

Giuliani and Rikers Island

# New York prison administers medicine for profit

**Bill Vann****24 October 1998**

One of the nation's most sinister experiments in 'managed care' medical service has been taking place in New York City since January, when the Bronx-based St. Barnabas Hospital took over health care in the city's sprawling prison system.

St. Barnabas was awarded \$342 million in the three-year deal to provide medical care for 133,000 inmates on Rikers Island and at the Manhattan Detention Complex. Whatever St. Barnabas does not spend running 11 jail clinics and providing a limited portion of hospitalization costs for inmates, it gets to pocket.

The system provides a built-in incentive for the hospital to cut back on medical services for a population--overwhelmingly poor, young and minority--that has little chance of complaining and whose political influence is less than zero. Whatever St. Barnabas holds back from the prisoners goes to boost the hospital corporation's profits.

Previously, Montefiore and St. Vincent's hospitals provided medical services on Rikers and at Manhattan Detention on a fee-for-service basis, with the city government paying the bills.

The Manhattan District Attorney's office is currently conducting an investigation with an eye toward possible criminal negligence charges against St. Barnabas in connection with apparent malpractice leading to the deaths of as many as a dozen inmates.

Some of the cases under investigation include:

#### Treating heart disease with aspirin

Isidro Pacheco died of a ruptured aorta on June 1. He had gone to the Rikers Island clinic complaining of crushing chest pains and had an abnormal x-ray, but despite multiple visits to the clinic, he was never referred to a specialist. Instead, he was given aspirin.

Hiram Sepulveda died in early September. Imprisoned on Rikers, he was a heroin addict suffering from HIV and asthma. Despite being diagnosed with an enlarged liver and spleen, follow-up tests were not done until he returned to the clinic vomiting blood. He was transferred to a city hospital where he died within a few weeks.

Rafael Nieves had a history of AIDS, asthma and tuberculosis and was diagnosed with symptoms of liver disease. Adequate blood tests were never performed and he was kept on AIDS medication despite the harm that these drugs do in patients with

liver failure. Left to lie in his cell covered in feces and urine and without eating for days, he was finally transferred to a city hospital on June 25. He died there two days later.

Benjamin DeJesus had an abnormal chest x-ray last December, but never received cardiac specialty care. He was forced to wait four months before getting an echocardiogram and never had any cardiology consultation. He died of heart failure on June 24, four days after being sent to a city hospital.

Separate probes are being conducted into the St. Barnabas jail medical practice by the Board of Correction, a city watchdog agency, the State Attorney General's Office and the City Comptroller's Office.

The monthly meeting of the Board of Correction, held October 15, aired fresh accounts of inmates being denied needed care. The board, which is charged with monitoring the Correction Department's compliance with certain minimum health and confinement standards in the city's jails, reported that inmate medical complaints had more than quadrupled since St. Barnabas took over the correctional health services in January.

Reporting on inspection tours of Rikers Island, staff members painted a Dickensian picture of severely ill inmates being denied needed medical attention. In one case, a young man paralyzed from the waist down was receiving no physical therapy. It was reported that the hospital provided no physical therapy on Rikers Island for the first five months of its contract.

According to some medical experts, this start-up phase can be the most lucrative portion of a managed-care contract, with the hospital adding clinical services very slowly and pocketing much of its initial operating budget. According to St. Barnabas's own calculations, it made a 14 percent profit during this period. Similar profits can be reaped at the end of a contract, with care systematically pared down and serious problems passed on to the subsequent contractor.

Other inmates were seen suffering with HIV, diabetes and severely compromised immune systems. While they should have been hospitalized, they were left in their bunks in the inmate dormitories, denied needed care and posing a danger to those around them.

#### Legless inmates denied help

A member of the board's staff reported visiting a dormitory on Rikers Island that housed disabled inmates. They said that they had been waiting for months for prosthetic limbs. In another apparent expression of the profit motive driving medical decisions, the inmates were given business cards from a company that makes the devices and told that they could place the orders themselves, if and when they were released. St. Barnabas, meanwhile, failed to approve requests that they be provided the limbs so that the inmates could function normally in the jail itself.

Joseph Erazo, the executive director of the Health and Hospitals Corporation's Division of Correctional Health Services, which is responsible for administering the St. Barnabas contract, said he had recently reviewed the deal and concluded that it was not a managed-care agreement, and that it provided 'no financial incentive not to provide care.'

Board of Correction Chairman John R. Horan, a trusted political appointee of Mayor Rudolph Giuliani, replied incredulously: 'Are you saying that if you pay someone a lump sum to provide health service and give them latitude to spend under the sum that there is no incentive? The opposite seems obvious.'

Amid the growing charges over the St. Barnabas contract, a report surfaced tying Mr. Erazo, a politically connected lawyer, with another managed health care company that has been indicted, together with its top officials, on charges of grand larceny and fraud. The plan, New York Health Plan, was also awarded a managed health care contract by the Giuliani administration to take city Medicaid patients. It failed to sign the patients up with physicians, however. Mr. Erazo reportedly owned 8 percent of the company's stock.

Mayor Giuliani has dismissed the mounting criticism of the St. Barnabas deal, calling it a 'constructed effort' by the hospitals that lost a competitive bid for the jail medical contract. As in every case where the failure of his right-wing policies becomes evident, Giuliani's policy is one of relentless attack.

'You have disgruntled bidders who lost a contract and correction officers who don't want to lose overtime who are spinning this,' the mayor said at an October 15 City Hall press conference.

#### Law and order and the free market

The jailhouse managed care contract provides a particularly revealing exposure of the New York mayor's policies. As he positions himself for a possible run for national office in 2000, Giuliani has repeatedly described himself as a law-and-order, free market Republican. In the care doled out by the Rikers clinics one can see the grotesque intersection of the policies of 'getting tough on criminals' and the direct subordination of all government functions to the profit motive.

The mayor's supporters, such as the right-wing Neanderthals on the editorial board of Rupert Murdoch's *New York Post*, dismiss concern over the medical conditions on Rikers as liberal dementia.

'Save the Inmates?' a *Post* editorial blared in an evident mocking suggestion that the 'bleeding hearts' had transferred their affections from the whales to the Rikers prisoners. The paper denounced any suggestion of 'medical pampering for the low-lives in the city jails.'

One is left with the definite suspicion that if the editors had their

way the medical contract for the 'low-lives' would have been awarded to a modern-day equivalent of Dr. Mengele.

Social inequality in New York has separated the tens of thousands of impoverished youth incarcerated on Rikers Island to such an extent from Manhattan's concentrated population of multimillionaires that the latter have come to consider themselves virtually a separate species. Disease, however, recognizes no such boundaries.

The jails bring together the poorest and most oppressed layers of society. Many of them are addicted to drugs and many are already infected with deadly diseases before they are placed behind bars. They are confined together in close and ill-ventilated quarters for months or years before they are set back on the streets again.

Beginning in the late 1980s it became apparent that Rikers was rapidly turning into an ideal incubation center for new, drug-resistant strains of tuberculosis. Only an aggressive, multi-million-dollar program, funded largely by the federal government, succeeded in stemming a threatened TB epidemic. But now the days of such 'pampering' are apparently over.

Among the reports emerging from the new managed-care system in the New York jails is that at least 100 women diagnosed with syphilis were never treated before being released still infected with the contagious disease. The failure to treat syphilis, which in most cases can be cured with a single dose of antibiotics, is symptomatic of the enormous societal cost that the experiment in prison health care for profit can ultimately entail.

In the immediate case, it means sending women back to their homes with a disease that not only will make them more susceptible to AIDS but will be passed on to others, including to their own children, who can be born with mental retardation, blindness and bone disease.

The same method applied to other diseases, such as TB, can signal the resurgence of plagues the likes of which have not been seen in the US for more than a century.

In the end, the barbarism that the profit system inflicts on the most oppressed and defenseless sections of the population, many of whom are to be found behind bars in places like Rikers Island, rebounds on society as a whole in the form of the most virulent medical and social pathologies.



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