The Affordable Care Act (ACA) And Implications for Criminal Justice Populations

Legislative Analyst’s Office

Presented to:
International Community Corrections Association
September 9, 2013
Presentation Overview

- Background on California corrections and parolee mental health programs.
- Findings and recommendations from our recent report on maximizing federal reimbursement for parolee mental health care.
- Concluding thoughts on expanding Medicaid enrollment for probationers and parolees.
Overview of California Correctional System

- California Department of Corrections and Rehabilitation (CDCR) operates prisons and supervises parolees.
- Counties operate jails and administer probation.
- Recent legislation realigned responsibility for certain lower-level offenders from the state to counties.
General Fund Historically Supports Parolee Mental Health Services

- Parole outpatient clinics (POCs).
- Integrated services for mentally ill parolees (ISMIP) program.
- Transitional case management program (TCMP).
State Is Not Maximizing Federal Funds for Existing Programs

- About 10 percent of parolees currently enrolled in Medicaid.
  - Another 10 percent likely eligible but not enrolled.
- More federal reimbursements are potentially available in several areas.
  - Medicaid application assistance staff.
  - Psychiatric medications.
  - POC services.
  - ISMIP services.
California Legislature Has Approved Medicaid Expansion

- Legislature has exercised authority under ACA to expand Medicaid.
  - Coverage extended to low-income childless adults (up to 138 percent of federal poverty level).
  - Includes mental health and substance abuse treatment services.
  - Federal match increases from 50 percent to 100 percent initially for newly eligible, steps down to 90 percent by 2020.
Opportunities for State Savings Under Medicaid Expansion

- Number of Medicaid eligible parolees will increase significantly.
- Most will be newly eligible and qualify for 100 percent federal match.
- State could offset a significant share of General Fund costs for parolee mental health programs.
LAO Recommendations

- Increase Medicaid application assistance.
- Develop process for claiming reimbursements for benefits assistance staff.
- Develop process for claiming reimbursements for POC and ISMIP services.
Recommendations Could Result in Tens of Millions of Dollars in General Fund Savings

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<thead>
<tr>
<th>In Millions</th>
<th>2013-14</th>
<th>2014-15</th>
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<tbody>
<tr>
<td>Additional benefits assistance staff</td>
<td>-$2</td>
<td>-$2</td>
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<tr>
<td>Increased reimbursements for psychiatric medications</td>
<td>6</td>
<td>13</td>
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<td>Claiming reimbursement for benefits assistance staff</td>
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</tr>
<tr>
<td>Claiming reimbursements for POC and ISMIP services</td>
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<td>15</td>
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<tr>
<td><strong>Net General Fund Savings</strong></td>
<td><strong>$6</strong></td>
<td><strong>$28</strong></td>
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Legislature Approved Funding for Increased Prerelease Enrollment

- The 2013-14 budget includes $2.4 million for 30 additional prerelease Medicaid enrollment staff.
  - CDCR is recruiting staff to begin expanded prerelease enrollment efforts in January 2014.
  - CDCR is working with Department of Health Care Services to develop a process for prerelease enrollment.
- CDCR also developing strategies to enroll current parolees.
Other Related Efforts in California

- **County prerelease Medicaid enrollment.**
  - Some counties (such as Sacramento) have designated staff to assist jail inmates with prerelease Medicaid enrollment.

- **Assembly Bill 720 (Skinner).**
  - Would suspend, rather than terminate, Medicaid enrollment status for currently enrolled individuals who are incarcerated in jails.
Increasing Medicaid Enrollment Among Probationers and Parolees

- Key questions in developing an enrollment strategy.
  - Where?
  - When?
  - Who?

- Importance of involving state Medicaid administrators.
Additional Materials

For more information see our recently released reports:

• **The 2013-14 Budget: Obtaining Federal Funds for Inmate Medical Care—A Status Report** (February 5, 2013).

Questions?

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