

REPORT TO THE LEGISLATURE  
Pursuant to P.A. 331 of 2006  
Section 902(1)  
Health Care Services Contract Payments/Status and Prisoner Health Care Quality  
Assessment Report

Correctional Medical Services, Inc., (CMS) serves as the MDOC's Health Care Specialty Services contractor and its Medical Services Provider (MSP) contractor and continues to provide medically necessary service to prisoners and pay vendors in a timely manner.

**Status of Payments from Contractors to Vendors:** The Michigan Department of Corrections (MDOC), Bureau of Fiscal Management, annually conducts a financial review of CMS payments for timeliness and accuracy of claims payment information. The last financial review for payment status of claims for the completed contract year for the 12 months period of April 1, 2006 thru March 31, 2007 showed that 98% of all claims were paid within 45 days. Of the 77,470 total claims, there were 141 clean vendor claims (complete and with authorization codes) were paid late. Disputed claims, of which there were 1169, (those with missing information or without authorization codes) continue to be processed in a timely manner by CMS. High dollar amount vendors are pre-paid by CMS with adjustments quarterly. Monthly reports are received by the MDOC detailing the status of all claims. There have been no complaints to the MDOC in the past year about any vendors receiving late payments for their services.

**Status of Contracts:** The CMS contract has been extended until March 31, 2008. The MDOC, through CMS and their Medical Professionals (MPs) has a current fill rate of 83%. CMS also has a network of sub-contracts with approximately 120 Specialty Care Service providers throughout the state to provide these necessary services at the local level. CMS also provides over 70 Specialty clinics per month within the confines of the DLW Medical Center or through a Telemedicine Unit available at most of the facilities, thus further reducing overall costs.

**Assessment of Prisoner Health Care Quality:** Health Care Service Delivery Quality is monitored through several internal mechanisms. The MDOC has an internal Performance Improvement System in place for all health professionals employed or contracted by the MDOC. A Medical Services Advisory Committee comprised of MDOC and CMS Supervisory Medical Officers meets monthly to review specialty care request appeals, medical service delivery policies and procedures, drug formulary issues, various special cases and medical oversight of all Health Care Services Delivery, except Mental Health Services. Regular meetings between CMS and the MDOC personnel take place to review the many health care issues arising in the daily delivery of health care services. Periodic meetings are held between all CMS Service providers, MDOC Supervisory staff and CMS supervisory staff to review policies and related issues that have arisen. Monthly Reports from CMS to MDOC Administrators relate data on the delivery of their services.