



Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #360

Overview of Juvenile Population Estimates and Daily Rates (DOC -- Juvenile Corrections)

[LFB 2001-03 Budget Summary: Page 223, #1 and Page 224, #2]

GOVERNOR

Reestimate the juvenile secured correctional facility average daily population (ADP) from 1,031 in 2000-01 to 942 in 2001-02 and 945 in 2002-03, and reestimate the total juvenile average daily population from 1,439 in 2000-01 to 1,320 in 2001-02 and 1,324 in 2002-03, as shown in the following table. On March 2, 2001, 944 juveniles were in a secured correctional facility and a total of 1,310 juveniles were under state supervision. The population projections include juveniles funded under the serious juvenile offender (SJO) program. The SJO population projections under the bill are summarized below under "Serious Juvenile Offender Funding." Under the bill, the population projections in the table are used in the calculation of daily rates for each type of care, excluding alternate care.

Average Daily Population Governor

	<u>2000-01*</u>	<u>Projected ADP</u>	
		<u>2001-02</u>	<u>2002-03</u>
Secured Correctional Facilities	1,031	942	945
Other Placements			
Corrective Sanctions	136	136	136
Aftercare Services	<u>272</u>	<u>242</u>	<u>243</u>
Subtotal -- Other	408	378	379
Total ADP	1,439	1,320	1,324
Alternate Care	203	188	189

* Estimates under the 1999-01 biennial budget act.

Provide two modifications to the statutory provisions relating to daily rates for juvenile care: (a) specify statutory daily rates on a fiscal-year, rather than a calendar-year, basis; and (b) eliminate statutory daily rates for alternate care placements.

Under the bill, the following statutory daily rates would be established for juvenile correctional services provided by the Department of Corrections (DOC) that would be charged to counties and paid through counties' youth aids allocations, or paid through the serious juvenile offender appropriation.

**Statutory Daily Rates
Governor**

	Statutory Rates	<u>Statutory Rates Under Bill</u>	
	1-1-01 thru <u>6-30-01</u>	7-1-01 thru <u>6-30-02</u>	7-1-02 thru <u>6-30-03</u>
Secured Correctional Facilities*	\$154.08	\$171.16	\$176.06
Child Caring Institutions	190.70	NA	NA
Group Homes	123.45	NA	NA
Corrective Sanctions	76.71	82.89	84.87
Treatment Foster Homes	78.23	NA	NA
Regular Foster Homes	27.16	NA	NA
Aftercare Supervision	18.62	23.25	23.80

*Includes transfers from a secured correctional facility to the Mendota Juvenile Treatment Center.

DISCUSSION POINTS

Population Reestimates and Revised Daily Rates

1. The secured facilities include Ethan Allen School, Lincoln Hills School, Southern Oaks Girls School, Youth Leadership Training Facility (Boot Camp), the SPRITE Program, the Mendota Juvenile Treatment Center and the Prairie du Chien facility. Under current law, the Prairie du Chien facility is designated a temporary prison for young adult males until July 1, 2001. Under the bill, this use as an adult prison would be extended to July 1, 2003. In addition, under the bill, the boot camp program would be eliminated.

2. Under the corrective sanctions program, certain juveniles, following release from a juvenile correctional facility, are placed in the community and provided with intensive surveillance and an range of community-based treatment services. The intensive surveillance component of the program must be available 24 hours a day, seven days a week and DOC may provide electronic monitoring of program participants.

3. Aftercare supervision is provided to other juveniles under state supervision following release from a juvenile correctional facility. A juvenile provided with aftercare supervision may be placed in an alternate care setting, a relative's home or the juvenile's own home. Alternate care includes child caring institutions, group homes, foster homes and treatment foster homes. The average daily population for alternate care is a subset of aftercare services.

4. Each type of care has a different mix of costs associated with it that must be determined as accurately as possible in each budget cycle. In turn, these costs are paid through a combination of state and county funding. In general, an average daily rate is calculated for each type of care based on the projected annual cost and the estimated ADP for that type of care. Either the state or counties are charged that rate for each juvenile provided with the service. In the case of the counties, this daily rate may be paid through GPR youth aids allocated to each county on a calendar year basis or through county funding, if state youth aids funding is not available. The care and treatment of certain violent, extended jurisdiction and serious juvenile offenders, effective July 1, 1996, is paid with state GPR funding under the serious juvenile offender appropriation.

5. The bill would repeal the statutory daily rates for alternate care and the charges to both the counties and the state for these placements would be based on the actual daily rates charged at each alternate care setting utilized. [This provision is dealt with in budget Paper #361.]

6. While statutory rates would be eliminated under the bill, average daily rates for alternate care must still be estimated in order to establish the Department's budget for the residential aftercare appropriation that pays alternate care providers. The following table shows the statutory alternate care rates for 2000-01 and the average rates projected under the bill for 2001-02 and 2002-03.

**Alternate Care Daily Rates
Governor**

	Statutory Rates 1-1-01 thru <u>6-30-01</u>	Governor (Non-Statutory)	
		7-1-01 thru <u>6-30-02</u>	7-1-02 thru <u>6-30-03</u>
Child Caring Institutions	\$190.70	\$213.00	\$226.00
Group Homes	123.45	129.00	135.00
Treatment Foster Homes	78.23	81.00	85.00
Regular Foster Homes	27.16	41.00	43.00
Other Living Arrangements	None	53.00	56.00

7. Alternate care rates, which are paid to non-state providers, are estimated on the basis of projected percentage changes to current costs. Rates for state-provided services (secured facilities, corrective sanctions and aftercare) are calculated on the basis of projected costs and ADP (the daily rate equals the total cost, divided by the ADP, divided by 365). The projected juvenile population for a given budget cycle is, therefore, a critical determination, affecting the rates charged

to counties and to the state's serious juvenile offender appropriation. When the costs of care remain relatively fixed, it is the variation in juvenile population projections that most affect changes in the daily rates. If the population is projected to increase, the average daily rates would decrease. Conversely, if juvenile population is projected to decrease, the daily rates would increase.

8. Juvenile populations in secured correctional facilities have varied. A dramatic five-year growth period occurred in the years 1991-92 through 1995-96, when the ADP for institutional care grew from 671 to 1,038. Populations then declined to 946 in 1996-97 and 925 juveniles in 1997-98. Part of this decline is related to the statutory modification, effective January 1, 1996, that treats 17-year-old offenders in Wisconsin as adults. In addition, the general growth in the levels of reported criminal offenses and arrests have abated to some degree in Wisconsin and nationally since 1994. Between 1994 and 1998, juvenile arrests for violent crimes in Wisconsin decreased by 18.6% and arrests for property crimes decreased by 17.9%. As a result of these and perhaps other factors, the state juvenile offender population has declined from the level experienced 1995-96.

9. More recent ADP levels at the secured facilities have been relatively stable. The ADP in secured facilities was 965 juveniles in 1998-99, 949 in 1999-00, and 954 through the first eight months of 2000-01.

10. Under the bill, the population reestimates in secured facilities total 942 in 2001-02 and 945 in 2002-03. The serious juvenile offender (SJO) component of the estimate (148 juveniles in 2001-02 and 143 in 2002-03) has been reestimated at 161 in 2001-02 and 162 in 2002-03. The assumptions used in the bill concerning SJO placements in corrective sanctions, aftercare supervision and alternate care settings have also been reexamined, in part on the basis of more recent data, and reestimates for each of the types of care have been made. Primarily on the basis of these SJO reestimates, overall population projections have been adjusted and are summarized in the following table:

**Average Daily Population
Revised Estimates**

	<u>Governor 2001-02</u>	<u>Revised 2001-02</u>	<u>Change to Bill</u>	<u>Governor 2002-03</u>	<u>Revised 2002-03</u>	<u>Change to Bill</u>
Secured Correctional Facilities	942	960	18	945	961	16
Other Placements						
Corrective Sanctions	136	136	0	136	136	0
Aftercare Services	<u>242</u>	<u>256</u>	<u>14</u>	<u>243</u>	<u>255</u>	<u>12</u>
Subtotal -- Other	378	392	14	379	391	12
Total ADP	1,320	1,352	32	1,324	1,352	28
Alternate Care	188	200	12	189	199	10

11. Based on these revised population estimates and the costs of care provided under the bill (including certain technical corrections to the cost basis used to calculate the daily rate for secured facilities), the following recalculation of daily rates is made, exclusive of alternate care:

**Statutory Daily Rates
Revised**

<u>Type of Care</u>	<u>Governor 2001-02</u>	<u>Revised 2001-02</u>	<u>Change to Bill</u>	<u>Governor 2001-02</u>	<u>Revised 2002-03</u>	<u>Change to Bill</u>
Secured Correctional Facilities	\$171.16	\$168.12	-\$3.04	\$176.06	\$173.20	-\$2.86
Corrective Sanctions	82.89	82.89	0	84.87	84.87	0
Aftercare Supervision	23.25	21.97	-1.28	23.80	22.67	-1.13

12. Where applicable, these revised ADP estimates and daily rates are used in the following juvenile corrections budget papers (#361 thru #365). The Committee, in taking action on these papers, may make modifications to the juvenile operating budget that would affect these daily rate calculations. [Any revised daily rate calculations will be provided in the comparative summary of the Governor's and Committee's budget provisions that will be prepared by this office following the Committee's deliberations.]

Statutory Specification of Daily Rates

13. Under current law, daily rates for juvenile care in a given biennium are statutorily specified for periods matching calendar year periods. Under current law, daily rates are specified for the periods: (a) July 1, 1999 to December 31, 1999; (b) January 1, 2000 to December 31, 2000; and (c) January 1, 2001 to June 30, 2001.

14. Under the bill, statutory rates in the 2001-03 biennium would instead be specified on a fiscal-year basis, rather than a calendar-year basis. According to both DOA and DOC officials, the change would make budgeting for juvenile corrections more straight-forward, would simplify revenue projections each fiscal year and would not adversely affect counties.

15. The modification would not have any effect on the daily rate calculations for the first six months of the biennium (July 1, 2001 to December 31, 2001, in this case) or the last six months (January 1, 2003 to June 30, 2003). It would affect the rates charged for the calendar period January 1, 2002 to December 31, 2002. Under current law, the statutes would specify a blended rate for the calendar year based on the approved budgets for each type of care and estimated average daily population (ADP) for the two fiscal years overlapping the calendar year. Under the bill, which would only specify fiscal year daily rates, the 2001-02 rate would apply to the first six months of 2002 and the 2002-03 rate would apply to the last six months of 2002.

16. Under this provision, counties would need to budget for calendar year 2002, based on two rates applying to two six-month periods rather than one rate applying to the entire calendar year. However, counties already do this for the first and last six-month periods of the biennium and

the proposed change does not appear to impose any tangible difficulties for the counties' budgeting procedures.

17. The proposal could have some fiscal effect for counties and for the state. If a county's ADP or the serious juvenile offender ADP is higher in the last six months of 2002, as compared to the first six months of 2002, overall charges would be higher for the year than they would be under the current law blended rate. Conversely, if ADP declined in the last six months, as compared to the first six months of the calendar year, charges would be lower than they would be under current law. However, these fiscal effects would likely be negligible.

18. If current law is maintained with statutory daily rates specified for calendar-year periods within the biennium, these periods and the reestimated statutory daily rates would be as follows:

Reestimated Statutory Rates Under Current Law

	7-01 thru <u>12-31-01</u>	1-1-02 thru <u>12-31-02</u>	1-1-03 thru <u>6-30-03</u>
Secured Correctional Facilities	\$168.12	\$170.66	\$173.20
Corrective Sanctions	82.89	83.88	84.87
Aftercare Supervision	21.97	22.32	22.67

ALTERNATIVES TO BILL

1. Approve the Governor's recommendation to specify statutory daily rates on a fiscal-year, rather than a calendar-year, basis.

2. Maintain current law. Under this alternative, statutory daily rates would continue to be specified for calendar-year periods within the biennium.

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