

CORRECTION'S POPULATION STATUS

Prepared for the
Legislative Finance Committee
by

Lorene Thorson, Senior Fiscal Analyst
December 7, 2001

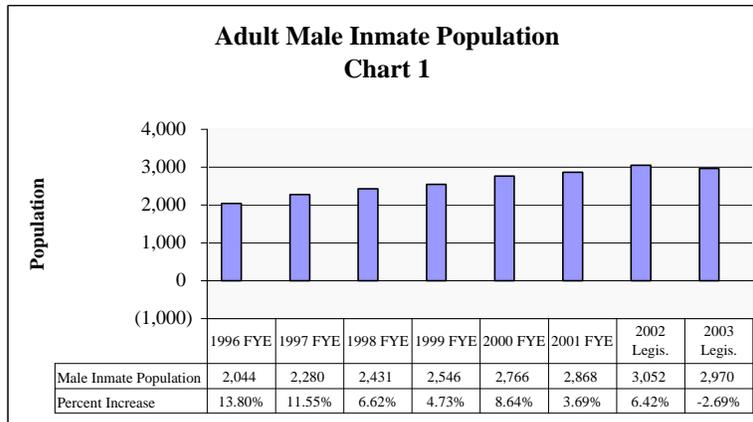
Legislative Fiscal Division



www.leg.state.us/fiscal/

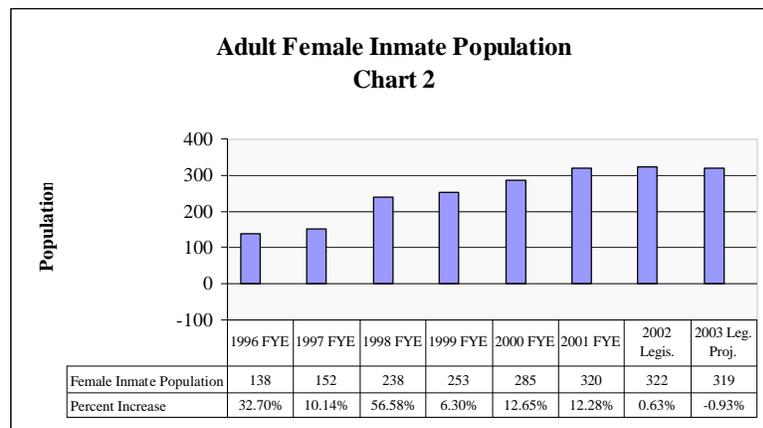
BACKGROUND

As of October 31, 2001, the number of offenders in contract beds, Montana Women’s Prison, and Montana State Prison are above levels appropriated for by the 2001 legislature. The 2001 legislature appropriated \$133.1 million for adult secure custody and adult community corrections in the 2003 biennium in HB 2 and the pay plan. This represents a 9.7 percent increase, or \$11.8 million dollars over 2001 biennium costs.



The population of adult male inmates in Montana has increased by 824 offenders from 1996 to 2001, or an average of 165 additional inmates per year. The projections of the number of inmates for 2002 and 2003 in Chart 1 and 2 are based on amounts appropriated by the 2001 legislature.

The population of adult female inmates in Montana has increased by 320 offenders from 1996 to 2001, or an average of 36 additional inmates per year. Note that in both Charts 1 and 2, the population shows a decrease in fiscal 2003. The reduction is due to a decision by the 2001 legislature to reduce the appropriation for the 2003 biennium to mitigate the 2001 biennium supplemental.



The 2001 legislature appropriated funds based on a lower number of estimated adult inmates than the department projected by fiscal year-end 2003. Based on the amounts appropriated by the 2001 legislature, the male institutional population is projected to be 2,970 by the end of fiscal 2003 and the female institutional population is projected to be 319 by the end of fiscal 2003. The legislature appropriated funds on the above levels based on its decision to:

- 1) treat fourth driving under the influence offenders in a residential alcohol treatment center;

- 2) reduce the number of pre-release and pre-release chemical dependency beds by 10 each year and reduce contract beds based on projected savings resulting from the development of a residential alcohol treatment center;
- 3) provide funding for 30 additional male pre-release beds in existing facilities in 2002; and
- 4) provide no funding for new pre-release beds in 2003.

CURRENT STATUS

Currently probation and parole populations are growing at less than 1 percent, rather than the estimated 3 percent; and as of October 31, 2001, the average daily populations of

Table 1 Adult Male Inmate FYE Populations				
Correctional Facility	Fiscal 2001 Actuals	Fiscal 2002 Fiscal Report	Fiscal 2002 Management Plan Projection	Fiscal 2002 Change
Montana State Prison	1,312	1,300	1,340	40
Regional Prisons	413	452	451	(1)
Private Contracts/Crossroads	375	356	398	42
County jails	<u>81</u>	<u>27</u>	<u>59</u>	<u>32</u>
Total Contract Beds	869	835	908	73
Boot Camp	33	50	47	(3)
Pre-Release (incl. Trans. Living)	436	494	464	(30)
ISP	218	235	219	(16)
Residential Alcohol Treatment		<u>138</u>	<u>138</u>	<u>0</u>
TOTAL	<u>2,868</u>	<u>3,052</u>	<u>3,116</u>	<u>64</u>

contract beds, Montana State Prison, and Montana Women's Prison have surpassed legislative projections for fiscal 2002. The department states that male probation revocations are up about 12.5 percent in the last twelve-month period, which would reflect the higher populations in secure facilities and lower numbers in probation and parole. Female probation revocations are up roughly 64 percent in the same period.

Tables 1 and 2 show the fiscal year-end count of adult populations for fiscal 2001, the projections used by the 2001 legislature when appropriating the budgets for secure facilities for fiscal 2002, and the new department management plan projections based upon the most recent inmate trends.

Table 1 indicates that male populations in contract beds are estimated to exceed legislative projections by 73 inmates. Table 2 shows that female populations are estimated to exceed legislative projections in contract beds by 54. Contract beds include the regional prisons, county jails, and private contracts.

Table 2 Adult Female Inmate FYE Populations				
Correctional Facility	Fiscal 2001 Actuals	Fiscal 2002 Fiscal Report	Fiscal 2002 Management Plan Projection	Fiscal 2002 Change
Montana Women's Prison	76	70	80	10
Private Contracts/Crossroads	74	72	74	2
County jails	<u>22</u>	<u>26</u>	<u>78</u>	<u>52</u>
Total Contract Beds	96	98	152	54
Boot Camp/ICP	1	0	6	6
Pre-Release (incl. Trans. Living)	108	115	117	2
ISP	39	39	36	(3)
TOTAL	<u>320</u>	<u>322</u>	<u>391</u>	<u>69</u>

Changes in the number of contract beds have the most significant impact on the budget. Populations at the state facilities can have slight fluctuations without noticeable impacts to the budget because costs are not directly related to the number of filled beds. Staffing levels are in place and most of the costs are fixed. In contrast, the cost of contract beds are directly tied to the number of filled beds. At the regional prisons, the state pays for 50 percent of the beds the state has contracted for, whether they are filled or not. Above that base cost, the state pays a daily charge for every additional bed that is filled. Under the current contract with Crossroads, the state pays a fixed amount for every day a bed is filled.

Table 3 shows the department's forecast of an increased cost of \$1.8 million in fiscal 2002 for contract beds if population trends continue as projected. Approximately \$1.1 million of the increase is due to an increase in the number of county jail beds. Offenders housed in county jails include: 1) offenders waiting to be transported to Montana State Prison or Montana Women's Prison; 2) parole violators awaiting sentence disposition by the courts; 3) offenders sentenced to the department who are being screened for pre-release or other placements; and 4) offenders accepted by pre-release but awaiting bed space.

Facility	Appropriated Fiscal 2002	Projected Fiscal 2002	Difference Fiscal 2002	Facility	Appropriated Fiscal 2002	Projected Fiscal 2002	Difference Fiscal 2002
Male				Female			
Crossroads				Crossroads			
FYE Projection	356	398	42	FYE Projection	72	74	2
Rate	\$51.59	\$51.59		Rate	64.00	64.00	
Amount	\$6,701,540	\$7,502,063	\$800,523	Amount	\$1,681,920	\$1,728,256	\$46,336
County Jails				County Jails			
FYE Projection	27	59	32	FYE Projection	26	78	52
Rate	\$52.00	\$51.35		Rate	52.00	50.48	
Amount	\$512,460	\$1,105,884	\$593,424	Amount	\$493,480	\$963,334	\$469,854
Cascade & Dawson Regional Prisons							
FYE Projection	284	291	7				
Rate	\$47.00	\$46.90					
Amount	\$4,872,020	\$4,982,531	\$110,511				
Missoula Regional Prison							
FYE Projection	168	160	(8)				
Rate	\$48.31	\$47.12					
Amount	\$2,962,369	\$2,758,735	(\$203,634)				
Total Male Contract Beds	\$15,048,389	\$16,349,213	\$1,300,824	Total Female Contract Beds	\$2,175,400	\$2,691,590	\$516,190
Total Increased Cost for Male/Female Contract Beds							\$1,817,014

Some of the steps taken by the department to affect efficiencies and/or to attempt to alleviate any potential shortfalls include:

- analyzing revocations to ensure that the infractions causing revocation of probation or parole are not for minor violations and that intermediate sanctions are being used;

- ~~///~~ contracting with a physician for medical care at MSP (savings will not be seen until fiscal 2003, as the payout for Dr. Jones will offset any savings in fiscal 2002);
- ~~///~~ working with courts to get a written order the day an offender is assigned to the department. This allows the department to transport the offender to a state facility as soon as possible or move the offender to a lower cost county jail, if necessary. The state starts paying local jail costs as soon as a judge orders an offender to DOC custody. It used to take 3-4 months to get a certified order allowing the department to transport an offender;
- ~~///~~ working with the Montana Sheriffs and Peace Officers to develop a formula for reimbursement to county jails that is used consistently between counties;
- ~~///~~ changing the way inmate health care is managed;
- ~~///~~ increasing the number of offenders in treatment programs, so non-completion of a required treatment does not delay an offender from being released;
- ~~///~~ clarifying with staff what constitutes three months of “clear conduct”. An inmate must have three months of “clear conduct” to be eligible for parole. Some staff were misinterpreting how that time was counted;
- ~~///~~ tightening the controls over accruing compensatory or overtime;
- ~~///~~ closing the transition center in Billings due to low numbers (staff has been absorbed by turnover of staff at the Montana Women’s Prison); and
- ~~///~~ the department is planning to meet with Crossroad’s officials in hopes of negotiating a sliding fee scale based on the number of beds filled (the more beds filled would result in a lower cost per day per inmate). The current rates are in affect until June 30, 2003, but the department is hopeful that Crossroads would make any new agreed upon rate effective upon approval.

IMPACT ON 2003 BUDGET

The department is taking measures and is continuing to search for areas where savings can be made. The department projects 127 inmates in contract beds above the numbers that were appropriated for in fiscal 2002, even though the pressure on contract beds will lessen once the residential alcohol treatment center opens in February 2002.

The potential of a \$1.8 million overrun in contract beds in fiscal 2002 will only be exacerbated in fiscal 2003 if trends continue. As stated earlier, funds appropriated for contract beds in fiscal 2003 are \$2.0 million less than the amount appropriated for fiscal 2002. The completion of the expansion at the women’s prison in the second half of fiscal 2003 will once again alleviate some of the pressure on contract beds. Although, even if the growth in contract beds stabilized at the levels projected for 2002, this would mean a \$3.3 million shortfall in contract beds in fiscal 2003, or a shortfall of \$5.1 million for the 2003 biennium. If the department is able to negotiate a sliding fee scale with Crossroads, the projected shortfall will be lessened.

COURSES OF ACTION

The Legislative Finance Committee (committee) may want to ask the department to provide updates on the budget status of the department at each subsequent meeting and inform the committee if the cost saving measures taken will allow the department to make it through the 2003 biennium without a supplemental.

Reality dictates that once a budget has been set and the department is in that budget period, the only quickly available ways to impact budgets are within the department. However, because there are many players that impact offender populations (court, legislature, Board of Parole, the department), only looking within the department to make policy changes or operational changes to offset shortfalls may be shortsighted. Therefore, the committee may want to discuss and consider alternatives for mitigating the fiscal impacts of the increase in populations and explore long-term alternatives that may impact future biennia. Potential areas of discussion or further study include:

- ✍ Explore the potential of other low-cost facilities for non-violent felons who could be successfully managed and controlled in a less-expensive setting (like the DUI Unit).
- ✍ Define recidivism and explore measures to reduce recidivism. Even a small reduction in recidivism could bring large intangible benefits along with reduced costs to the state. In 1992, the state of Utah passed a bill to establish a Recidivism Reduction Program, also known as Project Horizon. The plan was based on a program initiated in Canada and used throughout the world that provides literacy and job skills, important life skills training, interagency support, and family involvement. The goal is to increase the likelihood of an offender being successful in returning to a law-abiding life outside of prison. Reports completed in 1997 and 2000 that analyzed the effects of Project Horizon showed an approximately 20 percent reduction in recidivism in participants of Project Horizon versus non-Horizon participants.
- ✍ Further examine parole and determine if there are areas that could be changed to impact caseloads and revocations.
 - ?? If an offender meets their conditions of parole over a defined period of time, can the length of the sentence be revisited for possible reduction?
 - ?? Where does Montana fall on the continuum in regard to parole? Do we have a strict law enforcement model where parolees are on their own and sent back to prison at the slightest infraction or a human resources model where authorities work with parolees to change their live and tolerate some infractions? Do we need to move on this continuum?