

# Policy Brief on: *Cost Effectiveness of Substance Abuse Treatment in Criminal Justice Settings*

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## **Introduction:**

The unfortunate synergy between criminal activity and drug use persists as a major challenge to public health and public safety systems. Today, half of the 2 million people incarcerated in state and federal prisons meet the criteria for drug dependence or abuse as described in the most recent edition of the Diagnostic and Statistical Manual of Mental Disorders (DSM-IV) (Mumola and Karberg, 2006; Belenko and Peugh, 2005).

Although the prevalence of drug dependence or abuse is highest among offenders committing non-violent drug-related crimes, an estimated 25% of state and federal prisoners report committing violent offenses while being under the influence of drugs. Violent crimes include such offenses as rape/sexual assault, aggravated assault, and murder, which represent the most costly of all crimes with an estimated cost per offense ranging between \$127,000 to over \$8 million (Rajkumar and French, 1997; Miller, Cohen, and Rossman, 1993).

The annual growth rate in incarceration has slowed in recent years, but expenditures for criminal justice services (police, courts, corrections) have increased (Bureau of Justice Statistics [BJS], 2004). Furthermore, as a proportion of their respective budgets, states are spending more on criminal justice functions than the federal government (BJS, 2004). Because departments of correction represent such a large component of most state budgets, it is particularly important to evaluate funding priorities and to suggest better ways of allocating correctional resources. The prevalence of drug use among criminal offenders and the positive rate of growth in the already large incarcerated population, strongly suggest a need to fund cost effective substance abuse interventions in criminal justice settings.

## **Policy Implications:**

The powerful connection between drug use, crime, and incarceration, coupled with the high costs of imprisonment, indicates there is an important and potentially cost-saving opportunity to address substance abuse within the criminal justice population. Most notably, the controlled environment of a prison presents an opportunity to offer substance abuse treatment to inmates at a relatively modest cost.

An analysis of the cost of prison-based treatment in four states showed that the daily cost of treatment ranged from \$6 to \$13 per inmate (McCollister and French, 2002). This appears relatively modest compared to the average cost of \$113 per day of community-based residential treatment or \$28 per day for non-methadone outpatient treatment (French, Popovici, and Tapsell, 2008). However, even though the percentage of state and federal inmates getting some form of treatment has risen over the past decade (mostly due to availability of more non-professional treatment such as Alcoholics Anonymous or Narcotics Anonymous), only about 15% report participating in prison-based treatment programs that specifically address substance abuse (Mumola and Karberg, 2006; Belenko and Peugh, 2005).

As policy makers strive to allocate limited resources across competing programs, better understanding of whether corrections-based treatment programs are both effective and cost-effective is key. For a correctional agency, in deciding whether and how much to spend on treatment for drug-involved offenders, the choice is typically between long-term TC (residential) treatment and short-term cognitive-behavioral treatment (or some combination). A broader question is

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whether to send substance-abusing offenders to prison and provide treatment there, or divert them to community-based supervision and treatment programs.

Investigations to date regarding the effectiveness of corrections-based treatment are mixed. Many studies have found that in-prison treatment is effective in reducing drug use and criminal recidivism in the short run, particularly for offenders who are engaged in aftercare programs upon release from prison. Other studies have found that differences in drug use and criminal activity between treated and untreated offenders evaporate over time (Belenko, Patapis and French, 2005).

In terms of economic evidence, the few existing quantitative studies detailing the economic impact of corrections-based substance abuse treatment suggest that the economic benefits of treatment derived from reduced criminal activity, reduced medical costs, and increased employment earnings offset the cost of treatment. Despite these generally positive results, there is a need for more work in this area to improve methods for estimating the costs and economic benefits of corrections-based interventions.

## Key Results

- The majority of studies show that treatment in correctional settings is generally effective in reducing drug relapse and criminal recidivism, but other research suggests these effects may disappear over time.
- Cost analyses show treatment in prisons is relatively inexpensive compared to residential or outpatient treatment in a community setting.
- Prison-based treatment coupled with post-release aftercare programs is cost-effective relative to no treatment or to prison-based treatment only.
- Post-release programs for offenders play a pivotal role in determining the overall cost effectiveness of providing treatment to prisoners.

McCollister, K.E.; *Cost Effectiveness of Substance Abuse Treatment in Criminal Justice Settings Knowledge Asset*, Web site created by the Robert Wood Johnson Foundation's Substance Abuse Policy Research Program; July 2008.

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