

# Washington State Institute for Public Policy Benefit-Cost Results

#### Serious and Violent Offender Reentry Initiative (SVORI) **Adult Criminal Justice**

Benefit-cost estimates updated December 2023. Literature review updated August 2016.

Current estimates replace old estimates. Numbers will change over time as a result of model inputs and monetization methods.

The WSIPP benefit-cost analysis examines, on an apples-to-apples basis, the monetary value of programs or policies to determine whether the benefits from the program exceed its costs. WSIPP's research approach to identifying evidence-based programs and policies has three main steps. First, we determine "what works" (and what does not work) to improve outcomes using a statistical technique called meta-analysis. Second, we calculate whether the benefits of a program exceed its costs. Third, we estimate the risk of investing in a program by testing the sensitivity of our results. For more detail on our methods, see our Technical Documentation.

Program Description: In 2003 the U.S. Department of Justice awarded funding to states for the Serious and Violent Offender Reentry Initiative (SVORI) for individuals transitioning from prison into the community. These programs do not adhere to one specific type of intervention or program but instead implement a model designed to address six outcomes of concern for individuals reentering from incarceration (health, education, employment, housing, substance use, and recidivism). SVORI involves a three-phase timeline model. The first phase is an in-prison intervention that could begin months before participants are released into the community. In the second phase, services intensify in the months before and after release. A risk/needs assessment for each participant is conducted and an individualized implementation plan is administered. In the third phase, participants are supervised within the community, and required to follow their implementation plan as a condition of release. Follow-ups are conducted with each participant at 3, 9, and 15 months post-release to address adherence to the plan and the current state of affairs for each participant.

Benefit-Cost Summary Statistics Per Participant						
Benefits to:						
Taxpayers	\$9,581	Benefit to cost ratio	\$1.57			
Participants	\$0	Benefits minus costs	\$9,809			
Others	\$21,075	Chance the program will produce				
Indirect	(\$3,755)	benefits greater than the costs	90%			
Total benefits	\$26,901					
Net program cost	(\$17,092)					
Benefits minus cost	\$9,809					

The estimates shown are present value, life cycle benefits and costs. All dollars are expressed in the base year chosen for this analysis (2022). The chance the benefits exceed the costs are derived from a Monte Carlo risk analysis. The details on this, as well as the economic discount rates and other relevant parameters are described in our Technical Documentation.

Meta-Analysis of Program Effects											
Outcomes measured	Treatment age	No. of effect sizes	Treatment N	Adjusted effect sizes and standard errors used in the benefit-cost analysis					Unadjusted effect size (random effects		
				First time ES is estimated			Second time ES is estimated			model)	
				ES	SE	Age	ES	SE	Age	ES	p-value
Crime	31	6	1772	-0.279	0.057	33	-0.279	0.057	43	-0.294	0.001
Illicit drug use ^	31	3	610	-0.107	0.096	32	n/a	n/a	n/a	-0.107	0.267
Employment ^ ^	31	4	780	0.129	0.085	31	n/a	n/a	n/a	0.193	0.024
Homelessness <sup>^</sup>	31	3	634	0.040	0.116	31	n/a	n/a	n/a	0.040	0.730
Technical violations <sup>^^</sup>	31	1	175	-0.001	0.170	31	n/a	n/a	n/a	-0.003	0.981

<sup>^</sup>WSIPP's benefit-cost model does not monetize this outcome.

Meta-analysis is a statistical method to combine the results from separate studies on a program, policy, or topic in order to estimate its effect on an outcome. WSIPP systematically evaluates all credible evaluations we can locate on each topic. The outcomes measured are the types of program impacts that were measured in the research literature (for example, crime or educational attainment). Treatment N represents the total number of individuals or units in the treatment group across the included studies.

An effect size (ES) is a standard metric that summarizes the degree to which a program or policy affects a measured outcome. If the effect size is positive, the outcome increases. If the effect size is negative, the outcome decreases.

Adjusted effect sizes are used to calculate the benefits from our benefit cost model. WSIPP may adjust effect sizes based on methodological characteristics of the study. For example, we may adjust effect sizes when a study has a weak research design or when the program developer is involved in the research. The magnitude of these adjustments varies depending on the topic area.

WSIPP may also adjust the second ES measurement. Research shows the magnitude of some effect sizes decrease over time. For those effect sizes, we estimate outcome-based adjustments which we apply between the first time ES is estimated and the second time ES is estimated. We also report the unadjusted effect size to show the effect sizes before any adjustments have been made. More details about these adjustments can be found in our Technical Documentation.

Detailed Monetary Benefit Estimates Per Participant								
Affected outcome:	Resulting benefits:1	Benefits accrue to:						
		Taxpayers	Participants	Others <sup>2</sup>	Indirect <sup>3</sup>	Total		
Crime	Criminal justice system	\$9,581	\$0	\$21,075	\$4,791	\$35,447		
Program cost	Adjustment for deadweight cost of program	\$0	\$0	\$0	(\$8,546)	(\$8,546)		
Totals		\$9,581	\$0	\$21,075	(\$3,755)	\$26,901		

<sup>&</sup>lt;sup>1</sup>In addition to the outcomes measured in the meta-analysis table, WSIPP measures benefits and costs estimated from other outcomes associated with those reported in the evaluation literature. For example, empirical research demonstrates that high school graduation leads to reduced crime. These associated measures provide a more complete picture of the detailed costs and benefits of the program.

<sup>^^</sup>WSIPP does not include this outcome when conducting benefit-cost analysis for this program.

<sup>&</sup>lt;sup>2</sup>"Others" includes benefits to people other than taxpayers and participants. Depending on the program, it could include reductions in crime victimization, the economic benefits from a more educated workforce, and the benefits from employer-paid health insurance.

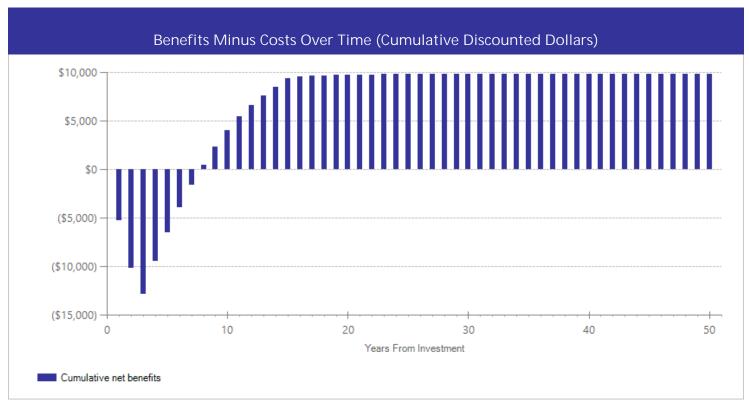
<sup>&</sup>lt;sup>3</sup>"Indirect benefits" includes estimates of the net changes in the value of a statistical life and net changes in the deadweight costs of taxation.

## Detailed Annual Cost Estimates Per Participant

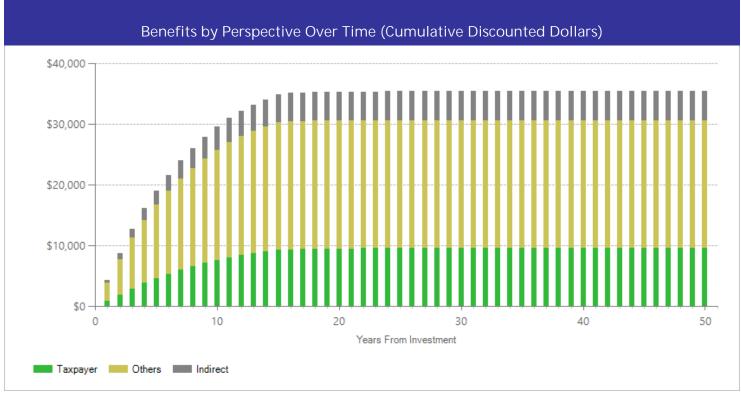
	Annual cost	Year dollars	Summary	
Program costs	\$7,794	2007	Present value of net program costs (in 2022 dollars)	(\$17,092)
Comparison costs	\$3,014	2007	Cost range (+ or -)	10%

Per-participant cost estimated from Cowell et al. (2009) and Lattimore et al. (2004). Cowell et al. (2009) presented a breakdown of the costs of both Adult and Juvenile SVORI program sites, by implementation phase. Lattimore et al. (2004) reported the specific breakdowns of program details by state, indicating that in Washington State, offenders spend 9 months in phase 1 (pre-release), 12 months in phase 2 (post-release), and 12 months in phase 3 (post-supervision), for a total of 33 months of programming. The cost-estimate presented here is the sum of the products of phase-specific cost estimates from Cowell et al. (2009) and the Washington State specific timeline from Lattimore et al. (2004). Cowell, A. J., Lattimore, P. K., & Roman, J. (2009). *Economic Evaluation of the Serious and Violent Offender Reentry Initiative*. United States. Lattimore, P. K., Urban Institute., Research Triangle Institute., & National Institute of Justice (U.S.). (2004). *National portrait of SVORI: Serious and Violent Offender Reentry Initiative*. Washington, DC: RTI International, Urban Institute.

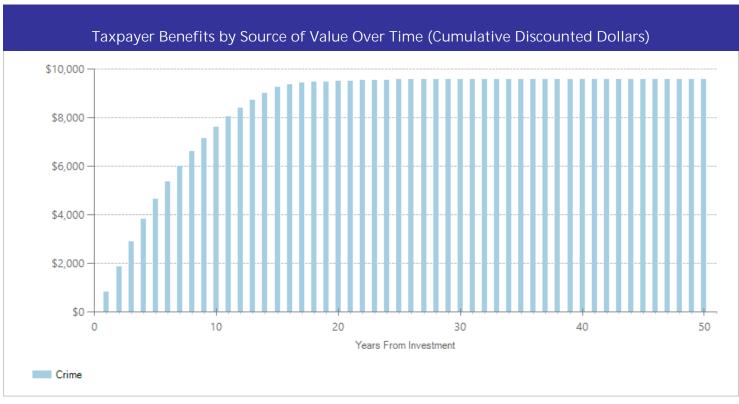
The figures shown are estimates of the costs to implement programs in Washington. The comparison group costs reflect either no treatment or treatment as usual, depending on how effect sizes were calculated in the meta-analysis. The cost range reported above reflects potential variation or uncertainty in the cost estimate; more detail can be found in our Technical Documentation.



The graph above illustrates the estimated cumulative net benefits per-participant for the first fifty years beyond the initial investment in the program. We present these cash flows in discounted dollars. If the dollars are negative (bars below \$0 line), the cumulative benefits do not outweigh the cost of the program up to that point in time. The program breaks even when the dollars reach \$0. At this point, the total benefits to participants, taxpayers, and others, are equal to the cost of the program. If the dollars are above \$0, the benefits of the program exceed the initial investment.



The graph above illustrates the breakdown of the estimated cumulative benefits (not including program costs) per-participant for the first fifty years beyond the initial investment in the program. These cash flows provide a breakdown of the classification of dollars over time into four perspectives: taxpayer, participant, others, and indirect. "Taxpayers" includes expected savings to government and expected increases in tax revenue. "Participants" includes expected increases in earnings and expenditures for items such as health care and college tuition. "Others" includes benefits to people other than taxpayers and participants. Depending on the program, it could include reductions in crime victimization, the economic benefits from a more educated workforce, and the benefits from employer-paid health insurance. "Indirect benefits" includes estimates of the changes in the value of a statistical life and changes in the deadweight costs of taxation. If a section of the bar is below the \$0 line, the program is creating a negative benefit, meaning a loss of value from that perspective.



The graph above focuses on the subset of estimated cumulative benefits that accrue to taxpayers. The cash flows are divided into the source of the value.

### Citations Used in the Meta-Analysis

- Veeh, C.A., Severson, M.E., & Lee, J. (2015). Evaluation of a serious and violent offender reentry initative (SVORI) program in a midwest state. *Criminal Justice Policy Review*, 1-17.
- Lattimore, P.K., Barrick, K., Cowell, A., Dawes, D., Steffey, D., Tueller, S., & Visher, C.A. (2012). *Prisoner reentry services: What worked for SVORI evaluation participants?* U.S. Department of Justice.
- Duwe, G. (2012). Evaluating the Minnesota Comprehensive Offender Reentry Plan (MCORP): Results from a randomized experiment. Justice Quarterly, 29(3).
- Braga, A., Piehl, A., & Hureau, D. (2009). Controlling violent offenders released to the community: An evaluation of the Boston reentry initiative. *Journal of Research in Crime and Delinquency*, 46(4), 411-436.

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## Washington State Institute for Public Policy

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