Corizon Health out; Missouri officials reject appeal of massive prison health care contract

JEFFERSON CITY - In a decision affecting hundreds of millions of taxpayer dollars, Gov. Mike Parson's administration moved to bring on a new company to provide health care to Missouri's prison inmates. The ruling, issued Friday but not made public until Tuesday, rejects an appeal of a bidding process that saw the long-time prison medical vendor lose its contract to a competing firm. The decision, which could be appealed, means Corizon Health likely will be replaced by Virginia-based Centurion Health when it comes to who supplies and oversees doctors and nurses behind the prison walls. Centurion, which is a subsidiary of Clayton-based managed care company Centene, was chosen over four other firms in late May for the state's lucrative prison healthcare contract. The company's bid of $174 million per year puts them on track to be paid over $1.3 billion if the contract is fully renewed on an annual basis by the state. But Corizon, which has held the contract for nearly three decades, protested the award, suggesting that Centurion had made "prohibited communications" with the administration in order to gain an upper hand in winning the contract. Corizon said it would offer its services for $159 million per year. Two other companies also bid on the work. Writing in a 16-page decision, Karen Boeger, who oversees contracts and purchasing for the Office of Administration, said Corizon had no basis for that accusation. "After extensive research, neither the division nor (the Department of Corrections) have identified any inappropriate communications that has transpired relative to the procurement process from time of requirement drafting through contract award," Boeger wrote. Corizon also alleged that Centurion misrepresented its experience in providing prison health care because it had fired one of its top managers amid a scandal in Tennessee. But, Boeger also struck that down, saying the change in status came after Centurion had submitted its initial bid. "Despite Corizon's protest contentions to the contrary, the evaluation of Centurion's proposal as a responsive proposal appears to be appropriate," Boeger wrote. Boeger also rejected Corizon's claim it was a Missouri-based company, saying the signature page of their proposal to the state, as well as their registration with the Secretary of State's office, show they are a Tennessee-based business. The opening of the contract resulted in big business for some Jefferson City lobbying firms. Centurion, which provides prison health care in 17 states, hired the Gamble and Schlemeier lobbying firm in July 2020. They have 10 registered lobbyists assigned to Centurion. Corizon has lobbyists Richard McIntosh and David McCracken on board. In addition to standard medical care, the contract also calls for the vendor to provide dental, behavioral health and pharmacy services to the state's 20 prisons.