

REPORT TO THE LEGISLATURE
Pursuant to P.A. 268 of
2016 Article V, Section 802
Physical and Mental Health Care Expenditure Report – FY17
2ND Quarter

Sec. 802. As a condition of expenditure of the funds appropriated in part 1, the department shall provide the senate and house of representatives appropriations subcommittees on corrections, the legislative corrections ombudsman, the senate and house fiscal agencies, and the state budget director with quarterly reports on physical and mental health care detailing quarterly and fiscal year-to-date expenditures itemized by vendor, allocations, status of payments from contractors to vendors, and projected year-end expenditures from accounts for prisoner health care, mental health care, pharmaceutical services, and durable medical equipment.

Status of Payment from Contractors to Vendors - The Michigan Department of Corrections (MDOC), Budget and Operations Administration, periodically conducts a financial review of Corizon payments for timeliness and accuracy of claims payment information. The financial review for payment status of claims for Service dates beginning 1/1/2016-1/31/2017 for the contract with Corizon showed that 94.62% of received claims were paid within 45 days. Of the 46,129 service claims received and processed from 1/1/2016-1/31/2017, there were 43,649 vendor claims paid within 45 days. There were 2,480 vendor claims (5.8% of the total vendor claims) paid after 45 days. Monthly reports are received by the MDOC detailing the status of all claims. There have been 6 complaints to the MDOC during the past year of vendors receiving late payments for their services.

| Bureau of Health Care Services | | | |
|---|----------------------------------|----------------------------------|--------------------------------------|
| Current Expenditures and Projected Expenditures by allocations (P.A. 268 of 2016) | | | |
| Type of Service | Appropriation Description | Expenditure (Oct16-Mar17) | Projected (FY17) Expenditures |
| Prisoner Health Care (Off-site / Specialty) | PRISONER HEALTH CARE SERVICES | \$ 35,454,017 | \$ 69,880,400 |
| Prisoner Health Care (Clinical Care) | CLINICAL COMPLEXES | \$ 68,606,683 | \$ 143,622,300 |
| Prisoner Health Care (Mental Health) | MENTAL HEALTH SERVICES & SUPPORT | \$ 27,205,307 | \$ 60,465,700 |
| Bureau of Health Care Services | | | |
| Current and Projected Expenditures by Vendor | | | |
| (funding and expenditures are included in the accounts above) | | | |
| Type of Service | Vendor Name | Expenditure (Oct16-Dec16) | Projected (FY17) Expenditures |
| Integrated Prisoner Health Care (offsite/specialty/physical health service providers/behavioral health service providers/pharmacy) | Corizon | \$ 64,062,389 | \$ 119,927,775 |
| Note: Pharmacy services are allocated in Clinical and Mental Health Services Accounts. The vendor expenditures are reported on a projected full year basis where applicable. | | | |