

COUNTY OF SANTA BARBARA

COMPARING THE COSTS
OF JAIL
INCARCERATION
AND STABILIZING
SERVICES FOR
HOMELESS MENTALLY
ILL INDIVIDUALS



105 EAST ANAPAMU
SANTA BARBARA, CA 93101

COMPARING THE COSTS OF JAIL INCARCERATION AND STABILIZING SERVICES

SUMMARY OF THE GRAND JURY REPORT

On May 26, 2011 the Civil Grand Jury released a report entitled “*Homeless Mentally Ill Indigent Recidivism – This is not good for the County.*” The Board responded on October 4, 2011. The Grand Jury’s recommendation was that the Santa Barbara County Board of Supervisors direct the County Executive Officer (CEO) to produce a document comparing the current total annual costs of the incarcerated mentally ill indigent homeless to the estimated total annual cost of providing housing, medical and psychological services, case management, outpatient care, and other supportive services to create stability for these particular individuals. This report provides that cost analysis.

The thesis presented in the Grand Jury report is that the cost of jailing homeless mentally ill individuals is greater than the cost of a planned and sustained effort that addresses their housing and mental health challenges. The Board asked the CEO to conduct the comparative analysis of the current annual cost of incarcerating homeless persons who have mental illness and the costs of providing the stabilizing services identified by the Grand Jury. The Board requested that the report be returned in four months. Past studies, such as *A Report on Homelessness Services in Santa Barbara County* and *Bringing Our Community Home: Santa Barbara Countywide Ten Year Plan to End Chronic Homelessness*, suggest that housing, mental health care, substance abuse treatment, physical health care and job skill development are effective elements in stabilizing the homeless mentally ill individuals. It is important to note that services to this population are delivered by public agencies and community based organizations with a combination of public and private sector funds.

This comparative analysis will examine the costs of incarceration and the delivery of services to stabilize and support mentally ill and homeless individuals. The presumption is that the correct array of services will help an individual move from homeless to housed, housed to treated, treated to employed and employed to engaged with family and community. We can calculate the cost of incarceration. It is slightly more difficult to calculate the cost of recidivism. The cost of reoffending is the total cost of investigating, prosecuting, and incarcerating for the new crime, as well as, supervision after the release from jail. In addition to that there is the cost to the victim of crime. The report will identify the cost per person per year to aid in the comparison process.

The report will examine the:

- Known costs of providing the services from county departments, and
- Known costs of incarcerating mentally ill individuals.

By providing the information identified above, policy makers will have additional information that will lead to high-quality decisions and that those decisions lead to better outcomes for the public of Santa Barbara County.

HOMELESS, MENTALLY ILL INDIVIDUALS

The Great Recession that began in 2007 has taken its toll on large segments of the population. Recent surveys shows significant numbers of people at or below the poverty line as unemployment, the housing crisis and inadequate health care coverage have increased the needs for services from the public and non-profit sectors. As in the past, the needs of the public for safety net services, including cash assistance, food assistance, child welfare, public and mental health services increase at the same time local governments and non-profits are forced to cut back due to declines in tax revenues and donations. As more of the middle class have had to face real economic hardship, the impact on the most vulnerable individuals has become nearly catastrophic.

Homeless, aged, physically and mentally ill and the addicted are now competing with last decade's middle class for a shrinking number of community resources to maintain the final elements of their self-sufficiency. Some of these individuals engage in criminal behavior out of desperation for life's basic necessities or due to a lack of sound judgment. Many of the crimes committed by homeless and mentally ill individuals are minor – being drunk or sleeping in public, petty theft and minor assaults stemming from arguments or theft of their possessions. For the mentally ill, engaging with the criminal justice system and facing time in jail generally increases the seriousness of their symptoms. And upon release from jail, if little is done to assist them, they are highly likely to return to jail in the next twelve months.

According to Roger Heroux's *Report on Homelessness Services in the County of Santa Barbara* (2006), the *Bringing Our Community Home: Santa Barbara County-wide 10-year Plan to End Chronic Homelessness Report* (2006) and survey results from the Common Ground project (2010):

- Nationally, 1.5% of the population is homeless
- Using that factor, there are approximately 6,350 homeless men, women and children in Santa Barbara County,
- Seventy seven percent of homeless have spent time in jail, and
- One third of Santa Barbara's homeless suffer from severe mental illness.

The medical and mental health care system is complex and the processes to gain access to services may be daunting for someone with treatment needs. Medical or mental health needs are met through the county health clinics, hospital emergency rooms or by one of the Crisis and Recovery Emergency Services (CARES) units from the Alcohol, Drug and Mental Health Department.

The Department of Social Services (DSS) provides the county-funded General Relief Program. Qualifying individuals receive \$91 a month for no more than three months out of twelve. Qualifying individuals may also receive a couple hundred dollars in food assistance through CalFresh (Food Stamps.) The benefits from the Department of Social Services

require the recipient to have a job or provide volunteer work if they are capable. A physician may determine that an individual is unable to work because of a disability and exempt the individual from the work requirement. If exempt from the work requirement, the \$91 General Relief grant and the food assistance would continue past the three months and DSS staff assists individuals to apply for federal Social Security Income (SSI.) SSI qualification requires individuals to provide information on qualifying physical or mental disabilities that prevent them from working. The SSI qualification process can take between twelve and eighteen months. Currently, DSS qualifies approximately six percent of SSI applicants in any given month. SSI benefits provide an individual with between \$650 and \$900 per month. Individuals stop receiving General Relief and food assistance (CalFresh) once they begin receiving SSI benefits. SSI beneficiaries have access to mental health and medical care paid for by Medi-Cal.

COST OF STABILIZING SERVICES

Housing

Housing is the most important stabilizing service required to assist homeless, mentally ill individuals, prevent them from re-offending and returning to jail. The current annual cost estimate for providing supportive housing is between \$9,300 and \$11,460 per person. These estimates have been provided by the Santa Barbara County Housing Authority and the Alcohol, Drug and Mental Health Services Department.

Supportive Housing provides mentally ill homeless individuals with shelter and mental health case management services at one site. By providing for both needs in a coordinated manner, service recipients see an increase in successful outcomes. The number of supportive housing units is very limited. This limited capacity will be discussed in more detail later in this analysis. It seems important to note that the cost to create each additional unit of supportive housing is in the range of \$95,000 to \$170,000 depending on the size, style and intensity of the housing development.

Funding for supportive housing is provided by a variety of sources. Federal Housing and Urban Development (HUD) Community Services Block Grants and Emergency Shelter Grants administered by the county's Community Services Department are made available to community-based organizations to provide services. Additionally, the Alcohol, Drug and Mental Health Services Department (ADMHS) provides \$2.4 million of state Mental Health Services Act (MHSA) funding for supportive housing programs in North and South County.

Medical, Substance Abuse and Mental Health Services

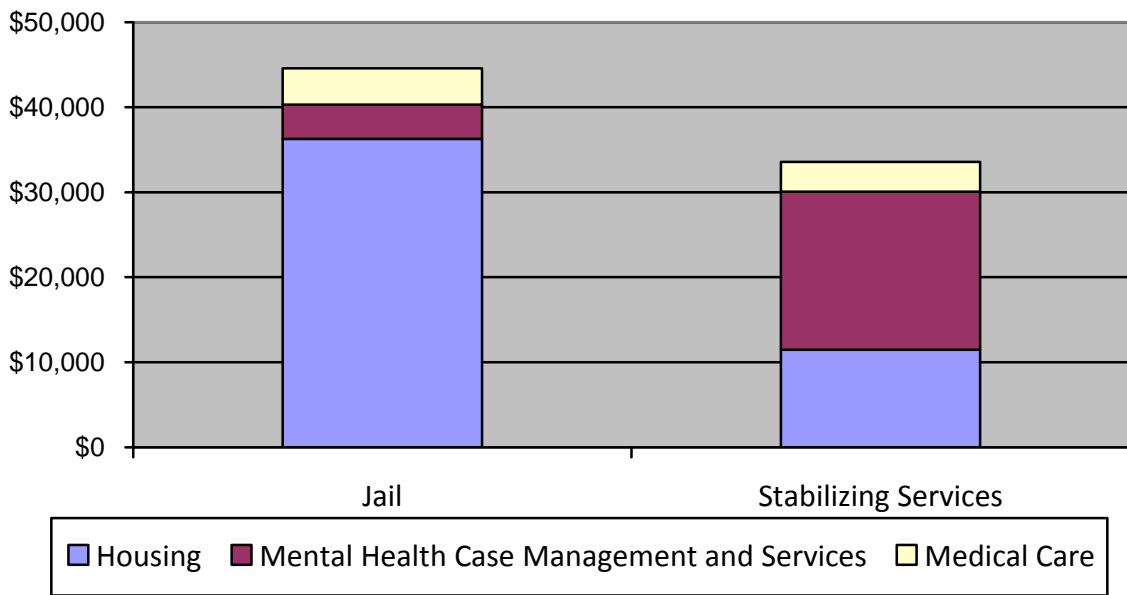
Second to housing, the homeless mentally ill individual requires sustained therapeutic and case management mental health services and medical treatment. For many mentally ill individuals these services include the monitored use of psychotropic and other stabilizing medications. Additionally, a portion of this population abuses alcohol and other drugs. Mental health services are available but access can be limited for a variety of reasons.

Currently, ADMHS is using MHSAs funding to provide services to the seriously mentally ill in the county. The therapeutic and case management services areas provided through the Assertive Community Treatment (ACT) teams in Santa Barbara, Lompoc and Santa Maria. The ACT teams provide 24/7 comprehensive services to those that qualify at a cost of around \$18,600 per year. Treatment provided by the county's Public Health Department can deliver a wide variety of medical services from managing chronic and some acute health issues to prescribing medications for mild to moderate mental health issues. The department has estimated that the annual cost of delivering basic health care to this target population is about \$3,500.

COST OF INCARCERATION

According to the Santa Barbara County Sheriff's Department, the Fiscal Year 2010-2011 annual average cost of incarcerating an inmate at the County Jail is \$44,572. This annual costs average includes security, facility, and food costs. The cost of providing mental health services and treatment averages out to an additional \$4,030 per person each year. Additionally the cost of providing one year of medical services to an inmate is \$4,270 per person.

COMPARING ANNUAL COSTS OF INCARCERATION AND STABILIZING SERVICES



As identified in the chart above, the total cost of incarceration is estimated to be 25% higher than the total cost of providing equivalent supportive services to prevent recidivism. While not a significant difference, the cost comparisons do not include the capital cost of

developing the jail facilities or supportive housing units, only the cost of operations has been used for the comparison. Additional consideration should be given to the impacts of increasing medical care and prescription drug costs when conducting this analysis, as well as the recent inmate required very expensive medications which may have a dramatic impact on the cost of service delivery. Finally, it is important to note that the cost comparison presented doesn't take into account the different sources of funding for these services.

COST COMPARISON CHALLENGES

Limited Housing Capacity

The cost comparison above indicates there is likely to be a difference in the cost of delivering supportive housing and jail confinement. There are some additional details that could refine the gap downward (e.g. taking out jail food costs, since it is not included in the cost of supportive housing) but it is more than three times more expensive to house an individual inside the jail than outside. But in many ways, this cost difference is of minor importance because of the lack of supportive housing beds, at any price, available for a newly released homeless person. The consequence is that homeless persons, including those with mental illness, have very little choice in the first few days after release but to remain homeless. As has been well documented, homelessness is a significant risk factor that leads to decreased follow up on medical, mental and substance abuse treatment received while in the jail. At a cost of \$95,000 to \$170,000 to build each unit of supportive housing, the limited capacity is a difficult hurdle to overcome.

Service Effectiveness

As just noted, the effectiveness of treatment is directly proportional to the stability of housing. Additionally, the complexity of maintaining the mental health and/or substance abuse treatment is magnified outside of the institutional confines of the jail. The lack of reliable places to stay, to prepare proper food and past relationships with lifestyle choices complicate decisions to continue treatment after release from jail. The effectiveness of moving someone from homeless to housed, housed to treated, treated to employed and employed to engaged with family and community is dependent on each progressive element. Homeless, mentally ill individuals and service providers must work together to have a reasonable chance of success and to decrease the likelihood of returning to jail. Outside the jail and even with a high-functioning supportive services system, continuation of treatment and compliance with case plans is an individual choice.

Transition Planning and Execution

All agree that a key moment to link an inmate with post-release supportive services is during the period immediately leading up to the time they are released from jail. Discharge planners are available to assist the inmates in identifying available housing and continuation of care resources. If gaps exist, discharge planners provide referrals to relevant community resources. The goal of the discharge planning process is to establish the conditions by which an individual can continue treatment and case management on their own outside of the jail.

The ability of an individual to access the resources identified in the discharge plan is dependent on available service access and capacity, meeting program eligibility standards, individual commitment and at times, perseverance. County departments continue to meet to lower barriers to access through effective referral management. Given available resources, the ability to provide effective guides, ambassadors or other similar “system navigators” to the diverse population of homeless persons with mental illness seems unattainable at this time. Research published last month by the United States Interagency on Homelessness indicates that creation of comprehensive and seamless systems of care that combine housing with behavioral health and social service supports have been shown to prevent and end homelessness.

CONCLUSION

In conclusion:

- The cost to incarcerate a homeless person with mental illness is estimated to be approximately 25% higher than providing supportive services such as housing, medical care, substance abuse and mental health treatment.
- Because of the treatment effectiveness rates and a variety of funding sources it would not result in an equivalent savings to the County to simply fund supportive services.
- If supportive services are insufficient, the County jail will continue to be the largest mental health institution in Santa Barbara County.
- The limited capacity of housing options for the indigent, particularly supportive housing for those being treated for mental health or substance abuse will be the largest single obstacle to solving the revolving door of poor, homeless and mentally ill individuals in and out of the County jail.
- Continuation of efforts to streamline the service delivery and referral system is important for improving effectiveness of the parts of the system we can impact.