



# Department of Corrections and Public Safety Session Outlook

November 18, 2022

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2023 Session Outlook – Public Safety



# Department of Corrections - Overview

# Nearly Half of the Virginia's \$2.5 Billion GF Public Safety Budget goes Toward Inmates in Secure Facilities

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- The Department of Corrections (DOC)'s budget is \$1.4 billion GF in FY 2023, with \$1.1 billion GF dedicated to inmates in secure facilities.
- DOC's GF budget increased 43.7 percent from FY 2012 to FY 2022 (14.2 percentage points less than the growth in GF spending overall).
  - Prior to COVID-19, DOC's GF appropriation increased 1.9 percent annually on average between FY 2010 and FY 2020.
  - DOC's GF appropriation increased 7.2 percent in FY 2021 and 2.3 percent in FY 2022.
- In FY 2021, DOC managed an average daily population of 23,382 inmates with an average annual cost of \$40,752 per inmate.
  - DOC's cost per inmate increased 4.0 percent annually on average between FY 2016 and FY 2020 and 20.1 percent in FY 2021, in large part due to the declining population.
  - Most operating costs are fixed and do not vary based on the number of inmates. DOC reports a current annual marginal cost of \$3,753 per inmate.

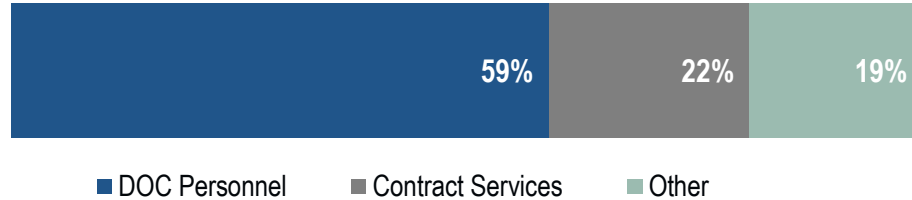
Sources: DOC, Management Information Summary Annual Report FY 2021; DOC staff email communication June 23, 2022.

# Majority of DOC's Spending is for Workforce

**\$1.4 billion**  
(DOC FY 2021 Expenditures)

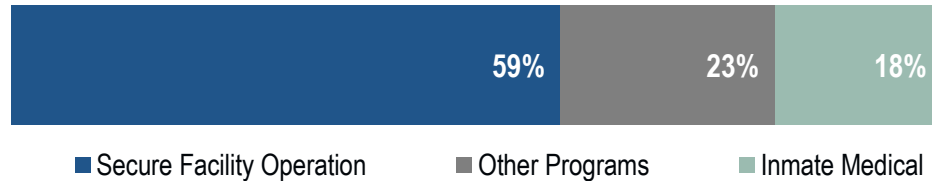
By program

In FY 2021, 59% of DOC spending was for agency personnel.



By expense type

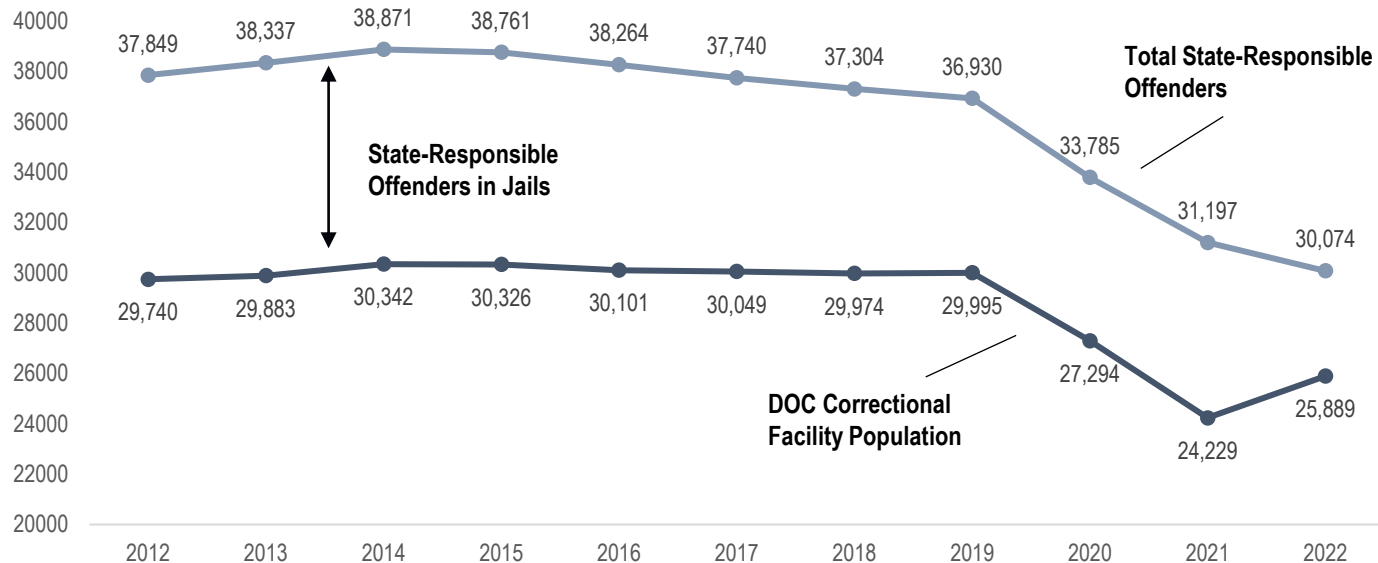
In FY 2021, 59% of DOC spending was for operation of secure facilities and 18% was for inmate medical.



Sources: DOC, Management Information Summary Annual Report FY 2021; Expendwise 2 data accessed November 10, 2022.

# Virginia's Prison Population Began Declining after 2019

From 2012 to 2019, the DOC Facility Population declined on average 0.1 percent annually and the State-Responsible Offender Population declined on average 0.3 percent annually; from 2019 to 2022, the DOC Facility population declined 13.7 percent overall and the State-Responsible Offender Population declined 18.6 percent overall (based on June population each year).

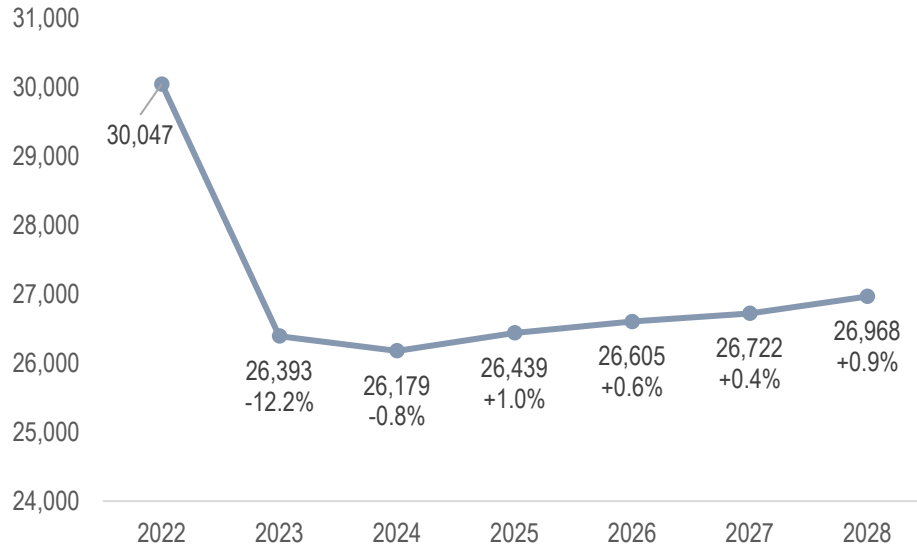


- Offenders are state-responsible if they have a sentence of one year or more for a felony offense.

Sources: Secretary of Public Safety and Homeland Security, Report on the Offender Population Forecasts October 15, 2022; DOC, Monthly Population Summaries June 2012 – June 2022.

# Adult Offender Population is Expected to Remain Low, but Uncertainty Remains

**2022 Offender Population Forecast** projects the number of state-responsible inmates to decline by 12.2 percent in FY 2023 and increase on average 0.4 percent annually between FY 2024 and FY 2028.



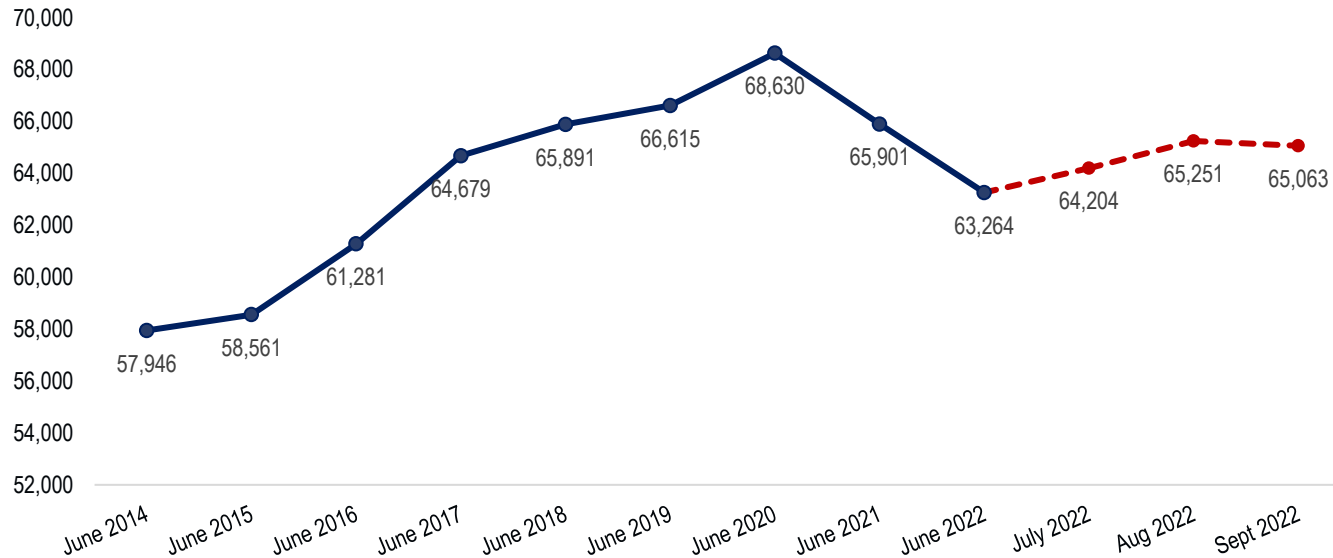
## Factors Contributing to Changes in the State-Responsible Offender Population:

- Since March 2020, COVID-19 has significantly impacted the adult offender population.
  - 2,185 inmates were released pursuant to temporary pandemic-related release policies.
  - Courts held fewer sentencing hearings.
- Retroactive application of enhanced earned sentence credits are the primary factor for the projected decline in FY 2023.
  - DOC released 2,676 inmates pursuant to the new credit structure in July and August 2022.
- Recent criminal justice legislation (including changes related to felony larcenies and technical probation violations) are expected to impact the population, but the level of impact is not yet known.
  - New policies took effect during COVID-19, making it difficult to isolate their impact from overall declines in sentencing.

Sources: Secretary of Public Safety and Homeland Security; Report on the Offender Population Forecasts October 15, 2022; DOC staff email communication October 25, 2022.

# Probation and Parole Caseloads Decreased During the Pandemic but Increased in Recent Months

The number of probation and parole cases decreased 7.8 percent between FY 2020 and FY 2022; net cases increased by 2.8 percent between June 2022 and September 2022, including 2,676 releases due to enhanced earned sentence credits in July and August.

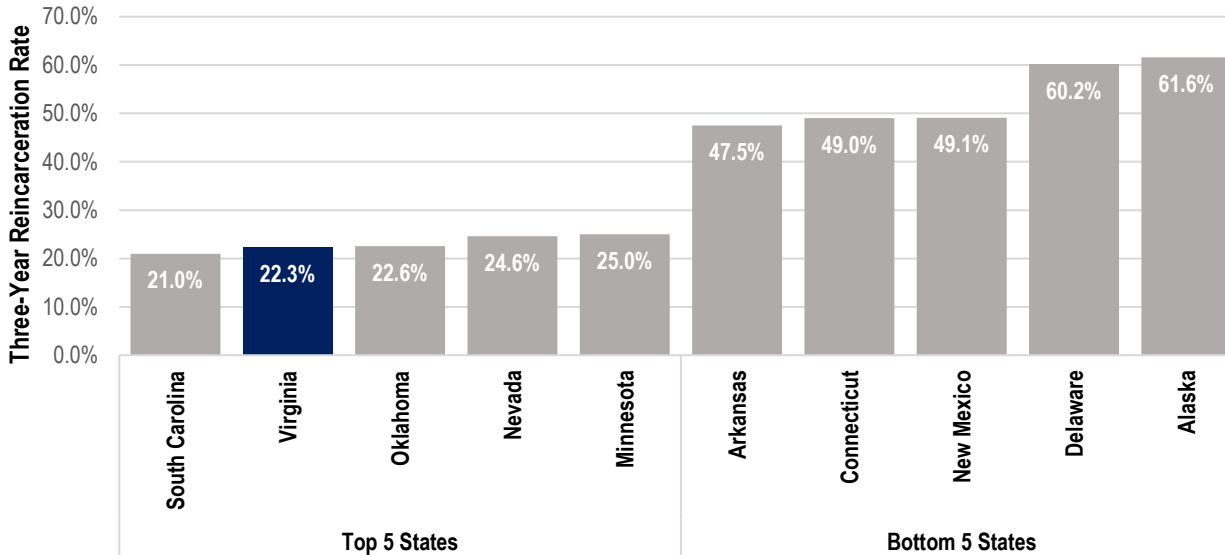


Source: DOC, Monthly Population Summaries June 2014 – Sept 2022.



# Virginia's Recidivism Rate Impacts the Offender Population and is DOC's Primary Performance Measure

Virginia's three-year reincarceration rate for the FY 2017 release cohort is 22.3 percent, the second lowest in the nation.



- Virginia's three-year reincarceration rate is at its lowest in 20 years (based on FY 2017 release cohort).
- The 18-month rearrest rate, a preliminary indicator of recidivism, is similar for the FY 2017 – FY 2019 release cohorts at 37.5 percent on average.

Source: DOC, State Recidivism Comparison Report, January 2022; DOC, Recidivism at a Glance, December 2021; DOC, VADOC Recidivism, March 2022.

# DOC Reports Show that Four Key Factors Impact Recidivism

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## Inmate Characteristics

- Opioid Use
- Mental Health Needs
- Education Level

## Programming

- Reentry
- Risk Assessment
- Education, especially Career and Technical  
(based on FY 2017 release cohort)

## Inmate Setting

- State-Responsible Inmates in local and regional jails are more likely to recidivate.
- Individuals starting on community supervision are less likely to recidivate

## Offense Type

- Inmates with property crimes more likely to recidivate than those with violent crimes
- 19.7% returned due to technical probation violations (based on FY 2017 release cohort)

Sources: DOC, VADOC Recidivism, March 2022; DOC, Correctional Education Study Findings: FY 2016 Releases, November 2021; DOC, Recidivism Crime Type Over Time, June 2022.



# Department of Corrections - Workforce

# General Assembly Provided \$63.6 Million for DOC Employees in FY 2022 – FY 2024 to Help Address Vacancies

Employee Group	FY 2022		FY 2023 – FY 2024	
	Action	Cost	Action	Cost
<b>DOC Security Staff</b>	\$1,000 Bonus (Dec 2021)	\$7.5 million GF (incl. DJJ)	<ul style="list-style-type: none"> <li>Increase starting salaries from \$35,064 to \$42,000 (19.8%).</li> <li>Increase minimum salaries for supervisory staff (15.0-16.2%).</li> <li>Provide one-time salary adjustments based on years of service.</li> </ul>	\$56.6 million GF
	\$3,000 Bonus (hazard pay)	\$23.6 million NGF (ARPA)		
<b>DOC Probation and Parole Staff</b>	-	-	Increase salaries by \$3,000	\$7.0 million GF
<b>Total</b>		<b>\$7.5 million GF;</b> 23.6 million NGF		<b>\$63.6 million GF</b>

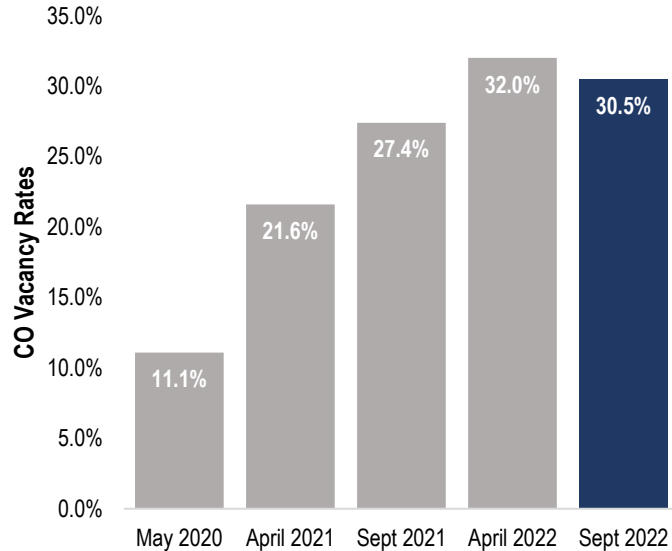
Sources: Chapter 552, 2021 Special Session 1; Chapter 56, 2021 Special Session II; Chapter 2, 2022 Special Session I, Acts of Assembly.

Note: The amounts above only include targeted actions directed by the General Assembly.

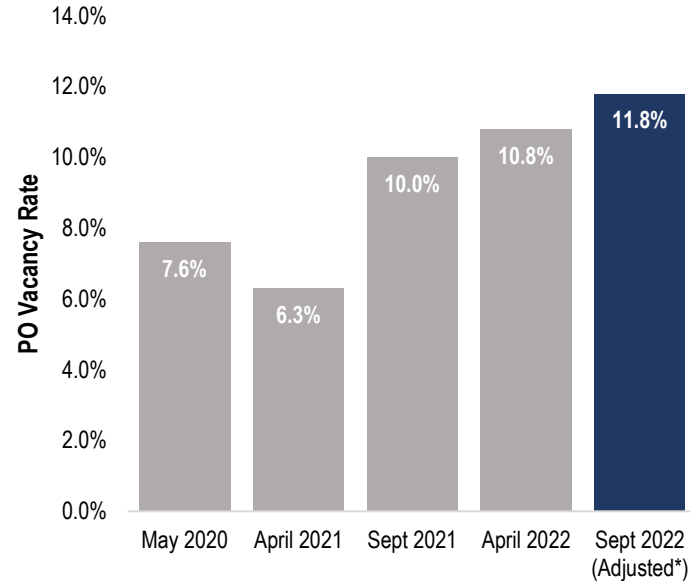
- DOC employees who received a targeted salary increase at or above 7.5 percent in FY 2023 also received a salary increase of 2.5 percent in FY 2023 and 5.0 percent in FY 2024, compared to 5.0 percent each year for most state employees.
- DOC has also used its existing budget to provide recruitment bonuses ranging from \$4,500 to \$10,000.

# Vacancy Rates have Started to Decline for Correctional Officers but not for Probation and Parole Officers

After more than doubling during the pandemic, the correctional officer (CO) vacancy rate began to decline slightly in June 2022.



The probation and parole officer (PO) vacancy rate is lower than the CO rate but has been steadily increasing since April 2021.



\*Note: The September 2022 rate of 11.8% excludes 62 new positions whose funding was prorated to start in September. If those positions are included, the September 2022 vacancy rate is 15.6%.

Sources: DOC staff email communication, October 13 and November 15, 2022; DOC, Presentation to the Joint Committee Studying Staffing Levels, Employment Conditions, and Compensation at the Department of Corrections.

# Correctional Centers in the Eastern Region Have the Highest Vacancy Rates

The average correctional officer (CO) vacancy rate is 39.7 percent in the Eastern Region, 35.1 percent in the Central Region, and 16.2 percent in the Western Region.

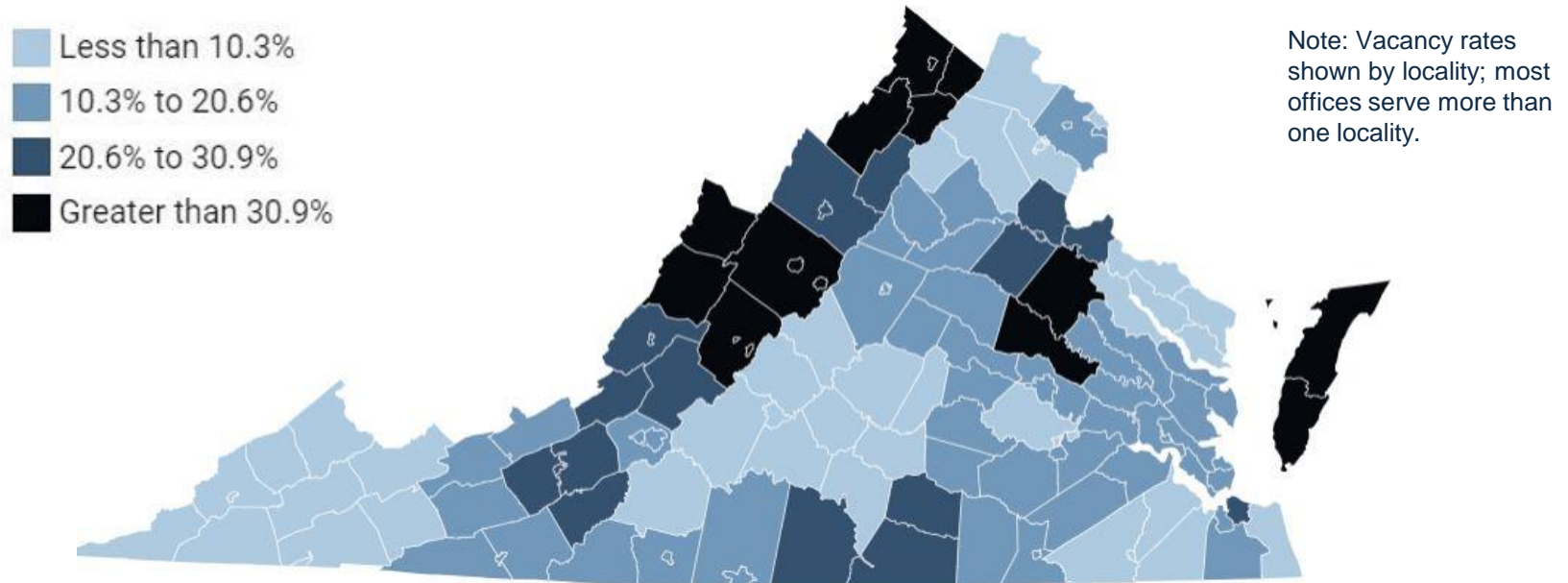


- DOC implemented a “Roving CO” program where security staff from the western region do rotations in the eastern region to help cover vacant positions.

Source: DOC staff email communication, October 13, 2022.

# Average Vacancy Rate for Probation and Parole Offices is 15.5 percent but Varies By Region

In August 2022, vacancy rates in Virginia's 43 probation and parole offices ranged from 0 to 41 percent.



Source: DOC staff email communication, October 13, 2022.

# Probation and Parole Vacancy Rates Result in Higher Caseloads per Officer

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- The average probation and parole officer (PO) caseload is **82** supervisees but would be **70** supervisees if all authorized positions were filled.
  - Authorized position level includes 62 new positions provided by the 2022 General Assembly, including 43 to reduce sex offender caseloads and 19 related to enhanced earned sentence credit increased caseloads.
- There is not a universal recommended PO caseload.
  - The American Probation and Parole Association has recommended using workload assessments to determine officer caseloads, with a maximum standard of 50:1 for moderate- and high-risk supervisees.
- The average caseload does not account for specialized caseloads and other duties. For example:
  - DOC sex offender specialist positions have an internal target caseload of 40:1;
  - POs are also responsible for presentence reports (10,575 reports in 2019);
  - Average caseload includes all Senior Probation Officers, who also have managerial duties; and
  - Average caseload also includes low-risk supervisees that are primarily monitored electronically (approximately 17% of cases).

Sources: DOC, Probation and Parole Officer Staffing Levels Report, September 22, 2022; SFAC Staff Analysis of DOC staff email communication, October 25, 2022.



# DOC has Requested Additional Compensation Increases for Probation and Parole Officers

2022 General Assembly directed DOC to assess its probation and parole officer (PO) staffing and compensation levels. DOC proposed a compensation package of \$6.5 million GF each year.

Probation & Parole Officer	FY 2022	DOC Request Aug 2021	Ch. 2 (2022-2024)	DOC Request September 2022	DOC Request Sept 2022 Cost
<b>Minimum Salary</b>	\$39,628	\$45,000	\$42,500	<b>Increase to \$48,400</b>	\$1.4 million
<b>Supervisory Minimum Salaries</b>	\$45,572 - \$64,743	\$53,240 - \$70,000	\$50,248 - \$67,980	<b>Increase to \$56,000 - \$75,000</b>	\$696,207
<b>Compression Adjustment</b>	-	-	-	<b>One-Time Compression Adjustments:</b> <ul style="list-style-type: none"> <li>For PO, \$500 for employees with 3+ years &amp; \$100 for each year of service.</li> <li>For Senior PO, \$1,500 for employees with 3+ years &amp; \$100 for each year of service.</li> </ul>	\$1.7 million
<b>Career Progression Ladder</b>	-	-	-	<b>Four probation officer salary tiers to accommodate horizontal progression</b>	\$2.7 million
<b>FY 2024 Total</b>			<b>\$3.6 million</b>		<b>\$6.5 million</b>

Sources: DOC, Probation and Parole Officer Staffing Levels, September 2022; DOC, Presentation to the Joint Committee Studying Staffing Levels, Employment Conditions, and Compensation at Virginia Department of Corrections, August 25, 2021.

# Other States Face Similar Workforce Challenges

- According to a 2022 survey (conducted by the Mission Square Research Institute), 72.0 percent of state and local governments have a hard time filling correctional positions.
- Information provided by National Conference of State Legislatures staff suggests:
  - Texas, South Carolina, and Florida have reduced vacancies with increased officer compensation.
  - Florida has also temporarily closed housing units and deployed National Guardsmen in certain sections of prisons.
  - Colorado has used prison teachers and case workers to temporarily fill prison guard positions; other states have used probation and parole officers to support prison staff.
  - Texas and Colorado have targeted recruitment efforts to military bases and workforce centers.

According to the Pew Charitable Trusts (2022): *“Amid a nationwide worker shortage in various industries, prison systems across the country are desperate to reverse an exodus of corrections officers that administrators and prison experts describe as the worst ever. To attract more officers, states are raising salaries, offering hiring bonuses, reducing the minimum age to 18 and ratcheting up recruiting efforts with advertisements on billboards and social media.”*

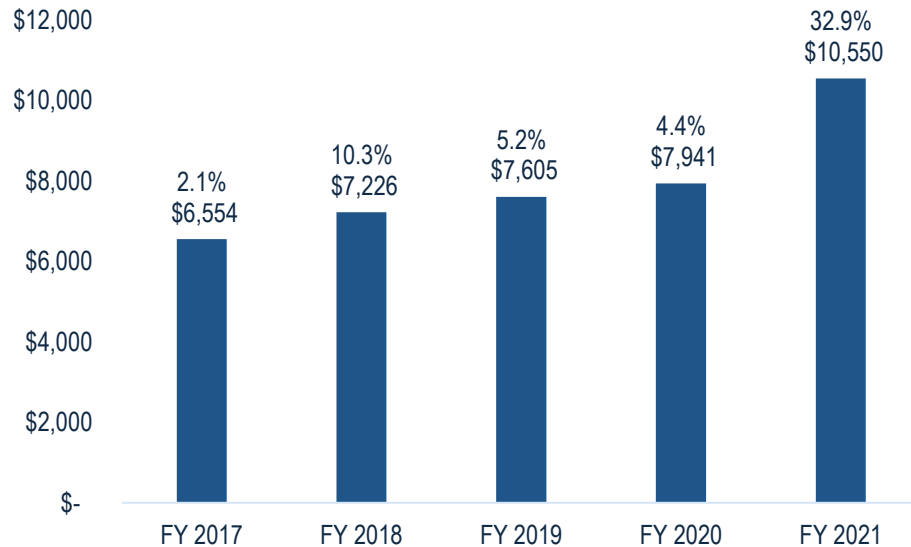
Sources: Surveys and articles provided by National Conference on State Legislatures staff, email communication October 28, 2022.



# Inmate Healthcare

# Until COVID-19 Disrupted Spending, Medical Expenditures per Inmate Increased by an Average of 6.7 Percent Annually

Medical expenditures per inmate grew on average 6.7 percent FY 2016 to FY 2020, then 32.9 percent in FY 2021.



- DOC has attributed increases to inmate healthcare due to inflation, greater patient acuity, and rising pharmaceutical costs.
- The FY 2021 increases are also attributed to higher payment rates for temporary staff and COVID-19 impacts.
- Inmate healthcare expenditures, as a percentage of DOC's budget, have increased from 15.2 percent in FY 2012 to 17.4 percent in FY 2022.

Sources: DOC, Annual Management Information Summaries FY 2017 – FY 2020; Expendwise 2 data accessed November 10, 2022.

# Cost Drivers Include an Aging Population and Increasing Pharmaceutical Costs

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↑ In 2018, the Joint Legislative Audit & Review Commission (JLARC) found that per capita inmate healthcare expenditures were similar to other states but were increasing at a faster rate than spending on similar populations.

↑ The prison population continues to age.

- The proportion of inmates age 55 years+ increased from 9.2 percent in FY 2012 to 17.0 percent in FY 2021.

↑ Hepatitis C (Hep C) expenditures more than doubled between FY 2019 and FY 2021 after DOC implemented a policy of testing all inmates.

- From FY 2017 to FY 2022, Hep C treatment costs increased 204 percent while other DOC-managed pharmaceutical costs increased 78 percent.

↑ DOC decided to suspend inmate co-payments effective January 1, 2020.

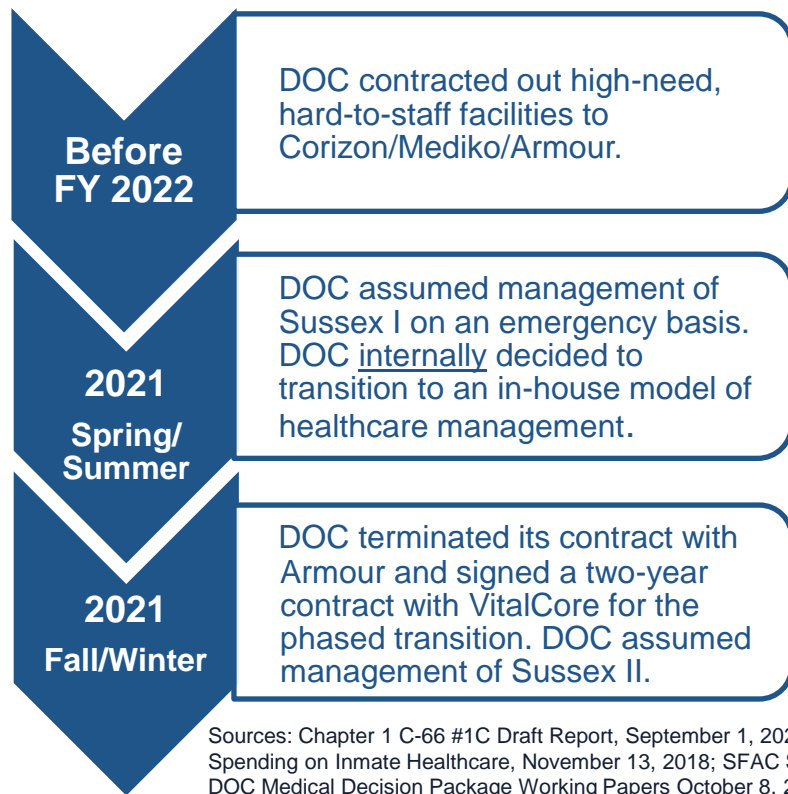
- DOC collected \$404,955 in offsetting revenue from co-payments in FY 2019.

↓ Medicaid expansion decreased DOC inpatient hospitalization costs for inmates.

- Medicaid covered \$15.4 million for the Medicaid Expansion population in FY 2022.

Sources: JLARC, Spending on Inmate Healthcare, November 13, 2018; SFAC Staff Analysis of DOC Medical Decision Package Working Papers August 25, 2022; DOC, Quarterly Demographic Reports 2012-2022; DOC, FY 2021 Management Information Summary; Virginia Department of Medical Assistance Services staff email communication November 10, 2022.

# DOC Is Phasing Out Comprehensive Medical Contracts and Transitioning to Managing all Facilities In-House



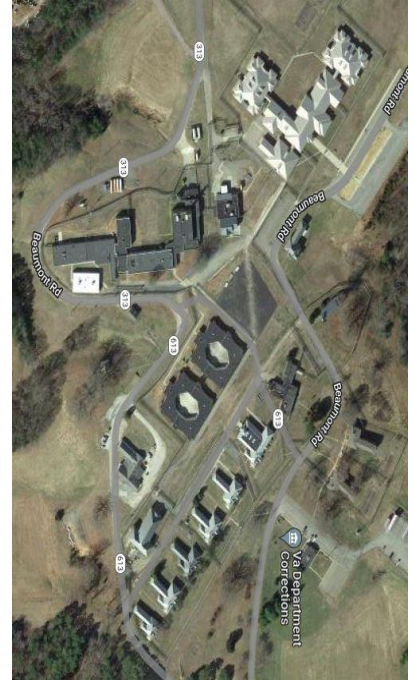
Sources: Chapter 1 C-66 #1C Draft Report, September 1, 2022; JLARC, Spending on Inmate Healthcare, November 13, 2018; SFAC Staff Analysis of DOC Medical Decision Package Working Papers October 8, 2021 and August 25, 2022.

## Differences in patient populations and changes in the healthcare economic environment present challenges in comparing privately-managed and publicly-managed inmate healthcare costs:

- In 2018, JLARC found “no evidence that contract facilities spend less than non-contract facilities on prescription drugs and offsite services” after accounting for patient differences.
- DOC’s 2021 internal working group projected that DOC could operate the contractor-managed facilities “at least as efficiently” as the contractor.
- As DOC assumes healthcare management of all facilities, staffing challenges pose a risk financially and operationally.
  - For ten facilities transitioning from private to in-house in 2023, DOC estimates suggest it will cost DOC approximately \$2.8 million more each year to compensate staff at VitalCore salary rates instead of in-house salary rates.
  - DOC is asking for 17 additional positions related to the transition but no additional funding for the positions.

# DOC Plans to Use the Beaumont Correctional Center for Medical Services

- **DOC acquired the Beaumont Correctional Center (“Beaumont”) from the Department of Juvenile Justice in 2020 through surplus property.**
- DOC internally developed plans to repurpose previously authorized capital project planning funds to plan an expansion of medical services at Beaumont.
  - Beaumont project would replace the prior Powhatan Infirmary Replacement and Deerfield Long-Term Care Expansion projects, which the General Assembly approved for detailed planning funds in FY 2021 (\$1.0 million plus additional funds authorized in a central planning pool).
- Chapter 1, 2022 Acts of Assembly, maintained provisions in the introduced budget directing DOC to: 1) not proceed with the planning projects; 2) to report on its plans to use Beaumont as a medical facility and other potential state uses for the property; and 3) present its assessment to the Six-Year Capital Outlay Plan Advisory Committee.
  - However, DOC is currently operating a dental suite and medical treatment space at Beaumont. DOC continues to plan to relocate its Powhatan Infirmary to Beaumont (estimated 2024 relocation).
    - **DOC spent \$835,000 in FY 2021-2022 and allocated an additional \$2.0 million in January 2022 from its maintenance reserve budget to make renovations on the property.**
- In September 2022, the inmate healthcare workgroup, including money committee staff, began to discuss the best use for Beaumont and assess DOC’s long-term operating and capital plan for inmate medical services.



Sources: Chapter 1 C-66 #1C Draft Report September 1, 2022 and Draft Report October 19, 2022.

# DOC has Requested \$17.3 million GF in FY 2024 to Increase the Standard of Care for Inmate Medical Services

Request (GF \$ in millions)	Description	FY 2024 Request
<b>24-Hour Nursing Coverage</b>	37 Registered Nurse positions at eight DOC facilities to expand 24-hour nursing coverage to all facilities.	\$4.1
<b>Medication Assisted Treatment</b>	Expand Medication Assisted Treatment for individuals with Opioid Use Disorder (OUD). U.S. Department of Justice recently issued guidance expanding protections for individuals with OUD under the Americans with Disabilities Act.	7.0
<b>Expand Dental Program</b>	48 dental positions to expand care to routine, preventive care. Currently, DOC only provides high-need dental care.	<u>6.2</u>
<b>Total</b>		<b>\$17.3</b>

Source: DOC Decision Packages, 2022-2024 Amended Budget, Virginia Department of Planning and Budget website, referenced November 12, 2022.

Note: DOC expects to use previously appropriated funds to begin implementing an electronic health records system in FY 2023.



# Inmate Healthcare Recommendations

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- As DOC assumes comprehensive management of inmate healthcare, the General Assembly may wish to direct DOC, Virginia Commonwealth University (VCU) Health, and the University of Virginia (UVA) Health System to revisit pilot partnerships in the current service delivery model.
  - Pilot programs were funded in the 2020 General Assembly Session but later unallotted due to pandemic-related pressures for the state budget and state teaching hospitals.
  - Pilot partnership goals include: maintaining a stable healthcare workforce; improving access to specialty care; reducing transportation costs and security staff overtime; and increasing use of discounted prescription rates.
- The General Assembly may wish to continue the current workgroup monitoring DOC's transition to a fully "in-house" healthcare management model.
- The General Assembly may wish to consider the best use of planning funds for prior approved inmate medical projects.



# **2023 Session Outlook - Public Safety**

# Biennial Budget Includes Significant Increases for Public Safety Initiatives

Highlighted Chapter 2 Increases (GF \$ in millions)	FY 2023	FY 2024	Biennial
Virginia State Police Sworn Officer Compensation	\$21.7	\$24.8	\$46.5
Department of Corrections Security Officer Compensation	26.1	30.5	56.6
Aid to Localities with Police Departments “599” Program	19.1	27.9	47.0
School Resource Officer Incentive Grant Fund	22.5	22.5	45.0
Inmate Medical	11.0	9.5	20.5
Cannabis Control Authority	8.2	11.2	19.4
Community-Based Violence Intervention Grants	<u>6.5</u>	<u>6.5</u>	<u>13.0</u>
<b>Total</b>	<b>\$115.1</b>	<b>\$132.9</b>	<b>\$248.0</b>

Source: Chapter 2, 2022 Special Session I Acts of Assembly

# Public Safety Agencies have Additional Requests for FY 2024

Highlighted GF Agency Decision Packages 2022-24 Biennium (\$ in millions)	FY 2024
Public Safety Office Compensation Increases	TBD
Virginia State Police (VSP) Helicopter Replacement	\$23.2
VSP Transition to Virginia Information Technologies Agency (VITA)	16.8
VSP New Sworn Positions (149 Across Multiple Units)	16.0
Inmate Medical	17.3
Lawrenceville Prison – DOC Assume Management from Contractor	12.3
Lawrenceville Prison – Capital Request for Bundled Repairs	20.8
Lawrenceville Prison – DOC Continue Management Contract	5.3
School and Campus Safety Initiatives	3.8
Cannabis Control Authority Medical Cannabis Program Operation*	10.8
<b>Total</b>	<b>\$126.3</b>

\*Note: Cannabis Control Authority's FY 2024 requests are specific to the medical cannabis program, but changes to the statutory framework for retail cannabis may impact the agency's fiscal needs.

Source: DPB, Agency Decision Packages, referenced November 12, 2022.

# Legislation Directed a Study on Costs and Fees Charged to Inmates

- The report's recommendations and fiscal impacts were developed primarily by non-DOC work group members.

Highlighted Non-DOC Recommendations	Current Fee	Annual Fiscal Impact (Approximate)
Free Phone Time	4.1 cents per minute	\$2.0 – \$11.0 million (30 min/day)
Free Video Visitation	\$4 for 20 minutes, \$8 for 50 minutes	\$1.9 – \$5.3 million, plus staff
Free secure messages	“Stamps” (25–39 cents each)	\$1.1 - \$9.0 million, plus staff
Eliminate Commissary & Communication Commission	DOC receives a 9.0 percent commission on commissary sales and a commission on tablet use (secure messages, games, music, etc.)	\$4.1 million
Prohibit commissary prices from exceeding 110.0 percent of e-tailer prices	Sample prices in report	Not provided
Increase inmate necessities allocation	3 sets of basic clothing items; monthly hygiene packets for indigent inmates	At least \$819,479
Increase per person daily food budget from \$2.20 to \$4.00	Stakeholders and DOC presented differing assessments of meal quality	\$16.7 - \$24.1 million
Limit processing fees for deposits to inmate account to no more than 3.0 percent	Online deposits range from \$5.95 for a \$25 deposit to \$9.95 for a \$300 deposit, with no fee for mailed money orders	Not provided
Limit post-release debit card fees	\$3.95 per month, \$2.95 per ATM transaction, \$1.50 per balance inquiry	Not provided
Eliminate charges for medical records	\$1 postage fee + 10 cents/per page if requested after release	Not provided
<b>Total</b>		<b>\$27.0 - \$54.3 million</b> <ul style="list-style-type: none"> <li>plus staffing costs</li> <li>plus estimates not provided</li> </ul>

Source: DOC, Reduction or Elimination of Costs and Fees Charged to Inmates in State Correctional Facilities Report, October 1, 2022 (includes SFAC staff modifications).

# Key Takeaways

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- DOC's population has declined but staffing shortages remain a challenge.
- Inmate healthcare will continue to be a significant cost driver.
- DOC items that may need additional evaluation or review for the 2023 Session include:
  - Staff compensation;
  - Internal management of healthcare services;
  - Possible pilot programs with state teaching hospitals to provide some inmate healthcare;
  - Long-term use of facilities and oversight of capital projects;
  - Costs and fees charged to inmates; and
  - Private versus in-house management of correctional facilities.