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Reporting on Prison Privatization and Related Issues

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Private Prison Operators Enter Medical Care Market

As criminals receive lengthier sentences and serve a greater percentage of their prison terms under three-strikes, truth-in-sentencing and mandatory minimum laws, the number of elderly inmates and prisoners with health problems has increased proportionally. Some consider this trend to be the result of a misplaced emphasis on incarceration as a solution to crime, while others view it as a profit-making opportunity.

Several companies have developed a niche market of building and operating private medical prisons to treat ailing inmates. Last September Just Care, Inc., an Alabama-based corporation, opened the Columbia Care Center in South Carolina. Advertising the facility as "an alternative resource for medically dependent inmates," the company hopes to attract state, county and federal prisoners to fill the center's 326 beds. As of last December the private medical prison housed just two incarcerated patients.

Just Care CEO Tull Gearreald, who opened the Columbia facility without advance contracts, is confi-

dent the low-cost medical services his company offers will attract additional customers. "We feel pretty good about our chances," he said.

According to promotional literature the Columbia Care Center, a renovated state mental hospital, provides sub-acute, skilled, intermediate and hospice care for ill and disabled inmates, and claims savings of 20-50% through reduced overhead and flat-rate fees. Although the center provides extensive medical services Just Care notes that "security comes first" at the facility, which is surrounded by a 15-foot, electronically monitored fence topped with coils of razor wire.

The Columbia Care Center also provides rehabilitative services in the form of "voluntary Christian education programs." Rehabilitative programs based on other religions evidently are not offered.

Just Care isn't the only player in the private medical prison market. Corrections National Corp. of San Antonio, Texas plans to open a 700-bed facility in Clearfield County, Pennsylvania next year that will offer

nursing, geriatric and hospice care for prisoners. And CCA has operated the Correctional Treatment Facility, a Washington, D.C. prison for addicted and mentally ill inmates, since March 1997 (see *PCINB*, Dec. 1998, pg. 8).

Corrections National Corp. and Just Care plan to expand their operations, counting on steadily increasing numbers of elderly inmates who tend to have more health problems. According to the Criminal Justice Institute the percentage of the prison population age 50 and older grew from 4.9% in 1990 to 6.8% at the beginning of 1997.

The Council of State Governments estimates there are over 4,000 prisoners age 50 or older in Florida alone — including 200 over 70 years old. The number of elderly inmates in state and federal facilities nationwide is expected to reach 225,000 in 2005, representing a growing trend toward prisons as retirement homes for elderly convicts.

Further, inmates at all ages are more prone to have debilitating illnesses due to [continued ⇨]

ADMINISTRIVIA

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WANTED

Articles, clippings and news reports regarding the private corrections industry — please include the source and date of all materials submitted.

histories of substance abuse, poverty, and poor health care and hygiene. "It's mostly because of [their] abusive lifestyle," says Tish Smyer, a professor at the South Dakota State University College of Nursing who is conducting a study on medical care for elderly inmates. "These are high-risk people. Lots of hepatitis C, cardiac problems, diabetes, all the normal chronic ailments except for more drug abuse and sexually transmitted diseases."

Just Care estimates that about one in fifty inmates is medically dependent, requiring treatment at an average cost of over \$300 a day. The Florida Dept. of Corrections spends more than \$200 million a year on medical services for prisoners.

And the more elderly, ill and disabled inmates in the corrections system, the greater profit potential for private medical prison operators. Norm Cox, founder and president of Corrections National Corp., hopes to open four 500 to 1,000-bed secure health care facilities in the next five years; Just Care plans to open fifteen medical prisons over the same period of time.

Ken Faiver, a corrections consultant in Lansing, Michigan, acknowledged the existence of a market for privately-operated medical prisons but cautioned that doesn't guarantee success. "There's a need out there, no question about it," he said. "But you could lose your shirt if you go out and find there's not much acceptance of your product. Need is one thing, but will it be politically acceptable?" □

Sources: *The Philadelphia Inquirer*, December 2, 1998; *Florida Prison Legal Perspectives*, Nov./Dec. 1998; Just Care, Inc. brochure.

Proposed Private Prison Faces Opposition

When Wackenhut Corrections Corp. expressed interest in building and operating a 1,200-bed prison in Prairie du Chien, Wisconsin, Mayor Karl Steiner voiced his support. He said the project would create 300 jobs and increase the city's tax base by almost \$35 million. After meeting with Wackenhut representatives last December, Steiner reported company officials wanted the support of the community, too. They didn't get it.

Prairie du Chien is already home to a state-run prison, and local residents objected to another correctional facility. City Council member Dale Boldt said she had received about 20 calls regarding the proposed prison and all but one were negative. "They just don't want to make this a prison town. ... And they don't like the idea that it would be privately run," she stated.

Councilman Mark Oehler said he was upset that Mayor Steiner did not confer with the council members or include them in discussions with Wackenhut. Steiner had proposed giving the company tax incremental financing benefits to locate a facility in Prairie du Chien.

The City Council noted that the legislature had not authorized the Dept. of Corrections to house inmates at private prisons in Wisconsin.

State Rep. Scott Walker introduced a bill in 1998 to allow the corrections department to contract with in-state private prison operators but it died at the end of the legislative session. He plans to introduce a similar bill this year. □

Sources: *The LaCrosse Tribune (WI)*, December 11, 21, 1998.

Other Private Corrections Industry Resources

Corrections and Criminal Justice Coalition (CCJC), Route 2, Box 1144, Harpers Ferry, WV 25425 (888) 315-8784; www.ccjc.com. A consortium of anti-privatization corrections employees' unions.

Corrections USA (CUSA), P.O. Box 394, Newton, NH 03858 (603) 382-9707; www.cusa.org. A professional association of public corrections employees opposed to prison privatization.

Prison Reform Trust, 15 Northburgh Street, 2nd Floor, London, EC1V 0JR England; phone: 011-44-171-251-5070; e-mail: prt@prisonreform.demon.co.uk. Publishes the *Prison Privatisation Report Int'l (PPRI)*, which covers news about the private corrections industry in the U.S. and abroad.

Private Corrections Project, Center for Studies in Criminology and Law, Univ. of Florida, Gainesville, FL 32611 (352) 392-1025; web site: web.crim.ufl.edu/pcp. Conducts research into prison privatization. Note that the Project receives funding from the private corrections industry; Prof. Charles W. Thomas, director of the Project, is also a director of Prison Realty Corp.

Reason Foundation, 3415 S. Sepulveda Blvd. #400, Los Angeles, CA 90034 (310) 391-2245; www.reason.org. A libertarian-oriented think-tank that favors prison privatization. Note that the Foundation receives funding from Wackenhut, Securicor and U.S. Corrections.

CUSA Decries Private Prison Unionizing

Brian Dawe, the director of operations for Corrections USA, a professional organization of public corrections employees, has condemned efforts by labor unions to recruit staff members at private prisons, calling the practice "hypocritical."

Dawe noted that CUSA has a zero tolerance policy on prison privatization. "How do you negotiate for job security of your members today and attempt to put their employers out of business tomorrow?" he asked.

Dawe said the American Federation of State, County and Municipal Employees had vowed to "fight like hell" against private prisons; however, last August the union decided to consider representing workers employed by private companies to reduce the incentive to contract out.

Dawe also noted that the AFL-CIO, which supported an attempt by CCA to privatize Tennessee's corrections system in 1997, owns about \$10 million worth of the company's stock.

In a related conflict of interest between public employees and the private sector, Dawe said numerous state and local government pension funds are invested in CCA, including the Los Angeles County Employees Retirement Association, Idaho Public Employees Retirement System, New Jersey Division of Investment, Florida State Board of Administration, Minnesota State Board of Investments, Milwaukee Employees Retirement System, and California Public Employees Retirement System. The New York State Common Retirement Fund holds stock in Wackenhut. □

Source: *PPRI*, January 1999.

Colorado City Protests Private Prison Plan

Newly elected Colorado governor Bill Owens is considering privatizing a 2,445-bed prison being built in Trinidad to speed up construction and reduce expenses. "The governor is very much pro-private prisons ... and he feels the key thing is to get [the facility] built and operating the best way possible for the people of Trinidad and the taxpayers of Colorado," said Dick Wadhams, a spokesman for Owens.

The city received start-up funds for the state prison several years ago but the project was halted in late '98 due to construction problems. Trinidad had been trying to attract a correctional facility for the last 16 years; however, the city does not want it to be privately operated.

City officials say they committed \$1.6 million to construction of the facility based on the project being a public, not private, prison. "We don't care who builds it, but we want it to be a state-operated facility," said Trinidad Mayor Harry Sayre. State Senator Gigi Dennis and Rep. Ken Kester, whose districts include Trinidad, also oppose privatization of the prison.

City manager Jim Soltis noted that entry-level state corrections officers earn \$5,000 to \$6,000 more than most entry-level guards at privately-operated facilities, and that public employees receive better insurance, pensions and other benefits. "My concern is essentially a matter of wage scales," he said. □

Sources: *The Denver Post*, Jan. 28, 1999; *The Pueblo Chieftain*, Jan. 16, 22, 1999.

In the News

CCA has announced plans to build a \$45 million 1,000-bed prison in Telfair County, Georgia although the company lacks a formal agreement to house state inmates at the facility. CCA officials and House Appropriations Committee Chairman Terry Coleman say there is an "understanding" with the state, but Dept. of Corrections Commissioner Wayne Garner denies that any negotiations have taken place. Source: *The Atlanta Journal-Constitution*, Dec. 30, 1998.

The director of the Arkansas Division of Youth Services has announced that the state is considering hiring a private firm to operate the Alexander Youth Services Center, a secure juvenile detention facility. Source: *Commercial Appeal* (TN), Jan. 30, 1999.

Lea County Commission Chairman Ken Batson is encouraging Wackenhut Corrections to build a 1,250-bed facility in Lovington, New Mexico. Wackenhut already operates prisons at Hobbs and Santa Rosa. Source: *U.S.A. Today*, Feb. 3, 1999.

Correctional Medical Services, Inc. (CMS), the nation's largest for-profit prison health care provider, is being sued by Janie Kushniruk, a registered nurse employed by CMS at the Macomb County Jail in Michigan. Kushniruk claims she was suspended without pay because she refused to change her medical notes concerning the December 5, 1998 death of inmate Larry Golson. CMS denies her allegations. Source: *PPRI*, Jan. 1999.

Another CCA Escape

Convicted killer David Britt, 25, was captured February 2, three days after he absconded from the CCA-operated South Central Corr. Center in Clifton, Tennessee.

The Jan. 30 escape occurred when CCA guard Christine McClain, 41, brought in an extra uniform and accompanied Britt, dressed as an officer, out of the prison at shift change. She has since been charged with facilitating the escape. Tenn. Bureau of Investigation spokesman Mark Gwyn said McClain may have helped Britt out of "sympathy."

Britt was serving a life sentence for murdering the husband of a staff member at a juvenile facility where he had been incarcerated; he and the female employee had had an affair.

While at South Central in 1994 Britt married CCA officer Debra Sikes, who quit her job at the facility shortly before they were wed. And among Britt's disciplinary violations at South Central was a charge of "soliciting a personal relationship" with a prison guard. CCA Warden Kevin Myers declined to comment on the solicitation incident.

Following his capture Britt was transported to a maximum-security facility in Nashville. Warden Myers stated he wasn't sure if Britt would return to the Clifton prison. "Elvis," he said, "has left the building."

Last October four inmates escaped from South Central by cutting through the perimeter fences; all were eventually caught (see *PCINB*, Nov. 1998, pg. 1; Jan. 1999, pg. 2). □

Sources: *Commercial Appeal* (TN), February 3, 4, 1999; *The Tennessean*, February 1, 3, 1999.

Cornell Facility Criticized

Georgia's first private prison, the 750-bed D. Ray James State Prison in Charlton Co. operated by Cornell Corrections, has been cited for lax security and filthy conditions in two state audits.

The audits were based on inspections of the privately-run facility conducted by Dept. of Corrections officials on Nov. 18-19 and Dec. 9. The Cornell prison was criticized for security lapses, poor record-keeping and inadequate tracking of inmates; on some days officers reportedly did not know how many prisoners they were supposed to be monitoring.

Cornell vice president Gary Henman said the company has addressed the deficiencies cited in the audits, which stemmed from start-up problems. "We received inmates very quickly, at our request," he said. "We brought them in twice as fast as we originally scheduled."

The private prison opened last October, three months late due to construction delays, and each day without inmates was a day of lost income for the company. The facility is expected to reach capacity by mid-1999; Cornell charges the state \$45.13 per prisoner per diem.

Lowell Hudson, warden of the Cornell facility, said he was being transferred to a prison in California; he emphasized the move was unrelated to the adverse audits. Unlike state officials, some Georgia inmates at the private prison have expressed satisfaction with the amenities and relaxed conditions at the facility (see *PCINB*, Dec. 1998, pg. 2). □

Source: *The Atlanta Journal-Constitution*, December 30, 1998.

In the News

A federal court in New Jersey has held that Correctional Services Corp., its employees and INS officials are not exempt from a lawsuit filed by 19 former detainees at the Elizabeth Immigration Detention Center. Correctional Services, then doing business as Esmore Correctional Services, was operating the facility when a riot broke out on June 18, 1995 due to abusive conditions and mistreatment by staff members. U.S. District Judge Dickinson Debevoise ruled the defendants can proceed with their suit under the federal Alien Tort Claims Act. Source: *PPRI*, January 1999.

According to New Mexico officials, levels of violence at privately-run prisons in the state are comparable to those at publicly-operated facilities. Source: *U.S.A. Today*, Feb. 3, 1999.

News Abroad

Privately-run prisons in the U.K. have experienced a series of suicides. Two inmates at Securicor's HM Prison Parc, Delwyn Bishop-Price, 30, and 19-year-old Michael Rooke, hanged themselves last December. Jonathan Allan, 18, was found hanging at the Group 4-run HM Prison Altcourse on Dec. 14, and Wayne Thomas, 23, hanged himself at HM Prison Doncaster, which is operated by Premier Prison Services, Ltd. An inquest held between Jan. 18 and 22 determined that four other inmates who died at Doncaster in 1998 all committed suicide. Source: *PPRI*, January 1999.

Rent-a-Jail Regulatory Bill Introduced in TN

On February 2 the legislative Select Oversight Committee on Corrections introduced a bill to regulate prisons in Tennessee, both public and private, that house out-of-state inmates. The legislation is largely the result of a series of high-profile incidents at privately-run Tennessee facilities — including inmate disturbances, assaults and escapes.

The proposed legislation would require private prison operators to obtain a state license to house inmates from other jurisdictions. They also would have to receive authorization from the local governing body, and would be barred from housing non-Tennessee prisoners classified as maximum security, who have prior records of escape, or who are serving time for first-degree murder or sex-related offenses.

No Tennessee statute presently regulates private prisons holding out-of-state inmates. "Right now, there's nothing to prevent a company from putting up ... a tent city with barbed wire around it for criminals," stated Rep. Phillip Pinion, vice chairman of the Select Oversight Committee.

Three privately-run facilities in Tennessee, all operated by CCA, house prisoners from other jurisdictions. CCA spokeswoman Susan Hart said the company had not reviewed the legislation but is not opposed to regulatory measures.

The draft proposal of the bill also requires non-Tennessee inmates to be released in their state of origin, mandates criminal record checks of employees and proof of insurance by private prison operators, and authorizes state inspections of privately-run prisons. The bill includes most of

the recommendations for regulating private facilities made by Gov. Don Sundquist in December (see *PCINB*, Jan. 1999, pg. 3).

State lawmakers are considering including a provision that would require states that export inmates to Tennessee to accept Tennessee convicts in return. "If another state wants to use Tennessee as a dumping ground for its prisoners, shouldn't it be logical for us to require the other state to accept our prisoners?" remarked Sen. Robert Rochelle.

State Sen. Pete Springer has further proposed that private prisons be required to release information about escape attempts, employee misconduct and other criminal activities or face stiff fines. According to the Dept. of Correction, CCA currently is required to report such incidents to the contracting state but not to Tennessee authorities.

As an indication of the need for a full disclosure policy, Sen. Springer said a guard was assaulted at CCA's Whiteville Correctional Facility on January 17, and less than two weeks later six inmates climbed over one of two fences at the prison. CCA spokeswoman Hart confirmed that a guard at the facility suffered a broken jaw when a prisoner struck him with a table leg. Assistant Warden Mike Tweedy disputed the account of the escape attempt, saying five inmates got out of a locked building and made it to the first perimeter fence before being stopped. □

Sources: *The Jackson Sun*, Feb. 7, 1999; *The Tennessean*, Feb. 3, 1999; *U.S.A. Today*, Feb. 3, 1999; *Commercial Appeal* (TN), Feb. 3, 1999.

UPDATES

The Maryland-based Prison Realty Corp., a real estate investment trust, is the end result of the January 1999 merger of CCA and the Prison Realty Trust (see *PCINB*, Dec. 1998, pg. 7). Source: *Tennessean*, Jan. 27, 1999.

A Correctional Services Corporation operated Youth Development Center in Pahokee, Florida accused of keeping ten juveniles beyond their release dates now faces additional problems (see *PCINB*, Jan. 1999, pg. 1). Last December the Florida chapter of the ACLU filed a public records request with Correctional Services for 18 documents, including records of complaints by juvenile offenders and a schedule of release dates. The company refused to provide the requested information, saying it should not be in the public domain. Also, on Dec. 2, 1998 forty employees at the juvenile facility staged a protest against a new overtime policy. Correctional Services had instituted the mandatory overtime policy to address state concerns about inadequate staffing levels. Source: *PPRI*, January 1999.

David Dwight Walker, a former supervisor at the CCA-operated South Central Corr. Center in Wayne Co., Tennessee, was arraigned Jan. 28 on three counts of introducing contraband into the prison. The charges stem from an investigation of the Oct. 12 escape of four inmates from South Central (see *PCINB*, Nov. 1998, pg. 1; Jan. 1999, pg. 2), which was accomplished with bolt cutters that Walker allegedly brought in. Source: *Tennessean*, February 1, 1999.

Report Critical of CCA, D.C. DOC

According to a report by the U.S. Dept. of Justice, commissioned by the U.S. Attorney General's office, the D.C. Department of Corrections "irresponsibly" sent hundreds of high security inmates to the CCA-operated Northeast Ohio Correctional Center in Youngstown. The failure to properly classify these prisoners resulted in dozens of assaults and a homicide that "should never have happened" stated the report, which was released December 4, 1998.

The Department of Justice report found that the CCA facility had opened in May 1997 with no policies or procedures in place and had lax security, poorly trained and inexperienced employees, and few work or educational programs for inmates. The report noted "pivotal failures in [the prison's] security and operational management as a result of seriously flawed decisions by leaders of both CCA and [the D.C. Department of Corrections]."

The report was based on the findings of a four-month inspection and review of the Youngstown prison that was requested by Attorney Gen-

eral Janet Reno after Ohio Governor George Voinovich announced his desire to close the privately-operated facility following the July 25, 1998 escape of six inmates from the prison (see *PCINB*, Aug. 1998, pg. 1).

Former D.C. Department of Corrections officials were faulted for rushing into a contract with CCA to expedite the transfer of inmates from the Lorton Correctional Complex in Virginia. The Dept. of Justice report determined the resulting \$182 million contract was "at a somewhat inflated price, with weak requirements on the contractor and minimal provisions for enforcement."

CCA was criticized for accepting prisoners at the medium-security Youngstown facility despite knowing they were not medium security "under any reasonable correctional standards." The report also found that CCA officials failed to provide a safe environment, noting that 44 assaults and two murders had occurred at the prison. □

Source: *The Washington Post*, Dec. 5, 1998.

Thomas Faces Another Ethics Complaint

A second ethics complaint has been filed against Prof. Charles W. Thomas, director of the Private Corrections Project at the University of Florida, concerning his business connections with private prison firms (see *PCINB*, Dec. 1998, pg. 6).

The Florida Police Benevolent Assoc., a union representing state corrections employees that filed the initial ethics complaint, contends a

conflict of interest exists because Thomas is being paid \$3 million for providing consultancy services in connection with the merger of CCA and the Prison Realty Trust.

A hearing on the initial complaint, in regard to Thomas' investments in private prison companies, is scheduled for May 19, 1999. □

Source: *PPRI*, January 1999.