

**REPORT TO THE LEGISLATURE**  
**Pursuant to P.A. 252 of 2014**  
**Article V, Section 802 (a)**  
**Physical and Mental Health Care Expenditure Report – 2<sup>nd</sup> Quarter**

Sec. 802. As a condition of expenditure of the funds appropriated in part 1, the department shall provide the senate and house of representatives appropriations subcommittees on corrections, the legislative corrections ombudsman, the senate and house fiscal agencies, and the state budget director with all of the following:

(a) Quarterly reports on physical and mental health care detailing quarterly and fiscal year-to-date expenditures itemized by vendor, allocations, status of payments from contractors to vendors, and projected year-end expenditures from accounts for prisoner health care, mental health care, pharmaceutical services, and durable medical equipment.

**Status of Payment from Contractors to Vendors** - The Michigan Department of Corrections (MDOC), Bureau of Fiscal Management, periodically conducts a financial review of Corizon payments for timeliness and accuracy of claims payment information. The financial review for payment status of claims for Service dates beginning 4/1/2014 to 2/28/2015 for contract with Corizon showed that 99.14% of received claims were paid within 45 days. Of the 38,822 service claims received and processed from 4/1/2014 to 2/28/2015, there were 38,488 vendor claims (complete and with authorization codes) paid within 45 days. There were 344 vendor claims (0.86% of the total vendor claims) were paid after 45 days. 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.

**Bureau of Health Care Services**  
**Current Expenditures and Projected Expenditures by allocations**  
**(P.A. 252 of 2014)**

| Type of Service                             | Appropriation Description          | Expenditure<br>(Oct14-Mar15) | Projected (FY15)<br>Expenditures |
|---|------------------------------------|------------------------------|----------------------------------|
| Prisoner Health Care (Off-site / Specialty) | Prisoner Health Care Services      | \$ 36,257,091                | \$ 75,180,400                    |
| Prisoner Health Care (Clinical Care)        | Clinical Complexes                 | \$ 69,536,659                | \$ 148,462,600                   |
| Mental Health Services                      | Mental Health Services and Support | \$ 24,524,717                | \$ 58,785,200                    |

**Bureau of Health Care Services**  
**Current and Projected Expenditures by Vendor**

(funding and expenditures are included in the accounts above)

| Type of Service                                    | Vendor Name                             | Expenditure<br>(Oct14-Mar15) | Projected (FY15)<br>Expenditures |
|--|---|------------------------------|----------------------------------|
| Prisoner Health Care (Off-site / Specialty / MSPs) | Corizon                                 | \$ 36,264,045                | \$ 72,922,954                    |
| Pharmacy Services                                  | Maxor National Pharmacy Services, Corp. | \$ 16,593,578                | \$ 34,387,156                    |
| Mental Health Services                             | MHM Correctional Services, Inc.         | \$ 6,382,829                 | \$ 15,675,880                    |

**Note: Pharmacy services are allocated in Clinical and Mental Health Services Accounts.**