The New Mexico Results First Model

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LFC Background and Overview

• Established in 1957

• Performance audit function brought to LFC in 1991 (previously at Office of the State Auditor)

• Only 10 other legislatures have some degree of “joint responsibility” with the executive for budget development; only one of these states also conducts program evaluations as part of its budget office’s main duties.
Program Evaluation of the New Mexico Corrections Department

• Program Evaluation
  – In June the LFC issued a report dealing with ways to reduce recidivism, cut costs and improve public safety in the incarceration and supervision of adult offenders.
  – The New Mexico Results First Model was implemented in conjunction with this program evaluation with assistance from Results First, a project of the Pew Center on the States and the MacArthur Foundation.

• Key Finding Related to the New Mexico Results First Model
  – Evidence based programs in New Mexico have been cut while non-evidence based programs have been expanded.
  – Through the New Mexico Results First model, the LFC was able to put a price tag on cuts to evidence-based programs and estimate potential savings in recidivism reduction.
    • Reducing recidivism by 10 percent in one year could save $8.3 million in prison costs alone and could reduce victimization costs by an estimated $40 million.
Process for Data Collection and TA

- LFC staff held meetings with agencies responsible for providing data.

- Received guidance on potential timelines for milestone accomplishments and data collection from Results First TA along with assistance with data requests and analysis.

- Data requests to agencies were made early on in the project.
Model Implementation

- Two LFC staff worked on model implementation.

- Data for a seven year cohort from the corrections department was used in the model to examine six evidence based programs.

- Data from five state agencies and other sources were broken out across seven crime types for the following categories.
  - Marginal operating and capital costs for police, courts, prosecutors, supervision, jail and prison.
  - Probability of resource use (e.g. prison, supervision, jail, etc).

- The New Mexico Results First model was implemented in approximately 8 months.
Results

- Six evidence-based programs currently existing in New Mexico were entered into the model.

- The model assumes all programs are delivered with fidelity which is not always the case (example Therapeutic Communities).

- All programs show a positive benefit to cost ratio with differing returns on investment.

<table>
<thead>
<tr>
<th>Program</th>
<th>Taxpayer Benefits</th>
<th>Total Benefits (Taxpayer + Victims)</th>
<th>Costs</th>
<th>Benefits Minus Costs (net present value)</th>
<th>Benefit to Cost Ratio</th>
<th>Rate of Return on Investment</th>
<th>Measure of Risk (odds of a positive net present value)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adult Education</td>
<td>$3,043</td>
<td>$18,952</td>
<td>$627</td>
<td>$18,325</td>
<td>$30.22</td>
<td>421%</td>
<td>99%</td>
</tr>
<tr>
<td>Cognitive Behavioral Programs</td>
<td>$1,571</td>
<td>$10,033</td>
<td>$523</td>
<td>$9,510</td>
<td>$19.20</td>
<td>278%</td>
<td>99%</td>
</tr>
<tr>
<td>Corrections Industries</td>
<td>$1,090</td>
<td>$7,080</td>
<td>$0</td>
<td>$7,080</td>
<td>$7,080</td>
<td>N/A</td>
<td>99%</td>
</tr>
<tr>
<td>2nd Judicial District Drug Court (Adult)</td>
<td>$3,285</td>
<td>$20,336</td>
<td>$3,205</td>
<td>$17,131</td>
<td>$6.35</td>
<td>103%</td>
<td>99%</td>
</tr>
<tr>
<td>Drug Treatment In Prison (Therapeutic Communities)</td>
<td>$2,319</td>
<td>$15,371</td>
<td>$3,233</td>
<td>$12,138</td>
<td>$4.77</td>
<td>79%</td>
<td>99%</td>
</tr>
<tr>
<td>Vocational Education in Prison</td>
<td>$2,881</td>
<td>$18,525</td>
<td>$1,171</td>
<td>$17,354</td>
<td>$15.89</td>
<td>234%</td>
<td>99%</td>
</tr>
</tbody>
</table>
Next Steps

• LFC staff will be meeting with agency leadership and members of the executive policy team to further discuss model results and utility.

• The LFC will be holding a meeting with the agency responsible for child welfare and juvenile justice to request data for the next iteration of the model.

• Focus on promoting expansion of what works (evidence-based programming) supporting the LFC mission of improved performance and effective allocation of resources.
Lessons Learned

• Some of the data needed for the model had quality issues or was unavailable.
  – Making data requests early on is important to allow for time to conduct analysis and request follow-up data pulls.

• We cannot let the perfect be the enemy of the good.
  – Workarounds are likely inevitable depending on the data availability and Pew Center on the States TA is valuable in assisting.

• New tools are often accompanied with skepticism.
  – Continued clear communication is key.
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