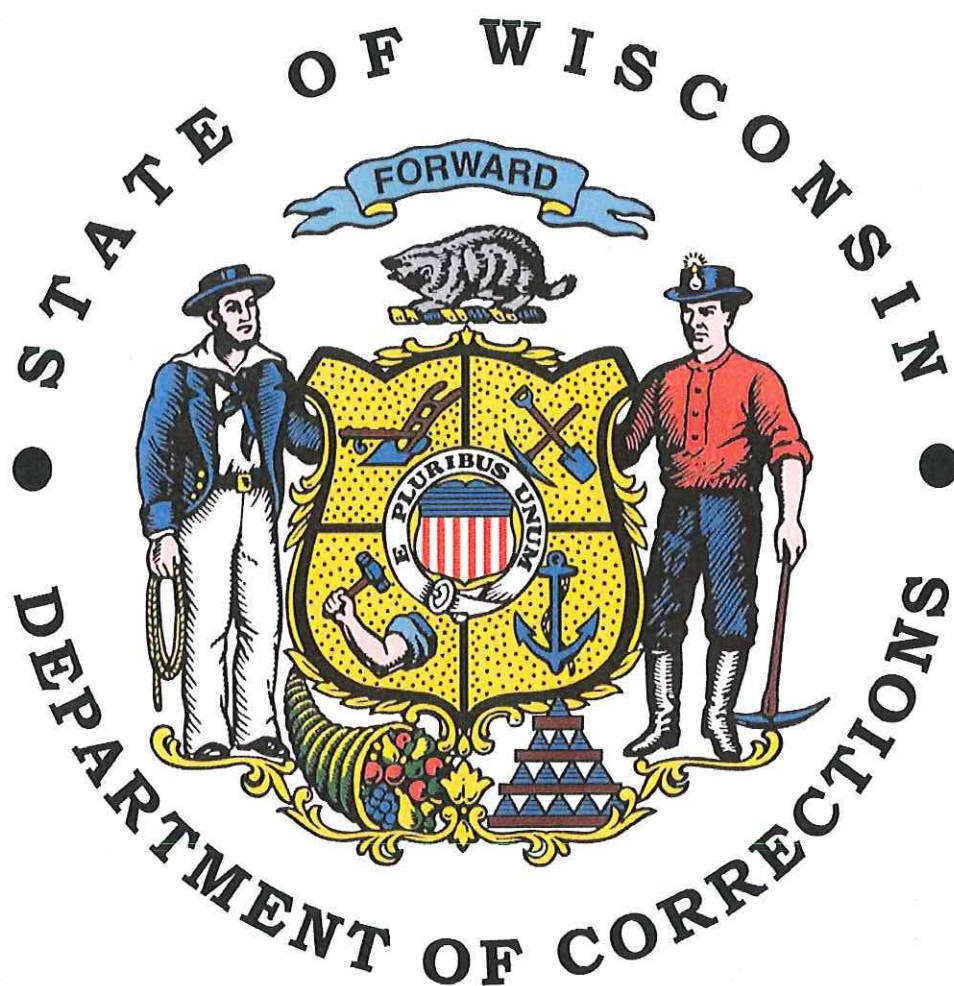


STATE OF WISCONSIN  
DEPARTMENT OF CORRECTIONS



2013-15 Biennial Report  
October 2015

## TABLE OF CONTENTS

<u>Introduction</u> .....	3
<u>Agency Mission</u> .....	3
<u>Agency Vision</u> .....	3
<u>Agency Core Values</u> .....	3

### **DOC Performance and Operations (2013-15)**

A. Implementation of Medicaid .....	5
B. Permanent GPR Reductions & PR Lapses .....	5
C. Inmate Population Management .....	6
D. GPS Tracking .....	6
E. Creation of Office of Special Operations .....	7
F. Added Funding and FTE for IT Operations .....	8
G. Male Mental Health Treatment .....	9
H. Capital Budget \$250 million Bonding Restriction .....	9

### **DOC Goals and Objectives Developed in the 2015-17 Biennial Budget**

I. Inmate Population Management .....	11
J. Opiate Addiction Treatment .....	11
K. Healthcare .....	12
L. Third Shift Tower Closures .....	12
M. Division of Community Corrections – Fee Structure Changes .....	13
N. Capital Budget .....	13
O. Youth Aids Transfer from DOC to DCF .....	13

<u>Statement on Flexible Work Schedules</u> .....	14
---	----

## **Introduction**

This report is submitted by the Department of Corrections (DOC) in compliance with §15.04 (1) (d) of the Wisconsin State Statutes, which requires each state agency to submit to the governor and legislature a report *“on the performance and operations of the department or independent agency during the preceding biennium, and projecting the goals and objectives of the department or independent agency as developed for the program budget report.”*

## **Agency Mission Statement**

- **Protect** the public, our staff and those in our charge.
- **Provide** opportunities for positive change and success.
- **Promote**, inform and educate others about our programs and successes.
- **Partner** and collaborate with community service providers and other criminal justice entities.

## **Agency Vision Statement**

To achieve excellence in correctional practices while fostering safety for victims and communities.

Every Person - Every Family - Every Community Matters

## **Agency Core Values**

**We are accountable to each other and the citizens of Wisconsin.**

- We manage our resources in an efficient, effective, sustainable, and innovative manner.
- We demonstrate competence and proficiency in the work necessary to accomplish our mission.
- We take individual responsibility for how we plan, perform, and manage our work.

**We do what’s right - legally and morally - as demonstrated by our actions.**

- We value courage, candor, and conviction of purpose.
- We expect ethical behavior and integrity in all we do.
- We require honesty, adherence to the law, and the fair and equitable treatment of others.

**We recognize employees as the department’s most important resource.**

- We work towards building a workforce of diverse individuals who achieve great things together.
- We recognize exemplary performance.
- We advocate in the best interest of our workforce.

**We value safety – for our employees, the people in our charge and the citizens we serve.**

- We provide the resources and training necessary for employees to safely accomplish our mission.
- We operate safe and secure facilities.
- We offer opportunities for offenders to become productive members of their communities.

**We expect competence and professionalism in our communications, demeanor, and appearance.**

- We demonstrate knowledge and skills within our areas of responsibility.
- We respond effectively and appropriately in our interactions and communications.
- We treat all people with dignity and respect.
- We recognize that we have one opportunity to make a positive first impression.

## *DOC Performance and Operations (2013-15)*

### **A. Implementation of Medicaid**

Medicaid coverage for inpatient hospital admissions started April 1, 2014. Medicaid coverage for inmates is beneficial to the state because the majority of the costs are covered by the federal government. In order to ensure successful implementation of Medicaid, DOC and the Department of Health Services (DHS) work groups met regularly and continue to meet to address any minor problems that arise.

Bureau of Health Services (BHS) contracted with a Third Party Administrator (TPA) to provide two Medicaid Assistance employees to fill out the 24 page Medicaid application and provide hospital utilization management services for all of DOC's hospital admissions. The two employees are based in Central Office in the BHS area.

Medicaid paid an estimated \$21,812,400 to cover inpatient hospital and professional costs during FY15, the first full year of Medicaid coverage. The amount Medicaid paid is higher than the \$11.5 million budgeted in 2013 Act 20 (the 2013-15 Biennial Budget) because of overall rising healthcare costs and the rising number of DOC hospital admissions attributable to DOC's increasing number of elderly inmates.

The DOC needed §13.10 requests in FY14 and FY15 to transfer money between appropriations to cover healthcare funding shortfalls caused by rising costs in other areas of healthcare. The DOC experienced a spike in costs for prescription drugs, agency healthcare staff due to the improving economy, and an increasing number of outpatient hospitalizations that were not covered by Medicaid.

### **B. Permanent GPR Reductions & PR Lapses**

2013 Act 20 included decision items that required DOC to lapse \$1.86 million in funding from its Program Revenue (PR) appropriations; no General Program Revenue (GPR) lapses were required because permanent reductions were made to base budgets in multiple GPR appropriations. The lapse calculations were based on the same criteria as the 2011-13 lapse requirements:

- 1) Elimination of funding for the June 2009 2% general wage adjustment for represented staff.
- 2) PR revenue lapsed due to the increased employee contributions toward health insurance and pension costs.
- 3) A portion of the statewide allocated lapse required to balance the budget for the biennium. DOC's share in FY14 and FY15 was \$1.86 million.

No lapse was taken from DOC's §20.410(1)(km) PR appropriation because it was in a deficit situation. DOC achieved the required lapses by using positive cash balances in various PR appropriations.

**C. Inmate Population Management**

2013 Act 20 projected slight population increases over the biennium for both male and female inmates.

	Forecast end FY14	Actual end FY14	Difference
Males	20,921	20,862	-59
Females	1,285	1,267	-18
Total	22,206	22,129	-77

	Forecast end FY15	Actual end FY15	Difference
Males	21,047	21,040	-7
Females	1,353	1,428	75
Total	22,400	22,468	68

As the actual population increased over the biennium, DOC continued to use a portion of the Division of Adult Institution’s (DAI) “surge” bed capacity in correctional facilities to handle the population. Surge beds are usually reserved for responding to emergencies (e.g., facility evacuation due to prison disturbances or natural disasters). There is a cost associated with use of surge beds; and the DOC’s ability to respond to an emergency is eroded.

The DOC has also made great progress on reducing the number of inmates in Segregation or Restrictive Housing (RH) during FY15. There was an average of 1,283 inmates in RH from FY12-FY14. As of 06/07/15, there were 995 inmates in RH, a reduction of 22% in the RH population from the FY12-FY14 average.

**D. GPS Tracking**

2005 Act 431 created and 2007 Act 20 amended §301.48. The statute requires DOC to place certain sex offenders on lifetime GPS tracking.

The program continues to increase due to the growing number of offenders subject to lifetime GPS monitoring. As of July 2015, 509 offenders were on lifetime GPS monitoring and DOC is monitoring a total of 1,046 offenders.

During 2013-15 biennial budget deliberations, the Legislative Fiscal Bureau (LFB) estimated the population would reach 810 by the end of FY14 and 939 by the end of FY15, excluding offenders estimated to be tracked for violation of a temporary restraining order or injunction. 2013 Act 20 provided the Department with some additional funding and positions for tracking of GPS offenders, however a portion of funds related to this projection was held by the Joint Committee on Finance (JCF) under their supplemental appropriation.

These population projections were exceeded: there was a population of 823 at the end of FY14 and 1,036 at the end of FY15. Despite the population growth, DOC was able to manage the increased population effectively with the funding and positions provided for GPS tracking in 2013 Act 20, and therefore did not request the funds held in JCF's supplemental appropriation.

### **E. Creation of Office of Special Operations**

The Office of Special Operations (OSO) was created in 2013 in response to a need to develop a systematic structure for DOC enforcement of appropriate professional standards and handling of allegations involving supervisory misconduct, serious staff misconduct, and Prison Rape Elimination Act (PREA) violations by staff or offenders, as well as the need for department-wide emergency preparedness and management.

OSO conducts audits, provides education to staff and contractors, and enforces professional standards, policies, administrative code, and laws at the Department, state, and federal levels to ensure efficient and effective operations. OSO independently investigates significant incidents and events, and independently reviews DOC programs and offices to help the Department achieve its mission to uphold the integrity and professionalism of its operations and public safety services for the citizens of Wisconsin.

OSO is led by a Director and consists of two sections: the Special Investigation Section and the Preparedness and Emergency Response Section (PERS). The Director is responsible for overseeing the operations of OSO.

The Special Investigation Section reviews allegations involving supervisory misconduct, serious staff misconduct, and PREA violations by staff or offenders, and determines appropriate professional standards investigative action. This section provides the Secretary of the DOC with a means by which to objectively determine the facts necessary to resolve extraordinary issues of immediate concern to the Department.

The Special Investigation Section began investigating cases in late spring 2014. In FY14, OSO investigated 38 PREA-related cases and 4 non-PREA-related cases, and reviewed and provided technical assistance for 484 other PREA investigations. In FY15, OSO investigated 23 PREA-related cases and 46 non-PREA-related cases, and reviewed and provided technical assistance for 485 other PREA investigations. OSO is the records custodian for all DOC PREA investigations.

The Special Investigation Section also works cooperatively with law enforcement agencies in both internal investigations of criminal matters involving staff or offenders and state-wide intelligence gathering and information sharing. Additionally, the Section is responsible for providing objective, efficient, and thorough investigations, and establishing quality investigative standards for use throughout the Department.

This Section also provides necessary training to staff throughout the Department to improve the consistency, quality, and timeliness of investigations. Through the investigative process, the

Section may be called upon to identify areas within DOC where waste, fraud, or abuse has occurred.

The Preparedness and Emergency Response Section (PERS) provides a systemic structure for Department-wide emergency preparedness, training, response, and management. Areas of responsibility for PERS include:

Continuity of Operations Planning (COOP);	Emergency Operations Plans;
Emergency Operations Center;	Incident Management Team;
Comprehensive Exercise Program training;	E-sponder administration;
Work stoppage and disturbance planning;	Security and operational audits;
Vulnerability assessments and	National Incident Management System (NIMS) compliance

PERS staff interfaces with Wisconsin Emergency Management and operate in the Statewide Emergency Operations Center to assist state and local resources in emergency and disaster planning, training, resource allocation, and incident command response within the state of Wisconsin.

#### **F. Added Funding and FTE for IT Operations**

In 2011, DOC commissioned Gartner Incorporated to provide a third-party analysis of DOC's Information Technology (IT) support. The results of this analysis showed that DOC's investment in IT was below both the national average and averages for governmental peer groups. Proceeding with the recommendations of a cross-divisional steering workgroup, DOC's 2013-15 Biennial Budget request included four priority groups which focused on the most urgent funding and staffing resources needed to prevent further declines in the Department's IT services.

The Governor chose to include the first of four priority groups, for \$1,871,500 GPR and 17.90 GPR FTE in FY14 and \$2,456,100 GPR and 18.40 GPR FTE in FY15, in his recommended 2013-15 budget. This funding was approved in 2013 Act 20, but reserved in the JCF's supplemental appropriation. After legislative action through a §13.10 request, funding and position authority for the first priority group was added to DOC's budget.

IT improvements enabled by the approval of the first priority group include the following:

- **Life Cycle Management/Licensed Software:** DOC's Bureau of Technology Management (BTM) upgraded 53 software product licenses during the 2013-15 biennium. These license upgrades allowed DOC to continue receiving updates, patches, and support services from software vendors to keep these IT products operational and help reduce the risk of failure and lost productivity.
- **Applications Management/Retirements:** Technology products considered out-of-date or transitioning to an unsupported status were reduced by 23% through replacements and upgrades. For example, after implementing the Court Ordered Payment module of DOC's integrated offender management system (WICS), BTM retired the older community



offender management system (CACU) and transferred its 3.5 million accounts into WICS.

- **Formation of Enterprise Team:**
  - BTM formed an enterprise team to maintain DOC's mission-critical offender management system (WICS). DOC is transitioning support for WICS from an external vendor to BTM to reduce cost, increase efficiency, and improve system quality.
  - The enterprise team also extended the assessment and case planning technology of Northpointe's COMPAS case manager software to meet DOC's reentry needs.
  - Working with the Department of Justice (DOJ) as part of a grant-funded project, the enterprise team completed two projects which improved linkage of offender data between DOJ and DOC. Data elements which previously took 36 hours to send in batch files are now shared in real-time. Data elements which previously could not be shared via these batch files – active offenses, alias names, and rules of supervision – are now shared with DOC's law enforcement partners.
- **eForms/Content Management:** BTM established an electronic forms platform and consolidated content management systems. As a result of enhanced workflow efficiencies, Health Service Unit inmate scheduling, Human Resources recruitment and task ordering in Badger State Industries has been made more proficient.
- **Data Warehouse:** Inmate admissions, recidivism, release, and population data sets were developed to provide information to DOC staff, policy makers, criminal justice partners, and the public to help make better decisions within key business areas and quickly identify areas needing attention.

## **G. Male Mental Health Treatment**

2013 Act 20 provided 5.50 FTE and \$345,000 GPR in FY14 and \$423,600 GPR in FY15 for additional mental health staff at three male maximum security Restrictive Housing units (previously called Segregation units). The three institutions were Green Bay Correctional institution, Columbia Correctional Institution, and Waupun Correctional Institution.

The positions were used to increase the number of out-of-cell contact hours for inmates who would benefit from individual and/or group mental health treatment. Inmates in Restrictive Housing are known to have increased service needs due to higher rates of mental illness, behavioral disturbance, self-harm behavior, and completed suicide.

## **H. Capital Budget \$250 million Bonding Restriction**

2013 Act 20 enumerated seven DOC projects for a total funding of \$34.4 million. What follows is an update on each of those seven projects:

- 1) Columbia Correctional Institution- Health Services Unit (\$6.5 million): Project has received approval of design report and authority to construct.
- 2) Oshkosh Correctional Institution- Health Services Unit (\$7.7 million): Project is in pre-design phase.
- 3) Copper Lake School- Safety Unit Expansion (\$2.0 million): Project has received approval to construct.
- 4) Columbia Correctional Institution- Expand & Update DS1 (restricted housing) (\$6.0 million): Project is in pre-design phase.
- 5) Green Bay Correctional Institution- Cell Hall upgrades (\$3.8 million): Project is in pre-design phase.
- 6) Taycheedah Correctional Institution- Infirmary (\$4.5 million): Project is in design phase.
- 7) Marshall Sherrer Correctional Center- Housing/food service expansion (\$4.0 million): This project was de-enumerated in 2015 Act 55 (the 2015-17 Biennial Budget.)

DOC has worked closely with DOA, Division of Facilities Development, to phase in the implementation of the enumerated projects within the state's funding constraints, as directed by 2013 Act 20.

*DOC Goals and Objectives Developed in the 2015-17 Biennial Budget*

**I. Inmate Population Management**

An inmate population forecast was prepared in conjunction with 2015 Act 55. The table below shows the total projected inmate population at the end of FY15, FY16, and FY17.

Inmate Population			
	Projected	Actual	Difference
Population end FY15	22,400	22,468	68
Population end FY16	22,744	Not Available	
Population end FY17	23,141	Not Available	

Projections were based upon a monthly percentage growth rate of 0.13% for males and 0.36% for females. Utilizing this projection, the biennial budget funded 48 beds in FY16 and 381 beds in FY17 to contract for DAI inmate placement in Wisconsin County jails. Due to population growth projections, funding was provided to change the male probation and parole holds section of the Sturtevant Transitional Facility (STF) into 150 male inmate beds. Funding of \$354,500 in FY16 and \$365,600 in FY17 was also provided to reopen Addams Hall at Taycheedah Correctional Institution (TCI) to house 60 female inmates.

Due to the projected Average Daily Population (ADP), DOC plans to continue the use of a portion of DAI “surge” bed capacity in correctional facilities. Surge beds are usually reserved for responding to emergencies (e.g., facility evacuation due to prison disturbances or natural disasters). There is a cost associated with use of surge beds; and the DOC’s ability to respond to an emergency is eroded.

Given the uncertainty of actual population versus the estimated population, DOC continues to examine options for adjustments to the correctional system to maximize the use of its existing budgeted capacities in order to meet population needs.

**J. Opiate Addiction Treatment**

2015 Act 55 provided funding for the creation of an Opioid Addiction Treatment Pilot program. JCF placed the \$836,700 GPR annual funding (\$1,673,400 over the biennium) in their supplemental appropriation. DOC must submit a request outlining the program implementation plan to JCF by January 1, 2016. The pilot program will include inmates nearing release from prison and offenders on community supervision.

DOC has created a workgroup that is creating the program implementation plan. Participation in the pilot will be voluntary, including medically-fit offenders who have been assessed with an

opiate addiction and are participating in treatment programs to address the cognitive behavior changes necessary for medication intervention to have a lasting effect.

### **K. Healthcare**

The DOC is constitutionally required to provide healthcare to inmates and is constantly working to provide the most cost-effective healthcare possible. Budgeting for healthcare is very difficult because of the constant introduction of new treatments and medications. DOC, along with other healthcare providers, has seen an increase in the cost of prescription drugs. The cost of dispensed drugs has increased even though the number of dispensed drugs has remained relatively constant.

Drug costs for the DOC increased from \$18,501,700 in FY14 to \$25,353,500 in FY15. New Hepatitis C Virus (HCV) medication, while greatly increasing the cure rate and reducing the side effects, costs approximately \$100,000 per patient. Thus, even with the DOC restricting access to the medication to an estimated 30 inmates per year, the yearly estimated cost is \$3,060,400 for FY16 and FY17 or an increase of \$888,600 from the average of FY12 and FY13 costs.

Generic drug prices have also increased during the past couple years as the number of companies making generic drugs has reduced, allowing the remaining companies to raise the cost of generic drugs. Biologic drug costs have also increased from \$1,273,900 in FY13 to \$1,999,700 in FY14 to \$3,057,800 in FY15.

The DOC and the state of Wisconsin have saved millions since starting Medicaid coverage of inmates in April 2014. Medicaid coverage of inmates admitted to the hospital, which is primarily funded by the federal government, covered \$21,812,400 of inmates' healthcare expenses in FY15. 2015 Act 55 provides \$73,103,000 GPR for inmate healthcare (excluding salary and fringe of permanent employees) in FY16 and \$74,829,000 in FY17. The Department continues to strive to be more accurate in estimating healthcare costs and will monitor expenditures throughout the biennium.

### **L. Third Shift Tower Closures**

The 2015 Act 55 eliminated most third shift tower staff, except for personnel in gatehouse (entry/exit) towers. The Act retained 6.00 FTE third shift tower staff until January 1, 2017, while the other 54.00 FTE were to be eliminated as of October 1, 2015. The final budget act deletes DOC funding by (\$2,351,100) and (54.00) FTE in FY16 and (\$3,381,500) and (60.00) FTE in FY17.

Towers can be closed during third shift without any increased risk to the public, staff, or inmates. During third shift, inmates are sleeping and are not allowed out of their cell or building unless there is an emergency where they would be escorted by DOC staff. Improved technology in recent years makes an officer in the tower during third shift an unnecessary redundancy. Furthermore, the closure plan ensures that all institutions will have an armed perimeter vehicle or internal patrol officer to ensure that no inmate or civilian is near the perimeter of the institution.

**M. Division of Community Corrections – Fee Structure Changes**

2015 Act 55 provided for the creation and change of fees in DOC’s Division of Community Corrections. §20.410 (1) (gn) *Interstate compact for adult offender supervision* created numeric appropriation 143, a PR annual appropriation with expenditure authority in the amount of \$375,900 PR for each year of the biennium. This appropriation was created to enable DOC to collect a fee from offenders/inmates who apply for interstate transfer under the Interstate Compact for Adult Offender Supervision.

In addition to this new fee, the 2015-17 biennial budget act grants DOC flexibility in the administration of supervision fees assessed to offenders under supervision in the community. §304.074(2) states “*The department shall charge a reasonable fee as determined by the department to probationers, parolees, and persons on extended supervision to partially reimburse the department for the costs of providing supervision and services.*” DOC has created a workgroup to determine what changes to the current fee structure are possible under the new language and necessary to increase revenue received via §20.410 (1) (gf) *Probation, parole, and extended supervision.*

**N. Capital Budget**

DOC had 4 of 12 proposed projects enumerated by action of the Building Commission and subsequently approved in 2015 Act 55 for an estimated amount of \$17,422,000. Of this total, \$5.5 million is to be funded by Program Revenue (PR) cash, while the remainder would be sustained by General Fund Supported Borrowing (GFSB). The four enumerated projects are listed below:

Project	Budget
Bureau of Correctional Enterprises – Farm Upgrades (Waupun & Fox Lake)	\$5.5 million PR
Oshkosh Correctional Institution – Sewer System Upgrade	\$2.0 million GFSB
Kettle Moraine Correctional Institution – Waste Water Expansion	\$2.0 million GFSB
Racine Correctional Institution – Health Services Unit Building	\$7.9 million GFSB

There was no allotment of new funding for the All Agency program (including small projects) in the 2015-17 biennial budget, and as such the budget will only use existing bonding authority. DOC’s unused All Agency program authorized bonding – including small projects from the 2013-15 biennium – will be carried over for use in the 2015-17 biennium.

**O. Youth Aids Transfer from DOC to DCF**

Effective January 1, 2016, statewide oversight of juvenile community-based delinquency-related services will be transferred from the DOC to the Department of Children and Families (DCF) in accordance with 2015 Act 55. In addition to oversight provisions, the funding associated with the Youth Aids, Community Intervention, and Indian Juvenile Placements programs will also be transferred to DCF. DOC will provide assistance to DCF in order to create a successful transition

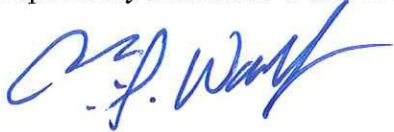
of these programs and services to DCF, and will also provide support as requested after the January 1, 2016 implementation date.

*Statement on Flexible Work Schedules*

DOC recognizes the value and benefits of providing a flexible environment to our employees. A traditional full-time work pattern does not always meet the needs of our employees for various reasons. DOC is committed to providing flexibilities whenever possible and promotes the philosophy in DOC. All Divisions are directed to employ alternative work scheduling when operationally feasible and to create permanent part-time positions where possible.

While the nature of DOC's mission and work spaces limits the use of alternative work patterns for some employee groups, the strategies are widely used in other, more appropriate, parts of our organization. For these employee groups DOC utilizes a variety of strategies, including staggered normal working hours, flextime, deviated work weeks and extensive use of job sharing. In addition to permanent alternative schedules, the DOC also encourages the use and promotion of short term alternate schedules or work patterns to meet an employee's unique needs/situation when recovering from an illness, family medical leave, etc.

Respectfully submitted October of 2015



Edward F. Wall, Secretary  
Department of Corrections