

Despite significant reductions in inmate population, the Corrections Department (NMCD) has seen significant growth in its budget. While falling populations and classification reforms provide opportunities for NMCD to realize substantial cost savings, the agency’s plan to continue to convert private prison facilities to public operation, rather than reducing unused bed space, will likely lead to further cost escalation. While the state pays to maintain empty beds at its prisons, inmate programming continues to lag behind the levels necessary to improve New Mexico’s high recidivism rate.

Budget

Budget History

Between FY17 and FY21, NMCD’s total budget grew by \$35.9 million, or 11 percent, including \$31.7 million from the general fund, but the population of inmates in its care decreased 17.6 percent over the same period. In November 2019, the agency entered into a new contract for inmate healthcare and took over operations of the privately operated Northeast New Mexico Correctional Facility (NENMCF) in Clayton, both of which significantly increased its anticipated costs. In FY20, NMCD submitted budget adjustment requests (BARs) to transfer \$11.4 million between categories and programs and received a \$2 million supplemental appropriation to cover these costs, and the agency’s original FY21 operating budget included an additional \$12.7 million for these expenditures, comprising over half of its total general fund revenue increase.

As a result of solvency measures enacted during the first 2020 special legislative session, NMCD’s general fund revenue for its FY21 operating budget was reduced by \$16.6 million, which the agency implemented using an anticipated \$13.6 million in vacancy savings and a \$2.5 million reduction in funding for private prison contracts. Despite these reductions, the department’s revised FY21 operating budget still represented a 1 percent increase over its actual FY20 expenditures and a 1.1 percent increase in general fund revenue.

**New Mexico Corrections Department General Fund Appropriations
FY20-FY22**
(in thousands)

Program	FY20 Actuals	FY21 Operating Budget	FY22 Operating Budget	Percentage Change FY22 v. FY21
Inmate Management and Control	\$ 277,007.4	\$ 279,993.7	\$ 278,234.1	-0.6%
Corrections Industries	\$ -	\$ -	\$ -	-
Community Offender Management	\$ 36,008.2	\$ 36,813.8	\$ 38,379.6	4.3%
Program Support	\$ 13,161.9	\$ 13,030.4	\$ 12,695.5	-2.6%
Total	\$ 326,177.5	\$ 329,837.9	\$ 329,309.2	-0.2%

Source: NMCD FY22 operating budget

AGENCY: Corrections Department (NMCD)

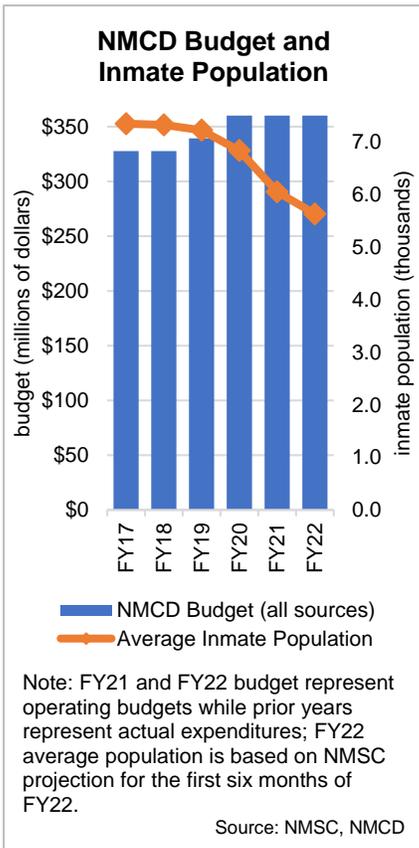
DATE: July 22, 2021

PURPOSE OF HEARING: Update on NMCD activity and facility usage

WITNESS: Alisha Tafoya Lucero, Secretary, NMCD

PREPARED BY: Ellen Rabin, Senior Fiscal Analyst, LFC; Cally Carswell, Program Evaluator, LFC

EXPECTED OUTCOME: Informational

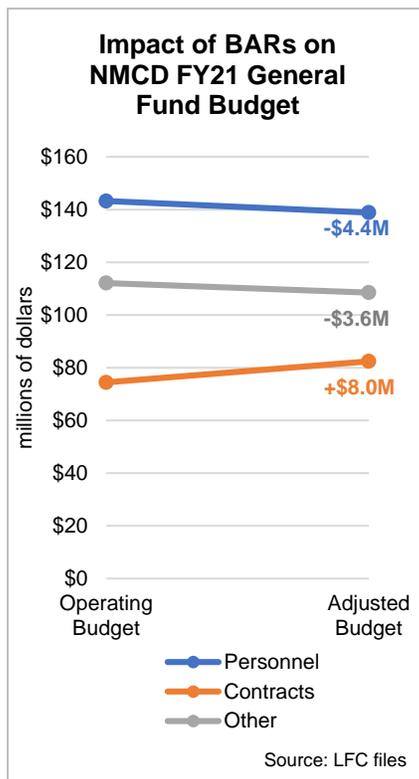


NMCD made several significant budget adjustments during FY21, transferring a total of \$13.9 million between budget categories. In the Inmate Management and Control Program, the agency used \$8 million in savings from reduced inmate populations at private correctional facilities (other costs) to pay for the rising costs of its inmate medical care contract (contractual services); however, three months later, NMCD used \$4.4 million in vacancy savings (personnel) to cover increases in the other costs category. These adjustments, along with significant transfers of almost \$500 thousand each in the Community Offender Management Program and Program Support, resulted in an adjusted FY21 operating budget that differed substantially from what was appropriated by the Legislature.

FY22 Operating Budget

Personnel costs, inmate healthcare, and population reductions continue to be central issues for NMCD’s budget in FY22. For this year, NMCD received a general fund appropriation 0.2 percent lower than its FY21 operating budget, which still represented a 1 percent increase compared with the agency’s actual expenditures in FY20. Significant cost savings due to continued population reductions and the agency’s high vacancy rate were redistributed to other legislative priorities within the agency, including expanded evidence-based programming for offenders on probation and parole (\$1.9 million). However, executive vetoes and the department’s operating budget diverted several of these appropriations contrary to legislative intent.

The 2021 GAA included \$1.9 million to fund private prison per-diem rate increases, which was partially vetoed to remove the entirety of the appropriation’s purpose while maintaining the funding; while the department has stated it may use some of this funding for its original purpose, it has not yet determined how it will be distributed. Similarly, the executive removed language from appropriations aimed at increasing funding for recidivism reduction and evidence-based programming within prison facilities specifying that those funds were in addition to the base operating costs in those areas. Additionally, while the Legislature intended to increase operational funding for facility maintenance and repair by \$2.5 million, the department’s FY23 operating budget instead reduced this funding by \$300 thousand, diverting the increase to other purposes.



Although the governor vetoed language requiring \$4 million of NMCD’s budget be used for compensation increases for public correctional officers, NMCD reports it will still use the majority of this funding to increase correctional officer pay. According to the department, vetoing the language allows the funds to also be used to increase compensation for a small number of non-correctional-officer employees working in prisons, but the funding will primarily be directed towards correctional officer compensation.

Healthcare. Language in the 2021 GAA prohibits NMCD from using its appropriations to pay for medical care beyond the costs of inmates currently incarcerated. Currently, the agency’s vendor for inmate medical care is compensated on a per inmate basis for a minimum number of inmates, even if that minimum exceeds the number of inmates who actually receive care. Since the third quarter of FY20, the actual number of inmates has fallen below those minimums, resulting in the state paying millions of dollars to care for nonexistent patients and contributing to the department’s sharply rising healthcare costs. The language in the GAA requires NMCD to renegotiate this contract to cover solely those inmates

who actually receive care from the vendor. NMCD is currently conducting these renegotiations and the status of the contract for FY22 is unclear.

Budgetary Implications of GCCF and NWNMCC Transitions

Guadalupe County Correctional Facility (GCCF), a privately operated facility in Santa Rosa, has struggled with high vacancy rates among its correctional staff, especially after NMCD staff and the local police department uncovered evidence that officers were bringing contraband into the facility. This month, officials at GCCF reported a 42 percent vacancy rate among staff and a 71 percent vacancy rate among correctional staff, with only 28 of 97 correctional staff positions filled.

As a result of these low staffing levels, at the end of March NMCD began reducing the inmate population at the 590-bed facility to less than 300 inmates to ensure the prison could be operated safely. One of the facility’s two housing units was closed, and currently only about 40 percent of its beds are filled. Reduced inmate populations and penalties for insufficient staffing significantly reduced compensation for the Geo Group (Geo), the private operator, and at the beginning of May, Geo informed NMCD and Guadalupe County it intended to close GCCF and terminate its agreement to operate the facility in August unless new terms could be negotiated. At the end of June, NMCD and Geo announced plans to transition GCCF from private to public operation by November. NMCD will lease the facility from Geo, but the costs of that lease have not yet been determined.

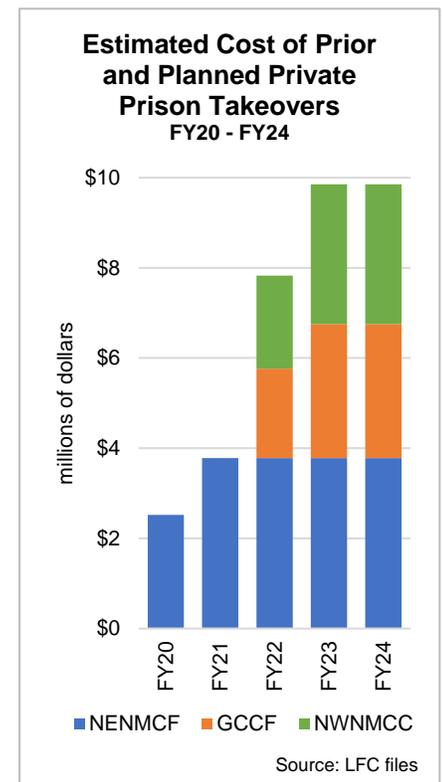
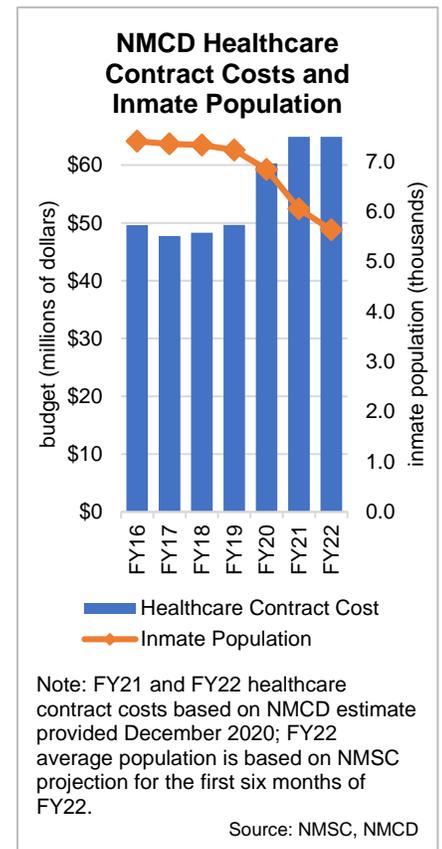
This month, NMCD announced it would also be taking over operations at the privately run Northwest New Mexico Correctional Center (NWNMCC) in Grants and leasing the facility from CoreCivic, a transition the department also anticipates will happen by November of this year. NWNMCC has a capacity of 673 inmates and currently holds about 440 level II and III male inmates; the facility was constructed in 1989, making it the oldest privately operated state prison.

In November 2019, NMCD transitioned the then-Geo-operated NENMCF in Clayton to public operation, a situation with informative parallels to the planned GCCF and NWNMCC transitions. LFC staff estimate this transition increased the costs of operating the facility by 22 percent in FY21, the first full year of state operation (see Appendix 1).

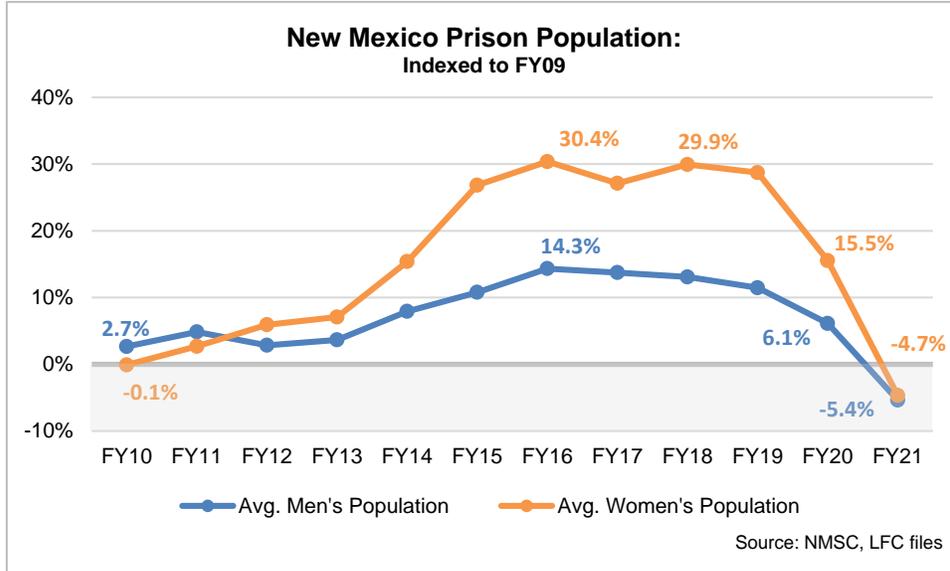
If the planned transitions of GCCF and NWNMCC see similar increases, the department can expect increased costs of about \$4.1 million in FY22 and \$6.1 million in FY23. From FY23 onward, transitions of private prisons to public operation can be anticipated to cost the state an additional \$9.9 million annually; between FY20 and FY24, these transitions will cost a total of at least \$33.8 million. However, because NENMCF is owned by the town of Clayton, NMCD’s payments to the town for the use of the facility are limited to the amount required to pay off the town’s debt service. Geo and CoreCivic, as private companies, may negotiate leases that allow them to profit, resulting in even greater costs to the agency.

Inmate Population and Distribution

Prison population has been falling since September 2018 and had dropped 8.3 percent by March 2020, even before the impacts of the Covid-19 pandemic on court adjudications and early releases. These unprecedented but sustained reductions in population could provide significant cost savings, as incarcerating an inmate cost an average of \$44.8 thousand in FY20. Population declines also



provide an opportunity for the state to explore closing housing units, and changes to the classification system will likely compound these opportunities.



Inmate Population

While state prison populations across the country have been declining since 2010, New Mexico's inmate population continued to rise, reaching a high of 7,400 inmates in FY16. After holding relatively steady for a short time, total prison population fell 20.9 percent between September 2018 and June 2021, and in FY21 the average prison population fell to its lowest level in over a decade. As a result of these declines, NMCD has had an average of almost 1,600 beds unoccupied in FY21.

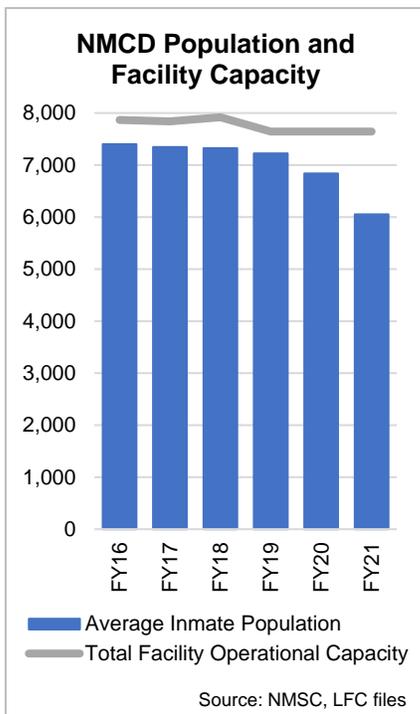
After rising slightly in May, New Mexico's inmate population dropped in June 2021, with prisons holding an average of 5,315 men and 533 women, 0.5 percent lower than May and 8.5 percent lower than June 2020. On average in FY21, the state's inmate population averaged 6,051 (5,489 men and 561 women), a reduction of 11.5 percent compared with the FY21 average and 18.2 percent lower than the population high in FY16.

Population declines are driven by reductions in prison admissions. In the first three quarters of FY21, 1,749 people were admitted to prison, a 24 percent reduction compared with the first three quarters of FY20. The majority of this reduction is a result of decreased admissions of individuals for new offenses, which have fallen 30 percent year-to-date compared with FY20, but admissions due to parole revocations only fell 5 percent. In the first three quarters of FY21, parole revocations made up 41 percent of total prison admissions, the largest share of prison admissions due to parole revocations in at least 15 years and almost 9 percentage points higher than the previous high of 32 percent in FY16.

Inmate Classification and Facility Usage

NMCD houses inmates at 11 prison facilities statewide, seven of which are publicly operated and four of which are currently privately operated. Each facility holds inmates of differing custody levels, which restricts how available bed space can be allocated. The primary goal of inmate classification is to place inmates at a security level where they will not threaten the safety of other prisoners, prison staff, and the public. At NMCD, as in most corrections departments, security level is determined through a scoring tool intended to objectively evaluate inmates' risk of misconduct, violence, or escape. Unless inmates meet certain criteria triggering an override, they are supposed to be housed according to their custody score. Modern classification systems also include an internal process to determine unit, programming, and work assignments.

Inmates in the general population are classified at one of four security levels. Outside general population, NMCD maintains restrictive housing units, where inmates can be placed in short-term segregation, and protective custody status for inmates who face particular threats to their safety. The department also continues



to maintain a supermax unit, formerly known as level VI, at the Penitentiary of New Mexico North for inmates who demonstrate predatory behavior. New admissions default to custody level IV until receiving a classification.

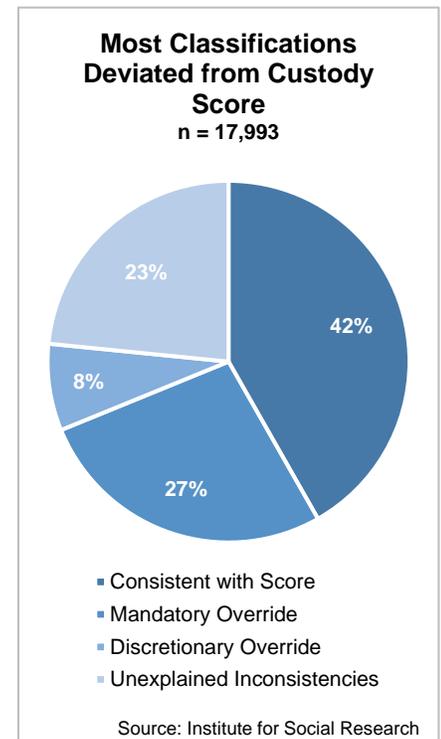
New Mexico State Prisons

Facility	Capacity	Est. FY21 Occupancy	Custody Levels	Location
Publicly Operated				
Central New Mexico Correctional Facility	1,221	56%	I, II, IV, Restricted Housing, Long Term Care Unit, Mental Health Treatment Center	Los Lunas
Northeast New Mexico Correctional Facility	628	78%	III	Clayton
Penitentiary of New Mexico	864	78%	II, IV, Restricted Housing, Predatory Behavior Management Unit	Santa Fe
Roswell Correctional Center	340	74%	II	Hagerman
Springer Women's Correctional Center	308	73%	I, II	Springer
Southern New Mexico Correctional Facility	768	85%	II, III, IV, Restricted Housing	Las Cruces
Western New Mexico Women's Correctional Facility	353	97%	III, IV	Grants
Privately Operated				
Guadalupe County Correctional Facility	590	79%	III, Restricted Housing	Santa Rosa
Lea County Correctional Facility	1,293	88%	II, III, Restricted Housing	Hobbs
Northwest New Mexico Correctional Center	673	67%	II, III	Grants
Otero County Prison Facility	607	87%	III, Restricted Housing	Chaparral

Source: NMCD, LFC analysis of CBC count sheets

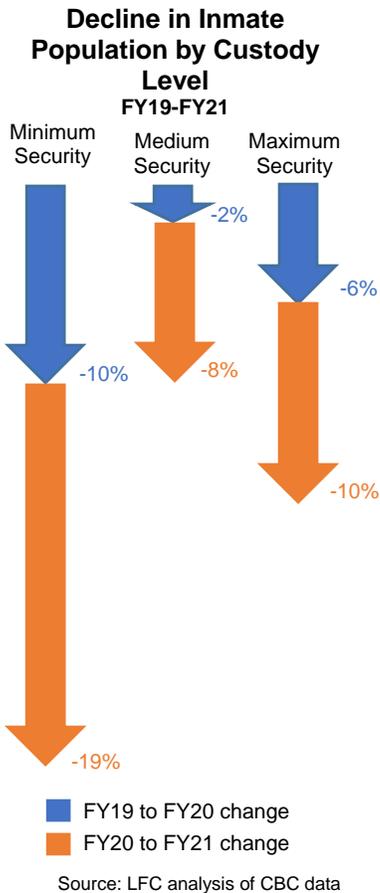
Concerns Regarding NMCD’s Classification Process. A July 2020 policy spotlight on inmate classification at NMCD by LFC’s program evaluation team found the current system is not consistent with best practices and has not been validated. The system evolved in response to dangerous and violent prison conditions driven by underclassification (housing inmates at lower custody levels than warranted) but had not been revised in almost two decades, and now overclassification (housing inmates at higher, and more expensive, custody levels than warranted) may be driving up costs and hampering offender rehabilitation. The report found that, while the majority of prisoners admitted to the system received initial custody scores classifying them as minimum security, more than half were housed in medium-security settings.

Between 2014 and 2016, nearly 60 percent of classification decisions were either subject to overrides or resulted in inmates being housed at security levels inconsistent with their custody scores for unknown reasons. Discretionary overrides recognize that no automated scoring tool will generate appropriate results for every inmate and allow corrections staff to house inmates at lower or higher security levels than their score indicates. Mandatory overrides limit certain inmates’ access to minimum- and medium-security units, based primarily on the nature of their offenses, history of violence, escape risk, and the medical and behavioral health service limitations of the facilities themselves. Overrides are necessary components of modern classification systems, and both types should be expected to impact 5 percent to 15 percent of classification decisions.



The rate of discretionary overrides in NMCD met that benchmark, at 8 percent of classifications in a three-year sample analyzed by the University of New Mexico’s Institute for Social Research, impacting 972 inmates. Mandatory overrides, however, occur at a significantly higher rate, representing 27 percent of the classifications in the sample and impacting an estimated 1,500 inmates. Fifty-seven percent of discretionary overrides moved inmates to higher security levels, while 39 percent moved inmates to lower security levels; all mandatory overrides result in inmates being moved to higher security levels.

Inmates in more secure facilities tend to engage in institutional misconduct at higher rates and have higher rates of recidivism than inmates in lower-security prisons, so expanding access to minimum-security settings may help reduce recidivism and its associated costs. The LFC report estimated deviations from the initial custody score could be costing the state up to \$28 million annually. Because NMCD’s scoring tool has not been validated, it is impossible to definitively say whether override decisions are appropriate or represent unnecessary overclassification; however, the potential costs of overclassifying even a small fraction of inmates are significant.



Changes to Inmate Classification. On June 13, NMCD implemented significant changes to its inmate classification system that will likely result in reduced populations at higher custody levels and increased populations at lower custody levels. These classification changes will impact all inmates who go through intake (initial classification) or receive a regularly scheduled reclassification. NMCD also plans to reclassify specific populations to test the effect of the changes.

NMCD’s revised classification system removed or changed many mandatory and discretionary overrides, including restrictions on lower custody levels for individuals with misdemeanor detainers, inmates with recent drug-related misconduct, and former gang members who have renounced their affiliation. Additionally, NMCD revised the factors that underlie certain scores in the custody tool, such as the severity of the offense for which an inmate is incarcerated. NMCD has changed whether certain offenses are considered low-, moderate-, high-, or highest-risk, which will likely result in lower custody scores for some inmates.

In June, NMCD reclassified 134 level III inmates held at NWNMCC using its updated inmate classification system, 30 of whom (22 percent) were scored as level II under the new system.

Facility Usage

Despite significant available bed space at correctional facilities statewide, restrictions based on custody level hamper consolidation of the inmate population that would reduce costs and enable the department to close housing units or entire prison facilities. Historically, men’s medium security units have had the highest occupancy levels, and recent population declines have disproportionately impacted minimum and maximum security units. All level III facilities for men in the state, most of which are privately operated, had occupancy rates over 90 percent in FY20, except NENMCF, which had an occupancy rate of 74 percent.

NMCD’s recent trends in distributing inmates among public and private facilities, continued population reductions, and classification reforms may help alleviate some of this pressure on medium-security housing. In recent years, NMCD has begun focusing population declines among private facilities while keeping the

population at public facilities relatively steady. Between July 2020 and June 2021, overall prison population fell 8 percent, but the population held in privately operated facilities fell 14 percent compared with 4 percent in publicly operated facilities. These changes produced estimated cost savings of at least \$8 million in FY21. However, recent decisions regarding GCCF, Springer Correctional Center (SCC), and NWNMCC cast doubt on whether the executive is willing to act on the opportunity to consolidate its inmate population and close facilities or housing units afforded by population reductions.

Guadalupe County Correctional Facility. GCCF currently holds about 40 percent of its capacity after NMCD removed inmates from the facility due to dangerously low staffing levels and closed one of its two housing units. The large number of inmates transferred out of GCCF were able to be accommodated elsewhere in the correctional system, and it is unlikely the prison’s capacity is needed – last month, GCCF held 266 level III male inmates, while other level III facilities had 246 empty beds; an additional 260 level IV beds available statewide could potentially be repurposed for any overflow in level III inmates, as the core infrastructure of the units is the same.

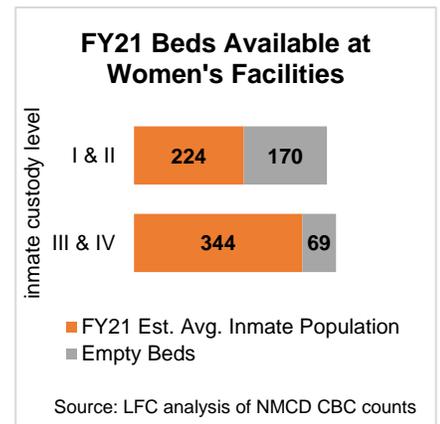
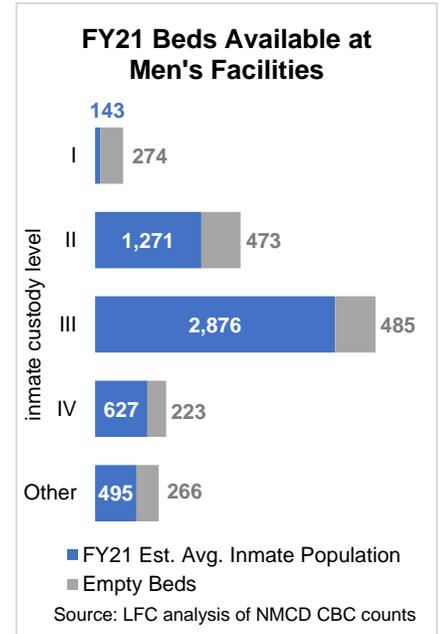
Despite these facts, NMCD has chosen to take over operations and lease the facility rather than close the prison. Whether it will be possible for NMCD to successfully combat the factors that led to GCCF’s low staffing levels is unknown. If one of GCCF’s housing units remains closed and the facility stays at half capacity, the terms of the lease may nevertheless require the state to pay for the entire facility. If NMCD can increase staffing levels at GCCF and transfer level III inmates away from other facilities, there is no guarantee the agency will seriously explore closing those facilities or housing units.

Springer Correctional Center. In March, NMCD announced plans to close SCC, a minimum-security (levels I and II) women’s correctional facility that currently houses about 223 inmates. While there is no other minimum-security bed space for women available, in January the department moved all male inmates out of its level I unit at Central New Mexico Correctional Facility (CNMCF) in Los Lunas, a facility with a capacity of 336 inmates, which could be repurposed for the female population.

However, in May the department reported that, instead of closing the facility, it planned to transition SCC away from use as a prison to some other state use, with a transition timeline of two to three years. As a result, the state continues to pay for unnecessary space at SCC and unused space at CNMCF.

Northwest New Mexico Correctional Center. NWNMCC has a capacity of 673 inmates and currently holds about 440 level II and III male inmates. Capacity for level II male inmates at other facilities statewide is limited, with only 158 beds available last month; however, this shortage is largely due to 144 of CNMCF’s 260 level II beds currently being occupied by level I inmates after the department closed its level I housing unit. That unit remains empty, and there does not appear to be any immediate plan to repurpose it. Were CNMCF’s level I inmates transferred back to that unit, NMCD would have 302 empty level II beds, which could likely accommodate the majority of NWNMCC’s level II population, while there is capacity for its level III inmates elsewhere, even without GCCF’s capacity.

Rather than consider closing this facility, this month NMCD instead announced it would be converting it from private to public operation. The reasoning behind this decision was not announced, and it is notable that the department entered into a



NMCD may not need GCCF’s capacity. Half of GCCF’s population was absorbed into other facilities due to excess bed space, and its remaining population could likely be accommodated at other facilities.

NMCD is not the only agency with excess correctional facility capacity. In FY20, over half the bed space (154 beds, or 54 percent) in juvenile justice facilities operated by the Children, Youth and Families Department went unused. It may be possible to repurpose some of this unused space for adult populations.

new contract for this facility's operation in September 2020 that included a per prisoner compensation increase of about 10 percent for the operator for FY21 and 2.5 percent increases for each subsequent fiscal year of the contract, which runs through the end of FY24. NWNMCC's contract does not guarantee compensation for a minimum number of inmates, and its average population decreased about 30 percent between FY20 and FY21, resulting in estimated savings of \$3 million. Transferring the facility to public operation will likely eliminate these savings.

Educational and Vocational Programming in Prisons

The recidivism rate of inmates released from New Mexico's prison system has exceeded 40 percent for at least 15 years.

High-quality educational and vocational programming is one of the most effective mechanisms for reducing recidivism, an area in which NMCD has struggled significantly in recent years. A systematic and consistent prioritization of these programs is essential to improving the agency's outcomes. The department's creation of a new Reentry Program encompassing educational programming could help provide the focus and resources necessary to achieve these improvements.

Programming varies widely across correctional facilities, with no vocational education program offered at all prisons. Vocational education program offerings do not seem to be determined based on which fields are most likely to provide stable employment to offenders upon their release. Welding, for example, was only offered at two facilities in 2020, and during a 2019 site visit the Roswell Correctional Facility's welding program was unused because it did not budget funds to buy the necessary equipment for inmates to take part in the program. NMCD does not report on participation or successful completion of its vocational programs, so it is unclear how effective or fully utilized these programs are.

Educational programming offerings have been insufficient in recent years, and additional class size restrictions due to the Covid-19 pandemic have further limited class capacity. During a 2019 site visit, NWNMCC had 97 inmates on a waiting list for adult basic education. Due to the pandemic, SCC reduced its class sizes from over 20 to just 10, resulting in a waiting list for high-school equivalency courses; GCCF reduced adult basic education class sizes to just five students. The percent of inmates participating in educational, cognitive, vocational, and college programs fell from an average of 62 percent in FY20 to 39 percent over the first three quarters of FY21.

**LFC Estimate of FY21 Cost Change for NENMCF
Transition from Private to Public Operation**

Personal Services and Employee Benefits	
Staff salaries and benefits; 122 security positions and 62 other positions (assumes a 25 percent vacancy rate)	\$ 9,007.6
Overtime	\$ 2,144.1
Other fixed personnel costs	\$ 188.2
Subtotal 200s:	\$ 11,339.9
Contractual Services	
Visitors' center	\$ 29.7
Inmate education through Mesalands Community College	\$ 165.0
Subtotal 300s:	\$ 194.7
Other Costs	
Ending contract for private operation of NENMCF	\$ (17,351.8)
Bond payments for NENMCF	\$ 6,302.5
Food service contract	\$ 978.8
DoIT fees	\$ 185.6
Utilities	\$ 822.0
Inmate pay	\$ 350.0
Clothing, uniforms, and linens	\$ 175.0
Maintenance supplies	\$ 117.7
Other	\$ 666.4
Subtotal 400s:	\$ (7,753.8)
Grand Total FY21 NENMCF Cost Change Estimate	
	\$ 3,780.8
NENMCF cost increase as a percent of FY21 contract cost	
	21.8%

Source: NMCD FY21 budget request; NMCD NENMCF position creation/transfer worksheet



PERFORMANCE REPORT CARD

Corrections Department

Third Quarter, Fiscal Year 2021

ACTION PLAN

Submitted by agency?	Yes
Timeline assigned?	No
Responsibility assigned?	No

49% of New Mexico's prison population has contracted Covid-19, compared with **30%** across other state correctional systems and the federal Bureau of Prisons.

Corrections Department

Covid-19 has ravaged New Mexico's prison population, but results from the Corrections Department's (NMCD) vaccine rollout are somewhat encouraging. The pandemic continues to severely impact NMCD's performance, resulting in decreased prison violence but also reduced opportunities for inmate education. The prison population continues to fall as admissions drop, but increased parole revocations for technical violations have resulted in a much larger share of admissions off parole than in prior years. NMCD is facing the possibility of significant changes to its facilities as it prepares to transition Springer Correctional Center.

New Mexico's prisons have seen much higher rates of infection and death during the Covid-19 pandemic than most other states' prison systems. Covid-19 infection has been so widespread throughout the state's prison system that an inmate in New Mexico was more than twice as likely to die from Covid-19 than the national average. Covid-19 was also 40 percent more likely to be fatal in New Mexico's prisons compared with the U.S. prison system as a whole.

However, New Mexico is making progress rolling out vaccines within the correctional system. NMCD reports 51 percent of inmates (2,920 individuals) and 83 percent of staff working in prison facilities have received at least one dose of the Covid-19 vaccine. Compared against an analysis of staff vaccinations by the Prison Policy Initiative in April, New Mexico had the fourth-highest overall rate of vaccinations of correctional staff out of 36 states and the federal Bureau of Prisons at 71 percent (inclusive of staff inside and outside prison facilities). Unfortunately, NMCD's vaccination rate among inmates lags behind the national average. NMCD continues to encourage vaccinations among staff and inmates to allow it to safely resume normal operations and aims to vaccinate all interested inmates by June 1 before embarking on a field campaign to facilities with the lowest vaccination rates. Overall, the department aims to vaccinate at least 70 percent of inmates. Currently, there is only one active Covid-19 case.

New Mexico's prisons held an average of 5,876 inmates in April, including 5,332 men and 544 women, a decrease of 0.5 percent compared with March and 12.1 percent lower than April 2020. Notably, the women's population increased month-over-month by 10 inmates, or 1.9 percent, after increasing by six inmates for the first time in over a year in March. Since December 2018, the total prison population has fallen by 19.3 percent. As a result of sharply declining prison populations, NMCD has had an average of almost 1,600 beds unoccupied in FY21 to date.

Population declines are driven by reductions in prison admissions. A total of 561 individuals were admitted to prison in the third quarter of FY21, a decrease of 3.3 percent compared with the second quarter. In the first three quarters of the year, 1,749 people were admitted to prison, a 24 percent reduction compared with the first three quarters of FY20. The majority of this reduction is a result of decreased admissions of individuals for new offenses, which have fallen 30 percent year-to-date compared with FY20, but admissions due to parole revocations only fell 5 percent.

Inmate Management and Control

Covid-19 Deaths in Prisons

death rate of total population



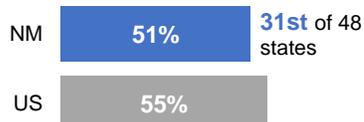
death rate of infected population



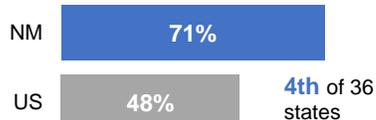
Source: NMCD, Marshall Project/AP, LFC files

Covid-19 Vaccination Rates in Corrections

among prison inmates



among correctional staff



Source: NMCD, Prison Policy Initiative



PERFORMANCE REPORT CARD

Corrections Department

Third Quarter, Fiscal Year 2021

In March, NMCD announced plans to cease using the Springer Correctional Center (SCC) as a prison in two to three years. Currently, 67 state employees and 22 contract employees serve the facility, which houses just over 200 minimum-security female inmates. Although NMCD reports there are both beds for SCC inmates and positions for SCC employees at its other facilities, concerns from the community regarding the potential economic impact of simply closing the prison have prompted an extended timeframe. NMCD reports that the executive does not intend to close the facility but rather expects to transition it to another use, such as a transitional living center or inpatient substance-use-disorder treatment.

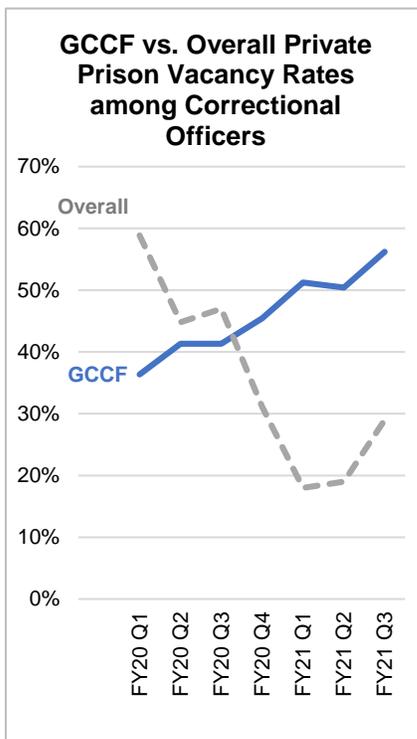
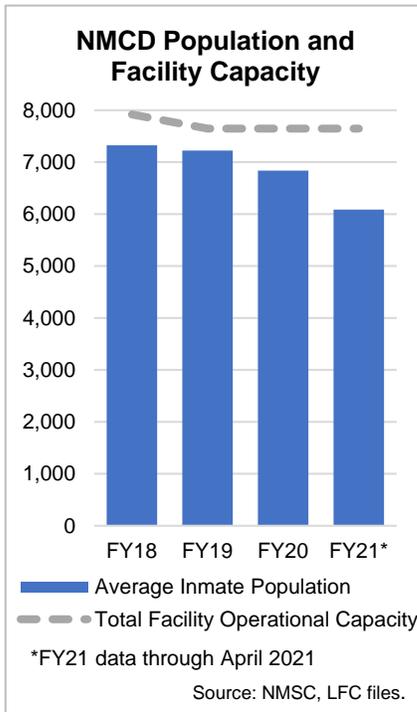
Vacancy rates among correctional officers employed by private facilities rose 10 percentage points between the second and third quarters, in part driven by the loss of 7 officers at the Guadalupe County Correctional Facility (GCCF), after NMCD staff and the local police department uncovered evidence that a significant number of officers were bringing contraband into the facility. Faced with a vacancy rate of 56 percent among correctional officers at the facility in the third quarter, NMCD began reducing the inmate population at the 590-bed facility to less than 300 inmates to ensure the prison could be operated safely. At the beginning of May, the Geo Group informed NMCD and Guadalupe County that it intends to close GCCF and terminate its agreement to operate the facility in August unless new terms can be negotiated, such as increasing its compensation per prisoner and reducing penalties for insufficient staffing. NMCD and Geo are currently engaged in negotiations over the continued operation of the facility.

NMCD reports just one inmate-on-inmate assault and two inmate-on-staff assaults requiring off-site medical treatment occurred in the third quarter, maintaining FY21's significant decrease in prison violence compared with prior years. While NMCD has previously cited drug deals between inmates as a primary cause of increasing or decreasing prison violence, analysis of prior years' assaults and rates of drug use among inmates casts doubt on this hypothesis. Restrictions on inmate activity and movement due to the Covid-19 pandemic, as well as a lack of large congregate groups of inmates due to reduced sizes of classes and other programs, may account for FY21's unusually low levels of violence; however, the fourth quarter of FY20 – the beginning of the pandemic – saw nine assaults, significantly exceeding any quarter in FY21.

NMCD has made significant strides in addressing underperformance of its inmate healthcare provider, Wexford, over the course of FY21. Wexford improved from meeting just 73 percent of standard healthcare requirements in the first quarter of FY21 to 86 percent in the second quarter and 100 percent in the third. NMCD credits this improvement to frequent communication with the vendor and independent auditing of inmate medical records.

Since the initiation of NMCD's project to significantly increase hepatitis C treatment among inmates in the fourth quarter of FY20, 232 inmates were treated with an average success rate of 89 percent. During the third quarter of FY21, NMCD fully transitioned its procurement of hepatitis C treatment medication from its medical vendor, Wexford, to its newly established 340b drug pricing program. NMCD is in the process of renegotiating its contract with Wexford to increase the number of inmates treated for hepatitis C each year from 150 to 600.

In the first quarter of FY21, NMCD reported its overall three-year recidivism rate had been reported incorrectly since 2016, due to a database error that erroneously counted



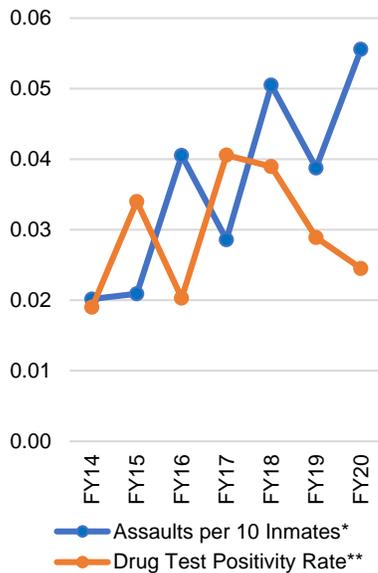


PERFORMANCE REPORT CARD

Corrections Department

Third Quarter, Fiscal Year 2021

Prison Violence and Inmate Drug Use



*Includes both inmate-on-inmate and inmate-on-staff assaults requiring offsite medical treatment.

**Tests randomly given to 10 percent of the inmate population.

all intakes to the parole system as prison admissions for purposes of calculating reincarceration rates. The agency has corrected this issue, but because it has not provided corrected historical data on this measure, it is unclear if FY21's recidivism results represent an increase or decrease from previous years' recidivism levels. NMCD reports it is working on recalculating annual results for its three-year recidivism rate measure and expects to be able to provide those results by the end of the fiscal year.

	Budget:	FTE:	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
Recidivism	\$299,283.7	2,044							
Percent of prisoners reincarcerated within 36 months			54%	54%	45%	42% ¹	45% ¹	44% ¹	Y
Percent of prisoners reincarcerated within 36 months due to new charges or pending charges			15%	12%	17%	14%	14%	13%	G
Percent of sex offenders reincarcerated on a new sex offense conviction within 36 months of release on the previous sex offense conviction			1%	2%	15%	0%	10%	10%	G
Percent of residential drug abuse program graduates reincarcerated within 36 months of release*			28%	21%	N/A	27%	15%	22%	
Prison Violence									
Number of inmate-on-inmate assaults resulting in injury requiring off-site medical treatment			25	31	15	1	1	1	G
Number of inmate-on-staff assaults resulting in injury requiring off-site medical treatment.			3	7	0	0	0	2	Y
In-House Parole									
Percent of release-eligible female inmates still incarcerated past their scheduled release date			9.4%	7.7%	6%	0.1% ²	0.8% ²	0.4% ²	Y
Percent of release-eligible male inmates still incarcerated past their scheduled release date			9.3%	6.4%	6%	1.5% ²	1.4% ²	1.3% ²	Y
Staffing									
Vacancy rate of correctional officers in public facilities			25%	31%	20%	28%	26%	26%	R
Vacancy rate of correctional officers in private facilities			NEW	46%	20%	18%	19%	29%	R
Education									
Percent of eligible inmates enrolled in educational, cognitive, vocational and college programs			76%	62%	68%	35%	39%	43%	R
Percent of participating inmates who have completed adult basic education* ³			78%	77%	N/A	6.3% ³	5.8% ³	2.2% ³	
Percent of eligible inmates who earn a high school equivalency credential ³			78%	77%	80%	6.3% ³	5.8% ³	2.2% ³	Y
Number of inmates who earn a high school equivalency credential			139	134	150	43	34	10	Y
Health									
Percent of standard healthcare requirements met by medical contract vendor			92%	87%	100%	73%	86%	100%	Y
Percent of random monthly drug tests administered to at least ten percent of the inmate population that test positive for drug use*			2.9%	2.5%	N/A	1.7%	2.8%	1.8%	
Program Rating									Y

Metrics related to inmate education fell significantly in the third quarter, with the number of inmates who earned a high school equivalency (HSE) credential dropping from 34 in the second quarter to 10 this quarter. NMCD reports this quarter shows the full impact of educational disruption due to the Covid-19 pandemic on HSE credential attainment, which was not immediate. Additionally, personnel turnover among staff and proctors for HSE exams during the second and third quarters has impacted these measures, with insufficient proctors available to test all students who were ready to take the HSE exam. Due to the extenuating circumstances of the Covid-19 pandemic, these measures are rated yellow.

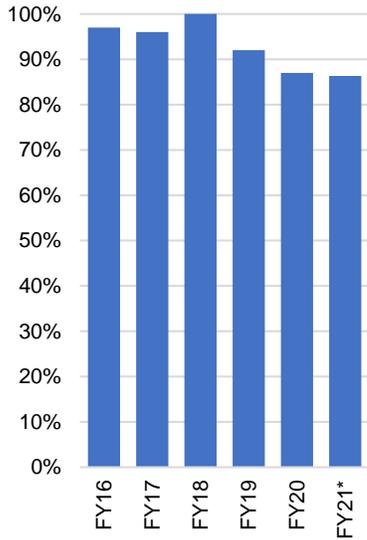


PERFORMANCE REPORT CARD

Corrections Department

Third Quarter, Fiscal Year 2021

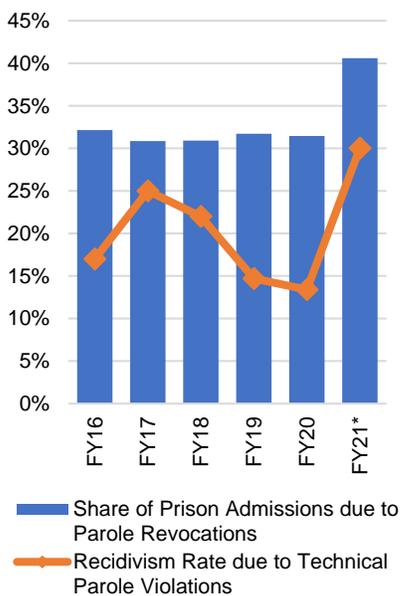
Percent of Standard Healthcare Requirements Met by Medical Contract Vendor



*as of FY21 Q3

Source: LFC files, NMCD

Parole Revocations and Recidivism for Technical Violations



Source: NMCD, Sentencing Commission, LFC files

*Measures are classified as explanatory and do not have targets.

1. In the first quarter of FY21, NMCD reported its overall three-year recidivism rate had been reported incorrectly since 2016, due to a database error that erroneously counted all intakes to the parole system as prison admissions for purposes of calculating reincarceration rates. The agency has corrected this issue but has not provided corrected historical data and this quarter's result cannot be compared to previous years. NMCD reports it is working on recalculating annual results for its three-year recidivism rate measure and expects to be able to provide those results by the end of the fiscal year. Because the FY21 target was set based on prior year results that have since been reported to be incorrect, it is difficult to properly rate this measure, and it is rated yellow at this time.

2. NMCD reported this measure had previously been miscalculated, changed the calculation for FY21, but did not provide corrected historic reports. LFC and DFA analysts believe NMCD's altered calculation is incorrect (the original calculation is correct). NMCD has demonstrated that these recalculated measures represent significant improvements over prior years' results calculated in the same manner, meaning it is likely that the original calculation would also reflect improvement this quarter; for this reason, these measures are rated yellow.

3. NMCD reported this measure had previously been miscalculated, changed the calculation for FY21, but did not provide corrected historic reports. Previously, these measures were both calculated as the pass rate of the high school equivalency test; now, they are both reported as the percent of inmates enrolled in adult basic education who pass the high school equivalency test and therefore earn the credential.

Community Offender Management

The vast majority of parole revocations are attributed to substance abuse or technical parole violations. While technical violation revocations decreased in FY20, in the first quarter of FY21, the percent of prisoners reincarcerated within 36 months of release due to technical parole violations more than doubled, from 13 percent to 28 percent, and in the second quarter increased further, to 31 percent. In the third quarter, this reincarceration rate remained steady at 31 percent. To date in FY21, parole revocations make up 41 percent of total prison admissions, the largest share of prison admissions due to parole revocations in at least 15 years and almost 9 percentage points higher than the previous high of 32 percent in FY16. NMCD has not yet been able to identify the cause of these increases.

The Probation and Parole Division continues to maintain low vacancy rates and standard caseloads for probation and parole offices. The percent of contacts per month made with high-risk offenders in the community remains high but just below target; NMCD notes that new officers and vacancies impact this measure. The recidivism rates of the men's and women's recovery centers continue to fluctuate, and while both decreased this quarter, they are unlikely to reach their targets for the year.

	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
Budget: \$40,010.2 FTE: 380							
Percent of prisoners reincarcerated within 36 months due to technical parole violations	15%	13%	14%	28%	31%	31%	R
Percent of graduates from the women's recovery center who are reincarcerated within 36 months	19%	25%	19%	27%	34%	25%	R
Percent of graduates from the men's recovery center who are reincarcerated within 36 months	27%	23%	23%	24%	28%	24%	R
Average standard caseload per probation and parole officer	110	91	103	100	86	84	G
Percent of contacts per month made with high-risk offenders in the community	98%	96%	97%	95%	91%	95%	Y
Vacancy rate of probation and parole officers	24%	25%	20%	15%	15%	16%	G
Program Rating	Y	Y					Y