

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



Legislative Analyst's Office

Presented to:
International Community Corrections Association
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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

In Millions

| | 2013-14 | 2014-15 |
|--|------------|-------------|
| Additional benefits assistance staff | -\$2 | -\$2 |
| Increased reimbursements for psychiatric medications | 6 | 13 |
| Claiming reimbursement for benefits assistance staff | 2 | 2 |
| Claiming reimbursements for POC and ISMIP services | — | 15 |
| Net General Fund Savings | \$6 | \$28 |

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).
 - *The 2013-14 Budget: Maximizing Federal Reimbursement for Parolee Mental Health Care* (May 6, 2013).

Questions?

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