IN THE UNITED STATES DISTRICT COURT

FOR THE NORTHERN DISTRICT OF CALIFORNIA

MARCIANO PLATA, et al.

Plaintiffs,

vs.

ARNOLD SCHWARZENEGGER, et al.

Defendants.

No.: C01-1351 T.E.H.

RECEIVER'S FIFTH QUARTERLY REPORT

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I.

INTRODUCTION

The Order Appointing Receiver ("Order") filed February 14, 2006 requires that the Receiver file his "Plan of Action" within 180-210 days. In the interim, the Order calls for the Receiver to undertake "immediate and/or short term measures designed to improve medical care and begin the development of a constitutionally adequate medical health care delivery system." Order at page 2-3. In addition, pursuant to page 3, lines 16-22 of the Order, the Receiver must file status reports with the Court on a bi-monthly basis concerning the following issues:

A. All tasks and metrics contained in the Plan and subsequent reports, with degree of completion and date of anticipated completion of each task and metric.

B. Particular problems being faced by the Receiver, including any specific obstacles presented by institutions or individuals.

C. Particular success achieved by the Receiver.

D. An accounting of expenditures for the reporting period.

E. Other matters deemed appropriate for judicial review.

This is the Receiver's Fifth Quarterly Report.[1] He addresses herein issues B through E.[2] In order to summarize the major remedial projects that are underway and to place the particular problems facing these remedial efforts into context, issues B and C will be presented in reverse order: the particular successes of the Receiver addressed first, and the particular problems faced by the Receiver discussed second.

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[1] The Receiver will file Quarterly, rather than Bi-monthly, Reports. (See Order filed February 21, 2007.)

[2] Issue A concerns the measurement of progress made on items detailed in the Receiver's Plan of Action which was filed with the Court on May 10, 2007. The Court has established a briefing schedule concerning this filing, as explained below. Issue A will be discussed in subsequent Quarterly Reports.

II.

PARTICULAR SUCCESSES ACHIEVED BY THE RECEIVER

A. Introduction.

This Quarterly Report is being filed during a time of considerable receivership activity. During this reporting period, the Receiver has filed his Plan of Action, a Report on Overcrowding, four Motions for Waiver of State Law and his "May Revise". So as not to repeat the contents of these other Court filings, this Quarterly Report will only briefly summarize their content and report on the disposition of each motion.

Concerning the Receiver's many on-going remedial pilots and projects, there have been numerous significant successes during this reporting period, including: (1) construction of the Triage and Treatment Area (TTA) at San Quentin was completed and, at present, is fully operational; (2) as of May 31, 2007, the Medical Technical Assistant (MTA) to Licensed Vocational Nurse (LVN) conversion is complete; there are no MTAs working in the adult institutions statewide; (3) the Receiver's aggressive recruitment practices along with salary increases have resulted in the hiring of an average of 25 Registered Nurses every month and have significantly increased the number of Physician and Surgeon applications; (4) the Plata Support Division has made progress in restructuring existing State medical care support services functions into a single appropriately organized and managed organization; and (5) the Specialty Care Contracts Pilot is proceeding on schedule, piloting new procedures and an information technology system at four prisons.

B. Plan of Action.

In accordance with the Court's Order Appointing Receiver, on May 11, 2007, the Receiver filed a Plan of Action and an accompanying Report Re Plan of Action, setting forth his plan for restructuring and developing a constitutionally adequate medical health system in California prisons. In addition to outlining a prison medical delivery system roadmap to guide both long term and short term remedial efforts, the Plan includes the establishment of administrative structures to document, accurately track and report metrics for the remedial programs.

Since the Receiver's Plan is entirely different from the implementation programs that were developed through stipulation in this case, along with the Plan of Action, the Receiver filed concurrent with his Plan, a Motion to Modify the Stipulated Injunction and Other Orders. The motion set forth the Receiver's recommendations regarding those provisions of the stipulations and orders that should be carried forward, and those that should be modified or discontinued due to changed circumstances.

The Court issued a briefing schedule to allow all parties to respond to the Receiver's Plan and his Motion to Modify Stipulated Injunction and Other Orders. (May 17, 2007 Scheduling Order re Receiver's (1) May 2007 Plan of Action and (2) Motion for Order Modifying Stipulated Injunction and Other Ordered Entered Herein.) The parties' Responses are due by June 29, 2007; any Replies are due by July 20, 2007; and a hearing will be held on August 9, 2007. (*Ibid.*) In addition, the Receiver will file a revised Plan of Action by November 15, 2007. (December 19, 2006 Order.)

C. Receiver's Report Re: Overcrowding.

On February 15, 2007, the Court directed "the Receiver to report to the Court within 90 days of the date of this Order, his best assessment of the manner, and extent to which overcrowding is interfering with his ability to successfully remedy the constitutional violations at issue." (February 15, 2007 Order at 4:3-13.) The Order also called for the Receiver to provide the Court with information concerning the "types of obstacles" that overcrowding presented to the Receivership. (*Id.*)

In response to that Order, on May 15, 2007 the Receiver filed his Report Re: Overcrowding in which he explained how the characteristics of overcrowding within California's massive prison system has especially adverse consequences concerning the delivery of medical, mental health and dental care. In addition to summarizing the manner by which overcrowding interferes with the Receiver's remedial projects, the Report also analyzes the impact of the recent 2007 California Legislation, Assembly Bill (AB) 900. On May 31, 2007 the Receiver requested the Court's permission to file a motion to implement recommendations in the Overcrowding Report. On June 4, 2007, the Receiver further requested the Court's permission to file a

supplemental overcrowding report. That request was granted on June 6, 2007, and the Supplemental Report was filed on June 15, 2007.

On May 29, 2007, the Courts in this case and in *Coleman* (a class action suit aimed at remedying the constitutional violations of inmates with mental health needs) issued an Order to Show Cause why pending motions "to convene a three judge panel to limit prison population" made by Plaintiffs in both cases, should not be heard jointly. On June 6, 2007, the Court ordered a joint hearing on the motions to be held on June 27, 2007.

D. Receiver's Requests for Waivers of State Law.

During this reporting period, the Receiver requested the Court waive state laws which were preventing the Receiver from implementing necessary remedial strategies.[3] The Receiver and his staff worked diligently to narrowly tailor the waivers so as to result in the least intrusion on the State while protecting the constitutional rights of the Plaintiff class and the due process rights of CDCR employees. Preceding each request for waiver, the Receiver and his staff worked closely with the Defendants, Plaintiffs and, on one motion, the Union of American Physicians and Dentists (UAPD), conducting months of meetings and engaging in lengthy correspondence. Evidence of such collaboration is Defendant's non-opposition to each of the Receiver's motions, Plaintiffs' opposition to only one of the four motions, and the UAPD's supporting *amicus curiae* brief to one of the Receiver's motions.

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[3] Pursuant to the Order Appointing Receiver filed February 14, 2006, the Receiver must make all reasonable efforts to exercise his powers in a manner consistent with California state laws, regulations and labor contracts. In the event, however:

> "that the Receiver finds that a state law, regulation, contract, or state action or inaction is clearly preventing the Receiver from developing or implementing a constitutionally adequate medical care system, or otherwise preventing the Receiver from carrying out his duties as set forth in this Order, and that other alternatives are inadequate, the Receiver shall request the Court to waive the state law or contractual requirement that is causing the impediment."

Order at 5:1-11.

Each motion is briefly described below.

1. *Receiver's Motion for Waiver of State Law in Order to Preserve Existing Pharmacy Technician Appointments.*

On April 6, 2007, the Receiver moved the Court for a limited, one-time waiver of California Government Code § 19080.3 in order to permit 22 Pharmacy Technicians to complete their previously authorized, limited-term appointments. Plaintiffs filed a Statement of Non-Opposition on April 13, 2007 and Defendants filed a Response supporting the Receiver's effort to obtain the waiver on April 18, 2007. On April 24, 2007, the Court granted the Receiver's Application.

2. *Receiver's Master Application for Order Waiving State Contracting Statutes, Regulations, and Procedures, and Request for Approval of Substitute Procedures for Bidding and Award of Contracts.*

On April 17, 2007, the Receiver moved the Court for an order (1) waiving the State's traditional contracting process for 13 specific remedial projects and (2) approval of a more streamlined, substitute contracting process to apply to the 13 projects in lieu of state laws. (Application a 1.) The Receiver explained in his Application that as a part of his remedial efforts, the Receiver is undertaking a number of projects that require the use of contractors to provide goods or services, however, the extensive web of statutes, rules, and procedures that comprise State contracting law make it extremely difficult, if not impossible to enter into contracts in a reasonably quick or expedited fashion.

On May 2, 2007, both the Plaintiffs and the Defendants (including the Governor and the relevant state agencies reporting to the Governor), filed separate Statements of Non-Opposition to the Application on May 9, 2007 and May 8, 2007 respectively. On May 15, 2007, the State Personnel Board filed a Response and on May 25, 2007 the Receiver filed a Reply thereto.

On June 4, 2007, the Court granted the Receiver's motion, citing the following reasons:

> "No party disputes that the process typically can take several months for a single contract, and in some cases as long as two years. *See* Application at 5-9; Oct. 3, 2005 Findings of Fact and Conclusions of Law at 26-27. There is also no dispute that it would effectively stymie the Receiver's efforts to implement the projects identified in his

Application in a timely manner if full compliance with the State's traditional contracting processes were required."

(Order at p. 3:15-20.)

3. Receiver's Motion for Waiver of State Law Re Physician Clinical Competency Determinations.

On April 25, 2007, the Receiver filed a motion seeking to set aside certain state laws which vest the State Personnel Board with sole and exclusive authority to review disciplinary actions taken against physicians practicing medicine within the CDCR. In place of the State Personnel Board's disciplinary review process, the Receiver seeks to implement a new peer review system that would govern physician competency procedures and hearings. In developing the new peer review policy, the Receiver worked extensively with the Union of American Physicians and Dentists (UAPD) to ensure the policy provides physicians with the due process protections to which they are entitled and ensures that allegations of clinical misconduct are ultimately judged by an unbiased body of physicians.

Plaintiffs, Defendants and other pertinent state agencies that report to the Governor filed Statements of Non-Opposition to the motion on May 22, 2007. The UAPD submitted an *amicus curiae* brief in support of the Receiver's Motion on May 22, 2007. Also on May 22, 2007, the State Personnel Board filed a Responsive brief, opposing the Receiver's motion. The motion is pending before the Court.

4. Receiver's Motion for Waiver of State Law Re Receiver Career Executive Assignment Positions.

The Receiver's Motion for Waiver of State Law Re Receiver Career Executive Assignment Positions was filed with the Court on April 13, 2007 and amended April 18, 2007. The motion requests an order permitting the Receiver to commence the design and establish a program to hire and retain 250 Receiver Career Executive Assignment (CEA) appointees. Under the Receiver's program, such appointees are state employees but the applicant pool is not limited to state civil service employees, and such appointees are subject to termination under the same terms currently governing CEAs under California law (i.e., they may be terminated for any reason not otherwise unlawful). In essence, the positions would provide for "non-tenured civil

service appointments." (See Amended Motion at 17.) Additionally, the Receiver contemplates establishing competitive levels and broadband salary ranges for these positions. In order to establish such a program, certain Government Code sections that would otherwise govern the hiring of the CEA positions must be waived.

On May 9, 2007, Defendants filed a Statement of Non-Opposition to the Receiver's Motion. Plaintiffs and the State Personnel Board filed Responsive briefs on May 10, 2007 and May 9, 2007 respectively. The Receiver filed a Reply brief on May 25, 2007. The motion is pending before the Court.

E. Step-Back Meeting.

In May 2007, the Receiver and key members of his remedial team held the Receivership's second, two-day "Step-Back" meeting in Sacramento to discuss the Receivership's priorities during the next 18 to 24 months, as articulated in the Plan of Action. Topics touched on at the meeting included: (1) recruitment and hiring programs to increase the number and quality of prison clinician and support personnel; (2) recruitment and hiring of the first 100 Receiver's Career Executive Assignment staff; (3) construction of approximately 5,000 prison medical beds; (4) construction of necessary clinical space and medical support facilities (e.g. medical records and administrative office space) in existing prisons; (5) custody access team program at San Quentin and a time-phased roll-out at three other prisons; (6) a system-wide information technology program; (7) a system-wide pharmacy program; (8) restructuring contracts for specialty care, registries, hospitals and expanding the program to restructure aspects of contracting that involve negotiations and payments; (9) restructuring State medical care support services functions into a single appropriately organized and managed Plata Support Services Division; (10) restructuring the health care credentialing process; (11) existing pilot projects, including the San Quentin Pilot and the LAC/CCI Specialty Care Pilot; (12) new pilot projects, including a pilot to bring emergency response staff and paramedics on-site at eight California prisons, a pilot project to establish the Receiver's Air Force, a pilot project for joint clinical/internal affairs investigations, and a pilot project enabling clinical CMSIS Response Teams to be dropped into prisons to resolve clinical crises; (13) a medical care budget; (14) a

clinical peer review based program to evaluate physician clinical competency; (15) coordinating remedial efforts with the Special Master in *Coleman*, the Court experts in *Perez*, and the Court in *Armstrong*; (16) phase II of the Plan of Action; and (17) an Office of Evaluation, Measurement and Compliance.

Successful implementation of the projects outlined in the Plan of Action demand reliance on the interdisciplinary specialties of the Receiver's staff. For instance, almost every project relies on an information technology component in order to be accomplished. Similarly, recruitment and hiring is an essential element to almost every remedial program and pilot project. Such interdependency begs detailed planning, coordination and synchronization, particularly when remedial efforts must occur within the, at times, chaotic environment of the CDCR.

The Step-Back meeting gave Receivership staff this opportunity to communicate and coordinate between areas of specialty. At the Step-Back meeting, team leaders reported on the planning and progress of the above initiatives while Receivership staff with overlapping specialties helped problem solve, strategize new solutions, and define tasks to go forward. The Receiver has found that this careful, step-back development of projects is essential for accomplishing the enormously complex task of overhauling the prison medical care system in California. Future Step-Back meetings will be scheduled as necessary.

F. Receiver's "May Revise."

The Receiver submitted his budget plan, as part of the May Revise process, to provide for those staffing and funding requirements not included in the Governor's 2007-2008 fiscal year budget. The Receiver's May Revise calls for an increase of approximately $151 million over the Governor's support budget. Highlights of the revised budget include: (1) a return of 300 Licensed Vocational Nurse (LVN) positions ($17,853,196) due to the successful phase-out of Medical Technical Assistants and their replacement with LVNs; (2) hiring additional clerical and non-licensed patient care positions in order to free-up the higher priced licensed personnel (MD's, RN's, etc.) to perform patient care rather than clerical functions; (3) funding additional staff to focus on personnel, recruiting, hiring and training of medical personnel; (4) funding for

the initial 100 of the estimated 250 Receiver Career Executive Assignment managers; and (5) funding for additional custody staff (Lieutenants, Sergeants and Correctional Officers) to provide access to patient care and to provide additional safety and security for medical staff in three institutions. The Receiver's May Revise also calls for $30 million for capital improvements at 8-12 prison facilities and $61 million for health care capital projects at San Quentin State Prison.

G. Continuation of Remedial Pilots and Projects.

1. San Quentin Project.

The work at San Quentin to reform every aspect of health care delivery continues and during this reporting period many successes have been realized including the following: enhanced health screenings during the intake process, reorganization of budgetary responsibility, a program to improve janitorial services, initiation of an inventory system to track medical supplies and equipment, a primary care provider program, improvements to laboratory services and medical records departments. Further discussion of each of these remedial projects, as well as others, are described below.

Construction at San Quentin is also proceeding on schedule and on budget. Of particular note is the completed renovation of the Triage and Treatment Area (TTA) which is currently fully operational. The Receiver and Warden Robert Ayers opened the new TTA on June 14, 2007 in a ribbon-cutting ceremony attended by staff and media representatives. The specific progress of this, and other construction projects at San Quentin, are discussed below. (See Section G.2.)

a. Intake Screening Process:

Of particular significance is the completion of an improved reception center health care screening process which includes Registered Nurse (RN) assessments rather than MTA assessments, enhanced and better coordinated mental health assessments, and initial dental assessments also conducted by RNs. Success of the new intake screening process required careful coordination with mental health and dental class actions representatives.

b. Department Budgets:

In order to ensure sound fiscal management, the Office of the Receiver has reallocated budgetary responsibility to Health Care Department Managers who are now responsible for projecting, justifying and maintaining their own budgets, including position vacancies, track registry and overtime hours. Departments are responsible for keeping within their budget or justifying any increases, including justifying any unbudgeted coverage. The Chief of Operations, Gigi Matteson, now works with each Department Head to hold them accountable and has a protocol of systematic monitoring of each area. Historically, Health Care Departments were not held accountable for their budget and this reallocation of fiscal responsibility has worked to instill a sense of ownership and accountability in each Department and increased the professional investment of San Quentin's health care management teams.

c. Contracts:

Given the volume of contracts that procure staff and services at San Quentin, the Office of the Receiver instituted a program to monitor the approval and payment of these contracts. Health Care Managers are now responsible for reviewing and verifying the quantity and quality of contracted goods and services before invoices are approved and paid. Business procedures have been established and put in place to provide staff with the necessary tools to track contracted services, as well as to document the quality of services provided. Staff are trained and inefficiencies are now being documented. As a result of this more careful monitoring, invoices are now being reduced to meet contract agreements or rejected for payment if services were not rendered.

d. Environmental Health and Hygiene Services:

Significant gains have been made in overall hygiene at the prison. Whereas even basic cleaning tools and supplies were not adequately available in the past, the Office of the Receiver has instituted a program in which inmates and staff are held accountable for ensuring the cleanliness of clinic and housing areas. Medical Waste policies and procedures were drafted. Cleaning schedules and audit tools have been developed for kitchens and clinics to ensure

compliance. Routine cleaning of Health Services has been implemented in addition to weekly kitchen inspections.

In addition to improving the supervision of inmate cleaning crews, the Office of the Receiver has created three new custodial positions at San Quentin, including one supervisor to oversee janitorial services and monitor environmental health and hygiene. San Quentin is currently advertising to fill the only remaining vacant position. In addition, a vocational program is planned which will train and certify prisoners and staff in janitorial services.

e. Property Control/Medical Supplies:

An inventory system has been implemented for medical supplies and equipment. For the first time in eight years, the institution can assess inventory levels, usage rates, as well as the age and condition of medical supplies. In addition to assessing the current needs of the institution, this documentation will serve as a standardized projection tool for future budget years to identify and replace needed equipment.

f. Personnel:

The Personnel Office has hired additional support staff, and as a result, San Quentin is able to extend offers of employment to job applicants on the same day as their interview, contingent upon reference and qualification checks. In the past, many qualified applicants lost interest due to extreme delays in processing and hiring. Currently, all associated paperwork is processed within 24 hours and submitted to Personnel for notification and final processing. Creative advertising techniques promoting San Quentin's opportunities and improved working environment are being utilized and job announcements appear in newspapers, flyers, journals, bill boards and internet media.

An Employee Relations Officer has been hired and trained to assist all health services disciplines with personnel disputes and disciplinary actions.

g. Primary Care Provider Program:

The Office of the Receiver, along with San Quentin staff, have worked to establish an efficient and effective medical care delivery system based on a primary care model. To accomplish this goal, a primary care provider workforce program had to be constructed that

included a staffing model, recruitment strategies, orientation, training, continuous professional development, and local peer review.

The caliber and stability of the medical provider staff at San Quentin has significantly improved. Currently, there is the equivalent of 14 full-time primary care providers including three state physicians and five new state mid-level practitioners. In addition, other contract physicians have expressed interest in becoming State employees. Contracting with the University of California, San Francisco (UCSF) medical faculty has helped to develop a primary care workforce pipeline that includes medical students, nurse practitioner students, and primary care residents who rotate through primary care clinics at San Quentin. These clinical rotations provide many benefits including enriched work environments for San Quentin staff who preceptor the students and residents, enhanced evidence-based practices, and source of new recruits. Since the inception of the training programs, at least six recent graduates from UCSF have begun providing primary care services at San Quentin, and three recent nurse practitioner graduates have applied for positions.

San Quentin has implemented a primary care provider staffing model that is based on housing unit and clinical service area assignments. Each includes physician and mid-level practitioner partnerships with a consistent nursing care manager and scheduler. These care teams were created to significantly improve coordination, continuity, efficiency and effectiveness of treatment. In addition, patient education has been enhanced through the planning and development of materials and videos. Also, UCSF staff began a diabetes self-care group for 12 patients in the North Block.

Other programs to improve the quality of clinical care include weekly provider meetings, continuing medical education through UCSF and UC Davis, and peer reviews. Education programs have thus far emphasized chronic care management, especially in patients with cardiovascular risk factors such as diabetes, hypertension and dyslipidemia; infectious diseases; and chronic pain. Additional trainings have addressed clinical guidelines, non-formulary medications, and unscheduled transfers to community emergency departments and hospitals.

The Office of the Receiver has also prioritized improvements to the clinical environment, including supplying providers with basic tools of the trade such as computers, dictation mechanisms, secure electronic access to laboratory data, glucometers, peak flow meters, and online and hardcopy reference materials. Two additional clinics have been added: one in the North Block and the other in the East Block. These programs have worked not only to improve the quality of patient care and to raise working conditions, but have also resulted in the increased retention of San Quentin health care staff.

h. Nursing Program:

Under the direction of the Receiver, the once dangerously understaffed nursing program is steadily increasing. Seven out of nine nursing manager positions are filled; 79% of RN positions are filled; and 81% of LVN positions are filled. Orientation and training curricula have been developed and implemented. The filling of permanent nursing positions has enabled San Quentin to reduce the use of registry personnel and concomitant costs. Each designated clinic area is now managed by an SRN II that provides oversight, staff supervision and patient advocacy. These nurse managers are a critical component in the continued success of patient care at San Quentin.

i. Public Health Nursing:

The Receiver's Plan of Action includes "protecting public health" as one of the four cardinal goals of a constitutionally adequate prison medical care system. The crowded prison population is at a record high. This presents additional challenges to carrying out the Receiver's goals of early detection, effective treatment, prevention and continuity of care. The Receiver has initiated several public health programs, including tuberculosis (TB) screening upon arrival. Furthermore, San Quentin is developing a monitoring system and interviewing possible latent TB cases to determine if medications are indicated. Additional programs are being developed for surveillance, treatment and ongoing monitoring for Sexually Transmitted Diseases, HIV, Hepatitis and MRSA.

j. Community Partnerships:

At the direction of the Receiver, San Quentin is creating partnerships and linkages with the state and local Public Health Departments and the county jails that share prisoner populations with San Quentin. The goal of these community partnerships is to provide uninterrupted treatments and therapies to prisoner patients. These activities require collaboration among many stakeholders, including but not limited to staff from the Office of the Receiver, Maxor, two campuses of the University of California, CDCR Central Office staff and San Quentin staff. An example is the initiation of a pre-release program, coordinated by a UCSF physician, which connects San Quentin parolees who are chronic high risk patients, to community providers in San Francisco and Alameda counties.

In addition, an introductory meeting was held with San Quentin reception staff and 34 representatives from 12 local jails to coordinate and improve communication. Managers across disciplines, including custody ranks met for a half-day to develop information sharing strategies. There was enthusiastic feedback and support for these efforts which will have far reaching benefit in the continuum of patient treatment from the community to jails and prisons.

k. Laboratory Services:

Laboratory services have greatly improved in the past three months, resulting in completed blood draw analysis within 24-72 hours. Scheduling inmate-patients for laboratory testing was problematic in the past, with average delays of 30-45 days in completing blood draws due to backlog. Currently, there is no backlog. In addition to initial staffing improvements, better management of the laboratory includes improved coordination as laboratory staff work closely with providers, nurses, and custody and medical records personnel. There are now formal processes in place ensuring greater consistency, timely service, and documentation. New lab protocols require that routine lab results are returned to the provider within 24 hours and stat results are provided within four hours. Instead of providing lab services in the clinic, lab technicians now take their supplies out to the lockdown units such as East block and Adjustment Center (AC). This allows them to conduct timely draws on all the inmates who are fasting with significantly less demand upon custody escort staff. It has also reduced traffic in the congested

Neumiller clinic. The "no-shows" for blood work is no longer a major problem. Laboratory technicians are also assigned daily to the Reception Center where they complete all required blood screening on incoming prisoners on the day of arrival.

Currently, San Quentin processes approximately 60-70 outpatient blood draws a day and 70-80 blood draws a day in the Reception Center Clinic. Due to the volume of 20-30 stats ordered a week, placement of a small satellite stat lab is being considered in the remodeled Reception Center in July 2007.

l. Medical Records:

Medical Record services have improved considerably with the hiring of a Medical Records Director, two full time Office Assistants, and six Health Record Technicians. Medical Records staff have been trained and assigned to conduct routine chart audits to ensure correct patient data, current updated reports, and consistent format and content. Expanded access to medical records was provided by reallocation of staff and hours, covering 6 a.m. to 10 p.m., with planned drop boxes for after hours.

A Medical Records Quality Improvement Team (QIT) was formed. It meets monthly to identify and resolve any pending issues across disciplines, providing improved assistance to provider and laboratory staff, and efficient delivery of records to Inmate Appeals staff who respond daily to inquiries and complaints.

m. Inmate Patient Appeals Program:

A committee comprised of staff from medical, mental health, and dental departments worked to revise the existing Inmate Appeals Policy. The objective of the revised policy is to reduce inmate patient complaints by resolving recurring problems promptly and at the lowest level. Under the new policy, nurses and providers located in the housing units utilize a central data tracking system, whereby medical information and information about the inmate patient's appeal can be shared with medical staff throughout the prison complex. Medical staff have found that many inmate patient issues can be addressed and resolved quickly by the daily sharing of this information.

Training was provided to all nurses in May 2007 and the backlog of appeals, complaints and informal requests are being addressed on a daily basis. Evidence of the success of the revised policy is that Second Level and Urgent Appeals have steadily decreased over the past several months.

n. Monthly Reports and Metrics:

New data collection efforts of the past several months have resulted in the generation of various statistical reports. For the first time, in May 2007, San Quentin was able to track such information as: daily patient status; patient level of acuity; Reception Center referrals to primary care providers and timeliness of access to that referral; completion of health care screening documentation required for permanent housing assignments; emergency outside transports, including frequency and hours; off-site specialty care appointments; primary care patient log to track disease entities as well as productivity of the medical staff in this department; and availability of medical records, laboratory and x-ray information.

It is the Receiver's hope that San Quentin will soon be able to show significant improvement in meaningful patient outcomes related to the initiatives described in this report. The Quality Management Improvement Committee (QMC) will continue to establish measures, criteria and documentation protocols.

2. Construction at San Quentin During the Reporting Period.

Significant progress continues in the overall design and construction of clinical projects at San Quentin. As described below, the relocation and renovation of San Quentin's Triage and Treatment Area is complete and fully operational. Other construction projects were also completed during this reporting period, and the majority are in planning, design and blueprinting stages. The overall conceptual budget for these projects continues to be maintained at $175 million. The projects identified under the Capital Improvement Plan are divided into three packages, involving both temporary structures and permanent construction. Each package is more fully described in the *Receiver's Third Bi-Monthly Report*, but a short description of the planned improvements and the progress made toward completion is discussed below.

Construction Package One.

Package One consists of construction that is necessary to "create space" for longer term projects, modifications to enhance the unacceptable level of services in the aged Neumiller Infirmary Building, and construction of a temporary structure which provides San Quentin personnel access to the basics of an adequate medical delivery system such as office space, parking and supplies. Progress made in the design and construction of Package One is described below:

a. Personnel Offices: The Receiver plans to construct a building to house personnel offices that will allow for the recruiting, interviewing, examination, and hiring of potential staff under one roof. Working drawings are nearing completion. The project is expected to proceed to bid next month.

b. Replacement Parking Spaces: San Quentin does not have adequate parking for its staff, nor for escort vehicles to transport inmate patients to needed medical appointments off prison grounds. To address this problem, parking spaces have been added.

c. Relocation of the "Walk Alone" Exercise Yards from Upper Yard to "C" Yard: This relocation is necessary to allow for the construction of temporary clinical offices and examination areas in the Upper Yard in 2007 (see Construction Package Two, below). Bid documents were completed and construction bids are currently being solicited. Construction is expected to begin in late July.

d. Medical Supply Warehouse: Currently, medical supplies are located in various spaces throughout the institution's grounds, including the use of four "Conex" boxes. A conceptual plan has been designed to construct a single warehouse which will provide for effective storage, inventory control and dispersal of supplies and will be integrated with the development of a main warehouse. Requests for proposal packages will be developed and completed by August 2007.

e. Triage and Treatment Area Renovations: Most significantly, construction of the Triage and Treatment Area (TTA) is complete and fully operational. The construction project relocated the TTA from its original location at the northern entrance to the Neumiller building to within the Neumiller building's core on the first floor, permitting the immediate care of emergency patients. This is a significant milestone in the construction program at San Quentin,

correcting a major deficiency in the provision of urgent and emergency care. A new inmate holding area adjacent to the TTA is expected to by ready for occupancy by June 2007.

f. Ventilation Upgrades to North Block: Plans to make minor ventilation modifications, better air balancing, and improve the cleaning approach to the building have been developed and are now being priced.

g. Expansion of the West and East Block Rotundas to Establish Clinical "Sick Call" Areas: At present, many critical clinic services (e.g. sick call, screening, and assessments) at San Quentin are provided in converted cells and make-shift office space within the prisoner/patient's cell block, resulting in entirely inadequate space to provide even minimal services. Designs have been developed to utilize the space in the rotundas of East and West Blocks for expanded and better equipped clinical areas. Working drawings of the designs are being developed.

h. Miscellaneous, Limited Upgrades to the North, AC and Gym Clinics: The scope of work to upgrade these facilities is being developed.

i. Addition of a "triple wide" relocatable trailer to provide needed office space for medical care delivery personnel. The trailers have been procured and are in use.

Construction Package Two.

Package Two consists of three projects. Planning work has begun on two projects and is expected to begin in the next quarter on the remaining project.

a. The Primary Care/Specialty Medical Services Modular, to be Placed in the Upper Yard: Due to the insufficient space within the Neumiller Infirmary building to support the necessary medical and mental health services needed to adequately care for the San Quentin inmate population, primary care and specialty medical services will be relocated to a temporary modular building in the upper yard. This modular will accommodate the out-patient and specialty clinic as well as medical staff support functions for the Institution temporarily until the new Central Health Services Building is completed. Programming and concept design for this project is complete.

During this reporting period, Request for Proposal (RFP) documents were finalized for this project and proposals are currently being solicited from contractors.

b. A Limited and Minor Remodel of the Existing Medical Records Unit: The temporary space needs for Medical Records during the construction of the Central Health Services Building were defined and concept plans have been developed to achieve better workflow and efficiency. Plans to remodel the existing Medical Records Unit were temporarily placed on hold but will be re-instituted during the next reporting period.

c. A Limited and Minor Remodeling of the Existing Receiving and Release Modular.

Construction has begun on this project and is expected to be completed by early August, 2007.

Construction Package Three.

Construction Package Three involves the construction of a permanent Central Health Services Facility at San Quentin. Included in the Facility will be a 50 bed Correctional Treatment Center ("CTC") and a state of the art correctional Reception Center to accommodate the mission of San Quentin as a CDCR Reception Center. The Receiver's efforts to include representatives from the *Coleman* (mental health) and *Perez* (dental) class actions in the design of have been successful; therefore, this construction will also address the existing shortfalls of space for mental health and dental services and clinical personnel.

Architectural programming and concept design is complete. This project will use the "Design-Build" delivery method whereby a single entity consisting of an architect, contractor and subcontractors design and build a project based on a detailed "design criteria" furnished by the Receiver. Two major contractor-designer teams have been "pre-qualified." Comprehensive Request for Proposal (RFP) documents have been developed and issued to the pre-qualified teams. Proposals are expected on June 28, 2007. Selection process is expected to be complete in July, with the design-build team expected to be under contract by August, 2007. In addition, the draft Environmental Impact Report required by the California Environmental Quality Act has been completed and is awaiting public comments.

As of the date of the filing of this report, the State Senate has passed legislation to fund this construction and the Senate bill is awaiting action in the Assembly.

Conclusion.

The Receiver emphasizes that these projects continue to be the result of a collaborative effort between San Quentin clinical personnel, custody personnel, and staff from the Office of the Receiver who worked together to develop the overall plan and the details for each specific project.

3. Maxor Pharmaceuticals Pilot.

As reported in previous Bi-Monthly Reports, the Receiver contracted with Maxor Pharmaceuticals to overhaul CDCR's broken and overly expensive pharmacy system. Maxor continues its work to reform every aspect of pharmacy operations, including pharmaceutical purchasing; hiring pharmacy staff; building a central pharmacy facility; developing educational and training tools; implementing pharmaceutical software; and restructuring the organization of pharmacy operations, including altering lines of authority and job descriptions. Each of these initiatives has seen progress during this reporting period. Below, the Receiver details some of these recent successes and discusses the roadblocks facing this restructuring effort.

a. Assumption of Control Over the Negotiation of All CDCR Pharmaceutical Purchases.

The Receiver, through Maxor, has begun the process to assume direct control over the negotiation of all CDCR pharmaceutical purchases. (*See* Fourth Bi-Monthly Report at 63-64.) To date, Maxor has begun reviewing existing individual contracts and is conducting therapeutic category reviews to identify future favorable contracting options. In addition, Maxor implemented a monitoring system to compare contract costs to charges and to provide feedback to the pharmacists on purchasing choices to reduce costs. Maxor continues to work with a drug wholesaler to optimize product availability and to reduce costs.

Maxor's revised negotiating terms and conditions of pharmaceutical contracts have met with some confusion by vendors, requiring additional steps of assurance during contracting negotiations. The Receiver is exploring the best manner to proceed with this change over, and considering all options concerning how, during the change over, to protect the fiscal interests of other California agencies who purchase pharmaceuticals.

b. Hiring Pharmacy Administration and Staff.

Maxor continued its efforts to build a central pharmacy administration, hiring a Director of Pharmacy, an Operations Manager, two Pharmacy Technologists, a Clinical Specialist, and a Nurse Liaison. Maxor has become directly involved in recruiting efforts for institution pharmacists, expanding advertising in professional publications and distributing a mass mailer to all California pharmacists. In addition, two outside recruiting firms were hired to assist in recruitment for the vacant Clinical Pharmacy Specialist positions. In order to further publicize employment opportunities, the Director of Pharmacy participated in the Western States Pharmacy Residence Conference. Despite these efforts, recruiting clinical specialists has met limited success.

c. Education of Pharmaceutical Staff.

A new Pharmacy Education and Communication Team (PECT) has been formed, consisting of nine Pharmacists from facilities across California. They have become active in evaluating newly proposed policies and procedures and educating pharmaceutical staff on the new guidelines.[4]

The Maxor Pharmacy Nurse Liaison visited San Quentin with the Receiver's Chief Executive Nurse to observe medication delivery systems and educate the nursing staff regarding plans for the use of the Guardian Program, the planned centralized pharmacy, and future unit level medication delivery processes.

Additional educational efforts included the deployment of two disease management medication guidelines on the treatment of asthma and hypertension. A quarterly Pharmacist In Charge meeting occurred in May 2007 to continue orientation of existing pharmacy staff to the new policies and procedures. In addition, a baseline employee skills survey was completed to help direct educational and training efforts.

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[4] Pharmacy policies and procedures were reviewed and their revision continues. Seven policies have been submitted to the Pharmacy and Therapeutics Committee and were approved. The first five revised procedures have been deployed to the field.

The web-based software product, MC Strategies, is being utilized to distribute pharmaceutical education materials to the pharmacy workforce. All approved polices have been uploaded into the product with corresponding test questions. The asthma module, based on the approved asthma disease management guidelines, is in draft format and the final will be uploaded into MC Strategies.

d. Organization and Management of Pharmaceutical Staff.

Current best practices have been assessed and standardized methodologies for operational aspects of pharmacy have been deployed to the field to improve services and controls prior to centralization. This process is ongoing.

Pharmacist job descriptions and duty statements are under revision to better reflect current pharmaceutical care standards and practices.

The establishment of direct lines of authority were augmented by the deployment of an organizational chart and the establishment of monthly ongoing meetings with the regional physicians, administrators and nurses. An interim staffing model was developed to address critical staffing issues and was provided to the Office of the Receiver for review. In addition, an employee grid has been created to track progress of employees from each pharmacy. A strategic initiative tracking grid was also created for tracking key actions.

In-depth facility pharmacy inspections including narcotics inventory were completed. Monthly inspections are occurring and a monitoring system has been established.

Maxor is providing formal quality improvement support for various issues at San Quentin State Prison, Folsom State Prison, Valley State Prison for Women, and Calipatria State Prison.

e. Implementation of Pharmacy Software.

In May, a pilot test of the interim pharmacy software product began at Folsom State Prison to address the inadequacies of the current system. Implementation of the interim pharmacy software required the complete redesign of workflow at the Folsom pharmacy site. This was necessary to incorporate the safety steps previously not included in the former software system. A number of serious conversion related problems were encountered, resulting in a

slower implementation at the first site than expected. Corrective actions were implemented, and a template for future conversions is in the process of being developed.

f. Development of a Central Pharmacy Facility.

An assessment of potential sites for establishing a centralized pharmacy facility has commenced. Potential sites surveyed included various locations in Fresno, Stockton and Sacramento. The final three locations being considered are two locations in Sacramento and one in Fresno. Criteria used in choosing the site include access to lines of transportation (air and ground), proximity to pharmaceutical distribution centers, ability to recruit and maintain qualified pharmacy staff, and overall costs. A summary document describing the functions of the new centralized pharmacy facility is being drafted. A recommendation to the Receiver for the location of the new facility will be made by Maxor once the final lease costs have been received from the potential landlords.

g. Challenges to Reform.

Although there remain many roadblocks to implementing lasting reform, three challenges are particularly worth noting: (1) Implementing policy and procedure revisions has met with resistance from facility staff. Routines and culture—albeit dysfunctional—have proved to be difficult habits to break. (2) The lack of an organized system for deployment of new information through medical, dental, psychiatry and nursing continues to make it difficult for knowledge of the decisions of the Pharmacy and Therapeutics Committee (the body empowered to revise and enact new policies and procedures) to be disseminated efficiently by each discipline to their staff. (3) Access to pharmacy data is poor and data quality is suspect. These deficiencies make it difficult to establish reliable measures.

4. MTA Conversion to LVN.

As of May 31, 2007, the Medical Technical Assistant (MTA) to Licensed Vocational Nurse (LVN) conversion is complete. CDCR reports that there are no MTAs working in the adult institutions statewide. Senior Medical Technical Assistants (SMTA) and Health Program Coordinators (HPC), the two MTA supervisory classifications, have also been transitioned effective May 31, 2007.

The Receiver has hired a total of 771 LVNs since the outset of the conversion project. There are currently 333 vacant LVN positions. When the Receiver began the transition there were 765 filled MTA positions and no civil service LVNs working in the adult institutions. Approximately 103 MTA positions were reclassified during the conversion process to Registered Nurse (RN) positions where the scope of responsibility merited the reclassification, for a total of 874 nursing positions filled as a result of the conversion project.

The 2006 LVN salary increase approved by the Court was instrumental to the Receiver's successful transition away from the use of MTAs, while at the same time saving the State an estimated $39,000,000 million in the first 12 months. At the current time there are 1,190 candidates who have successfully completed the civil service examination and await job offers. While these numbers are impressive on the surface, problems have arisen during the conversion, including continuing difficulty recruiting in certain geographic locations; a lack of schools producing LVNs in certain counties (for example, in Monterey and San Luis Obispo); and, recently imposed collective bargaining agreements negotiated by the Department of Personnel Administration which have shifted the burden of paying for dependent medical care coverage to employees in this low paid classification. Given certain geography-specific difficulties in hiring and retaining LVNs, it may become necessary to raise LVN salaries at several prisons in order to attract and retain qualified applicants. The Receiver has undertaken a salary survey to determine whether the CDCR LVN classification is competitive in all regions of the State of California.

5. Clinical Hiring.

The new salary ranges for physicians, mid-level practitioners, nurses and pharmacy employees, coupled with enhanced recruitment efforts and additional guidance to the institutions in the areas of recruitment and hiring, continue to increase the numbers of competent, qualified applicants to the Department. The increased salaries have now allowed the CDCR to increase the number of staff in *Plata* classifications by more than 1,000 between October 2006 and May 2007. The number of CDCR Registered Nurses continues to increase by an average of 25 every month.

The new salary ranges for physicians that were effective March 1, 2007 have resulted in a significant rise in the number of physician applicants. During the one year period of March 2006 to March 2007, a total of 184 applicants for the position of Physician and Surgeon took and passed the on-line examination. Following the implementation of the new salary ranges, a total of 105 physician applicants took and passed the exam within just two months: March 1, 2007 – May 1, 2007.

Although some institutions still have no physician applicants, others have experienced more interested and highly qualified candidates. It is anticipated that as the word gets out to the medical community, via both stepped up recruitment efforts and word of mouth, that CDCR is paying its physicians, nurses and other medical staff competitive wages and that the working conditions will improve, the number of qualified applicants will continue to grow.

6. Plata Support Division.

a. Taking Over CDCR Functions and Staff.

As stated in previous reports to the Court, the Plata Support Division was developed in order to gain greater control over day-to-day operational functions including personnel, recruitment, fiscal, contracts, invoice processing, business services, space acquisition, and other functions essential to the support of the medical care system.

Some of these functions already existed within CDCR Health Care Services (DCHCS), while others were established to take over functions historically performed by CDCR Headquarters. Because of these overlapping and shared functions, it is necessary to go through detailed position authority and function reviews. One review process relates to the allocation of positions in the DCHCS that are tied to functions that support both the medical mission and the mental health and dental missions. The other review process involves the determination of how many and what level CDCR Headquarters' positions are, or should have been, supporting the medical mission.

This process involves identifying all DCHCS positions with permanent budget authority. The next step is to sort out those directly tied specifically to just medical, mental health or dental. Examples of these include the Statewide Director of Nursing, Statewide Medical Director, Chief

Psychiatrist and Chief Dentist. The subsequent step is to identify the numbers and levels of those positions which support all three missions. Examples of these include: information technology, fiscal, business services, recruiting and personnel. After this is completed, those positions will need to be reviewed, by functional area, to determine which will be allocated to mental health and dental (to be administered by the Secretary of CDCR) and which will be allocated to medical (to be administered by the Office of the Receiver). The Department of Finance (DOF) is aware of this process and has agreed to be involved and assist as needed to reach an equitable distribution. The Receiver had intended to report about what health care functions will be managed by the Plata Support Division and which functions will remain in DCHCS, but the reorganization involves coordination with other courts and is still in progress.

The Receiver has established a number of new State positions. These positions are in areas such as workforce development, personnel services, budget management, business services, information technology, and contracts. Some of the newly established positions represent new or expanded functions, while other positions perform functions that are currently the responsibility of existing CDCR units. A thorough analysis and discussion involving staff from the CDCR, the Plata Support Division and the Department of Finance (DOF) will determine how many and what level positions should be available to offset. This analysis will begin with personnel and recruitment and follow with other areas.

b. Progress on the Establishment of Personnel Operations.

As of May 2007, both the Personnel Services and the Plata Workforce Development Departments have hired most of the management staff as well as several analytical and clerical staff to support these programs. Of the 55 positions authorized for the Personnel Services Department, 24 have been filled. Of the 39 positions authorized for the Plata Workforce Development Department, 14 have been filled. With their newly hired management structure, both Departments can begin to finalize planning, recruitment and hiring the remaining staff. The programs are now beginning to establish the infrastructure needed to accommodate transferring personnel and recruiting functions from the CDCR to the Plata Support Division. They will then determine what functions and in what sequence they will assume responsibilities from CDCR.

Already scheduled is the transition from CDCR to the Plata Support Division of the recruitment functions of the Plata Workforce Development Department on July 1, 2007.

With the rapid expansion of healthcare headquarters staff, including mental health and dental, it is clear that the existing office space will be insufficient. Even though additional space will become available in September 2007, it will not be enough to accommodate the needs of all healthcare staff. Future space needs are being evaluated and alternatives are being developed.

7. Specialty Care Contracts Pilot.

In previous Bi-Monthly Reports, the Receiver has detailed the serious problems with the CDCR's more than $400 million clinical contracting process, which by late 2005 had all but collapsed, jeopardizing patient care and wasting limited public resources. (*See First Bi-Monthly Report* at 23-26.) In response, the Receiver established a Project Team to develop and streamline contract processes, including effectuating the payment of all outstanding invoices; developing modified conceptual bidding; and developing procurement and payment processes necessary for the management of all CDCR health care contracts. This new contract management system is supported by a newly created, computerized state-wide Health Care Document Management System (HCDMS), replacing the former paper based system. As reported in the Receiver's Fourth Bi-Monthly Report, on February 20, 2007 pilot testing began of HCDMS at four institutions: California Medical Facility; Central California Women's Facility; Pelican Bay State Prison; and California State Prison; San Quentin State Prison. (*See Fourth Bi-Monthly Report* at 14-15.)

The Plata Contracts Pilot is progressing as scheduled. During this reporting period, the pilot has developed and implemented the use of rate analysis forms, multiple templates including Scopes of Work and Rate Sheets as well as incorporating the templates into the HCDMS. A fully executed contract has been processed through the system, and an upcoming bid opening for Physical Therapy will test the system even further. The Plata Contracts Pilot has seen invoice processing times decrease to an average of 18 days. In addition, none of the invoices for three of the institutions are more than 45 days old.

In an effort to eliminate the backlog of invoices at San Quentin State Prison and to test the viability of central processing of invoices (a function normally performed by staff assigned to individual institutions) the Plata Contracts Pilot took over the function and staff in March 2007. As a result, the number of outstanding invoices has been greatly reduced and the average days to process and pay an invoice dropped from over 50 days to a current average of 18 days.

By August 6, 2007, the Plata Contracts Pilot will: (1) move the invoice scanning and indexing functions, now performed in Regional Accounting Offices, to a central location under the control of the Plata Contracts Pilot and (2) centralize the invoice adjustment processing function beyond just CSP-SQ, to include all pilot institutions. By October 1, 2007, the Plata Contracts Pilot will be expanded to include an additional six institutions.

H. Coordination with Other Lawsuits.

The Receiver and his staff continue coordination efforts with Court representatives of the *Armstrong, Coleman*, and *Perez* class actions. Monthly meetings were conducted during the reporting period and, as one element of this effort, a number of coordination agreements were submitted to the respective District Court Judges of the cases. As of the date of the filing of this report, the question of whether certain functions, e.g. pharmacy, specialty contracts, etc. will be managed by the Receiver or handled in separate medical, mental health, and dental organizations is pending before the four District Court Judges.

I. Establishing the Receiver's Remedial Team.

Since the filing of the last report, the Receiver has appointed specialists in custody support, office administration, discipline and investigations, health systems development and information technology. Additional staff added to the Office of the Receiver during the reporting period include the following:

Maryann Barry is a Nursing Consultant for the Receiver. Her consulting focuses on the relationships between county jails and CDCR reception centers and the transition of patients between such facilities. Ms. Barry has a BSN degree from Molloy College, and in 1975 she completed a fellowship in the Graduate Nursing Program in Psychiatric- Mental Health Nursing at Catholic University of America. Following her graduation, Ms. Barry accepted a teaching

position in the School of Nursing at Rochester University. During her tenure at Rochester University, she was awarded a grant from the Robert Wood Johnson Foundation to participate in a training program for Nurse Practitioners and she obtained her certification as a Nurse Practitioner in 1977. In 1978, Ms. Barry reentered clinical practice and worked for the Veteran's Administration for four years before accepting a position with Santa Clara County in the field of juvenile custody health services. In 1986, she assumed responsibility for the Adult Custody Health Services in the County Jails. Her efforts to rectify significant system and personnel deficiencies in these facilities, led to the removal of Court oversight of the County Jails and ultimately the accreditation of these facilities by the National Commission on Correctional Health Care. In 1994, she integrated the Adult Custody Mental Health Services with the Adult Medical Services which streamlined provision of care and significantly enhanced the quality of health service provision in the County Jails. She has served as the Executive Director of the Medical and Mental Health Services for Santa Clara County's Adult Correctional Facilities from 1986 to 2007.

Steve Cambra, Jr. is a Custody Support Specialist for the Receiver. Mr. Cambra's responsibilities include assisting with the development and implementation of those elements of the Receiver's Plan of Action with custody and security implications. Mr. Cambra has 37 years of experience in the correctional field. Mr. Cambra began his career in the CDCR in 1970 as a correctional peace officer. He promoted through the ranks, ultimately serving in executive leadership positions during his last 11 years in the Department. In January, 1998, Mr. Cambra was appointed Chief Deputy Director and was responsible for all departmental operations, and beginning in November 2000, Mr. Cambra served as the Director of the Department until he retired in July 2001. Mr. Cambra has experience working with a variety of the Department's programs, including its educational, vocational and work, and drug and alcohol programs. He has also worked with the State's most violent population, including condemned, security housing and administrative segregation units. In 1995, Mr. Cambra was appointed to serve as Warden of Pelican Bay State Prison, following the United States District Court's intervention in *Madrid v. Gomez* related to the excessive use of force in the facility. Mr. Cambra oversaw the development

and implementation of new use of force policies for the facility, and in 1998 he assisted the Department in implementing the "Use of Force" management plan in all 33 prisons.

John Dovey is a Custody Support Specialist for the Receiver. Mr. Dovey's responsibilities include assisting with the development and implementation of those elements of the Receiver's Plan of Action with custody and security implications. Mr. Dovey recently retired from the California Department of Corrections with over 27 years in State service. Mr. Dovey began his career in 1979 as a Correctional Officer at the California Institution for Men in Chino where he worked for several years, promoting to the rank of Captain until he transferred to the California Rehabilitation Center as Associate Warden in 1995. In 1999, Mr. Dovey moved to the California Institution for Women where he ultimately was appointed as the prison's first male Warden. He subsequently served the Department as Chief Deputy Director - Field Operations and as Director, Division of Adult Institutions. During his tenure Mr. Dovey's successes included leading the Department's efforts to transition all institutions to a tobacco-free environment; guiding an institution, as Warden, through the first assessment of prison culture ever to be undertaken in the Department's history; and implementing a program enabling inmates to train puppies for placement as service dogs for the community—the first program of its kind in a California prison.

Teresa Knox is an Administrative Assistant in the Receiver's San Jose Office. Her responsibilities include supporting the Receiver's Chief Medical Officer and Chief Nurse Executive. Ms. Knox has more than 20 years of experience providing executive administrative support. Ms. Knox spent the prior six years working at the law firm of Fenwick & West, LLP as the Legal Assistant to the Partner & Chair of the Intellectual Property Group. Before her tenure at Fenwick, Ms. Knox worked as the Senior Administrative Assistant / Project Coordinator for the Public Affairs Group at Intel Corporation where she managed a $2 million Operating and Charitable Contributions Budget, coordinated logistical support for Congressional and Foreign Dignitary visits with Intel Executives and participated on the Planning Committee for the Intel sponsored Smithsonian Museum exhibit at the San Jose Convention Center.

Randy Lucas is the Investigation and Discipline Coordinator for the Receiver and is responsible for coordination and preparation of investigative and discipline cases related to the medical system. Mr. Lucas has worked in California corrections for approximately 25 years and recently retired from the CDCR, Division of Correctional Health Care Services, where he was responsible for the oversight of statewide medical investigations and discipline. Mr. Lucas previously served the CDCR in many different capacities, including serving as an Internal Affairs Investigator and an Employee Relations Officer at Pelican Bay State Prison. Mr. Lucas assisted with the implementation of the remedial plan developed in the case of *Madrid v. Gomez* related to the use of force. Mr. Lucas also assisted in the development and implementation of the Employee Investigation and Disciplinary Matrix adopted by the Federal Court and currently in use by the CDCR.

Amanda Matranga is a Receptionist in the Receiver's Sacramento office. Previously, Ms. Matranga worked for the CDCR as a Student Assistant in Human Resources. Ms. Matranga is currently attending American River College.

Glen Moy is the Director of Health Information Integration for the Receiver and is responsible for the implementation, integration, and support of many of the clinical information systems for the CDCR. Prior to joining the Office of the Receiver, Mr. Moy was Manager of Health Information Technology at Lumetra and was responsible for overseeing its efforts to assist small- to medium-sized physician practices throughout California with the adoption of electronic health records (EHRs). He also played a key role in the development and rollout of the Doctor's Office Quality-Information Technology project, a pilot program sponsored by the Centers for Medicare and Medicaid Services to promote the adoption of EHRs. Prior to that, Mr. Moy was a senior project manager/implementation consultant for Chicago-based Allscripts Healthcare Solutions.

Diane L. Norcio, RN, MPH, GNP, PhD is the Receiver's Director of Clinical Integration. Dr. Norcio is responsible for interdisciplinary coordination of multiple clinical initiatives including coordination among medical, mental health, and dental services. She has responsibility for developing case management systems and leading other projects such as

clinical program planning for new facilities. Dr. Norcio joins the Office of the Receiver with 31 years experience in health systems start-up, development, and institutionalization for both community-based and statewide public health programs for vulnerable populations. Her career in health care started as founding director of a federal 330 health clinic in a housing project in Cambridge, Massachusetts in the late 1970s. After that, as assistant director in the AIDS Bureau at the Massachusetts Department of Public Health, her team leadership was instrumental in the development of statewide HIV counseling and testing program—which became a national blueprint. Later she directed epidemiological evaluation and re-modeling of that program to accommodate projected trends in the spread of AIDS to new populations such as women of color. In California, as a geriatric nurse practitioner, she practiced at Alexian Brothers Senior Health Clinic in San Jose. Dr. Norcio has founded and directed adult day health care, Alzheimer's day care resource center, rural nursing continuing education program, and a post Katrina Louisiana Red Cross shelter clinic. She has taught as clinical faculty at Oregon Health and Science University School of Nursing and continues to lecture there as well as at University of California San Francisco. Dr. Norcio received her Master of Public Health from Boston University Medical School and PhD from University of California School of Nursing. Her research has focused on political economic issues affecting aging rural populations.

Mimi Sgro is the Administrative Support Manager for the Office of the Receiver and is responsible for the day-to-day operations of the office. Ms. Sgro has over nine years of managerial experience working for two of the "Big 4" Accounting firms both in the US and Canada, and was the recipient of her firm's 2001 Outstanding Performance Award. Prior to joining the Office of the Receiver, Ms. Sgro was a procurement manager for one of the world's largest electronic component distributors, Future Electronics, where she managed the global inventory levels for six of the company's largest suppliers. Ms. Sgro has a B.A. in Industrial Relations and a Masters in Business Administration from McGill University. In addition, Ms. Sgro has earned a Management Certificate in Human Resources.

Sara Stuart is an Administrative Assistant in the Receiver's San Jose Office. Ms. Stuart has 20 years of professional administrative and office managerial experience. Ms. Stuart has

been an executive assistant with extensive experience supporting executives of all levels in medical, education, technology, and start-up venture firms.

III.

PARTICULAR PROBLEMS FACED BY THE RECEIVER

The Receiver provided for the Court the problems created by overcrowding and the CDCR's responses to overcrowding in his Overcrowding Report and Supplemental Overcrowding Report.

IV.

ACCOUNTING FOR EXPENDITURES IN THE REPORTING PERIOD

A. Expenses.

The total net operating and capital expenses of the Office of the Receiver for the months of February, March and April 2007 were $3,939,292 and $1,758,558 respectively. A balance sheet and statement of activity is attached as Exhibit 1.

B. Revenues.

On April 24, 2007, the Receiver requested a transfer of $18,622,000 from the state to the California Prison Health Care Receivership Corporation (CPR) to replenish the operating fund of the Office of the Receiver for the fourth quarter of the Fiscal Year 2006-2007 and increase the minimum operating capital on hand to six months. All funds were received in a timely manner.

V.

OTHER MATTERS DEEMED APPROPRIATE FOR JUDICIAL REVIEW

A. Communications with Media and the Public.

1. Introduction.

The Receiver's commitment to transparency and public information was demonstrated throughout the reporting period by his availability to the press, CDCR staff, members of state government and the public, providing information and answering questions related to the remedial effort. The Office of the Receiver worked to proactively ensure that members of the public were informed of its activities and had appropriate background, context and educational materials needed to understand the remedial effort. This outreach included the issuing of press

releases and public correspondence from the Receiver, extensive background discussions and interviews with reporters and producers and meetings with key constituents. In addition, members of the public contacted the Receiver through his web site which continues to be expanded and updated. (www.cprinc.org) Further details of public outreach activities are listed below.

The Receiver produced a substantial number of public documents during the reporting period. The Plan of Action for constitutional care, the report on the impact of prison overcrowding on the remedial efforts and the Receiver's budget projections for the upcoming fiscal year were each released in May. These documents were the subject of intense public interest and inquiry. Additionally, multiple court filings regarding Medical Development International[5] and various requests for waiver of State law also required extensive public education. All of this material was posted timely on the Receiver's web site.

The first anniversary of the Receivership occurred during this reporting period. This occasion prompted enhanced interest by the press, public, legislature, CDCR and other constituents curious about what had been accomplished within the first year. For example, the San Jose Mercury News, Sacramento Bee and KPCC Southern California Public Radio all chose to produce profiles of the Receiver to coincide with the first anniversary.

2. Media and Public Outreach.

a. Public Information Produced by the Receiver:

Press release – March 20, 2007 on Fourth Bi-Monthly Report

Press release – May 10, 2007 on the Plan of Action

Letter from the Receiver – April 20, 2007: sixth in a series of public letters from the Receiver to a broad audience including members of state government

Letter from the Receiver – May 11, 2007: seventh in a series of public letters from the Receiver to a broad audience including members of state government

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[5] Medical Development International, a non-party in this action, filed (1) a Motion to Intervene, (2) a Motion for "Instructions," and (3) a Motion for Order Shortening Time.

Receiver's Waiver Requests Fact Sheet – April 2007: explaining the content and purpose of four separate requests by the Receiver to Judge Henderson to waive state law

San Mateo County Medical Association Bulletin – April 2007 issue, "Receivership addressing prison health care crisis"

Pharmacy Horizons v. 1 Issue 2 – May 2007, Message from the Receiver to CDCR Pharmacy Staff

b. Receiver's Radio and TV Appearances:

KCBS Radio San Francisco – May 10, 2007

KXJX Capitol Public Radio Sacramento – May 10, 2007

KTVU Channel 2 Oakland – May 10, 2007

KPBS San Diego Public Radio – May 11, 2007

KQED Radio San Francisco – May 15, 2007

KXJX Capitol Public Radio Sacramento – May 15, 2007

c. Receiver's public appearances:

Keynote Address at the Association for Criminal Justice Research, Sacramento, March 22, 2007

Address to San Mateo Rotary Club, San Mateo, March 29, 2007

Testimony before the California Assembly Budget Subcommittee 4, Sacramento, April 11, 2007

Address to Coalition of Alcohol and Drug Association Conference, Sacramento, May 21, 2007

Ribbon cutting ceremony and media event at San Quentin State Prison to open the new Triage and Treatment Area, June 14, 2007

Address at the San Mateo County Medical Association Annual Meeting, San Mateo, June 16, 2007

d. Editorial Coverage:

Sacramento Bee Column – March 21, 2007, "Dan Walters: Prison czar could be a good thing"

Sacramento Bee Column – March 25, 2007, "Daniel Weintraub: Sillen finds prison woes run deep - very deep"

Los Angeles Times Editorial – March 30, 2007, "The prison nightmare scenario"

Fremont Argus Column – April 02, 2007, "Daniel Weintraub: Sillen finds prison woes run deep"

Fresno Bee Editorial – April 03, 2007, "Prison mess indeed: It exists because elected officials wait until we're in crisis mode"

Scripps News Opinion – April 06, 2007, "It's not surprising Robert Sillen makes lawmakers angry"

Fremont Argus Opinion – April 11, 2007, "It's not surprising Sillen makes lawmakers angry"

Sacramento Bee Opinion – April 12, 2007, "Romero and Perata: Tough on crime vs. smart on crime"

San Diego Union Tribune Editorial – April 18, 2007, "Takeover time: Guards, legislators may give judge no choice"

San Jose Mercury News Editorial – May 11, 2007, "Prison health care plan has merit, needs price tag"

California Majority Report Fresh Meat Column – May 16, 2007, covered Receiver's critique of AB 900

American Chronicle Column – May 18, 2007, "Cayenne Bird: Prisons are still killing people, Sillen is not a hero"

San Francisco Chronicle Editorial – May 21, 2007, "What's on the prison table"

San Jose Mercury News Editorial – May 21, 2007, "Editorial: California prison system can't be improved piecemeal"

e. Examples of News Coverage:

Daily Journal – March 02, 2007, "Receiver's First Steps in Reforming Prison Health Care"

Advance for Nurses – March 09, 2007, "In the Spotlight, Life on the Inside"

Sacramento Bee – March 20, 2007, "Ill man's prison term blocked: S. F. judge cites findings of poor medical care, says move from local jail could equal a death sentence"

Sacramento Bee – March 21, 2007, "Prison drug buying irks medical czar"

Oakland Tribune – March 21, 2007, "Prison health care overseer pushes peers on reforms"

Fresno Bee – March 21, 2007, "Care of Avenal inmates blasted"

San Jose Mercury News – March 21, 2007, "Prison health cooperation urged"

Vacaville Reporter – March 21, 2007, "Prison drug buying process ripped"

Sacramento Bee – March 28, 2007, "Hold placed on bills that might swell prisons"

Los Angeles Times – March 29, 2007, "Protesters attack gov.'s prison plans"

Contra Costa Times – March 30, 2007, "Calif. Prison dept. discloses billions in contracts"

Federal Drug Discount and Compliance Monitor – April 2007 issue, "Receiver criticized the state of California for obstructing efforts to explore using the 340B drug discount program for its prison population"

Sacramento Bee – April 01, 2007, "Progress on fixing prisons suffers setbacks"

Los Angeles Times – April 05, 2007, "Prison healthcare providers sues"

San Diego Union Tribune – April 05, 2007, "Company says it was threatened by California prison receiver"

San Francisco Chronicle – April 05, 2007, "Health care firm accuses state prisons' medical czar"

Sacramento Bee – April 05, 2007, "Prison czar coercive, medical firm says"

North County Times – April 09, 2007, "Company says it was threatened by California prison receiver"

Daily Journal – April 09, 2007, "Prison health care receiver axes administration provider"

Sacramento Bee – April 10, 2007, "Prison health service halted: Florida firm accused state of withholding $2.6 million in fees"

Sacramento Bee – April 20, 2007, "Ex-prison pharmacist under FPPC scrutiny"

Los Angeles Times – April 20, 2007, "Plan for female inmates stalls"

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AOL News – June 15, 2007, posted photos of San Quentin event

3. Additional Activities.

The Receiver participated in a series of constituent meetings including the Fresno Bee Editorial board (April 2), the San Diego-based Second Chance Program (April 6), the California Hospital Association regarding various county and local hospital issues (June 1). The Receiver accepted invitations to speak at the Langeloth Foundation Board of Directors Meeting (April 14) and the San Mateo County Medical Association Board of Directors Meeting (April 17). The

Receiver also attended a May 29 meeting with California Senator Denise Ducheny, at her invitation.

In connection with the Receiver's ongoing project to improve medical care at San Quentin, the Receiver continued to emphasize public awareness and understanding of the work taking place there. This included a tour for staff from the Legislative Analyst's Office of the institution's medical facilities on April 10, and a June 14 media event to open the new Triage and Treatment Area (TTA) that provides emergency and urgent care for the prison's approximately 5,200 inmates.

The Office of the Receiver also fielded several requests from private production companies to film medical documentaries and other programs within CDCR institutions. In some cases, these were dispatched with quickly, in others they required weeks and sometimes months of discussion and negotiation with the producers, CDCR communications and institution staff. The outcome of these projects, and the benefit to the public balanced against the investment of time and resources is not yet known. This is an area that will continue to be reviewed by the Receiver.

B. Inmate Patient Complaints and Correspondence Program.

1. Introduction.

In the Fourth Bi-Monthly Report, the Receiver provided an update on the Inmate Patient Complaints and Correspondence Program, as well as a summary of the numbers and types of complaints and correspondence received for the last quarter of 2006. The Receiver provides below a summary of the amount, types of complaints and correspondence received for the first quarter of 2007.

2. Analysis of Inmate Patient Letters to the Receiver (January – March 2007).

The Office of the Receiver currently receives approximately 70 – 80 letters per week regarding inmate patient medical care. As noted in the Fourth Bi-Monthly Report, the letters come not only from inmate patients but also from family members, friends and other advocates, ranging from public interest groups to private citizens.

During the first quarter of 2007, the Office of the Receiver processed approximately 579 letters. This is an increase of 125 from the 454 letters received during the last quarter of 2006. Of the 579 letters, 176 were from people who have written to the Receiver more than once, some several times, regarding either the same or a different issue. (*See* Receiver's Third Bi-Monthly Report, page 41 for a description of the letter review process.) The number of letters clinical staff designate for further investigation remains at approximately 20 percent.

a. Prison Specific Distribution of Correspondence.

The 579 letters received by the Office of the Receiver included concerns about all of the 33 adult prisons. Pleasant Valley State Prison is the source of most correspondence, with 51 letters. The next-highest number of complaints came from: Mule Creek State Prison (48), Avenal State Prison (43), Salinas Valley State Prison (38), California Medical Facility (38) and California Training Facility (34).

The number of letters by institution is set forth below:[6]

Avenal State Prison 43

Calipatria State Prison 5

California Correctional Center 9

California Correctional Institution 3

Centinela State Prison 3

Central California Women's Facility 13

California Institution for Men 2

California Institution for Women 9

California Men's Colony 17

California Medical Facility 38

Corcoran State Prison 23

California Rehabilitation Center 4

Correctional Training Facility 34

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[6] Three of the letters received by the Office of the Receiver did not reference a particular institution and therefore are not included in the institution tally of letters.

Chuckawalla Valley State Prison 6

Deuel Vocational Institute 1

Folsom State Prison 15

High Desert State Prison 16

Ironwood State Prison 6

Kern Valley State Prison 21

California State Prison, Los Angeles County 15

Mule Creek State Prison 48

North Kern State Prison 1

Pelican Bay State Prison 13

Pleasant Valley State Prison 51

R.J. Donovan Correctional Facility 19

California State Prison, Sacramento 6

California Substance Abuse Treatment Facility 25

Sierra Conservation Center 3

California State Prison, Solano 26

San Quentin State Prison 26

Salinas Valley State Prison 38

Valley State Prison for Women 32

Wasco State Prison 5

b. Types of Complaints.

The majority of letters (341) concern the inmate patient's disagreement with the medical care provided. Other types of complaints include lack of access to care, problems with the medical appeals process and complaints against medical staff. Some specific examples of medical care issues brought to the Receiver's attention include inmate patients who have experienced delays in receiving specialty care, chronic disease patients concerned about the maintenance of their health, patients with concerns about the attitudes of clinical staff, and patients with pain management concerns.

The types of complaints are categorized below:

Issue Category	Statewide Total
Access to Care	21
Medical Appeals Problems	9
Complaint v. Staff	22
Disagree with Care	341
Miscellaneous	173
Suspicious Death	3
Custody Interference w/ Medical Care	7

The second largest number of letters the Office of the Receiver receives are those categorized as miscellaneous. The miscellaneous letters have been separated into sub-categories in the table below. The second largest number of the letters in this category relate to pharmacy, the most common complaint being the delay in getting prescriptions filled and receiving medication.

Other sub-categories include "transfer," where a patient is concerned about being transferred to another institution or a patient is requesting to be transferred to another institution. The "diet" sub-category includes patients dissatisfied with the meals provided and those that request a special diet due to a medical condition. The "chrono" sub-category includes patients who allege that their medical chronos (an order from a doctor for a specific accommodation such as a lower bunk or orthopedic shoes) are not being honored at the institution. The "optometry" sub-category consists mainly of patients who have experienced delays in receiving glasses previously ordered and those that request an optometry appointment.

The Office of the Receiver gets a notable amount of mail from people who are not clear on the parameters of the Receiver's authority. Often they write about issues outside the jurisdiction of the Office of the Receiver. Those letters make up the bulk of the "other" sub-category which is the largest sub-category under miscellaneous. Examples include but are not

limited to, complaints regarding visitation policies, parole hearings, legal mail, three strikes law, plumbing problems and housing assignments.

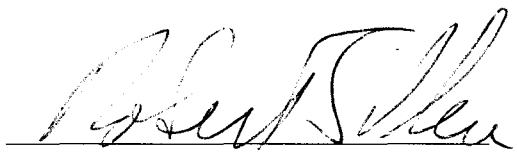
Miscellaneous Category	Statewide Total
Mental Health	11
Dental	10
Transfer	9
Diet	9
Optometry	8
Chrono	5
Legal	4
Pharmacy	29
Other	88
Total	173

VI.

CONCLUSION

Given the pending motions, potential changes in operations created by the implementation of AB 900, the Receiver will defer making any final comments in this Fifth Quarterly Report. Undoubtedly there will be many new developments concerning the remedial process during the next reporting period.

Dated: June 20, 2007



Robert Sillen
Receiver

EXHIBIT 1

California Prison Health Care Receivership Corporation
Balance Sheet
As of April 30, 2007
(Unaudited)

	April 2007	June 2006
ASSETS		
Current Assets		
Cash in Bank	$ 2,308,833	$ 2,072,487
Prepaid Insurance	38,473	41,138
Prepaid Rent/Other Deposits	19,024	121,402
Total Current Assets	2,366,330	2,235,027
Property, furniture, and equipment:		
CPR Headquarters	454,060	31,437
Held on behalf of CDCR	5,533,591	0
Total Property, furniture, and equipment:	5,987,651	31,437
Other Assets:		
Security Deposit	177,472	176,222
Total Other Assets	177,472	176,222
TOTAL ASSETS	**$ 8,531,453**	**$ 2,442,686**
LIABILITIES AND FUND BALANCES:		
Current Liabilities		
Accounts Payable	$ 792,439	$ -
Accrued Expenses	633,681	39,000
Payroll-Payable	273,765	98,274
Total Current Liabilities	1,699,885	137,274
Fund Balances:		
Contributed Capital -State of California	14,692,102	2,752,547
Net Expenses - Prior year	(447,135)	(447,135)
Net Expenses - Current year	(7,460,599)	0
Total Fund Balances	6,784,368	2,305,412
TOTAL LIABILITIES AND FUND BALANCES	**$ 8,484,253**	**$ 2,442,686**

California Prison Health Care Receivership Corporation
Statement of Expenses
For the ten months ending April 30, 2007
(Unaudited)

	April 2007	June 2006
Operating Expenses:		
Salaries/Wages & Related	$ 4,097,162	$ 327,969
Legal & Other Professional Fees	2,872,858	90,929
Office Expenses	53,827	621
Rent	157,428	6,470
Insurance	44,090	8,120
Telephone	40,398	997
Travel	246,185	15,627
Other Expenses	119,126	0
Total Operating Expenses	**$7,631,074**	**$450,733**
Other Income		
Interest Earned	$170,474	$3,599
Total Other Income	$170,474	$3,599
Net Expenses	**$7,460,600**	**$447,134**

PROOF OF SERVICE

I, KRISTINA HECTOR, declare:

I am a resident of the County of Alameda, California; that I am over the age of eighteen (18) years of age and not a party to the within titled cause of action; that I am employed as the Inmate Patient Relations Manager in *Plata v. Schwarzenegger*.

On June 20, 2007 I served a copy of the attached document described as RECEIVER'S FIFTH QUARTERLY REPORT on the parties of record in said cause by placing a true and correct copy thereof by pdf and by United States Mail and addressed as follows:

BRIGID HANSON
Director (A)
Division of Correctional Health Care Services
CDCR
P.O. Box 942883
Sacramento, CA 94283

CHARLES J. ANTONEN
SAMANTHA D. TAMA
ROCHELLE EAST
Deputy Attorney General
455 Golden Gate Ave., Suite 11000
San Francisco, CA 94102

STEVEN FAMA
DON SPECTER
ALISON HARDY
Prison Law Office
General Delivery
San Quentin, CA 94964-0001

PAUL MELLO
JERROLD SCHAEFER
Hanson Bridgett
425 Market Street, 26th Floor
San Francisco, CA 94105

MICHAEL BIEN
Rosen, Bien & Galvan
155 Montgomery Street, 8th Floor
San Francisco, CA 94104

ANDREA LYNN HOCH
Legal Affairs Secretary
Office of the Governor
Capitol Building
Sacramento, CA 95814

ELISE ROSE
Counsel
State Personnel Board
801 Capitol Mall
Sacramento, CA 95814

J. MICHAEL KEATING, JR.
285 Terrace Avenue
Riverside, RI 02915

MATTHEW J. LOPES
Pannone, Lopes & Devereaux, LLC
1800 Financial Plaza
Providence, RI 02903

BRUCE SLAVIN
General Counsel
CDCR – Office of the Secretary
P.O. Box 942883
Sacramento, CA 94283

KATHLEEN KEESHEN
Legal Affairs Division
CDCR
P.O. Box 942883
Sacramento, CA 94283

RICHARD J. CHIVARO
JOHN CHEN
State Controller's Office
300 Capitol Mall, Suite 518
Sacramento, CA 95814

MOLLY ARNOLD
Chief Counsel
Department of Finance
State Capitol, Room 1145
Sacramento, CA 95814

LAURIE GIBERSON
Staff Counsel
Department of General Services
707 Third Street, 7th Floor, Suite 7-330
West Sacramento, CA 95605

MATTHEW CATE
Inspector General
Office of the Inspector General
P.O. Box 348780
Sacramento, CA 95834-8780

DONNA NEVILLE
Senior Staff Counsel
Bureau of State Audits
555 Capitol Mall, Suite 300
Sacramento, CA 95814

WARREN C. (CURT) STRACENER
PAUL M. STARKEY
Labor Relations Counsel
Department of Personnel Administration
Legal Division
1515 "S" Street, North Building, Suite 400

Sacramento, CA 95814-7243

GARY ROBINSON
Executive Director
UAPD
1330 Broadway Street, Suite 730
Oakland, CA 94612

YVONNE WALKER
Vice President for Bargaining
SEIU
1108 "O" Street
Sacramento, CA 95814

PAM MANWILLER
Director of State Programs
AFSME
555 Capitol Mall, Suite 1225
Sacramento, CA 95814

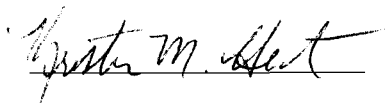
RICHARD TATUM
CSSO State President
CSSO
1461 Ullrey Avenue
Escalon, CA 95320

TIM BEHRENS
President
Association of California State Supervisors
1108 "O" Street
Sacramento, CA 95814

STUART DROWN
Executive Director
Little Hoover Commission
925 "L" Street, Suite 805
Sacramento, CA 95814

PETER MIXON
Chief Counsel
California Public Employees Retirement System
400 Q Street, Lincoln Plaza
Sacramento, CA 95814

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed on June 20, 2007 at San Francisco, California.



Kristina Hector