

Feb 23, 2019 crainsdetroit.com

Corizon fined \$1.6 million for violations of Michigan corrections department health contract

In the 2 1/2 years since Corizon Health Inc. became the sole provider of physical and mental health care, as well as pharmacy services, for the Michigan Department of Corrections, the department has withheld \$1.6 million in payments for violations of the contract terms. Corizon's contract with corrections expires in 2021, at which point the department has the option to renew the contract for a year. However, Kyle Kaminski of the Department of Corrections told the House Appropriations Corrections Subcommittee on Wednesday that it will rebid the deal. That does not mean that the department intends to find a new provider — it could end up signing a new deal with Corizon — but the department thinks with a contract as big as this one, it only makes sense to put it out to bid. The contract is a \$715.7 million deal over five years. Asked at the meeting about the significance of the \$1.6 million in fines, Kaminski said, "We think we're holding them accountable but obviously there's been some things we've had to hold them accountable for." The fines involve violating requirements regarding the timeliness of care through routine appointments and chronic care appointments, Corrections spokesman Chris Gautz said. Nearly every month, fines also are levied regarding the data integrity of the claims file Corizon manages. Gautz did not immediately have additional information about what that entails. Gautz said the issues encountered with Corizon are the reason Director Heidi Washington established a contract monitoring unit. "We are making sure that when a contractor is providing services, we are getting exactly what we paid for," he said. The discussion of the Corizon fines was part of a department overview for the subcommittee on prisoner health care. Health care is 16 percent of the department's budget and 24 percent of the prison population is being treated for mental health issues. There are 172 prisoners in the department's hospice program. More than half of all prisoners, 51.6 percent, are on at least one medication. There are 226 oncology patients. Department officials also were questioned about the scabies outbreak at the Women's Huron Valley Correctional Facility. They said they were hopeful it will be eradicated within the next few months. Kaminski also noted the department has 86 vacant nurse positions and 44 vacant licensed practical nurse positions. The department is trying to find creative ways to compete for the relatively small supply of nurses seeking jobs, including using bonuses, he said. The concern is that it does not take many vacancies to prevent a facility from having 24/7 nursing staff, he said.