



RI Office of Management and Budget

Issue Brief

Results First – Adult Justice Program Benefit-Cost Analysis

May 31, 2016

This report provides the results of Rhode Island's efforts to analyze the benefits and costs of evidence-based adult criminal justice programs. The analysis uses a benefit-cost model developed and supported by the Pew-MacArthur Results First Initiative (Results First).¹ After completing a program inventory of evidence-based adult and juvenile justice programs in March 2014 and reviewing justice system costs in September 2015, the Office of Management and Budget (OMB) populated the Results First benefit-cost model with state-specific data and analyzed the return on investment of eleven evidence-based programs. OMB's analysis found that ten of the eleven of the evidence-based programs showed a positive return on investment.

Summary & Key Findings

The Results First model calculates the benefit-cost ratio of programs intended to prevent criminal activity by offenders after their release from incarceration, probation or parole; this re-offending behavior is known as recidivism.² The costs of administering these programs were provided by the Department of Corrections (DOC) and the Judiciary. The benefits of recidivism-reduction programs are the avoided costs of any additional crimes, whether borne by taxpayers or society. Taxpayer benefits include the avoided costs of law enforcement, legal proceedings, and incarceration. Non-taxpayer benefits include the avoided costs of victims' medical expenses, lost income, and pain and suffering. A program is considered cost-effective if its total benefits exceed its costs. The higher a program's benefit-cost ratio, the more cost-effective the program is. Because programs may vary in their effectiveness depending on the population and implementation, the Results First model also runs numerous simulations to capture possible variations and then calculates the likelihood that a program will have a net positive value over time.

As seen in the table on the next page, of the eleven adult justice programs reviewed, ten programs demonstrate a positive return on investment. Sex offender treatment for the incarcerated population has the highest benefit-cost ratio at \$25.48, while the work release program shows a negative return on investment, even when including revenues it raises from participants. Correctional Industries has a negative benefit-cost ratio when considering only the costs of administering the program; when program revenues from sales are included, the program's ratio becomes positive.

Initiatives to Improvement

The Results First benefit-cost model can guide policymakers when making decisions about investing resources in programs that have the greatest impact on crime reduction. Based on the initial benefit-cost results, Rhode Island is pursuing a number of improvements.

¹ The Pew-MacArthur Results First Initiative, a project of The Pew Charitable Trusts and the John D. and Catherine T. MacArthur Foundation, works with states and counties to implement an innovative benefit-cost analysis approach that helps them invest in policies and programs that are proven to work. Additional information about Results First, including previous RI reports describing the model's program and cost inputs, is available at <http://omb.ri.gov/performance/#section2>.

² Recidivism was measured as a return to incarceration in a Rhode Island Department of Corrections prison for a new criminal offense, excluding a revocation of supervision for technical violation, during a five-year follow up period.

Target new and existing funds to evidence-based programs – In the coming years, OMB expects to increase the share of budget resources targeted to evidence-based programs. To this end, Governor Raimondo’s FY 2017 budget includes \$500,000 in new funding for a Pay-for-Success project. Initial funding will support a DOC pilot project for approximately 75 to 100 formerly incarcerated people to obtain skills development and employment training through evidence-based programs, while fostering access to transitional jobs and permanent employment. The FY 2017 budget also includes \$2.5 million to support medication-assisted treatment programs at the Department of Corrections – a cost-effective program that will help address the opioid crisis facing Rhode Islanders.

Improve cost-effectiveness of existing programs – Rhode Island must ensure that current programs are implemented efficiently and according to best practices. To that end, the state is pursuing the following efforts:

- Improve evaluation of justice programs – The Governor’s budget recommends an additional \$25,000 in FY 2016 and FY 2017 to evaluate DOC’s programs to ensure adherence to best practices.
- Fully deploy risk and needs evaluation tools and ensure data-driven program referrals – DOC is expanding the use of its Level of Service Inventory - Revised (LSI-R) evaluation tool to the probation and parole population to tailor supervision levels and programming appropriately.
- Review Correctional Industries operations – DOC is currently reviewing Correctional Industries to improve operational efficiency, reduce costs, and align programs and training to market needs.
- Revise Work Release to increase participation – Work release’s current fees charged against earned income discourage participation and lead to high per-person costs. DOC has proposed legislation to reduce prisoner fees, which will increase enrollment and improve the program’s benefit-cost ratio.

Program name	Total benefits	Taxpayer benefits	Non-taxpayer benefits	Costs	Benefits minus costs (net present value)	Benefits to cost ratio	Chance benefits will exceed costs
Sex offender treatment (incarceration)	\$12,101	\$1,089	\$11,012	(\$475)	\$11,626	\$25.48	98%
Vocational education in prison	\$5,385	\$1,359	\$4,026	(\$494)	\$4,891	\$10.90	100%
Methadone treatment	\$8,391	\$2,169	\$6,222	(\$1,000)	\$7,391	\$8.39	95%
Cognitive behavioral therapy (high-/moderate-risk offenders)	\$3,333	\$842	\$2,491	(\$427)	\$2,906	\$7.81	100%
Electronic monitoring (parole)	\$5,648	\$940	\$4,707	(\$893)	\$4,755	\$6.32	100%
Outpatient/non-intensive drug treatment (community)	\$2,834	\$469	\$2,365	(\$551)	\$2,283	\$5.14	92%
Correctional Industries in prison [net of revenues]	\$2,006	\$506	\$1,500	(\$501)	\$1,505	\$4.00	100%
Correctional education (basic or post-secondary) in prison	\$5,752	\$1,438	\$4,314	(\$2,313)	\$3,439	\$2.49	99%
Outpatient/non-intensive drug treatment (incarceration)	\$4,116	\$1,040	\$3,075	(\$1,932)	\$2,184	\$2.13	94%
Drug courts (adult)	\$5,913	\$1,488	\$4,425	(\$4,769)	\$1,144	\$1.24	97%
Work release [net of revenues]	\$1,903	\$479	\$1,423	(\$3,463)	(\$1,560)	\$0.55	2%
Correctional Industries in prison	\$2,007	\$511	\$1,495	(\$4,516)	(\$2,509)	\$0.44	0%
Work release	\$1,894	\$479	\$1,416	(\$5,146)	(\$3,252)	\$0.37	0%