U.S. News & World Report

# Is Medicaid the Answer to Crushing Health Care Costs for Inmates?

## *Prisons and jails are enrolling inmates through Medicaid expansion.*

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May 19, 2015

Jails and prisons across the country are aggressively enrolling inmates in government-funded Medicaid under President Barack Obama's health care law, hopeful that their efforts will reduce the crippling costs for cities, states and counties responsible for inmate health care and that it will help prisoners gain better access to services upon their release.

"They see it as an opportunity to help people be stable and productive, and to protect the community," says Jesse Jannetta, project director for the Transition from Jail to Community Initiative at the Urban Institute's Justice Policy Center.

Under the health care law – the Affordable Care Act, also known as Obamacare – people who live in states that have expanded access to Medicaid can have coverage under the program if they make up to 138 percent of the federal poverty level, or $16,243 for an individual. That creates a greater pool of inmates eligible for Medicaid who can access the program upon their release, and who can have the federal government pay for care received outside of a corrections facility while incarcerated.

"It is alleviating the real fiscal burden on county and state governments who are covering the cost of uncompensated care," says Bradley Brockmann, executive director of the Center for Prisoner Health and Human Rights.

Programs to enroll inmates – who often do not have health insurance and have a high rate of chronic medical conditions – in Medicaid have emerged in California, Connecticut, Colorado, Illinois, Kentucky, Maryland, Minnesota, New Jersey and Utah.

And while the Centers for Medicare and Medicaid Services does not have data on the number of incarcerated people enrolled in Medicaid since the health care law went into effect, information exists at the local level. For example, Cook County Jail in Chicago – the largest single-site jail facility in the country – has enrolled more than 11,000 inmates since April 2013.

It's too early to say whether these programs will lead to lower recidivism rates; the thinking goes that if people are treated for substance abuse problems or mental health disorders, they may be

less likely to commit crimes that lead to arrest. But proponents of increasing health care coverage are hopeful.

"A lot of people are posing what it would be, but you want to know in the real world what you are getting," Jannetta says.

Medicaid will not cover the health care costs of inmates while they're in jail or prison, with state and local governments often footing the bill. But there is an exception that could save millions of local dollars: If an eligible inmate requires a stay in a hospital outside the corrections system that lasts more than 24 hours, his or her suspended Medicaid coverage can kick in to reimburse the costs.

Meanwhile, prisons and jails are constitutionally obligated to provide health care to inmates under the Eighth Amendment, which prohibits cruel and unusual punishment. But the costs of following the law have been burdening state budgets. A July 2014 report from The Pew Charitable Trusts and the John D. and Catherine T. MacArthur Foundation found that in 2011, the country spent $7.7 billion on correctional health care. Across the country, the share of corrections costs going toward inmate health care can range from 9 to 30 percent, according to the Urban Institute.

Caring for inmates with mental illness and substance abuse disorders has placed a particular burden on prisons and jails. According to the Treatment Advocacy Center, a group that works to increase treatment for mental health issues, there are 10 times more people with mental illness in prisons and jails than there are in state psychiatric hospitals. Jails and prisons often describe themselves as the largest mental health providers in the state.

"Jails and prisons are not primarily a therapeutic environment," Jannetta says. "It's not an optimal environment to deal with that kind of treatment."

Corrections systems also are caring for an expensive aging inmate population, and patients who often have infectious diseases like HIV or hepatitis. If a patient has cancer, it's up to state and local governments to pay for chemotherapy or surgery as needed.

Despite these massive payouts from local governments, many inmates are not getting better. Those with mental illness or a substance abuse disorder often do not access the care they need in the community once they are released. Instead, they can deal with their troubles in ways that break the law – through continued substance abuse, for instance – and wind up right back in jail, continually cycling through the system. Others die from their health care issues.

"If they had better access to behavioral health services in the community, then they wouldn't end up in the corrections system in the first place," Jannetta says.

Dr. Fred Osher, director of health systems and services policy for the Council of State Governments Justice Center, says released inmates die at a rate 12 times higher than the rest of the population, for reasons that can include addiction, suicide or lack of access to treatment for a chronic disease.

Corrections institutions vary in their abilities to sign an inmate up for health care. In some states, it is the responsibility of inmates to complete paperwork once they are released. This could lead to gaps in coverage for people who are already struggling with making a transition to the outside world, where they are seeking work and food and may lack transportation to access needed care or services.

"While they may understand it is important to have health insurance, going to get the paperwork done may not be foremost on their mind," Jannetta says.

In Massachusetts, inmates' Medicaid accounts immediately become active as soon as they are released. Dr. Warren Ferguson, director of academic programs for the Health and Criminal Justice Program at the University of Massachusetts Medical School, says the commonwealth began enrolling inmates in the program in 2007 because the state reformed its health care system before the rest of the country.

"Most of us care about trying to ensure sentences end when inmates leave prison, instead of continuing to have obstacles in their lives after they have paid their debt to society," Ferguson says.

Having health care can alleviate some of those obstacles. For example, if an inmate needs to continue taking psychiatric medications, he or she can access them more easily because of coverage.

"Whatever stability had been achieved inside can be continued in the community," Brockmann says. "It increases the chances that they will stay out of the facility, which is meant to be a security facility."

Still, some worry that Medicaid is already overburdened, and states are concerned about the amount of funding they will eventually have to take on. The Affordable Care Act originally called for all states to expand Medicaid to people who fell under a specific income level, but the Supreme Court in 2012 ruled that states could opt out if they desired.

Some of the 22 states that have not expanded Medicaid have lamented that doing so would add overwhelming costs to already strapped budgets. The federal government picks up the entire tab for Medicaid expansion now, but soon will gradually reduce its support to 90 percent in 2020.

"Even 10 percent of a very big number is still a very big number," says Michael Tanner, a senior fellow at the libertarian Cato Institute.

Tanner, who leads research into social welfare policy, adds that states additionally have concerns about whether the federal government will reduce its support even lower in coming years. The Congressional Budget Office also has warned that the costs of health care programs like Medicaid will continue to weigh heavily on the federal deficit.

"Generally, I think this is being portrayed as free money for the states, and it's not free," Tanner says. "States are going to be on the hook for a lot of money, and they don't have it."

But advocates argue that the key to providing a healthier community and better outcomes lies in providing coverage to those who need it.

"We would like individuals who have committed bad acts – who they either have been convicted of a crime or they have served their sentence – to be part of the community, working and becoming taxpaying citizens," Osher says.