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### **Lawsuit filed over Missouri prison healthcare contract The dispute about the \$1.4 billion contract to provide prisoner health care in Missouri is moving into the courts**

Corizon Health, which has held the Department of Corrections contract since 1992, filed a lawsuit Monday in Cole County alleging unfair treatment and improper scoring gave the contract to Centurion Health, a Virginia subsidiary of St. Louis-based managed care company Centene. The existing contract was set to expire July 1 but has been extended to Oct. 1. Corizon filed a protest June 14 over the contract, which was turned down July 30. The lawsuit names as defendants the state Office of Administration and the Division of Purchasing. "Defendants have engaged in multiple unfair and unlawful practices that rendered the procurement process unfair, unlawful, unreasonable, arbitrary, and capricious, and denied Corizon a fair and equal chance to compete for a re-award of the contract," the lawsuit alleges. A hearing on a temporary restraining order to block the change to Centurion is set for Thursday before Cole County Circuit Judge Daniel Green. Corizon wants an order blocking the change to avoid having to close its central offices in Jefferson City and lose 700 clinical and operational employees at prisons. "If this contract is transitioned before this case is resolved in Corizon's favor, then Corizon will also incur substantial re-start-up costs plus re-employment of personnel issues," the lawsuit states. Neither the Office of Administration, Centene nor Centurion responded to email requests for comment on the lawsuit. In its protest, Corizon accused the state of treating it unfairly in the scoring of its bid. The company also alleged Centurion failed to report problems that cost it a Tennessee contract May 10 - including that key personnel involved in its Missouri bid were fired over their involvement in a bid-rigging scandal. The Department of Corrections wanted to get rid of Corizon, the company contends in the lawsuit, because of a "strained relationship." The strains, the lawsuit states, resulted from Corizon's agitation for higher per capita payments due to COVID-19 costs and because prisoner totals declined, leaving an older population with more health care needs. "Because of Corizon's reasonable requests for amendments of the current contract to include the unforeseeable increased service costs that the DOC did not and does not want to pay, its relationship with the current DOC leadership became strained," states the lawsuit filed by Jennifer Griffin on behalf of Corizon. Centurion Health beat out four other bidders for the contract awarded May 28. Under the terms of the contract, Centurion would be paid \$174.6 million for the year starting July 1. The initial contract term is three years, with four optional years, and Centurion's bid totals \$1.4 billion over the full period. Lawmakers appropriated \$152.8 million for prison medical services in the coming year, the third year where the amount has been unchanged. The actual cost in fiscal 2020 was \$149.9 million. In the protest, Corizon contended the scandal involving the Tennessee contract is important to the Missouri award because key personnel named in the offer to Missouri have been fired because of their involvement. Centurion did not notify Missouri of the changes in key leadership and did not alert the state it had lost the Tennessee contract under a cloud. Corizon also noted it had found numerous instances of improper communication between Centurion and Tennessee officials and that similar communications may be a factor in Missouri. The July 30 response to the protest dismissed those concerns, finding that Centurion's filings with Missouri were accurate at the time and the company had no obligation to make amendments unless it won the contract. The division also looked for communications about the bid that violated purchasing rules, Karen Boeger, director of the division of purchasing, wrote in the response. "After extensive research, neither the division nor (the Department of Corrections) have identified any inappropriate communications that have transpired relative to the procurement process from time of requirement drafting through contract award," she wrote. Boeger also rejected claims the bid scoring was unfair or that the overall cost of Centurion's bid disqualified it because it was more than the state appropriated. The scoring is consistent across all bids, she wrote, and bids were not evaluated against each other until the final scores were reviewed. The cost of the contract is not an issue, she wrote, because lawmakers regularly make supplemental appropriations and have done so for prison health care in nine of the last 20 fiscal years. The Missouri Independent is a nonprofit, nonpartisan news organization covering state government and its impact on Missourians.