



Save Money on Inmate Health Care Costs

Counties can save money on the billions of dollars spent each year to provide medical care to jail inmates. NACo has a medical insurance and medical claims management program that controls costs, diminishes the need for mid-year budget adjustments and reduces expenses.

Hickman County, TN used the medical claims management program to save 59% on their offsite inmate medical claims. It submitted \$85,627 for 16 claims and was reimbursed \$50,922 through a discovery of billing and coding errors and application of PPO network discounts for medical care. Medical claims management helps counties manage inmate offsite medical claims to monitor the necessity of medical treatment, audit medical charges to assure services were actually performed, and provide detailed claims reports. Medical claims are managed on a contingency fee basis and fees are paid only if savings are found. Grainger County, TN submitted \$65,365 for 18 claims and was reimbursed \$42,487, saving them 65% on medical claims.

“It takes the hassle out of billing issues. It cuts down on a lot of paperwork for us. It saves time and money” says Nurse Manager Tracy Titus of Vanderburgh County, IN. The service also reviews medical charges to identify billing errors. In 2007, a coding error was discovered when the medical provider charged Pulaski County, AR for 102 body scans for one inmate. The medical charges were corrected to reflect the 2 body scans administered to the inmate and PPO discounts were applied resulting in \$122,277 savings to the county.

The inmate excess medical insurance policy limits

the county’s liability for paying an inmate’s off-site medical costs. The policy is tailored to the county’s needs and allows each county to set their own self-insurance levels. Even with a single claim of \$16,281.86, Lawrence County, TN was able to save 30% with a reimbursement of \$4,884.55. Counties are thrilled with the benefits of the program. “It pays for itself after just one open heart surgery,” said the County Mayor Greg Lynch of Unicoi County, TN.

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Through a nationally awarded RPF by Dallas County, TX, NACo partners with Correctional Risk Services, Inc. (CRS) to control inmate health-care costs by offering counties an insurance policy and medical claims management service. This program, coupled with national PPO buying power, assures discounts and saves counties money.

Because Dallas County bid for the services on behalf of all state and local governments, counties are able to piggyback onto the award and begin using the program right away without bidding the services themselves.

To learn more about the inmate medical claims management and excess medical insurance program, contact Jim Sawyer with NACo’s Financial Services Center at 202/661-8868 or by e-mail at jsawyer@naco.org.