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Joint Committee on Finance

Paper #305

Opening Avenues to Reentry Success Expansion (Corrections -- Community Corrections, and Health Services -- Behavioral Health)

[LFB 2023-25 Budget Summary: Page 139, #1, and Page 288, #13]

CURRENT LAW

The Department of Corrections operates the Opening Avenues to Reentry Success (OARS) program. The program is funded through the Becky Young community corrections appropriation. Current funding for the program is \$4,128,400 GPR annually. In addition, the Department was awarded \$896,859 in federal Department of Justice grant funding in 2020 to develop a pilot program within OARS. The one-time grant funding expires September 30, 2023.

DISCUSSION POINTS

OARS Programming

1. The OARS program began in 2011 to provide intensive case management and mental health services to offenders with serious and persistent mental health needs released to the community on parole or extended supervision subsequent to serving time in prison. A second, "OARS 2" pilot program began in 2020, which functions similarly to OARS, with the primary difference being the eligibility requirements (OARS has a pre-release component for inmates, but OARS 2 participants must be at least 30 days post-release. In addition, OARS 2 targets individuals at risk for re-incarceration and can be used as an alternative to revocation option, as appropriate). The OARS 2 program addresses the otherwise unmet mental health needs of certain individuals on community supervision, as not all eligible individuals will accept programming pre-release, but may choose to participate after being released to the community, and some individuals may not experience the onset of mental illness until post-incarceration, and may therefore not be diagnosed until release to the

community. The OARS 2 pilot component has been funded by the U.S. Department of Justice, Office of Justice Programs grant since 2020, but the grant funding permanently expires September 30, 2023.

2. The OARS program was last expanded in the 2019-21 biennial budget, when \$1,198,000 GPR annually was provided to expand the program from 44 counties to 51 counties (Barron, Chippewa, Douglas, Polk, St. Croix, Sawyer, and Washburn Counties) and to expand the average daily participants in the program by 50 individuals. In 2021-22, the OARS program served 430 participants, with an average daily population (ADP) of 246.

3. To qualify for participation, an offender must: (a) volunteer for participation and have a general motivation and willingness to engage in treatment programming; (b) be referred to the program by correctional staff; (c) be assessed at medium- or high-risk to reoffend; (d) have serious and persistent mental health needs; (e) have at least six months of post-release supervision remaining on their sentence; and (f) be in a county where OARS programming is provided. The counties in which the OARS program currently operates include:

Adams	Eau Claire	Langlade	Outagamie	Sheboygan
Barron	Fond du Lac	Lincoln	Ozaukee	Trempealeau
Brown	Green	Manitowoc	Polk	Vernon
Calumet	Green Lake	Marathon	Portage	Walworth
Chippewa	Iowa	Marinette	Racine	Washburn
Columbia	Jackson	Marquette	Rock	Washington
Dane	Jefferson	Menominee	St. Croix	Waukesha
Dodge	Kenosha	Milwaukee	Sauk	Waupaca
Door	Kewaunee	Monroe	Sawyer	Waushara
Douglas	La Crosse	Oconto	Shawano	Winnebago
				Wood

4. Services are provided based on each offender's individual needs and may include: (a) intensive case management and supervision; (b) assistance with obtaining and maintaining safe and affordable housing; (c) resources for medication and access to psychiatric care; (d) treatment addressing criminogenic needs; (e) access to local transportation, budgeting, and financial resources; and (f) access to structured activities including employment and education. Since services are tailored to each individual's needs, costs vary from participant to participant.

5. Corrections works with the Department of Health Services (DHS) to administer the program. The Department of Health Services contracts with a social service agency for the provision of OARS services and has 2.0 GPR positions, the OARS program specialists, to administer the contract and monitor program participants.

6. The OARS contractor employs case managers to coordinate services for the participant, working with the correctional institution social worker, probation and parole agent, the DHS OARS program specialists, a DHS case manager, and mental health treatment providers in the community. Facility social workers refer potential participants to the DHS program specialists approximately six to eight months prior to release from prison. Participants receive services, depending on their individual case plan, for six months to two years in the community.

7. According to DHS, OARS program goals include "promoting offender self-sufficiency, decreasing long-term costs associated with this population, encouraging offender involvement in meaningful, healthy structured activities, improving continuity of care for offenders with mental health needs as they release from prison to the community, [and] enhancing public safety by reducing recidivism and revocation rates."

8. Tracking by Corrections of the re-arrest, re-conviction, and re-incarceration rates of successful OARS discharges compared to a control group of non-OARS participants with similar characteristics resulted in the following findings:

<u>One-Year Re-Arrest</u>		<u>Two-Year Re-Arrest</u>		<u>Three-Year Re-Arrest</u>	
<u>OARS</u>	<u>Control Group</u>	<u>OARS</u>	<u>Control Group</u>	<u>OARS</u>	<u>Control Group</u>
18.7%	22.7%	31.3%	38.1%	41.8%	49.3%

<u>One-Year Re-Conviction</u>		<u>Two-Year Re-Conviction</u>		<u>Three-Year Re-Conviction</u>	
<u>OARS</u>	<u>Control Group</u>	<u>OARS</u>	<u>Control Group</u>	<u>OARS</u>	<u>Control Group</u>
9.4%	12.7%	16.5%	21.5%	22.3%	28.7%

<u>One-Year Re-Incarceration</u>		<u>Two-Year Re-Incarceration</u>		<u>Three-Year Re-Incarceration</u>	
<u>OARS</u>	<u>Control Group</u>	<u>OARS</u>	<u>Control Group</u>	<u>OARS</u>	<u>Control Group</u>
6.1%	15.4%	13.9%	24.7%	18.5%	32.8%

9. In all three categories, over all time periods assessed, the individuals successfully discharged from OARS had better recidivism outcomes than the control group.

10. Under the budget bill, OARS would be expanded statewide, to include the addition of 21 counties. The currently 21 unserved counties include:

Ashland	Crawford	Forest	Lafayette	Price
Bayfield	Clark	Grant	Oneida	Richland
Buffalo	Dunn	Iron	Pepin	Rusk
Burnett	Florence	Juneau	Pierce	Taylor
				Vilas

11. The Department indicates "a statewide approach would gain some efficiencies for the OARS program." For example, participants may need housing placements not available in their county of residence, but available in a neighboring county. If the neighboring county is not an OARS county, participants are moved further from their support systems and require more administrative and travel costs. In addition, expanding statewide would eliminate the current disadvantages to residents of the largely rural, unserved counties.

12. The OARS expansion would allow the Department to serve an additional ADP of 181, including eligible individuals in currently-participating counties that are unserved due to funding

constraints, as well as eligible individuals in unserved counties. The Department indicated that, on average over a three-year period, 574 individuals who are OARS eligible are released annually, and that 431 of those eligible would be willing to participate in programming (75%). Given that OARS is currently budgeted for an ADP of 250, the 181 figure represents all remaining unserved, but eligible and willing potential OARS participants.

13. In addition to statewide expansion of OARS, funding under the budget bill would also be used to continue OARS 2 programming, after grant funding permanently expires. The OARS 2 program shares many similarities with OARS, although the eligibility/referral criteria differs slightly, as previously noted. The OARS 2 program provides statewide services in all counties for an average of 14 months per participant. The OARS 2 program provides access to intensive case management services, psychiatric treatment, dual diagnosis treatment, and community-structured activities (including education and employment resources).

14. Specific data on OARS 2 recidivism events is not yet available, given that the program first started taking participants in mid-2021, and is still in its initial phases. However, OARS 2 programming largely mirrors OARS programming, which showed lowered recidivism rates over three years (see discussion point 8.). In addition, given the specific target population (those at increased risk of re-incarceration), OARS 2 may lead to lowered revocation rates. While data is not yet available to support that contention, over 300 individuals who have a serious mental illness and moderate- to high-risk of reoffending are revoked annually (based on a four-year average between 2017-18 and 2020-21).

15. In March, 2022, OARS 2 had an ADP of approximately 15. The small participant number was intentional, given that the program began as a pilot, and the Department had to work within the confines of the grant funding. However, the Department identified 2,360 individuals as OARS 2 eligible in 2021; of that, it is estimated that 1,770 (75%) would be willing to participate in programming.

16. The Department indicates that with the ongoing funding provided under the budget bill, OARS 2 is anticipated to be able to serve 89 individuals in 2023-24 and 177 individuals annually thereafter. The 177 figure represents 10% of the 2021 known eligible and willing participants.

17. The Department estimates the average cost for an OARS participant is \$15,883 annually, and the average cost of an OARS 2 participant is \$12,813 annually (the former is higher due to the addition of a pre-release program component). The Committee could provide \$3,296,600 GPR in 2023-24 (\$2,156,200 for OARS and \$1,140,400 for OARS 2) and \$5,142,900 GPR in 2024-25 (\$2,874,900 for OARS and \$2,268,000 for OARS 2) to expand the OARS program statewide, allow for additional participants, and continue to provide and expand OARS 2 programming post-grant expiration. Funding in 2023-24 is 75% of the total funding necessary to support the additional OARS participants, given that the Department anticipates it will take time to reach full capacity, and is 50% of the total funding necessary to support the additional OARS 2 participants, given that grant funding will continue through September, 2023, and the proposed expansion is proportionately greater than OARS (which necessitates a longer ramp-up period). [Alternative A1]

18. While costs vary between participants depending on individual needs, the Department's

2021-22 Becky Young Recidivism Reduction Annual Report estimates the cost-per-OARS participant is approximately \$16,275 per year. However, the per person cost used to estimate funding for an additional 181 participants in the budget was \$15,883, which represents a multi-year average from 2016-17 through 2020-21. The Department indicates the unknown inflationary factors in early 2021-22 led them to use the lower average cost per person. However, since that time, inflationary factors (such as the cost of housing) have continued to increase, so the \$16,275 per person estimate may be a better indicator of continued programming costs over the next biennium. Using the more recent OARS cost estimate, the Committee may wish to provide \$3,349,800 GPR in 2023-24 (\$2,209,400 for OARS and \$1,140,400 for OARS 2) and \$5,213,800 GPR in 2024-25 (\$2,945,800 for OARS and \$2,268,000 for OARS 2). Note that the per participant cost for OARS 2 has not changed, given that the program is relatively new and the original estimate was based on a more recent data. [Alternative A2]

19. Alternatives A1 and A2 would increase the current OARS ADP (250 participants) by more than 50%, and would significantly expand the OARS 2 program. If the Committee wishes to provide support for the programs, but at a lower rate, providing \$1,140,400 GPR in 2023-24 and \$2,268,000 GPR in 2024-25 would allow the Department to continue to fully fund OARS 2 post-grant expiration, or partially fund the OARS expansion (or some smaller-scale combination of both). [Alternative A3]

20. Alternatively, providing \$576,600 GPR in 2023-24 and \$1,140,400 GPR in 2024-25 would allow the Department to continue operating OARS 2, with an ADP of 45 in 2023-24 and an annualized ADP of 89 in 2024-25. This alternative represents half of the recommended size of the OARS 2 expansion, but nonetheless would continue and expand the program beyond its current scope. [Alternative A4]

21. The Committee may instead wish to maintain the current level of funding for the program. Under this alternative, funding would remain at \$4,128,400. The Department indicates that "without a source of continued funding specifically for OARS 2 [after the expiration of the grant] the program and its associated services would end." [Alternative A5]

OARS Positions

22. As noted above, DHS currently has 2.0 GPR contract specialist positions to administer OARS. The duties of the positions include monitoring the progress of clients through the program, procurement of contracted case management services, and monitoring the contract work. Both positions are currently filled.

23. The Department of Health Services has had 2.0 positions to administer OARS since it was established in 37 counties in 2011, and no additional positions have been provided with subsequent expansions of the program to service additional clients and to operate in additional counties.

24. In addition to expanding OARS programming, the budget bill would provide \$167,500 GPR in 2023-24 and \$216,700 GPR in 2024-25 and 2.0 GPR positions in DHS for the anticipated additional workload associated with the proposed OARS expansion.

25. The program may benefit from additional DHS OARS positions, to provide contract monitoring and track clients through the program, if OARS is expanded under Alternatives A1 or A2. If the Committee determines that the additional positions are warranted, it could approve the proposal to provide funding and position authority in DHS. [Alternative B1] If the Committee expands OARS on a smaller scale (Alternatives A3 or A4), the Committee could instead provide 1.0 GPR position in DHS and \$83,800 GPR in 2023-24 and \$108,400 GPR in 2024-25. [Alternative B2]

26. The budget bill inadvertently provided GPR funding both in Corrections and DHS to support the 2.0 GPR positions for the OARS expansion. Alternatives B1 and B2 only include the funding in DHS for the positions.

27. If the Committee decides to not expand the programs, the Committee could decide that additional DHS positions are not warranted. [Alternative B3]

ALTERNATIVES

A. OARS Program Expansion

1. Provide \$3,296,600 GPR in 2023-24 and \$5,142,900 GPR in 2024-25 in the Becky Young community corrections appropriation to expand participation in the OARS program statewide, transition the OARS 2 pilot program to an ongoing program after the expiration of the federal grant, and to expand participation in both programs.

ALT A1	Change to Base
GPR	\$8,439,500

2. Provide \$3,349,800 GPR in 2023-24 and \$5,213,800 in 2024-25 in the Becky Young community corrections appropriation to expand participation in the OARS program statewide, transition the OARS 2 pilot program to an ongoing program after the expiration of the federal grant, and to expand participation in both programs. Funding under this alternative reflects a higher per-participant cost for OARS, based on 2021-22 data.

ALT A2	Change to Base
GPR	\$8,563,600

3. Provide \$1,140,400 GPR in 2023-24 and \$2,268,000 GPR in 2024-25 in the Becky Young community corrections appropriation to expand the OARS and/or OARS 2 program.

ALT A3	Change to Base
GPR	\$3,408,400

4. Provide \$576,600 GPR in 2023-24 and \$1,140,400 GPR in 2024-25 in the Becky Young community corrections appropriation to expand the OARS 2 program.

ALT A4	Change to Base
GPR	\$1,717,000

5. Take no action.

B. OARS Position Expansion

1. Provide \$167,500 GPR in 2023-24 and \$216,700 GPR in 2024-25 and 2.0 GPR positions in the Department of Health Services to administer OARS.

ALT B1	Change to Base	
	Funding	Positions
GPR	\$384,200	2.00

2. Provide \$83,800 GPR in 2023-24 and \$108,400 GPR in 2024-25 and 1.0 GPR position in the Department of Health Services to administer OARS.

ALT B2	Change to Base	
	Funding	Positions
GPR	\$192,200	1.00

3. Take no action.

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