
Department of Public Safety and Correctional Services Fiscal 2020 Budget Overview

**Department of Legislative Services
Office of Policy Analysis
Annapolis, Maryland**

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Note: Numbers may not sum to total due to rounding.

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Analysis of the FY 2020 Maryland Executive Budget, 2019

Q00
Department of Public Safety and Correctional Services
Fiscal 2020 Budget Overview

Executive Summary

The Department of Public Safety and Correctional Services (DPSCS) is a principal department of State government, responsible for operating 22 correctional facilities throughout the State and three detention facilities in Baltimore City whose combined average daily population (ADP) is approximately 21,370. In addition, the department supervises offenders on parole and probation. Currently, DPSCS has a budget allowance of over \$1.4 billion and 10,400 employees, which accounts for approximately 11% of the total State workforce and 6% of all general fund expenditures.

Key Observations

- ***Arrests Decline Substantially:*** Reflecting a nationwide decrease in crime, the number of arrests in Baltimore City (over 100,000 in fiscal 2004) has declined 75% to just over 25,000 in fiscal 2018.
- ***Prison and Jail Populations Continue to Decrease:*** The ADP of facilities under DPSCS purview has decreased from 26,000 in fiscal 2012 to 21,600 in fiscal 2018, a 16.7% decrease. Additionally, the State prison population is just over 19,000 for the first time since the 1990s and is projected to fall further. Bail reform, shorter sentences, and Justice Reinvestment Act (JRA)-related provisions have all contributed to this reduction.
- ***JRA First-year Savings:*** The department has made strides in applying the JRA's key provisions to its inmate population, which has resulted in fewer days served by offenders and estimated cost savings to the State of \$375,000.
- ***DPSCS Vacancies Rise to 21.3%:*** DPSCS continues to have substantial personnel issues. While the focus in the past has been on the difficulty in filling correctional officer (CO) positions, the entire department now has a vacancy rate of over 20%.
- ***Overtime Spending is \$110 Million:*** Because of the high number of vacant CO positions (1,269), current COs are working more overtime. As a result, DPSCS spent more than \$110 million on overtime in fiscal 2018. Over \$14.4 million was allocated in fiscal 2018 and 2019 for a CO bonus program.
- ***Inmate Medical Spending Exceeds \$200 Million in Fiscal 2020:*** DPSCS now has a new contractor and is expected to spend more on inmate medical needs. Recent medical spending was \$178.4 million, and \$200.7 million is allocated for fiscal 2020. The department now spends about 10% of its medical budget to treat inmates with Hepatitis C.

Operating Budget Recommended Actions

1. Adopt committee narrative on the Justice Reinvestment Act and associated cost savings due December 1, 2019.
2. Adopt committee narrative requesting a report by November 15, 2019, on inmate medical costs and Hepatitis C.
3. Adopt committee narrative requesting a report on departmental position abolishments, reclassifications, transfers, and staffing adequacy in fiscal 2019 and 2020.

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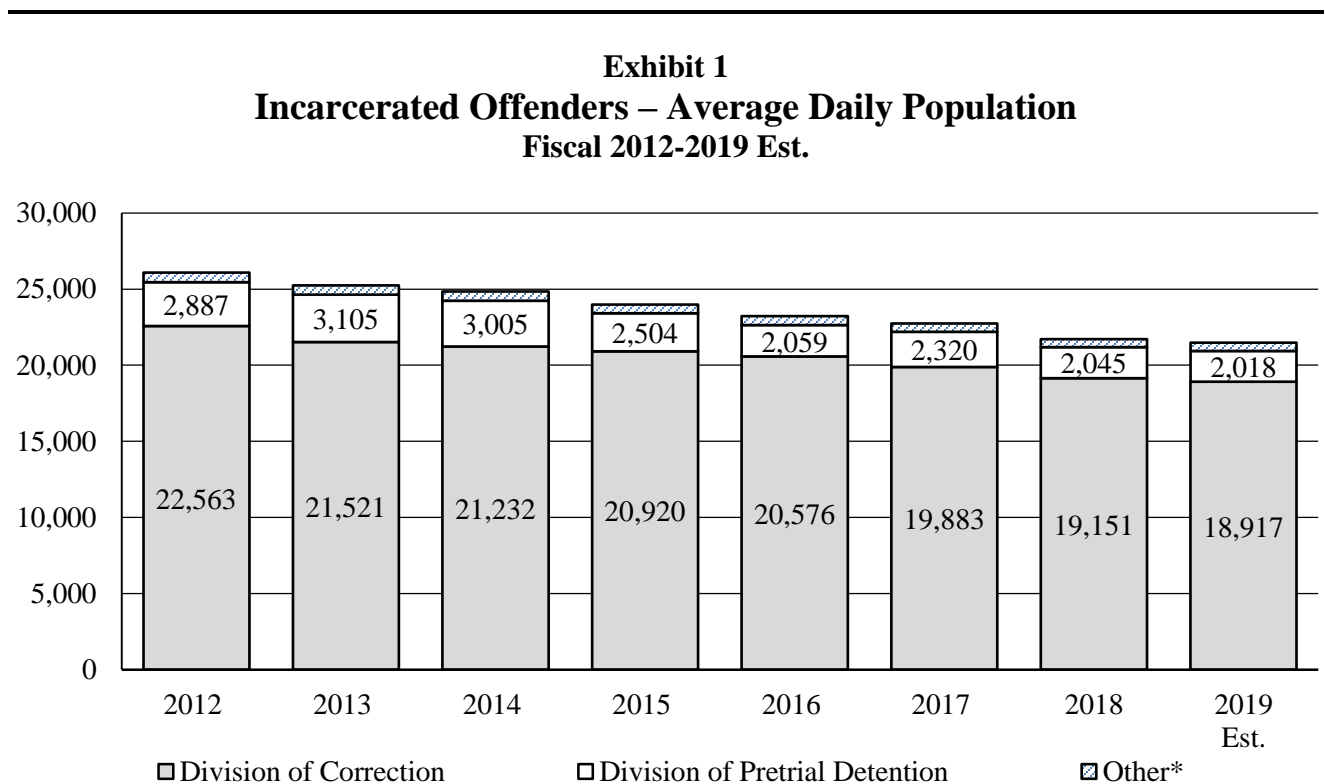
Operating Budget Analysis

Program Description

The Department of Public Safety and Correctional Services (DPSCS) helps keep Maryland communities safe and provides services to victims of crime. The department strives to ensure the safety, security, and well-being of defendants and offenders under its supervision and to provide criminal justice agencies with access to timely, accurate information about defendants and offenders.

State Prison and Jail Populations Continue to Decline

Exhibit 1 shows the average daily population (ADP) of prisoners and detainees in DPSCS custody since fiscal 2012.



* Other includes federal prisoners held at the Chesapeake Detention Facility and offenders in local jails awaiting transfer to the Department of Public Safety and Correctional Services.

Source: Fiscal 2020 Managing for Results, Department of Public Safety and Correctional Services

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Overall, the number of individuals who are incarcerated under State jurisdiction continues to decrease. Reflecting national trends in lower crime, arrests, and commitments, the ADP of detainees in Baltimore City, offenders in State prisons, and others including federal prisoners at Chesapeake Detention Facility (CDF) has declined by 16.7% between fiscal 2012 and 2018.

DPSCS' Division of Correction is responsible for the oversight of State prisoners. While 2017 was the first year since the 1990s that the State prisoner total was under 20,000, DPSCS expects a decrease to under 19,000 in fiscal 2019.

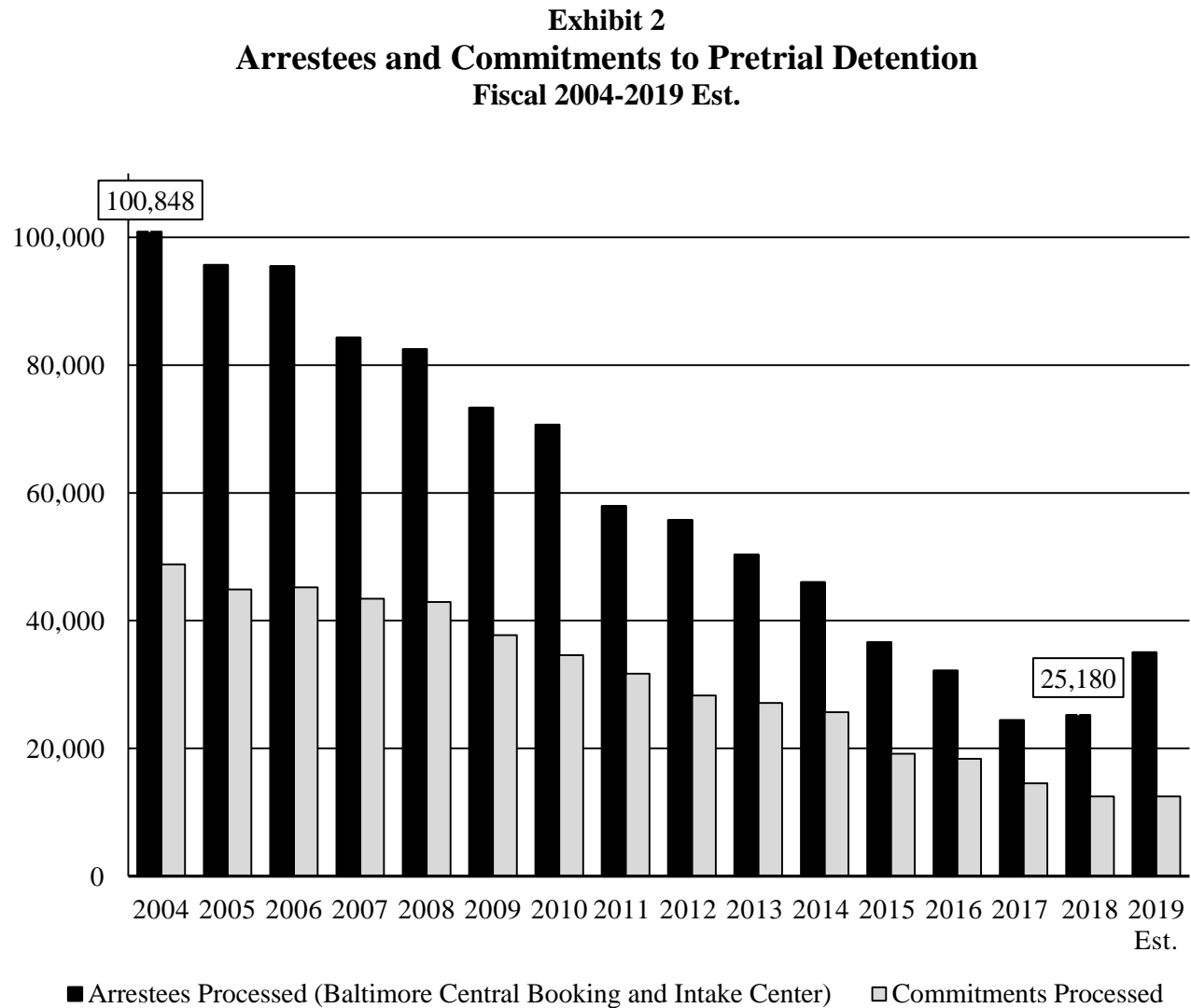
Inmate Population Statistics, Fiscal 2018

- 19,151 State prisoners were sentenced and incarcerated;
- 2,045 (down from 2,320) offenders were held in pretrial detention (1,609 local, 436 federal);
- Eastern Correctional Institution held the largest percentage of sentenced offenders (17%); and
- Baltimore Central Booking and Intake Center (BCBIC) held the largest percentage of detainees (31%).

Baltimore City Arrest and Detention Totals at 25-year Lows

- ***Baltimore Arrests Decline 75% Since 2004:*** Over 100,000 individuals were arrested and processed in fiscal 2004; in fiscal 2018, just over 25,000 were arrested.
- ***Baltimore Arrestees Jailed Down 74%:*** Approximately 49,000 arrestees were admitted to pretrial detention in fiscal 2004; in fiscal 2018, it was 12,500. The percentage of arrestees in detention has ranged from 48% to 60%. It is now at 49.7%.

Exhibit 2 shows arrestees processed and the number of arrestees committed to pretrial detention in Baltimore City from fiscal 2004 to 2019.

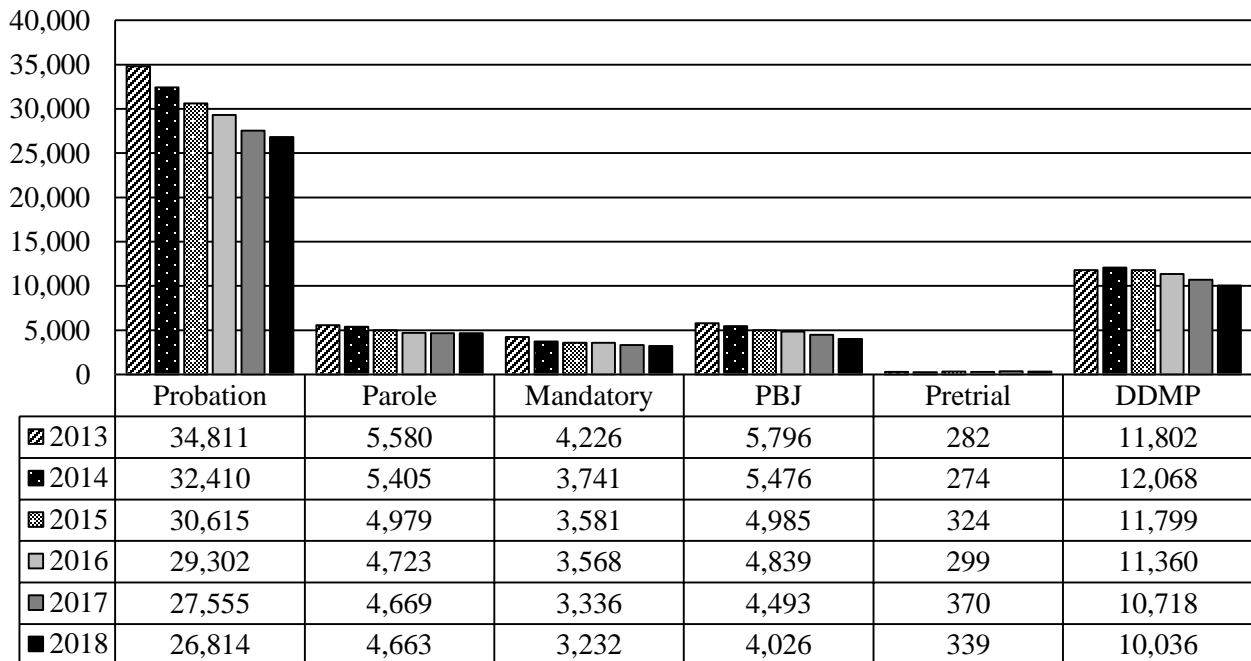


Source: Fiscal 2020 Managing for Results, Department of Public Safety and Correctional Services

Parole and Probation Cases Decline

In terms of the department's community supervision programs (parole and probation), declines in cases under supervision and active cases mirror the declines in arrests and the overall offender population. **Exhibit 3** depicts the total number of active cases under community supervision, which includes parole, probation, probation before judgment, pretrial supervision, and mandatory supervision cases.

Exhibit 3
Parole and Probation Active Cases
Fiscal 2013-2018



DDMP: Drinking Driver Monitor Program

Mandatory: Mandatory Supervision

PBJ: Probation Before Judgment

Pretrial: Pretrial Supervision

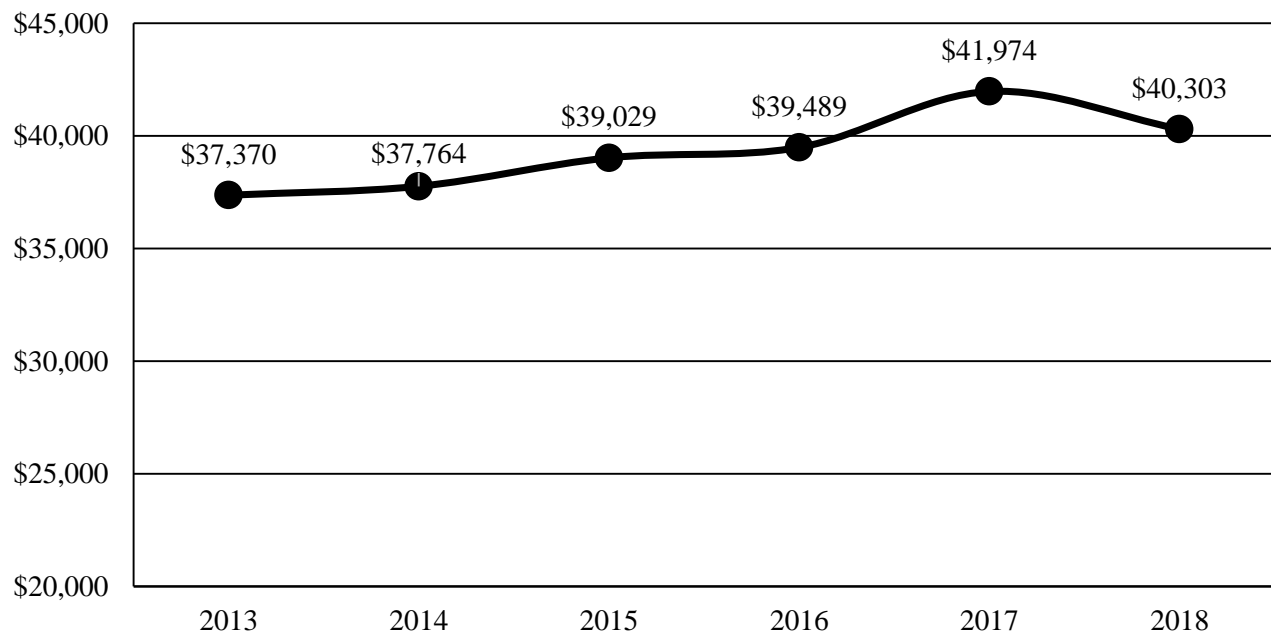
Source: Department of Public Safety and Correctional Services

Since the most recent peak in fiscal 2013, cases under criminal supervision have fallen by 21.4%. During the same timeframe, Drinking Driver Monitor Program (DDMP) cases decreased by 15%. Overall, the Division of Parole and Probation supervised 39,074 active criminal supervision cases and 10,036 DDMP cases in fiscal 2018 – a 4% decline from the previous fiscal year.

Prison Cost Per Inmate Decreases 4%

The average cost per inmate (or annual cost per capita) is the total amount that DPSCS spends on inmates in State prisons. These costs include both fixed and variable costs and account for services in a wide variety of categories, including administration, custodial, dietary/food, laundry/uniforms, medical, religious, and other expenses from substance use disorder treatment to other forms of therapy. **Exhibit 4** shows the department's cost per inmate. After a five-year trend of slightly increasing costs, the department has a minor cost decrease of 4.0% in fiscal 2018, driven by vacancies and reversions in employee health insurance. Despite the decreasing inmate population and fewer open facilities, the cost per inmate has not decreased dramatically – this is because fixed costs related to maintenance and facility infrastructure remain steady, while variable costs, such as food and clothing expenditures, are on the decline. As vacancies are filled, costs per capita are expected to rise.

Exhibit 4
Cost Per Inmate
Fiscal 2013-2018



Source: Fiscal 2020 Managing for Results, Department of Public Safety and Correctional Services

Fiscal 2019 Actions

Proposed Deficiencies

There is one deficiency appropriation for fiscal 2019 that increases the appropriation by \$7.6 million in general funds to supplement the department's correctional officers (CO) bonus program. This one-time bonus gives incoming CO recruits who complete the training academy \$2,000 upon graduation and another \$3,000 after their first year. In addition, there is a \$500 bonus for any CO who recommends a successful officer candidate and a \$3,000 maximum retention bonus for COs hired before October 1, 2017, who receive satisfactory or outstanding evaluations without any disciplinary actions or unscheduled absences during the reporting period.

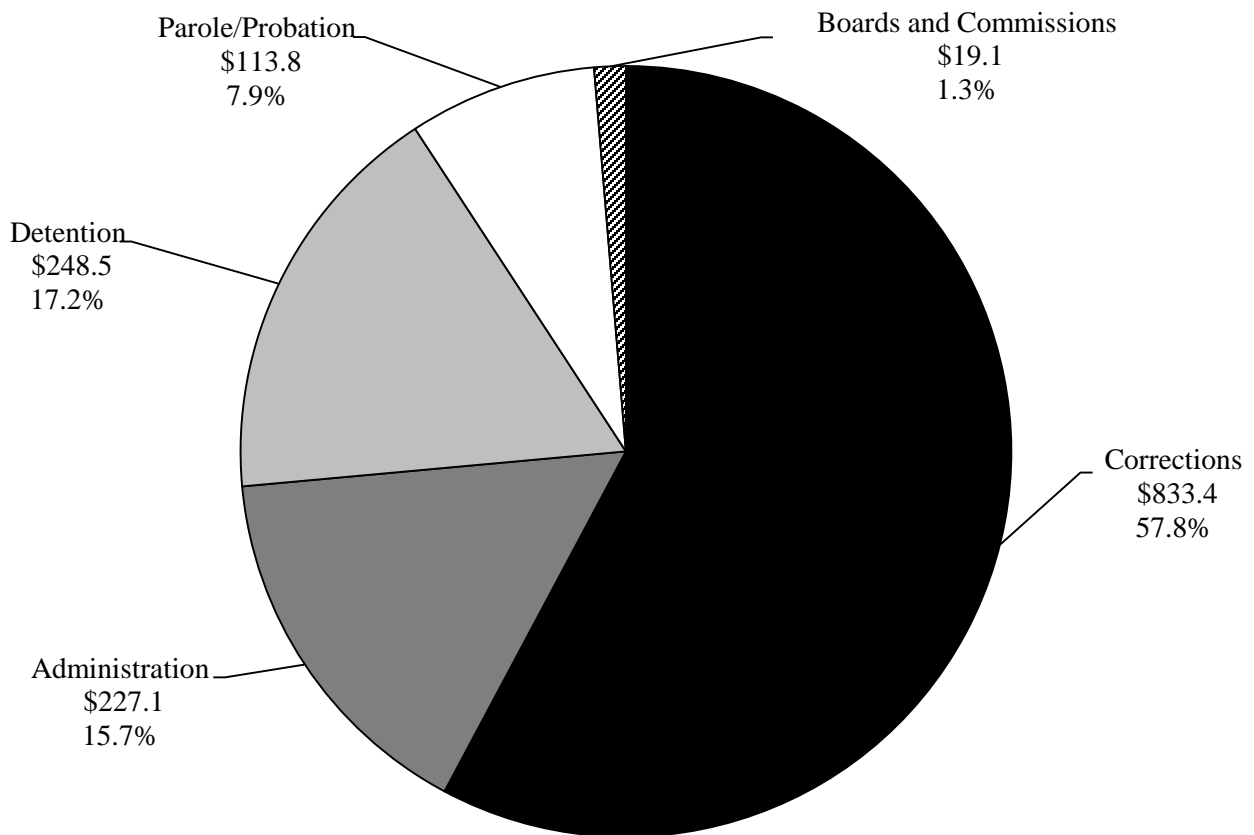
Fiscal 2020 Allowance

The DPSCS allowance for fiscal 2020 is approximately \$1.4 billion after adjusting for deficiencies providing \$7.6 million for funds related to the department's CO bonus program. Overall, the vast majority of the allowance is general funds (88.0%). Compared to the fiscal 2019 working appropriation and adjusted for statewide salary increases, the allowance grows by \$29.4 million, or 2.1%, leaving the DPSCS budget nearly level funded.

Budget Overview by Function

DPSCS has five functional units: Administration, Boards and Commissions, Corrections, Detention, and Parole and Probation. **Exhibit 5** shows each unit's share of the fiscal 2020 allowance.

Exhibit 5
Fiscal 2020 Allowance by Function
(\$ in Millions)



Source: State Budget; Department of Legislative Services

Corrections, which is responsible for the physical confinement and control of inmates incarcerated by Maryland’s judicial system, operates 16 State prison facilities. Corrections also includes Maryland Correctional Enterprises (MCE), the prison industry arm of the division, and the Security Operations Unit located within DPSCS Administration. Corrections accounts for 57.8%, or \$833.4 million, of the department’s \$1.4 billion fiscal 2020 allowance.

Detention is the second largest functional area and is responsible for all offenders arrested in Baltimore City, as well as those held on warrants from Baltimore City. Federal prisoners held at CDF are also under Detention’s purview. Facilities include CDF, BCBIC, the Baltimore Pre-Trial Complex (which includes the new Youth Detention Center), and the Metropolitan Transition Center. Detention accounts for 17.2%, or \$248.5 million, of the department’s fiscal 2020 allowance.

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Parole and Probation has three main units – the Central Home Detention Unit, the Warrant Apprehension Unit, and the regional office units that conduct criminal supervision of offenders on parole or probation, or who are assigned to DDMP. The Parole and Probation fiscal 2020 allowance is \$113.8 million, or 7.9%, of the total DPSCS allowance.

Administration consists of several oversight units including Capital and Facilities Management, General Administration, the Intelligence and Investigative Division, and the Information Technology and Communications Division. Administration also consolidated several functions within the new Administrative Services area that includes Human Resources, Procurement, Fiscal, Budget, Regulation and Policy Coordination, and Grants/Statistical Analysis. Administration’s fiscal 2020 allowance is \$227.1 million, or 15.7%, of the total.

Boards and Commissions includes the Emergency Number Systems Board (ENSB), the Inmate Grievance Office (IGO), the Maryland Commission on Correctional Standards (MCCS), the Maryland Parole Commission (MPC), and the Police and Correctional Training Commissions (PCTC). The Criminal Injuries Compensation Board (CICB), formerly under DPSCS, is now part of the Governor’s Office of Crime Control and Prevention (GOCCP). The purpose of each unit is as follows:

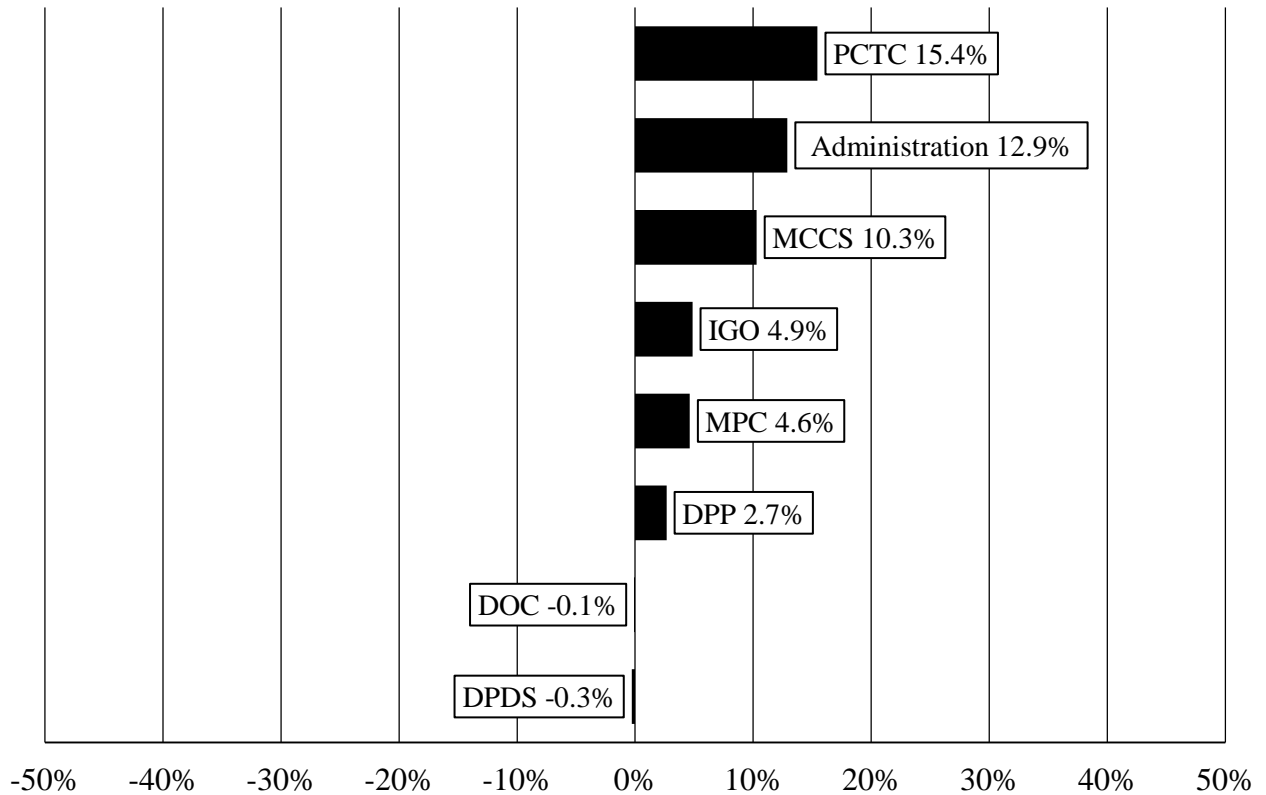
- **ENSB:** Develops policy and provides financial support for the State’s 9-1-1 emergency system.
- **IGO:** Has jurisdiction over all inmate grievance complaints against DPSCS.
- **MCCS:** Develops and audits compliance with the standards for all public and private correctional and detention facilities in the State.
- **MPC:** Hears cases for parole release and revocation and is authorized to parole inmates sentenced to a term of confinement of six months or more.
- **PCTC:** Develops the training standards for all law enforcement and correctional officers in the State.

The Boards and Commissions fiscal 2020 allowance is approximately \$19.1 million, or 1.3%, of the total DPSCS allowance.

Budget Overview by Program

Overall, funding for the department’s eight agencies increases by an average of 2.1% over the fiscal 2019 working appropriation. PCTC has substantial additional funding largely due to a \$2 million grant for the Maryland Police Training and Standards Commission Fund, established by Chapter 758 of 2018. Administration sees a 12.7% increase due to increased information technology (IT) and personnel spending. The MCCS change (10.3%) is largely due to an increase in contractual turnover. **Exhibit 6** shows fiscal 2020 funding growth and declines for the department by agency. **Exhibit 7** depicts total funds by program.

Exhibit 6
Budget Growth by Program
Fiscal 2020



DOC: Division of Correction
DPDS: Division of Pretrial Detention and Services
DPP: Division of Parole and Probation
IGO: Inmate Grievance Office
MCCS: Maryland Commission on Correctional Standards
MPC: Maryland Parole Commission
PCTC: Police and Correctional Training Commissions

Source: State Budget; Department of Legislative Services

Exhibit 7
Total Funds by Program
Fiscal 2018-2020
(\$ in Thousands)

	<u>Actual Spending 2018</u>	<u>Working Approp. 2019</u>	<u>Deficiencies 2019</u>	<u>\$500 Bonus 2019</u>	<u>0.5% COLA 2019</u>	<u>Revised Working Approp. 2019</u>	<u>Revised Allowance* 2020</u>	<u>\$ Change 2019-2020</u>	<u>% Change 2019-2020</u>	<u>\$ Change 2018-2020</u>	<u>% Change 2018-2020</u>
Operating Programs											
Administration	\$199,445	\$199,995	\$449	\$563	\$109	\$201,116	\$227,051	\$25,934	12.9%	\$27,605	13.8%
DOC	792,515	824,635	5,773	3,202	455	834,065	833,397	-668	-0.1%	40,882	5.2%
MPC	5,995	6,004	0.0	39	6	6,049	6,329	281	4.6%	334	5.6%
CICB	3,695	-	-	-	-	-	-	-	-	-	-
IGO	1,068	810	0.0	4	1	815	854	40	4.9%	-213	-20.0%
PCTC	9,063	9,674	0.0	38	6	9,718	11,219	1,501	15.4%	2,157	23.8%
MCCS	577	554	0.0	2	0	556	614	57	10.3%	37	6.4%
DPP	105,790	110,175	0.0	600	99	110,875	113,832	2,957	2.7%	8,042	7.6%
DPDS	236,321	246,483	1,421	1,162	156	249,222	248,513	-709	-0.3%	12,193	5.2%
Total	\$1,354,469	\$1,398,330	\$7,644	\$5,610	\$833	\$1,412,416	\$1,441,810	\$29,393	2.1%	\$87,341	6.4%
Funds											
General Fund	\$1,193,413	\$1,229,724	\$7,644	\$5,325	\$793	\$1,243,487	\$1,268,357	\$24,870	2.0%	\$74,945	6.3%
Special Fund	125,601	134,614	0	161	23	134,798	137,279	2,481	1.8%	11,678	9.3%
Federal Fund	29,986	27,947	0	123	17	28,087	30,910	2,823	10.0%	924	3.1%
Reimbursable Fund	5,469	6,044	0	0	0	6,044	5,264	-780	-12.9%	-206	-3.8%
Total	\$1,354,469	\$1,398,330	\$7,644	\$5,610	\$833	\$1,412,416	\$1,441,810	\$29,393	2.1%	\$87,341	6.4%

CICB: Criminal Injuries Compensation Board

COLA: cost-of-living adjustment

DOC: Division of Correction

DPDS: Division of Pretrial Detention and Services

DPP: Division of Parole and Probation

IGO: Inmate Grievance Office

MCCS: Maryland Commission on Correctional Standards

MPC: Maryland Parole Commission

PCTC: Police and Correctional Training Commissions

* Revised Allowance is adjusted for a 3.5% total COLA in fiscal 2020.

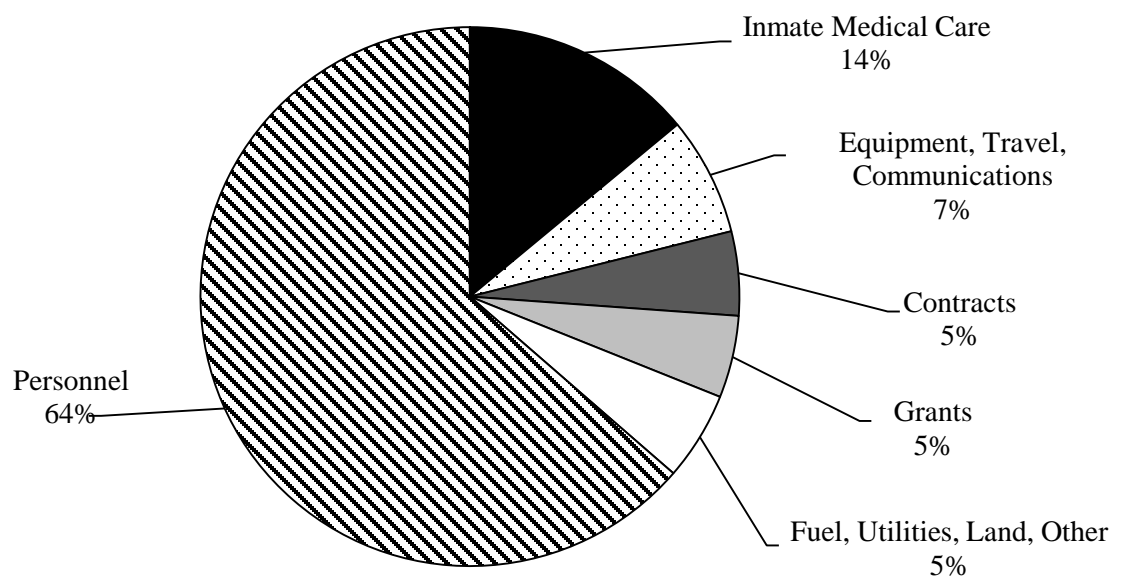
Source: Governor's Fiscal 2020 Budget Books; Department of Public Safety and Correctional Services

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Overview of Agency Spending

The fiscal 2020 budget proposes over \$1.4 billion in total expenditures for DPSCS. General funds account for 88.0% of the total appropriation. The allowance is primarily used to pay personnel costs (\$897.7 million), mainly salaries and wages. Of this amount, 9%, or \$121.9 million, goes toward overtime costs related to the department's large number of CO vacancies. The remaining areas of major spending are inmate medical care (\$200.7 million), supplies and materials (\$82.8 million), about \$72 million for contractual services (mainly related to key security and IT projects), and funds for grants/contributions (\$58.7 million in mostly special funds) that include 911-related grants, inmate welfare funds, and payments to local jails for housing State prisoners. **Exhibit 8** displays the fiscal 2020 allowance categorized by major spending areas.

Exhibit 8
Department of Public Safety and Correctional Services Spending Overview
Fiscal 2020 Allowance

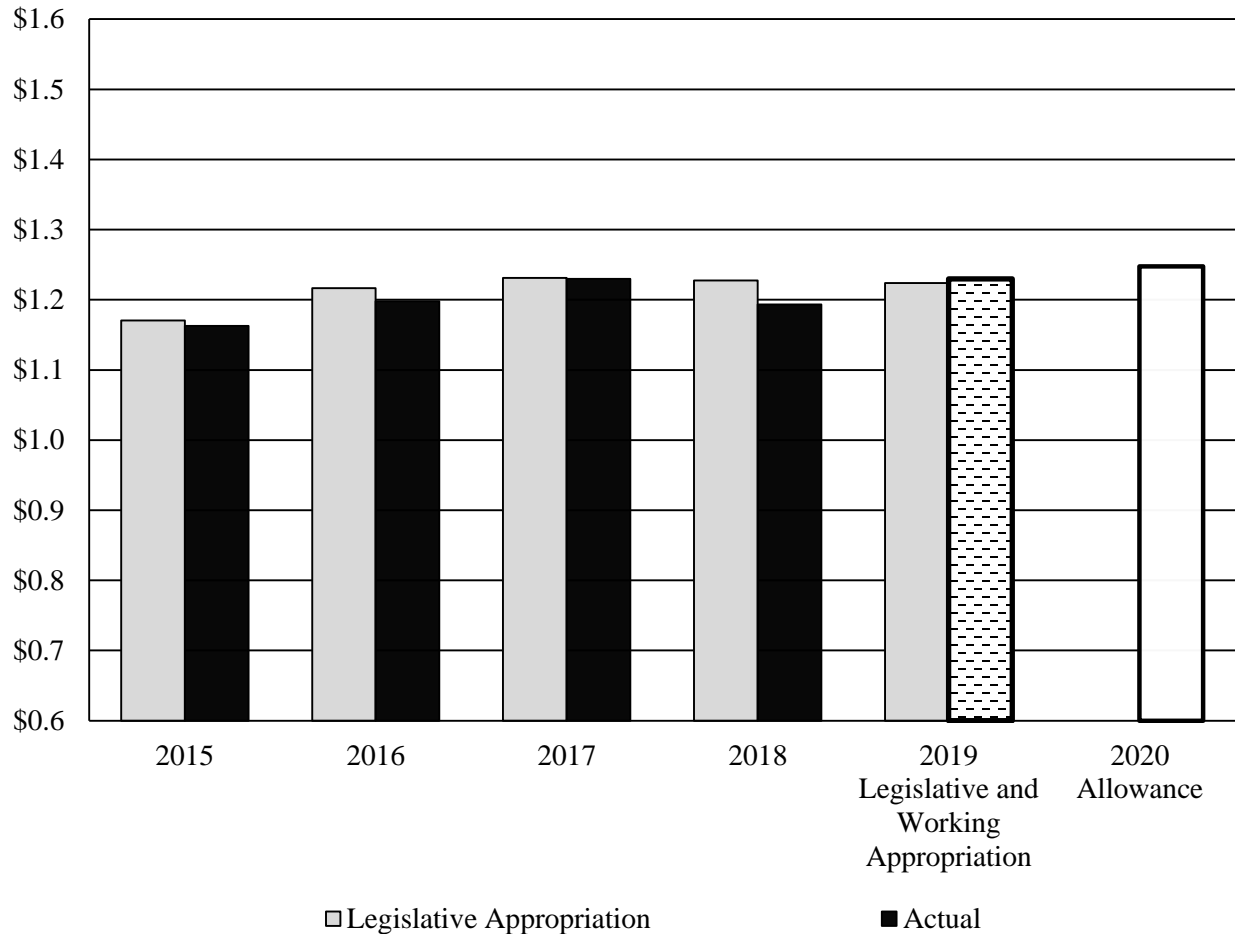


Source: Department of Public Safety and Correctional Services

Actual vs. Appropriated Funding

Exhibit 9 shows DPSCS general fund actual spending compared to the respective legislative appropriation since fiscal 2015. Due to increasing vacancy rates, inmate population declines, and cost containment measures taken by the State, actual spending has been lower than the appropriation since fiscal 2015. Earlier, in both fiscal 2013 and 2014, departmental spending exceeded its legislative appropriation.

Exhibit 9
Actual versus Appropriated Spending – General Funds
Fiscal 2015-2020
(\$ in Billions)



Source: Department of Public Safety and Correctional Services

General, Special, and Federal Funds

- General Funds (\$1.27 Billion):** Increase by \$24.8 million, or 2.0%, over the fiscal 2019 working appropriation. Aside from employee compensation enhancements, the increase is largely due to increases in contractual services related to IT projects (including drone detection and electronic inmate health records), inmate medical expenses, and critical maintenance projects. While anticipated reductions in the inmate population continue and are likely to continue declining because of the Justice Reinvestment Act (JRA), DPSCS spending is not

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likely to decrease substantially in the near term. The department will continue to have a variety of expenses related to inmate medical care and a slightly aging population as well as additional spending for technology-driven projects, such as drone detection to enhance facility security.

- ***Special Funds (\$137.3 Million):*** Increase by \$2.5 million, or 1.8%, over the fiscal 2019 working appropriation. Fund increases are primarily due to IT-related contractual services.
- ***Federal Funds (\$30.9 Million):*** Increase by \$2.8 million, or 10.1%, over the fiscal 2019 working appropriation, mainly due to an increase in funds for major IT projects, including the Computerized Criminal History Project for criminal record keeping and the MCE Enterprise Resource Planning Implementation Program, a resource management project for MCE.

Proposed Budget Change

Exhibit 10 provides detail on the department's fiscal 2020 allowance increase of \$29.3 million and the increase/decrease of particular programs and spending initiatives.

Exhibit 10 Proposed Budget Department of Public Safety and Correctional Services – Budget Overview (\$ in Thousands)

Where It Goes:

Personnel Expenses

General salary increase.....	\$7,084
Employee retirement system	4,915
Overtime.....	3,578
Workers' compensation premium assessment.....	3,321
Turnover	2,160
Other fringe benefit adjustments	170
Accrued leave payouts.....	79
Employee and retiree health insurance.....	-1,009
Earnings.....	-1,142
End of Correctional Officer Bonus Program.....	-7,644

Information Technology and Equipment

MCE Enterprise Resource IT project, MAFIS federal funding, Offender Case Management System, security-related IT contracts	6,222
DoIT Enterprise Services Program.....	2,414
Computer and workstation replacement equipment and software.....	2,335
Workday personnel system	488
DoIT telecommunications and 700 MHz radios.....	-1,711

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Where It Goes:

Inmate Variable and Related Costs

Inmate uniforms	384
Employee uniforms	80
Inmate welfare funds	-150
Inmate medical expenses	-779
Food purchases for facilities	-798

Facility Operations and Maintenance

Critical Maintenance Program for prisons/jails	3,000
Rent	1,238
Building/road repairs and maintenance	607
Leased equipment	100
One-time purchase for security cameras for facilities and security services	-378

Fuel, Utilities, and Vehicles

Maryland Environmental Service utility charges	3,055
Fuel and utilities	1,699
DOC and MCE transport vehicle purchases, repairs, and maintenance	474

Contractual Services and Other

Maryland Police Training Standards Commission Fund	1,991
DLLR inmate education and training contracts	493
Contractual employee salaries	-2,939
Other	58

Total **\$29,393**

DLLR: Department of Labor, Licensing, and Regulation
DOC: Division of Correction
DoIT: Department of Information Technology
IT: information technology
MAFIS: Maryland Automated Fingerprint Identification System
MCE: Maryland Correctional Enterprises
MHz: megahertz

Note: Numbers may not sum to total due to rounding.

Personnel Expenses

Overall, personnel expenses increase by just 0.6% over the working appropriation. Major budgetary changes include a \$7 million increase in funding for salary increases and normal, annual adjustments for employee and retiree health insurance and retirement. The CO Bonus Program decreased by over \$7.6 million as funding for this initiative is withdrawn in fiscal 2020 to complete the program. The retention bonus portion of the program will continue.

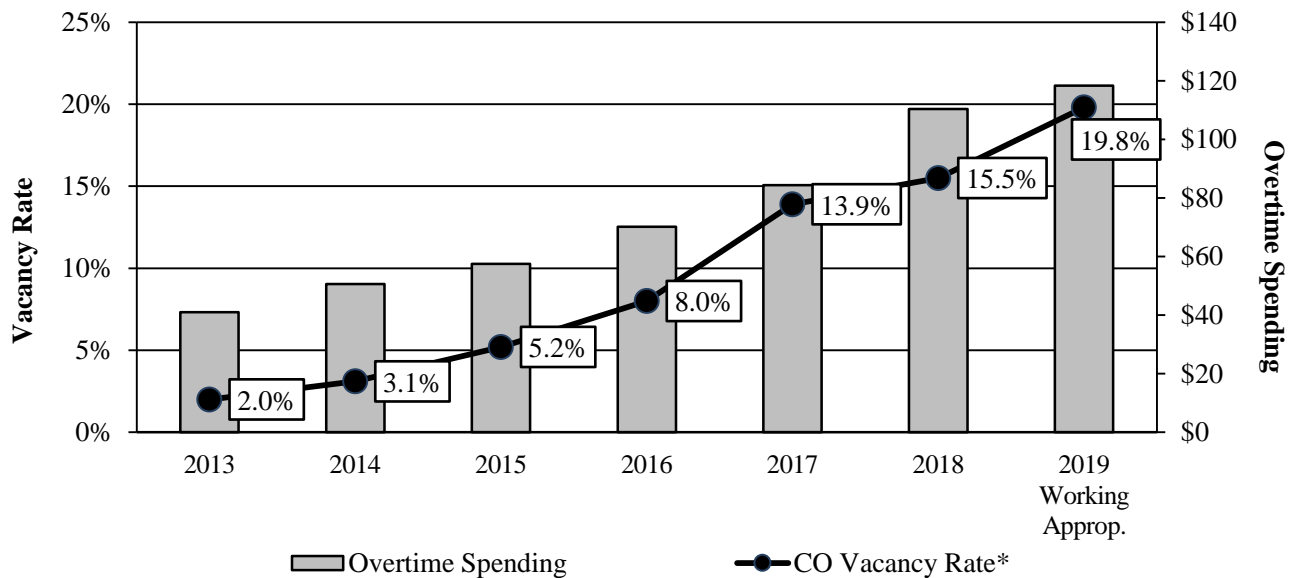
Changes to CO Compensation

In fiscal 2020, changes have been made to increase CO compensation. The Department of Budget and Management (DBM) Annual Salary Review has increased CO pay by adding a 4% increase and by eliminating the lowest two levels on the CO pay scale – in effect, creating a higher minimum salary. In addition to this change, there are a variety of statewide increases that total a separate 3.5% general salary increase.

Overtime Expenses Rise to \$121 Million

Since January 2013, the department’s CO vacancy rate has risen from 2.0% to 19.8% in January 2019. CO vacancies overall have grown nearly 800% during the same timeframe, from 143 to 1,269. As a result, the lack of available staff has led to a sharp increase in assaults as well as overtime costs including mandatory overtime. Overtime costs increased from \$41 million in January 2013 to over \$110 million in fiscal 2018. While the fiscal 2020 allowance has \$121.9 million allocated for overtime spending, DPSCS spending in this category has consistently increased by over 20% every year since fiscal 2014. This indicates that DPSCS could spend over \$132 million in overtime costs in fiscal 2019. Recent CO vacancy rates and overtime spending are shown in **Exhibit 11**.

Exhibit 11
CO Vacancy Rates and Overtime Spending
Fiscal 2013-2019
(\$ in Millions)



CO: correctional officer

* CO vacancy rates are based on January of each calendar year.

Source: Department of Public Safety and Correctional Services

Salary Savings and Additional Spending

Because of the large number of unfilled CO positions, the department saves money each fiscal year because it does not have to pay appropriated salary funds toward these vacant positions. Similar to recent years, these salary savings have allowed DPSCS to pay for expenses in other areas without increasing its budgeted appropriation considered by the General Assembly. Across the entire department, projected salary savings for fiscal 2019 are projected to be \$52.9 million – however, this estimate is based on an entire year at the current vacancy level. The department notes that even with higher vacancies, it did not revert substantial funds in fiscal 2018 and will have \$25.4 million in salary savings. **Exhibit 12** lists the items that the salary savings will fund.

Exhibit 12 Items Purchased with Excess Salary Savings Fiscal 2019

<u>Item</u>	<u>Cost</u>
ITCD funding for software and data encryption	\$3,350,000
Inmate medical contracts at CDF	2,900,000
CDF communication and control systems repair	2,200,000
DPP leased space at Dundalk and new Catonsville District Court House	655,500
Baltimore preventative maintenance contract	655,000
Security equipment (tactical and riot gear)	500,000
CDF elevator repairs at CDF	460,000
Emergency maintenance repairs to the steam lines at ECI	450,000
Shower repairs at CDF	300,000

CDF: Chesapeake Detention Facility

ECI: Eastern Correctional Institution

DPP: Division of Parole and Probation

ITCD: Information Technology and Communications Division

Source: Department of Public Safety and Correctional Services

In addition to the items in Exhibit 12, DPSCS states that approximately \$13.9 million will be used to fund overtime expenditures across the department.

IT and Technology Expenses

In terms of technology, the allowance increases by \$9.2 million, or 4.5%, largely due to \$6.2 million in funding for major IT projects (Computerized Criminal History Project and the MCE

Enterprise Resource Program) and contractual consultants, and \$1.4 million related to legacy equipment replacement.

Inmate Variable and Related Costs Decrease by \$1.3 Million

Costs related to inmate housing, food, clothing, and inmate welfare funds decrease by \$1.3 million as the inmate population continues to decline statewide. While inmate medical expenses decrease by 0.4% from the working appropriation, the amount requested in the allowance (\$200.1 million for fiscal 2020) is substantially higher than the fiscal 2018 actual spending of \$178.4 million. These increased medical costs are the result of an increasingly aging inmate population, the arrival of a new medical contractor, and additional costs for expensive Hepatitis C (HCV) antiviral drugs.

Facility Operations and Maintenance

An additional \$3 million in funding is included for critical maintenance projects at DPSCS facilities.

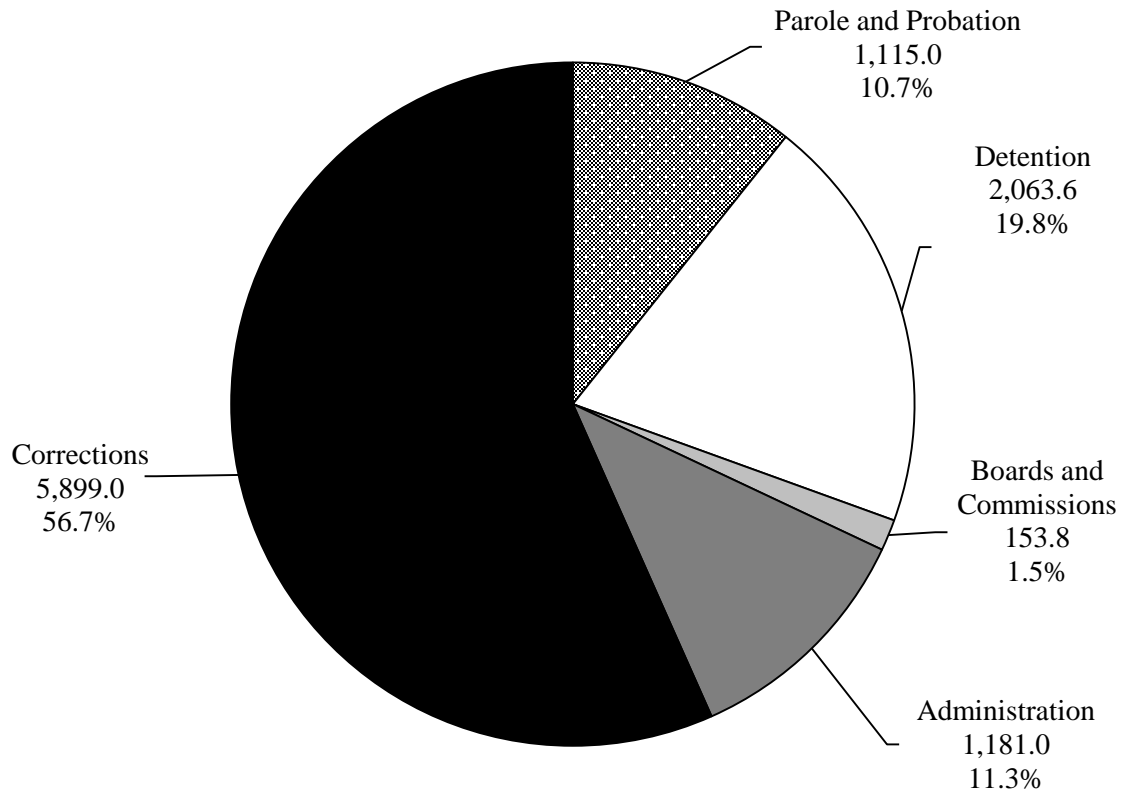
Other

For PCTC, \$2 million is included in the allowance for the first year of the Maryland Police Training and Standards Commission (MPTSC) Fund established by Chapter 758. The fund will use State fees collected from traffic, parking, and litter violations to supplement law enforcement training and other initiatives at MPTSC.

Staffing Overview

Exhibit 13 illustrates the total number of fiscal 2020 regular positions in each of the department's five functional units. The largest, Corrections, accounts for the majority of DPSCS personnel with 5,899 positions, or 56.7%. The Detention function houses 2,063.6 employees, which is 19.8% of the position total. Administration is third, with 1,181 positions (11.3%). Parole and Probation is next, with 1,115 employees (10.7%); and last is Boards and Commissions, which is comprised of PCTC, IGO, MPC, MCCS, and 6 positions at ENSB. The Boards and Commissions function has 153.8 regular positions, just 1.5% of the total personnel complement. DPSCS has lost a significant number of regular positions in recent fiscal years with 400 positions abolished in fiscal 2017, 100 positions in fiscal 2018, and another 260 in fiscal 2020. The department's overall position complement in fiscal 2020 is the lowest on record at 10,412.4; including the recently announced 260 abolished positions lowers the total to 10,152.4. This issue is discussed later in the Issues section of this analysis.

Exhibit 13
Regular Position Complement by Function
Fiscal 2020



Source: Department of Public Safety and Correctional Services

Exhibit 14 depicts all DPSCS regular positions by program, from fiscal 2018 to the current fiscal 2020 allowance. Other than the abolished positions previously mentioned, substantial changes to the department's regular position complement include an administrative reorganization in fiscal 2020 that results in a 12.6% increase in Administration, and a fiscal 2019 decrease to all 11 positions in CICB, which is now part of GOCCP.

Exhibit 14
Regular Positions by Program
Fiscal 2018-2020

	<u>Actual 2018</u>	<u>Wrkg Approp. 2019</u>	<u>Allowance 2020</u>	<u>Change 2019-2020</u>	<u>% Change 2019-2020</u>	<u>Change 2018-2020</u>	<u>% Change 2018-2020</u>
Operating Programs							
Administration	1,049.0	1,049.0	1,181.0	132.0	12.6%	132.0	12.6%
Division of Correction	6,019.0	5,960.0	5,899.0	-61.0	-1.0%	-120.0	-2.0%
Maryland Parole Commission	72.0	72.0	73.0	1.0	1.4%	1.0	1.4%
Inmate Grievance Office	7.0	7.0	7.0	0.0	0.0%	0.0	0.0%
Police and Correctional Training Commissions	69.8	69.8	69.8	0.0	0.0%	0.0	0.0%
Criminal Injuries Compensation Board	11.0	0.0	0.0	0.0	0.0%	-11.0	-100.0%
Maryland Commission on Correctional Standards	4.0	4.0	4.0	0.0	0.0%	0.0	0.0%
Division of Parole and Probation	1,118.0	1,118.0	1,115.0	-3.0	-0.3%	-3.0	-0.3%
Division of Pretrial Detention	2,204.6	2,134.6	2,063.6	-71.0	-3.3%	-141.0	-6.4%
Departmentwide	0.0	0.0	-260.0	-260.0	n/a	n/a	n/a
Total	10,554.4	10,414.4	10,152.4	-262.0	-2.5%	-402.0	-3.8%

Source: Governor's Fiscal 2020 Budget Books; Department of Public Safety and Correctional Services

Contractual Full-time Equivalents Increase by 19.7%

Exhibit 15 shows the department's full-time equivalents (FTE) by program. Compared to actual utilization in fiscal 2018, the following observations can be made.

- **Administration:** FTEs increase by 50.9 due to a recent functional reorganization.
- **Parole/Probation:** FTEs increase by 25.9.
- **Detention:** Due to position reductions in the Baltimore Pretrial Complex and the transfer of some detainees and employees to the Jessup Correctional Institution, contractual FTEs decline from 83.7 to 33.5.

Exhibit 15
Contractual Full-time Equivalents by Program
Fiscal 2018-2020

	Actual <u>2018</u>	Wrkg Approp. <u>2019</u>	Allowance <u>2020</u>	Change <u>2019-2020</u>	% Change <u>2019-2020</u>	Change <u>2018-2020</u>	% Change <u>2018-2020</u>
Operating Programs							
Administration	55.9	61.2	106.8	45.6	74.5%	50.9	90.9%
Division of Correction	35.6	44.6	42.7	-1.9	-4.3%	7.0	19.8%
Maryland Parole Commission	0.2	1.8	1.8	0.0	0.0%	1.6	785.0%
Inmate Grievance Office	0.6	1.7	1.7	0.0	0.0%	1.1	203.6%
Police and Correctional Training Commissions	15.9	23.7	23.7	0.0	0.1%	7.8	49.3%
Maryland Commission on Correctional Standards	1.8	2.8	2.8	0.0	0.0%	1.0	57.7%
Division of Parole and Probation	35.6	61.5	61.5	0.0	0.0%	25.9	72.9%
Division of Pretrial Detention	83.7	106.5	33.5	-73.0	-68.6%	-50.2	-60.0%
Total	229.2	303.7	274.5	-29.4	-9.7%	45.1	19.7%

Source: Department of Public Safety and Correctional Services; Governor's Fiscal 2020 Budget Books

Issues

1. DPSCS Staffing Issues and Vacancies Continue to Increase

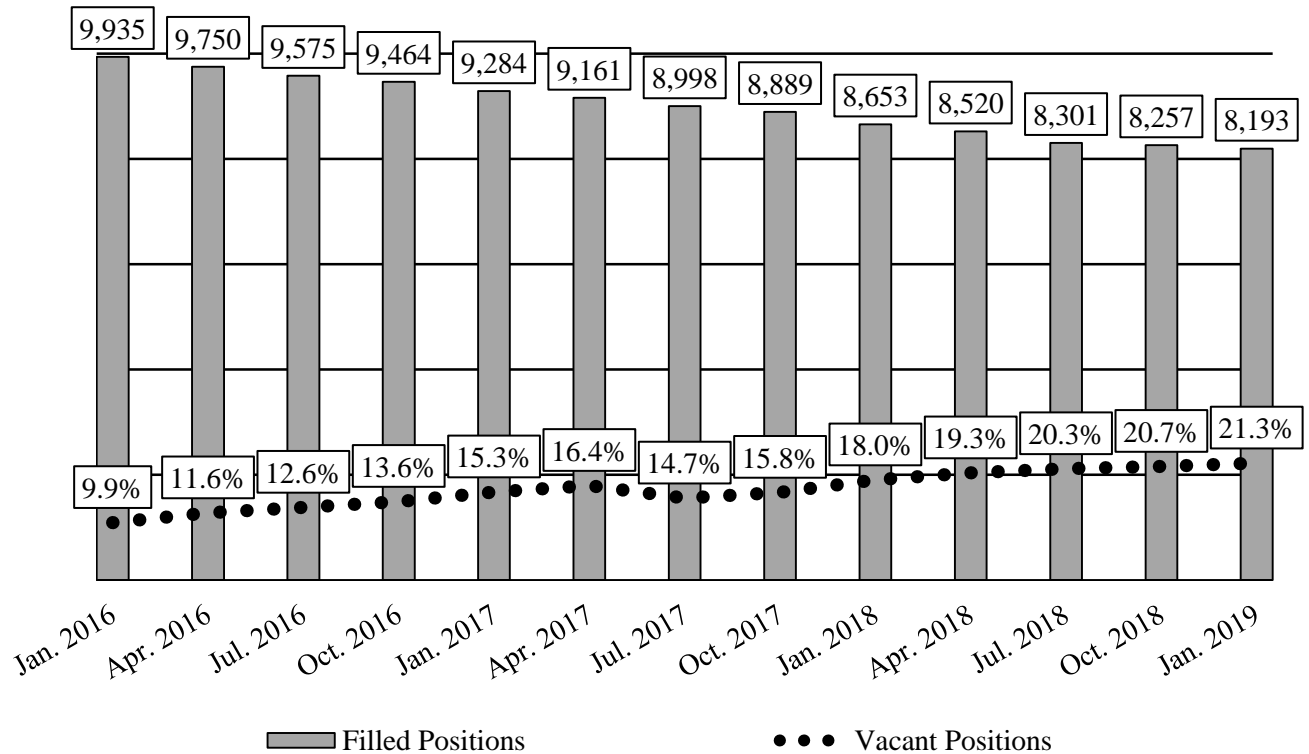
DPSCS continues to have a variety of substantial personnel issues. While the focus in the past has been on the difficulty of filling CO positions, the entire department now has a vacancy rate of over 20%. In terms of “other” positions – positions that are not COs or parole/probation agents – the vacancy rate is nearly 30%. All of this continues to occur while the actual incarcerated population has decreased. Since July 2015:

- the State’s incarcerated population has decreased by nearly 10%;
- CO vacancies have more than tripled, from 412 to 1,269;
- parole and probation agent vacancies have nearly doubled;
- non-CO and non-parole/probation vacancies have nearly tripled – from 11.1% to 27.2%; and
- DPSCS’ overall vacancy rate has risen from 7.3% to 21.3%.

While the department has initiated more intense recruiting, revamped human resources procedures, and started a salary bonus program for new COs, vacancies and related issues have continued to stress department staff and budgets. Overtime costs rose to over \$110 million in fiscal 2018, and assault levels have increased in recent fiscal years.

Although several Maryland Executive Branch agencies have seen continued increases in vacant positions over the past decade, the staffing concerns at DPSCS are greater. Recently, there were 5,959 vacant Executive Branch positions in October 2018 – and DPSCS accounted for over 2,200 of those vacancies, nearly 40%. **Exhibit 16** shows the quarterly vacancy rate for all DPSCS positions, which has more than tripled since 2015. Currently, there are 2,221 positions vacant.

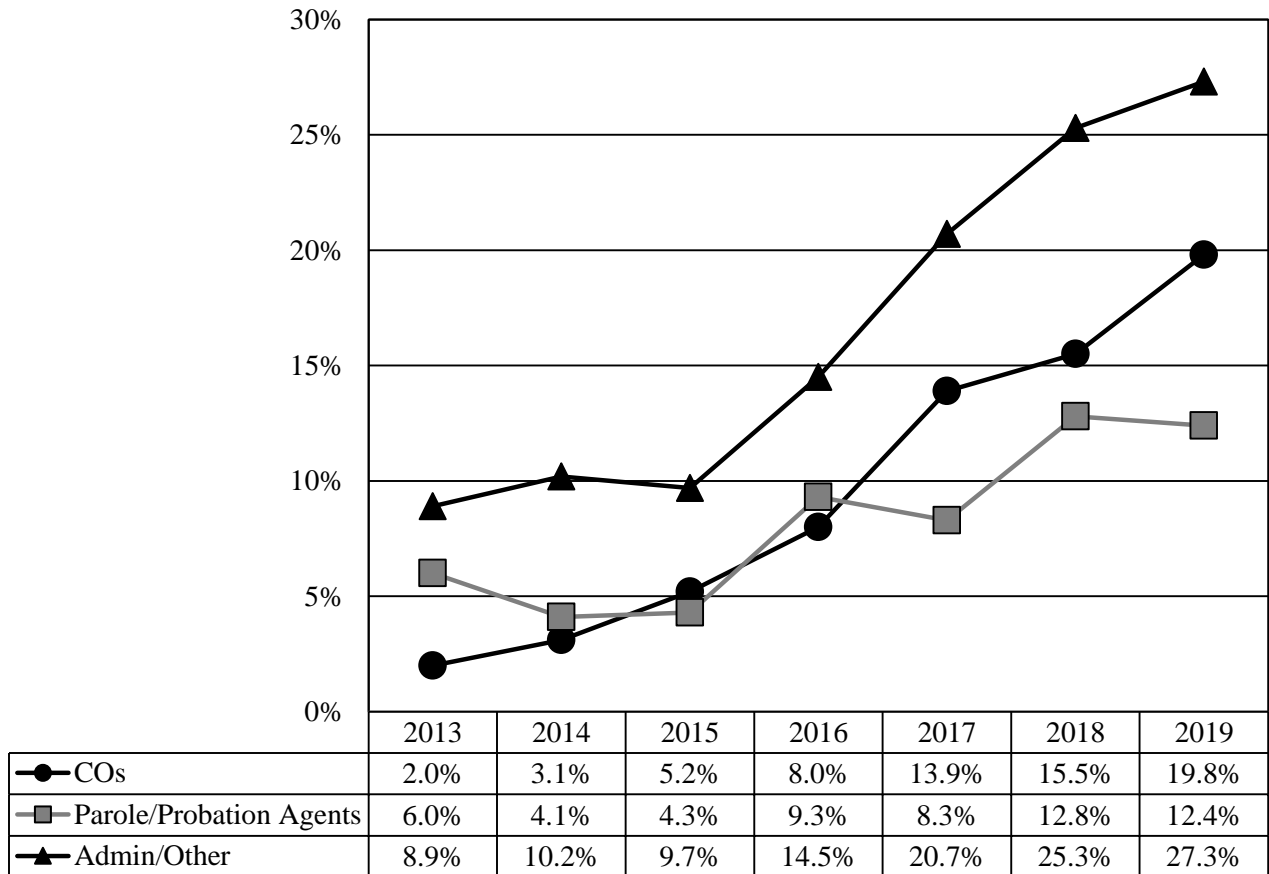
Exhibit 16
Overall Vacancy Rate
Department of Public Safety and Correctional Services
January 2016 to January 2019



Source: Department of Public Safety and Correctional Services

Exhibit 17 illustrates vacancy rates by position type (COs, parole/probation agents, or administration/other) since January 2013. Note that administrative/other positions (all positions that are not COs or parole/probation agents) have the highest vacancy rate, 27.3%.

Exhibit 17
Vacancy Rates by Position
January 2013 to January 2019



Admin: Administration
CO: correctional officer

Source: Department of Public Safety and Correctional Services

Significant Changes in Prison Populations Will Have an Effect

There are a variety of key changes currently in effect and on the horizon that will significantly impact DPSCS operations going forward.

- **Arrests and Inmate Populations Decline Substantially:** Reflecting similar state and national trends, the number of arrests in Baltimore City (over 100,000 in fiscal 2004) has declined 75%

to just over 25,000 in fiscal 2018. The number of offenders committed to pretrial detention has also fallen, from 48,000 in fiscal 2004 to just over 12,500 in fiscal 2018.

- ***Average Prison/Jail Populations Continue to Decrease:*** As stated earlier in this analysis, the ADP of facilities under DPSCS purview has decreased from 22,113 in fiscal 2012 to 18,869 in fiscal 2018, a 14.7% decrease. Additionally, the State prison population is under 19,000 for the first time since the 1990s and is projected to fall further. Bail reform, shorter sentences, and JRA-related provisions have all contributed to this reduction.
- ***The JRA:*** Intended to reduce the State’s incarcerated population, the JRA went into effect in October 2017. The department has made strides in applying the JRA’s key provisions to its inmate populations, which has resulted in prison/jail population reductions and potential cost savings to the State. (More information on this topic will be discussed in Issue 2 within this analysis).
- ***Downsizing/Closing Facilities:*** With dramatic declines in arrests, commitments, and offender populations, the department has continued to close or partially close aging facilities, including Men’s and Women’s Detention centers (July 2015), the Jail Industries building in Baltimore (closed August 2017), the Maryland Correctional Institution – Hagerstown (MCI-H) (downsized in January 2017), and the Poplar Hill Pre-Release Unit (July 2017). Additional demolition is underway at the Baltimore City Jail Complex, which may pave the way for expanding available future space and services.
- ***Program Expansion:*** Because the size of Maryland’s incarcerated population has been declining, consistent with national crime and incarceration trends, additional funding and space may become available and, in any case, will affect staffing and personnel considerations. Options that prioritize treatment instead of incarceration could be offered on a larger scale. In related news, the department is using \$1.2 million for a new Community Adult Rehabilitation Center in Baltimore City to expand treatment and re-entry options for its inmates.

Position Changes, Mainly among COs, Continue

As was noted earlier, the department’s high vacancy rates allow it to utilize salary funding for CO positions that remain unfilled toward other purposes. With such a large number of unfilled positions, the Governor Lawrence J. Hogan, Jr. Administration has recently opted to reclassify or abolish vacant DPSCS positions. In fiscal 2019, DPSCS had 40 vacant CO positions reclassified. While 23 of these positions were transferred internally, 17 positions were moved to address priorities in other agencies. **Exhibit 18** displays the 17 positions and to which agencies they were transferred.

Exhibit 18
Agencies Receiving Transferred
Department of Public Safety and Correctional Services Positions
Fiscal 2020

<u>Agency</u>	<u>Position</u>
Office of the Attorney General	Administrative Officer III
Maryland State Department of Education	Educational Program Specialist II
Maryland State Department of Education	HR Officer II
Maryland State Department of Education	Staff Specialist II Education
Interagency Commission on School Construction	Executive Associate I
Interagency Commission on School Construction	Program Manager III
Interagency Commission on School Construction	Correctional Officer II
Maryland Higher Education Commission	Program Manager I
Maryland Higher Education Commission	Administrator I
Maryland Higher Education Commission	Administrative Specialist II
Maryland State Police	Administrator I
Maryland State Police	Polygraph Examiner Provisional
Maryland State Police	Admin Program Manager I
Maryland State Police	Admin Program Manager I
Department of Veterans Affairs	Motor Equipment Operator III
Department of Veterans Affairs	Veterans Cemetery Caretaker
Department of Veterans Affairs	Veterans Cemetery Caretaker

Source: Department of Public Safety and Correctional Services

260 Positions Abolished in Fiscal 2020

In fiscal 2018, DPSCS was able to reduce CO positions by 400 because of the MCI-H downsizing and has abolished another 360 CO positions since (100 COs in fiscal 2019, 260 positions in fiscal 2020). Again, these abolished positions result in general fund savings that the department spends in a variety of areas. Overall, salary savings due to unfilled and abolished positions offer the agency an attractive option – positions that would remain unfilled during the fiscal year now offer some tangible financial value. However, this results in another personnel issue.

DPSCS May Need 6,407 COs but Has Only 6,033 CO Positions Available

Again, due to the staffing shortfalls in State agencies, positions at DPSCS that have remained unfilled have become prospective targets for abolishment or for outside agencies that need more authorized positions. Chapter 829 of 2017 required DPSCS to submit a security and staffing report for all of its facilities. Overall, the report stated that DPSCS needed to have 6,407 positions to adequately manage its facilities. However, the current CO total of 6,398 is already below that level. In the last two fiscal years, previous position abolishments were CO positions. In fiscal 2020 – if all 260 abolished positions were COs – this would leave the department with just 6,136 authorized CO positions (6,033 if only COs who actively manage facilities are included). This implies that the department may not have enough appropriated CO positions to adequately manage its facilities and could be either 271 or 374 positions short. It should be noted that since the staffing study was initiated in 2017, State inmate/offender populations have declined 5.7%.

While the prospect of hiring over 1,200 COs in the near term to fill all vacancies is not possible, the prospect of having fewer positions than what is needed does reveal some instability inherent with the current budget and personnel complement. With the current unfilled positions, the department is using salary savings for other purposes. However, as positions are filled, the department will have fewer surplus funds to spend and higher salary and benefit costs to pay new COs. The potential loss of authorized CO positions relative to necessary positions is a major issue, and further position transfers away from DPSCS and/or abolishments could put the department in a bind – especially if prison populations increase or if new hiring reduces available surplus funds.

Future Steps

Given the high vacancy rates in DPSCS, the Spending Affordability Committee recently recommended that DBM authorize a one-grade increase in CO salaries to improve recruitment and retention and continued to encourage the Executive Branch to assist in filling positions in understaffed agencies like DPSCS. As mentioned earlier in this analysis, an annual salary review and adjustments to the CO pay scale are forthcoming, all of which will increase CO salaries. Additional data and reporting required by these ongoing personnel issues will also be addressed in the Administration analysis.

The Department of Legislative Services (DLS) recommends the adoption of committee narrative requesting that DPSCS submit a report to the budget committees by October 1, 2019, on the following items:

- **all fiscal 2020 abolishments, reclassifications, and transfers including the titles of all 260 positions, what division they came from and what agency or division they are being transferred or reclassified into, and what effect these position changes are having on operations; and**
- **a briefing on the fiscal 2019 and 2020 changes in CO compensation and the department's expectations regarding those changes on CO retention and recruitment.**

2. The JRA – First-year Review

Chapter 515 of 2016, known as the JRA, is the State’s primary legislation addressing criminal justice reform. The JRA includes policy changes designed to reduce prison populations and correctional spending and reinvest the savings in programs that reduce recidivism. The JRA became effective on October 1, 2017, and as a result, has produced one year of data as well as significant changes in sentencing, parole, and treatment options for offenders.

The JRA has been making changes on several fronts. Overall, DPSCS and GOCCP have been using grants, new employees and training protocols, and in-house staff to implement key pieces of the law. In terms of the Act’s implementation, the department has already established 10 “innovation teams” to handle key criminal justice reform areas of the JRA. Each team meets at least monthly and is led by two co-chairs. Validated risk assessment tools for parole/probation agents have been included to guide programming and treatment decisions in a way that comports with the JRA as well. **Given its high number of vacancies, DPSCS should comment on how its current personnel complement has been able to handle expanded duties related to the JRA. In addition, the department should comment on how the LSI-R (Level of Service Inventory – Revised) risk assessment process is currently performing.**

In addition, the budget committees asked DPSCS to report on progress made informing inmates and offenders of JRA provisions that they can apply for. The department responded with the following:

- program managers, facility administrators, and wardens have all undergone training on JRA provisions;
- all facilities received institutional bulletins that were posted to inform inmates of the JRA and legal changes; and
- case managers were trained and available to inform inmates about the JRA and update inmate case plans, where applicable, to incorporate JRA reforms that would affect them.

Exhibit 19 displays all of the major JRA provisions, their definitions, and all current actions taken regarding them.

Exhibit 19
Justice Reinvestment Act – Status Updates
October 2017 to October 2018

Policy

Current Status

Administrative Release

Allows inmates convicted of certain nonviolent offenses (after October 1, 2017) to be released on parole after serving one-fourth of their sentence. Victims are notified of the early release and can request a regular parole hearing.

- 700 statewide inmates were screened for administrative release.
- 150 were determined eligible.
- 550 were determined ineligible.

Of the 150 eligible inmates:

- 94 have been released (64 from local jails and 30 from DOC); and
- 56 are slated for release (8 from local jails and 48 from DOC).

Geriatric Parole

Offenders age 60 and up who were sentenced under Section 14-101 of the Criminal Law Article (and convicted of more than one violent crime and have served at least 15 years) can petition for geriatric parole.

- 31 requests; none granted because the sentences served were not imposed under Section 14-101.

Policy

Current Status

Medical Parole

Inmates or their advocates can petition to be released if they are chronically debilitated or incapacitated and are physically incapable of presenting a danger to society. The Governor has 180 days to deny any approved request.

- 17 have been approved, 25 denied, 18 ineligible, and 1 under review by the Governor.
- 3 inmates were approved for regular parole only; 1 was medically paroled, then redetained, and put on regular (not medical) parole.

DPP Graduated Sanctions and Revocation Caps

DPP supervision agents use a matrix to determine the proper sanction against an offender who has violated parole. Noncustodial (nonjail) sanctions are considered. Revocation caps limit the length of incarceration time imposed for violations of parole or probation to: 15, 30, or 45 days, respectively, for the first, second, and third violation. Technical violations do not involve arrest, summons, or willfully evading parole/probation supervision.

- 1,365 offenders have received graduated sanctions.

Diminution Credits

Expands offender eligibility to earn diminution credits, how many credits can be earned, and for what reasons. Inmate programs eligible for credits have been expanded.

- 989 inmates are receiving JRA expanded credits.

DPP Earned Compliance Credits

The JRA allows individuals on probation and parole to earn credits to reduce their supervision and now requires DPP to automatically transfer nonviolent offenders (who have earned enough credits to satisfy their supervision term) to unsupervised probation or parole, where they will not be required to report regularly or pay supervision fees.

- 81.5% of cases were awarded credits (69,091 out of 84,676 eligible cases).

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Policy

Current Status

Restitution

Requires 25% of inmate earnings to be withheld for the payment of an unsatisfied judgment of restitution.

- Teams are collaborating with all local detention centers to establish a uniform collection effort.

DOC and DPP Assessment and Case Planning

Requires a risk/needs assessment and development of a related case plan for all State inmates (and parole/probationers) as part of the intake process and to be used to guide programming and treatment decisions.

- Validated risk assessment tool (LSI-R) was purchased and incorporated into OCMS.
- Assessment equipment purchased with funds from the Governor's Office of Crime Control and Prevention.
- Training for DOC and DPP staff has been ongoing with evidence-based practices training (includes understanding offender risk factors and how to encourage offender behavior change).

DPP Certificate of Rehabilitation

Allows nonviolent offenders to apply for a certificate of completion to restore their rights to obtain certain professional certifications.

- 7 inmates applied (3 approved, 3 denied, and 1 under investigation).

Evidence-based Practices Training

Requires annual evidence-based practices training for parole and probation agents, MPC members, and hearing officers.

- All DPP and MPC training is complete in this area.

DOC: Division of Correction

DPP: Division of Parole and Probation

JRA: Justice Reinvestment Act

LSI-R: Level Service of Inventory – Revised

MPC: Maryland Parole Commission

OCMS: Offender Case Management System

Source: Department of Public Safety and Correctional Services

Estimated First-year JRA Cost Savings: \$375,016

Estimating the impact of the JRA on the DPSCS budget and operations will be difficult and has been stated as such in the past by the department as well as in other states and jurisdictions where similar legislation was enacted. However, because the JRA is designed to further reduce inmate populations and apply those savings (from fewer inmates), estimated cost savings can be quantified in terms of cost avoidance. In other words, as specific inmates have reduced sentence time due to JRA provisions, administrators can determine exactly how many fewer days inmates are serving and calculate the savings to the State.

In this context, variable costs are those specific costs to DPSCS that are impacted the most by a change in inmate population, such as food, medical, laundry/uniform expenses, *etc.* In fiscal 2018, the inmate variable cost was \$10,729 per offender per year or \$29.39 per day. Overall, DPSCS determined the following.

- ***Administrative Release:*** Resulted in 7,722 fewer days served by inmates.
- ***Diminution Credits:*** Resulted in 5,038 fewer days served by inmates.
- ***Total Days Avoided:*** 12,760 fewer days served.
- ***JRA Cost Savings:*** \$29.39 (daily inmate rate) x 12,760 = \$375,016.
- ***Medical Parole:*** DPSCS did not include the 17 inmates granted medical parole because their high mortality rate means that it is difficult to calculate how many days they would avoid in jail, as their likelihood of serving their full sentence was low.
- ***Earned Compliance Credits:*** DPSCS was also unable to determine cost avoidance related to these credits because these credits were already in effect in over 69,000 cases; isolating the effect that the JRA rule expansion had on these credits as well as the inclusion of certain inmates with controlled substance offenses was not possible.
- ***Rising Inmate Medical Costs Have Canceled Out JRA Savings:*** As stated in previous analyses, the department's inmate population continues to be older than it was in previous years, and overall, medical costs for inmates have been rising for a number of reasons. In fiscal 2018, DPSCS had an increase of over \$2.7 million in medical expenses, which essentially cancels out any increase seen from JRA cost savings. The department notes in its report to the budget committees that additional cost avoidance for its inmate population and more substantial savings will take time.

Future Steps

In the future, an accurate estimation of the effect that the JRA is having on both inmate populations and costs to the State is important. **As a result, DLS recommends the adoption of committee narrative requesting that the department submit a report to the budget committees by December 1, 2019, on the following items:**

- **an update on the number of offenders petitioning and approved for all relevant JRA provisions including, but not limited to, administrative release, medical/geriatric parole, certificates of rehabilitation, graduated sanctions, and the number of offenders affected by new diminution and earned compliance credit rules;**
- **annual JRA cost savings updates along with any efforts/initiatives to increase savings; and**
- **an update on why the department is unable to isolate the JRA’s effect on earned compliance credits and associated cost savings as well as efforts to obtain this data.**

3. Inmate Medical Spending and New Contract

DPSCS’ Office of Inmate Health Clinical Services supervises the treatment of offenders under the control and custody of DPSCS. Treatment services include medical care, mental health, dental care, pharmacy services, and substance use disorder care. Overall, the department works with private health care providers through a competitive bidding process and enters into contractual relationships with those providers to deliver health care services. While the department has struggled in the past with large medical procurements and its inmate pharmacy contracts have undergone numerous modifications to reflect increased costs, DPSCS now has a new medical contractor, Corizon Inc., which began providing services as of January 1, 2019.

Medical Spending Increases Despite Fewer Inmates

As was stated earlier in this analysis, the department has fewer inmates, but those who remain tend to be more dangerous – as nonviolent offenders have more options in terms of shorter sentences and nonjail sanctions such as parole and probation. In addition, the average length of stay for inmates is increasing as well as the average age of those incarcerated. While DPSCS notes that the department’s declining inmate population has resulted in some cost avoidance in the past, medical spending is slated to increase as fiscal 2018 spending was \$178.4 million, and the fiscal 2020 allowance allocates \$200.7 million for this purpose.

Since fiscal 2017, DPSCS has seen increased costs for pharmaceutical drugs, particularly related to treating HIV and HCV. While the focus in the past has been often on HIV, HCV is the most dangerous infectious disease in the United States – responsible for over 20,000 fatalities each year. HCV continues to spread among inmate populations and is a major driver of inmate medical costs around the country.

In its 2018 *Joint Chairmen’s Report* response, *Inmate Pharmacy Treatment Costs*, DPSCS states that treatment averages \$1,000 per pill for 3 to 6 months, \$54,600 to \$80,000 per inmate, and that HCV medications are “substantially discounted” at \$24,000 per inmate.

Exhibit 20 shows the current costs of treating prisoners with HCV statewide. During the past three fiscal years, the number of inmates treated has increased by 69%. Using the department’s reported cost figures, the cost to treat each inmate has more than doubled since fiscal 2015, from approximately \$25,565 to \$62,416. In addition, the department now spends nearly 10% of its medical budget treating inmates with HCV.

Exhibit 20
Hepatitis C Treatment Costs
Fiscal 2015-2018

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Patient Total	169	106	286	298
Hepatitis C Medication Costs	\$4,320,408	\$4,960,713	\$14,792,235	\$18,600,000
Cost Per Inmate	25,565	46,799	51,721	62,416

Source: Department of Public Safety and Correctional Services

HCV Medications, Treatment, and Testing Protocols

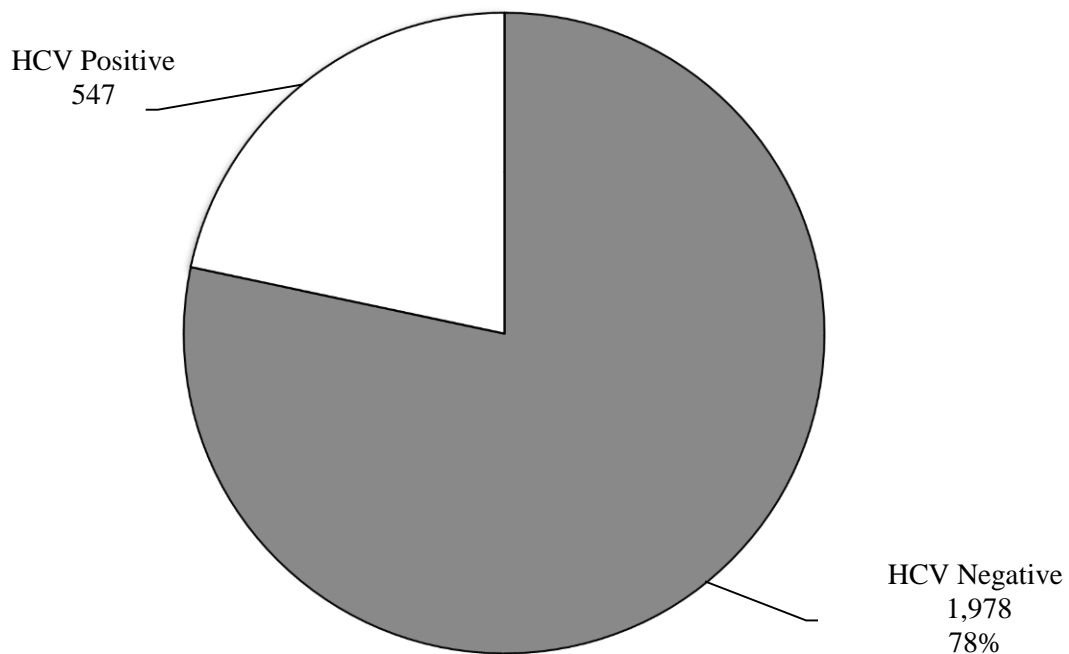
There are several components to the HCV treatment process.

- **Diagnosis:** HCV damage is diagnosed noninvasively using a fibroscanner.
- **Treatment Decision:** The Hepatitis Panel, which consists of experts from DPSCS and the medical contractor, make recommendations for treating individual inmates.
- **Aftercare:** DPSCS HCV aftercare initiatives include the Linkage to Care program with the Maryland Department of Health (MDH), where 2 MDH coordinators ensure that inmates are tested for HCV 30 to 60 days prior to their release from prison and are linked to available health care options and continuity of care in Baltimore City and the surrounding counties.

DPSCS treats HCV using direct antiviral agents such as Gilead Sciences’ Harvoni and other drugs (Sovaldi, Viekira, Zepatier, and Eplcusa). DPSCS also reports that inmates who completed HCV treatment in fiscal 2018 had a 98% cure rate. Treatment with success rates this high has the potential to save the State money in the long term, as offenders who are treated in prison will not need future emergency room visits and expensive surgeries to mitigate/repair liver damage or treat cirrhosis.

While DPSCS does offer all offenders HCV screening at intake, inmates are allowed to decline screening. In fiscal 2018, the department screened 2,525 inmates for HCV infection. Of that group, 547 (22%) tested positive. Of the HCV-positive cohort, approximately 50% were treated, and 50% were not treated. DPSCS reports that some patients did not qualify for therapy due to the Metavir scoring system that determines the extent of fibrosis or current damage levels. **Exhibit 21** depicts the number of inmates screened and treated.

Exhibit 21
Patients Screened and Treated for HCV
Fiscal 2018



HCV: Hepatitis C

Source: Department of Public Safety and Correctional Services

Treating All Inmates Could Cost Over \$100 Million

While treating every HCV-positive inmate should be the goal and will save the State money in the long term, the expensive nature of the medications and treatment involved make this effort difficult. In fiscal 2018, DPSCS treated 298 inmates – approximately 1% of the total number of inmates in custody. According to a Yale University study, average state inmate infection rates are expected to be near 11%. This implies that the total number of infected inmates could be approximately 2,379. If all

2,379 infected inmates were treated (at a cost of \$62,416 per inmate), HCV costs would rise to nearly \$148.5 million, which is over 74% of DPSCS' entire medical allowance of \$200.1 million. The positive news is that as inmates are cured, the number of inmates needing treatment decreases on a cumulative basis – as a result, infection rates decrease, and the total cost projection for curing HCV will decrease more and more each year.

Emerging Issues

In terms of real-world treatment and costs, a recent lawsuit by a former inmate at Jessup Correctional Institution (JCI) reveals an emerging issue. The lawsuit claims that the inmate contracted HCV at JCI and did not receive treatment in prison, which led to long-term health issues. And recently in Pennsylvania, a class-action lawsuit led to a ruling that denying HCV treatment for any reason was a violation of the Eighth Amendment prohibition of cruel and unusual punishment. Starting in 2022, nearly 5,000 Pennsylvania prisoners will receive access to HCV medications. Overall, the Centers for Disease Control and Prevention have stated that HCV infections were at a 15-year high in part due to the opioid epidemic and the sharing of infected needles. Efforts in California, Florida, and Massachusetts have also led to partial treatment concessions, and some states have been working to expand Medicaid coverage to anyone who has HCV.

Medical experts state that HCV infections nationwide will likely decrease because of the high cure rate of the new drugs, and, again, the State could potentially benefit from aggressive HCV treatment as it can reduce the effect of diseases related to the infection, reduce costs of future hospitalization, and lower infection rates statewide. **DLS recommends the adoption of committee narrative requesting that DPSCS submit a report to the budget committees by November 15, 2019, on the following:**

- **a continued annual report on the number of inmates screened and treated for HCV, the number cured, and the number of inmates who have opted out of HCV screening;**
- **an update on the possibility of offering mandatory HCV screening and any impact it may have on costs and/or personnel needs;**
- **the specific cost of treatment per inmate, separated by medication costs and laboratory, administrative, and other treatment costs; and**
- **continued information on inmate relapse/reinfection tracking and HCV post-release treatment options for offenders.**

Operating Budget Recommended Actions

1. Adopt the following narrative:

Justice Reinvestment Act (JRA) Report: The budget committees request that the Department of Public Safety and Correctional Services (DPSCS) submit a report by December 1, 2019, on the following items:

- annual updates on the number of offenders petitioning and approved for new JRA provisions including, but not limited to, administrative release, medical/geriatric parole, certificates of rehabilitation, graduated sanctions, and the number of offenders affected by new diminution and earned compliance credit rules;
- annual JRA cost savings updates along with any efforts/initiatives to increase savings; and
- an update on why the department is unable to isolate the JRA's effect on earned compliance credits and associated cost savings and efforts to obtain this data.

Information Request	Author	Due Date
JRA report	DPSCS	December 1, 2019

2. Adopt the following narrative:

Inmate Medical Hepatitis C (HCV) Report: The budget committees request that the Department of Public Safety and Correctional Services (DPSCS) submit a report by November 15, 2019, on the following items:

- a continued annual report on the number of inmates screened and treated for HCV, the number cured, and the number of inmates who have opted out of HCV screening;
- an update on the possibility of offering mandatory HCV screening and any impact it may have on costs and/or personnel needs;
- the specific cost of treatment per inmate, separated by medication costs and laboratory, administrative, and other treatment costs; and
- continued information on inmate relapse/reinfection tracking and HCV post-release treatment options for offenders.

Q00 – DPSCS – Fiscal 2020 Budget Overview

Information Request	Author	Due Date
Inmate medical HCV report	DPSCS	November 15, 2019

3. Adopt the following narrative:

Position Abolishments and Reclassifications Report: The budget committees are concerned that there is not enough recent information about substantial position changes in the DPSCS correctional officer (CO) complement and the effect that these changes are currently having on operations. DPSCS shall submit a report to the budget committees by October 1, 2019, on the following items:

- all fiscal 2019 and 2020 abolishments, reclassifications, and transfers including the position titles, what facility or division they came from and what agency or division they are being transferred or reclassified into, along with the effect these position changes are having on operations; and
- a briefing on the impact of the fiscal 2019 and 2020 changes in CO compensation and the department's expectations regarding those changes on CO retention and recruitment.

Information Request	Author	Due Date
Position abolishments and reclassifications report	DPSCS	October 1, 2019