

*Presentation to the Criminal Justice Reform
Subcommittee
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Fiscal Overview of Criminal Justice System

*Charles Sallee, Deputy Director
Eric Chenier, Fiscal Analyst*
Legislative Finance Committee

Overview

- ▶ One out of every 44 New Mexican adults are involved in the criminal justice system
- ▶ Victims, inmate families, the economy, taxpayers and society pay the price

Summary

- ▶ Criminal Justice Appropriations
- ▶ NM Corrections Department Costs
- ▶ Cost Per Offender/Inmate
- ▶ Cost of Recidivism
- ▶ Cost Saving Opportunities

New Mexico Results First

Lifetime total benefits of selected outcomes
in New Mexico

Outcome	Lifetime Value
Avoiding a reconviction	\$121,912
Avoiding one case of child abuse or neglect	\$99,435
Preventing a low-income child from getting involved in crime	\$84,840
Preventing a case of drug dependence or abuse	\$45,917

Criminal Justice Costs

Victim Costs, Criminal Justice System Costs, and Crime Career Costs

Total Tangible Costs of Crime by Crime Type (thousands)		
Murder	\$	1,278.4
Rape	\$	41.2
Aggravated Assault	\$	19.5
Robbery	\$	21.4
Arson	\$	16.4
Vehicle Theft	\$	10.5
Stolen Property	\$	8.0
Household Burglary	\$	6.1
Embezzlement	\$	5.5
Forgery	\$	5.3
Fraud	\$	5.0
Vandalism	\$	4.8
Larceny/Theft	\$	3.5

Source: National Institutes of Health

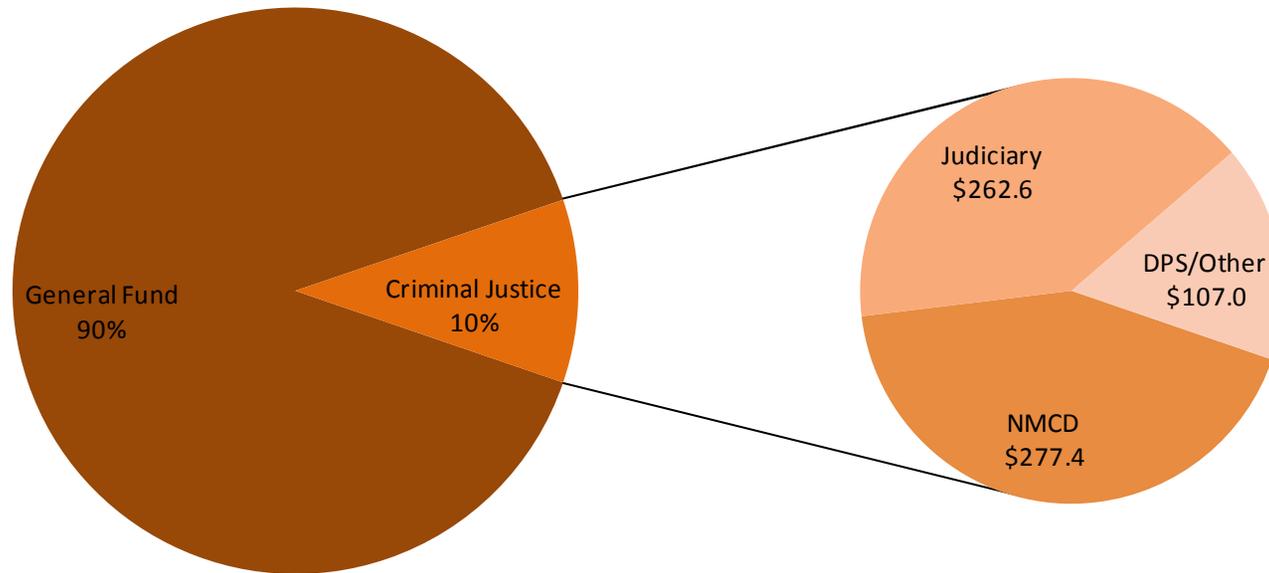
Indirect Losses Suffered by Crime Victims

Total Intangible Costs of Crime by Crime Type (thousands)		
Murder	\$	8,442.0
Rape	\$	199.6
Aggravated Assault	\$	95.0
Robbery	\$	22.6
Arson	\$	5.1
Vehicle Theft	\$	0.3
Stolen Property	\$	-
Household Burglary	\$	0.3
Embezzlement	\$	-
Forgery	\$	-
Fraud	\$	-
Vandalism	\$	-
Larceny/Theft	\$	-

Source: National Institutes of Health

Criminal Justice Costs

Proportion of General Fund Criminal Justice Spending and Public Safety vs the Judiciary in FY15 (in millions)



Criminal Justice FY15 Appropriations

- ▶ Total criminal justice general fund appropriations increased \$25.4 million, a 4.1 percent increase in FY15, including:
 - \$7.2 million, or 4.7 percent for judicial agencies,
 - \$2.5 million, or 4.2 percent for district attorneys,
 - \$6.8 million, or 2.5 percent for the New Mexico Corrections Department,
 - \$7.2 million, or 7.4 percent for the Department of Public Safety, and
 - \$8.8 million for criminal justice employee salary increases.

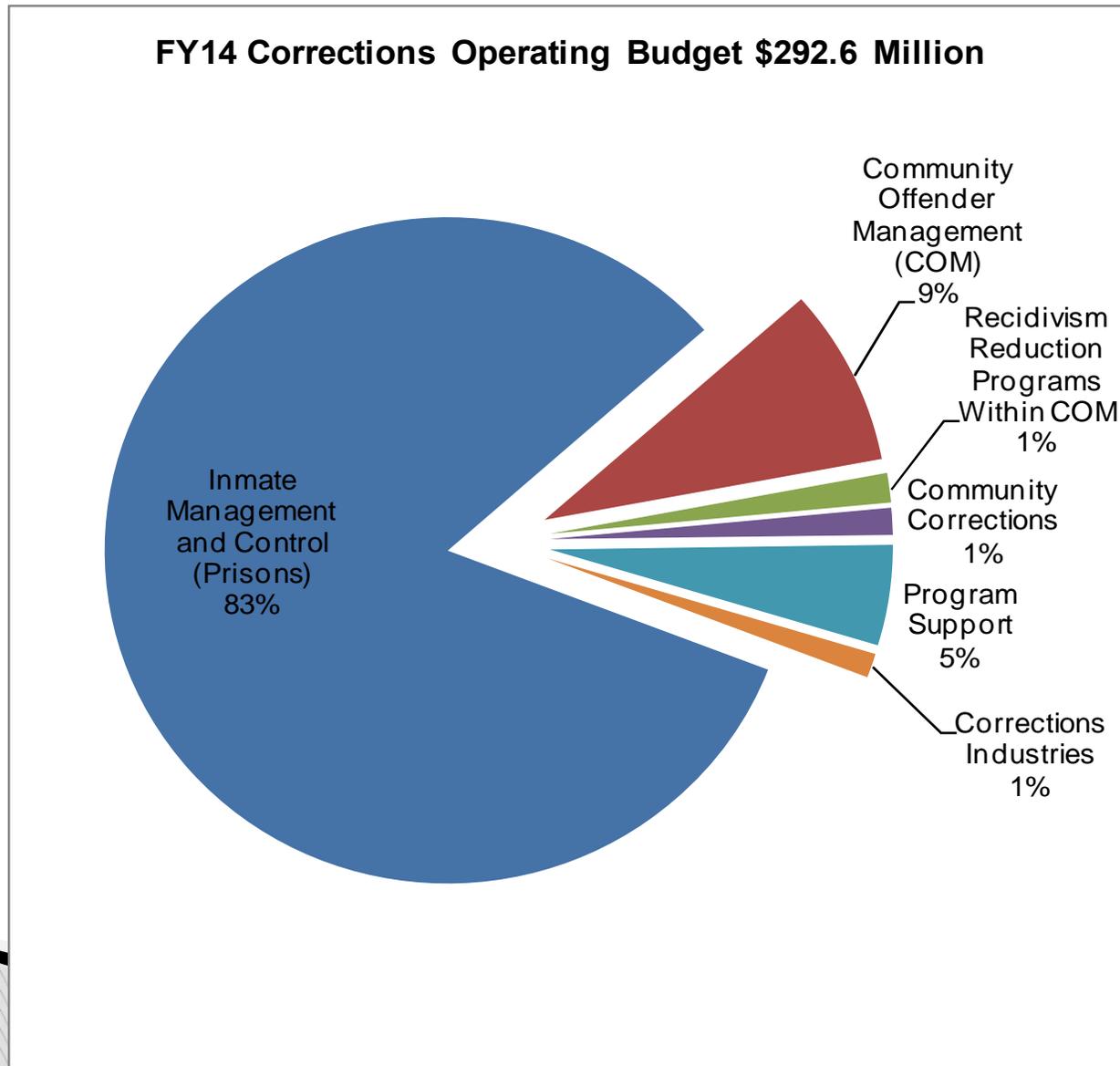
FY15 NMCD Overall Budget

- ▶ The majority of NMCD's appropriations are allocated to incarceration.
- ▶ FY15 appropriations include an additional \$2.8 million for projected inmate population increases.
- ▶ The Legislature provided a total six percent salary increase for correctional officers and probation and parole officers.
- ▶ Roughly 5 percent of the budget is allocated to recidivism reduction programs.

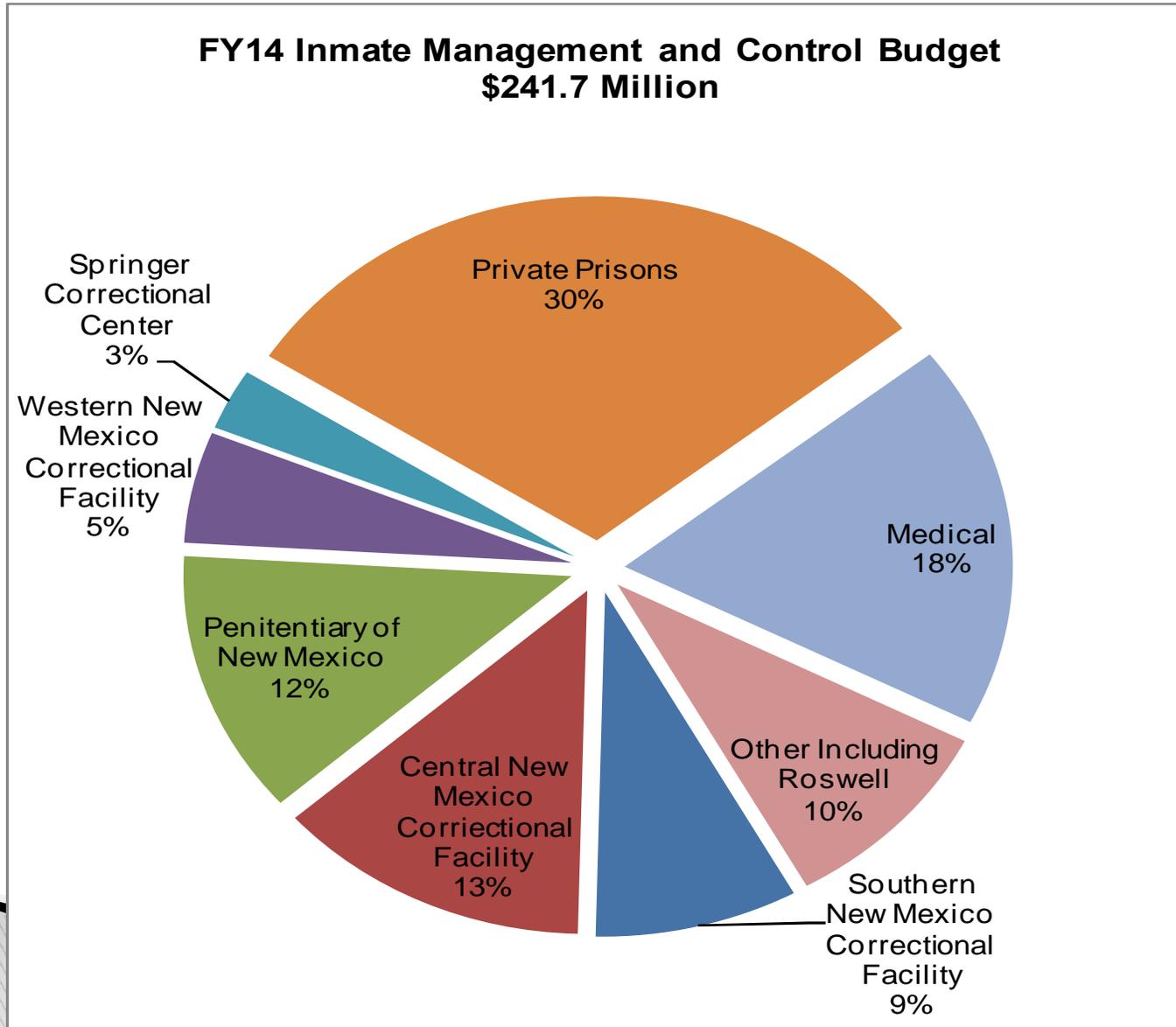
Corrections Department FY14 Operating Budget

- ▶ The New Mexico Corrections Department:
 - Appropriations: \$292.6 million (all funds)
 - Opened an \$8.2 million private prison sex-offender unit in Otero County
 - Consolidated the Community Offender Management Program and the Community Corrections Program
 - Budget assumed \$4 million in fines to private prisons per NMCD request.

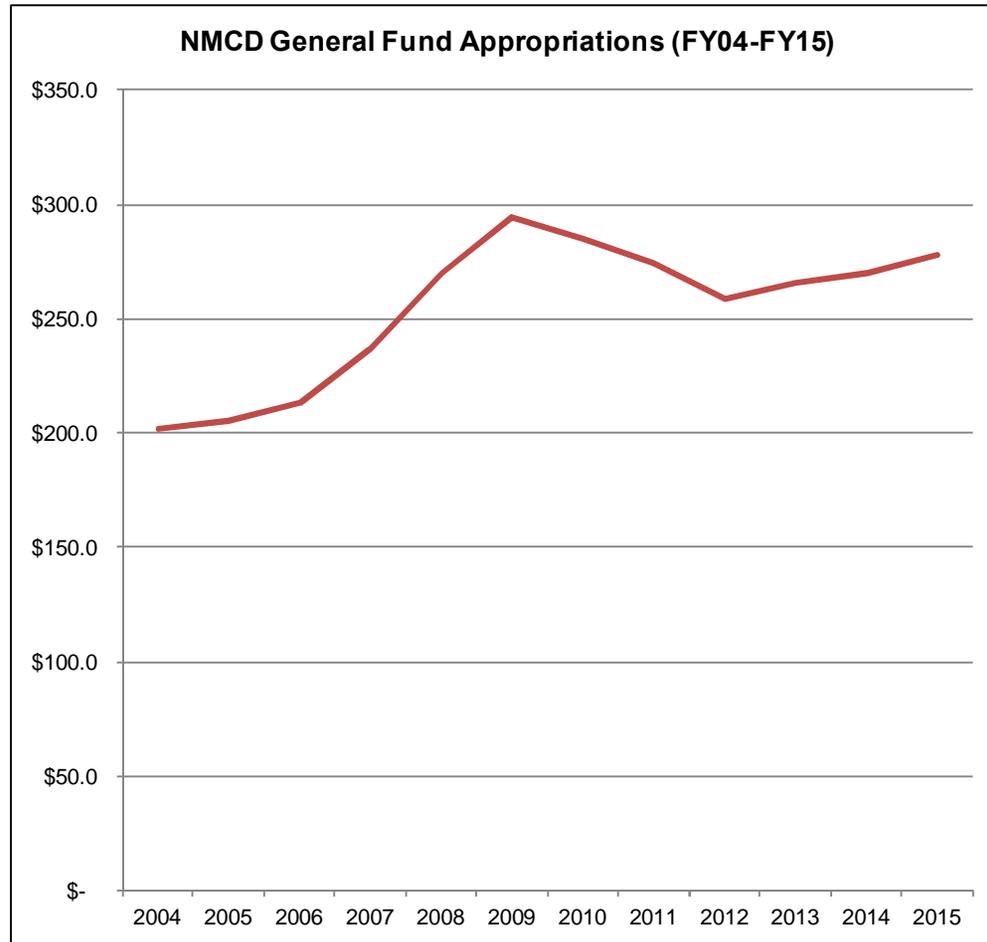
NMCD FY14 Operating Budget



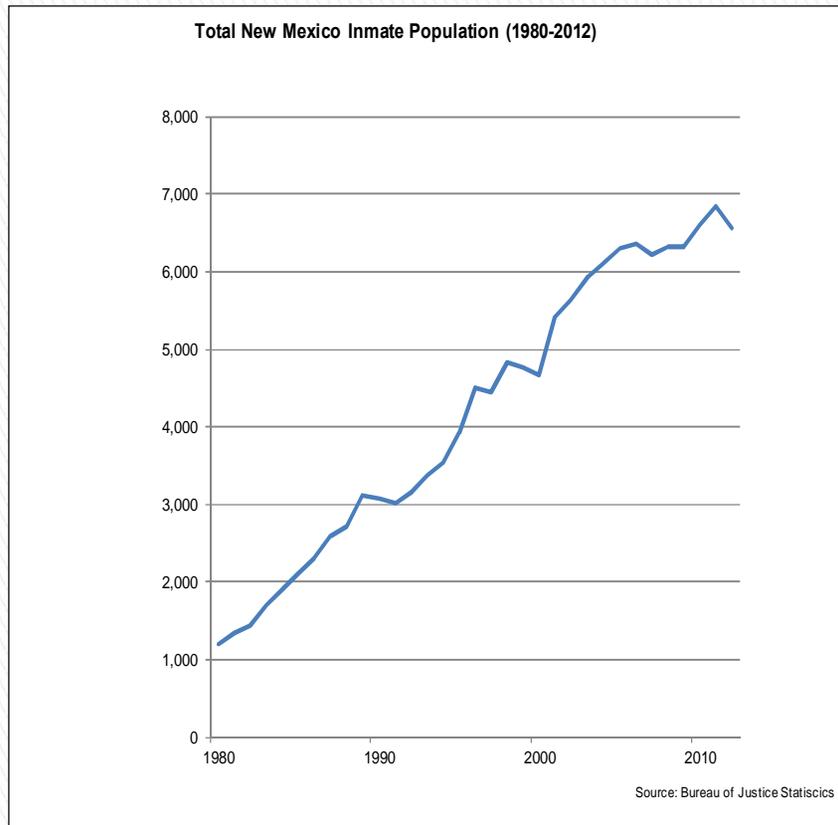
NMCD FY14 Operating Budget



History of NMCD General Fund Appropriations



Inmate Population

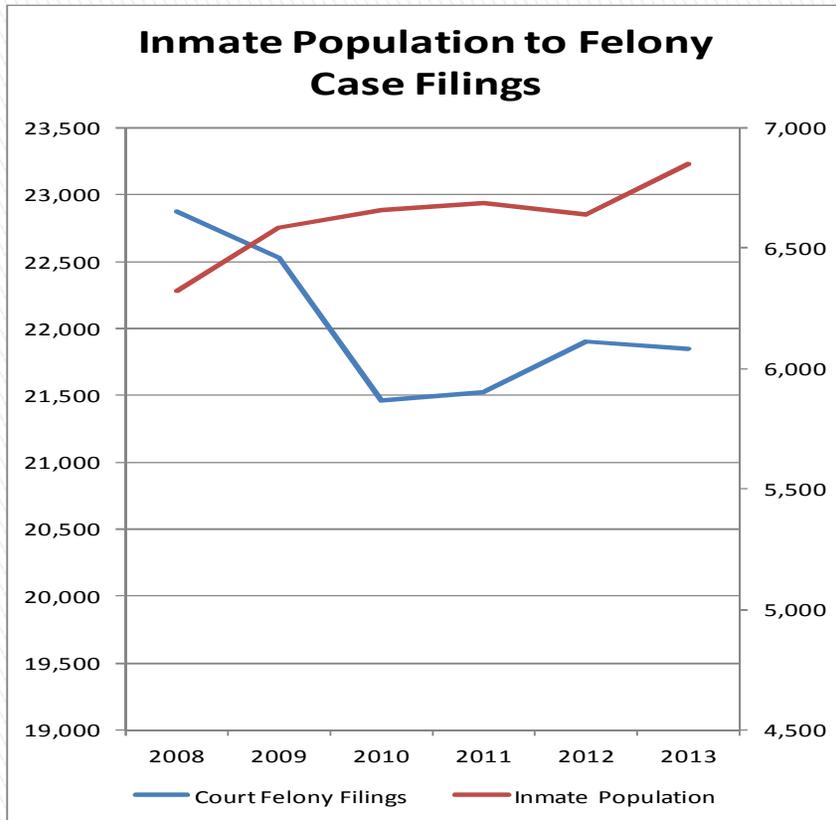


- ▶ As of March 31, 2014:
- ▶ 6,195 Males
- ▶ 667 Females
- ▶ Total Inmates 6,862
- ▶ System Bed capacity 7,542
- ▶ Excess Bed capacity 680

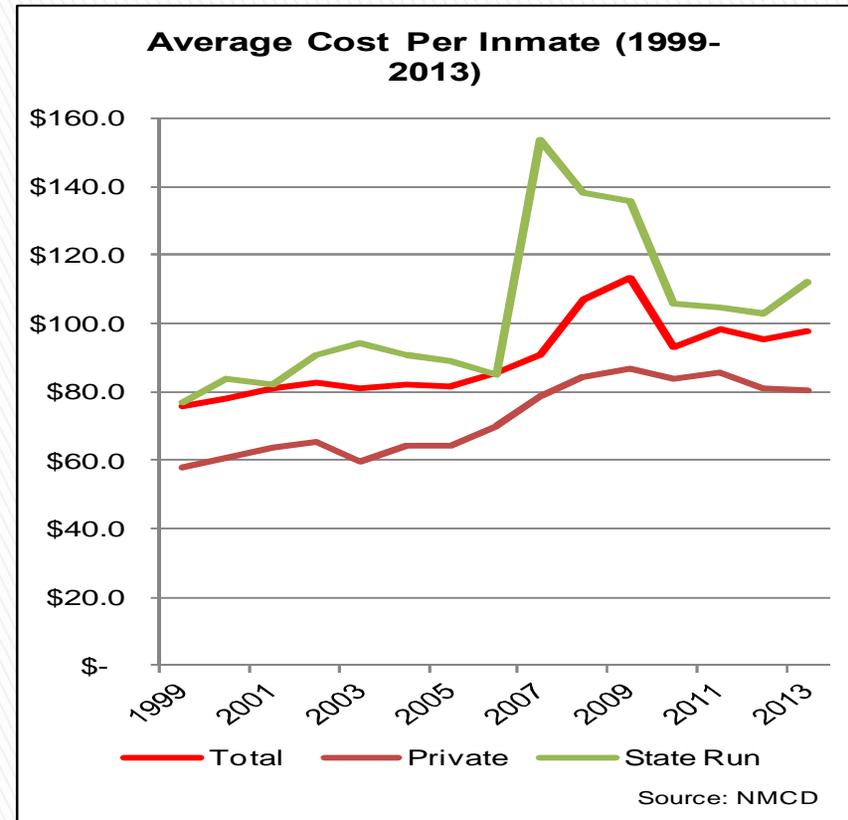
Since 1980, the inmate population has more than quadrupled.

Despite increases, NMCD has excess bed capacity.

Inmate Population & Costs



Filings Down –
Population Up



Avg. Cost Per Day Up

Cost Per Inmate

- ▶ Differences in public and private prison costs are due mostly to:
 - Private prisons house mostly inexpensive low to medium security inmates
 - Public prisons house many expensive higher security inmates, geriatric inmates, and inmates with severe mental illnesses

Corrections Department Average Cost Per Inmate / Client-Slot FY01 and FY13 Comparison			
Institution / Program	FY01 Average Annual Cost Per Inmate/ Client-Slot	FY13 Average Annual Cost Per Inmate/ Client-Slot	Cost Per Day (In \$'s)
Total Department Operated Facilities	\$ 33,595	\$ 40,931	\$ 112.14
Private Prisons (Females)	\$ 24,480	\$ 29,528	\$ 80.90
Private Prison (Males)	22,787	29,242	80.11
Institution Totals	\$ 29,333	\$ 35,631	\$ 97.62
Community Corrections	\$ 10,746	\$ 1,539	\$ 4.22
Residential Treatment Center Programs (Females)		\$ 30,135	\$ 82.56
Albuquerque			
CC Residential Treatment Center Programs (Males)		\$ 22,197	\$ 60.81
Los Lunas			
Probation & Parole (Less ISP)	\$ 1,381	\$ 2,678	\$ 7.34
Intensive Supervision Program	\$ 4,785	\$ 7,206	\$ 19.74
Probation & Parole/Community Corrections Totals	\$ 1,890	\$ 2,984	\$ 8.17

FY01 – \$29,333 per year

FY13 – \$35,631 per year

Recidivism Costs

- ▶ Costs of offenders who recidivate are substantial and result in general expenses to taxpayers and specific expenses to victims.
- ▶ Ninety–five percent of incarcerated offenders will be released back into the community.
- ▶ About 50 percent of offenders will return to prison within five years.



Recidivism Costs

- ▶ Citizens of New Mexico pay costs of arresting, prosecuting, housing, rehabilitating and supervising offenders many times over.

FY11–3,440 inmates released

- ▶ *At least 52% (1720) will return to prison*
- ▶ *41% (706) will return once*
- ▶ *28% (490) will return twice*
- ▶ *16 % (275) will return three times*
- ▶ *14 % (249) will return four or more times*

FY11 Release Cohort Estimated Prison Costs Over 15 Years =\$360 million

Cohort Total
Trips=7074



Average Stay
Per Trip=548
days



FY11
Release
Cohort
Projected
Cost=
\$360 million

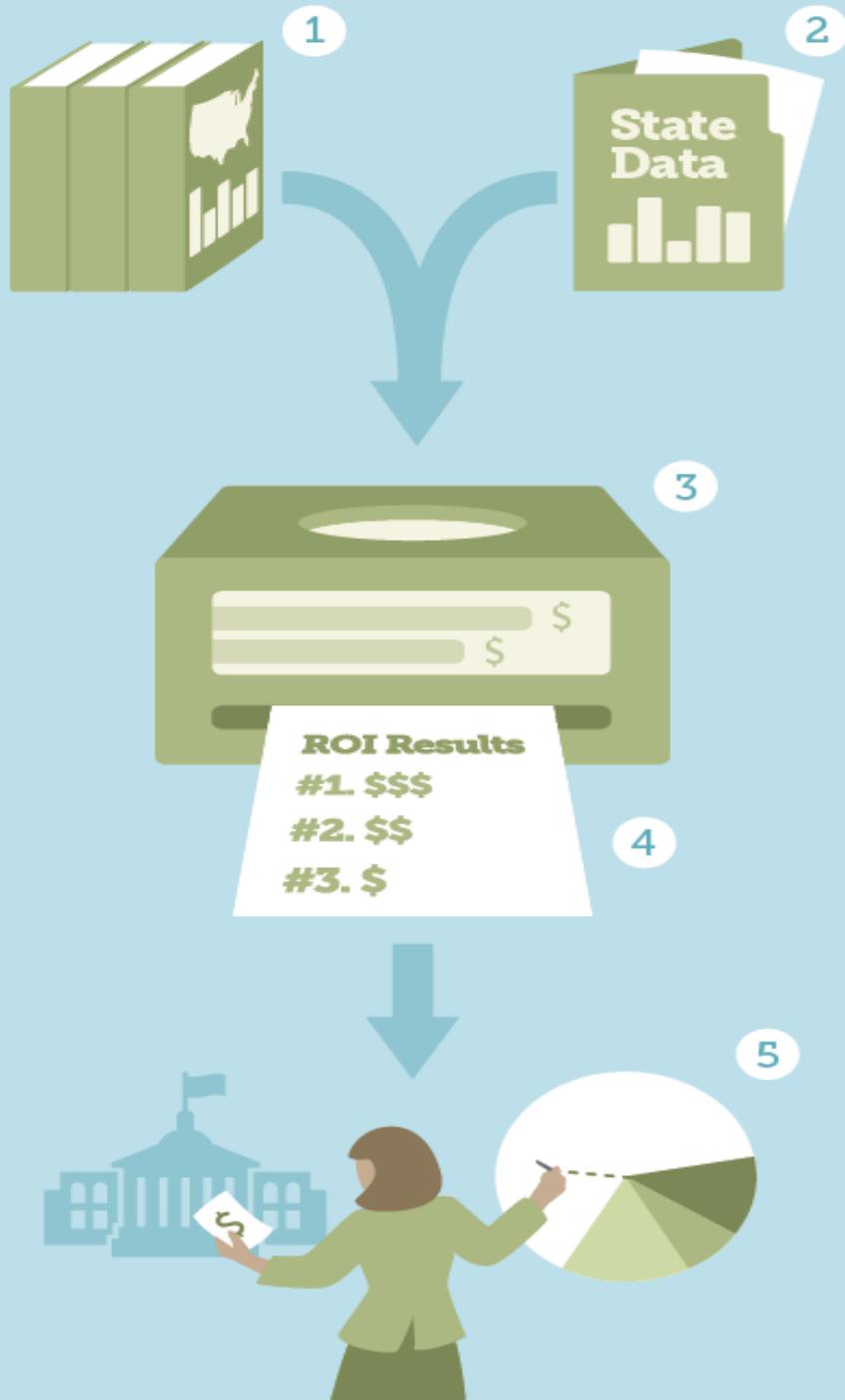


Average
Daily
Cost=\$92.89

Cost Savings Opportunities: New Mexico Results First

- ▶ Tool for supporting evidence-based policy making and budgeting.
- ▶ NM is Partnering with Pew-MacArthur Results First Initiative.
- ▶ Can assess cost-benefits using best research and New Mexico data.





- 1 Results First provides a national database of evidence on program effectiveness.
- 2 The state adds and analyzes their own state-specific population and cost data.
- 3 The model calculates long-term costs and benefits for each program.
- 4 The model ranks programs according to their return on investment.
- 5 Policymakers consider the information during the budget process.

**For further information,
please visit:**

pewstates.org/resultsfirst

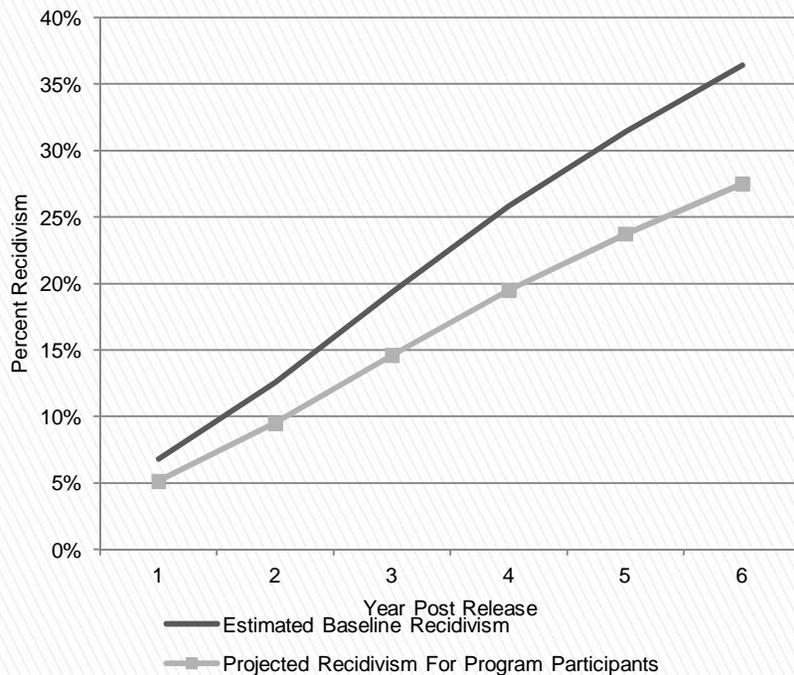


THE
PEW
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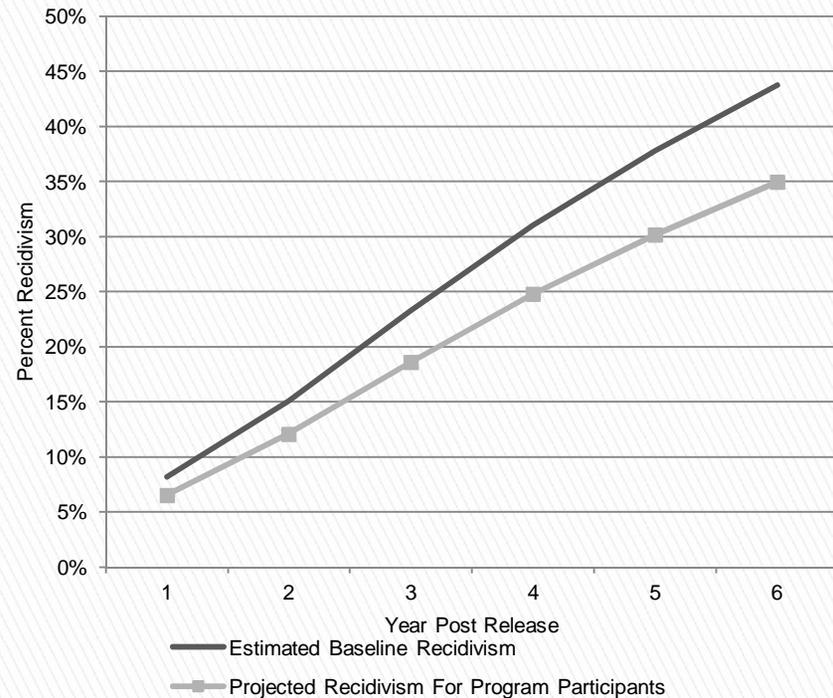
Results First – What Works? Examples

**Estimated Impact of Intensive Supervision
- With Treatment**



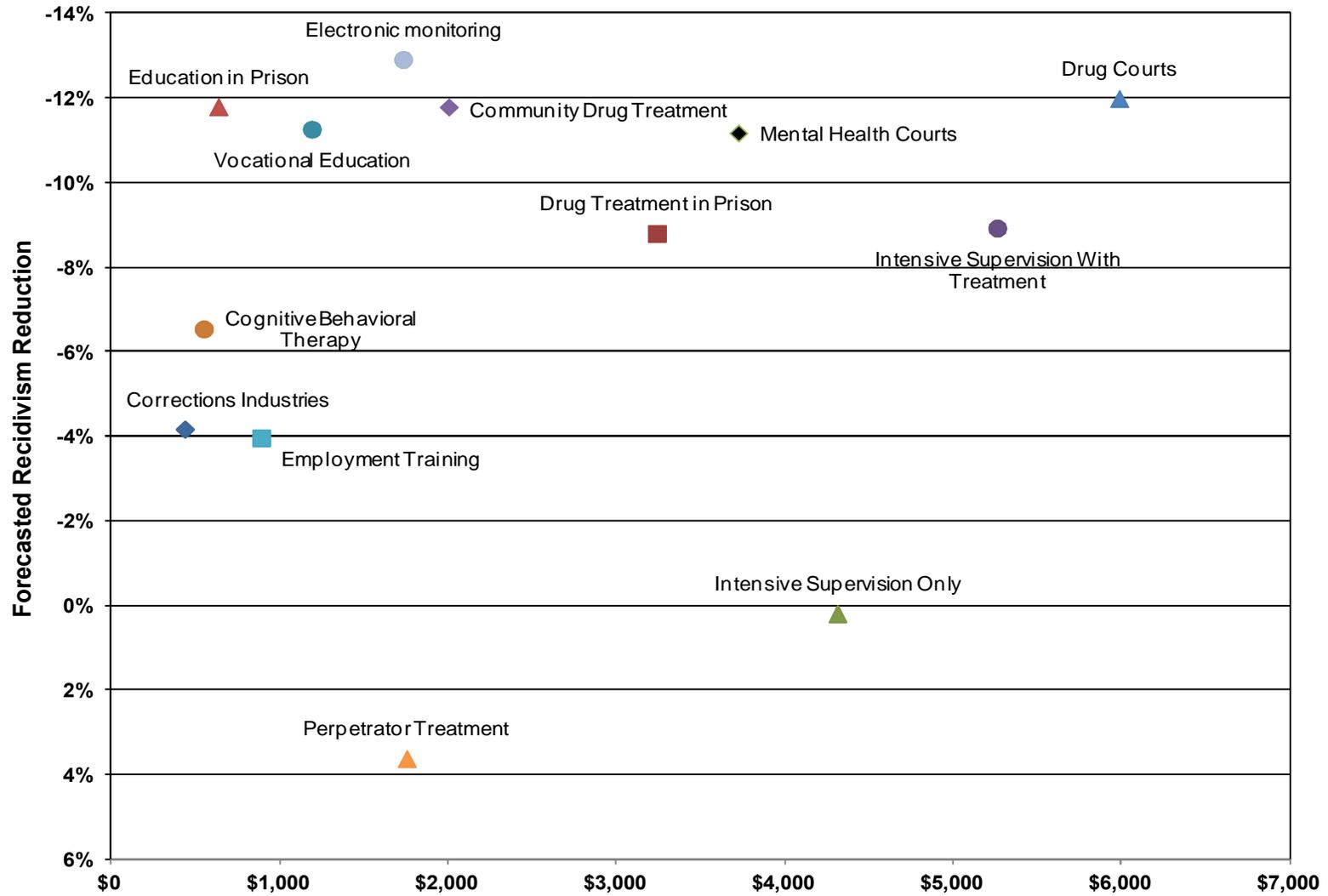
Recent legislation authorizes NMCD to double ISP caseloads, but does not require treatment as a condition of the program.

**Estimated Impact of In-Prison Drug
Treatment**



Effectively implemented in-prison drug treatment programs reduce recidivism.

Results First: Current Program Cost Effectiveness

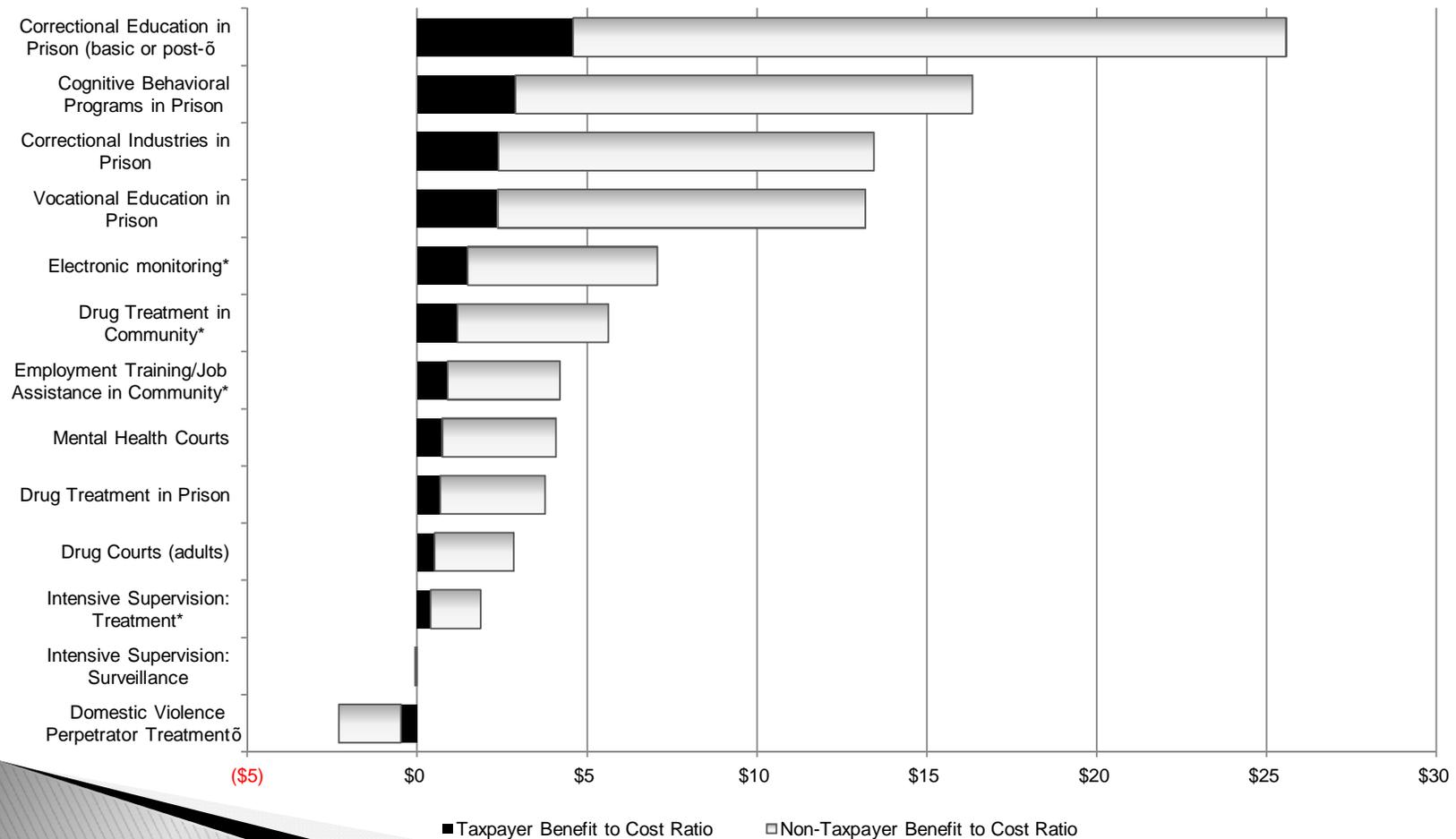


Source: LFC Files

Cost per Participant

Results First – What Works? What is Cost Beneficial?

Total Benefit to Cost Ratio By Program



FY15 Expansion of What Works

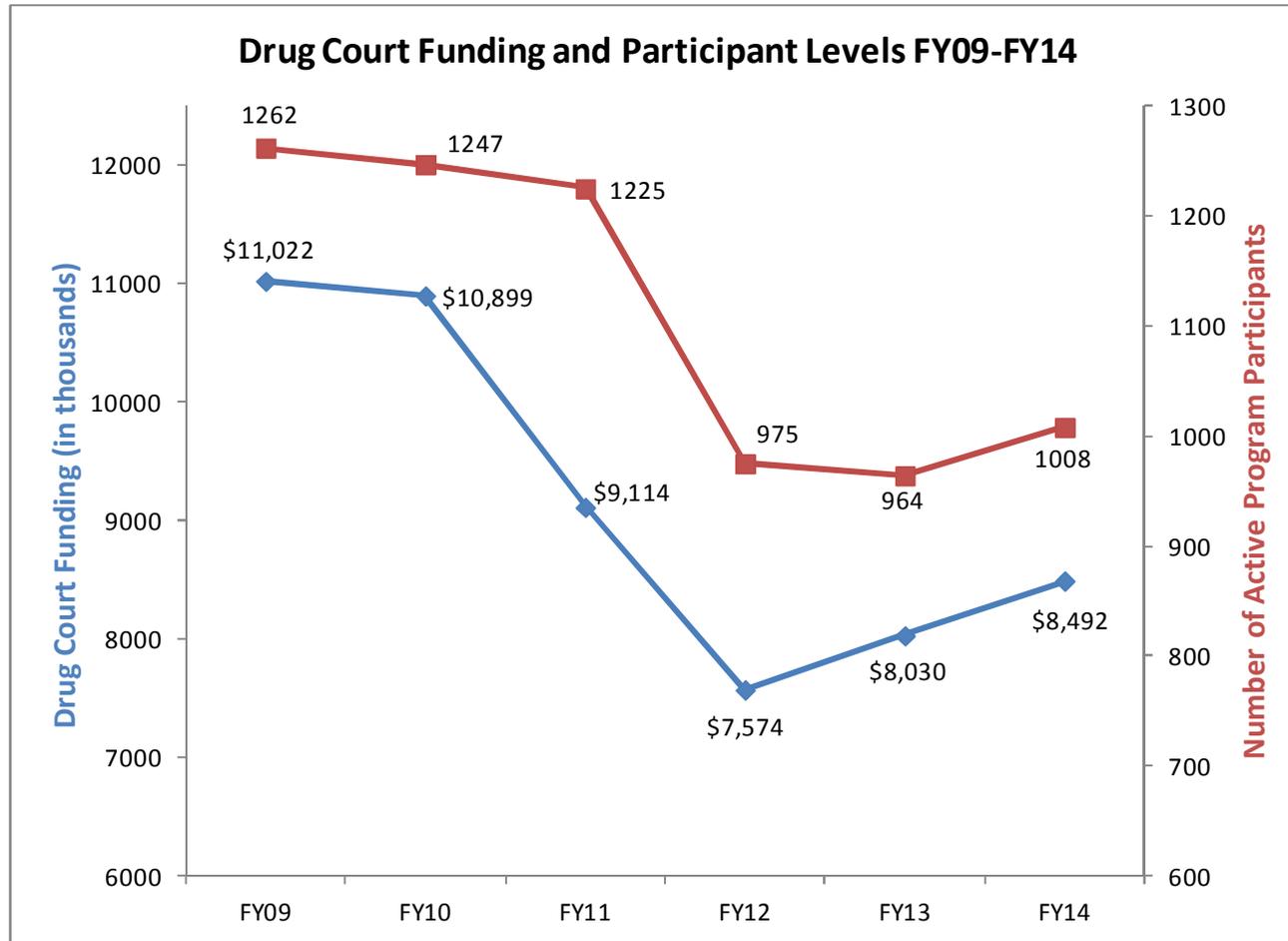
- ▶ \$3 million was appropriated to expand recidivism reduction programming including:
 - \$1.5 million for inmate education, estimated to reduce recidivism by almost 12 percent,
 - \$750 thousand for behavioral health services, such as cognitive behavioral therapy, estimated to reduce recidivism by seven percent, and
 - \$750 thousand for community-based employment training and education.
- ▶ \$950 thousand was appropriated to the AOC expanding drug courts

FY15 Expansion of What Works

FY14 Drug Court Funding, Participation, and Performance

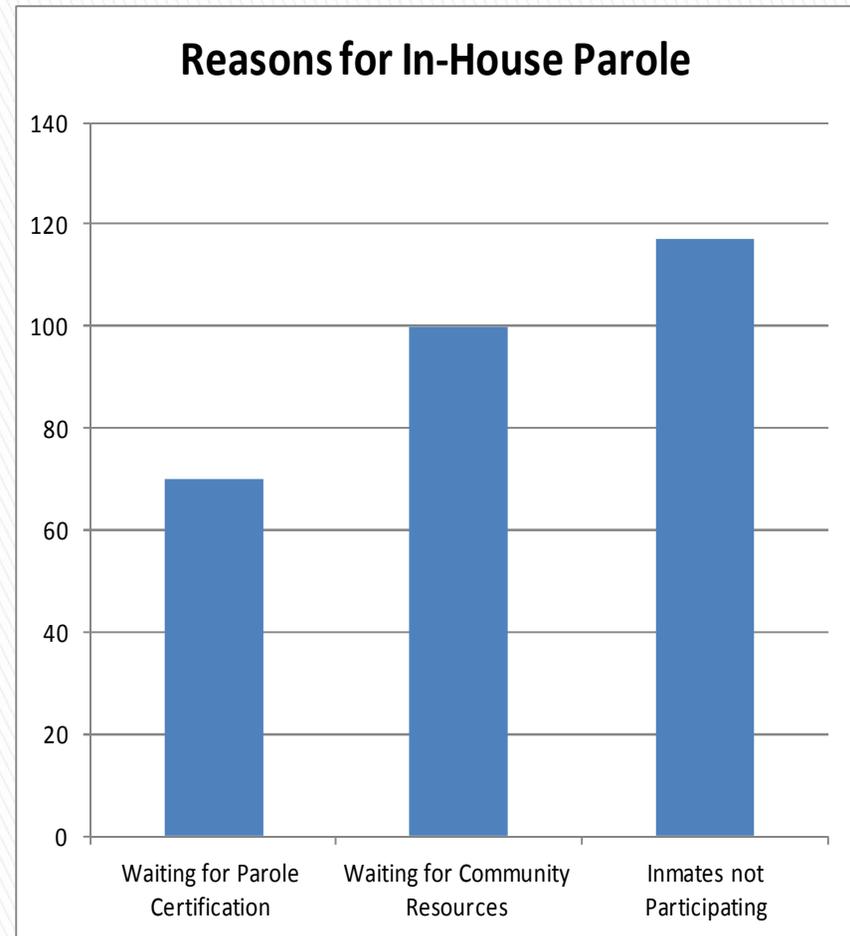
Type	Number of Programs	Capacity	Participants	Recidivism	Cost Per Client Per Day	General Fund Budget
Adult	17	531	427	21.2%	\$ 18.91	\$ 3,282.8
Juvenile	15	285	190	23.7%	\$ 31.69	\$ 3,284.2
Family Dependency	3	63	44	15.5%	\$ 34.88	\$ 381.5
DWI	7	387	353	6.4%	\$ 11.84	\$ 1,183.1
Mental Health	5	307	193	22.9%	\$ 15.61	\$ 770.6
Total	47	1,573	1,207	17.3%	\$ 19.84	\$ 8,902.2

FY15 Expansion of What Works



Cost Saving Opportunities: In-House Parole

- ▶ Roughly 290 inmates are currently placed on in-house parole (IHP)
- ▶ IHP is estimated to cost the state \$10.3 million in FY14
- ▶ IHP is due to:
 - Administrative issues causing parole hearings to be canceled,
 - A lack of community resources for parolees, and
 - Inmates not participating in the parole process



IHP and Residential Treatment Centers

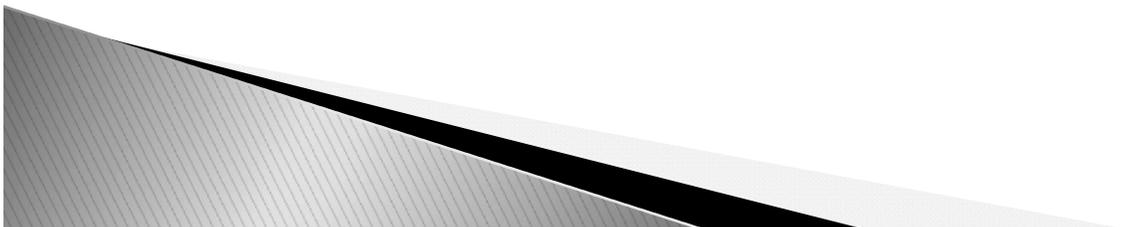
- ▶ Lacking community based resources, caseworkers:
 - Are unable to develop adequate parole plans, and
 - Are unable to release inmates on-time
- ▶ IHP costs \$99.31 per inmate per day
 - Dismas House costs \$30 per day per resident
 - IHP money could be reallocated to develop and expand less costly community-based resources

Opportunities for Savings From Medicaid Expansion

- ▶ Medicaid will now pay for inmates' inpatient hospital care after the first 24 hours of care:
 - New Hampshire projects savings of \$22 million from 2014– 2020;
 - Ohio projects savings of \$273 million from 2014– 2022;
 - Michigan expects to save \$250 million Over 10 years; and,
 - New Mexico, with a smaller inmate population, could save as much as \$15–\$30 million over 10 years.

Opportunities for Savings From Medicaid Expansion Cont.

- ▶ Many behavioral health services provided by the probation and parole division with 100% state funds will now be covered by Medicaid which could save as much as \$2 million per year.
- ▶ Wrap-around behavioral health services such as in-patient rehab will not be covered.



Alternative Recidivism Reduction

- ▶ The 1st District Attorney is implementing a Law Enforcement Assisted Diversion (LEAD) program in Santa Fe County. The LEAD is a harm-reduction program run and funded by the district attorney, city and county governments focused on opiate addicts. The program is expected to serve up to 100 clients and will reduce the number of inmate days at the Santa Fe County jail by 11,500 over the next three years.

Conclusion

- ▶ Prison population and costs continue to rise
- ▶ Costs manageable in current fiscal environment in aggregate (about 10% of budget)
- ▶ Very high cost per offender
- ▶ Significant repeat costs per offender
- ▶ Compromised public safety
- ▶ Opportunities to reduce costs and increase safety through results focused policies and budgeting