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3 From the Director, Office of Performance, Strategy, and Budget, Department of
4 Administrative Services, requesting approval to process the following administrative
5 fund transfers: \$4,526,055 from the Debt Service Reserve to General County Debt
6 Service to pay debt expenses, while also providing levy-financed expenditure authority
7 in the amount of \$4,526,055 to the House of Correction (HOC); a technical transfer in
8 the amount of \$1,080,000 from Charges to Other County Departments to the
9 Appropriation for Contingencies; and \$1,080,000 from the Appropriation for
10 Contingencies to the HOC for inmate medical, dental, and mental health services
11 provided at the Milwaukee County Jail and HOC, insourcing analysis, a contract
12 monitor, pharmaceutical cap and overages, and specialty care overages in 2019, by
13 recommending adoption of the following:

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15 **AN AMENDED RESOLUTION**

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17 WHEREAS, in 2018, with support from the Procurement Division, Department of
18 Administrative Services, the House of Correction (HOC), and Milwaukee County
19 Sheriff's Office issued a Request for Proposals (RFP) for the correctional medical
20 services provider for a new contract for health care services in the Milwaukee County
21 (the County) Jail (MCJ) and HOC beginning in 2019; and

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23 WHEREAS, the 2019 Requested, Recommended, and Adopted Budgets for the
24 HOC were being determined at the same time that the RFP process was underway for
25 the provision of inmate medical, dental, and mental health services at the MCJ and
26 HOC; and

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28 WHEREAS, exact expenditure amounts for all items related to the provision of
29 inmate medical services were not know, and estimates had to be made; and

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31 WHEREAS, these budgeted expenditures were less than the total amount of
32 funds required to provide these services in 2019; and

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34 WHEREAS, the contract extension with Armor for the period effective January 1,
35 2019, through March 31, 2019, and the final contract with Wellpath, LLC (Wellpath),
36 increased the anticipated cost of medical services for 2019; and

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38 WHEREAS, costs such as the contract monitor, National Commission on
39 Correctional Health Care, Inc., (NRI) insourcing analysis, pharmaceutical cap and
40 overages, and specialty overages also require additional funding; and

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42 WHEREAS, the 2019 HOC budget provides \$17,606,017 for the provision of
43 inmate medical services and the hiring of a contract monitor; and

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45 WHEREAS, \$1,080,000 was budgeted for 2019 in the Charges to Other County
46 Departments for potential increases in costs to correctional medical services; and
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48 WHEREAS, this amount is requested to be transferred from Charges to Other
49 County Departments to be used as intended to cover additional correctional medical
50 service costs; and
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52 WHEREAS, actual expenditures are estimated at \$22,132,072 to address the
53 Armor contract extension, Wellpath pro-rated contract amount, NRI insourcing analysis,
54 contract monitor, pharmaceutical cap and overages, and specialty care overages; and
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56 WHEREAS, this amount requires an additional \$4,526,055 to be transferred from
57 the Debt Service Reserve to the HOC's budget; and
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59 WHEREAS, this amount is based on the five-year contract cost with Wellpath;
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62 WHEREAS, if a two-year contract is executed instead, the transfer amount will
63 increase by \$145,351 for a fund transfer total of \$4,671,406; and
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65 WHEREAS, if a one-year option is selected instead, it will increase the transfer
66 amount by \$592,953 for a transfer total of \$5,119,008; and
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68 WHEREAS, the funding is necessary for the HOC and MCJ to continue to
69 provide correctional medical services at both facilities beyond March 31, 2019; and
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71 WHEREAS, the Committee on Finance and Audit, at its meeting of February 1,
72 2019, reaffirmed the adopted policy to pursue insourcing of inmate medical services,
73 and by approving a two-year contract with Wellpath, provided enough time for the
74 County and its consultants to complete the thorough analysis and careful planning
75 required to directly provide these services; and
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77 WHEREAS, to provide adequate funds to complete the County's due diligence of
78 insourcing inmate medical services, an allocation of \$300,000 is provided within an
79 allocated account within the Appropriation for Contingencies for costs beyond the Phase
80 1 services provided by the NRI; and
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82 WHEREAS, the Committee on Finance and Audit, at its meeting of February 1,
83 2019, recommended adoption of File No. 19-194 as amended (vote 5-0); now,
84 therefore,
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86 BE IT RESOLVED, based on the approval of a if a five two-year contract option
87 with Wellpath, LLC is chosen, the Milwaukee County Board of Supervisors authorizes
88 the Office of the Comptroller and the Department of Administrative Services to process
89 an administrative fund transfer from the Debt Service Reserve in the amount of
90 ~~\$4,526,055~~ \$4,971,406 to General County Debt Service to pay debt service expenses.
91 The transfer will also provide levy-financed expenditure authority of ~~\$4,526,055~~
92 ~~\$4,671,406~~ from General County Debt Service to the House of Correction (HOC), and
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94 an allocation of \$300,000 shall be placed into an allocated account within the
95 Appropriation for Contingencies for due diligence costs (beyond Phase 1 analysis
96 performed by National Commission on Correctional Health Care Resources, Inc., (NRI)
97 related to insourcing inmate medical services, and in addition, a technical transfer of
98 \$1,080,000 from Charges to other County Departments to Appropriation for
99 Contingencies, then from Contingencies to HOC's budget will occur.

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