	<u>1667.00</u>
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>_____</u>	<u>1667.00</u>	<u>_____</u>	<u>1667.00</u>

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

Lancaster County Corrections received 11,480 inmate request forms for medical services beyond initial medical screening in the 2012 calendar year. These requests resulted in 11,242 inmate visits by our nursing staff during sick call services, 798 inmate visits to the Department's physician, and 124 visits to the Department's dentist. Of the physician visits, 347 were categorized as chronic case care. In addition the Department's L.M.H.P.'s made contact with 1715 individuals which resulted in 638 visits with the Department's psychiatrist.

There are numerous exemptions as to which health care requests are eligible for copayment collection under Section 3 of Legislative Bill 246. However, by using the number of non-chronic care cases seen by the Department's physician (451) and the number of inmates seen by the Department's dentist (124), it appears that approximately 575 health care contacts may be eligible for copayment collection.

Review of jail records indicates that approximately 71% (405 of 574) of our current inmates are indigent (inmate account balance of less than \$10.00). By making the assumption that approximately 29% of all inmates would have the funds available to make the copayment and applying that to the estimated 575 eligible contacts at \$10.00 each, the resulting total revenue would be \$1667.50. With further investigation of the 11,242 inmate/nurse contacts some additional revenue may be collected. It should be noted that the Department would bear additional administrative fiscal cost in creating and maintaining a copayment system.

MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2013-14</u>	<u>2014-15</u>
	<u>13-14</u>	<u>14-15</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____