

**Testimony on HB 4110 – Insurance Coverage Retention for County Jail Inmates
To House Health Care Committee
February 12, 2014**

Dear Chair Greenlick and Members of the House Health Care Committee,

I am testifying in support of HB 4110 with the -3 amendment on behalf of the Association of Oregon Community Mental Health Programs (AOCMHP). AOCMHP represents county-based directors of community mental health programs and health and human services departments.

Our interest in this bill pertains to the health and well-being of inmates with mental illness and substance use disorders whose discontinuation of care due to lack of coverage increases rates of reincarceration and leads to poor and more costly outcomes. Disruption in care during incarceration and after release shifts costs to hospitals, state, county and city governments. Furthermore, the Affordable Care Act requires maintenance of coverage for individuals with qualified health plans who are held in county jails, pending disposition of charges.

Data from national studies and from a recent survey of Oregon county jails indicate that an average of 60% of county jail inmates are awaiting court action on a current charge; that is, they are pretrial detainees or preadjudicated and have not been found guilty of a crime. Sixty-four percent of these individuals have some form of mental illness; 15% of males and 31% of females have a serious mental illness. Two-thirds of jail inmates are dependent on alcohol or drugs. A Washington State study found that for those individuals with criminal justice involvement who receive addictions treatment, the re-arrest rate is 33% lower than for those who do not receive treatment, and the estimated savings for each person treated ranges from \$5,000 - \$10,000. This translates to \$2.05 in taxpayer benefits per dollar of cost and the largest savings are associated with reduced health care costs. (Source: Mancuso, D, Felver, B. *Bending the Health Care Cost Curve by Expanding Alcohol/Drug Treatment, Washington State DSHS Research and Data Analysis Division, RDA Report 4.81 (Sept 2010)*; Mancuso, D, Felver, B. *Providing chemical dependency treatment to low-income adults results in significant public safety benefits, Washington State DSHS Research and Data Analysis Division Report 11.130 (Feb 2009)*).

The Affordable Care Act (ACA) specifies that “an individual shall not be treated as a qualified individual if at the time of enrollment, the individual is incarcerated, **other than pending disposition of charges**”. This language allows individuals to newly enroll in a qualified health plan (QHP) or maintain existing coverage through a QHP while incarcerated and pending disposition of charges, and for health services provided while the individual is pending disposition of charges to be paid for by the QHP. In Oregon, the average jail stay for an individual incarcerated and pending disposition of charges is 14 days. The average monthly cost of health care services in jail is \$412 including health care staff costs. In light of the relatively short amount of time in jail and consequently low cost of treatment in jail, it makes sense

to retain the individual's insurance coverage in order to maintain the individual's health care and save bigger costs that result from discontinuing care.

The ACA provides the opportunity to significantly increase the number of justice-involved individuals with income from 138% - 405% FPL who will be able to purchase qualified health plans (QHP) with federal premium subsidies through health insurance exchanges. Community Oriented Correctional Health Services (COCHS) estimates that about one-third of the justice-involved population is eligible for premium subsidies to buy QHPs through exchanges. This is a substantial increase from the 8% average of county jail inmates covered by private health insurance in Oregon currently, and is the basis for our advocacy of this bill - to ensure the ACA directives are upheld in Oregon for the preadjudicated population.

Thank you for the opportunity to provide testimony in support of HB 4110.

Sincerely,

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