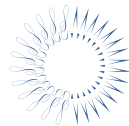




State Case Study

Ben Klaus



THE
PEW
CHARITABLE TRUSTS

MacArthur
Foundation

Iowa's Cutting-Edge Approach to Corrections

A Progress Report on Putting Results First to Use

Overview

The Iowa Department of Corrections, or DOC, has a long tradition of using evidence-based principles to prioritize and evaluate programming. But it lacked information about whether alternative programs could reduce recidivism and what their long-term costs and benefits would be.

To fill this critical information gap, the department partnered in 2011 with the Pew-MacArthur Results First Initiative, or Results First, to build a state-specific cost-benefit analysis model that would enable Iowa policymakers and program administrators to compare programs based on their effectiveness, cost, and expected benefits and use that data to make more informed policy and budget decisions.

The model launched in 2012 and has been used by the state's Department of Corrections to evaluate a number of adult corrections programs and by the Iowa Public Safety Advisory Board to assess the long-term costs and benefits of alternative sentencing practices. To date, Iowa's collaboration with Results First has helped the state to:

- Calculate and compare the long-term costs and benefits of a portfolio of corrections programs.
- Target resources to programs shown to maximize the return on investment for the state's residents, including prison-based vocational education programs, which the Results First model projects will return approximately \$4 in benefits for every \$1 invested.
- Eliminate an unsuccessful domestic violence program, and replace it with a more effective alternative, improving public safety and shifting funds to a higher-return investment.
- Identify a more cost-effective probation and parole caseload size.
- Enable policymakers to consider full program costs and benefits in decision-making.
- Strengthen Department of Corrections staff commitment to effective programs.

This brief documents Iowa's progress in implementing its Results First model, highlights the accomplishments to date, including customizing the model and reporting its findings to state policymakers to inform legislative and budget discussions, and enumerates next steps the state is considering to expand the usefulness and effectiveness of its cost-benefit model.

Results First: A model for making more cost-effective policy choices

The Results First approach uses a nationally recognized, peer-reviewed model with a three-step process:

- **Uses the best national research** to analyze all available studies of similar programs across the country to identify what works, what doesn't, and how effective various programs are in achieving policy goals.
- **Applies state-specific data to the national results** to project the effect different program and policy approaches would have in the state.
- **Compares the costs of each program to its projected benefits** and produces a report that ranks programs by the relative value they would generate for taxpayers. This information enables policymakers to identify the best return on investment of public dollars.

The cost-benefit analysis model was developed by the Washington State Institute for Public Policy in partnership with the Pew-MacArthur Results First Initiative, a project of The Pew Charitable Trusts and the John D. and Catherine T. MacArthur Foundation. The model can assess programs in many public policy areas, including adult criminal and juvenile justice, pre-k-12 education, general prevention programs for children and adolescents, child welfare, mental health, substance abuse, and public health.

Building the Iowa Results First model

The Iowa Department of Corrections began working with Results First in 2011, focusing on adult criminal justice. The department's goal was to assess the costs and benefits of alternative community- and prison-based programs that serve adult offenders. Key steps involved in building the Iowa Results First model included:

Training staff

In late 2011, staff from Results First traveled to Iowa to train Lettie Prell, the department’s research director, and her research assistant in use of the cost-benefit analysis model. Additional technical assistance was provided by Results First experts during the nine-month implementation process and included subsequent site visits, conference calls, and webinars. Department of Corrections staff also attended two national conferences of Results First states to receive further training on cost-benefit analysis and share lessons learned with staff from other states.

Identifying and collecting data

Implementing the Results First model requires collecting and analyzing data from multiple entities involved with the criminal justice system, including corrections, probation, law enforcement, and the courts. Using the state’s nationally recognized Justice Data Warehouse, a central repository of criminal and juvenile justice information from the Iowa Court Information System and the Iowa Correctional Offender Network system,¹ Iowa staff was able to quickly and efficiently:

- Analyze recidivism data to establish how different Iowa offender populations cycle through the criminal justice system.
- Identify the length of time that offenders stay in each part of the system—jail, prison, probation, and parole—based on the type of crimes they commit.
- Calculate the costs to operate each component of the system, including services to arrest, prosecute, defend, adjudicate, incarcerate, treat, and supervise offenders.

Analyzing costs and benefits based on Iowa-specific data

Department of Corrections staff customized the Results First model, entered the Iowa-specific data into its components, and then ran the model to calculate and compare the predicted returns the state would realize if it funded different adult-offender programs. This analysis computed each program’s potential benefits, including savings to state and local criminal justice systems and the monetized value of avoided costs to victims, including medical and mental health care expenses, property damage and losses, and reduced future earnings. The analysis also compared the benefits of each program to its operating costs to compute the return Iowa would realize per \$1 investment in each program.

“Results First gave us the missing piece. We followed evidence-based principles, and we evaluated fidelity to program models. But now we can put dollars and cents to the costs and benefits. The governor and legislature have maintained their commitment to us, even in a time of cutbacks, because they have data showing we are producing results.”

—John Baldwin, *director, Iowa Department of Corrections*

Reporting the Iowa Results First findings

In May 2012, the Department of Corrections issued its report, “Return on Investment: Evidence-Based Options to Improve Outcomes.”² The report presented the costs and benefits of a wide range of criminal justice programs, estimated over a 10-year period and expressed in 2011 dollars. The analysis found significant variation in the projected returns of different programs. These results were communicated to staff within the department and to policymakers and the public through presentations and briefings for legislative committees, the governor’s office, and the Public Safety Advisory Board.

The study examined the costs and benefits of three types of programs:

- Those serving individuals in prison.
- Community-based programs serving individuals released from prison.
- Community-based programs serving high-risk probationers.

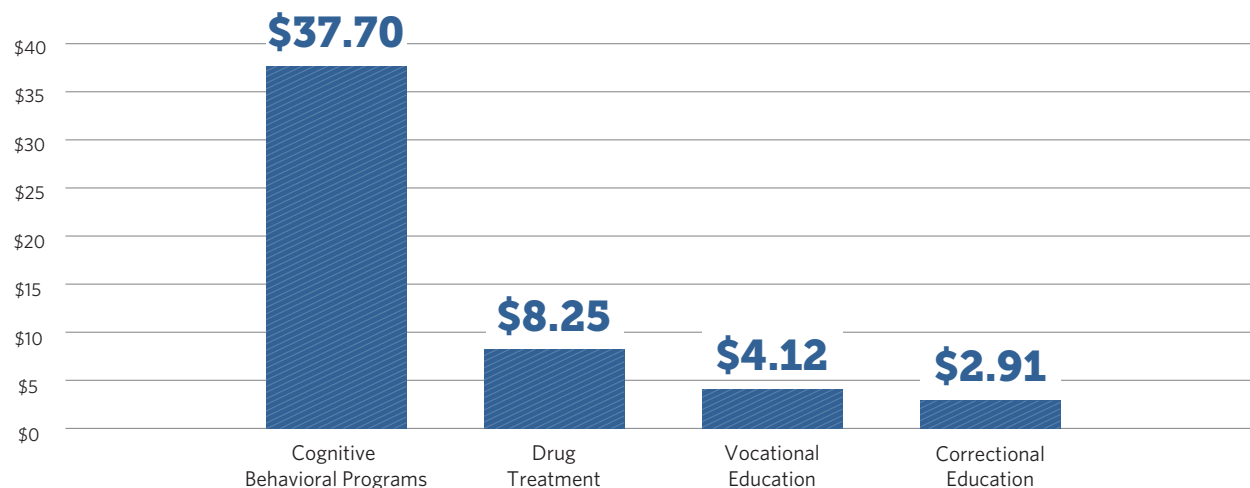
Key findings for each program type include:

- **Institutional programs.** The department analyzed five program areas: vocational education, correctional education (basic or postsecondary), drug treatment, cognitive behavioral therapy programs, and prison industries. (See Figure 1.) The model found that each of these programs would generate benefits that exceeded their costs, although the returns would vary substantially. For example, the analysis showed that cognitive behavioral therapy programs were very inexpensive to operate but highly effective in reducing recidivism, returning \$37.70 in benefits for every dollar spent.³ In contrast, correctional educational programs, although also effective, would return only \$2.91 in benefits per dollar invested.

Figure 1

The Results First Iowa Cost-Benefit Model Compared Returns for Proposed Prison-Based Programs

Projected return on investment by program



Note: The category “prison industries” is excluded because no taxpayer dollars are spent on it.

Source: Iowa Department of Corrections, “Return on Investment: Evidence-Based Options to Improve Outcomes” (May 2012), http://www.doc.state.ia.us/Research/DOC_HandoutROI_OffenderPrograms.pdf.

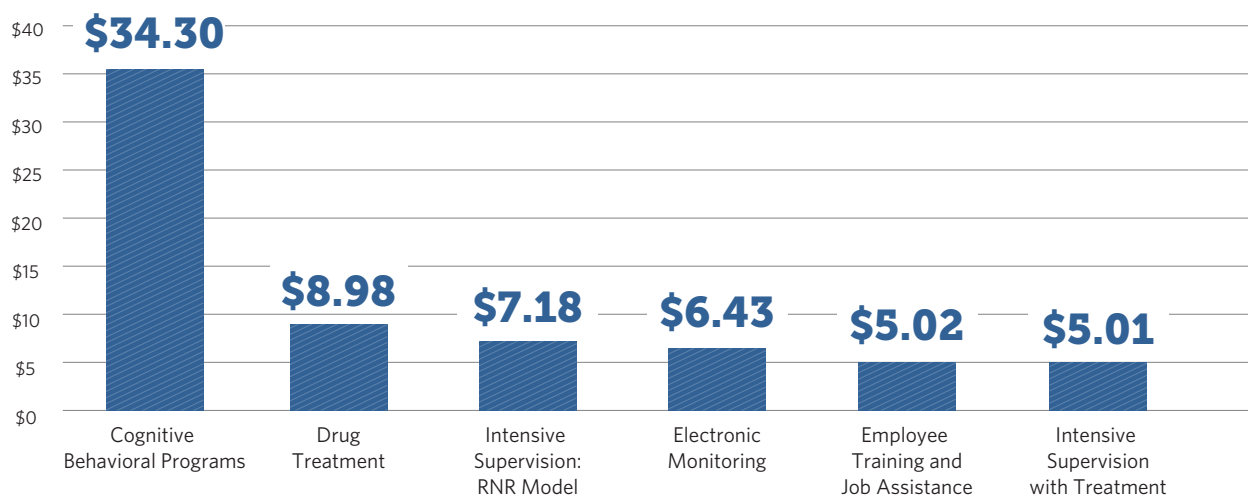
© 2013 The Pew Charitable Trusts

- **Community-based programs for released prisoners.** The Department of Corrections assessed seven programs that are commonly provided to individuals leaving prison: intensive supervision using the Risk Need Responsivity principle, electronic monitoring, drug treatment, intensive supervision with treatment, work release, cognitive behavioral therapy programs, and employment training or job assistance. (See Figure 2.) The model showed that benefits for all these programs exceed costs, but returns on investment would range from approximately \$5 to \$34 per dollar spent.

Figure 2

Iowa Used Cost-Benefit Analysis to Compare Community-Based Programs for Prison Releasees

Projected return on investment by program



Note: The category "work release" is excluded because benefit-to-cost ratio could not be computed.

Source: Iowa Department of Corrections, "Return on Investment: Evidence-Based Options to Improve Outcomes" (May 2012), http://www.doc.state.ia.us/Research/DOC_HandoutROI_OffenderPrograms.pdf.

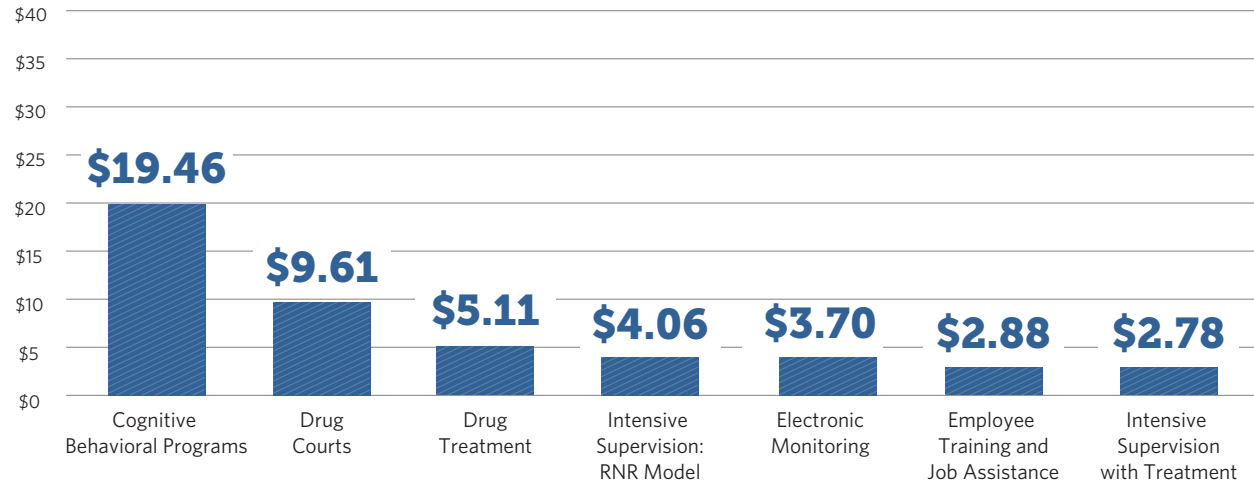
© 2013 The Pew Charitable Trusts

- **Community-based programs for high-risk probationers.** The department analyzed eight programs commonly provided to offenders on probation who have been identified as high risk to reoffend: intensive supervision using the Risk Need Responsivity principle, drug courts, mental health courts, electronic monitoring, drug treatment, intensive supervision with treatment, cognitive behavioral therapy programs, and employment training or job assistance. (See Figure 3.) For each program, the model found that benefits would exceed costs, but returns ranged from approximately \$3 to \$20 for every dollar invested.

Figure 3

Results First Iowa Conducted a Cost-Benefit Analysis of Programs for High-Risk Probationers

Projected return on investment by program



Note: The category "mental health courts" is excluded because benefit-to-cost ratio could not be computed.

Source: Iowa Department of Corrections, "Return on Investment: Evidence-Based Options to Improve Outcomes" (May 2012), http://www.doc.state.ia.us/Research/DOC_HandoutROI_OffenderPrograms.pdf.

© 2013 The Pew Charitable Trusts

Using cost-benefit analysis in policy and budget decisions

Iowa has used the Results First analysis to directly influence policy and budget decisions. Specifically, department leaders and staff used the cost-benefit analysis to:

- **Shift resources to more effective programs.** Based on the expected high rate of return, the department is expanding its cognitive behavioral therapy programs, including Thinking for a Change and the Controlling Anger and Learning to Manage It program, or CALM, and plans to reduce other, less effective activities proportionally. To ensure that these programs are implemented with fidelity to the treatment model, the department applied for and was selected to receive technical assistance from the National Institute of Corrections to train staff to deliver Thinking for a Change training to institutional staff. This training will increase program capacity, allowing more people to receive cognitive behavioral therapy, and will improve the quality and effectiveness of the program.

Additionally, the department received \$250,000 in new legislative funding to support vocational education programs in prisons, which the model showed to be a low-cost investment that would be effective in reducing recidivism. The department is collaborating with a local community college to provide classes in welding and electrical skills through which inmates can receive community college credits and professional certification. The model indicates that this program should return about \$4 for every \$1 invested, generating an approximately \$1 million return on the state's investment.

- **Replace an ineffective program.** Iowa Results First analysis confirmed that the state's existing community-based domestic violence treatment program is not effective in reducing recidivism among domestic abusers. In fact, the model showed that the state is losing \$3 for every dollar invested in the program. To improve outcomes for both victims and taxpayers, the department has partnered with the University of Iowa to pilot an alternative program known as Achieving Change Through Value-Based Behavior, also known as ACTV. The department and the university are currently evaluating the pilot and comparing its outcomes with those of the old program. Evaluation findings are forthcoming.
- **Determine optimal caseload size.** With assistance from the Iowa Results First model, the department calculated the costs and benefits of two different staff officer caseloads for the case management of offenders: assigning either 30 or 50 offenders per officer. A prior department analysis showed that offenders supervised by officers with lower caseloads were 25.5 percent less likely to commit a new crime and 45 percent less likely to commit a property or violent crime than those supervised by officers with higher caseloads. Using the Results First approach, researchers were able to quantify the value of lower caseloads as producing net benefits of \$9,097 per released prisoner over a 10-year period and \$4,508 per high-risk probationer. DOC district directors are now identifying ways to reduce officers' caseloads.
- **Simulate sentencing alternatives to calculate savings.** Iowa's Public Safety Advisory Board used the Results First approach to predict the outcomes if policymakers choose not to impose mandatory minimums for lower-risk offenders and invest half of the savings in cognitive behavioral therapy in prisons and in community supervision. This analysis found that by the fourth year of implementation, this policy change would permanently decrease the prison population by about 64 inmates and save taxpayers \$1.2 million over 10 years. Based on these findings, the board recommended making a validated risk assessment a standard part of presentence reports to the courts.⁴
- **Demonstrate the value of operating evidence-based programs.** Department of Corrections Director John Baldwin notes that Results First has made it possible to document taxpayers' return on investment from adult offender programs and to communicate these findings to executive and legislative policymakers. Both branches recognized the benefit of maintaining programs that reduce recidivism and protect public safety, and as a result the department budget was spared significant reductions.⁵

By documenting the benefits of evidence-based programs, the Results First analysis has also strengthened department staff commitment and reinforced the value of their work. Probation supervisor Lorie Woodard reports, for example, that learning that the state's domestic abuse program was ineffective was helpful for agency staff: "[They are] more willing to take risks and make themselves vulnerable to scrutiny because they believe their efforts will change lives."

"Staff involved with batterers' education for more than 20 years is leading the change process, and newer staff has assumed responsibilities for data collection and coaching others," says Woodard. "They have opened themselves to ongoing observation by others for quality assurance purposes. It's been amazing to see what committed staff can accomplish."

Next steps for Results First in Iowa

Iowa achieved significant benefits from implementing its Results First cost-benefit model, providing state policymakers with critical information on the effectiveness of adult criminal justice programs and the costs and benefits of public safety investments. Moving forward, Iowa plans to expand its Results First model to:

- **Analyze other adult offender programs.** The Department of Corrections intends to use the Results First approach to assess mental health treatment, dual diagnosis,⁶ mentoring, and offender-reentry programs.
- **Extend the analysis to juvenile programs.** The Division of Criminal and Juvenile Justice Planning of the Iowa Department of Human Rights is receiving technical assistance from Results First to extend the model to analyze juvenile justice programs and to quantify the expected effects of potential policy changes.
- **Institutionalize the Results First analysis.** The Department of Corrections intends to make Results First analysis an integral part of its investment planning so state policymakers can routinely consider evidence of program costs and benefits when making funding decisions.

“With help from Results First, we have accomplished a great deal in a short period of time,” says Baldwin. “Our challenge over the next three to five years is to institutionalize this kind of analysis so on an ongoing basis we are able to show the state’s policymakers what pays and what provides long-term value.”

Endnotes

- 1 The Justice Data Warehouse is managed by the Division of Criminal and Juvenile Justice Planning, Iowa Department of Human Rights.
- 2 Iowa Department of Corrections, “Return on Investment: Evidence-Based Options to Improve Outcomes” (May 2012), http://www.doc.state.ia.us/Research/DOC_HandoutROI_OffenderPrograms.pdf.
- 3 Ibid.
- 4 Public Safety Advisory Board, *Report to the Iowa General Assembly in Fulfillment of Requirements of Iowa Code 216A.133A* (Dec. 2012) 3. http://www.legis.iowa.gov/DOCS/LSA/SC_MaterialsDist/2013/SDDFK034.PDF.
- 5 Iowa Department of Corrections, *Response to the Justice System Appropriations Subcommittee* (Feb. 4, 2013), http://www.legis.iowa.gov/DOCS/LSA/SC_MaterialsDist/2013/SDBAL010.PDF.
- 6 Iowa Department of Corrections, *Dual Diagnosis Program Works Best for Minorities* (Sept. 2011), http://publications.iowa.gov/13085/1/Sept11_DDOP.pdf.



Contact: Gary VanLandingham, director, Pew-MacArthur Results First Initiative
Email: gvanlandingham@pewtrusts.org
Phone: 202-540-6207

Pew-MacArthur Results First Initiative, a project of The Pew Charitable Trusts and the John D. and Catherine T. MacArthur Foundation, works with states to implement an innovative cost-benefit analysis approach that helps them invest in policies and programs that are proven to work.