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Cost Per Prisoner in the State Correctional System: Maine's Methodology Reasonable but Statistic of Limited Use in Comparing States, 2012

Maine State Legislature

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OPEGA

Information Brief

Purpose

In March 2011, the Government Oversight Committee (GOC) directed OPEGA to review Maine's costs associated with housing and managing prisoners and residents under the jurisdiction of the Maine Department of Corrections (MDOC). A national report showing Maine as having the seventh highest cost per prison (CPP) in the nation had raised concern among members of the Joint Standing Committee on Criminal Justice and Public Safety and the GOC. The GOC was interested in understanding what costs were reflected in Maine's CPP statistic and why Maine's CPP was so much higher than other states.

OPEGA reviewed MDOC's methodology and data for calculating the CPP statistic. We independently calculated CPP by facility and facility type after making some adjustments. OPEGA also analyzed the CPP, and related expense data, to identify primary expense categories as well as trends and variances over time or between facilities. Lastly, we identified possible comparison states for Maine and reviewed existing research and CPP data available for comparison.

This Information Brief describes the results of OPEGA's work on this review and includes MDOC's descriptions of efforts that should impact Maine's CPP in the future. The Brief also discusses OPEGA's research on comparing Maine to other states.

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Summary

OPEGA found that the Maine Department of Corrections (MDOC) calculates its cost per prisoner (CPP) in a manner that is generally consistent with that of other states and research organizations. This method involves dividing certain corrections' expenditures by the average daily prisoner population across each year. OPEGA does not suggest any changes in MDOC's methodological approach to calculating CPP. However, we did find that MDOC excludes certain costs we judged to be indirectly related to the cost of housing prisoners and which we suggest MDOC consider incorporating into its CPP calculation. The proportion of these costs in relation to MDOC's total expenditures is small. We also found opportunities for improvement in how MDOC determines its average prisoner counts, which are used in the CPP calculation.

We identified eight potential states for comparison with Maine, based on factors including general demographics, size of prisoner population and number of facilities. We were unable to identify existing data sources to allow us to compare Maine's correctional costs with these states in any meaningful way. Our review of available data sources showed that comparing state correctional systems using the CPP statistic are inherently problematic. Understanding the differences between correctional systems in underlying factors that drive costs, i.e. staffing ratios, would be more valuable to understanding how Maine compares to other states. We did not undertake that task as part of this review, but MDOC has begun participating with other states in a continuous effort called the Performance-Based Measures System that will produce data on the underlying factors and allow such comparisons in the future. MDOC expects to have useful data from this effort within the next six months that could be shared with legislators.

Finally, the MDOC administration changed in early 2011 and has undertaken several initiatives that are expected to impact cost per prisoner statistics. These include an adjusted staffing model, continuing efforts to reduce overtime, re-missioning Mountain View Youth Development Center, and changes in location and staffing for the Women's Reentry Center.

Overview of MDOC and Facilities

MDOC is responsible for the planning, direction and management of adult and juvenile correctional facilities, as well as the administration of community corrections programs for adult and juvenile probationers within the state. This review focused only on MDOC's costs and activities related to the management and housing of prisoners which are primarily supported by the State's General Fund. In this Brief, they will be referred to as "prisoner-related" costs.

Terms associated with adults and juveniles under MDOC's jurisdiction differ. Adults are referred to as prisoners while juveniles are referred to as residents. For the purposes of this Brief, the term prisoner applies to both adults and juveniles unless otherwise noted.

MDOC has received some federal funding from a block grant and the Americans Recovery and Reinvestment Act and has some special revenue from prison industry programs. The dollar amounts, however, are not significant in relation to the General Fund dollars MDOC receives and it appeared that very little, if any, of the federal and special revenues were being used for prisoner-related expenses. We also understand from MDOC that the purpose of the CPP calculation is to determine the amount of state funds used to house prisoners and it is industry practice to only include expenses supported by the General Fund when calculating CPP. Consequently, OPEGA's review also focused only on the Department's General Fund expenditures.

In recent years prisoner-related expenses have represented 80-84% of MDOC's total General Fund expenditures annually as shown in Table 1. Prisoner-related costs are the expenses associated with prisoners housed at MDOC's seven adult and two juvenile facilities, and with MDOC prisoners boarded at County facilities. Table 2 provides some relevant information for these facilities.

Table 1. MDOC General Fund Expenses (Total and Prisoner-related)

Fiscal Year	Total General Fund Expenses	Total Prisoner-Related GF Expenses	Percent Prisoner-related of Total GF
2011	$142,349,465	$120,221,670	84.5%
2010	$150,255,103	$125,904,094	83.8%
2009	$159,872,787	$127,953,326	80.0%
2008	$152,166,543	$122,442,662	80.5%

Source: OPEGA query of State's financial data warehouse. Prisoner-related GF expenditures are those charged to the appropriations programs for the individual correctional facilities with OPEGA adjustments for costs that had been inadvertently excluded as described in the Maine's Cost Per Prisoner section of this Brief.

Table 2. Facilities Housing MDOC Prisoners and Residents

Facility	Location	Security Level	Avg. Pop. 2011	Budgeted Capacity 2012
Adult Facilities				
Central Maine Pre-Release Center	Hallowell	Community	56	64
Charleston Correctional Facility	Charleston	Minimum	141	142
Downeast Correctional Facility	Machiasport	Medium/ Minimum	147	149
Maine Correctional Center	So. Windham	Close/Medium/Minimum	658	696
Maine State Prison and Bolduc Correctional Facility (1)	Warren	All	1,008	1,094
Women's Reentry Center	Bangor	Community	28	36
Juvenile Facilities				
Long Creek Youth Development Center	So. Portland	High/Moderate Risk	109	166
Mountain View Youth Development Center	Charleston	Moderate Risk	75	144
Prisoner Boarding				
Cumberland County Jail, Somerset County Jail, Two Bridges Regional Jail, and York County Jail	Various	Medium/Minimum	94	115

Source: Average population is from OPEGA analysis of MDOC data. All other data provided by MDOC.
(1) MDOC security levels for adult facilities are Special Management (highest risk), Close, Medium, Minimum, and Community (lowest risk). Maine State Prison and Bolduc Correctional Facility have prisoners at all security levels between them.

OPEGA Review of MDOC's Cost Per Prisoner Calculations

MDOC annually calculates Maine's cost per prisoner (CPP), or per capita cost, statistic by facility and facility type. These per capita statistics are used for planning purposes, such as estimating the potential fiscal impact of proposed legislation, or of various initiatives the Department is considering. MDOC also periodically reports the per capita cost statistics to legislative committees and the national American Corrections Association, and makes the data available to other external organizations that produce studies and reports.

OPEGA reviewed MDOC's overall methodology for determining its per capita rates and found the methodology to be to reasonable and similar to that used by many other states and organizations. CPP is calculated by MDOC as the total annual prisoner-related expenses divided by annual average daily prisoner count.

MDOC's Cost Per Prisoner, also referred to by MDOC as per capita cost, is calculated as:

$$\text{CPP} = \frac{\textit{Total annual prisoner-related expenses}}{\textit{Annual average daily prisoner count}}$$

Total prisoner-related expenses used in MDOC's per capita calculation include those charged directly to the individual appropriations programs established for each of the nine MDOC facilities and county boarding. The facility-direct expenditures for facilities run by MDOC include personnel costs and benefits, food, utilities, all medical expenses, and facility specific information technology charges. The counties receive an agreed upon marginal cost daily rate for the State prisoners boarded there.

MDOC gets the annual average daily adult prisoner count by exporting a summary of the average daily prisoner counts for each week from the Corrections Information System (CORIS). MDOC averages these numbers to reach a quarterly average daily prisoner count. The quarterly counts are then averaged to reach the annual average daily prisoner count. Juvenile facilities report their daily counts using Excel spreadsheets. MDOC then calculates monthly average counts and averages those to reach the annual average daily count.

To confirm the accuracy of the CPP statistic being reported by MDOC, OPEGA independently calculated the CPP for each of MDOC's facilities, as well as by facility type (adult or juvenile), and for the Department as a whole using MDOC's methodology. We drew expenditure data for all of MDOC's programs directly from the State's accounting data warehouse and reviewed it to identify any prisoner-related expenses. The prisoner count data we used was based on calendar year data obtained from MDOC, which we used to independently calculate the annual average daily prisoner count by fiscal year.

In the course of this work, OPEGA noted several instances where some facility-direct costs had not been captured in the total expenses MDOC used to calculate cost per prisoner for the specific relevant facility(s) or for the correct years. They include:

- In 2009, MDOC made an error when adjusting expenses between facilities in calculating cost per prisoner. As a result, $209,514 spent on Personal Services at the Maine Correctional Center was not included in MDOC's CPP calculation that year and the overall CPP for adult facilities was also slightly understated. A similar error involving only $6,313 was made in 2011.
- Over two years (2009 and 2010), a total of $107,008 in costs associated with the operation of the Women's Reentry Center was charged to the Department's general administration account and omitted from WRC's expenditure reports. Consequently, these costs were omitted from MDOC's CPP calculations for those years.
- One instance in which an aggregate cap payment for medical services of $1,183,141 spanning three years (2008 – 2010) was captured in the Department's general administration account in the year the payment was made. It had not been allocated to the pertinent years or facilities and so was not captured in MDOC's CPP calculations.

In addition, OPEGA was unable to exactly reproduce the average daily prisoner counts used by MDOC in calculating CPP for fiscal years 2008 to 2011. MDOC does not keep records of the calculations used to determine the fiscal year averages - rather they provided OPEGA with their final calculations for each calendar year. This made it difficult for OPEGA to identify whether there were inaccuracies in the underlying calculations. MDOC's prisoner count spreadsheets, which showed calendar year count calculations by facility, included calculations that OPEGA judged to be unnecessarily complex, creating risk for - and in several cases resulting in - errors that led to miscalculations. In one instance, the prisoner count used in calculating CPP for 2008 was underreported by 30 prisoners.

OPEGA adjusted for the identified inaccuracies in expenditures and prisoner counts when independently calculating CPP using MDOC's current methodology. We found that although there are opportunities to improve the accuracy of MDOC's CPP calculations, the discrepancies we noted had a fairly negligible effect on the overall MDOC cost per prisoner statistic. As shown in Table 3, OPEGA's calculations of per capita rates for adult and juvenile institutions, as well as the Department as a whole, were very similar to MDOC's even after making the adjustments.

Table 3: Cost Per Prisoner as Calculated by MDOC and OPEGA

Fiscal Year	Source	Juvenile Institutions	Adult Institutions	All MDOC Institutions
2008	MDOC	$151,981	$43,613	$52,924
	OPEGA	$156,700	$43,077	$52,457
2009	MDOC	$171,773	$44,114	$54,063
	OPEGA	$170,048	$43,925	$54,057
2010	MDOC	$157,978	$43,363	$52,826
	OPEGA	$160,353	$43,865	$53,392
2011	MDOC	$157,715	$42,692	$51,954
	OPEGA	$159,429	$42,538	$51,825

Source: MDOC and OPEGA analysis of MDOC data, including adjustments described in text.

Prisoner-related Costs and Prisoner Counts Not Included in CPP Calculation

OPEGA noted prisoner-related expenses in several cost areas that MDOC does not currently treat as facility-specific expenditures. Therefore, these expenses are not included in MDOC's cost per prisoner calculation.

Several of the indirect cost areas OPEGA identified seem appropriate, at least partially, for allocation to facilities and inclusion in the CPP calculation in the future. These indirect cost areas are:

- Computer Services, which captures the CORIS system used to track both prisoners and probationers while supporting case management, offender financial management, restitution collection and central office information reports.
- MDOC staff in the central office that work in, or are responsible for oversight and management of, the following functions:
  - Classification, which assesses and classifies the security risk of prisoners, determines what programs a given prisoner would be eligible for in the community and supports a structured team approach in the juvenile facilities to set case plans, treatment plans, and classification levels that relate to resident privileges and release plans.
  - Inspections, which include inspections at MDOC, county, and municipal facilities, as well as court building holding areas to ensure adherence to State regulations.
  - Health Services Administration, which includes the costs associated with managing the medical services contract for prisoners.

The total annual indirect expenditures identified by OPEGA in these cost areas are provided in Table 4. Only a portion of these expenses are prisoner-related and would be appropriate for inclusion in the CPP calculation. However, even if the entire amount of them were included in the CPP calculation, Maine's overall cost per prisoner would only increase by about 1% each year. OPEGA did not incorporate these into our CPP calculations because the additional work required to retroactively determine the portion to include did not seem worthwhile given the small impact this would have on the CPP totals.

Also included in Table 4 are the central administrative costs for MDOC which include such expenses as the salaries and benefits associated with general administrative personnel, and other costs associated with the general operations of the department such as liability insurance, dues, advertising notices, office supplies, and postage. The central administrative costs are relatively small (only 1.8% of MDOC's total budget in 2011). Only a small portion of these costs are prisoner-related and it would likely be difficult to determine what portion of them should be included in the CPP calculation on an on-going basis. Consequently, OPEGA finds it reasonable to continue excluding central administrative costs from future CPP calculations.

Table 4. Cost areas with prisoner-related expenses that are not included in CPP calculation

Fiscal Year	Total Indirect Facility Costs	Total Central Admin Costs
2011	$1,295,882	$2,520,425
2010	$669,901	$3.401,095
2009	$1,801,898	$2,131,114
2008	$1,289,696	$1,889,759

Source: OPEGA analysis of data from query of State's financial data warehouse.

One other point to be aware of in understanding Maine's CPP statistic is that some categories of prisoners and residents are not included in MDOC's population counts. In some cases, this is because the prisoner costs are borne by entities other than MDOC. For example, MDOC does not reimburse Riverview Psychiatric Center for prisoners sent there. MDOC also places prisoners in the Maine Coastal Regional Reentry Center and does not reimburse Waldo County for those prisoners. Waldo County is funded for these prisoners via the Board of Corrections Investment Fund. In other cases, prisoners are not included in the counts because they are not physically on site at MDOC's facilities when the daily prisoner counts are taken. Prisoners outside the facility who are not counted, but for whom MDOC incurs costs, include those being transported or out to court, those in hospitals/nursing homes, and those housed in federal prison. While MDOC does not include these prisoners in their reported population counts, they do track the number of prisoners that are in each location.

Analyzing Expense Categories Included in Cost Per Prisoner

OPEGA analyzed the expense categories included in the cost per prisoner calculation to identify the primary categories of expenses included in the CPP, as well as trends in those expense categories over the period 2008 – 2011. We found that MDOC's prisoner-related expenses over the four year period were contained in 14 general categories. The expense categories and the percentages each comprise of MDOC's total prisoner-related expenses are listed in Table 5. Personal Services and Medical Services are the two most significant expense categories and together accounted for 83.1% of MDOC's prisoner-related expenses over the period. The Personal Services category includes regular and overtime pay, health insurance, and retirement costs for those working in the facilities. The Medical Services category includes expenses associated with the contracted medical, dental, pharmaceutical and mental health services provided to prisoners.

Table 5: Primary Categories of MDOC's Prisoner-Related Expenses for Fiscal Years 2008 – 2011

Expense Category	Total Expense FY 2008 -2011	Category as % of Total	Net $ Change FY08 to FY11	Percent Change FY08 to FY11
Personal Services	$341,482,674	68.8%	($2,470,453)	-2.9%
Medical Services	$70,966,784	14.3%	$3,349,874	21.1%
Commodities - Food	$15,097,938	3.0%	($164,438)	-4.3%
Utility Services	$14,601,820	2.9%	($352,422)	-9.8%
Commodities - Fuel	$11,426,493	2.3%	($1,038,107)	-30.6%
Professional Services, Not by State	$10,625,938	2.1%	($874,432)	-27.2%
Office and Other Supplies	$8,833,755	1.8%	($43,050)	-2.0%
Professional Services, by State	$6,238,930	1.3%	($223,147)	-13.6%
Technology	$5,662,387	1.1%	($97,104)	-7.0%
Rents	$2,540,724	0.5%	$97,360	18.2%
General Operations	$2,314,883	0.5%	$92,873	17.4%
Clothing	$2,305,097	0.5%	($260,923)	-35.4%
Repairs	$2,281,666	0.5%	($22,020)	-3.7%
All Other	$2,142,663	0.5%	($215,003)	-31.5%
Total MDOC Prisoner-Related Expenses	**$496,521,752**	**100%**	**($2,220,992)**	**-1.8%**

Source: OPEGA analysis of data from query of State's financial data warehouse.

Over the four year period 2008 to 2011, MDOC's prisoner-related expenses decreased by 1.8%, with eleven of the primary expense categories decreasing and only three experiencing increases - Medical Services, General Operations, and Rents. The change in each expense category is also shown in Table 5.

Medical Services, MDOC's second largest expense category, experienced the largest increase over the four year period at about $3.3 or 21% - an average annual increase of about $1.1 million or about 7%. According to MDOC, the increase is partly explained by the fact that, for several years, the contracts with vendors providing health care services contained built in Consumer Price Index (CPI) adjustments. The contracts with the primary health care services vendors during this period were also cost-plus contracts, and had been amended or renewed rather than re-bid for a number of years, which decreased the vendors' incentive to manage costs. Lastly, costs for health care services provided to prisoners outside of MDOC facilities, in general, have risen and the prisoner population is aging, thus likely increasing the health care services needed.

The General Operations and Rents expense categories, which represent much smaller portions of MDOC's expenditures, increased about $93,000 (17.4%) and $97,000 (18.2%) respectively over the period. MDOC explained that the increase in General Operations is generally the result of an increased reliance on this account for facility maintenance in lieu of a capital budget for longer term improvements. Facility-specific events, such as increased septic charges at Downeast Correctional Facility and Mountain View Youth Development Center due to system limitations, trash removal and shredding increases at Maine Correctional Center, also contributed to this growth. The increase in Rents expense is largely due to increases in the cost of leasing vehicles from the State's Central Fleet.

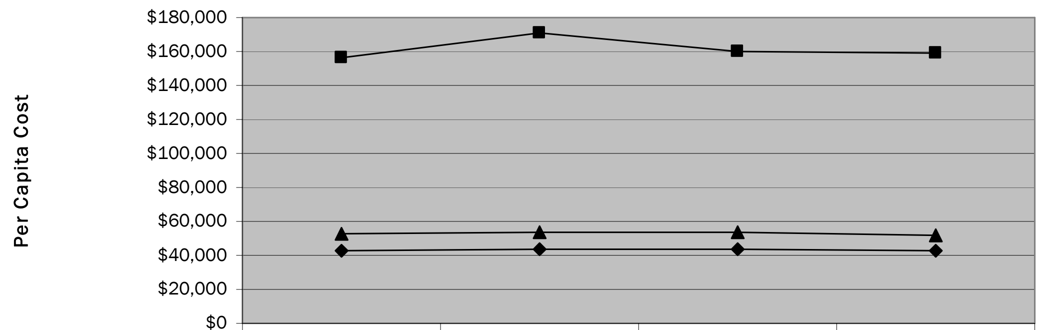
Personal Services, the largest expense category, decreased by nearly $2.5 million, or 2.9%, from 2008 to 2011. According to MDOC, the decrease is due to a combination of efforts to better manage overtime costs and staff vacancies resulting from retirements and hiring freezes.

CPP Trends and Variations Between Facilities

As described in the Comparing Maine to Other States section of this Brief, there are distinct limitations in comparing the cost per prisoner statistic among states. It can still be useful, however, in assessing MDOC's costs over time or between facilities; though MDOC notes the importance of understanding situations the Department was encountering, and initiatives being implemented, in any particular year to have context for those trends and variances.

MDOC's overall per capita cost for adult and juvenile facilities combined remained fairly flat over the four year period FY08 to FY11. As shown in Figure 1, the combined CPP increased slightly from FY08 to FY09, stayed at that level through FY10 and then declined modestly from FY10 to FY11 to a point slightly below the FY08 per capita cost. This trend generally mirrors the individual per capita trends for both adult and juvenile facilities, although there are some differences between the types of facilities in the degree of variation across the period and the apparent underlying cost drivers.

Figure 1. Per Capita Costs by Facility Type by Year



	FY08	FY09	FY10	FY11
CPP - Adult	$43,077	$43,853	$43,865	$42,538
CPP - Juvenile	$156,700	$170,866	$160,353	$159,429
CPP - Combined	$52,457	$54,057	$53,392	$51,825

Year

OPEGA's analysis shows that the CPP trend for adult facilities has stayed flatter than the one for juvenile facilities with increasing per capita costs for adult Medical Services (as shown in Table 8) being offset by decreasing per capita costs for Personal Services (Table 7). For juvenile facilities, the CPP trend rose more sharply between FY08 and FY09 – a result of fairly substantial increases in the per capita costs for both juvenile Personal Services and Medical Services. The juvenile Medical Services per capita cost has declined noticeably since then, while the juvenile Personal Services per capita cost has stayed higher than the FY08 level with a modest decrease between FY10 and FY11.

As shown in Table 6, there are some distinct differences in the cost per prisoner between types of facilities and individual facilities of the same type. At juvenile facilities, the per capita costs are nearly four times greater than those at adult facilities. Much of this difference, as shown in Table 7, can be attributed to Personal Services expenses being much higher at the juvenile facilities than at adult facilities. According to MDOC, the staffing ratios are higher at juvenile facilities due to the higher supervision needs of youths. In addition, MDOC needs to run schools at the juvenile facilities and must address special education needs as part of those programs. The variance in per capita Medical Services between juvenile and adult facilities also is part of the equation, however. Table 8 shows that the per capita juvenile medical expenses also tend to be higher than the adult per capita for these expenses.

Differences also exist between the same types of facilities. At the juvenile facilities, Mountain View's total per capita costs were consistently higher (at least $20,000 per juvenile) than those at Long Creek, with Mountain View's Personal Services expenses on a per capita basis being significantly higher ($30,000-$50,000 per year) than Long Creek's, as shown in Table 7. Mountain View's per capita Medical Services expenses also were higher than Long Creek in most years as shown in Table 8.

Table 6: Cost Per Prisoner by Facility and Fiscal Year as Calculated by OPEGA				
Facility	FY08	FY09	FY10	FY11
Adult Facilities				
Maine State Prison and Bolduc Correctional	$44,201	$45,585	$47,916	$44,965
Maine Correctional Center	$43,296	$44,989	$41,724	$43,005
Central Maine Pre-Release Center	$39,231	$39,991	$45,463	$41,988
Downeast Correctional Facility	$47,169	$47,602	$47,975	$45,232
Charleston Correctional Facility	$40,757	$42,974	$46,354	$41,229
Women's Reentry Center	$37,658	$38,813	$42,958	$44,395
County Jails (1)	$26,893	$9,181	$9,199	$10,768
All Adult Facilities	**$43,077**	**$43,853**	**$43,865**	**$42,538**
Juvenile Facilities				
Mountain View Youth Development Center	$194,292	$198,815	$174,166	$176,558
Long Creek Youth Development Center	$134,331	$152,234	$150,574	$147,644
All Juvenile Facilities	**$156,700**	**$170,866**	**$160,353**	**$159,429**
All Facilities				
All Adult and Juvenile Facilities	**$52,457**	**$54,057**	**$53,392**	**$51,825**

Source: OPEGA calculation of cost per prisoner based on analysis of MDOC data, including adjustments described previously in text.
(1) MDOC prisoners boarded at Two Bridges Regional Jail, Cumberland County Jail, Somerset County Jail, and York County Jail. Counties are reimbursed only the marginal cost of boarding MDOC prisoners rather than a fully burdened cost, which explains why the cost per prisoner at those facilities is so much lower than that at MDOC facilities. In FY08 counties were reimbursed a contracted boarding rate of $85 per day rather than the marginal rate adopted in subsequent years which resulted in lower CPP.

MDOC explained that the per capita cost difference between the two juvenile facilities is due to the fact that Long Creek typically has more residents and operates at a higher percentage of capacity than Mountain View. As shown in Table 2 on page 2, Mountain View had an average population in 2011 of 75 residents compared to 109 residents at Long Creek, which represents about 52% and 66% respectively of the total bed capacity each facility currently has. This means that certain fixed costs associated with the facilities and minimum staffing levels are spread over more residents at Long Creek than Mountain View, thus lowering the per resident cost. The percent of capacity a facility operates at in any given year similarly explains some of the per capita differences between the adult facilities.

Table 7. Personal Services Expense Per Capita as Calculated by OPEGA				
Facility	FY 08	FY 09	FY 10	FY 11
Adult Facilities				
Maine State Prison/Bolduc Correctional	$29,661.55	$31,332.22	$32,257.38	$29,299.47
Maine Correctional Center	$28,100.23	$28,045.92	$27,036.52	$27,919.61
Downeast Correctional Facility	$34,964.15	$35,168.30	$35,079.75	$32,574.35
Charleston Correctional Facility (2)	$22,528.98	$23,469.40	$24,381.99	$22,366.65
Central Maine Pre-Release Center	$28,470.90	$28,999.10	$31,231.96	$27,783.87
Women's Reentry Center	$3,389.91	$1,327.97	N/A (1)	N/A (1)
All Adult Facilities	**$28,672.16**	**$29,487.20**	**$30,075.60**	**$28,558.70**
Juvenile Facilities				
Long Creek Youth Development Center	$108,712.85	$118,687.25	$121,456.32	$117,025.91
Mountain View Youth Development Center (2)	$165,589.00	$161,177.24	$155,403.06	$156,934.52
All Juvenile Facilities	**$129,930.90**	**$135,683.25**	**$135,527.51**	**$133,293.01**
All Facilities				
All Adult and Juvenile Facilities	**$37,311.83**	**$38,302.08**	**$39,193.98**	**$37,342.25**

Source: OPEGA analysis of data from query of State's financial data warehouse.
(1) Contracted out to Volunteers of America; costs captured in another expenditure category (Professional Services).
(2) Mountain View and Charleston are co-located facilities. MDOC sometimes assigns staff from Mountain View to Charleston and makes a retroactive adjustment to transfer the associated costs between facilities when calculating CPP by facility. The figures in this table do not reflect those adjustments which would slightly decrease the per capita Personal Services expenses for Mountain View and slightly increase them for Charleston.

Another factor explaining per capita cost differences between facilities is the security level at the facility. Security levels at MDOC's adult facilities range from Special Management (highest risk prisoners) to Community (lowest risk prisoners). Juvenile facilities are categorized as high risk or moderate risk residents. Different security levels require different levels of staffing, thus impacting the Personal Services expenses for each facility. In addition, males and females have to be separated, as do prisoners and residents assigned to various security levels. As a result, staffing and percent capacity at those facilities with multiple security levels, or that house both males and females, are further impacted by the number of prisoners or residents of each gender assigned to each security classification. Table 2 on page 2 shows the security levels at each of MDOC's facilities.

Table 8. Medical Services Expense Per Capita as Calculated by OPEGA

Facility	FY 08	FY 09	FY 10	FY 11
Adult Facilities				
Maine State Prison/Bolduc Correctional	$6,373.20	$5,918.88	$7,577.57	$8,195.01
Maine Correctional Center	$8,437.11	$9,292.38	$7,873.06	$9,091.13
Downeast Correctional Facility	$5,583.40	$5,864.66	$6,996.31	$7,369.33
Charleston Correctional Facility	$3,412.30	$4,585.53	$6,599.90	$6,782.50
Central Maine Pre-Release Center	$6,878.74	$7,661.89	$10,494.39	$10,227.19
Women's Reentry Center	$1,667.61	$5,523.63	$6,194.00	$6,949.55
All Adult Facilities	**$6,717.01**	**$6,957.15**	**$7,630.31**	**$8,365.78**
Juvenile Facilities				
Long Creek Youth Development Center	$8,635.90	$14,952.61	$11,798.72	$12,185.21
Mountain View Youth Development Center	$12,526.58	$19,609.72	$12,813.69	$10,887.59
All Juvenile Facilities	**$10,087.35**	**$16,815.45**	**$12,219.43**	**$11,656.29**
All Facilities				
All Adult and Juvenile Facilities	**$7,004.58**	**$7,775.45**	**$8,022.22**	**$8,638.26**

Source: OPEGA analysis of data from query of State's financial data warehouse.

Lastly, as shown in Table 6, the per capita cost for prisoners boarded at the county jails is significantly less than at MDOC's facilities. The per capita costs for county-boarded prisoners also declined substantially between 2008 and 2009. These variances are explained by the fact that in 2009, as part of the move to "One Maine, One System" (MDOC's initiative to utilize resources effectively across the state and county systems), MDOC began paying the counties agreed upon marginal cost daily rates rather than the boarding rate of $85 per day that was being paid in 2008. Marginal or incremental cost is the additional variable cost incurred from adding another prisoner to the established county facility, and is therefore much lower than the fully burdened cost per prisoner MDOC calculates for its facilities, which also includes all fixed costs.

MDOC Efforts That May Affect Future Cost Per Prisoner

The administration at MDOC changed in early 2011 with the appointment of a new Commissioner. The new administration has undertaken, or has plans to undertake, new initiatives that it expects to impact prisoner-related expenses and, thus, Maine's cost per prisoner statistics for FY2012 and into the future. MDOC described several initiatives to OPEGA that should impact Personal Services and facility-specific expenses including:

Adjusting staffing. MDOC developed a staffing plan or matrix to define the staffing levels and types of staff needed in each facility. Implementing this matrix has resulted in cutting 100 positions and reducing staff everywhere except at Maine Correctional Center.

Continuing efforts to reduce overtime. The prior administration had instituted a change from eight hour to twelve hour shifts at the facilities in an effort to reduce overtime. The current administration has taken additional steps toward that goal in part by focusing on shift scheduling and factors like sick and vacation time that impact the need for overtime. MDOC also told us that reduced overtime targets have been set for each facility and facility administrators are being held accountable to meet them. Overtime targets are included in the performance measures that MDOC has begun monitoring, and facility administrators are now managing to those targets rather than the overall overtime budget. MDOC reports that these efforts are already producing results. As of the end of April 2012, the entire Department of Corrections had used 46,331 hours of overtime compared to 55,528 used by Maine State Prison alone at the same point in the previous year.

Re-missioning Mountain View Youth Development Center. As previously mentioned, the average population at Mountain View in 2011 was only 75 residents, about 56% of its current budgeted capacity. MDOC projects that the number of juveniles assigned to the moderate security classification will remain stable or decline. Consequently, the Department has formed a committee to explore addressing the declining population by increasing the resident population at Long Creek Youth Development Center and re-missioning Mountain View.

Re-locating the Women's Reentry Center and bringing it in-house. WRC is located in a State-owned facility in Bangor, but since 2007 the staffing has been contracted out to Volunteers of America. By July 1, 2012, MDOC will move the Women's Re-entry Center to leased space in the York County Jail and staff it with MDOC personnel. This move will result in double capacity for the female minimum and reentry mission.

In addition, since mid-2011, MDOC has been taking steps to reduce, or better contain costs, for providing health care services in the State's correctional facilities. The Department amended the current contract with its medical services vendor to introduce a risk-sharing formula for off-site care and began holding monthly meetings with both the medical and pharmaceutical services vendors focusing on cost savings opportunities. MDOC also adopted a new philosophy of providing only necessary medical care with the goal of bringing Maine's correctional health care services more in line with other states while still meeting the obligation to provide appropriate health care to prisoners. The new philosophy has been applied in prescribing medications for prisoners and residents, determining what medical procedures are provided, and in re-assessing the medical necessity for prisoner special diets and personal property such as mattresses.

MDOC reports that these efforts to contain health care costs have produced benefits over the last 11 months as shown by the following statistics (comparing May 2011 to April 2012): Emergency room visits - down 82%; Inpatient days – down 42%; and Outpatient Referrals – down 57%. In addition, in that same time period, the average number of prescriptions per prisoner/resident per month dropped from about 6.6 to 4.6 with the average pharmaceutical costs per prisoner/resident per month dropping from about $119 to $72, a decline of about 40%.

MDOC has also recently completed a competitive bid process for correctional health care services. A new vendor has been selected to provide the full range of health care services that were previously split among several vendors. The transition to the new vendor is planned for July 1, 2012. The contract, which is still being negotiated, is expected to include provisions like a risk-sharing formula for off-site care that will incentivize the vendor to contain costs where possible.

Comparing Maine to Other States

OPEGA reviewed several national reports and data sources attempting to identify the most updated and reliable data comparing cost per prisoner among the states.[1] Noting the extensive work conducted by other organizations in attempt to compare cost per prisoner among the states, we did not initiate our own survey and focused instead on analyzing the available data and identifying state correctional systems that are comparable to Maine. We note there are limitations to the available data, and no single source offers a full and accurate picture of how Maine compares with other states due to several factors highlighted below. However, forthcoming data from the Association of State Correctional Administrators (ASCA), which has initiated a national effort to collect standardized corrections data, is promising.

A number of factors impact the cost per prisoner statistic for any particular state. For example, states include different costs in their calculations; some exclude juvenile or community corrections, while others may exclude employee benefits or administrative costs. Other factors, such as overcrowding and underutilization, or the structure of the correctional system can have a great impact on the cost per prisoner calculation. For example, unified systems allow states to realize cost savings by integrating their county or regional jail and prison systems. Variations in these factors among states limit the usefulness of comparing cost per prisoner statistics between states from any of the available sources we identified.

Recent data from two sources OPEGA identified—the VERA Institute for Justice (VERA), and the American Correctional Association (ACA)—are presented for selected states in Table 9. The differences in these figures illustrate the difficulty in identifying a truly accurate cost per prisoner.

ACA surveys states annually to collect data on the characteristics of their corrections systems, including cost per prisoner. ACA does not stipulate which specific expenditures states should include, or that cost per prisoner should be calculated in a consistent way; therefore states may vary in what data they provide and how they reach their cost per prisoner numbers.

[1] OPEGA identified the National Institute of Corrections (NIC) as the source of the statistic indicating that Maine's cost per prisoner was the seventh highest in the nation in 2006; this previously drew the interest of Maine's legislative Joint Standing Committee on Criminal Justice and Public Safety. We contacted NIC and they told us they do not gather this data, but rely on data published by other organizations. Upon review of their data sources, OPEGA was unable to confirm the figures NIC used. NIC has since removed the figures from its website and replaced them with data from 2005, showing Maine as having the fifth highest cost per prisoner at $35,012 (www.nicic.gov/StateStats). We did not include this data here because more recent data is available.

VERA, a non-profit organization, released a report in January 2012 containing detailed data collected from states using a survey.[2] VERA's goal was to incorporate costs typically excluded by states from their corrections' expenditures (such as administrative costs, capital costs, and retiree health care contributions) into an adult cost per prisoner calculation that they believed would show the true cost of prisons and provide a more "apples-to-apples" comparison between the states. However, VERA was not able to obtain data for all categories from all states. Further, upon review of the data VERA reported for Maine, MDOC found VERA had erroneously included juvenile corrections in an analysis that was supposed to include only adult corrections costs. As shown in Table 9, this makes Maine's cost per prisoner look much higher in comparison to other states because the juvenile cost per prisoner is much higher than the adult cost.

Table 9: Summary of Available Cost Per Adult Prisoner Data on Select Comparison States – 2010 (1)

State/Data Source	VERA Institute	American Correctional Association (ACA) (3)
Maine	$56,269 (2)	$118.80 ($43,362)
Iowa	$32,925	$85.72 ($31,288)
Nebraska	$35,950	$78.83 ($28,773)
North Dakota	$39,271	$90.28 ($32,952)
Rhode Island	$49,133	$148.56 ($54,224)
South Dakota	--	$46.41 ($16,940)
Vermont	$49,502	--
Wyoming	--	$126.00 ($45,990)

Sources: VERA Institute, *The Price of Prisons*, and the American Correctional Association 2011 Directory (contains 2010 data).
(1) VERA data is for fiscal year 2010; ACA data is for calendar year 2010.
(2) According to MDOC, this number erroneously includes juveniles (the VERA report describes the data as including costs for adult prisoners only). MDOC recalculated VERA's number using VERA's methodology for adults only, and estimated it to be $46,000. OPEGA calculated CPP for FY2010 as $43,363 which does not include some types of expenses that VERA added into its calculation.
(3) For purposes of comparison, OPEGA calculated average annual cost by multiplying ACA's average daily cost by 365 and included this in parenthesis.
-- Data not reported

During the course of this review, OPEGA learned that MDOC is participating in a nationwide effort by ASCA to collect and share accurate adult prison and community-based information called the Performance-Based Measures System (PBMS). PBMS establishes a standard methodology for calculating measures and indicators so users and others can make apples-to-apples comparisons between states. ASCA has offered training on the use of this system to states and several have begun entering data, including Maine. PBMS will regularly track indicators including facility characteristics, capital and operating expenditures and appropriations, and correctional staffing levels. Limited PBMS data is available at this time, but once participating states have uploaded additional data, MDOC will be able to compare Maine's costs, and some of the underlying factors driving those costs, with those of other states. This data is available to PBMS members only and is not accessible to the general public, therefore legislators will have to rely on MDOC for access to this data.

In anticipation of this new data becoming available in the future, OPEGA has identified a group of eight comparison states based on a list of criteria defined below, which we developed based on our review of national and state studies of correctional costs. We wish to emphasize that our research on cost per prisoner methodology has shown that its use in comparing states is inherently problematic. Understanding the differences between correctional systems in underlying factors that drive costs, i.e. staffing ratios, would be more valuable to understanding how Maine compares to other states. With that in mind, the criteria OPEGA used to select comparison states were:

- State Population – Maine has a small population of 1.3 million. We considered other states with small populations.
- Population Density – Maine is a rural state ranking 40th in population density according to the US Census. We considered other similarly rural states.
- Climate – We looked at states with a similar climate to Maine which would likely have similar energy costs.
- Northeastern location – We considered states Maine's policymakers often look to when making comparisons due to similar labor market and other factors.
- Inmate Population – Maine's adult incarceration rate is very low with a total prisoner population of 2,167 in 2010, excluding juveniles. We looked for states with a similarly low number of prisoners and/or low incarceration rates.
- Number and Size of Correctional Facilities – We considered states with a similar number and size of facilities. Maine has five adult prisons, and therefore its corrections system is relatively diffuse for such a small number of prisoners. States with a small number of large facilities versus many smaller facilities may realize savings unavailable to Maine.

[2] *The Price of Prisons*: *What Incarceration Costs Taxpayers,* www.vera.org.

Although no state is an exact match to Maine in all of the above areas, we identified eight states that are comparable in several areas: Iowa, Montana, Nebraska, North Dakota, Rhode Island, South Dakota, Vermont and Wyoming. MDOC staff agreed with our selection, noting the striking similarity between Maine and Wyoming. Data comparing this group of states is summarized in Table 10. Information on security level is also included in Table 10 as this is an important factor to consider because costs vary by security level.

Table 10: Characteristics of Selected State Corrections Systems for Comparison with Maine (1)

State	State Population (thousands)	Total Adult Prisoner Population	Population Density Ranking (2)	Adult Prisons (3)	Capacity (Per Prison) (3)	Security Level				
						Super Max	Max	Close/ High	Med	Min/ Low
Maine	1,328	1,911	40	5	151 - 877			X	X	X
Iowa	3,046	7,445	38	8	245 - 1162		X		X	X
Montana	989	2,532	50	5	141-1485		X	X	X	X
Nebraska	1,826	3,468	45	5	275 - 960		X		X	X
North Dakota	673	1,441	49	4	125 - 507		X	X	X	X
Rhode Island	1,053	3,289	4	8	138 - 1118	X	X		X	X
South Dakota	814	3,519	48	6	100 – 1200 (4)		X		X	X
Vermont	626	1,808	32	6	109 - 433			X	X	X
Wyoming	564	1,895 (5)	51	5	283 - 720		X	X	X	X

Sources: US Census Bureau, American Correctional Association, state websites.
(1) All data is for 2010, with the exception of capacity and number of adult prisons which is the most recent data available from states' websites as of May 2012.
(2) US Census Bureau ranking of average population per square mile relative to all 50 states, Washington DC, and Puerto Rico.
(3) Includes adult prisons only. Does not include facilities such as re-entry, pre-release, or treatment centers.
(4) South Dakota's capacity data was not readily available from their Department of Corrections website; this figure represents population per prison as of January 2012.
(5) Wyoming figures include a small number of inmates in community corrections.

As mentioned previously, drawing comparisons between states is challenging, even among the short list OPEGA carefully selected. For example, Montana, Vermont, and Rhode Island all have unified correctional systems, with integrated jail and prison systems. In addition, Montana has one privately operated prison, Vermont contracts for more than a quarter of its prisoners to be housed out of state, and North Dakota contracts with a facility to house all of its female prisoners. Nebraska's prisons are overcrowded and well beyond their capacity at 140%. These factors have likely had a significant impact on the cost per prisoner in these states as compared to Maine. OPEGA did not undertake a detailed analysis of other differences between Maine and these states; therefore, we urge that any comparisons drawn between Maine and these states carefully consider that other factors may exist.

Opportunities for Improvement

In the course of the review, OPEGA identified opportunities for MDOC to improve on the calculation and reporting of Maine's cost per prisoner statistic.

1. We believe MDOC could benefit from simplifying its prisoner count methodology, which would decrease the risk for miscalculations to occur. Currently MDOC manually calculates average daily population by taking multiple averages of averages. We suggest MDOC take a single average of all days, and put data checks in place to verify its calculations. MDOC might also explore whether its IT vendor could create an automated CORIS report for average daily population by fiscal year and by calendar year. While we did not check the accuracy of prisoner population data exported from CORIS, we believe it is important for MDOC to conduct data quality checks to ensure any data exported from this system is accurate.

2. We also believe that regardless of the count methodology used, MDOC should begin keeping a record of how it reaches its average daily counts by fiscal year to both increase transparency and allow the counts to be verified.

3. In addition, we suggest MDOC automate the collection of juvenile resident count data. Currently all MDOC juvenile counts are tracked and collected manually using Excel spreadsheets, which led to the errors and miscalculations identified during OPEGA's work for this report. MDOC told us they are currently working to put an automated system in place to count juveniles.

4. In order to present the most accurate cost of housing an inmate, MDOC should consider undertaking the exercise of determining what percentage of the costs identified by OPEGA as indirect facility costs (Computer Services, Health Services, Classification, and Inspection) are related to housing inmates. These related costs can then be allocated by facility in the future and captured in the cost per prisoner. Since the overall dollar amount currently involved has a minimal impact on CPP, MDOC will need to assess the resources required for this effort against the value of additional accuracy – keeping in mind that the level of these costs could potentially become more significant in the future.