

**California Drug Courts:  
A Methodology for Determining Costs  
and Avoided Costs**

**PHASE I:  
Building the Methodology**

*Final Report*



**NPC Research, Inc.  
*and*  
Administrative Office of the Courts  
Judicial Council of California**

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# Executive Summary

California's experiments with *collaborative justice courts* are successfully linking substance abuse treatment with the authority of the criminal justice system. Collaborative justice is the concept of combining the sanctioning power of criminal justice with the potential healing power of substance abuse and mental health treatment. The intention of this combination is to guide an offender out of the criminal justice system and into society as a contributing citizen. There are several different collaborative justice models including drug courts, mental health courts, and domestic violence courts. According to self-reported court responses to a July 2001 survey sent to all 58 trial courts, the total number of collaborative justice courts in California, including adult and juvenile drug courts, was 252. The results of California's efforts will be a model for the nation. With its large population (approximately one in nine U.S. residents live in California) and rapidly changing demographic characteristics, California is an ideal testing ground for these collaborative justice models.



American University estimates that of the 438 drug courts currently in operation nationwide, more than **one quarter** are in California (Cooper, 2000). While outcome data exist for a limited number of drug courts in California, there has been little in the way of comprehensive data collected on an individual court or on a statewide basis to determine the costs and avoided costs of drug court programs.

Policymakers and program administrators need this information if they are to make informed decisions concerning the allocation of funds and the best ways for these innovative programs to meet California's needs.

In 1998, the Judicial Council of California (JCC) and its administrative unit, the Administrative Office of the Courts (AOC) secured a grant from the Drug Court Program Office (DCPO) at the United States Department of Justice (USDOJ) to explore the feasibility of a statewide cost/benefit evaluation of adult drug courts. The AOC consulted with state and national drug court experts and NPC Research was selected as the primary contractor for this project.

The purposes of this statewide evaluation are:

1. To develop a methodology that can be used by drug courts statewide for ongoing cost-benefit evaluation beyond the conclusion of this project.
2. To answer two critical drug court policy questions:
  - a. Are adult drug courts cost effective?
  - b. What adult drug court practices appear most promising and cost beneficial?

The study was designed to address these questions in three Phases. Phase I was recently completed and the products of this phase are the focus of Part 2 of this report. In this first phase, we conducted an in-depth case study of three adult drug courts. Phase I consisted of both an outcome evaluation and a cost-avoidance analysis, the purpose of which was to develop the preliminary methodology and protocols for cost evaluation. In Phase II (currently in progress),

we will test the methodology and protocols in five additional courts and create a preliminary tool for drug court self-evaluation (the DCSET). In Phase III, the DCSET will be tested in several drug courts and then launched statewide. The three phases will result in recommendations for use by policymakers and practitioners regarding the cost effectiveness and promising practices of California adult drug courts as well as a method for drug courts to perform self-evaluation on a continuous basis. The tool created in this process is based on a methodological approach that is flexible and can be used in other drug courts as well as other types of collaborative justice courts, both in California and nationwide.

The main task of Phase I of this evaluation was to use NPC Research's philosophy and approach to cost evaluation (described briefly below, and in detail in the main document) to develop a preliminary methodology and protocols for a statewide evaluation of California's adult drug courts. As a part of this task, it was necessary for us to determine the effectiveness of this approach by using the data gathered to calculate the costs and avoided costs of drug court in the three Phase I sites. If we were able to find and obtain the data needed to calculate costs in the places predicted by our approach, then we could conclude that this approach was effective for this type of evaluation.

The main products of Phase I include:

- A preliminary method and the development of protocols for cost evaluation of drug courts
- Preliminary costs and avoided costs and promising proxies (cost estimates) from the three participating adult drug courts
- An examination of the usefulness and effectiveness of the NPC Research approach to cost evaluation

The central approach to the study of costs and avoided costs used in this evaluation of California's drug courts is NPC Research's model of transaction cost analysis (TCA). This model combines organizational, institutional, and transaction cost theories with the practical experience of NPC Research staff in public program management and cost evaluation. The NPC approach to TCA focuses on the transactions that occur as a program participant moves through the various elements (e.g., agencies and activities) of the program system. This approach includes both direct and indirect (institutional) costs. There are many other approaches to cost analysis of drug treatment programs available. These include models created by the Washington State Institute for Public Policy (WSIPP), the National Institute of Drug Abuse (NIDA) and The Urban Institute (See Appendix A). While these models have associated benefits, the NPC Research approach is the most flexible, practical and detailed analytic model for this kind of complex multi-jurisdictional program.

Phase I resulted in three main products:

**Product 1** consisted of the preliminary methodology developed during this phase of the evaluation.

There are six key steps in this methodology:

- Step 1: Determine drug court and non-drug court flow/process (i.e., how clients move through the system).

- Step 2: Identify the transactions that occur within this flow (i.e., where clients interact with the system).
- Step 3: Identify the agencies involved in each transaction (e.g., court, treatment, police).
- Step 4: Determine the resources used by each agency for each transaction (e.g., judge time, attorney time, overhead).
- Step 5: Identify costs associated with activities performed by above agencies (e.g., cost of judge's time per hour or per drug court session, ).
- Step 6: Calculate cost results (e.g., cost per transaction, total cost of the program per participant).

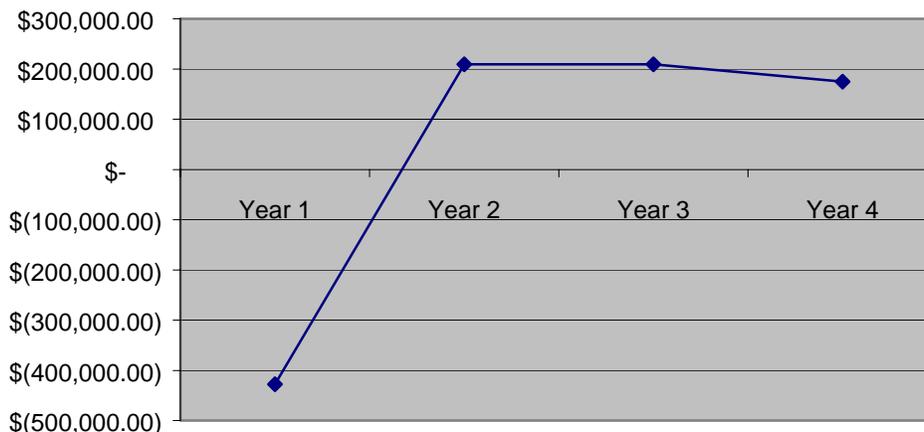
Although these steps are defined, the protocols used to follow these steps varied somewhat at each Phase I site due to differences in data location and format. Lessons learned during the development of the methodology in Phase I will help refine the research design and protocols for Phase II.

**Product 2** consisted of key results of the cost calculations that illustrated the effectiveness of NPC Research's TCA approach. We were able to calculate costs at many levels including the unit costs (e.g., costs per drug court hearing, costs per urinalysis), the costs per individual for each agency, the total costs per individual for the program, and the total costs per individual to the system. Data gathered on both a drug court participant cohort and a comparison ("business-as-usual") cohort allowed us to calculate the avoided costs due to drug court. The costs and avoided costs per agency were useful for determining both where in the system money was being spent and where it was being saved. This is helpful information for policymakers and program managers when they are deciding on the allocation of funds. An examination of the unit costs revealed that some were similar enough across three sites to be considered as possible proxies to be tested in Phase II. Upon calculating the total costs, we found that after an initial large investment cost, the system saved money over time on drug court participants due to lower *recidivism*. Recidivism is defined in this study as re-arrests. All transactions associated with re-arrests including court appearances, warrants, probation, jail and prison time served, and incidences of victimization. The following examples highlight some of the cost results presented in the section on Product 2.

### ***Example 1: Total Avoided System Costs***

One use of the data is to examine total system costs compared to total system avoided costs. As an example, Figure 1 displays the per-year avoided costs for Court 1.

**Figure 1. Avoided costs per 100 Participants**



The negative avoided costs in Year 1 are due to the large initial investment in drug court (\$667,800), which is not outweighed by the \$129,493 in net avoided costs realized in the first year. However, Court 1 realizes avoided costs in Years 2 through 4 (approximately \$200,000 each year), and by Year 4 the court has paid off the initial investment and is realizing cost savings. Should the trend in avoided costs continue, Court 1 will recognize additional avoided costs each subsequent year, in the form of approximately \$200,000 per year for every 100 participants (not including victimization costs). With this trend, by the ninth year after a participant enters drug court, Court 1 would see \$1,000,000 saved for every 100 drug court participants.

***Example 2: Investments and Avoided Costs of Drug Court By Agency***

The drug court participant cohorts at all three Phase I sites experienced lower recidivism than the comparison cohorts. All of the agencies involved in the drug court programs make an initial investment for each drug court participant with the hope that over time this investment will be outweighed by avoided costs. NPC's TCA model allows for the compilation of investment and avoided costs **for each agency** involved in drug courts, which in turn can aid policymakers and agency administrators with program planning and budgeting decisions. The examples below, which are from only one court, illustrate the type of data available at the agency level as well as how these data are useful to policymakers.

**Court 1 Investments and Avoided Costs by Agency over Four Years  
(per 100 participants)**

<b>Agency</b>	<b>Investment</b>	<b>Cost Avoidance</b>
Superior Court	\$99,353	\$1,166
District Attorney	\$36,550	- \$579
Public Defender	- \$7,644	- \$2,050
Probation	\$109,865	\$24,174
Law Enforcement	\$141,060	\$100,281
CA Department of Corrections	\$0	\$584,945
Victimization costs		\$695,000 <sup>1</sup>
<b>Total Criminal Justice System</b>	<b>\$379,184</b>	<b>\$1,399,187</b>

When the investment of the criminal justice system in Court 1 in drug court is taken as a whole and compared to costs avoided (and victimization costs to the taxpayer are included), the return is well worth the investment. Yet, an examination of the specific criminal justice agencies reveals an uneven picture. Superior court, probation and law enforcement experienced some cost avoidance after four years but do not recoup their initial investments. Law enforcement almost recovers its investment and probably would have if the study time frame had been longer. It is clear from the above data that the biggest beneficiary due to drug court is the California Department of Corrections, which has no investment costs in drug courts, but saves more than half a million dollars for every 100 individuals who enter drug court.

Included in the table is the avoided cost to taxpayers from reduced victimization due to lessened criminal activity for drug court participants. Adding this into the equation results in a total avoided cost (or savings) of \$1,399,187 for every 100 participants in drug court, whether they graduate or not.

The ability to isolate investments and avoided costs (savings) by agency is a powerful tool for policymakers and program managers. This information helps clarify where the money is being

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<sup>1</sup> This figure assumes that an average of four crimes of these types were committed for every one that resulted in an arrest (based on the United States Bureau of Justice Statistics National Crime Victimization Survey). The National Institute of Justice's *Victim Costs and Consequences: A New Look* documents losses per criminal victimization, including attempts, in a number of categories, including fatal crimes, child abuse, rape and sexual assault, other assaults, robbery, drunk driving, arson, larceny, burglary, and motor vehicle theft. The reported costs include lost productivity, medical care, mental health care, police and fire services, victim services, property loss and damage, and quality of life. In our study, re-arrest charges (i.e. charges incurred after the initial drug court eligible charge) were tracked and categorized as either violent or property crimes. Costs from the victimization study were averaged for rape and sexual assault, other assaults, and robbery and attempted robbery to create an estimated cost for violent crimes. Arson, larceny and attempted larceny, burglary and attempted burglary, and motor vehicle theft were averaged for an estimated property crime cost. National Institute of Justice Research Report, *Victim Costs and Consequences: A New Look* (January 1996).

spent and where the benefits occur. The above table suggests that, although the system as a whole is experiencing a savings, the individual agencies that invest the most in drug courts are not the agencies that experience the cost savings. In recognition of the overall system savings that occur due to drug court, one policy decision may involve ensuring that the agencies that invest the most be recompensed for their investment.

#### Example 3: Recidivism and jail bed days

If drug court programs are successful in reducing recidivism among participants, it follows that the number and length of subsequent jail and prison stays should be reduced. Our TCA methodology allows us to isolate the number of jail and prison bed days saved along with the resulting cost avoidance. In Court 2, over the course of 5 years, the court saved \$174,705 per 100 participants in jail days (the equivalent of 25 bed days for each drug court participant available for other offenders) and \$714,933 per 100 participants in prison days (the equivalent of 96 bed days for each drug court participant available for other offenders).

**Product 3** was an evaluation of the usability, practicality and effectiveness of NPC Research's approach to cost analysis and drug court cost evaluation. Based on the existence and availability of the appropriate data for cost analysis, it was determined that NPC Research's approach was usable, practical and effective in the drug court environment. An examination of the cost results revealed a great deal of information of interest and use to researchers and policymakers. The information on unit costs and promising proxies could be invaluable to researchers attempting to evaluate programs when some data are not available. Policymakers can use the information on avoided costs and opportunity resources to make informed decisions on the allocation of funds.

The preliminary result on the cost effectiveness of drug courts, based only on the three Phase I sites, was that after high investment costs, the three drug courts did experience savings in criminal justice costs over time. Data explored in Phase II will include other outcomes such as welfare, child welfare, health care, and unemployment costs.

# Table of Contents

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Executive Summary .....	I
Preface.....	iii
I. Overview .....	1
1. Background and Purpose .....	1
2. Research Design.....	3
3. Research Strategies: The NPC Research Approach.....	6
4. Summary of Part I: Statewide Cost Evaluation Overview.....	15
II. Phase I Products .....	17
1. Product 1 – Preliminary Methodology and Protocols.....	17
2. Product 2 – Preliminary Costs and Avoided Costs and Promising Proxies.....	33
3. Product 3 – An Evaluation of the NPC Approach to Cost Evaluation .....	45
4. Summary of Part II: Phase I Products.....	53
III. References.....	54
Appendix A: Review of the Literature.....	A-1
1. Review of the Literature .....	A-2
Appendix B: Typology Interview Guide .....	A-13
1. Protocol for Typology.....	A-14
Appendix C: Drug Court Process Descriptions .....	A-34
1. Court 1 Drug Court Program Description.....	A-35
2. Court 2 Drug Court Program Description.....	A-46
3. Court 3 Drug Court Program Description.....	A-54
Appendix D: Confidentiality Packet.....	A-62
1. Summary of Research Relevant Portions of State and Federal Confidentiality Regulations and Codes.....	A-63
Appendix E: Cohort Demographics for Phase I Drug Courts.....	A-67
1. Court 1 Cohorts.....	A-68
2. Court 2 Cohorts.....	A-69
3. Court 3 Cohorts.....	A-70
Appendix F: Sample Drug Court Session Cost Worksheets.....	A-72
Appendix G. Sample Site Specific Report (Court 3).....	A-77

## List of Tables

Table 1. Approaches to Costs and Cost Offset Data Collection .....	10
Table 2. Cost of Drug Court Hearings .....	34
Table 3. Unit Cost of Non-Drug Court Cases for Drug Court Eligible Charges .....	35
Table 4. Outpatient Treatment Costs .....	35
Table 5. Incarceration Costs for Drug Court Eligible Offense ONLY .....	36
Table 6. Investments and Avoided Costs by Agency over Four Years .....	38
Table 7. Court 1 Outcome Costs Per 100 Participants.....	40
Table 8. Court 2 Outcome Costs Per 100 Participants.....	40
Table 9. Court 3 Outcome Costs Per 100 Participants.....	40
Table 10. Promising Proxies .....	43
Table 11. Unit Data and Sources .....	46
Table 12. General Sources for Cost Information .....	50
Table A-1. The Contributions of Theory and Practice in the NPC Approach to Program Cost Analysis.....	A-5
Table A-2. Comparison of cost evaluation approaches .....	A-12
Table A-3. Court 1 Drug Court Team.....	A-41
Table A-4. Court 2 Drug Court Team.....	A-51
Table A-5. Court 3 Drug Court Team.....	A-59
Table A-6. Court 1 Cohort Characteristics .....	A-68
Table A-7. Court 2 Cohort Characteristics .....	A-70
Table A-8. Court 3 Cohort Characteristics .....	A-71

## List of Figures

Figure 1. Court 1 Avoided Costs Per 100 Participants .....	41
Figure 2. Court 2 Avoided Costs Per 100 Participants .....	42
Figure 3. Court 3 Avoided Costs Per 100 Participants .....	42

# Preface

The purpose of this report is to describe Phase I, the pilot phase, of a research effort to develop a statewide methodology for assessing the benefits and costs of drug courts in the State of California. The aim of this effort is to produce a validated methodology to conduct inexpensive cost/benefit studies on an ongoing basis of drug courts throughout the state. This methodology, when fully implemented, will enable the Administrative office of the Courts to answer important public policy questions from a cost/benefit perspective. These questions include the following:

1. Are adult drug courts cost effective?
2. What adult drug court practices appear most promising and cost beneficial?

The intended audience of this effort includes policymakers and drug court professionals. All may benefit from the ability to provide better estimates of the benefits of drug courts as compared to their costs.

The report is divided into two parts. Part 1 of the report describes the overall research design and strategies for the development of the tools to answer these policy questions. It provides the reader with some of the rationale for this effort as well as some of the initial approaches developed to implement the study. Part 2 details the results of Phase I of the study including the following:

- Preliminary Methodology and Protocols developed to test in Phase 2.
- Preliminary costs and avoided costs and possible proxies (cost estimates) from the pilot sites
- An evaluation of the usability, practicality and effectiveness of the NPC Research approach to cost evaluation

We would like to acknowledge the effort and support of drug court and related agency staff at each of the Phase I sites in helping us obtain the data needed for this study. Their willingness to help made this project a success. We would also like to acknowledge the effort and support of our advisory board including Dr. Susan Turner, Dr. Elizabeth Piper Deschenes, Mr. John Roman and Judge Jean Leonard. Their comments on previous drafts have been invaluable.

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# I. Overview

## The Statewide Cost Evaluation of California's Adult Drug Courts

**P**art 1 of this report contains an overview of the plan for the entire statewide cost evaluation of California's adult drug courts. It includes the background and purpose for this evaluation, a description of the research design and a discussion of the approaches and philosophies (research strategies) used by NPC Research (a private research firm) in conducting this evaluation with the Administrative Office of the Courts in California. Part 2 contains the products of Phase I of the evaluation.

### 1. Background and Purpose

California's experiments with *collaborative justice models* are successfully linking substance abuse treatment with the authority of the criminal justice system. Collaborative justice is the concept of combining the sanctioning power of criminal justice with the potential healing power of substance abuse and mental health treatment. The intention of this combination is to guide an offender out of the criminal justice system and into society as a contributing citizen. There are several different collaborative justice models including drug courts, mental health courts, and domestic violence courts. In a July 2001 survey sent to all 58 trial courts, the total number of collaborative justice courts in California, including adult and juvenile drug courts, was 252. The results of California's efforts will be a model for the nation. With its large population (approximately 1 in 9 U.S. residents live in California) and rapidly changing demographic characteristics, California is an ideal testing ground for these collaborative justice models.

Thirty percent of prison inmates in California are in custody on drug charges, more than 60% are there due to drug-related crimes and the large majority of inmates, regardless of their charges, have substance abuse problems (Riley et al., 2000). In 1998, 7 in 10 local jail inmates had used drugs regularly (Wilson, 2000). This reality is clearly a significant social and fiscal problem for the state.

One of the state's efforts to address this problem is through its drug court programs<sup>2</sup>, the first of which was founded in the mid-1990s. American University estimates that of the 438 drug courts currently in operation nationwide, more than **one quarter** are in California<sup>3</sup>. At present, there are approximately 125 drug courts operating in California. Given the preponderance of drug courts in this state relative to the nation, a statewide examination of the costs and avoided costs due to California drug courts has significance at the national level.

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<sup>2</sup> Another effort is through the passage of Proposition 36 in California in November of 2000, which mandated substance abuse treatment for offenders charged with drug possession and with no other pending charges. There is a current effort to integrate Proposition 36 into a system-wide approach to providing treatment and supervision to offenders, including potentially a role for drug courts (particularly in dealing with offenders with multiple charges and others that do not fall under Proposition 36.)

<sup>3</sup> Personal Communication, Caroline Cooper, American University, January 2000.

The economic consequences to society of drug and alcohol abuse have long been detailed. From a health perspective, untreated substance abusers produce tangible costs to health systems from both the health complications of substance use as well as increased accidents that result from the use of alcohol and drugs. For example, substance abuse leads to ancillary negative social behaviors that have cost consequences to other systems such as the criminal justice system. Michael French (1991) has described an array of tangible (e.g., emergency room visits due to overdose) and intangible (e.g., future loss in productivity) costs of substance abuse, arguing that most research has neglected the intangible cost and focused on only a subset of the tangible costs, thus underestimating the overall societal impact of abuse. This underscores the fundamental reasoning of a cost-benefit approach to substance abuse treatment: untreated substance abuse is very costly both to the individual, the individual's family and friends and to taxpayers who must, in one way or another, fund the consequences of negative social behaviors which result from substance abuse.

There has been great interest in comparing the costs and *avoided costs* of drug court programs. Avoided costs are those costs that might occur in the normal course of events, but do not occur due to participation in some intervention (e.g., the costs of re-arrests may be avoided due to lower recidivism after participation in drug court). Drug courts appear to be expensive to implement, since they demand the significant involvement of an expensive criminal justice resource—the time of a judge; and the significant involvement of an expensive treatment resource—intensive long-term treatment. Intuitively such a program would not appear to be cost efficient since it requires the intensive involvement of resources for clients who ordinarily would get minimal attention from either system. In this situation, the only cost rationale for a drug court program would be if the benefits of drug court in either avoided social costs (e.g., children returned to their parents) or in attendant avoided system costs (e.g., decreased re-arrests so the criminal justice system avoids costs) makes drug court cost effective from a system perspective. Given that situation, it is surprising that so few comprehensive studies of the long-term costs and benefits of drug courts and their treatment components have been conducted. (Belenko, 1998).

While outcome data exist for a limited number of drug courts in California, there have not been any comprehensive studies conducted on an individual court or on a statewide basis to determine the costs and avoided costs of drug court programs.<sup>4</sup> Policymakers and program administrators need this information if they are to make informed decisions concerning the allocation of funds and the best ways for these innovative programs to meet California's needs.

The Judicial Council of California (JCC) and its administrative unit, the Administrative Office of the Courts (AOC) secured a grant from the Drug Court Program Office (DCPO) at the United States Department of Justice (USDOJ) to explore the feasibility of a statewide cost/benefit evaluation of adult drug courts. The AOC consulted with state and national drug court experts and NPC Research was selected as the primary contractor for this project.

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<sup>4</sup> The State of California Department of Alcohol and Drug Programs (DADP) is gathering systematic information for selected courts throughout the state. It is not intended to be an economic analysis, but rather focuses on the impact of treatment programs.

The purposes of this statewide evaluation are:

1. To develop a methodology that can be used by drug courts statewide for ongoing cost-benefit evaluation beyond the conclusion of this project.
2. To answer two critical drug court policy questions:
  - a) Are adult drug courts cost effective?
  - b) What adult drug court practices appear most promising and cost beneficial?

## 2. Research Design

The study was designed to address these questions in three Phases. We recently completed Phase I and the products of this phase are the focus of Section 2 of this report. In this first phase, we conducted an in-depth case study of three adult drug courts. Phase I consisted of both an outcome evaluation and a cost-avoidance analysis, the purpose of which was to develop the preliminary methodology and protocols for cost evaluation. In Phase II (currently in progress), we will test the methodology and protocols in five additional courts and create a preliminary tool for drug court self-evaluation. Finally, in the third phase, the drug court self-evaluation tool will be tested and then launched statewide. Below is a description of each Phase of this study in more detail.

### ***2a. Phase I – Building a Detailed Cost Model***

Phase I was conducted from May of 2000 to May of 2002. The products of this phase are the focus of Section 2 of this report.

The main task of Phase I was to use NPC Research's philosophy and approach to cost evaluation (described below) to develop a preliminary methodology and protocols for a statewide evaluation of California's adult drug courts. As a part of this task, it was necessary for us to determine the effectiveness of this approach by using the data gathered to calculate the costs and avoided costs of drug court in the three Phase I sites. If we were able to find and obtain the data needed to calculate costs in the places predicted by our approach, then we could conclude that this approach was effective for this type of evaluation.

The main products of Phase I include:

- A preliminary method and protocols for cost evaluation of drug courts
- Preliminary costs and avoided costs and promising proxies (cost estimates) from the three participating adult drug courts
- An examination of the usefulness and effectiveness of the NPC Research approach to cost evaluation

Because this is the first of a three-phase study, each of the above listed products for Phase I should be considered as preliminary. Phase I was not intended to result in complete cost/avoided cost, process or outcome evaluations of each Phase I drug court. However, in order to determine the quality of the methodology developed (which includes the quality of the data collected), and in order to begin the development of proxies, it was necessary to do some examination and

analyses of the collected process and outcome data. These analyses then resulted in costs and avoided costs for adult drug court at each of the three Phase I sites.<sup>5</sup>

In order to build a valid and practical methodology, Phase I required the collection of detailed program process, outcome and cost data. The process involved in the collection of such highly detailed data was intended to teach us where to find the best sources of data; which methods of data collection were most cost-effective, labor-saving and practical; as well as which data were most important for cost analyses. The detailed information (along with similar data gathered in Phase II) will also facilitate the development of valid *proxies*. Proxies are estimates of various drug court costs that can be used for other drug courts that lack specific information, or where the collection of certain data would be too costly to gather for a single court or on a statewide basis. Previous to this study, proxies were generally created by using easily gathered, but incomplete, data. For example, the cost of drug court per participant might be calculated by dividing the drug court budget by the number of current participants. This type of proxy has not been validated and is commonly criticized for leaving out other costs associated with drug court. The detailed information gathered in Phase I and II will allow us to create more accurate proxies and test the validity of more easily created proxies. (Further description and discussion of proxies can be found in the section on research strategies and in the presentation of the products of Phase I in Part 2 of this document).

## ***2b. Phase II – Testing the Methodology***

Phase II is being conducted from May 2002 to June 2004. In this phase, we are collecting data from five additional adult drug court sites. These sites were chosen with the intent of including a diversity of drug court types in terms of size, location and participant demographics. When this phase is completed, we will have gathered in-depth information on eight drug courts throughout the state of California, representing a large percentage of the state's drug court participant population, and a variety in population and practices among programs.

The main tasks for Phase II are to:

- Test and refine the methodology and protocols developed in Phase I.
- Determine the costs and avoided costs of the five drug courts participating in this phase.
- Develop and test proxies using data gathered at all eight drug courts (the three Phase I and five Phase II sites).
- Determine the minimum amount of data collection necessary to conduct a cost and avoided cost evaluation.
- Determine drug court practices that are promising and should be the focus of research on best practices.
- Create a “proxy comparison group” for use in the self-evaluation of drug courts in Phase III.
- Create a tool to use for drug court self-evaluation of costs and avoided costs statewide in Phase III.

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<sup>5</sup> Reports containing the complete costs and avoided costs results at the Phase I sites are being generated separately for each site and are not included in this document.

The key product of Phase II is the drug court cost and avoided cost self-evaluation tool. This tool will provide step-by-step instructions about which data to collect, how and where to collect it, and how to calculate the results. The tool will also provide cost and resource utilization proxies for courts that are unable to collect certain types of information. In addition, it will give requirements, based on the minimum amount of data necessary to conduct a cost evaluation, for which data must be collected by the drug courts locally. The proxies developed from the intensive data collection performed in Phase II will be compared to proxies from data that are more easily gathered at the local level (e.g., number of drug court participants divided into the drug court budget for the cost of drug court per participant). This kind of comparison will allow us to determine when less labor-intensive proxies can be used in place of real numbers. These proxies will then be recommended in the self-evaluation protocols.

In order to determine avoided costs of a program, it is necessary to calculate the costs compared to the costs without that program. A proxy comparison group or groups will be created from the cost results we find for our comparison groups at all eight drug courts. Drug courts cannot be expected to have the research training necessary to select and collect data on a comparison group for self-evaluation. A proxy comparison group will allow them to calculate avoided costs due to drug court at the local level without the need for a locally generated comparison.

Because this evaluation is not a randomized clinical study, it is not possible to draw concrete conclusions about which drug court practices cause positive outcomes. However, examination of drug court processes and our cost results will allow us to determine what practices appear the most promising in terms of favorable outcomes for clients and lower cost to the taxpayers. These practices will be recommended for further research on drug court best practices.

### ***2c. Phase III – Launching the Methodology (Statewide Evaluation)***

In Phase III, the tool created based on the methodology and proxies refined in Phase II will be tested and then launched on a statewide basis, pending availability of funding.

This Phase will result in:

- A statewide estimate of the cost effectiveness of adult drug courts,
- Recommendations of the most promising practices in adult drug courts for the state of California
- A user-friendly tool for a continuous statewide drug court self-evaluation of costs and avoided costs of California drug courts.

In Phase III, we will test the drug-court self-evaluation tool (DCSET) (mentioned above) for user-friendliness and practicality in several drug courts. The tool will be modified based on the test results and then given to adult drug courts statewide. The data gathered at each drug court will be sent to the evaluators and analyzed to produce the statewide estimate of cost effectiveness and recommendations on promising practices. The DCSET should give drug courts the ability to evaluate themselves (avoiding the cost of outside evaluators) on a regular basis, resulting in cost data that can be used by the court itself as feedback for decisions on drug court practices and policies. Drug courts can also use the data gathered with the DCSET for the regular reporting required by the state. The DCSET will be a tool based on methodology that can be used to evaluate other drug courts in the nation as well as to evaluate other types of collaborative justice courts. Further, the approach used to create the methodology employed in this evaluation is usable in any multi-organization system.

## **2d. Summary of Research Design**

This cost evaluation of California adult drug courts, conducted by the AOC and NPC Research, is being performed in three Phases. A preliminary methodology was created in the first phase, which will be refined in Phase II (currently underway), resulting in a preliminary tool for drug court self-evaluation (the DCSET). In Phase III, the DCSET will be tested in several drug courts and then launched statewide. The three phases will result in recommendations for use by policymakers and practitioners regarding the cost effectiveness and promising practices of California adult drug courts as well as a method for drug courts to perform self-evaluation on a continuous basis. The tool created in this process is based on a methodological approach that is flexible and can be used in other drug courts as well as other types of collaborative justice courts, both in California and nationwide.

### **3. Research Strategies: The NPC Research Approach**

Following is a description and discussion of NPC Research's approach in conducting this evaluation of the costs and avoided costs of California's adult drug courts.

#### **3a. Cost Analysis Strategies**

The approaches described in the next section are those related to cost analysis. Of particular important is the concept of transaction costs analysis. This approach is the guiding theme throughout the research conducted in this study.

##### **3a (1) Transaction Cost Analysis**

The central approach to the study of costs and avoided costs used in this evaluation of California's drug courts is NPC Research's model of transaction cost analysis (TCA). The NPC Research TCA approach to program evaluation is new to the realm of public program evaluation. As a result, the procedures that it encompasses will be new and somewhat foreign to most readers. The following discussion deals with the TCA approach in a generic sense—the way that it would generally be applied in a cost evaluation of any public agency. The application of the approach in Phase I of this evaluation of California drug courts is described in the methodology in Part 2 of this document.

Reflecting its roots in organizational and institutional theory, the NPC Research approach to cost analysis begins with an understanding of the type of organizations and institutions that are arranged to meet important public needs. It recognizes that the delivery of services results (e.g., treatment sessions, drug court sessions) from systems that frequently involve linkages among jurisdictions and agencies. These systems are particularly evident in populous urban areas. In the case of state or large county and municipal organizations, linkages among various agencies within a single jurisdiction can be complex.

Early in a program cost evaluation the NPC Research approach involves a clear mapping of the organizations that contribute resources to the program under consideration and the role(s) that these organizations play. With the assistance of key informants, (individuals who have been identified as knowledgeable regarding the program to be evaluated), system maps or flowcharts are created. The system maps demonstrate how organizational resources are linked and the nature of such linkages. The resultant picture frequently represents institutionalized patterns (“de facto institutions”) that do not appear on the organizational chart of any one agency or

jurisdiction and cannot be found as a program or set of line items in a single public organization's budget. A drug court program is an example of just this sort of picture.

Integral to the NPC Research approach is an identification of the key *transactions* that define service delivery systems. Transactions are those points within a system where resources are consumed and/or change hands. They are commonly at points at which an individual interacts with the system. For example, in the case of drug courts, when a drug court participant appears in court or has a urinalysis, resources such as judge time, public defender time, court facilities, and urine cups are used. Drug court appearances and urinalyses are transactions. Transactions are identifiable, measurable outcomes of such systems and are characterized by clearly understood areas, activities and activity-related costs.

The characteristics of transactions that emerge through the application of the NPC Research approach are not described in terms of abstract economic concepts or highly constructed proxies. The nature, number and duration of organizational activities associated with transactions are identified and analyzed within the context of the actual experience of the program.

In the NPC Research approach the concept of *transactional areas* is important. Transactional areas can be visualized as the organizational "areas" where jurisdictional or agency resources come together to create transactions. *Transactional activities* are things that agencies do, before, during or after a transaction, to help make transactions happen. For example, a drug court hearing is one of the most complex transactional areas in the drug court program. Here, multiple agencies such as the district attorney, public defender, police, treatment, and court come together. Each of these agencies engage in transactional activities that support this hearing such as typing up drug court participant case notes, reading participant files and attending drug court program meetings.

Organizational *transactional resources* are the human and other resources that are directly engaged in transactional activities. Transactional resources are expressed in two forms – in terms of the amount of the resource that is consumed (e.g., minutes or hours of worker time) and in terms of the cost of the resource that is consumed (e.g., cost per hour of worker time).

As indicated above, the NPC Research approach recognizes that agencies do not operate in isolation. They usually function within the context of larger organizations that provide direction, oversight and support for operating units. The larger organizational framework, or what may be referred to as the "institutional context," provides direction and support for an agency's application of transactional resources to transactional areas (e.g., a supervisor arranges the workload so that a deputy district attorney can spend time at drug court team meetings, an administrative assistant types up the attorney's file notes). The NPC Research approach refers to such jurisdictional organization resources as *institutional resources*. Without such institutional support, agencies directly involved in transactions would not be able to provide support resources for interagency programs.

With the transactional and institutional cost information in hand, it is a straightforward matter for researchers to translate them into program unit costs. Unit costs represent the total cost - the sum of the contributions of all the agencies combined - of a single transaction (e.g., the total cost of a single drug court hearing including the judge's time, the attorneys' time, the court reporter's time, etc. plus the institutional resources used). These unit costs can also be represented in terms of the cost of a transaction per individual and per unit of time (e.g., the cost of a drug court hearing per minute for a single drug court participant). Once the unit costs have been calculated,

the collection of data on the number of units used by each individual participant (e.g. the number of drug court hearings, the number of urinalyses) allows the calculation of the total cost of the program per individual. An average of these costs creates the average cost of the program per participant. This information can also be disaggregated so as to determine the total cost of a transaction per agency.

The system analysis, and transactional, institutional and unit cost data developed in the process described above provide jurisdictional and agency policymakers, managers and practitioners with a complete picture, in cost terms, of the operation and value of inter-jurisdictional/inter-agency programs. The NPC Research approach presents micro-level (e.g., agency cost contribution) and macro-level (e.g., program system cost) information.

For a detailed review of the literature on the theoretical and practical grounding of NPC Research's approach to TCA, and a description of other approaches to cost analysis as well as a comparison of these approaches to NPC Research's TCA approach, please refer to Appendix A.

### ***3a (2) Opportunity Resources***

Although past attempts to provide cost data have delivered impressive numbers in terms of cost-savings, they have not always swayed policymakers. Part of the reason for this is that in spite of the claims of drug court advocates of millions of dollars saved in taxpayer money, most of the effected agencies do not experience a savings. Many policymakers have failed to see any declines in actual budgets as a result of the linkage between criminal justice and substance abuse treatment.

Central to NPC Research's transactional cost analysis approach is the view of transaction costs as ***opportunity resources***. The idea of opportunity resources is similar to that of opportunity costs in economic theory. An opportunity resources approach suggests that if system resources are not spent on a particular transaction, they are available to be used in other contexts. For example, if substance abuse treatment reduces the number of times that a client is subsequently incarcerated, the local sheriff may see no change in his or her budget, but an opportunity resource will be available to the sheriff in the form of an open jail bed.

Some approaches to cost analysis have been primarily based on accounting procedures rather than on the economic literature. Thus, they have been primarily focused on existing formal budgets of programs and have missed some of the hidden costs of these programs. Included among these hidden costs are the differences between direct or variable costs (e.g., urine tests) and indirect or fixed costs (e.g., building overhead). These differences are critical, since treatment programs must pay building costs regardless of the number of clients, while direct costs are often quite specific to a client's needs. Related to this issue is the idea of ***marginal costs***. Marginal costs represent the amount of resources needed to add additional clients up to the point that major new expenditures are necessary. The marginal costs of adding a few new clients to a treatment agency may be quite low, but may rise rapidly as a new counselor is needed to handle a new group session.

Our model of opportunity resources assists policymakers in determining alternative programming choices for system resources. Since the approach is grounded in the processes that policy leaders understand—budget preparation and human resource allocation, for example—it can be seen as particularly meaningful to them. Thus, this model can be viewed as a ***policy choice model***. A policy choice model is one that can be employed to gather information of use to

managers and policymakers in order to make informed choices such as decisions about the allocation of agency or system funds.

### ***3a (3) Cost to the Taxpayer***

In the NPC Research approach, institutional resources used in the governance, oversight and support of program activities are identified. This results in a more complete and realistic assessment of the cost consequences that are most frequently of greatest concern to public policymakers—the cost to taxpayers.

Focusing on the cost to the taxpayers is consistent with the description of the NPC research cost approach as a policy choice model. This focus helps define which cost data should be collected (costs and avoided costs involving public funds) and which cost data should be left out of the equation (e.g., costs to the individual participating in the program). The costs and avoided costs calculated using the NPC approach include victimization costs which are generally considered more of an economic approach to cost analysis. The rationale behind this inclusion is that victims of personal and property crimes are generally taxpaying citizens so while they are indirectly paying for social services they are also directly paying costs associated with their victimizations.

The central core of the cost to taxpayer approach in calculating avoided costs for drug court specifically is the fact that untreated substance abuse will cost various tax-dollar funded systems money that could be avoided or diminished if substance abuse were treated. In this approach, any cost that is the result of untreated substance abuse and that directly impacts a citizen (either through tax-related expenditures or the results of being a victim of a crime perpetrated by a substance abuser) is used in calculating the avoided costs of substance abuse treatment.

### ***3b. Data Collection Strategies***

The approaches and philosophies described above were related directly to cost analysis. The following approaches, although they influence the NPC Research approach to cost, are strategies related to the collection of data. These strategies are discussed in general terms, the actual methods used for Phase I of this study are described in the Phase I methodology in Part 2 of this document.

#### ***3b (1) Level of Intensity***

Although there have been attempts to provide cost information as part of drug court evaluations, most have been low intensity data gathering efforts with results that are often questioned as to their accuracy. In one sense, cost studies are fairly simple in design. The researcher needs only to determine the system service units that are utilized (or which are avoided on the benefit side) and match them with per unit costs. However, this is difficult to accomplish with accuracy. Three levels of cost data collection intensity can be identified.<sup>6</sup> These levels are described in the following table. For each level of intensity, a description of the methodology is included, as well as the advantages and limitations of each approach.

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<sup>6</sup> A fourth very high intensity approach is also available and is particularly useful in gathering details of client level service utilization down to very specific levels. This approach involves tracking clients individually and gathering original individual level data at each site. This is not practical for this evaluation given its cost per site and the desire to find protocols that use the existing data sets in the state.

**Table 1. Approaches to Costs and Cost Offset Data Collection**

Approach	Description	Pros	Cons
Low intensity	<p>Service utilization based on program descriptions-all clients are assumed to receive whatever services program provides</p> <p>Unit costs determined by average costs based on state or national data</p>	Very low cost to implement. Can be done by all programs	<p>Validity of data questionable</p> <p>Long term outcomes and avoided costs difficult to assess</p> <p>Cannot determine what aspects of programs produce the best outcomes or what types of clients have the best outcomes</p>
Modest intensity	<p>Service utilization-based on program database</p> <p>Unit costs based on interviewing key informants about their estimates</p>	<p>Low cost. Can be done by programs with reasonable data management systems</p> <p>Local unit cost estimates</p>	<p>Long term outcomes and avoided costs difficult to assess</p> <p>Unit cost estimates of unknown accuracy</p> <p>Cannot determine what aspects of programs or types of clients produce the best outcomes</p>
High intensity	<p>Service utilization on a client level based on a variety of administrative data-sets</p> <p>Unit costs based on a thorough examination of budgets including indirect costs and opportunity costs and pricing of individual service items (e.g. group sessions, hearings)</p> <p>Uses data already existing in local courts and adopts proxy strategies for missing data</p>	<p>Can assess long term outcomes and avoided costs</p> <p>Can determine some aspects of programs or types of clients that produce the best outcomes</p> <p>Validated proxies can be developed</p> <p>Approach adaptable to a variety of settings</p>	<p>Resource intensive</p> <p>Dependent on available administrative datasets</p>

While low and moderate intensity approaches have been conducted in drug courts across the county, only the high intensity approach offers the opportunity to examine (using validated cost measures) the two key policy questions for this evaluation:

1. Are adult drug courts cost effective?
2. What adult drug court practices are most promising and cost beneficial?

While high intensity, this approach utilizes the data sets that are available for each locale. It does not collect new data on clients. The intention behind using this high intensity approach is to produce a practical set of data-gathering protocols and validated proxies that will allow a less labor intensive and more accurate and cost efficient method to collect this information for all drug courts in the state. Further description of the use of administrative data sets can be found below.

### ***3b (2) Sampling***

The NPC Research approach to sampling includes both the selection of a drug court participant group and a comparison (non-drug court participant) group. There are many possible strategies particularly in selecting a comparison group. These options and the NPC approach to sample selection are described below.

**Drug Court Participant Samples.** The NPC Research approach to the analysis of costs and avoided costs requires the collection of detailed data on resources used by each client. The most efficient and practical way to collect this information is to gather data on a group of individuals throughout their participation in the program and then continue to gather data on this same group for a length of time past program completion. This can be done using the **cohort approach**. The cohort approach generally begins with the total number of people who enter a program during a specified time period. This set of individuals is called a cohort. All data of interest is then gathered only on this same set of people. This approach avoids problems involved with other common methods of reporting data such as the **snapshot** approach (otherwise know as “cross-sectional”). The snapshot approach reports the results from data as they exist at a single point in time, for example, the number of people who entered the program, the number of people active, and the number of people who have graduated all at the moment that the data are queried. Since no individual can newly enter the program, be active, and have graduated all at the same time, this means that the group of people who have graduated are not related to the people who are eligible, or to those who are active. Therefore, there is no way to calculate numbers such as graduation rates—the number of people who graduate out of the number who enter the program—a common measurement for the success of the program. In contrast, the cohort approach allows us to track and measure each step throughout the program, as well as program outcomes, on an individual basis for everyone within the cohort. This approach requires that data be identifiable at an individual level, and that if different types of data are kept in separate databases, there be a way to match the data between databases for each individual.

The NPC Research approach to sample selection for the drug court participant group is therefore to select a specific time period, generally at least one fiscal year, and gather data on the cohort of individuals who have entered the program during that time. A fiscal year helps simplify the collection of cost information related to agency and jurisdiction budgets. Ideally, the time period chosen is at least a year after program implementation, in order to avoid any effects due to the inevitable problems that occur during program start-up.

During Phase I, NPC Research used a combination of cohort approaches to obtain the necessary data. A contemporary cohort was chosen so that detailed information on current program practices and cost data could be obtained, and an historical cohort was selected to collect long-term outcome information. In later phases, only one cohort will be selected in order to facilitate analysis of program and outcome costs on the same individuals.

**Comparison Group Samples.** In order to have avoided costs, there must be positive outcomes for drug court. However, the idea that drug court participants do better on important outcome measures always leads to the question “compared to whom.” Since a randomly assigned no treatment control group is rarely possible in drug court research, this part of a cost-offset analysis succeeds or fails based on the adequacy of the comparison group or groups that are identified.

Ideally, the comparison group for a drug court evaluation is made up of offenders who are similar to those who have participated in drug court (e.g., similar demographics and criminal history), but have not participated in the drug court program. The NPC approach to comparison groups for this evaluation does not require that comparison groups operate under no-treatment conditions. Substance abuse treatment can be a condition of standard probation. This study is not focusing on the costs and avoided costs associated with having substance abuse treatment or not having treatment. This study focuses on the costs and avoided costs of providing substance abuse treatment in a collaborative justice drug court model as opposed to other criminal justice models such as standard probation.

There are many strategies for gaining this type of comparison group and there are benefits and drawbacks to each. One strategy is to use a group of individuals who were found eligible for drug court but who chose not to participate. This approach has the benefit of ensuring that the comparison group is equivalent to the drug court participants, at least in terms of criminal history and other possible eligibility requirements (such as addiction severity and readiness to change), but is commonly criticized for the possibility that those individuals who choose against drug court are not as motivated to change their lives and stop using drugs. Another strategy is to use an historical group of individuals who would have been eligible for drug court but whose case histories are drawn from a time period prior to its implementation. This approach has the benefit of avoiding the issue of motivational differences (for the most part) but is more difficult to obtain. Selecting an historical comparison group generally involves getting a list of people who were arrested on a drug court eligible charge and then having someone examine the criminal history (usually through paper files because criminal histories are almost always only available as print-outs, or “rap sheets”) of each possible comparison group member individually to determine whether he or she fits the eligibility criteria. However, if the drug court criteria includes a measurement of addiction severity and/or mental health issues it is nearly impossible to be certain that the group is truly equivalent since this measurement is not generally done for people arrested on these charges outside of a drug court setting. Also, since this is an historical sample, there is the issue of confounding factors that have to do with what was happening in the context of that jurisdiction during that time period. A third strategy is similar to an historical comparison but instead uses contemporary individuals who are within the jurisdiction of a different court that does not have a drug court program. This avoids both motivational and historical issues, but has the same difficulties in obtaining an equivalent comparison as the historical strategy. A fourth strategy is to use a group of individuals who entered a different diversion program that has the same eligibility criteria as drug court. This ensures an equivalent comparison group but once again, has the issue of motivation since a different diversion program may appear easier (or harder) than the drug court program. Because there are benefits and

drawbacks to any strategy of choosing a comparison group, the NPC approach was to examine the possibilities within each study site and then to choose a strategy, or sometimes a combination of strategies, based on the availability of data and on drug court policies, such as eligibility criteria.

One of the sampling strategies described above was to use a comparison group of those who were offered the opportunity to participate in drug court but chose not to. This group is often cited in drug court research as a particularly poor comparison group because it is assumed that those who choose to participate in drug court are people who are more motivated to change their drug habits than those who choose not to participate. Although this motivational difference may be true for some individual cases, we argue that overall this assumption is erroneous. There are many possible reasons individuals may choose not to enter drug court besides a lack of motivation. Their public defender may have encouraged them to fight the charges (we encountered some public defenders who did not believe the drug court program was legally in the best interest of their clients), they may live too far from drug court, or work hours that make it very difficult to attend, or they may be parents who cannot leave their children for the many hours of drug court treatment and court sessions. Similarly, there are many reasons for choosing to participate in drug court besides a motivation to change their drug habits. Some individuals believe that they will be able to continue using while in drug court and therefore feel it may be a better option than spending even a limited amount of time in jail. For some individuals facing an extended period in jail or prison, drug court is seen as a better option and, particularly for first time offenders, the chance to avoid a felony on their records<sup>7</sup> is a tempting incentive. For these reasons we believe that individuals who participate in drug court may not have an inherent motivation to end their drug habit that is lacking in individuals who choose not to participate. Therefore, a sample of those who chose not to participate in drug court, although not as valid as a sample randomly assigned, is as valid as a sample chosen using the other methods described above.

### ***3b (3) Administrative Data***

As discussed above, for a detailed assessment of avoided costs between a drug court program group and a valid comparison group, data on utilization of system resources must be gathered on an individual level. Some studies have utilized data gathered from self-report instruments. The CALDATA study (Gerstein et al., 1994) used extensive interviews with substance abuse treatment clients to gather data on issues such as subsequent arrests and subsequent use of medical services. However, as French (1995) has pointed out, the use of self-reported data for this information is highly unreliable.

Another approach has been to ask the programs themselves to estimate data on, for example, jail bed days saved by the program (Cooper, 2000; Guydish, 2001). Unfortunately this approach often provides little in the way of a standardized method to calculate the results and raises questions about the validity of the data.

A better solution was developed by Finigan (1999) and Harrill (1999), which uses administrative datasets (data collected regularly and kept in databases by a program or agency) to determine system service utilization, both during programs as well as subsequently. Although this overcomes the problems of self-reported data, it is highly dependent on the availability and

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<sup>7</sup> A common “carrot” for drug courts to offer their participants, in contrast to the “stick” of serving time in jail or prison, is to expunge the conviction from a drug court graduate’s record (for post-plea drug courts) or never put it on the graduate’s record (for pre-plea drug courts).

adequacy of administrative databases. This raises issues regarding access to existing administrative databases, issues surrounding confidentiality, issues surrounding common data element definitions and issues surrounding the reliability of the particular database.

Administrative datasets are the best source of data on an individual's use of taxpayer funded administrative resources because these data sets generally contain individual level information collected on a regular basis. Further, these datasets are often used for billing purposes, which means there is a fairly strong incentive for thoroughness in the collection and entry of data. However, these datasets are not always easily accessible to researchers and present the challenge of extracting needed data from a variety of diverse data systems. There are three common challenges facing researchers attempting to extract data from these sources.

The first challenge involves confidentiality regulations at the local, state or federal level. While access for research purposes is generally permissible under regulations, a great deal of time and resources are consumed establishing that fact to local custodians of the data. One of the purposes of both Phase I and Phase II is to develop the protocols needed for access. By Phase III, the drug court programs themselves, will have protocols to follow in order to obtain access to necessary data not already kept by the program.

The second challenge is being assured by database custodians that the necessary data are available and complete within their database and then finding, after the expenditure of a great deal of resources, that the data do not exist in that database or is not in a useful form. One of the tasks of both Phase I and Phase II is to assess the value of a variety of existing databases across the state, (e.g. district attorney's data on arrests versus sheriff's data on arrests) that are most useful, complete, and reliable.

A third challenge is finding that the data may exist in the database but that identifiers accurately linking the data to individuals are not reliable. That is, the identifiers used by one system are not the same as those used by a second system and therefore, it is difficult to match the data from the two systems accurately. Again, a task of Phase I and Phase II is to develop some identification systems that will allow a tracking of individuals across multiple databases.

In spite of these challenges, the use of administrative datasets is still an important and useful strategy. It allows the acquisition of individual level data without the time and resource commitment involved in collecting it directly from the source (e.g., from client interviews).

### ***3b (4) Proxies***

Most of the attempts of other studies to assess unit costs have had to depend on the use of *proxies*. Proxies are estimates of unit costs that can stand in place of the true cost when the true cost is not known. For instance Gerstein et al., estimated police arrest and booking costs by taking the total amount spent on police in the State of California and dividing by the total number of arrests in the State to come up with the per arrest unit cost. Proxies have been used in most of the existing cost-benefit studies of substance abuse treatment (e.g., Gerstein et al., 1994; Finigan, 1996) and of drug courts and other programs designed to reduce crime (e.g., Finigan, 1998; Aos et al., 2001), because local data specific to the site was not known and the resources to gather that data were not in place. Until now, research has not taken the step to examine the relative value of these proxies as estimates of these local costs.

This step will be taken within this California drug court cost evaluation. A similar strategy to the effort of Dunlap and French (1998) will be used to compare the relatively inexpensive and easy

accounting approach to estimating treatment costs, which solely examines direct expenditures, with a relatively complex and expensive economic approach that accounts for opportunity costs and free and subsidized resources. Dunlap and French found that in many cases and depending on the research objectives, the simpler and cheaper accounting approach provided a close proxy of the economic approach. In the California drug court evaluation, the costs calculated using the detailed collection of local administrative data will be compared to easily gathered state and local proxies. Those proxies that closely resemble the costs calculated with detailed data can be recommended as a valid approximation of local costs. In addition, *cross-site proxies* calculated based on the intensively gathered data at all eight participating sites in Phases I and II, will be created. These cross-site proxies can be compared for accuracy to the actual local cost results at each site, as well as to state and local, easily gathered proxies. This will help determine which proxies are appropriate in what circumstances.

### **3c. Summary of NPC Research Approach**

This section expressed the approach and philosophy taken by NPC Research in conducting this AOC study of the costs and avoided costs of California drug courts. The central model for this evaluation is the NPC approach to transaction cost analysis. Further elements of the NPC approach include the idea of opportunity resources and cost to the taxpayer, the use of the cohort approach in sampling, the development of cross-site proxies and a high level of intensity in data collection using administrative data sets. As mentioned earlier, for further information on our central approach to costs analysis, Appendix A consists of a review of the literature in relation to NPC Research's model of transaction cost analysis.

## **4. Summary of Part I: Statewide Cost Evaluation Overview**

The study of the costs and avoided costs of California's adult drug courts, conducted by the AOC and NPC Research, is being performed in order to answer two main policy questions: Are drug courts cost effective and what are promising practices associated with drug courts? This study is being accomplished in three phases. Phase I, which has recently been completed, was a detailed case study of three adult drug courts. The main purposes of this phase were to examine the usability and effectiveness of the NPC Research approach to cost analysis and to develop a preliminary methodology for drug court cost evaluation. Phase II, which is currently underway, is a test of this methodology in five additional drug courts. The collection of detailed data in Phase II will lead to the development of a proxy comparison group, cross-site proxies of drug court costs (from eight drug court sites), and the creation of a drug court self-evaluation tool (the DCSET) that can be used by the courts themselves to determine the costs and avoided costs of their particular court. Phase III will encompass a test and refinement of the DCSET and then the collection of cost and avoided cost information from California drug courts statewide. This information will be used to answer the two important policy questions stated above concerning the cost effectiveness and promising practices of drug courts.

The central approach to the study of costs and avoided costs used in this evaluation of California's drug courts is NPC Research's model of transaction cost analysis (TCA). The NPC model of TCA combines organizational, institutional, and transaction cost theories with the practical experience of NPC Research staff in public program management and cost evaluation. The NPC approach to TCA focuses on the transactions that occur as a program participant moves through the various elements (e.g., agencies and activities) of the program system. This approach includes both direct and indirect (institutional) costs. There are many other approaches to cost

analysis of drug treatment programs available. These include models created by the Washington State Institute for Public Policy (WSIPP), the National Institute of Drug Abuse (NIDA) and The Urban Institute (See Appendix A). While these models have associated benefits, the NPC Research approach is the most flexible, practical and detailed analytic model for this kind of complex multi-jurisdictional program.

## II. Phase I Products

The main task of Phase I of this evaluation was to use the NPC Research approach to program cost evaluation (as described in Part 1) to develop a preliminary methodology and protocols for cost and avoided cost evaluation of California's adult drug courts.

The main products of Phase I, discussed in this section, include:

- Product 1. A preliminary methodology and protocols for cost evaluation of drug courts
- Product 2. Preliminary costs and avoided costs and promising proxies from three sites
- Product 3. An evaluation of the usability, practicality and effectiveness of the NPC Research methodology and approach to cost evaluation in Phase I

Because this is Phase I of a three-phase study, each of the above listed products for Phase I should be considered preliminary. Phase I was not intended to result in complete cost/avoided cost, process or outcome evaluations of each Phase I drug court. However, in order to determine the quality of the methodology developed (which includes the quality of the data collected), and in order to begin the development of proxies, it was necessary to do some examination and analyses of the collected process and outcome data. These analyses then resulted in costs and avoided costs for adult drug court at each of the three Phase I sites.<sup>8</sup>

This report on Phase I contains information on the methodology developed and used in Phase I, some examples of costs and avoided costs calculated at each site and how the results obtained from Phase I can be useful to evaluators and policymakers, what was learned about cross-site cost proxies, the effectiveness of the methodology developed in Phase I, and how this methodology will be refined for Phase II. Because the focus of Phase I was on the development of the methodology, full cost results on each site were not included in this report. Following is a presentation of each of the four products that resulted from the completion of Phase I of the California drug court cost evaluation.

### 1. Product 1 – Preliminary Methodology and Protocols

Following is a description of the methods used and the protocols developed in Phase I of this study. As already mentioned, these methods and protocols are preliminary and will be modified and refined in Phase II to increase ease of use and efficiency (see Product 3 for more details).

#### **1a. Site Selection**

Before work could begin on developing the methodology, it was necessary to select the drug court sites that would take part in Phase I of this study. At the time of the site selection for Phase I, there were 80 adult drug courts in 42 of California's 58 counties. These 80 courts included diversionary, post-plea and pre-plea programs. The evaluation team made site visits to a large number of these drug courts in order to select the most eligible candidates for Phase I of the evaluation. Before being considered as a site for this study, a drug court had to graduate at least

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<sup>8</sup> Reports containing the complete costs and avoided costs results at the Phase I sites are being generated separately for each site and are not included in this document.

100 participants on a yearly basis. Fourteen courts were included in the first round of visits based on this criterion. These visits included meetings with personnel from key agencies involved with drug court. The personnel were asked about their program process, what data were being collected, where that data were kept, what their program capacity was, and how well the numbers of participants matched that capacity. The three courts that participated in Phase I were chosen based on three main criteria: (1) they were mature programs, that is, the programs were at least one year past their first year of implementation (i.e., at least 2 years old) and had developed some consistent drug court policies and protocols, (2) they had graduated sufficient numbers of participants for statistical analysis, and (3) the drug court program collected information in databases or files that could be used for determining the effectiveness and practicality of the NPC Research cost analysis model and for developing a preliminary methodology.

### ***1b. The NPC Research TCA Methodology***

In order to develop this methodology, it was necessary to explore the situation we found at each site, learn what kind of information was available, and remain flexible and creative in the methods used to gather that information. The methods that were found to be useful and most cost efficient would eventually be recommended as protocols for the statewide evaluation, while the methods that were the most labor intensive and inefficient would be discarded. However, although the exact data collection methods for Phase I were not predetermined, the general tasks that needed to be performed at each site, based on our transaction cost approach, *were* predetermined and are described by the following steps:

- Step 1: Determine drug court and non-drug court flow/process (i.e., how clients move through the system)
- Step 2: Identify the transactions that occur within this flow (i.e., where clients interact with the system)
- Step 3: Identify the agencies involved in each transaction (e.g., court, treatment, police)
- Step 4: Determine the resources used by each agency for each transaction (e.g., judge time, attorney time, overhead)
- Step 5: Identify costs associated with activities performed by above agencies (e.g., cost of judge's time per hour or per drug court session, etc.)
- Step 6: Calculate cost results (e.g. cost per transaction, total cost of the program per participant)

#### ***1b (1) Step 1***

Determine drug court and non-drug court flow/process. There were three general methods for collecting drug court and non-drug court ("business as usual") process information: (A) websites and document review, (B) telephone interviews, and (C) interviews and observation during site visits. All three of these methods were used at each site.

**Websites and Document Review.** Before site visits and telephone interviews, research staff conducted searches on official county websites. Many counties post a large amount of public information on their websites, such as the names and business contact information for key county employees at state and county agencies, the organization of the county government, and agency budgets. When available, this information was used to inform other information-gathering and evaluation activities. When this information was not available on websites, it was usually obtained through review of documents requested from key personnel during phone interviews or on site visits.

**Telephone Interviews.** A Typology Interview Guide (see Appendix B) was designed by NPC Research to provide a consistent protocol for collecting structure and process information from drug courts across the state. The information gathered through this guide helped the evaluation team focus on important and unique characteristics of each drug court, increasing our understanding of the variations among California drug courts.

The topics for this Typology Interview Guide were chosen from three main sources: The evaluation team's extensive practical experience with drug courts, the American University Drug Court Survey, and a paper by Longshore et al. (2001), describing a conceptual framework for drug courts. The typology interview covers a large number of areas including specific drug court characteristics, structure, processes, and organization. In particular, the guide explores several characteristics that may be considered 'best practices' of a drug court model. By noting involvement in these particular practices, the evaluation will explore how these practices may impact participant outcomes and costs.

The topics in the Typology Interview Guide include:

- Eligibility Guidelines
- Drug court Program Process (e.g., phases, treatment providers, urinalyses, fee structure)
- Graduation
- Aftercare
- Termination
- Non-Drug Court Process
- Drug Court Judge
- Drug Court Coordinator
- Drug Court Team/Sessions
- Overall Impressions
- History/Timeline
- Drug Court Demographics and Other Statistics

Many of the questions in the guide were asked during site visits and through multiple phone calls with the same individuals. This served three purposes: (1) It allowed us to spread the interview questions out over time, to avoid the inordinate amount of time it would have taken for individuals to complete the interview in a single attempt, (2) It provided us with an opportunity to keep in

touch with key players during the length of the project, and (3) It allowed us to keep track of any changes that occurred in the drug court process from the beginning of the project to the end.

The interview information was used to create the drug-court process and typology descriptions for each site, which can be found in Appendix B. These descriptions were used to identify the transactions that occur within the drug court and non-drug court processes, as well as serving as clues on where to look for administrative data sets and where to find other kinds of necessary data.

**Site Visits.** The evaluation team traveled to each site and met with key personnel at each of the agencies involved in the drug court process. Those individuals considered key personnel were those knowledgeable about drug court processes or clients, and those knowledgeable about the database(s) and finance information. This generally included the drug court judge(s), the drug court coordinator, the deputy public defender(s) and the deputy district attorney(s) involved in drug court, as well as personnel from probation, the police department, the treatment provider, and the court. As described in the section on telephone interviews, key personnel were asked questions from the Typology Interview Guide (Appendix B) and questions about the availability of data.

One of the main benefits of these visits was the chance to make face-to-face contact with those individuals who would be providing us with potentially sensitive information. These visits also provided the evaluation team with the opportunity to explain the purpose of the evaluation and elicit input from the agencies involved. The contacts developed during these visits helped increase the comfort level of the key personnel involved in the evaluation and enabled future contacts and requests to go more quickly and smoothly.

The site visits allowed NPC staff to learn about the existence of any databases and files that contain information on the type, amount and cost of the resources used at each agency in the process of interacting with drug court clients as well as individuals in our comparison groups. These visits also allowed us to collect preliminary information on the unique drug court processes at each of the courts in our sample, since processes vary at every court.

During site visits we generally attended court sessions and graduations, and interviewed the key personnel at each agency directly or indirectly involved in drug court. We also interviewed budget/finance contacts such as departmental budget managers or cost analysts and financial management, auditor, controller, or accounting staff on the jurisdictional level. NPC staff visited each site at least two times during the evaluation process. Multiple visits provided us with opportunities to refine our contact information so that we could be aware of staff turnover and to ensure we had included individuals most familiar with process, cost, resources and organizational structure at each level of the system.

### ***1b (2) Step 2: Identify the transactions that occur within this flow***

**Drug Court Program Transactions.** The detailed description of the drug court process developed during Step 1 was examined to identify points at which the drug court participant interacts with the system. Although every drug court operation differs in its details, there are two main areas that are consistent among drug courts notably court sessions and treatment activities. Within each of these areas there are several points at which drug court participants interact with the system, resulting in the consumption of resources (e.g., agency staff time, facilities) that may impact the taxpayer. The number, frequency and specific type of these interactions or

“transactions” may vary among courts. Our examination of a detailed description of drug court process reveals basic transactions for which data can be collected for each drug court.

#### Court Transactions

- Drug Court Sessions/Hearings
- Warrants

#### Treatment Transactions

- Individual Treatment Sessions
- Group Treatment Sessions
- Ancillary Services (e.g., anger management, parenting classes)
- Urinalyses
- “Self-Help Groups” such as NA or AA.
- Drug Court Fees

**Non-Drug Court Transactions.** An examination of the non-drug court judicial system process description revealed the transactions that occur, to varying degrees, at each site. In the vast majority of sites, individuals who do not participate in drug court were not tracked in the same manner (e.g., through a drug court database) as those who do participate. For this reason, it was difficult to get detailed data on any treatment non-drug court individuals may have had, or even information on whether they received treatment at all. Data on transactions equivalent to those engaged in by drug court participants were therefore limited (in Phase I) to those involving the court system.

#### Court Transactions (associated with drug court eligible arrests)

- Court Sessions/Hearings
- Warrants

**Outcome Transactions.** The above transactions are considered “up-front” costs, or investment costs, of the drug court process and of the criminal justice system process without drug court. Both of these processes lead to outcomes that are measured in terms of further transactions within the criminal justice system, as well as transactions associated with other systems that use public resources, such as social services. Due to time and funding restraints, for Phase I, we limited our investigation to criminal justice system outcomes and social service outcomes. However, social service data were not available in the detail we needed or for the time period we needed. Therefore, although we did collect social service data, they were largely unusable for this Phase. In Phase II we will continue to pursue avenues for collecting social service costs as well as other outcome costs.

The same types of outcome transactions occur for both the drug court participant group and the comparison group. Transactions that occur *after* the drug court eligible arrest (except those due to the eligible arrest) are considered outcome transactions.

## Criminal Justice System Transactions

- Arrests and Bookings
- Court Hearings
- Warrants
- Jail Time
- Prison Time
- Probation Time

## Social Services<sup>9</sup>

### *Welfare*

- Food Stamps
- TANF and General Assistance Payments
- Medicaid

### *Child Welfare*

- Reports Filed
- Investigations
- Cases Opened
- Children Removed
- Time in Foster Care

Once the transactions within the process were identified, in order to learn where resources were being used, it was necessary to determine which agencies were involved with each transaction.

### ***1b (3) Step 3: Identify the agencies involved in each transaction***

The agencies involved with each transaction were identified through three different methods: interviews, observations (e.g., of court session), and surveys. The interview questions were included in the Typology Interview Guide (see Appendix B) described in Step 1. Key agency staff members known to be involved in the processes under consideration were asked which additional agencies were involved in each transaction. If staff members were difficult to contact, or preferred to answer questions through e-mail or by facsimile, they were asked to respond in writing to the same questions. Observations of some transactions, such as drug court sessions and group treatment sessions, allowed us first-hand knowledge of the staff directly involved in these

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<sup>9</sup> Although social service transactions were identified and some information was collected, data at the level of detail necessary for cost analysis proved to be kept only for more current time periods which did not overlap with the dates of our cohorts. More information on the methodology involving social services can be found in Step 4 and in the section on lessons learned.

transactions. This knowledge was used to prompt responses from key informants during interviews and to verify the information gained from interviews and surveys.

***Ib (4) Step 4: Determine the resources used by each agency for each transaction***

This step resulted in the most variation in data collection methodology across sites. It involved several tasks in itself, specifically, gaining access to utilization and cost data, selection of the drug court participant cohorts and comparison cohorts, and collection of utilization and cost data on the individuals in those cohorts.

We expected to find data in several places. For example, we found **utilization data** (the resources used in terms of time or materials used and frequency of use) in both administrative data sets (electronic) and paper files. Because the transactions described above involved many agencies, it was necessary to find utilization and cost data for each agency. Sometimes this meant gathering data from different databases or paper files at each agency. Alternatively, some data related to multiple agencies could be found within single databases. For example, the drug court database at each site often contained information on participant utilization of superior court, district attorney, public defender, and treatment provider time and other resources.

**Learning About the Availability of Utilization and Cost Data.** In addition to the typology interview described above, questions were asked through phone, email, and site visits about the availability of the needed data at each site. A list of the types of data needed was given to drug court staff. They were asked to tell us whether they kept those types of data and if so, where and how the data were kept.

We attempted to find electronic data first, but were interested in data from paper files when electronic data were not available. Further information on the data availability at each site can be found in the section on site-specific methodologies and results. Once the availability of data was determined, but before it could be collected, it was necessary to gain access to the information.

**Gaining Access to Utilization and Cost Data.** Gaining access to data was the first step involved in selecting our samples and collecting quantitative data. Gaining access to data was a complex and often difficult task in itself. This was particularly true because of our use of the cohort approach (described above), which requires the use of individual-level data. Agency representatives almost always raised concerns about confidentiality. In response to these concerns, we developed a packet of information containing state and federal guidelines and penal codes relating to the release of confidential data for research purposes. We provided this packet to each agency from whom we were requesting data (See Appendix C). In addition, each of our project staff members received a background check by the California Department of Justice and received official approval to collect confidential criminal justice information. Each of our staff also signed a confidentiality form promising to keep all data confidential. This form, created by NPC Research, defines confidentiality, describes procedures for keeping information confidential and gives examples of what would constitute breaking confidentiality (See Appendix D). Finally, some agencies required that we go through a Memorandum of Understanding (MOU) process before allowing us access to their data. The MOU process varied according to agency, though generally an agency had a template or form already in place that we followed according to the agency protocol.

**Choosing the Drug Court Participant and Comparison Cohorts.** Before data could be collected at the individual level, it was necessary to select a cohort of individuals who had participated in drug court and a cohort of individuals who had not, as a comparison at each site.

### *The drug court participant cohorts*

The drug court participant samples, or cohorts, at each site were a set of individuals who had entered drug court during specified time periods (usually one fiscal year). Two separate cohorts (gathered from two time periods) of drug court participants were selected at each site: (1) A contemporary cohort of individuals who had recently gone through the program and (2) A past, or historical, cohort who had entered the drug court a year past the time of implementation.

The contemporary cohort was chosen to gather data on current program practices and program cost. Further, information available from the drug court databases on recent or current drug court participants was more complete and detailed than it was for those participants who entered the program early, before the database was created. More recent information was also more complete in non-drug court related databases, such as court data.

The past drug court cohort was chosen to allow the collection of outcome information for as long as possible after graduation. Individuals in the past sample were chosen from a time period at least a year after the implementation of each drug court in order to avoid any confounding factors related to the inevitable obstacles or setbacks that are experienced during any program startup period.

Both the contemporary and past samples had value in providing the information needed for this study. Both drug court cohorts included all people who entered drug court during specified time periods, regardless of whether they graduated, since participants use drug court resources whether they graduate or not. However, since this is a cost study, any participants who left the program two weeks or less after entering were not selected on the assumption that these individuals did not legitimately take part in the drug court program and did not use an appreciable amount of resources. Each of the Phase I sites had a database exclusively for their drug court clients which was designed for the purpose of tracking drug court participation although the software packages being used at each site were different and the databases were kept at different agencies. The drug court participant cohorts were selected using the drug court database at each site.

### Court 1 Drug Court Participant Cohorts

The database used to track Court 1's drug court participants is centered in the County Probation Department. It is a relational database modified for Court 1's drug court purposes.

Court 1's drug court opened for business in July 1995. The sample of **past** drug court participants consists of the 156 individuals who entered drug court between July 1, 1996, and June 30, 1997. The Court 1 sample of **contemporary** drug court participants consists of the 140 individuals who entered drug court between July 1, 1999, and June 30, 2000.

The cohorts from Court 1 are comprised predominantly of Caucasian men in their mid-thirties. Approximately 90% of both the drug court participant cohorts were Caucasian and two-thirds of each cohort were men. The drug court cohorts have similar mean ages (33 and 34 years respectively). Approximately half of the individuals in each of the drug court cohorts were single, while 30% were separated or divorced and 15% were married. Less than half (40 percent)

of individuals in the two drug court cohorts were employed upon entry into drug court. Further description of cohort demographics can be found in Appendix E.

### Court 2 Drug Court Participant Cohorts

The database for Court 2 is centered in the court's Information Services. A computer software firm was hired to design and build this web-based database specifically for the drug courts in the county. It contains extensive information on individual drug court participants from many different agency sources including the district attorney, the treatment provider and probation. Each agency can gain entry into the database through passwords that give differential levels of access. Information Services is still working to have even more data kept within this database, such as criminal history information.

The Court 2's drug court opened for business in May 1994. The sample of **past** drug court participants consists of the 115 individuals who entered drug court between July 1, 1995 and June 30, 1996. The sample of **contemporary** drug court participants consists of the 200 individuals who entered drug court between July 1, 1999, and June 30, 2000.

The drug court participant cohorts for Court 2 are comprised predominantly of men of color in their late thirties. Over 69% are either African American and/or Hispanic. Between 77% and 87% of each cohort is male. The mean age for each cohort is between 37 and 39. Further information on the demographics for our cohorts can be found in Appendix E.

### Court 3 Drug Court Participants

The database used by Court 3's drug court is centered in the county courts. It is a software package designed for use by drug courts and was purchased by Court 3's county from the firm that created it. A team assembled by an evaluator from a local California State University installed the database and added the historical data. It is accessible to several agencies connected to drug court. Current data are entered by both court and treatment provider staff. The database contains extensive individual level information on drug court participants including some criminal history information.

Court 3 opened for business in August 1997. The **past** sample of drug court participants consists of the 178 people who entered the program between August 1, 1997, and December 31, 1998. The **contemporary** sample of drug court participants consists of the 186 people who entered the program between January 1, 1999, and April 30, 2001. The longer time periods for the Court 3 cohort selection were due to this court having smaller numbers of drug court participants than the other two courts. A longer time period was necessary in order to obtain a cohort size similar to the other Phase I sites.

The cohorts for Court 3 are comprised predominantly of Caucasian men and women in their late thirties. Over three quarters of the individuals in each cohort are Caucasian. Fifty-eight percent of each cohort is male. The mean ages for the three cohorts range from 35 to 37 years. Please see Appendix E for a more complete description of the demographics for our cohorts.

### ***The comparison cohort***

As described in the NPC Research approach in Part 1, ideally, the comparison cohort is made up of offenders who are similar to those who have participated in drug court (e.g., similar demographics and criminal history), but have not participated in the drug court program. There are many strategies for gaining this type of comparison group, individuals who were offered drug

court but chose not to participate, individuals from before drug court implementation who would have been eligible, individuals who would be eligible for drug court but from a jurisdiction that does not have a drug court, or individuals who are participating in a diversion program that is not drug court, but has the same eligibility criteria. The benefits and drawbacks to each of these strategies were discussed in Part 1. Each site was approached with these different strategies in mind and then the comparison cohorts were chosen using one, or sometimes a combination, of the strategies based on the availability of data and on drug court policies, such as eligibility criteria. Partially due to the constraints of a particular site and partially in order to explore which type of comparison group gave us the most useful information, we used a different strategy at each of the Phase I sites.

### Court 1 Comparison Cohort

The Probation Department at Court 1 kept a Microsoft Excel file of participants in the PC1000 diversion program (a California penal code offering treatment in place of jail for first time drug offenders) that existed before the onset of drug court. Because the Court 1 drug court became the new PC1000 diversion program, the eligibility criteria were the same. The main treatment in the pre-drug court PC1000 diversion program consisted of watching a video on drug use and abuse and its consequences.

We selected the 197 individuals who entered the PC1000 program between July 1, 1993 and December 31, 1994, in order to have a sample from the time period as close to our past drug court participant group as possible, but before drug court started.

The cohorts from Court 1 are comprised predominantly of Caucasian men in their mid-thirties. Approximately 90% of the comparison cohort was Caucasian and two-thirds were men. The mean age was 37.5 and approximately half of the individuals were single, while 30% were separated or divorced and 15% were married. Further information on cohort demographics can be found in Appendix E.

### Court 2 Comparison Cohort

The selection of the comparison sample in Court 2 was a more complicated process. The County District Attorney's Office sent us a file of all individuals arrested on drug court eligible charges between July 1995 and June 1996. The two main reasons for choosing this time period was that it was the same time period as our past drug court sample, and the DA's database had more complete information (including numbers of cases and court dates) for this time period than for earlier time periods. We removed all people who entered drug court during the chosen time period. Although the charges from these arrests met the first eligibility criteria for drug court, it was necessary to understand the complete eligibility criteria for Court 2 and examine each individual's criminal history in order to determine whether an individual was actually eligible for drug court. For example, a common criterion for exclusion from drug court programs is a history of violent crimes. The Deputy District Attorney assigned to drug court trained two of our data collectors in the protocol for determining drug court eligibility. Overseen by the Deputy District Attorney, the data collectors used this protocol to review individuals' paper files and selected those who would have been eligible for drug court during the specified time period but did not participate in the program. Some of those selected for this sample may have been given the option to participate in drug court but chose not to, while others may not have been given the option of drug court due to the limited amount of program space or the limited number of public defenders who had a thorough understanding of the drug court process. (It was not possible to

differentiate between these two groups.) Similar to the past drug court participant sample, the comparison sample in Court 2 consisted of 202 individuals arrested between July 31, 1995, and June 1, 1996.

The comparison cohort for Court 2 was comprised predominantly of men of color in their late thirties. The comparison cohort was racially diverse: with approximately 8% Caucasian, 41% African American, and 48% Hispanic. Over 76% of the cohort was male. Thirty nine was the mean age. Further information on cohort demographics can be found in Appendix E.

### Court 3 Comparison Cohort

The County Drug Court Coordinator for Court 3 had kept a box of paper files on individuals who had been found eligible by the DA for drug court in the county but had chosen other options instead. These individuals were given the options of other diversion programs as well as the option of traditional court processing and their decisions were recorded. The fact that their decisions were recorded made these individuals of particular value to this study because we had some explanation for why individuals might choose not to participate in drug court, other than reasons related to lack of motivation to stop drug use. One half of the individuals selected a PC1000 diversion program (not the same as drug court), 25% of the cohort received traditional probation, and 25% of the cohort received other sentences, including fines, jail time, and community service. Although this comparison sample comes from a different drug court within the Court 3 County, we believe this is a valid comparison for several reasons; all four adult drug courts in that county are overseen by the same drug court coordinator in order to promote consistency; the drug court for these individuals had essentially the same eligibility criteria as Court 3; and the Deputy District Attorney assigned to drug court had determined these individuals eligible for drug court. The comparison sample was selected from these paper files to match as well as possible the ethnic and gender breakdown of the historical drug court sample. The comparison cohort for Court 3 consists of 218 individuals arrested on drug related charges between October 1, 1997, and October 1, 1999. Court 3 expressed concerns regarding the validity of including individuals eligible for PC1000 in the comparison sample. Details of these concerns as well as analyses with the PC1000 individuals removed from the comparison group can be found in Appendix G.

The comparison cohort for Court 3 was predominantly Caucasian men and women in their late thirties. Over three quarters of the individuals in the cohort were Caucasian, 58% of each cohort was male, and the mean age was 35 years. Further information on cohort demographics can be found in Appendix E.

**Collection of Utilization Data.** The specific amounts of resources consumed in the process of drug court and non-drug court practices are termed “units” and are used in this study as a multiplier for the cost per resource (unit cost) information described later. A unit is a single measurement of a resource being used. For example, an individual’s court hearing, or a single urinalysis would be considered a unit. Units can also be described in terms of time, e.g., a minute of court time. The collection of data for the generation of unit costs is described in Step 5.

Utilization data were collected in terms of the number of units and the frequency of use per individual. The data collected for Phase I were those units involved in each transaction, as described in Step 2 along with any descriptive data. For example, if the unit was an arrest, the descriptive data would be the charges associated with that arrest, which would tell us about the type of arrest. Descriptive data are important for two reasons; to help ensure that our participant

and comparison samples are equivalent (or allows us to control for it statistically when they are not) and gives us information that can be used to interpret our results. Below is a list of the unit data we attempted to collect at each site. We were successful in collecting the majority of the units on this list at every site.

- Demographics for every cohort (including age, gender, ethnicity and marital status)
- Charges associated with the drug court eligible arrest
- Hearings associated with the drug court eligible arrest
- Warrants associated with drug court eligible arrest
- Individual and group treatment sessions
- AA and NA meetings (although there is no taxpayer cost associated with these, it is useful process information)
- Urinalyses
- Drug Court fees
- Arrests subsequent to the drug court eligible arrest
- Charges associated with subsequent arrests
- Convictions associated with subsequent arrests
- Hearings associated with subsequent arrests
- Warrants associated with subsequent arrests
- Sentences for both subsequent arrests and the drug court eligible arrest
- Time served for both subsequent arrests and the drug court eligible arrest
- Welfare
- Child welfare

Where possible, we collected this information from administrative databases. In general, we either gave the list of names and other identifiers of the individuals in our cohorts to those who worked with the databases (in accordance with any rules or guidelines of confidentiality) and asked them for the variables we needed at the individual level. In some cases the complete database was given to us and we extracted the data on our cohorts ourselves. When electronic data were not available, we collected the information from paper files. There were rare instances in which the data were not kept at all, or were kept in such a manner that the difficulty and cost of obtaining it was not worth the benefits of having it. In these cases we did without that data for that site. This was the main purpose of having three sites in Phase I. If data were not available at one site, we could still learn about our methodology by collecting the data from other sites. Details on the sources of each type of data and which data were collected at each site can be found in the portion of this report entitled Product 3—the evaluation of this methodology.

The contemporary drug court cohorts did not have time to accrue any outcomes, so outcome specific units were collected only on the past drug court cohort. In contrast, most past drug court

cohorts did not have detailed information on the specific resources used during their participation in the drug court program, so the units of these resources were collected only on the contemporary cohort at two out of the three sites. This evaluation design assumes that the resources used by the contemporary cohort are similar to those used by the past cohort. Process information from our interviews suggests this is generally the case.

On-site data collection was generally performed by data collectors sent from NPC Research. Occasionally, when particular skills were needed in order to access the needed information, NPC Research would pay employees at some agencies, with the consent of the agency head, to collect the data for us during their off-hours. Data collectors performing on-site collection gathered information from paper files or databases that couldn't be accessed remotely, conducted interviews, and picked up requested budget or other cost information from key agency personnel. The unit data described above were collected from the courts, the District Attorney's office, the Public Defender's office, the treatment provider(s), Corrections, police, probation, and the Department of Social Services. Collection tools (such as Microsoft Access database) were developed for each type of data at each agency in order to ensure the consistency and quality of the data collected.

***1b (5) Step 5: Identify costs associated with activities performed by above agencies***

There were several different strategies used to approach the collection of cost data. Some information, such as public agency budgets, could be collected from state and county websites. The majority of the cost information, however, was gathered through in-person and telephone interviews and extensive electronic communications with court, law enforcement, probation, treatment, district attorney, and public defender staff members most familiar with the activities involved with each of the above-named transactions. Such interviews and other correspondence focused on sets of research questions specific to the activity under consideration. The transactional activities were described and the questions focused on frequency and duration of each activity episode and the numbers and types of personnel involved. For example, for the transaction of a drug court hearing, deputy district attorneys assigned to drug court would be asked how often they attended drug court sessions, the duration of a typical drug court session, the amount of time they took preparing for these sessions, and if there were any other staff whose time was used in support of drug court sessions. (Preparation time for drug court sessions was rolled into the cost of a session).

The research staff also conducted in-person and telephone interviews and exchanged electronic communications with agency and jurisdictional staff members who could assist in the identification of the cost of transactional activities. Typically the cost information was identified in three forms: (1) the hourly direct cost (usually labor cost, including fringes and benefits), associated with the agency staff members specifically involved in the transactional activity; (2) support cost (usually as a percentage of direct cost) in the form of the agency or department overhead; and, (3) jurisdictional overhead cost (usually as a percentage of direct cost). The research staff combined the direct transactional cost with the support and overhead costs to generate total per hour, per activity, and per unit cost factors. The information used to generate the unit cost data were verified at each site by key operating and financial management personnel involved with the drug court and non-drug court processes. Details on where general categories of information were found and how they were collected at the local level can be found in the section for product 3—the usability and effectiveness of this methodology.

### ***1b (6) Step 6: Calculate cost results***

The costs calculated for this study include the following six cost results:

- a. Cost per unit
- b. Cost per transaction
- c. “Up-front” or investment costs for drug court and non-drug court transactions
- d. Costs for drug court and non-drug court outcome transactions
- e. Avoided costs
- f. Preliminary cross-site cost proxies

Most of these results were calculated in the same manner for every site. The unit costs were the only costs that varied in their method of calculation. Any specific calculations used to determine unit costs that varied at each site can be found in the section on Product 2—preliminary cost results. Below are basic descriptions of the common calculations performed to obtain our cost and avoided cost results and to develop a small number of preliminary proxies.

**a. Cost Per Unit.** The costs incurred by each agency in terms of direct costs (staff time and materials) and indirect costs (support costs and overhead calculated as a percentage of the direct costs) involved in a transactional cost area were combined to create a total unit cost for each transaction. For instance, in the case of the cost of drug court sessions, the per hour cost for courts, law enforcement agencies, district attorney offices, public defender offices, treatment agencies, and probation agencies were combined to generate a total per hour cost for ***drug court sessions***. Using the average amount of time used per participant for a single drug court hearing, this cost *per hour* was then translated into the unit cost *per participant* for a single ***drug court hearing***. (Note: Drug court sessions should be differentiated from drug court hearings. A drug court session is the entire session, involving multiple drug court participants. A drug court hearing is the court appearance of a single drug court participant). In some cases, where specific financial or activity information related to a particular transaction was not forthcoming from a site, unit costs were constructed based on models developed for other sites and then modified to reflect cost-of-living, wage rate, overhead costs or other known differences for that site. Where applicable, these calculations are described more specifically in the section on Product 2—preliminary cost results. Also, a protocol developed for Phase I, in the form of a sample cost calculation worksheet, can be found in Appendix F.

**b. Cost Per Transaction.** Because the utilization data were collected on each individual in our drug court participant and comparison cohorts, it was possible to conduct an analysis of resource utilization for every transaction to determine the average number of “units” (e.g., the average number of treatment sessions, urinalyses, court sessions, arrests) used per individual for a particular cohort. In the case of the drug court cohorts, these averages were calculated using the entire cohort, whether the individuals had graduated or not. The average number of units was then multiplied by the cost per unit to determine the average cost of that transaction per individual. For example, if the average number of urinalyses (UAs) was 30, and the unit cost of a UA was \$5.00, the transactional cost of UAs for an individual in drug court, would be 30 (the number of units) multiplied by \$5 (the unit cost) resulting in an average cost of \$150. So the average transactional cost of urinalyses per individual for that drug court participant cohort was \$150. Such results can also be multiplied by 100 to get the cost of urinalyses for every hundred

individuals who go through that drug court program—a routine that can be of particular value to policymakers interested in aggregated cost implications.

**c. “Up-Front,” or Investment, Costs For Drug Court and Non-Drug Court Processes.** The costs for the drug court program and non-drug court process were calculated by simple addition of the average costs per individual for every transaction in the process. For example, the average cost per individual in the drug court program was the sum of the average costs of the following transactions minus the average fee paid to the drug court by each participant in the cohort. (Although the units of NA and AA group use were collected, no cost was assigned to these as no government funds are used to support these groups).

- Drug Court Sessions/Hearings
- Warrants
- Individual Treatment Sessions
- Group Treatment Sessions
- Urinalyses
- “Self-Help Groups” such as NA or AA.

An investment cost in comparable form was calculated for the comparison sample based upon an analysis of the costs of the transactions in the non-drug court judicial process: court sessions and warrants.

Since it was not possible to determine if comparison group members participated in any treatment, in order to ensure that the costs explored were of equivalent transactions, investment costs for the drug court cohorts were also calculated without the cost of the treatment transactions. These total program costs can be found in the section on Product 2—preliminary cost results.

**d. Costs for Drug Court and Non-Drug Court Outcome Transactions.** Outcome costs were calculated in the same manner as the investment costs described above. The average cost per individual for each outcome transaction was added to determine the average total outcome costs per individual. Because we could not obtain social service data for the time periods necessary for our sample, social service costs were not included in these outcomes.<sup>10</sup> This left us with criminal justice system outcomes associated with *recidivism*. Recidivism is defined in this study as re-arrests, and then all transactions associated with those re-arrests including court appearances, warrants, probation, jail and prison time served, and victimizations. The same outcome transactions were used for both the drug court participant cohorts and the comparison cohorts. The average costs per individual for the following outcome transactions were summed to obtain the average total outcome cost per individual for each cohort:

- Arrests and Bookings
- Court Hearings and Trials
- Warrants
- Jail Time

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<sup>10</sup> Social Service Outcome Costs will be further explored in Phase II.

- Prison Time
- Probation Time
- Violations of Parole or Probation
- Victimitizations<sup>11</sup>

As with the investment costs described above, this average cost per individual can be multiplied by 100 to obtain the total outcome costs per 100 individuals who participated in drug court and per 100 individuals who did not. The outcome costs for each Phase I site are presented in the section on Product 2—preliminary cost results.

**e. Avoided costs.** Once the average total costs for drug court, the comparison court process, and the recidivism outcomes were calculated, we were able to use the data to examine any avoided costs generated by drug courts. For each court we computed several items, described below.

- *Gross avoided costs:* The avoided costs for each court were computed by subtracting the outcome costs for the drug court cohort from the outcome costs for the comparison cohort.
- *Net avoided costs:* The net avoided cost in each court was computed by subtracting the initial investment in drug court, minus the investment in the comparison group, from the gross avoided cost.
- *Return on investment:* The return on investment for each court was computed by dividing the gross avoided cost by the initial investment. The result signifies the amount returned on every dollar invested.

We computed each of the above items using the drug court cohorts as a whole, which includes both graduates and non-graduates. The avoided costs for each Phase I site are presented in the section on Product 2—preliminary cost and avoided cost results.

**f. Calculating Preliminary Cross-Site Proxies.** A small number of preliminary proxies were created from the cost results by the simple expedient of finding the unit costs that were very similar in two of the three courts, or in all three courts, and taking an average of those costs. In order to create cross-site proxies the unit costs had to converge to the extent that taking an average was statistically reasonable. Because of the small number of courts in Phase I, this convergence happened only in a small number of cases. We anticipate that the larger number of courts in Phase II should present a higher probability for the emergence of convergent costs for similar activities among sites, thus presenting more opportunities for the identification of useful

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<sup>11</sup> This figure assumes than an average of four crimes of these types were committed for every one that resulted in an arrest (based on United States Bureau of Justice Statistics National Crime Vicitimization Survey). The National Institute of Justice's *Victim Costs and Consequences: A New Look* documents losses per criminal victimization, including attempts, in a number of categories, including fatal crimes, child abuse, rape and sexual assault, other assaults, robbery, drunk driving, arson, larceny, burglary, and motor vehicle theft. The reported costs include lost productivity, medical care, mental health care, police and fire services, victim services, property loss and damage, and quality of life. In our study, re-arrest charges (i.e. charges incurred after the initial drug cort eligible) were tracked and categorized as violent or property crimes, and therefore costs from the victimization study were averaged for rape and sexual assault, other assaults, and robbery and attempted robbery to create an estimated cost for violent crimes, and arson, larceny and attempted larceny, burglary and attempted burglary, and motor vehicle theft were averaged for an estimated property crime cost. National Institute of Justice Research Report, *Victim Costs and Consequences: A New Look* (January 1996).

cross-site proxies. Those preliminary proxies developed in Phase I are presented in the section on Product 2—preliminary cost results.

### **1c. Product 1 Summary**

Product 1 consists of the preliminary methodology developed during Phase I of this evaluation. There are six key steps in this methodology that involve learning about drug court and non-drug court process, identifying the transactions within this process, identifying the agencies involved in each transaction, determining the resources used during each transaction, determining the cost of those resources, and the calculating overall costs. Although these steps are defined, the protocols used to follow these steps varied somewhat at each Phase I site due to differences in where sites kept their data and in what form. Much was learned in developing the methodology in Phase I that will help refine these methods and protocols for Phase II. These refinements are discussed in Product 3—the evaluation of NPC Research’s approach to cost evaluation.

## **2. Product 2 – Preliminary Costs and Avoided Costs and Promising Proxies**

The purpose of Phase I was to develop a methodology that can be used to measure the investment and avoided costs of drug courts. The discussion below highlights the type of data the TCA approach provides (including transaction costs, opportunity resources, total costs, and possible proxies), gives selected examples of such data from our study sites, and illustrates how this information is useful to policymakers and program managers.<sup>12</sup> These analyses are intended to highlight some of the cost/avoided cost and outcome results that can be obtained with the database created from the methodology developed in this study. Therefore, in-depth interpretation of these results is not attempted in this report.

Gathering information on the costs of the transactions that make up drug court and the *business-as-usual* process can aid policymakers and program managers in making sound program planning and budgeting decisions. We use the term business-as-usual to describe whatever court process exists without drug court. This includes other diversion programs, as well as traditional court processes. The TCA methodology provides unit costs for the transactions involved in drug court along with the transactions involved in the business-as-usual process. Below are examples of unit costs gathered with this methodology.

### **2a. Drug Court Hearings**

The cost of a drug court hearing varies in the three study sites, as does the average number of hearings attended by drug court participants. Table 2 displays the drug court hearing per-participant cost, the average number of hearings, and the total per-participant cost for drug court hearings at each study site.

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<sup>12</sup> The purpose of Phase I was to develop and test NPC’s TCA methodology, and therefore, this chapter uses *selected examples* that illustrate the type of data we were able to collect, and the type of analyses were able to conduct, with this methodology.

**Table 2. Cost of Drug Court Hearings**

<b>Site</b>	<b>Per-participant/per hearing cost</b>	<b>Average number of hearings</b>	<b>Total per-participant cost</b>
Court 1	\$207	22	\$4,509
Court 2	\$206	6	\$1,236
Court 3	\$82	26	\$2,126

As illustrated in Table 2, Courts 1 and 2 have almost identical per-participant costs for a drug court hearing. This is remarkable since one is a smaller court in a mixed urban and rural setting and the other is a court in a very large urban environment. Court 3, however, has a much lower cost per participant per hearing than the others. This lower cost is a result of the fact that Court 3 reported fewer support staff and less use of other resources in the drug court transaction than the other two courts. While the results from three sites can only be viewed as preliminary, they leave open the possibility that we may be able to proxy this unit cost in the future by knowing the number and types of court staff involved.

The other important element is the number of hearings that occur per participant. Courts 1 and 3 have a similar average number of hearings per participant, whereas Court 2 has a much lower average number of hearings. The explanation is that Courts 1 and 3 require more frequent drug court hearings as part of its program than does Court 2, while Court 2—as we shall see in the next section—places a greater emphasis on treatment components.

Once we complete Phase II, we will have sufficient data to draw some conclusions and craft our self-evaluation tool. For instance, we may find that by simply asking the local court about the level of involvement of various actors in a drug court hearing transaction (e.g., judge, district attorney’s office, bailiff, administrative support) for a local court, and the relative importance of drug court hearings in their program, we may be able to proxy their hearing costs.

***2b. Non-Drug Court Case Court Unit Costs (for the Drug Court Eligible Charge)***

Non-drug court cases for the drug court eligible charge were grouped into two categories: those cases that go to trial (“trial cases”), and all other cases (“non-trial cases”). It should be noted here that the majority of cases do not go to trial, but are pled out under lesser charges. Accordingly, “non-trial cases” include those cases in which a plea bargain occurred. Table 3 displays the cost for each of these types of cases.

**Table 3. Unit Cost of Non-Drug Court Cases for Drug Court Eligible Charges**

Site	Trial case cost	Non-trial case cost
Court 1	\$18,170	\$969
Court 2	\$11,742	\$681
Court 3	\$9,125	\$526

The courts varied widely on the court processing costs for non-drug court participants. This variation reflects significant differences in how each court's criminal justice system handles those individuals who were eligible for drug court but did not receive drug court. The most interesting aspect of comparing this table with the previous table is that it reveals that the relative cost of drug court depends greatly on whether the policy alternative to drug court regularly involves a trial for offenders or whether the charges are either not pursued or pled out under lesser charges. Courts in which offenders commonly take their cases to trial will clearly save money by processing these individuals through drug court instead. In courts where the alternative for these drug court eligible offenses usually does not involve trial, drug court is clearly the more expensive option.

### **2c. Substance Abuse Treatment Costs**

As described in the methodology, the drug court treatment components included in this study are outpatient individual and group outpatient counseling sessions. Only one of the study courts utilized residential treatment at the time our samples participated in drug court, and data on the utilization of residential treatment were not available from this court. Table 4 displays the cost and utilization data for outpatient treatment at each study site.

**Table 4. Outpatient Treatment Costs**

	Cost per session	Average utilization per participant	Total per-participant cost
Court 1			
Group sessions	\$40 <sup>13</sup>	18	\$717
Individual sessions	\$40	22	\$860
Court 2			
Group sessions	\$45	162	\$7,275
Individual sessions	\$68	40	\$2,722
Court 3			
Group sessions	\$55	116	\$6,334
Individual sessions	\$110	10	\$1,099

<sup>13</sup> Court 1 was unable to provide us with the necessary information to construct a cost for a group counseling session so the cost of an individual session is used as an upper bound estimate.

As Table 4 illustrates, the cost of group sessions is relatively similar among all the sites, while the cost of individual treatment varies widely. Although we will need the data from Phase II to confirm this finding, the preliminary results suggest that we may be able to provide a reasonable proxy for the cost of group sessions for a local court but may not be able to do that with individual sessions. It is widely believed that most treatment providers utilize group sessions over individual sessions and, except for Court 1, our data confirm this belief.

The utilization of treatment services varies widely among the three courts. As we determined in our process interviews, Court 2’s program model places a greater emphasis on frequent treatment sessions than does Court 1 or Court 3.

**2d. Incarceration for the Drug Court Eligible Offense**

Data were collected on the costs and use of jail and prison sentences for the drug court and comparison samples’ eligible offenses. Table 5 presents the incarceration cost data for each site for the eligible offense **only**. For the drug court participant cohort, these incarceration costs do not include incarceration used as a sanction while participating in drug court. These are costs due to those who were terminated from drug court and subsequently had incarceration as a part of their drug court sentence. For the comparison cohort, these costs are due to incarceration as a consequence of their drug court eligible crime only. Incarceration costs on outcomes (any incarcerations due to re-arrests **after** the drug court-eligible arrest) are presented later in this section.

Note: The drug court participant and comparison cohorts were chosen based on the same eligibility criteria, and therefore had similar criminal histories. The cohorts were also compared on age, ethnicity, and gender—any differences were not statistically significant.

**Table 5. Incarceration Costs for Drug Court Eligible Offense ONLY**

	Court 1		Court 2		Court 3	
	Drug court sample	Comparison sample	Drug court sample	Comparison sample	Drug court sample	Comparison sample
<b>Jail</b>						
Bed day cost per individual	\$59	\$59	\$70	\$70	\$86 <sup>a</sup>	\$86 <sup>a</sup>
Average days	0.6	5.8	23.5	58	35	20
Total cost	\$35	\$341	\$1,649	\$4,069	\$3,423	\$2,070
<b>Prison</b>						
Bed day cost <sup>b</sup>	\$75	\$75	\$75	\$75	\$75	\$75
Average days	6	12	12	54	45	6
Total cost	\$448	\$897	\$897	\$4,034	\$3,362	\$448
<b>Total incarceration costs</b>	<b>\$483</b>	<b>\$1,238</b>	<b>\$2,546</b>	<b>\$8,103</b>	<b>\$6,785</b>	<b>\$2,518</b>

<sup>a</sup> There are six jail facilities used by Court 3, and this cost is the average of all six. We used the individual facility cost and utilization data when calculating total costs, however.

<sup>b</sup> Prison bed days were calculated from the State Correction Website.

One of the most striking features of these data (which is largely true for all the other data) is that the variation in cost among sites is largely a function of their differences in the number of times a transaction occurs (e.g., a jail bed day) rather than the unit costs. The unit costs vary somewhat but not nearly as much as the utilization of those units. This suggests that a cost analysis that counted the number of jail bed days that were used with some accuracy but could only proxy the cost per jail bed day would produce results similar to those found above.

Table 5 indicates that in Courts 1 and 2, individuals in the drug court cohorts spent less time in jail or prison for their drug court-eligible offense than individuals in the comparison cohort. This is consistent with the idea that drug courts save money for corrections through decreased use of jail and prison. However, in Court 3, individuals who fail out of drug court are sentenced to more time in jail and prison than the individuals in the comparison group for the same drug court eligible charge. There is no explicit policy in Court 3 to be more punitive with drug court failures than with individuals with similar charges who do not enter drug court. It should be noted, however, that the comparison sample at Court 3 was actually a group of individuals at an adjacent court in the same jurisdiction. It is possible, therefore, that the two courts differ in the severity of sentences typically imposed, and therefore, these results could be an artifact of sample selection rather than differential treatment for drug court participants. Additionally, the inclusion of PC1000 individuals in the comparison group may affect the analyses. See Appendix G. for analyses excluding PC1000 individuals. It should also be noted that comparing the number of days spent in jail or prison by drug court participants across the courts, Court 3 has clearly the highest level of use. This practice clearly increases the costs associated with drug court.

## ***2e. Investments and Avoided Costs of Drug Court by Agency***

The drug court participant cohorts at all three Phase I sites experienced lower recidivism than the comparison cohorts. All of the agencies involved in the drug court programs make an initial investment for each drug court participant with the hope that over time this investment will be outweighed by avoided costs. NPC's TCA model allows for the compilation of investment and avoided costs for each agency involved in drug courts, which in turn can aid policymakers and agency administrators with program planning and budgeting decisions. The examples below (Table 6), which are from only one court, illustrate the type of data available at the agency level as well as how these data are useful to policymakers. Knowing how much an agency spends on drug court, and on its component transactions, and how much that agency will save over time, allows the agency to plan alternative uses for its cost savings (opportunity resources). In the particular case below it also suggests that the avoided costs are not always experienced by the same agency that put in the most resources.

**Table 6. Investments and Avoided Costs by Agency over Four Years  
(per 100 participants)**

<b>Agency</b>	<b>Investment</b>	<b>Cost Avoidance (due to outcomes)</b>
Superior Court	\$99,353	\$1,166
District Attorney	\$36,550	- \$579
Public Defender	- \$7,644	- \$2,050
Probation	\$109,865	\$24,174
Law Enforcement	\$141,060	\$100,281
CA Department of Corrections	\$0	\$584,945
Victimization costs		\$695,000 <sup>14</sup>
<b>Total Criminal Justice System</b>	<b>\$379,184</b>	<b>\$1,399,187</b>

When the investment of the criminal justice system in drug court at this site is taken as a whole and compared to costs avoided (victimization costs to the taxpayer are included), the return is well worth the investment. Yet, an examination of the specific criminal justice agencies reveals an uneven picture. In Court 1, the District Attorney’s office experienced a small negative cost avoidance (a loss) after four years, as did the Public Defender’s office. This is due to the fact that, although the drug court participants were rearrested less often than the comparison group, when the participants *were* rearrested, they went to trial more often, which uses a substantial amount of attorney time. Note, however, that the public defender actually had a negative investment as well. That is, the public defender spent less on drug court than it did on non-drug court processes. Therefore, the Public Defender’s office in Court 1 still saves money by participating in drug court in spite of a negative cost avoidance for outcomes.

Superior court, probation and law enforcement experienced some cost avoidance after four years but do not recoup their initial investments. This is, for the most part, due to the larger number of subsequent trials for drug court participants. Most of these subsequent trials occurred in the first year after entry in drug court. This may well be a function of the fact that this is a pre-plea drug court and that drug court participants, since they have not plead guilty, can go to trial. In contrast, law enforcement almost re-covers its investment and probably would have if our time frame had been longer.

It is clear from the above data that the biggest beneficiary due to drug court is the California Department of Corrections, which has little investment costs in drug courts but saves over half a million dollars for every 100 individuals who enter drug court.

Not included in these criminal justice system costs are the avoided costs to taxpayers from reduced victimization due to lessened criminal activity for drug court participants. Adding this

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<sup>14</sup> This figure assumes that an average of four crimes of these types were committed for every one that resulted in an arrests (based on the national Victimization Survey)

into the equation results in a total avoided cost of \$1,399,187 for every 100 participants in drug court, whether they graduate or not.

The ability to isolate investments and avoided costs (savings) by agency is a powerful tool for policymakers and program managers. This information helps clarify where the money is being spent and where the benefits occur. The above table suggests that, although the system as a whole is experiencing a savings, the individual agencies that invest the most in drug courts are not the agencies that experience the cost savings. One policy decision might be that, because the system does see a savings due to drug court, the agencies that invest the most be recompensed for their investment.

## ***2f. Available Jail and Prison Opportunity Resources***

If drug court programs are successful in reducing recidivism among participants, it follows that the number and length of subsequent jail and prison stays should be reduced. Our TCA methodology allows us to isolate the number of jail and prison bed days saved along with the resulting cost avoidance. Over the course of 4 years, Court 1 realized a cost avoidance of \$93,231 per 100 drug court participants (regardless of whether they graduated or terminated from the program) in jail days served and \$584,945 per 100 participants in prison days. Thus, local jails had almost 16 jail bed days for every drug court participant available for other offenders, and the California prison system had 78 prison bed days per participant available for other offenders. Court 2 had similar results: over the course of 5 years, the court saved \$174,705 per 100 participants in jail days (the equivalent of 25 bed days for each drug court participant available for other offenders) and \$714,933 per 100 participants in prison days (the equivalent of 96 bed days for each drug court participant available for other offenders). (We did not have data for 4 years for Court 3).

The sheriff's departments that run the jails and the California Department of Corrections can choose, then, whether to use the available resources to offer enhanced services to existing offenders or to house additional offenders.

## ***2g. Total Outcome Costs***

As described in the methodology (Product 1), the outcome costs included in this study are re-arrest costs; costs for trial and non-trial cases; jail, prison, and probation costs; warrant costs; and victimization costs. The average cost per individual in each cohort for each outcome transaction were summed to achieve the total average cost per participant. This per participant total was then multiplied by 100 to achieve the cost per 100 individuals, (which is approximately the number of individuals in a mid-sized drug court). Four years of outcome data were available for Court 1, 5 years were available for Court 2, and 2 years were available for Court 3. Because there were differing time periods of outcome data for each site, we present these data year by year for more convenient comparison.

**Table 7. Court 1 Outcome Costs Per 100 Participants**

<b>Year</b>	<b>Drug Court Sample</b>	<b>Comparison Sample</b>
Year 1	\$ 200,999	\$ 329,523
Year 2	\$ 135,367	\$ 344,679
Year 3	\$ 82,458	\$ 291,673
Year 4	\$ 211,047	\$ 385,853

Table 7 displays the outcome costs for Court 1. Each year the costs for the comparison sample are higher than for the drug court sample, indicating that comparison sample individuals are more likely to be re-arrested and have higher resultant case processing and sentencing costs.

**Table 8. Court 2 Outcome Costs Per 100 Participants**

<b>Year</b>	<b>Drug Court Sample</b>	<b>Comparison Sample</b>
Year 1	\$ 1,046,582	\$ 2,150,564
Year 2	\$ 845,235	\$ 926,932
Year 3	\$ 824,792	\$ 620,527
Year 4	\$ 402,697	\$ 613,061
Year 5	\$ 458,282	\$ 474,627

Table 8 lists the outcome costs for Court 2. In 4 out of the 5 years, the drug court sample has lower outcome costs than the comparison sample, but in Year 3 the drug court sample actually was re-arrested more than the comparison sample, resulting in higher costs. We do not know the reason for this. It is interesting to note that outcome costs in Court 2 are higher than Court 1's outcome costs due to the fact that individuals at Court 2 had higher re-arrest rates in general than Court 1 individuals, likely a reflection of the higher crime environment in this very urban setting.

**Table 9. Court 3 Outcome Costs Per 100 Participants<sup>15</sup>**

<b>Year</b>	<b>Drug Court Sample</b>	<b>Comparison Sample</b>
Year 1	\$ 1,167,680	\$ 851,179
Year 2	\$ 297,565	\$ 505,649

The outcome costs for Court 3 are displayed in Table 9 above. The drug court sample has much higher outcome costs in Year 1 than the comparison sample. This high cost can be partially

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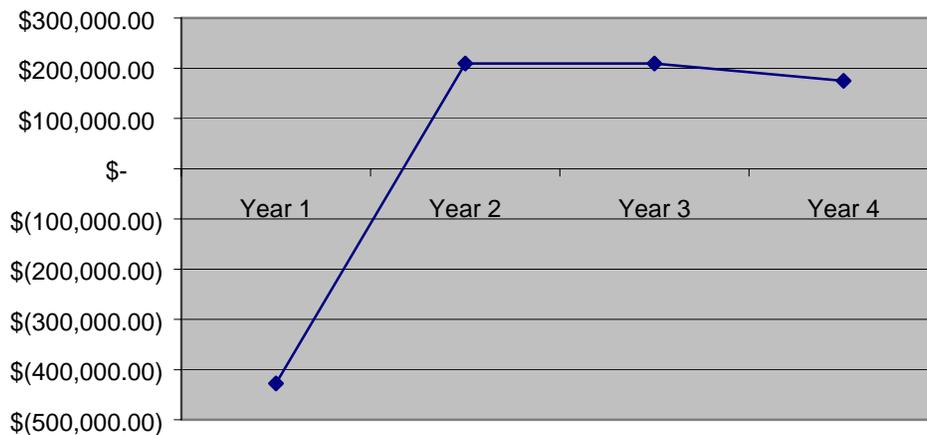
<sup>15</sup> Appendix G. contains additional analyses resulting in different outcome costs for Court 3.

explained by the fact that the Court 3 drug court participants have more severe jail and prison sentences than the comparison sample individuals have for their drug court-eligible offense. Court 3 policymakers may wish to examine this discrepant treatment in light of the fact that it results in inflated costs for the drug court.

**2h. Total Avoided Costs**

Once investment and outcome costs have been determined, it is possible to compute the total avoided costs due to drug court. Figure 1 displays the per-year avoided costs for Court 1.

**Figure 1. Court 1 Avoided Costs Per 100 Participants**



The negative avoided costs in Year 1 are due to the large initial investment in drug court (\$667,800), which is not outweighed by the \$129,493 in net avoided costs realized in the first year. However, Court 1 realizes avoided costs in Years 2 through 4 (approximately \$200,000 each year), and by Year 4 the court has paid off the initial investment and is realizing cost savings. Court 1 realizes avoided costs of \$165,763 per 100 participants over the four years. For every dollar that Court 1 invests on drug court, it returns an additional \$1.30 in avoided costs over four years. Should the trend in avoided costs continue, Court 1 will recognize additional avoided costs each subsequent year, in the form of approximately \$200,000 per year for every 100 participants. With this trend, by the ninth year after a participant enters drug court, Court 1 would see \$1,000,000 saved for every 100 drug court participants.

**Figure 2. Court 2 Avoided Costs Per 100 Participants**

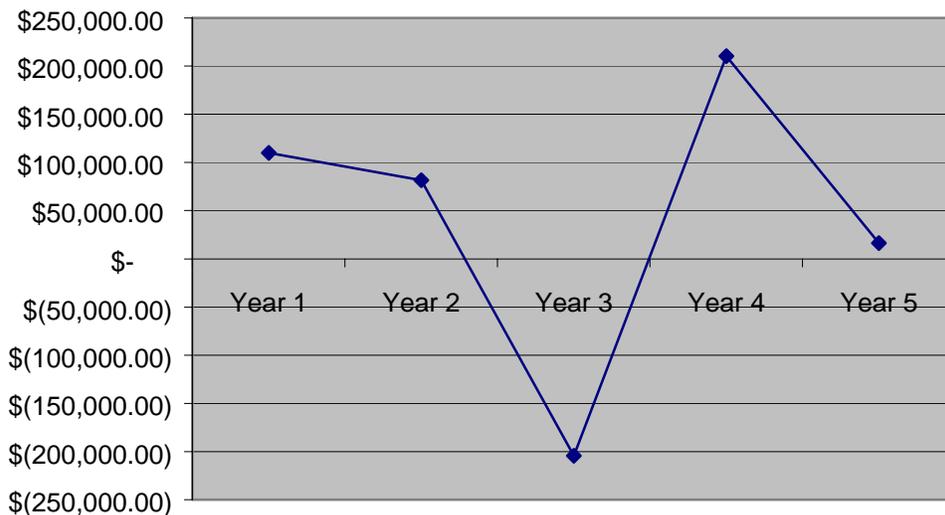
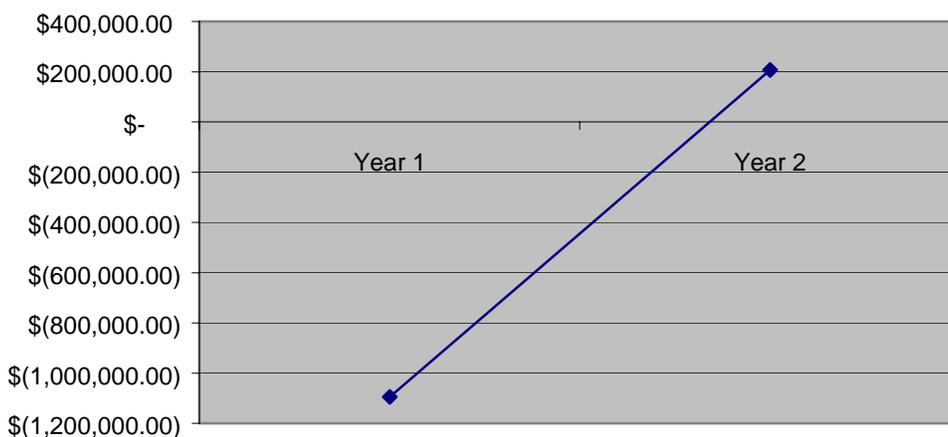


Figure 2 illustrates the avoided costs for Court 2 over the course of five years. Unlike Court 1, Court 2 sees cost savings in Year 1. The comparison sample outcome costs are significantly higher than the drug court sample outcome costs during Year 1, and this difference more than offsets the Court's considerable initial investment costs during Year 1. The court continues to recognize avoided costs in Year 2, but in Year 3 the higher outcome costs for the drug court sample results in a loss for the court. Avoided costs resume in Year 4, and in Year 5 the court realizes neither savings nor losses. This uneven pattern results in overall avoided costs of \$214,114 per 100 participants over the course of five years.

**Figure 3. Court 3 Avoided Costs Per 100 Participants**



Only two years of outcome data were available for Court 3, and the annual avoided costs for this court are displayed in Figure 3. The large loss during Year 1 is attributable both to the large initial investment in drug court and to the harsher sentences for drug court failures, as described above. However, by Year 2 the court is realizing cost savings of approximately \$207,558 per 100 participants. Based only on these two years of data, it appears that Court 3 has suffered a loss of \$887,672. However, it is possible that the court would realize additional cost savings in subsequent years so that the court would eventually see a return on its investment.

Our study data indicate that both Courts 1 and 2 have avoided costs due to reduced recidivism among drug court participants, and we may have found avoided costs for Court 3 if we had additional years of outcome data. This illustrates the importance for researchers to collect long-term outcome data. This also illustrates the necessity for policymakers to take the long view when deciding on the allocation of program funds, if they want to see a large return on their investments.

Further research could investigate what components of drug court, what combination of services (hearings and treatment), and what amount of services result in the most cost-effective programs.

## **2i. Possible Phase II Proxies**

Because three sites (three data points) are not sufficient for the development of valid cross-site proxies, valid proxies are a product of Phase II of this study. However, a small number of preliminary proxies that appear promising were created from the cost results by the simple expedient of finding the unit costs that were very similar in two of the three courts, or in all three courts, and taking an average of those costs. The following table (Table 10) contains some cost results that were similar in the Phase I sites and will therefore be of particular interest in the Phase II sites.

**Table 10. Promising Proxies**

<b>Agency</b>	<b>Transaction</b>	<b>Proxy (Unit cost per individual)</b>
Superior Court	Drug Court sessions	\$65.00
	Felony Trials	\$978.00
	Arraignments	\$97.24
	Short Hearings	\$72.93
Law Enforcement	Drug Court sessions	\$33.50
	Arrests	\$220.21
	Court Appearances	\$196.58

The proxies presented in this table are costs that occur within the criminal justice system. An explanation for the similarity in these costs across three counties may be that the organization of the criminal justice system is highly influenced by state and federal policies. These proxies and other costs that were similar in at least two of the three Phase I sites will be tested in Phase II by examining the convergence for unit costs in the Phase II courts with the Phase I numbers. The larger number of sites in Phase II, combined with the three from Phase I, should allow for a

greater chance of identifying those costs that converge over multiple sites, or for determining that a cross-site proxy is not possible for some unit costs. Following is a description of the different types of proxies that will be explored and developed in Phase II.

### ***2i (1) Cross-site proxies***

Data from the three Phase I sites and the additional five Phase II sites can be compared to determine where there are similarities in costs or in utilization. Convergence across sites on certain transactions will indicate that it is reasonable to include those transaction costs as proxies in the self-evaluation tool.

The data collected during Phase I suggest some preliminary transactions that may be used as proxies. For example, total drug court hearing costs are nearly identical in two of the three Phase I sites (\$206 at Court 2 and \$207 at Court 1). In addition, two of the courts have similar re-arrest costs (\$225 at Court 1 and \$218 at Court 3). In several areas costs differ somewhat among the three sites, but fall within a discrete range. For example, group counseling costs appear relatively consistent across the three Phase I sites (ranging from \$40 to \$55 per session), and all three sites have similar jail costs (ranging from \$59 to \$84 per day). Data from the additional Phase II sites will inform whether these similarities are simply a result of chance, or whether these trends are observable across a greater number of sites.

### ***2i (2) Local proxies***

Local drug court programs may have easy access to data that could serve as proxies in areas where cross-site proxies do not emerge. For example, many programs may know how large their annual treatment budget is; dividing this budget by the annual number of drug court participants can give an estimate of the amount spent on treatment per participant. In Phase II we will ask sites what data they have readily available, and we will compare the cost estimates generated by these data with the cost estimates we generate with the detailed collection of data using TCA model. This will allow us to identify which, if any, of these methods generate estimates similar to the more rigorous TCA methodology. The self-evaluation tool will include the methodology for any successful local proxies.

### ***2i (3) State and national proxies***

There may be some state or national statistics that can serve as proxies when using the TCA methodology or local proxies are not possible. For example, in Phase I we used national estimates on the cost of victimization, because generating site-specific victimization estimates is simply outside the scope of this drug court cost evaluation. There also may be state or national data that we can compare to data generated either through the TCA model or through local proxies to determine whether state or national statistics can fairly represent costs at the local level. Where appropriate, we will include these state and national proxies in the self-evaluation tool for programs to use in lieu of generating local proxies.

### ***2i (4) Comparison group proxy***

An important component of both Phase I and Phase II of this cost evaluation involves collecting data on comparison group individuals to determine the avoided costs of drug court compared to business-as-usual. Individual drug court programs, however, when using the self-evaluation tool, cannot be expected to identify and collect data on a comparison group. Therefore, an important component of Phase II will be the creation of a comparison group proxy for use in the self-

evaluation tool. We will use a combination of cross-site and state and national proxies to determine a reliable estimate of the business-as-usual process for drug court eligible individuals as well as the annual outcome costs associated with such individuals. When using the self-evaluation tool, then, courts will be able to compare their drug court costs and outcomes to the costs and outcomes associated with this proxy comparison group.

## **2j. Product 2 Summary**

The results of the cost calculations for this study demonstrated the effectiveness of NPC Research's TCA approach. We were able to calculate costs at many levels including the unit costs (e.g., costs per drug court hearing, costs per urinalysis), the costs per individual for each agency, the total costs per individual for the program, and the total costs per individual to the system. Data gathered on both a drug court participant cohort and a comparison ("business-as-usual") cohort allowed us to calculate the avoided costs due to drug court. The costs and avoided costs per agency were useful for determining both where in the system money was being spent and where it was being saved. This is helpful information for policymakers and program managers when they are deciding on the allocation of funds. An examination of the unit costs revealed that some were similar enough across three sites to be considered as possible proxies to be tested in Phase II. Upon calculating the total costs, we found that, after an initial large investment cost, the system saved money over time on drug court participants due to lower recidivism.

The following section on Product 3 is a discussion of the usability, practicality and effectiveness of the NPC methodology and approach to cost analysis used in Phase I. This includes a description of where to find the various types of data for use in this methodology, as well as a description of the refinements that will be made in the Phase II methodology and protocols, based on the experiences gained in Phase I.

### **3. Product 3 – An Evaluation of the NPC Approach to Cost Evaluation**

There were two main concerns in Phase I around the development of the methodology using the NPC Research approach. One concern involved the availability of the data. Did the data exist? Were the data accessible? Were the data available in a format that could be collected by researchers in a reasonable amount of time? The second concern involved the optimal method to collect the necessary data and the determination of which data were really necessary for the calculation of costs. Were the methods and protocols developed and used to gather data in Phase I optimal? How could these methods and protocols be refined and improved? Were any data gathered that were later found to be unnecessary for the final calculation of cost or as an explanation of the results?

The answers to the previous questions together with the results calculated from the gathered data helped us determine if the NPC Research approach to cost analysis was a usable, practical and effective model for conducting an evaluation of drug court costs and avoided costs. If the data were findable and accessible with a reasonable amount of time and effort, or if the methodology could be refined to become more efficient, then the method was usable and practical. If the calculated results were useful to researchers, program practitioners and policymakers, then the methodology was effective. Product 2, the cost results, has demonstrated the usefulness of this methodology. The following describes where to find the data necessary for cost calculations and the accessibility of these data.

### 3a. Availability of Utilization Data

NPC Research’s approach cost analysis required that drug court and non-drug court client utilization data be available at the individual level. It also required that cost information (such as staff salaries, staffing patterns, and overhead rates) be available for each agency involved with drug court and non-drug court transactions. The real key was in whether the data existed at all.

We found that, in general, these data did exist and were accessible to us at each site. The ease of access and the effort involved with collecting the data varied across sites. Below is a table (table 11) that contains a description of where specific client utilization data were generally found.

Following the table are our preliminary conclusions, based on our experience in the three Phase I sites, about the ease of access, and the best places and methods to use in the collection of these type of data. Also below is a similar description and preliminary conclusions on the optimal places to look for the information necessary for calculating unit costs.

**Table 11. Unit Data and Sources**

Unit Data item	Court 1		Court 2		Court 3	
	Source	Form	Source	Form	Source	Form
Demographics (gathered on all samples)	Probation Department	Electronic files from database	Information Services Department	Electronic files from database	County Courts	Electronic files from database
Drug Court eligible case court information (gathered on all samples)						
Charges	Probation Department	Paper files (rap sheets)	Information Services Department	Electronic files from database and paper files (rap sheets)	County Courts and Sheriff Department	Electronic files from database And hand transfer from database
Hearings	Superior Court	Printouts from electronic database	Office of the District Attorney	Printouts from electronic database	Sheriff Department	Printouts from electronic database
Warrants	Superior Court	Printouts from electronic database	Office of the District Attorney	Printouts from electronic database	Sheriff Department	Printouts from electronic database
Drug court treatment information (gathered on current drug court sample only)						
Individual and group sessions	Probation Department	Paper files	Information Services Department	Electronic files from database	County Courts	Electronic files from database
AA and NA meetings	Probation Department	Paper files	Information Services Department	Electronic files from database	County Courts	Electronic files from database

Unit Data item	Court 1		Court 2		Court 3	
	Source	Form	Source	Form	Source	Form
Urinalyses	Probation Department	Electronic files from database	Information Services Department	Electronic files from database	County Courts	Electronic files from database
Fees	Probation Department	Paper files	Information Services Department	Electronic files from database	County Courts	Electronic files from database
Subsequent criminal involvement (gathered on past drug court and comparison samples only)						
Arrests	Superior Court	Printouts from electronic database	Sheriff Department	Printouts from electronic database	Sheriff Department	Printouts from electronic database
Charges	Superior Court	Printouts from electronic database	Sheriff Department	Printouts from electronic database	Sheriff Department	Printouts from electronic database
Convictions	Superior Court	Printouts from electronic database	Sheriff Department	Printouts from electronic database	Sheriff Department	Printouts from electronic database
Hearings	Superior Court	Printouts from electronic database	Sheriff Department	Printouts from electronic database	Sheriff Department	Printouts from electronic database
Warrants	Superior Court	Printouts from electronic database	Sheriff Department	Printouts from electronic database	Sheriff Department	Printouts from electronic database
Sentences	Superior Court	Printouts from electronic database	Sheriff Department	Printouts from electronic database	Sheriff Department	Printouts from electronic database
Time served	Sheriff Department	Paper files			Sheriff Department	Paper files
Social service data (gathered on past drug court and comparison samples only)						
Welfare	Department of Employment & Social Services	Printouts from electronic database	State Department of Social Services	Electronic files from database	State Department of Social Services	Electronic files from database
Child Welfare	Department of Employment & Social Services	Printouts from electronic database	State Department of Social Services	Electronic files from database	State Department of Social Services	Electronic files from database

An examination of the above table reveals that much of the data were available from different agencies at each site. However, there were some commonalities in sources across sites and there were some useful lessons learned in the process of gaining access and collecting the data that will be helpful in finding the data for Phase II as well as determining the most practical, least labor-intensive protocols for data collection.

### ***3a (1) Demographic Data***

In general, we found that demographic data were available and obtainable with a reasonable amount of work from a number of sources. The data—aside from describing our samples—were also useful as additional identifiers (e.g., gender and birth date) when we were matching different data for the same individuals from multiple sources (such as treatment data from the drug court program database, court hearings from the superior court, and jail time served from the sheriff's department). The most convenient (least labor intensive) place to collect detailed demographic data for the drug court cohorts was from electronic files obtained from drug court program databases. The comparison cohort demographics were generally found with their criminal history information, which will be discussed shortly.

### ***3a (2) Drug Court Information and Treatment for drug court participants***

Data for drug court participants on program transactions such as urinalyses and drug court hearings were available at all three sites electronically from their drug court database. (Treatment sessions were also available from the drug court databases at two out of the three sites, but had to be gathered from paper files at Court 1). Although the quality of the data was inconsistent both within and across sites, the collection of these data involved the least amount of labor. All three sites sent us data files electronically. The most time consuming task involved in this data transfer was gaining access to drug abuse and mental health treatment data that were individually identifiable. The confidentiality packet (described earlier) was useful in this process.

### ***3a (3) Treatment data for non-drug court participants***

Data on treatment received outside of drug court were extremely difficult to find and gain access to. At one site, the non-drug court process did not generally involve treatment and therefore was not applicable to non-drug court costs. At the other two sites, we knew which comparison group members had chosen different diversion programs (such as PC1000) but could find no information on the costs associated with those programs within the time limit of this evaluation. For this reason, the cost data for our comparison groups are limited to criminal justice system costs. This means that the avoided costs calculated are artificially low, as many of our comparison group would have received some sort of treatment as a part of their process. With this in mind, as a part of our results, we also calculated the avoided costs without including drug court treatment so the systems involved in the transactions for both groups would be equivalent. The collection of treatment data will be a priority in Phase II.

### ***3a (4) Criminal history data***

Criminal history data (arrests, charges, warrants, convictions, sentences, time served) were available from the county sheriff in two out of the three cases. In Court 1 this data were gathered at the probation department, as we had already gained access to rap sheets on their drug court participants and a comparison sample for another study. In light of our experience in Court 1 and in other counties for other evaluations, the sheriff's department is generally the optimal place to gather this information. We found the sheriff's department to have the most detailed data. Also,

in our experience, the sheriff departments were the most amenable to releasing criminal history data to researchers for evaluation purposes as long as confidentiality protocols were followed. Of particular assistance was gaining the sanction of the California Department of Justice to collect these type of data. A letter from this agency was highly instrumental in gaining us access quickly. The main drawback to the collection of the criminal history data was that they are invariably in the form of printed rap sheets which required a large amount of data entry time by a staff member trained to read this specialized form of data.

### ***3a (5) Court data***

Court data, such as numbers of hearings and trials, were found in two main places, the district attorney's office and the superior court. This information was generally fairly easy to gain access to for research purposes, as most of this kind of information is available to the public. Although some of the data were in databases and some in paper files, all the data required a large amount of data entry, since none of the databases had files that could be transferred electronically. This meant that, even in the cases where the data were kept electronically, data collectors had to work on site, pulling up data on each sample individual one at a time. Subsequently, the Administrative Office of the Courts completed a study on the judicial officer resources used by the superior court in adjudicating different types of cases. It is possible that we can use the data from this study in such a way that the collection of each hearing and trial experienced by the individuals in our cohorts will be unnecessary in Phase II.

### ***3a (6) Social Services data***

Social Services data were the most difficult data to find, access, and collect. Throughout most of Phase I, the people we interviewed in each county had no knowledge of where social service data were kept. A contact at the Administrative Office of the Courts was able to guide us to where social service data were kept at the county level and at the state level. However, the privacy of individuals' social service information is fiercely protected. Although there are state and federal guidelines that allow the collection of individual level social service information for research purposes, the language used in these guidelines can be interpreted in many ways. Since most social service agencies prefer to err on the side of caution and are also overburdened with work for their staff already, social service data are almost unattainable. Through a complicated MOU process with the California Department of Social Services, we were able to gain access to these data at the state level. Unfortunately, although there were some data on individuals, the state level database did not contain much detailed information at this level. We were able to obtain detailed information on welfare and child services at the local level at Court 1, but this was the exception. We learned through our search for these data that there are no state guidelines on how counties should keep their social services data so each county has different policies on how long and in what format they keep their data. We have recently learned that there is a repository in Boulder, Colorado for child welfare data entered in the Child Welfare Services/Client Management System (CWS/CMS—used by most counties in California). This possibility will be explored in Phase II.

### ***3b. The Availability of Cost Data***

In most cases, we found that the cost data needed for our calculations existed and were available to us, usually through interviews with people at various levels of the system (agency, county, state) who were knowledgeable about finances. In rare cases where this information was not available, it

was possible to create a reasonably accurate construct of the costs using the costs developed for other sites, but modified according to the cost-of-living for the site of interest. The following table (Table 12) includes the types of cost information sought, the nature of the cost information, the typical source(s) of such information and the form that this information typically took.

**Table 12. General Sources for Cost Information**

Type of Cost Information	Nature of Information	Source(s) of Information	Form of Cost Data
<b>Direct human resource cost</b>	Personal services cost of transactional workers, including cost of benefits	One of the following sources:	Hourly personal services cost
<b>Direct material, supply cost</b>	Cost of materials that are directly consumed in the pursuit of transactional activities—urinalysis materials, for example	<ul style="list-style-type: none"> <li>• Operating manager responsible for the pursuit of the transactional activity</li> <li>• Agency fiscal officer</li> </ul>	Cost per quantity of material
<b>Agency support cost</b>	Cost of agency management oversight, work supervision and support of transactional activities	<ul style="list-style-type: none"> <li>• Contract service provider’s manager or fiscal officer</li> </ul>	Percentage of direct costs
<b>Jurisdictional overhead cost</b>	Cost of jurisdictional governance, management and support of transactional activities	One of the following sources: <ul style="list-style-type: none"> <li>• Agency fiscal officer</li> <li>• Jurisdictional finance unit representative</li> <li>• Jurisdictional accounting/audit unit representative</li> </ul>	Percentage of direct costs

The most common source for all types of cost data was through interviews (by phone, email, or in person) with staff at each agency who were knowledgeable about agency or jurisdictional finances. Interviewees were often asked to provide agency budgets or other written documentation on agency finances and the allocation of funds. The most time consuming portion of the collection of cost information was finding the person who was truly knowledgeable and then, because this type of individual is generally extremely busy, arranging for an available time to interview with us. The refinement and creation of clear protocols for the collection of this information in Phase II should make this data collection task more efficient for those we interview and for ourselves.

Overall, based on our experience in the collection of data, our assessment of the NPC Research approach to cost analysis at the end of Phase I was that it is usable, practical and effective. The

data necessary for the calculation of TCA costs existed and were available to researchers. Although gaining access and the collection of data sometimes took more time than was reasonable, refinements to the methodology in Phase II should correct most of these problems. Also, the creation of proxies for the data that prove to be difficult to collect on a continual basis through Phase II, will allow courts to substitute these proxies for those data when they perform their self-evaluations. These proxies will also be available to researchers for their use in other drug court evaluations.

### ***3c. Modifications to NPC's Methodology and Protocols for Phase II***

While we have found that the data necessary for the calculation of costs using the NPC Research TCA methodology exist and are available, over the course of Phase I we have gained insight into how to improve the data collection methodology and protocols for Phase II. Discussed below are the changes to the methodology we will make for Phase II: specifically, further application of the TCA model to the business-as-usual process, collection of cost and utilization data on the same drug court samples, collection of additional longitudinal data, and the streamlining the TCA data collection process.

#### ***3c (1) Apply the TCA model more thoroughly to the business-as-usual process***

In order to fully capture the investment and outcome costs of the business-as-usual process, in Phase II we will apply the same depth and rigorousness of the TCA data collection model to the business-as-usual samples as we did for the drug court samples in Phase I. In Phase I, we found that in most cases, data on treatment episodes and other service utilization information are not tracked for comparison group individuals. Indeed, for non-drug court individuals, there is no centralized program database in which this type of information is kept. A more detailed examination of the judicial system process for our comparison samples in Phase II should identify any business-as-usual transactions that we should include in our model including, at least in some counties, a way of gathering data on whether and where individuals in our comparison group receive treatment as a condition of their probation. This will result in a more comparable assessment of drug court and non-drug court costs. This increased focus in Phase II on collecting treatment and other utilization data for our comparison samples will influence our comparison sample selection process: one of our primary criteria for selecting comparison samples will be whether such utilization data are available.

#### ***3c (2) Collect cost and utilization data on the same drug court samples***

In order to examine the cost effectiveness of various components of drug court as opposed to business-as-usual, we need to collect utilization and outcome data on the same group of drug court participants rather than on both a past and contemporary cohort. In Phase I, our design included a contemporary drug court participant cohort on whom we gathered drug court treatment data, and a past drug court participant cohort on whom we gathered outcome data. However, this methodology precluded us from connecting outcomes directly to the type and amount of services utilized. In Phase II, we will collect treatment utilization and outcome data on a single drug court cohort.

#### ***3c (3) Collect additional longitudinal data***

Our data indicate that the operation of drug courts requires an initial investment of resources for each individual, but this investment may be offset by drug court participants' lower outcome

costs (as shown in the section on Product 2 – Preliminary Cost Results). The results from Court 1 and Court 2 indicate that the initial investment is recovered and cost savings begin to accrue over time. This result is likely also the case in Court 3, but with only two years of outcome data, not enough time had elapsed to recoup the initial investments. In Phase II, therefore, we will keep the desired follow-up period in mind in our cohort selection criteria at each site. We will attempt to select cohorts that will allow us to gather outcome data for at least three years.

### ***3c (4) Streamline the TCA data collection process***

While we found the TCA methodology to be a useful way for gathering information on the costs of drug court, in the course of Phase I we learned techniques that will streamline the cost and utilization data collection process in Phase II.

**Cost data collection.** We have identified several techniques for improving the cost data collection process, including the addition and modification of questions to our drug court typology interview, the use of short surveys and the inclusion of additional respondents. In addition to the new questions in our typology guide, the researchers will utilize short cost collection surveys in Phase II. These surveys will be sent to respondents before a telephone or face-to-face interview in order to give the interviewees advance notice of the type of questions we will be asking and the type of information that they will need to have available during the interviews. In addition, we will expand our list of interviewees to include multiple treatment providers for those courts who use more than one treatment provider. One of the three Phase I sites had a drug court model that involved using multiple treatment providers. In the interest of efficiency, we collected cost data from the county alcohol and drug service agency that manages the treatment process rather than from every treatment agency involved with the drug court. However, because treatment agencies differ in the amount of resources used in the course of treatment, the average cost figures determined by the county agency may not be accurate. In Phase II, we will collect at least some cost information from the individual treatment agencies. We will explore multiple strategies to collect this information, including surveys and interviews, in order to determine the most efficient protocol for collecting accurate information.

**Utilization data.** During the course of Phase I, we identified several strategies that will be of help during the Phase II utilization data collection process, including learning more about the availability of data, contacting those who manage the data, and providing NPC staff for data collection rather than requesting it from program staff.

There were several types of data we were unable to gather during Phase I, including social services utilization, public health utilization, and employment data. Although we did gather some social services data, we were either unable to collect data for the correct time period, or unable to collect the level of detail necessary for our cost calculations. California uses a statewide child welfare database, and although the level of detail and data from the necessary time periods were not available at either the state or local levels, as explained above, we have since learned that counties' raw data may be sent automatically to a central repository in Boulder, CO. In addition, California is in the process of implementing a statewide healthcare database. In Phase II we will explore these data sources along with potential sources of welfare and employment data.

Our data collection experience in Phase I taught us that it is necessary to speak with those individuals who directly manage the data we are requesting. While it is necessary to gain access and approval from individuals at higher levels in a hierarchy, these individuals do not always have an accurate understanding of the data as they exist within the database. For accurate

information about what data are actually available, the quality of the data, and the feasibility of extracting the data, it is necessary to speak directly with those managing the data before proceeding with lengthy data sharing agreement processes. If the data were not available in a format usable for our calculations, we would not need to request access to the data.

Finally, the Phase I sites raised concerns about the imposition of additional work (in the form of data collection or extraction) on already busy employees. In some cases we were able to send our own data collection staff to gather the necessary data, and in other cases we compensated sites for the extra time their employees spent on our data collection. We plan to increase our use of both of these strategies in Phase II in order to further lessen the burden on participating sites.

In summary, refinements to the methodology and protocols will allow us to streamline NPC Research's TCA process. This approach to cost analysis was usable and can be made practical for drug court self-evaluation. The effectiveness of this approach was demonstrated in the sections on the examination of proxies and in particular, in the preliminary cost results.

#### 4. Summary of Part II: Phase I Products

Phase I was an in-depth case study of three adult drug courts. The central task of Phase I was to gather a detailed set of data using the NPC approach to transaction cost analysis in order to develop a methodology and protocols for drug court cost analysis. Involved in this task was the evaluation of the usability, practicality and effectiveness of the NPC TCA approach. The main products from Phase I include preliminary methodology and protocols based on the NPC TCA approach, preliminary costs and avoided costs due to drug court, some promising proxies based on the data collected from three sites in Phase I, and conclusions about the usability and effectiveness of this approach. An examination of the cost results revealed a great deal of information of interest and use to researchers and policymakers. The information on unit costs and promising proxies could be invaluable to researchers attempting to evaluate programs when some data are not available. Policymakers can use the information on avoided costs and opportunity resources to make informed decisions on the allocation of funds. The preliminary result on the cost effectiveness of drug courts, based only on the three Phase I sites, was that after high investment costs, the three drug courts did experience savings in criminal justice costs over time. The methodology and protocols developed in Phase I are being refined for Phase II. In particular, data explored in Phase II that were not collected in Phase I will include treatment information for the comparison cohorts as well as further outcomes, such as welfare, child welfare, health care, and unemployment costs. Also, the protocols are being streamlined for greater efficiency. Based on the existence and availability of the appropriate data for cost analysis, it was determined that the NPC TCA approach was usable, practical and effective in a complex, multi-agency system such as drug court.

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## Appendix A: Review of the Literature

## 1. Review of the Literature

The following review of the literature describes the theoretical and practical grounding of the NPC Research approach to cost analysis. Also within this review is a description of other related approaches to cost analysis, both in general and in relation to drug courts specifically, and how NPC Research's transaction cost analysis fits within the context of these other models.

### ***1a. Theoretical and Practical Grounding of the NPC Research Approach to Cost Analysis***

The NPC Research transaction cost analysis approach differs from other cost evaluation methods in large part because of its theoretical and practical roots. Unlike other approaches, the NPC Research cost evaluation model is not taken directly from economic theory. Although it recognizes and incorporates ideas taken from economics, NPC Research's transaction cost analysis approach draws from five major sources of theoretical and practical thought:

- Organization theory
- Institutional theory
- Transaction cost economics
- Public management practice
- NPC Research practical experience

#### ***1 a (1) Organization Theory***

The study of and generation of theory regarding the nature of organizations as distinctive forms of social action is a recent development. As the result of the growth of the dialogue concerning the nature of organizations, a broad body of literature has been established that deals with the interaction of organizational structure, organizational resources, and organizational outcomes. (Perrow, 1986, Mintzberg, 1993, Scott, 2001)

It is the philosophy of NPC Research that the evaluation of the effectiveness of the use of taxpayer resources in support of public programs requires an understanding of complex organizations. In the application of the NPC Research approach in specific cost evaluation situations, an organizational perspective helps the researcher visualize organizational structures and how interagency programs impact them. This visualization assists the researcher in understanding resource and outcome effects resulting from organizational commitments to multi-agency programs.

### ***1 a (2) Institutional Theory***

In considering the influence of institutional theory on NPC Research's approach to public program cost evaluation, W. Richard Scott's recent book, *Institutions and Organizations* (2001) is useful. The following quote from Scott introduces the concept of institutions:

Institutions are multifaceted, durable social structures, made up of symbolic elements, social activities, and material resources. . . Institutions by definition are the more enduring features of social life . . . giving 'solidity' [to social systems] across time and space . . .

Institutions exhibit these properties because of the processes set in motion by regulative, normative, and cultural-cognitive elements. These elements are the building blocks of institutional structures, providing the elastic fibers that resist change . . . (pp. 48, 49)

NPC Research's approach draws heavily on an area of institutional theory exemplified by the work of Powell and DiMaggio (eds., 1991), and others that focuses on how organizations adjust to their institutional environment (Scott, 2001). Of particular value to NPC Research's methods of analysis are considerations regarding specific types of organizational adjustment, such as changes in the allocation of organizational resources or changes in the linkages with other organizations.

An institutional perspective strengthens NPC Research's ability to understand, describe, and evaluate the systematic forms that multi-organizational (e.g., multi-agency) programs take in response to political, legal, social, and economic environmental influences. This perspective assists in the discovery of how the application of organizational resources and the linkages between organizations are affected by public policy choices and program initiatives.

### ***1 a (3) Transaction Cost Theory***

Transaction cost economics is associated with institutional theory in political science and sociology. It originated in the first third of the twentieth-century with the work of John R. Commons and Ronald Coase. Transaction cost economics became a prominent contributor to the study of organizations and institutions during the last quarter of the twentieth-century. This advance resulted from the work of Oliver E. Williamson (Perrow, 1986).

With a focus on the ***transaction***—an economic exchange at the boundaries of or internal to an organization(s)—transaction cost economics (referred to as “new institutional economics” by some) considers how organizations seek to economize on transaction costs. This perspective leads researchers to consider whether programs and policies that are created as responses to transaction cost economizing are the optimal responses (Perrow, 1986; Powell and Dimaggio, eds. 1991; Scott, 2001).

The transaction costs economic concept of ***asset specificity***—the formation of the most effective combination of resources needed to produce desired outcomes—assists researchers in the determination of which resources are applied to program transactions and the consequences of such resource applications. This concept is particularly helpful in the analysis of multi-agency public programs and is integrated into the NPC Research approach to cost analysis.

Martinez and Dacin (1999) state that the power of the concepts of transaction cost economics is enhanced by joining it to one of the underlying assumptions of institutional theory—that the prospects for the survival of programs in complex and demanding environments cannot be

viewed apart from the larger institutions upon which the programs are dependent. NPC Research makes the consideration of institutional resources an integral part of its cost evaluations.

#### ***1 a (4) Public Management Practice***

In addition to its theoretical roots discussed above, the NPC Research approach to cost evaluation has been enhanced by practice in public management. Staff members with practical experience in the management of public agencies provide NPC Research with a better understanding of the “real life” context within which agencies operate. Within this context there were several concepts that influenced the staff members in their public agency management. The following list represents a partial summary of these concepts.

*Program Budgeting.* In program budgeting, political leaders and public administrators consider traditional line-item budget information through the prism of larger activities pursued by agencies. In this approach to budget preparation and analysis, agency expenditures are linked to explicit programmatic goals and objectives. (Morgan and Robinson, 2000)

*Performance Budgeting.* Performance budgeting encompasses a family of budget planning approaches that emphasize the measurement of results as part of allocating public resources. The underlying idea of performance budgeting is a rational assessment of the linkage between measured outcomes and resource allocation. In the application of performance budgeting jurisdictional political and administrative leaders are usually interested in productivity improvement. (Morgan and Robinson, 2000)

*Zero-based Budgeting.* Periodic consideration of the basic justification of programs and the resources that support them is the core concept of zero-based budgeting. The rationale of zero-based budgeting and its less stringent variants is to assist policymakers in clarifying programmatic choices in the allocation of scarce budgetary resources. (Morgan and Robinson, 2000)

*Guidance of Professional Organizations.* Professional associations such as the International City and County Management Association (ICMA) and the Government Finance Officers Association (GFOA) provide on-going support for the promulgation and dissemination of concepts regarding the planning, budgeting, and evaluation of the application of public resources. For instance, in its on-line website GFOA provides extensive information regarding best practices in public budgeting, including basic principles and important elements of such (GFOA, 2002).

#### ***1 a (5) NPC Practical Experience***

NPC Research’s approach to the cost evaluation of public programs is heavily informed by its staff’s practical experience as public agency practitioners and public program evaluators. Through experience gained in work for municipal, county, and state agencies, NPC Research staff members have developed “front-line” perspectives regarding the marshalling of organizational resources in pursuit of program activities. This experience as public administrators is enhanced by experience that NPC Researchers have acquired in a wide variety of evaluations of local and state inter-agency programs.

***1 a (6) Summary of the Theoretical and Practical Grounding of NPC Research’s TCA Approach***

The following table summarizes the contributions of the theoretical and practical roots of the NPC Research approach to public program cost analysis.

**Table A-1. The Contributions of Theory and Practice in the NPC Approach to Program Cost Analysis**

Source of Contribution	Nature of Contribution
Organizational Theory	Focus on organizational structures and process and their impacts on “transactional areas” of multi-agency program systems.
Institutional Theory	Understanding of the role of background institutions in providing stability for inter-agency/inter-jurisdictional programs through the provision of “institutional resources.”
Transaction Cost Economics	Conceptualization of the processes of inter-organization integration that support the key “transactions” that characterize inter-agency/inter-jurisdictional programs.
NPC Research staff member experience in Public Management Practice	Understanding of the public resource planning, programming, and evaluation processes which program evaluation programs draw upon and support.
NPC Research Evaluation Experience	A comprehensive view of the environment of public policy analysis and development that an effective program cost evaluation approach should support.

The combination of organizational and institutional theory and transaction cost economics along with the practical experience of NPC Research and its staff leads to a powerful, well-rounded and flexible approach to cost analysis that is particularly useful in complex multi-agency systems such as drug court programs.

The next segment of this review of the literature is a discussion of some alternative approaches, or models, to cost analysis and how these approaches relate to the NPC Research cost analysis model.

***1b. Alternative Approaches to Cost Analysis***

NPC Research’s approach to cost analysis can be better understood within the context of other approaches found in cost evaluation literature. Since there have been few cost studies of drug courts specifically, the literature reviewed in the following text includes cost evaluations of programs that are related to drug courts in that they are designed to reduce substance abuse in criminal justice system settings. In this section three broadly recognized approaches offered by well-known research organizations are briefly summarized and how NPC Research’s approach differs or complements these other approaches is discussed.

The three organizations are:

- National Institute of Drug Abuse (NIDA)
- The Urban Institute
- Washington State Institute for Public Policy (WSIPP)

### *1 b (1) National Institute of Drug Abuse (NIDA)*

In 1999, NIDA published a monograph (Yates, 1999) that “describes several ways to determine cost effectiveness and benefits, ranging from simple educated guesses to sophisticated computerized methods” for substance treatment programs. (p. iii) The methodology utilized in the NIDA publication is referred to as the “cost-procedure-process-outcome analysis model” (CPPOA model).

**The publication includes an extensive inventory of practical information regarding the accumulation and calculation of program cost information. In speaking to policymakers and managers responsible for treatment programs, it includes suggested forms and worksheets for cost data collection, the calculation of procedure resource costs, and the development of cost-effectiveness and cost-benefit measurement. However, the program costs considered are limited to those associated with the treatment of individuals. It does not consider the costs of law enforcement, social service, or other agencies that frequently have extensive contact with program participants with resultant impacts on their abuse treatment and criminal justice system careers.**

In its consideration of the measurement of potential benefits of treatment programs, the CPPOA model offers a good overview of the areas of avoided cost to be assessed – criminal justice services, drug treatment, welfare, disability, and so forth. However, it does not consider the organizational complexity of these systems and the difficulty involved in accessing relevant activity and cost information.

The strength of the NIDA approach lies in the practical assistance that it provides to program-level directors, managers, and practitioners. It offers sound, understandable conceptual information regarding cost evaluation. It also provides solid micro-level guidance in the accumulation and manipulation of programmatic activity and cost-related data.

**How the NIDA and NPC Research Models Differ.** Since NIDA’s cost-procedure-process-outcome analysis model (CPPOA) focuses on the costs and effects of individual treatment programs, the most obvious difference between it and the NPC Research model lies in their comparative scope. Although the NPC Research model focuses on drug court programs, it embraces the idea that such programs actually represent complex, systematic linkages among a variety of jurisdictions and agencies that make distinct contributions to these programs.

The NIDA model largely approaches individual programs in isolation from other organizations operating in the complex criminal justice, treatment, and social service systems. It does not consider other “investments” that the variety of jurisdictions and agencies that support these systems make. Since the relationships between specific treatment programs (the subjects of the NIDA approach) and other programs and activities in the criminal justice, treatment, and social service systems are frequently intimate, the resources of many agencies beyond any given program or agency under consideration may be critical to the effectiveness of treatment in

individual cases. The NIDA approach does not fully consider the complexity of the interagency “transactional” linkages that support these systems.

Compared to the CPPOA approach, the NPC Research model recognizes the inherent complexity of criminal justice, treatment, and social service systems by beginning with a current, empirical assessment of the organizational environments of the numerous transactions that characterize these systems (through website review and key stakeholder interviews). This analysis is pursued within the context of specific local settings. This organizational survey results in detailed descriptions of systems, subsystems, and the public goods and services that they produce. It assures that all jurisdictional and agency support of program transactions can be identified. This is of particular importance when benefits, defined as costs-avoided, in complex public systems are the subject of analysis.

In local urban settings NPC Research has found that many subtle transactional linkages exist among jurisdictions and agencies (both private and public) that result in notable service provision and cost consequences. CPPOA spends little time considering the implications of this complexity—either in terms of cost consequences or the validity of assumptions regarding causality associated with the treatment approaches.

Since the CPPOA model does not fully consider the public organizational context of many treatment programs, the potential exists for the researcher utilizing this approach to overlook what NPC Research refers to as the “institutional context” of service provision. As noted above, by the “institutional context” we mean organizational resources that lie outside the organizational boundaries of the treatment program/agency but should be considered as being impacted by the operation of the program under consideration. These resources include any local, state, and/or jurisdictional agency support, oversight, and governance resources essential to the operation of the program being evaluated. Because publicly supported programs usually cannot operate without substantial organizational support and because such support normally involves notable financial consequences, institutional resource commitments should not be overlooked.

**How the NIDA and NPC Research Models are Complementary.** The NIDA CPPOA model can be seen as potentially complementary to the NPC Research approach. The procedures introduced in the CPPOA model can be useful in the identification and collection of data concerning agency activities and the cost consequences of such. Its descriptions and explanations are clear and to the point. The model’s directions as to how to perform cost-effectiveness and cost-benefit analyses can also be very useful. The calculations are not complex and can be understood by policymakers, organizational managers and service practitioners.

The addition of NPC Research’s attention to system, inter-organizational, and institutional resource details can extend the usefulness of the NIDA CPPOA model. The building blocks provided in the CPPOA model can be given much more meaning by the broader perspective of the NPC Research cost analysis approach. NPC Research’s attention to the organizational details of institutional environments can provide a level of meaning that helps policymakers, policy analysts, managers, and practitioners “visualize” the complex systems of service delivery under consideration.

### ***1 b (2) The Urban Institute***

In a monograph entitled, *A Methodology For Measuring Costs and Benefits of Court-Based Drug Intervention Programs Using Findings From Experimental and Quasi-Experimental Evaluations*, Roman, Woodard, Harrell and Riggs (1998) offer a cost-benefit analysis approach

that they write “attempts to remain as true to basic economic theory as is possible given the practical constraints of drug court evaluation” (p. 2). The authors draw upon a variety of national studies and other secondary sources of information regarding the calculation of cost and benefit factors to apply in an evaluation of a drug court in Washington, D.C.

The authors of this monograph do not attempt to consider every cost and benefit of the program under consideration. In what they call a “relative costs and benefits approach,” they consider only new or marginal costs associated with court-based programs for drug-involved defendants. These are costs that they assess to be above and beyond “business-as-usual” costs.

The benefits from decreased drug use that they identify include reduced crime, improved health, labor market gains, and improved family life. “Victim compensation/cost of illness approach benefits are measured as the incremental difference in averted costs associated with crime, health, labor, and family due to participation” (p. 3). Such benefits are determined by differences in outcomes in the form of averted crimes for participants in the drug court program and a like-kind comparison group.

The unit of analysis that the authors consider is “public payers.” They consider costs to and benefits received by society in general, excluding those to participants and changes in “net social welfare,” such as reduced taxes. They exclude intangible costs, such as reduced fear, and perceived benefits from avoided pain and suffering.

The incremental costs of operating the drug court program are stated in three ways: aggregated incremental costs; per program participant costs; and incremental costs per participant, per day of operation. They use a variety of primary and secondary sources of information to construct models of these costs. They do not consider management oversight and support services such as MIS as a part of the cost model.

The authors largely use national institutional sources or studies and participant survey data to estimate the value to the tax-paying public associated with reduced criminal justice system costs. In terms of the estimation of improved health status, they use national Medicare payment data as a proxy for the cost of acute care providers, general health care providers, and drug treatment. They use national data regarding changes in tax revenue to estimate benefits associated with labor market gains. To determine benefits associated with improved family life, the authors use participant survey data regarding number of child support payments combined with census data to estimate dollar values of increased payments.

The strongest aspects of the Urban Institute methodology include its suggestions for the use of proxies in the development of cost models for transactional areas when site-specific information is not available or would be too costly to uncover. The authors also offer great assistance in specifying the data elements that should be extracted from official records, participant surveys, and non-site-specific studies and databases.

**How The Urban Institute and NPC Research Approaches Differ.** The Urban Institute and NPC Research approaches begin with several different basic assumptions. On the most basic level, the two approaches offer contrasting perspectives in dealing with the complex organizational settings of programs that produce public goods and services. Like NPC Research, The Urban Institute views public activities such as drug court programs as operating in complex settings. Yet the approaches differ in how they deal with the implications of these complex operational environments. Whereas The Urban Institute model assumes that the activities and the cost consequences of programs like drug court programs can be isolated from the other jurisdictional and agency influences, the NPC Research model assumes that such programs cannot be isolated—either in terms of the pursuit of their activities or the cost consequences of such—from the inter-organizational influences in their operational environments. The NPC Research approach asserts that the definition of program activities and their cost consequences must account for the transactional and institutional resources—as insignificant as they may seem at times—that all jurisdictions and agencies provide in describing how public goods and services are produced.

The Urban Institute and NPC Research approaches are designed to assist policymakers, policy analysts, other public officials, and other interested individuals or groups in assessing the value of public programs. To do this, The Urban Institute uses widely recognized economic concepts. The perspective of the NPC Research approach differs in that it is grounded in the way policymakers and managers view the operation of their jurisdictions to produce public goods and services—through organization charts, operating budgets, capital improvements programs, annual audits, and allocated cost programs. The Urban Institute focuses on what it refers to as “economic costs” with an emphasis on the marginal cost of programs—the cost of programs beyond what may be considered as “business-as-usual.” NPC Research’s analysis is based on what The Urban Institute refers to as “accounting cost” and considers *all* costs associated with programs under consideration—including what NPC Research refers to as “institutional costs.” In so doing, NPC Research identifies what it considers to be true “opportunity resources” that must be included in an assessment of the resource commitments that surround a program’s operation. The NPC Research approach results in a heavily nuanced picture of how institutions or de facto institutions actually operate rather than an abstract picture created through an economic model.

In its search for cost factors, particularly those associated with the valuation of benefits, The Urban Institute looks beyond the site of its evaluation to use reasonable proxies from a variety of sources. In contrast, given its belief in the importance of the local institutional environment in the definition of the form and cost of linked inter-organizational resources that support programs, NPC Research seeks out contemporaneous local organizational artifacts that indicate how local resources come together to support programmatic transactional linkages. In this approach, evaluations of organization charts, budgets, pay plans, allocated cost plans, comprehensive annual financial plans, and contacts with operating and financial managers who utilize these management tools assist the researcher in developing understandings of how public goods and services are produced and funded under the specific conditions of given local settings.

The Urban Institute’s approach is rooted in the economic costs, marginal costs, and assumed markets of economic theory. NPC Research emphasizes the way local public organizations actually operate on inter-jurisdictional and inter-agency bases to produce public goods and services.

**How The Urban Institute and NPC Research Models are Complementary.** Clearly, the approaches offered by The Urban Institute and NPC Research for the valuation of local public programs sited in complex institutional settings are much different. However, there are ways that the approaches can be seen as complementing one another.

Of perhaps more immediate value to the evaluation community than to local governing bodies, managers, and practitioners (although ultimately of value to “doers”) would be the use of the approaches as tests for one another. As experience with these two approaches accumulates, the most accurate and useful elements of each could be woven together to strengthen each model or create more effective models.

Another way that the models could serve to complement each other would be by the use of elements of one or the other on a situational basis. For instance, in situations where the researcher or client determines that it would be too costly or time-consuming to acquire site-specific, contemporaneous information as indicated by the NPC Research approach, national sources of information indicated in The Urban Institute approach could be utilized.

### ***1 b (3) Washington State Institute for Public Policy (WSIPP)***

WSIPP has produced a complex cost-benefit model that relies upon evaluation research largely removed in time and distance from the target audience—public policymakers in the State of Washington in the year 2000. The WSIPP model relies upon sophisticated statistics, and a long list of highly constructed proxies to produce its cost-benefit analyses.

The Institute’s staff reviewed over 400 evaluations conducted in the United States and Canada of programs that measured program effectiveness in the form of reduced crime. In considering how the evaluations were assessed by WSIPP, two points should be kept in mind. Some of the evaluations that WSIPP considers were performed many years ago – there are many that are over 20 years old. Additionally, the WSIPP model does not account for the possibility of time-based erosion in the value of the evaluations that it considers.

Although six point assessments were made of the research designs for the evaluations considered by WSIPP, contextual issues, such as the nature of the mix of jurisdictions and agencies, were not given consideration. Among the contextual issues that were not addressed was the impact of law enforcement activities in spite of the fact that law enforcement agencies frequently have interactive impacts on the kinds of programs that the WSIPP model treats.

WSIPP combined its interpretation of the estimated cost of the programs and the estimated amount of crime reduced with estimates of economic benefits to be realized from these reductions in crime. The economic elements that the model considers are criminal justice system and victimization costs. It does not include reductions in public treatment or social service costs or the potential for increases in income or other tax receipts associated with individuals who move away from criminal careers.

The criminal justice system costs considered in the WSIPP model are second, third, or fourth order proxies that have been statistically manipulated. In the 2001 revision of the model some cost elements are based on information that is up to seven years old. Such information has been statistically transformed to appear to be expressed in 2000 dollars.

The final product of the WSIPP analysis is a list of adult and juvenile programs with cost-benefit ratios that indicate how well these programs would be anticipated to work to decrease crime and the economic consequences of the implementation of these programs.

**How WSIPP and NPC Research Approaches Differ.** The NPC Research approach to cost evaluation and the WSIPP model, in most basic terms, can be seen as not commensurable. The real value of the WSIPP model lies in the assistance that it may provide to state and local policymakers as they consider program alternatives and, based upon the Institute’s cost-benefit evaluations, determine the comparative potential of different programs to reduce crime and save taxpayers money. The applicability of the model may be seen as somewhat limited by the age and scope of the program evaluations that it considers, the age and nature of proxy construction for cost information that it includes, and its reliance on highly complex statistical machinations to generate the products of its analysis. The WSIPP model does not consider the value of law enforcement in crime reduction. Since law enforcement agencies represent a component of the criminal justice environment that probably has substantial independent impacts and significant interactive effects with other programs, this oversight can be seen as a potentially significant deficiency. The model would appear to have little practical value in the cost analysis of current programs.

The NPC Research cost analysis approach is grounded in understandings of the production of public goods and services (“transactions”) built on contemporaneous, site-specific examinations of the complex linkages that exist among jurisdictions and agencies involving differentiated roles and identifiable cost consequences. These understandings largely result from the accumulation of *current* empirical data regarding activities and costs. When proxies and/or secondary sources are used they are most frequently based upon NPC Research’s experience in comparable settings or other situations with which NPC Research possesses substantial experience.

Rather than rely on complicated statistical routines and other methods that policymakers and other organizational decision-makers may find hard to understand and apply, the NPC Research approach involves the organization and presentation of information within the context of how jurisdictions and agencies actually operate their programs. Current information regarding activities is sought from personnel directly involved in the work under examination. The identification of cost consequences results from contacts with personnel most intimately familiar with pertinent financial management information—information based on actual budgets or other financial planning or reporting devices. The NPC Research approach is a flexible analytic tool. It can paint a picture that policymakers, organization managers, and operational personnel can understand and use.

**How the WSIPP and NPC Research Models are Complementary.** The WSIPP and NPC Research approaches can probably complement one another in very important ways for policymakers. The WSIPP approach can be extremely useful in the process of choosing among programs to reduce crime. Policymakers may wish to compare WSIPP results with those resulting from the use of the NPC Research and/or The Urban Institute approaches in other locations. Once a program has been established, the NPC Research approach can be used to assist policymakers in assessing its value to the taxpayer.

#### ***1 b (4) Cost Approach Summary***

The following table provides a summary comparison of the four cost analysis approaches discussed in this section. This table, as well as the discussion above, should not be considered an exhaustive comparison among the approaches. Many similarities and differences are not included. However, it represents some of the most significant points of comparison among the approaches.

It should be emphasized that although the NPC Research approach may be the most flexible and broadly applicable model—particularly when site-specific, contemporaneous program cost and avoided cost evaluation is preferred, each of the approaches can be useful for evaluators,

policymakers, policy analysts, public organization managers, and practitioners. The best use of these models may be on an interactive basis—drawing from the strengths of each of them. The best interactive combinations may involve the use of the NPC Research model with one or more of the other approaches. The development of one or more hybrid models may be possible.

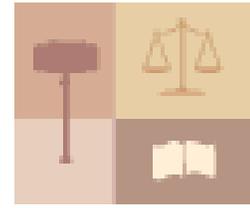
**Table A-2. Comparison of cost evaluation approaches**

<b>Name</b>	<b>Cost Approach</b>	<b>Extent of Proxy Usage</b>	<b>Sources of Program Cost Information</b>	<b>Sources of Benefit Valuation Information</b>	<b>Applicability</b>
<b>NIDA</b>	Accounting	Limited	Actual program cost information – limited to individual programs under consideration – inter-organizational impacts not considered	Proxies, secondary sources	Accumulating program cost, benefit valuation information
<b>Urban Institute</b>	Economic	Extensive	Combination of actual and proxy, secondary and/or constructed information	Proxies, secondary sources	Program value evaluation when site-specific information is not available and economic/market construction approach is preferred
<b>WSIPP</b>	Economic	Entirely	Proxies, secondary sources - limited to individual programs under consideration – inter-organizational impacts not considered	Proxies, secondary sources	Multiple program comparison in program selection processes
<b>NPC Research</b>	Accounting	Limited	Primarily uses actual program cost information – proxies used when actual information is not available	Actual site specific information – proxies, secondary sources used when actual information is not available	Contemporaneous, site-specific program cost and benefit valuation when an actual cost approach is preferred

## Appendix B: Typology Interview Guide

## 1. Protocol for Typology

**T**his interview guide is designed to provide a consistent method for collecting information from drug courts located throughout the state of California. The information gathered through this guide will help staff focus on important and unique characteristics of their drug court, helping them understand variations among California drug courts.



This interview guide inquires about a number of topics including the characteristics, structures, processes, and organizational aspects of the drug court. This information contributes to an understanding of the overall drug court typology. In particular, the guide explores several characteristics that may be considered ‘best practices’ of a drug court model. By noting involvement in these particular practices, the evaluation will be able to explore how use of best practices may impact participant outcomes and costs, which are the primary focus of this evaluation.

A variety of staff involved in the drug court will be able to provide information to complete this interview guide including:

- Drug Court judge
- Drug Court coordinator
- Treatment provider staff
- District Attorneys and Public Defenders
- Probation and Law Enforcement staff

Not all questions are appropriate for all respondents. Throughout this interview guide you will see suggested respondents in brackets after the topic headings. This indicates that those respondents would be the most appropriate for the subsequent series of questions. However, drug court operations vary, and different agencies play differing roles. Section two of the interview guide includes questions about the roles of the various players. The answers to these questions can help you determine which of the other sections respondents may be knowledgeable about. Therefore, as



you conduct the interviews, be flexible to what respondents are saying; if they indicate they are not knowledgeable about a particular topic you could ask who, in their opinion, would be a more appropriate respondent for those questions, and then move on to another topic. Similarly, if in the course of your interviews it becomes clear that someone is knowledgeable on a topic for which they are not included as a suggested respondent, feel free to ask them those questions.

We would like to get answers to each question from at least two respondents. If two respondents agree on an answer to a question and have provided you with detailed, complete information, you need not ask subsequent respondents that question. However, if two respondents give different answers to a question, or if you feel like you do not yet have the full picture on something, please ask one or two more respondents the same

question in the hope of getting some consensus on that issue. There are several questions to which we do want answers from all respondents, and these are indicated with “ask all respondents” in brackets.

We will provide you with lists of respondents to contact. Please leave the drug court coordinators and judges for last; we want to get as much information as possible from other respondents before calling the coordinators and judges. In this manner we hope to keep the interviews of these respondents as short as possible. (We don’t want to bother judges with 16 pages of questions!) The drug court coordinator and judge will be able to answer questions on all topics, so I did not include them in the brackets of suggested respondents after each topic. In general, ask them only those questions to which other respondents provided conflicting or incomplete information. However, there are some questions we want to be sure to ask the coordinator and judge, even if other respondents have answered those questions. These are the questions in which the coordinator or judge appears in the brackets of suggested respondents.

Oftentimes there is a general question at the start of a section and then more specific questions on the same topic. Familiarize yourself with these specific questions; if the respondent answers them in her/his response to the general question you need not ask the specific questions. But be sure to ask those specific questions to which the respondent has not provided information.

Introduction to the interviews:

Please familiarize yourself with the following suggested introduction. You should give this introduction to each respondent when you call to schedule an interview. You can also use a shortened version when you begin the interview. Ideally, you should internalize this information so that you can provide this information to the respondents without reading it (or at least without sounding like you are reading it). Put it in your own words and practice, if necessary.

“Hello, my name is \_\_\_\_\_, and I am calling from NPC Research. We are conducting a cost evaluation of California drug courts with the California Administrative Office of the Courts (AOC). We are currently conducting this study in three counties, but we will be expanding the study to additional drug courts in the future. We have collected a wide range of data on costs, services, and outcomes at the three sites. The data has been numerical, but numbers can be misleading if we do not understand the process. Now we are conducting a series of telephone interviews at each site to gather detailed information on how each drug court operates, who is involved in drug court operations, and what services are provided to drug court participants. We are asking our interview questions of multiple respondents in order to get a complete picture of how each drug court works. While we may use the information you provide to me during this interview, in our reports we will not provide names or link the information to any particular respondent. I expect that this interview will last approximately an hour. The actual length of the interview will depend on how much information you wish to provide and how much time you have available. Do you have any questions about our study or the interview process before we begin?”



## Respondent Information

Interview Date: \_\_\_\_\_

Drug Court Site: \_\_\_\_\_

Respondent's Name: \_\_\_\_\_

Respondent's Title: \_\_\_\_\_

Respondent's Organization: \_\_\_\_\_

Respondent's email: \_\_\_\_\_

We are interested in asking some in-depth questions about how cases flow through the drug court system. Please describe the activities that take place in the course of a participant's involvement with drug court, starting with the determination of eligibility.

1. **Eligibility** [*Ask DA, PD, Judge/Bailiff*]: How do you determine who is eligible for drug court?

1.1 Is your drug court... (Provide % if more than 1 type):

\_\_\_\_\_ Pre-plea diversion

\_\_\_\_\_ Post-plea: plea stricken upon completion

\_\_\_\_\_ Post Conviction for probation eligible defendants

\_\_\_\_\_ Post Adjudication for repeat offenders (last 2 may be the same)

\_\_\_\_\_ Other: \_\_\_\_\_

1.2 Who is responsible for initial screening of cases for program eligibility?

(P=Principle, S=Secondary)

\_\_\_\_\_ Prosecutor

\_\_\_\_\_ Defense Counsel

\_\_\_\_\_ Pretrial Services

\_\_\_\_\_ Other Court

1.3 Who is responsible for final determination about program entry?

Prosecutor

Defense Counsel

Court/Judge

1.4 Who is eligible for drug court?

Recreational user

Hard core addict

Mix

(Elaborate if possible)

1.4.1 What are the eligibility criteria for drug court?

- Current Drug Possession Charge/No Prior Convictions
- Current Drug Possession Charge/No Prior Convictions for Violent Offenses
- Current Nonviolent Offense/Up to Three Prior Nonviolent Convictions
- Unlimited prior convictions
- Other: \_\_\_\_\_

1.4.2 What types of current charges are targeted for entrance into Drug Court?

(Check all that apply)

- Drug possession cases
- Minor drug trafficking cases
- Property offense cases
- Other non-drug-offenses
- Other: \_\_\_\_\_

1.4.3  Misdemeanors       Felonies       Both

1.5 Is there a substance abuse assessment conducted in the process of determining eligibility?

- Always       Sometimes       Never

1.5.1 If yes, is there a screening instrument used to assess participant? [*Ask treatment provider this question*]

- Yes       No

(If yes, what is it?)

1.5.2 Are participants accepted that don't appear to have substance dependency issues?

- Yes       No

1.6 Is there a mental health assessment conducted in the process of determining eligibility?

- Always       Sometimes       Never

If yes, elaborate:

1.7 Has the eligibility determination process changed over time?  Yes       No

If yes, when and how?

2. Describe the drug court players [*Ask DA, PD, Treatment, Coordinator, Judge/Bailiff*]

3. When/how often is drug court held (days of week, times)?

\_\_\_\_\_

4. Is there a drug court team?  Yes       No

If yes, who is active on the team?

- Judge
- District Attorney
- Public Defender
- DC Coordinator
- Treatment provider
- Treatment counselor
- Law enforcement
- Other: \_\_\_\_\_

If yes, does the team meet outside of drug court hearings? If yes, what do they talk about (for example, policy issues, participant progress)?

Who attends DC sessions?

	Regularly	As needed
Judge	<input type="checkbox"/>	<input type="checkbox"/>
District Attorney	<input type="checkbox"/>	<input type="checkbox"/>
Public Defender	<input type="checkbox"/>	<input type="checkbox"/>

- |                     |                          |                          |
|---------------------|--------------------------|--------------------------|
| DC Coordinator      | <input type="checkbox"/> | <input type="checkbox"/> |
| Treatment provider  | <input type="checkbox"/> | <input type="checkbox"/> |
| Treatment counselor | <input type="checkbox"/> | <input type="checkbox"/> |
| Law enforcement     | <input type="checkbox"/> | <input type="checkbox"/> |
| Other: _____        | <input type="checkbox"/> | <input type="checkbox"/> |

2.1 What is the role of law enforcement (e.g. duties, level of involvement)? What do they do differently with drug court vs. non-drug court cases? Do they do home visits? If so, how often and how long do they take?

2.2 What is the role of the Probation Department (e.g. duties, level of involvement)? Do they do home visits? If so, how often and how long do they take?

2.3 What is the role of the Public Defender (e.g. level of involvement)?

2.4 What is the role of the District Attorney (e.g. level of involvement)?

2.5 How well do you feel the agencies involved in DC work together? Examples:

2.6 Who provides primary management and coordination of treatment and rehabilitation services?

- Drug Court staff
- Treatment provider
- Pretrial services
- Probation
- Other: \_\_\_\_\_

3 **Drug Court Program:** This series of questions is aimed at finding out what happens to a client once they enter the drug court program.

3.1 What is the length of time between the participant's arrest and entry into the DC program? *[Ask the DA and PD]*

- 1 working day
- 1 week
- Other: \_\_\_\_\_

3.1.1 Has this process changed over time?  Yes  No

If yes, when and how?

**3.2 Phases of Drug Court** *[Ask Treatment, Probation (if involved), Judge/Bailiff]*

	Phase One	Phase Two	Phase Three	Phase Four
Length in weeks				
Court appearances				
UAs				
Group sessions (hours)				
Individual sessions (hours)				
Other requirements to move to next phase				

3.2.1 Has this process changed over time?  Yes  No

If yes, when and how?

3.3 Describe the contracted **treatment provider**(s). *[Ask Treatment, Probation (if involved), Judge/Bailiff]*

3.3.1 List all drug court substance abuse providers and provide the following information:



- |   |                              |                             |
|---|------------------------------|-----------------------------|
| <input type="checkbox"/> GED                              | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| <input type="checkbox"/> Anger management classes         | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| <input type="checkbox"/> Assistance with Drivers licenses | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| <input type="checkbox"/> Life skills training             | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| <input type="checkbox"/> Job Training                     | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| <input type="checkbox"/> Other: _____                     | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

3.3.8 What funds are used to pay treatment providers for services for drug court clients? (drug court funds? Private insurance? Medicaid? Other county, state, or federal funds?)

3.3.9 Have the treatment providers and/or the services they provide changed over time?

- Yes       No

If yes, when and how?

3.4 **UAs** [*Ask Treatment, Probation, Law Enforcement; varies by site*]: Describe the UA process. Who coordinates UAs and how is it determined when and how many a client needs?

3.4.1 How are UAs conducted?

- Client calls in
- Client is called
- Law enforcement drops in
- Other: \_\_\_\_\_

3.4.2 Are the UAs assigned randomly?  Yes  No

3.4.3 Who conducts the UA?

- Contracted treatment provider
- Probation
- Court
- Public defender
- Other: \_\_\_\_\_

3.4.4 Where do UAs take place?

- Agency
- At a participant's home
- Other

3.4.5 Has the UA process changed over time?  Yes  No

If yes, when and how?

3.5 **Fee structure** [*Ask Treatment, Judge/Bailiff*]: Is there a fee required of drug court participants?

- Yes  No

If yes,

3.5.1 How much is the fee? \_\_\_\_\_

3.5.1.1 Sliding scale?  Yes  No

3.5.1.2 Describe payment schedule:

3.5.2 Is full payment a requirement of graduation?  Yes  No

3.5.3 Is payment reduced if participant successfully completes program?   
Yes  No

3.5.4 Who collects the fees? Where does the money go? What is the money used for?

3.5.5 Has the fee structure changed over time?  Yes  No  
If yes, when and how?

3.6 **Rewards/Sanctions** [*Ask DA, PD, Treatment, Probation (if involved), Judge/Bailiff*]

3.6.1 What behaviors are considered non-compliant?

3.6.2 What kinds of sanctions are imposed as a result?

For the following table, go through each type of non-compliance, determine which sanctions can be given and write any caveats in the box (i.e. 2 FTA in court → court hearings once a week).

		Non compliance:				
		FTA in court	FTA at treatment	Positive UA/Relapse	Subsequent Arrest	Other: _____
Sanctions:	Bench warrant					
	Writing papers					
	Sit sanctions					
	Community service					
	More frequent urinalyses					
	More frequent court status hearings					
	More frequent contact with treatment provider					
	In-custody treatment					
	Incarceration					
	Termination					
	Other:					
	Other:					

3.6.3 Are sanctions graduated?  Yes  No

3.6.4 How frequently are sanctions given? (is it rare, quite common, etc.)

3.6.5 How consistently are sanctions imposed for similar non-compliance behaviors?

Not consistent		Somewhat		Always consistent
1	2	3	4	5

3.6.6 Does the judge follow-through on the threat of sanctions?

Never		Sometimes		Always
1	2	3	4	5

3.6.7 How swiftly is the sanction imposed after it is given?

3.6.8 Rewards: What types of rewards are issued? For what types of events?

3.6.9 Has the reward/sanction process changed over time?

Yes  No      If yes, when and how?

4 **Graduation** [*Ask Treatment, DA, PD, Judge/Bailiff*]: Describe the DC graduation:

4.1 How often is a graduation ceremony held?

4.2 Requirements for graduation

Number of days clean: \_\_\_\_\_

Employment       Yes       No

Payment of fines       Yes       No

Suitable housing       Yes       No

Completion of GED       Yes       No

Other: \_\_\_\_\_

4.3 Incentives to complete drug court program

- Dismissed
- Guilty Pleas Stricken
- Probation in Lieu of Incarceration
- Probation Shortened
- Felony Reduced to Misdemeanor
- Other: \_\_\_\_\_

4.4 In your experience, do you think certain types of clients have different graduation rates? (for example, first timers versus repeat felons, type of addiction, etc.)

4.5 Has the graduation process changed over time?  Yes  No

If yes, when and how?

**Aftercare program [Ask Treatment, DA, PD]**

Is there an aftercare program for the drug court?  Yes  No

If yes, describe

How long is the aftercare program? \_\_\_\_\_

○ *Is the aftercare program mandated?*  Yes  No

○ *What happens upon completion (i.e. incentives to complete)?*

○ *Has the aftercare process changed over time?*  Yes  No

If yes, when and how?

***D. Failure to complete drug court [Ask DA, PD, Treatment, Judge/Bailiff]***

4.6 What would prompt a termination?

- New arrest for drug possession
- New arrest for drug trafficking
- New arrest for other non-violent offenses
- New arrest for violent offenses
- Nonparticipation/noncompliance with treatment or court orders
- FTA
- Dirty UA
- Other: \_\_\_\_\_

4.7 If drug court participant is terminated, where does participant enter the traditional court system?

- Standard court process
- Stipulated facts trial
- Already plead guilty, sentencing
- Other: \_\_\_\_\_

E. *Has the termination process changed over time?*  Yes  No

If yes, when and how?

F. **Describe** regular, (non drug court) court process [Ask DA, PD]

In order to understand what happens to the comparison group, please describe the process for a person who is eligible for drug court, but not involved in drug court. In particular, explore the flow and who is involved.

***(You can use the Multnomah County Flow Chart as a guide for this question and you can take notes right on that chart instead of, or in addition to, here.)***

(Probe: We are interested in knowing in general, if people are sentenced to probation do they usually serve the whole sentence, or can people be released from probation early? If so, how often does this happen, and what is the procedure? If this does happen with some regularity, typically how much of a person's sentence are they likely to serve?)

- *Has this process changed over time?*     *Yes*         *No*

If yes, when and how?

*G. Drug Court Judge* [Ask Coordinator, Judge/Bailiff]

How is judge assigned to drug court?

Judicial assignment

- One judge/No other cases
  - One judge + other cases
  - 2 judges/no other cases
  - 2 judges + other cases
  - Other:
-

9.1 What are the judge's other roles and responsibilities (if any)?

9.2 What proportion of the Judge's allocated time is spent on the drug court calendar?

\_\_\_\_\_

9.3 How many drug court judges have there been in this drug court? \_\_\_\_\_

Provide names and length of drug court services (only if this information is readily obtainable):

9.4 Is the length of time presiding over the drug court time limited?

Yes  No

If yes, what is the limit? \_\_\_\_\_

9.5 Is the position as DC judge for this jurisdiction rotated?

Yes  No

If yes, describe:

**9.6 *How much choice does the judge have a choice about becoming a drug court judge? (Is there pressure to do it, or is it purely voluntary?)***

**9.7 *Has this process changed over time?***  Yes  No

If yes, when and how?

9 **Drug Court Coordinator [Ask Coordinator]:**

Describe the roles and responsibilities of the DC coordinator

9.1 Is there a DC coordinator whose primary responsibility is to this single DC?

Yes       No

If no, how many DCs is the Coordinator responsible for? \_\_\_\_\_

- 10 **Donated time** *[ask all respondents]*: Do you spend time on drug court activities beyond the time officially allocated for it? If yes, how much time? Do you know of other people who spend extra time on drug court activities?
- 11 **Overall impression of the DC** *[ask all respondents]*: notable characteristics, unique characteristics (i.e. character of court, reputation, etc.)
- 12 **Promising practices** *[ask all respondents]*: What do you think are the most promising practices of this drug court?
- 13 **Implementation** *[ask all respondents]*: Were you involved in implementation of this drug court? If so, what can you tell me about the formation of this drug court? Were there any notable events, challenges, successes?

- 14 **Drug Court Program Capacity and Enrollment** *[ask Coordinator]*: (If the Coordinator does not know these numbers off hand ask for copies of recent reports or statistics that could be mailed to you that would give us this information.)

Annual program capacity: \_\_\_\_\_

Total number enrolled to date: \_\_\_\_\_ As of: \_\_\_\_\_

Number of graduates to date: \_\_\_\_\_ As of: \_\_\_\_\_

Active participants: \_\_\_\_\_

Number of unsuccessful terminations to date: \_\_\_\_\_ As of: \_\_\_\_\_

Primary Drug Used Most Frequently By Drug Court Participants

\_\_\_% Marijuana

\_\_\_% Crack or Cocaine

\_\_\_% Heroin

\_\_\_% Methamphetamines

\_\_\_% Poly Drug

\_\_\_% Alcohol

Ending the Interview:

When you are finished asking with the interview, thank the respondent for their time and ask if they have any further questions for you. Also ask them if they would be willing to be contacted should you have any follow-up or clarifying questions for them. If they agree to be contacted for follow-up, ask if they prefer to be called or emailed. Finally, let them know that we will be writing up a summary of how their drug court operates based on the interviews we conduct, and we would like to email them a draft of this summary for their review. Ask if they would be interested and willing to receive this document and let them know that it will be available in early March. (For our purposes, please make a note of whether the person has agreed to receive this document or not, so we know who to email in March.) If they ask, you can tell them that this drug court description will be included in a larger evaluation report (that includes cost and outcome data on all three sites) we will be submitting to the AOC at the end of March.

## Appendix C: Drug Court Process Descriptions

## 1. Court 1 Drug Court Program Description

Court 1 operates in an agricultural county consisting of several small metropolitan areas and a large unincorporated area.

### **1a. Court 1 Participants**

At the time of our samples, Court 1's drug court divided participants into two tracks. Track A was a diversion program primarily for drug possession cases, with a deferred guilty plea that was stricken upon completion of the program. Court 1 developed Track B for probation violators. To be eligible for Track B, participants had to be on probation and must have violated their probation with either a drug charge or any other violation with which the participant has a demonstrated drug problem. Participants with a wide range of drug use history were involved in Court 1's drug court. Participants were eligible for Track A if they met the PC1000 criteria. That meant a current drug charge with no prior felony or drug convictions within the past five years, no drug sale or driving while under the influence convictions, and no convictions for violent offenses. The types of current charges targeted for entrance into drug court's Track A were felony or misdemeanor drug possession and under the influence charges. Participants were eligible for Track B if they were on probation with any number of prior convictions (as long as none were for violent, sexual, or drug sales offenses) and they had any sort of probation violation or offense with a demonstrated drug problem. Drug possession and under the influence charges that violated terms of probation, as well as any other property or non-drug offense that violated terms of probation could land someone into Track B (as long as they had a drug problem). It should be noted, however, that individuals in our study were Track A participants only.

The drug court currently has 125 active participants, and out of a total of 854 people who have entered drug court to date, 341 have graduated and 370 have had unsuccessful terminations.

### **1b. Eligibility Screening and Enrollment**

The prosecutor is responsible for initial screening of cases for program eligibility, but probation helps in determining who is eligible for Track B. The judge is responsible for final determination about program entry after a two-week back-out period. This back-out period allows a participant to attend the assessment meetings, group counseling sessions, and other treatment services for two weeks before deciding whether or not the program is something that he or she wants to undertake.

A substance abuse assessment (the Addiction Severity Index, or ASI) is always conducted in the process of determining eligibility. A questionnaire also is used that helps to determine a participant's substance abuse history, living situation, health, and criminal history. The Department of Behavioral Health uses the ASI and the questionnaire together with the individual counselor's expertise to get a complete picture of case management and treatment service needs. Individuals who do not have a substance dependency issue are not accepted into drug court.

A mental health assessment is also conducted in the process of determining eligibility. The assessment is part of a medical questionnaire completed during the initial screening. Treatment providers do their own continual flagging of participants that they believe could benefit from mental health treatment. Once somebody is found to be in need of mental health treatment, the judge and probation are notified and the participant may be put in special group sessions that address mental health issues as well as drug use. Drug court does accept those participants with mental health problems, even some severe cases.

It can take anywhere from less than a week to slightly over a month between the time a participant is arrested and their entrance into drug court. If a Track A eligible participant is in custody, it usually takes about a week until he or she enters the program. If someone is out of custody entrance into the program takes longer; within one to two weeks of the arrest he or she will be given notice of a court date scheduled within 30 days of the notice. Once accepted into the program, participants have their initial interviews with a probation officer in which they receive general instructions and learn more about the specific requirements of each drug court phase (see below).

### **1c. Drug Court Phases**

Court 1's drug court has four phases. Each of the first three phases last a minimum of three months. Phase Four (the Transitional Phase) takes up the balance of time left until the participant gets to the required minimum of 18 months in the program. The program dictates minimum requirements for each phase, but depending on the needs of the particular participant, requirements could be increased or other discretionary requirements could be added.

During Phase One, participants have a court appearance a minimum of every six weeks, two urinalyses per week, two Narcotics Anonymous meetings per week, one meeting with their probation officer per week, and one group counseling session per week (lasting about 1 ½ hours). Individual counseling sessions are not standard and are assigned only as deemed necessary.

In Phase Two participants have a minimum of one court appearance every six weeks, one urinalysis and one group session no less than once every two weeks, two Narcotics Anonymous meetings per week, and one probation meeting every two weeks.

Phase Three participants have one court appearance every three months, one urinalysis no less than every three weeks, one group session every two weeks, two Narcotics Anonymous meetings per week, and one probation meeting every three weeks.

Phase Four participants have one court appearance every three months, one urinalysis per month, no group sessions, two Narcotics Anonymous meeting per week, and one probation meeting per month.

### **1d. Treatment Options**

Court 1 uses numerous treatment providers, but the County's Behavioral Health Department provides almost all of the initial outpatient services in Phase One. The private or community treatment providers used for Phases 2, 3, and 4 offer services such as group and individual counseling, case management, drug education, inpatient or outpatient treatment, residential care, and services for pregnant women or women with infants. Some of the treatment providers are strictly for either men or woman, but some offer services for both.

The treatment model in Court 1 leans more toward a strengths and needs-based social work than a strict boot camp philosophy. There is continual reassessment and subsequent consequences if participants slip, but drug court is designed to help and support participants rather than be punitive.

The following services are the requirements for drug court graduation: attend a 12-Step program with a sponsor, attain a GED (or attend literacy classes if unable to successfully attain a GED), and attend a Public Health Course with HIV education. Job training, life skills training, assistance with driver's licenses, anger management and domestic violence classes, parenting classes, veteran's services, health services, and women's (especially pregnancy) services are provided to participants on an as-needed basis. These services are provided either by the court, the county, or other public or private agencies. Acupuncture was also provided for two years, but the grant money ran out and it has not been replaced.

### **1e. Urinalysis**

The drug court urinalysis process is coordinated and conducted by the Probation Department. The number of tests is set at a minimum for each phase, but a participant can be required to submit to more tests than the minimum if probation (with the input of the rest of the drug court team) deems it necessary. Participants must show up at one of two Probation Department testing sites for their tests. Some of the tests are routinely scheduled, and others are randomly ordered by calling the participant in for a test. After Phase 1, the tests are random and are selected according to a color system. Participants are assigned a color and call in to determine which color has been selected to be tested for that day. Field urinalysis tests are also conducted during random home visits by probation officers and local law enforcement officers.

### **1f. Sanctions, Rewards, Termination and Graduation**

Participants are expected to meet the requirements outlined above in order to graduate. There is a system of sanctions and rewards to encourage compliant behavior, and ultimately, graduation. Sanctions are used for a variety of noncompliant actions or behaviors, including, but not limited to, dishonesty, disruptive behavior in court or in group sessions, failure to appear in court or treatment, positive urinalysis, noncompliance with treatment or court orders, and subsequent arrests. Bench warrants are commonly used sanctions for failures to appear in court or at treatment sessions. Other common sanctions for noncompliant behaviors include: repeating a phase, inpatient treatment, more frequent urinalyses, more frequent court appearances, more frequent contact with a

treatment provider, incarceration, and termination from the program. Community service and the assigned writing of papers are also used as sanctions but less frequently. A two-week in-custody treatment sanction was available for a year, but that option ended when the supporting grant money was exhausted.

Sanctions are graduated, meaning that they steadily increase with the severity and frequency of the noncompliant behaviors. Sanctions are used fairly frequently. The court always follows through upon its threat of sanctions, and after a sanction is ordered it is imposed very swiftly. The sanctions are almost always consistently imposed across individuals for similar noncompliant behaviors or actions.

A conviction for a violent offense is the only action that results in an automatic termination from the program. New convictions for possession or trafficking, nonparticipation in treatment, violating court orders, failures to appear, a positive urinalysis, and repeated violations could also possibly result in termination. The most common reason participants are terminated from the program is being dishonest about drug use or a relapse, especially if they have been in the program a long time. Once a participant is terminated, there is a hearing to determine if he or she is eligible for another diversion program. If a terminated participant is not eligible, sentencing immediately follows termination based on the original guilty plea. For Track B participants, sentencing usually results in prison time.

Court 1 also uses a system of graduated rewards with a wide range of possible benefits for a participant's positive steps in the program. Participants that are doing well (by attending all treatment sessions, producing clean urinalyses, being honest, and having a positive attitude) are rewarded with a \$100 reduction in their drug court fees. Moving from one phase to the next is a kind of reward in that it usually decreases the number and frequency of such things as drug tests, treatment sessions, and court appearances. When a participant reaches the Transitional Phase (Phase Four), they are given a coffee mug that says "Drug Court Works." The mugs are highly prized and must be given back if a participant has to return to a previous phase after a relapse. For graduation, participants are given a plaque, a photograph of themselves with the judge and their probation officer, and their original booking photograph. Other rewards can include the judge assisting with consolidating fines and reducing jail time for charges related to their drug offense, and such intangibles as praise or applause during a drug court session.

To graduate from drug court, participants must have been in the program for a minimum of 18 months, with the past 9 months completely clean from drugs. Participants who have not graduated from high school must complete their G.E.D. and a \$350 fee must be paid in full. The attainment of employment and suitable housing are encouraged, but are not required. Other than the obvious benefits of having their case dismissed and their guilty pleas stricken or their probation sentences reduced, some incentives to graduate from drug court include avoiding incarceration, shortened probation, and having a felony reduced to a misdemeanor charge. Upon completion of the program, participants will also have attained their G.E.D. and have had a chance to enhance their life skills and attain job training.

The graduation ceremony is held during drug court sessions on an as-needed basis. There is no monthly or quarterly group graduation as in some drug courts. Instead, each graduate gets a personalized ceremony. The ceremony itself is a slow-paced, celebratory

affair in which the judge gives a speech and the participant is allowed to talk. Then the plaque, photographs, and applause are given to the participant in front of assembled family and friends.

### **1g. Aftercare**

Court 1 does not have a formalized aftercare program in place, but the Transitional Phase (Phase Four) could be considered to be an aftercare equivalent. This Transitional Phase lasts anywhere from 3 to 12 months and consists of random drug testing, quarterly hearings, and continued access to case managers and treatment staff. Most of Court 1's participants are clean for almost a year before they actually graduate from the Transitional Phase and the program itself. However, if someone were to have a relapse after graduation, he or she could receive aftercare from the various community treatment providers, talk informally to treatment counselors or probation officers, and continue to work the 12-step program with their sponsor. It would also be possible for the graduate to do another intake and get back into a sobriety group counseling program.

### **1h. Program Fees**

A \$350 fee, as well as a \$100 state restitution charge, is required to be paid in full by all drug court participants before graduation. The fee is not on a sliding scale, but it can be reduced by \$100 if the participant is doing well in the program and has good behavior. The payment schedule can be as low as \$25 per month, but the court will work with participants if they miss a monthly payment due to hardship. The fees used to be collected by the County Collections Department, but now a Court Compliance Unit collects all the fees and fines. The funds are transferred to the Probation Department to offset the costs of drug testing.

### **1i. The Drug Court Team**

Court 1 has a drug court team that meets weekly for one hour prior to the drug court hearings held in one court location, and for one and a half hours prior to drug court hearings held in a second location. The Judge, the district attorney, the public defender, the drug court coordinator, two probation officers, and the treatment coordinator from the County Department of Behavioral Health are all considered members of the drug court Team. Two officers from the city police department are also part of the team (the officers were temporarily pulled away from that duty due to a shortage of officers, but will return to drug court duty sometime in May of 2002). Various counselors at Court 1's numerous treatment providers are also part of the team and attend meetings and court sessions when their clients are set to appear. See Table A-3 for additional information regarding specific responsibilities of each drug court team agency. The team primarily discusses participant progress, prepares for the hearings, and figures out how to address new issues or events in each participant's case. Drug court policy issues are not addressed by the team, and are handled instead by the various team members' department heads. Treatment issues are tackled during the monthly Treatment Team meetings involving probation, the drug court coordinator, and the various treatment providers and counselors.

The Probation Department provides the primary case management for each participant. The County Department of Behavioral Health provides the coordination of treatment and

rehabilitation services during Phase 1. After Phase One, probation works with Behavioral Health, the various community treatment providers, and the rest of the drug court team to coordinate services. While each team member is highly dedicated and plays a vital role in the drug court process, those players most highly involved are Probation, the Department of Behavioral Health, the counselors at the private treatment agencies and the public defender. The program also enjoys the broad support and expertise of the district attorney and local law enforcement. The communication and collaboration among the drug court players is described as highly developed, with value placed on everyone's strengths and opinions. The program operates as a team effort.

The probation officers write up regular reports on each participant. These reports include information on attendance, participation, issues, urinalyses, employment and GED updates, and a current needs and strengths assessment. Treatment providers and other community partners assist by providing probation with the information necessary to complete the reports. The reports are updated often and are used in drug court team meetings and during each participant's court hearing. They are very useful to the judge, the public defender, and the district attorney in assessing progress and the level of care needed.

**Table A-3. Court 1 Drug Court Team**

<u>Drug Court Team Member</u>	<u>Responsibilities</u>
Drug Court Coordinator, Superior Court	<ul style="list-style-type: none"> <li>• Manages and monitors data and statistics</li> <li>• Coordinates day-to-day operations</li> <li>• Maps community resources and provides links to those resources</li> <li>• Recommends, applies for, and coordinates grants</li> <li>• Coordinates fundraising activities</li> <li>• Coordinates and administers budget</li> <li>• Initiates community outreach and education</li> <li>• Attends court and team meetings</li> </ul>
Judge, Superior Court	<ul style="list-style-type: none"> <li>• Reviews current and old progress reports on each participant</li> <li>• Attends team meetings and prepares for hearings</li> <li>• Monitors participant progress, gives sanctions and rewards</li> <li>• Presides over drug court sessions and graduations</li> <li>• Makes final decision on who may enter drug court program and who is ready to graduate</li> <li>• Participates in community outreach</li> </ul>
District Attorney's Office	<ul style="list-style-type: none"> <li>• Obtains initial convictions</li> <li>• Represents the state's interest</li> <li>• Attends and prepares for team meetings and hearings</li> <li>• Monitors courtroom proceedings</li> </ul>
Public Defender's Office	<ul style="list-style-type: none"> <li>• Represents clients at all court appearances</li> </ul>

	<ul style="list-style-type: none"> <li>• Monitors participant progress</li> <li>• Handles clients' legal issues and provides counsel</li> <li>• Attends and prepares for team meetings and hearings</li> </ul>
Probation Department	<ul style="list-style-type: none"> <li>• Conducts initial interviews and imparts instructions</li> <li>• Manages each participant's case</li> <li>• Writes progress reports for the court</li> <li>• Conducts home visits</li> <li>• Administers urinalyses</li> <li>• Attends team meetings and court hearings</li> <li>• Assesses participant progress and compliance</li> <li>• Makes treatment and service referrals</li> <li>• Meets with participants regularly</li> </ul>
Police Departments	<ul style="list-style-type: none"> <li>• Makes initial arrests</li> <li>• Attends team meetings and court sessions</li> <li>• Serves bench warrants</li> <li>• Conducts home visits with probation officers</li> <li>• Monitors participants in the community</li> </ul>
Treatment Coordinator, Department of Behavioral Health	<ul style="list-style-type: none"> <li>• Conducts substance abuse and mental health assessments of participants</li> <li>• Attends team meetings and court sessions</li> <li>• Coordinates and provides treatment services during Phase One</li> <li>• Assesses participant progress and assists with progress reports</li> </ul>

Contracted Treatment Providers:	
Treatment Provider #1	<ul style="list-style-type: none"> <li>• Residential treatment</li> <li>• Outpatient treatment</li> <li>• Transitional housing</li> </ul>
Treatment Provider #2	<ul style="list-style-type: none"> <li>• Outpatient treatment</li> </ul>
Treatment Provider #3	<ul style="list-style-type: none"> <li>• Transitional housing for families</li> </ul>
Treatment Provider #4	<ul style="list-style-type: none"> <li>• Christian-based treatment for women</li> </ul>
Treatment Provider #5	<ul style="list-style-type: none"> <li>• Residential treatment</li> <li>• Outpatient treatment</li> <li>• Transitional housing</li> </ul>
Treatment Provider #6	<ul style="list-style-type: none"> <li>• Residential treatment</li> <li>• Outpatient treatment</li> <li>• Individual counseling</li> </ul>
Treatment Provider #7	<ul style="list-style-type: none"> <li>• Residential treatment</li> </ul>
Treatment Provider #8	<ul style="list-style-type: none"> <li>• Residential treatment</li> <li>• Outpatient treatment</li> </ul>
Treatment Provider #9	<ul style="list-style-type: none"> <li>• Perinatal treatment services</li> </ul>
Treatment Provider #10	<ul style="list-style-type: none"> <li>• Outpatient treatment</li> </ul>
Treatment Provider #11	<ul style="list-style-type: none"> <li>• Religious-based treatment for men</li> </ul>



### **1j. Program Challenges and Successes**

Interview respondents explained that a challenge that faced Court 1 during its implementation and again more recently has been locating sufficient grants and funding to support the required treatment and services for participants. With recent state cutbacks and a tightening economic environment, this challenge is likely to continue. New diversion programs have presented another set of challenges by greatly reducing the number of people eligible for drug court and also leaving drug court to deal with the remaining more hard-core and less motivated defendants, which may affect the program's success rate.

Despite these challenges, respondents felt the Court 1's drug court has accomplished many successes. Some of the successful practices that Court 1's drug court has used include the collaboration among team members and the private sector, frequent and highly structured court and treatment sessions, a system of graduated sanctions (including "shock incarceration"), taking a holistic view of treatment, really listening to participants and taking a genuine interest in them as people, helping participants with tangible successes such as obtaining a G.E.D., and having dedicated team members who devote their time and energies to a program that they really believe in.

Respondents described the overall character of Court 1's drug court as a well-functioning professional team that is dedicated to the people that they serve. The teamwork, collaboration, and respect between team members allow the program to run smoothly and to concentrate on helping the participants succeed. Team members stated that drug court is one of the best things that they have been a part of while in public service, and that while the drug court process is labor-intensive at the outset, they believe in the long-term benefits of the program. The drug court has a good reputation and enjoys broad support in the community and among the participants themselves.

## 2. Court 2 Drug Court Program Description

Court 2 is one of ten drug courts operating in a large metropolitan area.

### **2a. Court 2 Participants**

Court 2 accepts both first-time offenders as well as repeat offenders. To be eligible for drug court, individuals must have a current misdemeanor or felony drug possession or under the influence charge, with no prior drug convictions. Participants with no prior record are admitted into the program pre-plea, with the charge dismissed upon graduation. Within the past year, Court 2 has allowed post-plea individuals in the drug court: individuals with prior criminal records must plead guilty to the charges, and upon successful completion of the program are sentenced to probation. Anyone with convictions for violence, sex crimes, or drug sales is not allowed into the program.

Court 2 serves a mix of hard-core addicts and recreational users. While participants with a wide range of drug use history are accepted into the program, all participants must admit that they have a drug problem. The annual program capacity for the Court 2 is 195 participants, and the program currently has 125 active participants. The program has graduated approximately 600 participants to date. Approximately two-thirds of the participants report that crack or cocaine is their primary drug of choice, but heroin, methamphetamines, and alcohol are also common drugs of choice.

### **2b. Eligibility Screening and Enrollment**

The district attorney is responsible for initial screening of cases for program eligibility. The public defender provides potential participants with the relevant information regarding the drug court program and evaluates their willingness to participate. Pretrial services and the treatment provider will also interview and assess defendants for suitability. A pre-trial report written on every person following these assessments is provided to the judge to assist in the determination process. Entry into the program is predicated upon meeting the following criteria, as determined in the assessment interview:

- The offender must be between 18 and 64 years of age.
- The offender must have a history of substance abuse.
- The offender must have no disqualifying physical disabilities and no illness requiring bed care or the administration of mind-altering medication.
- The offender must not be acutely or chronically suicidal or otherwise psychotic.
- The offender must have no history of excessive violence.
- The offender must exhibit motivation to remedy their drug/alcohol problem.

The judge is provided with the eligibility and screening information at arraignment, and if accepted into the program the defendant is immediately referred and escorted to the treatment center where program orientation begins.

The final determination about program entry is the responsibility of the judge, and he has discretion to mandate that program admission be

dependent upon completion of a two-week trial period. In order to successfully complete this trial period, the defendant must attend program orientation, attend treatment sessions, comply with the drug testing, and report to all court appearances. This trial period also gives participants a chance to decide whether or not the program is something that he or she wants to undertake.

A substance abuse assessment is always conducted in the process of determining eligibility. The treatment provider performs the initial Intake Assessment, which includes the substance abuse assessment and a medical and psychological screening. This helps the treatment provider get a complete picture of case management and treatment service needs. Participants are not accepted if they do not have substance dependency issues.

A mental health assessment is also sometimes conducted in the process of determining eligibility; the treatment provider conducting the initial interview will look for signs of mental illness. If a treatment counselor finds that a participant has mental health issues the counselor may refer him or her out for further evaluation by mental health professionals. Participants with mental health issues are usually placed in a dual-diagnosis group counseling session. Court 2 initially did not accept many people with mental health problems, but it quickly became apparent that many potential participants have mental health needs, so the program now accepts more people with mental health issues.

The time between arrest and program entry is generally between two days and two weeks. Defendants in custody must be referred to drug court within the statutory time frame required for arraignment (48 hours), and most people are enrolled into the program at arraignment. However, for those individuals placed in the two-week trial period, enrollment into the program happens at the close of the trial period, or just over two weeks after arrest.

Upon admission the treatment provider presents the participants with information about the goals of treatment, treatment costs, offender rights and responsibilities, and program rules, including disciplinary actions and grounds for termination.

### ***2c. Drug Court Phases***

The drug court program consists of three phases. Participants must complete the requirements for each phase before graduating to the next level. The intensity and frequency of the required services and court appearances diminishes with each successive phase.

Phase I is considered the intervention stage and includes assessment, evaluation, and intervention strategies that address the offenders' key treatment areas. This phase is designed to last four to six weeks, but it usually takes longer for participants to complete all of the requirements. During this time participants have two court appearances per month. Urinalysis is required six times per week, and the test results help to identify individuals who may need residential treatment. Participants must complete required individual and group counseling sessions as well as attend NA or AA meetings. Before advancing to Phase II participants must have fourteen consecutive days of clean urinalysis results, fourteen consecutive days of no unexcused absences from services, and must prove that they are employed or actively engaged in a job search.

Phase II participants are required to attend weekly individual and group counseling sessions. Participants also are required to continue attending NA or AA meetings. Phase II usually lasts between 16 and 24 weeks, and participants have one court appearance per month. Vocational counseling is available during this phase should the treatment team deem it necessary. Urinalysis is performed randomly throughout this phase. The counseling staff prepares monthly case evaluations that provide updates on the participants' clinical performance and compliance. In order to advance to the next phase, participants must have 60 days of clean urinalysis results and no unexcused absences from services for 30 consecutive days. Furthermore, participants must show a demonstrated adjustment to treatment and must be employed or involved in vocational or educational training.

Phase III usually lasts between 16 and 18 weeks and addresses a variety of the offenders' recovery needs in a less intense outpatient setting. Participants take part in vocational and educational training, classes on parenting, relapse prevention, and anger management, and can also take part in relationship or family counseling. Participants continue to attend group and individual counseling and are subject to random urinalysis and monthly court appearances. Completion of this phase is dependent upon no positive urinalysis results for 90 days, no unexcused absences from services for 60 days, and employment or engagement in vocational or educational training.

Most participants complete the drug court program in nine to twelve months, with the majority of that time spent in the first two phases. The number of required group and individual counseling sessions, court appearances, twelve-step meetings, and urinalyses depends on the individual's needs, case plan, and compliance. However, in general, upon graduation participants have completed over 150 urinalyses, 250 twelve-step meetings, and 150 group counseling sessions.

## ***2d. Treatment Options***

Court 2 contracts with one treatment provider for drug court services. As described above, participants take part in a nine to twelve month program divided into three phases. The treatment provider uses a multi-disciplinary treatment approach combining traditional clinical applications with newer and more creative components. The treatment agency provides intensive outpatient treatment, individual counseling, and group meetings, and also offers ancillary services such as acupuncture, parenting classes, GED classes, anger management classes, and life skills training. These ancillary components are only required of the participants if the Judge uses them as sanctions for noncompliant behavior. In addition to these outpatient services, the treatment provider operates inpatient treatment services. The inpatient facility, which opened in 1999, serves as a facility for inmates with drug and alcohol or domestic violence issues. Drug court participants in need of residential treatment and secure detention are placed in the inpatient facility for up to 90 days. (The study samples enrolled in drug court before the inpatient facility opened, and therefore, this study does not include data on utilization of these services.)

## **2e. Urinalysis**

The treatment provider also coordinates and conducts all urinalyses (UAs). All testing is random, and therefore, participants must call in daily to see if they are scheduled for a test. The drug court team determines the number and frequency of UAs based on the participant's current phase and overall program compliance. Urinalysis results are used only to gauge a participant's progress in the drug court program, and not as evidence for criminal proceedings.

## **2f. Sanctions, Rewards, Termination, and Graduation**

Participants are expected to meet the requirements set forth by the judge, and there is a system of sanctions and rewards to encourage compliant behavior, and ultimately, graduation. Sanctions are used for a variety of noncompliant actions or behavior, including, but not limited to, dishonesty, failure to appear in court, missing therapy sessions, dirty urinalysis results, and disrespectful behavior in court and in therapy. Common sanctions include writing papers, sit sanctions, community service, more frequent UAs, more frequent court status hearings, more frequent contact with the treatment provider, in-custody treatment, incarceration, and termination. The sanctions given often depend on the number of prior misbehaviors and the brevity of the non-compliant action.

Sanctions are usually graduated, as illustrated by the sequence of sanctions for dirty urinalysis results. For a participant's first dirty UA he/she generally receives a weekend incarceration, for a second dirty UA he/she may receive fourteen days in jail, and additional dirty results may result in up to a month behind bars. Sanctions are imposed consistently for similar noncompliant behaviors and the judge swiftly follows through on the sanction. The judge does not use a "cookie-cutter" approach and will often try to tailor the sanction to each individual.

To be terminated from the program a participant must be consistently noncompliant with treatment or court orders, have a series of dirty urinalyses, or have a new arrest for a violent offense. Individuals with new drug possession, drug trafficking, or non-violent offenses may also be terminated depending on their history of noncompliance in the program. In addition, violent behavior exhibited in treatment may be grounds for termination, as is the presence of a severe mental illness that requires medication. Once a participant has been terminated, sentencing immediately follows for those individuals that have already pled guilty. Those that came into the program pre-plea have all rights reinstated and have the option of fighting the case or can plead guilty and try to be reinstated in drug court as a post-plea participant.

In addition to sanctions for misbehavior, the program seeks to reward compliant behavior. Participants may receive paperweights, dog tags, and special books as rewards for progression in the program. Participants nearing graduation also are given the chance to choose their graduation speakers. During the first several years of drug court there was no money for these rewards, and the judge paid for them himself. Over time the program has developed fund-raisers that now cover the cost of the rewards. When participants

graduate the program throws a party in their honor and they receive a t-shirt and diploma. Graduation lasts approximately an hour and a half and is held four times per year.

In order to graduate, participants must be sober for 180 consecutive days, must have paid all fines and fees, and must complete all phases of the program. Participants who enter the program pre-plea have the incentive of having the charges dropped upon graduation, and those that enter post-plea are given shortened probation sentences and at the completion of the sentence they may file a motion to have the plea dismissed.

## **2g. Aftercare**

Court 2 does not have a mandated aftercare program.

## **2h. Program Fees**

Drug court participants must pay a \$350 fee before they can graduate. There is neither a sliding scale nor a reduced rate for successfully completing the program. The treatment provider collects the fees and the funds go back to the county to help defray costs of the drug court program. The fee has been increased from an original \$200 to the current \$350 over the years of program operation.

## **2i. The Drug Court Team**

Drug court operations are the responsibility of the drug court team, consisting of the judge, the district attorney, the public defender (or private counsel), the drug court coordinator, the treatment provider, and a treatment drug court liaison. Each of these players is in court for every drug court session. In addition, a probation officer may also join court hearings as needed for those participants on probation. The treatment provider takes primary responsibility for coordination of services and monitoring of participants' progress. The treatment staff provides the drug court team with monthly reports summarizing information on missed sessions, client progress, and client setbacks and risky behaviors. These reports are very useful to the judge, the public defender, and the district attorney in assessing progress and the level of care needed.

Drug court sessions are held every weekday afternoon, and the drug court team meets twice monthly to discuss cases and policy issues. See Table A-4 for a list of the drug court team members and their responsibilities. In addition to the drug court team, individuals involved in the drug court take part in a larger committee made up of representatives from all of the metropolitan area drug courts. Two representatives from each drug court sit on this oversight committee. The committee meets to discuss policy and issues common to all metropolitan area drug courts.

**Table A-4. Court 2 Drug Court Team**

<u>Person/Agency</u>	<u>Responsibilities</u>
Drug Court Coordinator, Superior Court	<ul style="list-style-type: none"> <li>• Assists the Executive Director in the overall administration and continuing development of the County Drug Court Program</li> <li>• Analyzes operational problems related to Drug Court Programs and makes recommendations on how to resolve them</li> <li>• Administers specific grant-funded projects to ensure fiscal and programmatic compliance</li> <li>• Analyzes budgets and revenue forecasts for Drug Court Programs and makes findings and recommendations</li> <li>• Works as lead staff in the development of Drug Court Program policies and procedures</li> </ul>
Judge, Superior Court	<ul style="list-style-type: none"> <li>• Presides over all drug court cases at daily court sessions</li> <li>• Participates in drug court team meetings</li> <li>• Attends certain drug court related meetings</li> <li>• Attends graduations</li> </ul>
District Attorney's Office	<ul style="list-style-type: none"> <li>• Screens offenders for eligibility</li> <li>• Recommends sanctions for non-compliant behavior</li> <li>• Collects raw data information</li> <li>• Responsible for all of the legal activity involved with the participant whether the client has successfully completed the program and charges need to be dismissed or whether the participant is dismissed from the program</li> </ul>

Public Defender's Office	<ul style="list-style-type: none"> <li>• Advocates for clients' best interests</li> <li>• Provides closest contact between the client and the drug court team</li> <li>• Refers cases to the District Attorney that have already processed through legal issues</li> <li>• Deals with issues such as when a participant has been terminated from drug court, if they are seeking a hearing, other continuing legal issues</li> </ul>
Probation Department	<ul style="list-style-type: none"> <li>• Provides monitoring and probation services for those participants on probation</li> </ul>
Sheriff's Department	<ul style="list-style-type: none"> <li>• Provides a bailiff for the courtroom who maintains the courtroom security</li> <li>• Supervises drug court participants who are sent to jail</li> </ul>
Treatment Provider	<ul style="list-style-type: none"> <li>• Assesses the offender to determine appropriate treatment plan</li> <li>• Performs group meetings and individual counseling sessions</li> <li>• Provides court with status reports on participants' progress</li> </ul>

## **2j. Program Challenges and Successes**

According to interview respondents, a main challenge facing Court 2's drug court is how to expand services in order to help more potential participants. Respondents stated that drug court is beneficial to the vast majority of the people it served, but currently only a limited number of offenders are reached. Interview respondents also noted that expanding and improving services for women and dual-diagnosis participants is another challenge.

Despite these challenges, interview respondents felt that the drug court is efficient and the drug court team works well together. Respondents emphasized that the success of the drug court program depends heavily on open communication, trust among team members, and on the drug court team's ability to be creative. They also identify the participants' frequent court and treatment contact and the individual attention and focus provided as successful and promising practices of drug court. Respondents stated that drug court is giving people a chance at a better life while at the same time addressing the substance abuse problem in the community.

### 3. Court 3 Drug Court Program Description

Court 3 is one of four drug courts operating in a large metropolitan area.

#### **3a. Court 3 Participants**

Individuals in Court 3's drug court program are non-violent offenders who have been arrested on both felony and misdemeanor charges. Participants must plead guilty before entering the program. The participants range from individuals with extensive abuse history to recreational substance users. Most drug court participants (74 percent) report that methamphetamines are their primary drug of choice. Smaller percentages of participants report using marijuana, heroine, crack and cocaine, alcohol, and hallucinogens.

The drug court's annual program capacity is 100 and as of February 12, 2002 there were 71 active participants. The total number of participants enrolled in the program through February 2002 was 356. The program has graduated 167 participants, and 109 participants have been terminated unsuccessfully.

#### **3b. Eligibility Screening and Enrollment**

The district attorney performs the overall eligibility screening and is responsible for the final determination about an individual's entry into the program. The drug court program is post-plea, and the plea is stricken, the case is dismissed, or the sentence is reduced upon completion of the program. Offenders charged with violent offenses, sex crimes, manufacturing illegal substances and other serious offenses are not eligible for the program. Any offender that has been charged with a violent offense or who has a prior conviction for a violent crime, except misdemeanor domestic violence charges, is excluded from the program.

The treatment provider performs a substance abuse assessment as part of the eligibility screening. If a treatment counselor finds during the eligibility screening, or at any other time during the program, that a participant has mental health issues she/he may refer the participant out for further evaluation from mental health professionals. The program does occasionally accept individuals with mental health issues.

Most individuals enter drug court shortly after their arrest. Some individuals may enter later as a condition of probation.

#### **3c. Drug Court Phases**

Court 3's drug court program is divided into four thirteen-week phases plus a six month continuing care/aftercare phase. The program dictates minimum requirements for each phase, but additional requirements may be added based on an individual's needs and performance. In each phase the number and frequency of individual sessions varies depending on each client's treatment plan. Involvement and participation in 12-step meetings such as Alcoholics and/or Narcotics Anonymous is a required part of the program.

The intensity of services decreases as participants move through the phases. In Phase I, participants are required to attend daily group therapy sessions and weekly court sessions and must submit three urinalyses each week. Participants are also required to either be enrolled in school or a GED program or must find employment prior to being promoted to Phase II. Phase II participants attend group therapy four times each week, have court appearances twice each month, and submit to two urinalyses each week. Phase III participants must attend at least three group therapy sessions each week, attend court every third week, and submit to five urinalyses each month. In Phase IV, participants attend at least two group therapy sessions a week, attend court appearances monthly, and submit to four urinalyses each month.

### ***3d. Treatment Options***

Court 3 contracts with one treatment provider to provide treatment and case management services for drug court participants. This agency provides outpatient services and refers participants to other providers for residential treatment, short-term detoxification, mental health evaluations, parenting classes, anger management classes, and GED classes. They also provide meeting space for the parenting, anger management and GED classes that are taught by outside professionals. The judge, with advice from the drug court team, determines whether clients need these ancillary services and may require their attendance.

The drug court treatment model is one of empowerment and accountability and does not support a strict boot camp philosophy in its programming. For the past two years the treatment provider has used a cognitive behavior curriculum called “Thinking for Change” along with a relapse prevention model; this method teaches and empowers participants to stand by their own decisions. The model involves an interactive and role-playing approach.

### ***3e. Urinalysis***

The treatment provider program manager coordinates and conducts urinalyses using a Microsoft Outlook calendar for scheduling. This calendar has seven different weekly schematics that generate random urinalysis test schedules for all participants. Participants must call the provider daily to find out if they must go in for a urinalysis test. In addition, all drug court team members (see below) can make a request in court that a participant be tested. The bailiff will then collect and test samples immediately at court, and also will send samples to the treatment provider for more thorough testing. Law enforcement officers also perform some urinalysis in field during random home visits.

### ***3f. Sanctions, Rewards, Termination, and Graduation***

All participants in Court 3’s drug court are expected to meet the requirements set forth by the program, and there is a system of sanctions and rewards to encourage compliant behavior, and ultimately, graduation. Requirements for graduation include 120 continuous days of sobriety, finding employment or enrolling in school during the first phase of the program, securing suitable housing, paying all fines and fees, completion of high school or a GED by the end of the program, and attending all required group meetings.

The most common actions resulting in sanctions are those related to non-compliance with the program, for example: failure to report for a urinalysis; a positive urinalysis result or adulteration of tests; missing or being late to therapy meetings, appointments, or court sessions; aggressive or inappropriate attitudes; possessing drugs or living with people using alcohol or drugs; new criminal charges; not making an effort to find employment; and not attending school or GED classes.

Sanctions are graduated, and therefore depend on the number and nature of prior non-compliant behavior and the brevity of the current non-compliant action. Sanctions are imposed consistently for similar non-compliant behaviors and the judge swiftly follows through on the sanction. Sanctions range from mandatory 12-step meetings to being remanded into custody. Poor attitudes and being late or missing meetings may result in such sanctions as writing papers and community service. Positive urinalysis test results and relapses may result in more frequent court hearings and treatment sessions (often in conjunction with being sent back to an earlier phase for a month), and repeated positive urinalysis results may result in incarceration.

Program termination is the last resort for noncompliant behavior, and participants who are terminated are consistently non-compliant with treatment or court orders, have a new arrest for violent offenses, or have many positive urinalyses.

Court 3 also uses a system of graduated rewards with a wide range of possible benefits for a participant's positive steps in the program. The program provides rewards for progress such as continued sobriety, getting a job, or getting a GED. The rewards include tokens celebrating sobriety, graduating to the next phase, certificates of program completion and recognition in court, and informal recognition such as applause in court. In addition, the names of compliant participants are placed in an envelope and once a month one name gets drawn to receive a prize, such as movie tickets or restaurant coupons.

Incentives to graduate from the program include dismissal of charges, probation in lieu of incarceration, reduced probation sentences and reduction of a felony to a misdemeanor. This range of outcomes is due to the fact that participants enter the program with a wide variety of charges and circumstances. Participants who enter with more serious charges may not have the option of having their charges dismissed, but may be able to get shortened probation sentences or probation rather than incarceration.

Graduation ceremonies are held two to three times per year and usually last just over an hour. The graduation consists of a potluck dinner with food donations, a PowerPoint presentation with before and after photos of the graduating participants, and a featured speaker. All graduates get up to speak and the judge congratulates them on completing the program. Graduates receive letters of congratulations from the County Board of Supervisors and members of the United States Congress, and a certificate of completion.

### **3g. Aftercare (Called Continuing Care)**

For the past two years Court 3 has mandated a six-month continuing care program for participants. The requirements of the continuing care program include a monthly individual counseling session, a monthly alumni meeting, occasional random urinalyses, and court appearances three and six months after graduation. Due to budgetary constraints the continual care program was almost terminated, but the treatment agency is now providing the programming for the continuing care program. (The study samples entered drug court before the implementation of the continuing care program, and therefore, the study data does not include continuing care.)

### **3h. Program Fees**

There is a \$10 per week fee required of drug court participants. There is neither a sliding scale nor a reduced rate for successfully completing the program and full payment is required before graduation. The treatment provider collects the fees, which are used to offset treatment costs.

### **3i. The Drug Court Team**

Court 3 has a drug court team consisting of the judge, the district attorney, the public defender, the treatment provider, and law enforcement. All drug court team members attend the weekly drug court sessions. In addition, the drug court team meets before each drug court session to discuss individual cases.

The program has plans to implement a committee that will monitor the participants' progress toward graduation. The program is in the early stages of planning this committee, and therefore membership has not yet been determined, but it is likely that several members of the drug court team will be involved.

The county has a drug court coordinator who is responsible for the county's four adult drug courts and coordinates administrative and staff support functions. The coordinator has division representatives located at each drug court.

The treatment provider has primary responsibility for coordinating services and monitoring client progress. The provider shares information with the judge and other team members verbally and through written reports on participant activities and progress. Prior to each court session, the judge receives these progress reports, which include attendance records, previous sanctions, recent progress, and recommendations.

Law enforcement plays an integral role in maintaining participant compliance in the drug court program. Law enforcement representatives are assigned to participants upon program entry allowing a relationship to form between client and officer. The officers' official duties include home checks and serving warrants. This one-on-one relationship between officers and participants is an extremely useful tool for participant compliance because the officers know the clients on a personal and ongoing basis. By learning about the participant's drug use history, criminal history, and getting to know the participant's family and support network, these officers are invaluable resources for the drug court program and the drug court team. Another law enforcement representative, the courtroom

bailiff, is integrally involved with the drug court team as well. He maintains the courtroom security, performs breath alcohol tests, urine dip-stick testing, takes entry and graduation photos, creates the graduation PowerPoint presentation, and maintains files and paperwork.

Please see A-5 for a complete list of the drug court team members and their responsibilities.

**Table A-5. Court 3 Drug Court Team**

<b>Individual/Agency</b>	<b>Responsibilities</b>
Drug Court Coordinator	<ul style="list-style-type: none"> <li>• Serves as central contact for all adult Drug Court-related questions/requests from the court, other agencies and the public</li> <li>• Provides support to Superior Court Grant Coordinator with grant management</li> <li>• Plans, develops and monitors grant applications and progress reports relating to Drug Court Programs</li> <li>• Plans and attends meetings relating to Drug Court Programs</li> <li>• Meets and works with Drug Court Judges, evaluators and/or Alcohol and Drug Services staff on existing programs and/or developing new programs, services and policies</li> <li>• Develops and maintains law enforcement agency and community relationships</li> </ul>
Judge, Superior Court:	The Judge spends one day a week on drug court, the other days she is the Proposition 36 as well as a trial court Judge. Her non-drug court duties include being involved in the trial department, restraining orders, probation offenses, and traffic tickets.
District Attorney's Office	<ul style="list-style-type: none"> <li>• Screens cases</li> <li>• Collects data</li> <li>• Provides input on sanctions</li> <li>• Takes appropriate legal action upon program completion or termination (i.e. drops charges for graduates)</li> </ul>
Public Defender's Office	<ul style="list-style-type: none"> <li>• Represents the clients' interest throughout the drug court program</li> <li>• Answers participants' legal questions</li> <li>• Represents the client upon program completion or termination</li> </ul>

Bailiff	<ul style="list-style-type: none"> <li>• Maintains courtroom security</li> <li>• Performs breath alcohol testing and urine dip-stick testing</li> <li>• Takes entry and graduation photos</li> <li>• Creates graduation PowerPoint presentation</li> <li>• Maintain files and paperwork</li> <li>• Takes people into custody</li> </ul>
Police Department	<ul style="list-style-type: none"> <li>• Performs house checks</li> <li>• Performs sweeps when every participant is visited</li> <li>• Picks up participants with outstanding bench warrants</li> </ul>
Treatment Provider	<ul style="list-style-type: none"> <li>• Provides intensive outpatient services to the drug court participants</li> <li>• Refer clients out for additional services</li> <li>• Provide meeting space for parenting, anger management and GED classes</li> <li>• Share information with the court on participant progress</li> <li>• Conducts drug testing</li> </ul>

### **3j. Program Challenges and Successes**

Respondents identified the implementation of new diversion programs as a challenge for the drug court. Individuals who fail out of other programs are sometimes given the option of enrolling in drug court. Therefore, drug court has had to adjust to a different, and more serious, offender population.

Interview respondents noted that the judge plays an integral role as the leader of the drug court team, infusing her own style into the program. The general feeling of interviewees is that this leadership permeates and persists as the style of the drug court program and is seen as imperative to the tone in the courtroom as well as the general success of the program.

Interviewees from this drug court program state that the quality of the treatment provider counselors and services also accounts for the program's success. Another strength includes the openness and non-combative nature of the program. For example, law enforcement has full input and all team members are sincerely interested in their observations and opinions.

Respondents also explained that the program is taking care of the whole person by connecting participants with services to address all their needs, not just addiction. This, coupled with the court's ability to step outside of the traditional guidelines to allow the judge to get to know each participant on an individual basis, contributes to participants' success. Respondents further stated that because someone is paying attention to these individuals on a daily basis, believing in them and supporting them, these otherwise unproductive members of society are given the opportunity to make a life for themselves and are more likely to become productive again.

## Appendix D: Confidentiality Packet

## 1. Summary of Research Relevant Portions of State and Federal Confidentiality Regulations and Codes

Because codes and regulations are often written for several different contingencies there are generally many sections not relevant to a particular purpose. For the ease of those interested in the sections of the code relevant to the release of information for research purposes, we have pulled out the portions of state and federal codes and regulations that apply specifically to that topic. You can find the full text of federal regulations at the website <http://www.access.gpo.gov/nara/cfr/cfr-table-search.html>. For the full text of California's codes and regulations go to [http://www.ca.gov/state/portal/myca\\_homepage.jsp](http://www.ca.gov/state/portal/myca_homepage.jsp) and click on "government", then "constitution, laws and regulations."

### **California State Regulations and Penal Codes**

**Penal Code 13202.** Every public agency or bona fide research body immediately concerned with the prevention or control of crime, the quality of criminal justice, or the custody or correction of offenders may be provided with such criminal offender record information as is required for the performance of its duties, provided that any material identifying individuals is not transferred, revealed, or used for other than research or statistical activities and reports or publications derived therefrom do not identify specific individuals, and provided that such agency or body pays the cost of the processing of such data as determined by the Attorney General. (*This is the complete text of this code.*)

### **CORI Regulation: Security of Criminal Offender Record Information**

Criminal Offender Record Information (CORI), including responses that no criminal record exists, are confidential. Sections 11142 and 11143 of the Penal Code provide for criminal penalties for the release of this information to unauthorized individuals.

**Penal Code 11144.** (a) It is not a violation of this article to disseminate statistical or research information obtained from a record, provided that the identity of the subject of the record is not disclosed.

### **Federal Regulations**

#### **Title 28--Chapter I--Section 22.22**

#### **Judicial Administration, Department of Justice: Revelation of identifiable data.**

(a) Except as noted in paragraph (b) of this section, research and statistical information relating to a private person may be revealed in identifiable form on a need-to-know basis only to--

(3) Persons or organizations for research or statistical purposes.

## **Title 42—Chapter I—Section 2.52**

### **Confidentiality of Alcohol and Drug Abuse Patient Records**

#### **Subpart D--Disclosures Without Patient Consent**

(a) Patient identifying information may be disclosed for the purpose of conducting scientific research if the program director makes a determination that the recipient of the patient identifying information:

- (1) Is qualified to conduct the research;
- (2) Has a research protocol under which the patient identifying information:
  - (i) Will be maintained in accordance with the security requirements of Sec. 2.16 of these regulations (or more stringent requirements); and
  - (ii) Will not be redisclosed except as permitted under paragraph (b) of this section; and
- (3) Has provided a satisfactory written statement that a group of three or more individuals who are independent of the research project has reviewed the protocol and determined that:
  - (i) The rights and welfare of patients will be adequately protected;and
  - (ii) The risks in disclosing patient identifying information are outweighed by the potential benefits of the research.

## **Title 45—Chapter V—Section 504.3**

### **Department of Justice: Privacy Act and Government in the Sunshine Regulations: Conditions of Disclosure**

The Commission will not disclose any record contained in a system of records by any means of communication to any person or any other agency except by written request of or prior written consent of the individual to whom the record pertains unless such disclosure is:

- (e) To a recipient who has provided the Commission with adequate advance assurance that the record will be used solely as a statistical research or reporting record, and the record is to be transferred in a form that is not individually identifiable;

## Northwest Professional Consortium, Inc. Confidentiality Certificate

Northwest Professional Consortium, Inc. complies with federal as well as California State regulations of confidentiality. Specifically, the following codes and regulations are followed: (Federal) CFR Title 28, Chapter 1, Section 22.22; CFR Title 42, Chapter 1, Section 2.52 and CFR Title 45, Chapter 5, Section 504.3; (California State) Penal Code 13202, Penal Code 11140-11144, and where applicable to research, the CORI regulations.

Northwest Professional Consortium, Inc. certifies that data *identifiable to a private person*<sup>1</sup> will not be used or revealed, except to those employees having a need for such data and that such employees shall be advised of and agree in writing to comply with the state and federal regulations of confidentiality.

Northwest Professional Consortium, Inc. certifies that project plans will be designed to preserve the confidentiality of private persons to whom information relates, including where appropriate, name-stripping, coding of data, or other similar procedures. All confidential information is kept under lock and key. Information is for research purposes and is reported only in aggregate form. No individual or identifying information is given in any reports or papers.

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Mike W. Finigan, Ph.D.

President

Northwest Professional Consortium, Inc.

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Shannon M. Carey, Ph.D.

Research Associate/Project Coordinator

Northwest Professional Consortium, Inc.

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<sup>1</sup> *Information identifiable to a private person* is defined as "information which either--(1) Is labeled by name or other personal identifiers, or (2) Can, by virtue of sample size or other factors, be reasonably interpreted as referring to a particular person."

NPC Research, Inc.  
California Drug Court, Cost Evaluation

**CONFIDENTIALITY AGREEMENT**

As a staff member for the Northwest Professional Consortium, Inc. (NPC) California Drug Court Cost Evaluation Team, you will have access to confidential information about participants' identities and extensive personal information from staff interviews, service records, criminal justice records, and other data sources. It is the policy of NPC Research, Inc. that all staff members will respect and preserve the privacy and confidentiality of participant information.

A person working on this evaluation may disclose participant identifying information to members of the NPC California Drug Court Cost Evaluation Team only. Study Team staff members may not identify any individual participant in any report (verbal or written) of the research or likewise disclose participant identities or participation to anyone outside of the California Drug Court Cost Evaluation Team. Study Team members may not share any individual participant data with anyone outside of the Study Team. Violations of this agreement include, but are not limited to:

- Discussing any individual level data with anyone outside of the Study Team. This restriction includes roommates, partners, parents, agency staff, family members, etc., no matter how far away they live. Even if you share information without revealing a participant's name, it violates confidentiality.
- Leaving data with identifying information in open, unsecured places.
- Conducting phone conversations and/or interviews in a location that is not private (e.g., in a location where other people are in the room and might overhear your conversation).

Violation of this agreement by any staff member involved in the California Drug Court Cost Evaluation may constitute grounds for termination.

NPC Research, Inc. is committed to supporting each of the staff members involved in the California Drug Court Cost Evaluation effort. Your role in this evaluation is central to its success and there will be many experiences that you may want to debrief with someone. Members of the California Drug Court Cost Evaluation Team will always be available to discuss any interview situation or other concern when it arises.

Staff Member Statement:

“I have read and agree to comply with the terms of the Confidentiality Agreement.”

\_\_\_\_\_

Staff member's name

\_\_\_\_\_

Date

\_\_\_\_\_

Staff member's signature

## Appendix E: Cohort Demographics for Phase I Drug Courts

## 1. Court 1 Cohorts

The cohorts from Court 1 are comprised predominantly of Caucasian men in their mid-thirties. Approximately 90 percent of both the drug court participant cohorts and the comparison cohort in each sample are Caucasian and two-thirds of each cohort are men. The drug court cohorts have similar mean ages (33 and 34 years respectively), while the comparison cohort, with a mean age of 37.5, is significantly older. Approximately half of the individuals in each of the drug court cohorts are single, while 30 percent are separated or divorced and 15 percent are married. Less than half (40 percent) of individuals in the two drug court cohorts were employed upon entry into drug court. Individuals in the contemporary drug court cohort have significantly more dependents than individuals in the past drug court cohort (1.3 and 0.6 respectively). No data on marital status, employment status, or number of dependents is available for the comparison cohort. Many individuals in the cohort were arrested for possession of controlled substances, possession or cultivation of marijuana, or being under the influence of controlled substances. However, the drug court eligibility criteria for Court 1 include a wide variety of drug-related offenses, and the individuals in the cohorts illustrate this diversity of charges. Table A-6 summarizes the characteristics of each cohort.

**Table A-6. Court 1 Cohort Characteristics**

	<b>Contemporary DC Cohort (N=140)</b>	<b>Past DC Cohort (N=156)</b>	<b>Comparison Cohort (N=140)</b>
<b>Race</b>			
Caucasian	91.4%	86.5%	91.9%
African-American	1.4%	2.6%	1.0%
Hispanic	5.0%	9.0%	5.1%
Native American	0.7%	0.0%	0.5%
Asian	0.0%	0.0%	0.5%
Other	1.4%	1.9%	1.0%
<b>Gender</b>			
Male	64.3%	59.6%	67.0%
Female	35.7%	40.4%	33.0%
<b>Average Age</b>	35.3	34.6	37.5
<b>Marital Status</b>			Not available
Single	45.0%	52.9%	
Married/Common Law	17.6%	17.2%	
Separated/Divorced	36.7%	28.7%	
Widowed	0.8%	1.1%	
<b>Employed at intake</b>	37.6%	40.9%	Not available
<b>Average number of dependents</b>	0.6	1.3	Not available

Most common charges:			
Possession of a controlled substance/narcotics (felony)	27.1%	25.0%	53.3%
Cultivation of marijuana (felony)	1.4%	5.1%	12.7%
Possession of marijuana (misdemeanor)	1.4%	23.1%	9.1%
Under the influence of drugs (misdemeanor)	7.1%	10.2%	8.1%
Other	49.4%	18.0%	16.8%
Missing	13.6%	18.6%	0.0%

## 2. Court 2 Cohorts

The cohorts for Court 2 are comprised predominantly of men of color in their late thirties. The comparison cohort is significantly more racially diverse than the two Drug Court cohorts: only 8.6 percent of the comparison cohort is Caucasian, while approximately a quarter of each of the drug court cohorts is Caucasian. Between 77 percent and 87 percent of each cohort is male. We have weighted the comparison cohort to control for the significant differences in racial composition between the drug court and the comparison cohorts. These weights make the comparison cohort comparable to the drug court cohort, which was more Caucasian and less African-American and Hispanic than the comparison cohort. However, the results of all analyses using the un-weighted comparison cohort yields nearly identical results. The mean age for each cohort is between 37 and 39. Individuals in the contemporary drug court cohort are predominantly single (72 percent) and have no children (60 percent). No data on marital status or number of dependents is available for the past drug court or comparison cohorts. It is interesting to note that all individuals in Court 2's drug court program have been arrested for possession of controlled substance and possession of narcotics charges. Table A-7 lists the characteristics of each cohort.

**Table A-7. Court 2 Cohort Characteristics**

	<b>Contemporary DC Cohort (N=200)</b>	<b>Past DC Cohort (N=115)</b>	<b>Comparison Cohort (N=202)</b>
<b>Race</b>			
Caucasian	23.5%	28.7%	8.6%
African-American	36.0%	33.0%	41.1%
Hispanic	33.5%	34.8%	47.7%
Native American	1.0%	0.0%	0.5%
Asian	2.5%	2.6%	0.0%
Other	3.5%	0.9%	2.0%
<b>Gender</b>			
Male	83.5%	87.0%	76.7%
Female	16.5%	13.0%	23.3%
<b>Average Age</b>	36.7	38.5	38.7
<b>Marital Status</b>		Not available	Not available
Single	71.7%		
Married	14.5%		
Separated/Divorced	12.5%		
Widowed	1.3%		
<b>Average number of dependents</b>	0.4	Not available	Not available
<b>Most common charge:</b>			
Possession of a controlled substance/narcotics (felony)	100%	100%	100%

### 3. Court 3 Cohorts

The cohorts for Court 3 are comprised predominantly of Caucasian men and women in their late thirties. Over three quarters of the individuals in each cohort are Caucasian, but the comparison cohort has significantly more Hispanics than the past or contemporary drug court cohorts (13 percent, 6 percent and 5 percent, respectively). We have weighted the comparison cohort to control for the significant differences in racial composition between the drug court and the comparison cohorts. These weights make the comparison cohort comparable to the drug court cohort, which was more Caucasian and less Hispanic than the comparison cohort. However, running these analyses using the unweighted comparison cohort yields nearly identical results. Fifty-eight percent of each cohort is male. The mean ages for the three cohorts ranges from 35 to 37 years. Just over half of the individuals in the two drug court cohorts are unemployed, almost 90 percent are not on any form of public assistance, and individuals in both cohorts have mean monthly incomes approximately \$600. The average number of dependents for both drug court cohorts is one. No data on employment, public assistance, income, or number of children is available for the comparison cohort. Most individuals in the Court 3 cohorts were arrested for either possession of a controlled substance or narcotic or being under the influence. Table A-8 highlights the characteristics of Court 3's cohorts.

**Table A-8. Court 3 Cohort Characteristics**

	<b>Contemporary DC Cohort (N=186)</b>	<b>Past DC Cohort (N=178)</b>	<b>Comparison Cohort (N=218)</b>
<b>Race</b>			
Caucasian	82.6%	88.9%	78.4%
African-American	4.0%	2.6%	3.2%
Hispanic	4.7%	6.0%	13.3%
Native American	2.0%	2.6%	0.0%
Asian	4.7%	0.0%	0.5%
Other	2.0%	0.0%	4.6%
<b>Gender</b>			
Male	58.6%	57.9%	58.3%
Female	41.4%	42.1%	41.7%
<b>Average Age</b>	37.1	36.4	35.2
<b>Employment status at intake</b>			
Full-time	25.3%	28.1%	Not available
Part-time	16.9%	13.2%	
Unemployed	57.9%	58.8%	
<b>Average monthly income at intake</b>	\$631	\$591	Not available
<b>On public assistance at intake</b>	14.9%	11.3%	Not available
<b>Number of dependents</b>	1.1	1.1	Not available
<b>Most common charges:</b>			
Possession of a controlled substance/narcotic (felony)	44.6%	44.4%	40.3%
Under the influence (misdemeanor)	9.7%	3.9%	29.9%
Other	23.1%	16.3%	29.8%
Missing	22.6%	35.4%	0.0%

## Appendix F: Sample Drug Court Session Cost Worksheets

## Consolidated Cost Compilation

### Cost Area: Drug Court Program; Cost Sub-area: Drug Court Sessions

**Cost Sub-area description:** The drug court sessions sub-area encompasses the time commitments and cost factors associated with the jurisdictions and agencies directly involved in drug court sessions and who have direct dealings with drug court participants in this regard.

#### Court 1

Jurisdiction/Agency	Cost Per Session Hour	Hours Per Session	Hours Per Participant Per Session	Cost Per Session	Cost Per Participant Per Session	Session Cost Per Year
Superior Court	\$1,043.64	1.50	0.07	\$1,565.46	\$69.58	\$156,546
Law Enforcement Agencies	1,002.85	1.00	0.07	\$1,002.85	\$70.20	\$50,143
District Attorney	355.14	1.50	0.07	\$532.71	\$23.68	\$53,271
Public Defender	315.00	1.50	0.07	\$472.50	\$21.00	\$47,250
Probation *	336.16	1.50	0.07	\$504.24	\$22.41	\$50,424
Totals	\$3,052.79			\$4,077.76	\$206.87	\$357,634

\*Treatment in Court 1 takes place within Probation.

Court 2

Jurisdiction/Agency	Cost Per Session Hour	Hours Per Session	Hours Per Participant Per Session	Cost Per Session	Cost Per Participant Per Session	Session Cost Per Year
Superior Court	\$1,042.80	1.00	0.07	\$1,042.80	\$69.52	\$260,700
Law Enforcement Agencies	352.21	1.00	0.07	\$352.21	\$24.65	\$88,053
District Attorney	199.40	1.00	0.07	199.40	13.29	49,850
Public Defender	631.07	1.00	0.07	631.07	42.07	157,768
Probation	261.10	1.00	0.07	261.10	38.97	65,275
Alcohol and Drug Administration	262.27	1.00	0.07	262.27	17.48	65,568
Totals	\$2,748.85			\$2,748.85	\$205.98	\$687,213

Court 3

Jurisdiction/Agency	Cost Per Session Hour	Hours Per Session	Hours Per Participant Per Session	Cost Per Session	Cost Per Participant Per Session	Session Cost Per Year
Superior Court	\$146.02	3.00	0.05	\$438.07	\$7.30	\$21,904
Sheriff (Court Security)	\$78.12	3.00	0.05	\$234.37	\$3.91	\$11,718
Law Enforcement Agencies	\$368.00	3.00	0.05	1,104.00	\$18.40	55,200
District Attorney	\$227.70	3.00	0.05	683.10	\$11.39	34,155
Public Defender	\$110.95	3.00	0.05	332.85	\$5.55	16,643
Probation	\$358.11	3.00	0.05	1,074.33	\$17.91	53,717
Alcohol and Drug Administration	\$346.34	3.00	0.05	1,039.02	\$17.32	51,951
Totals	\$1,635.25			\$4,905.74	\$81.76	\$245,287



# Appendix G: Sample Site Specific Report (Court 3)

## How to Read This Report

This report contains site-specific information on outcomes and costs for the Court 3 drug court. This information is meant specifically for the Court 3 drug court in appreciation for their participation in Phase I of this study. The drug court team can then determine how best to use the information in this report to further the goals of its drug court program.

**This report contains cost and outcome results only and should be read in conjunction with the Phase I Final Report** entitled “California Drug Courts: A Methodology for Determining Costs and Avoided Costs; PHASE I: Building the Methodology; Final Report.” The Phase I final report contains detailed information on the methodology used to generate the results found in this site-specific report. It also contains descriptions of each of the Phase I sites and information on the drug court participant and comparison group samples and how they were chosen. Therefore, if you wish to know how the numbers contained in the site-specific were generated, you must refer to the Phase I final report. The Phase I final report was written by NPC Research and the Administrative Office of the Courts to satisfy the grant requirements set forth by the Drug Court Programs Office (DCPO) at the Bureau of Justice Assistance (BJA). The final report was delivered to the DCPO in September 2002.

Specific court identification was removed in the final report and replaced with numbers. **This court is identified as Court 3.**

Phase I of this study was designed to develop the *methodology* for detailed cost analysis of drug courts rather than a complete evaluation of the sites. For this reason, very little interpretation has been attempted on the site-specific results in this report. Those who work within the drug courts at each site will have the most expertise and insight in determining the meaning of the results found for their court. It is recommended that staff at each site review the results in this report as the context of the organization and process of their drug court will generally reveal the meaning behind these numbers.

# Background

In 1998, the Judicial Council of California (JCC) and its administrative unit, the Administrative Office of the Courts (AOC) secured a grant from the Drug Court Program Office (DCPO) at the United States Department of Justice (USDOJ) to explore the feasibility of a statewide cost/benefit evaluation of adult drug courts. The AOC consulted with state and national drug court experts and NPC Research was selected as the primary contractor for this project.

The purposes of this statewide evaluation are:

- A. To develop a methodology that can be used by drug courts statewide for ongoing cost-benefit evaluation beyond the conclusion of this project.
- B. To answer two critical drug court policy questions:
  - Are adult drug courts cost effective?
  - What adult drug court practices appear most promising and cost beneficial?

The study was designed to address these questions in three Phases. Phase I was recently completed and the products of this phase are the focus of this report. In this first phase, we conducted an in-depth case study of three adult drug courts. Phase I consisted of both an outcome evaluation and a cost-avoidance analysis, the purpose of which was to develop the preliminary methodology and protocols for cost evaluation. In Phase II (currently in progress), we will test the methodology and protocols in five additional courts and create a preliminary tool for drug court self-evaluation (the DCSET). In Phase III, the DCSET will be tested in several drug courts and then launched statewide. The three phases will result in recommendations for use by policymakers and practitioners regarding the cost effectiveness and promising practices of California adult drug courts as well as a method for drug courts to perform self-evaluation on a continuous basis. The tool created in this process is based on a methodological approach that is flexible and can be used in other drug courts as well as other types of collaborative justice courts, both in California and nationwide.

# Results

## Sample/Cohort Description

### *The drug court participant cohorts*

The drug court participant samples, or cohorts, at each site were a set of individuals who had entered drug court during specified time periods (usually one fiscal year). Two separate cohorts (gathered from two time periods) of drug court participants were selected: (1) A contemporary cohort of individuals who had recently gone through the program and (2) A past, or historical, cohort who had entered the drug court a year past the time of implementation.

The contemporary cohort was chosen to gather data on current program practices and program cost. Further, information available from the drug court databases on recent or current drug court participants was more complete and detailed than it was for those participants who entered the program early, before the database was created. More recent information was also more complete in non-drug court related databases, such as court data.

The past drug court cohort was chosen to allow the collection of outcome information for as long as possible after graduation. Individuals in the past sample were chosen from a time period at least a year after the implementation of each drug court to avoid any confounding factors related to obstacles or setbacks that are experienced during any program startup. Both the contemporary and past samples had value in providing the information needed for this study. Both drug court cohorts included all people who entered drug court during specified time periods, regardless of whether they graduated, since participants use drug court resources whether they graduate or not. However, since this is a cost study, any participants who left the program two weeks or less after entering were not selected on the assumption that these individuals did not legitimately take part in the drug court program and did not use an appreciable amount of resources. Each of the Phase I sites had a database exclusively for their drug court clients which was designed for the purpose of tracking drug court participation although the software packages being used at each site were different and the databases were kept at different agencies. The drug court participant cohorts were selected using the drug court database at each site.

Court 3 opened for business in August 1997. The **past** sample of drug court participants consists of the 178 people who entered the program between August 1, 1997, and December 31, 1998. The **contemporary** sample of drug court participants consists of the 186 people who entered the program between January 1, 1999, and April 30, 2001.

The cohorts for Court 3 are comprised predominantly of Caucasian men and women in their late thirties. Over three quarters of the individuals in each cohort are Caucasian. Fifty-eight percent of each cohort is male. The mean ages for the cohorts range from 35 to 37 years.

### *The comparison cohort*

Ideally, the comparison cohort is made up of offenders who are similar to those who have participated in drug court (e.g., similar demographics and criminal history), but have not participated in the drug court program. There are many strategies for gaining this type of comparison group, individuals who were offered drug court but chose not to participate, individuals from before drug court implementation who would have been eligible, individuals who would be eligible for drug court but from a jurisdiction that does not have a drug court, or individuals who are participating in a diversion program that is not drug court, but has the same eligibility criteria. The benefits and drawbacks to each of these strategies were discussed in Part 1 of the Phase I final report. Each site was approached with these different strategies in mind and then the comparison cohorts were chosen using one, or sometimes a combination, of the strategies based on the availability of data and on drug court policies, such as eligibility criteria. Partially due to the constraints of a particular site and partially in order to explore which type of comparison group gave us the most useful information, we used a different strategy at each of the Phase I sites.

The County Drug Court Coordinator for Court 3 had kept a box of paper files on individuals who had been found eligible by the DA for drug court in the county but had chosen other options instead. These individuals were given the options of other diversion programs as well as the option of traditional court processing and their decisions were recorded. The fact that their decisions were recorded made these individuals of particular value to this study because we had some explanation for why individuals might choose not to participate in drug court, other than reasons related to lack of motivation to stop drug use. One half of the individuals selected a PC1000 diversion program (not the same as drug court), 25% of the cohort received traditional probation, and 25% of the cohort received other sentences, including fines, jail time, and community service. Although this comparison sample comes from a different drug court within the county, we believe this is a valid comparison for several reasons; all four adult drug courts in that county are overseen by the same drug court coordinator in order to promote consistency; the drug court for these individuals had essentially the same eligibility criteria as Court 3; and the Deputy District Attorney assigned to drug court had determined these individuals eligible for drug court. The comparison sample was selected from these paper files to match as well as possible the ethnic and gender breakdown of the historical drug court sample.

However, key stakeholders at the Court 3 site expressed concern about the inclusion of PC1000 eligible offenders in the comparison Cohort. They explained that although those eligible for PC1000 are technically also eligible for drug court, they are a less criminal population than those who are not eligible for PC1000 but who are still eligible for drug court. Consequently, those eligible for PC1000 would be unlikely to be advised by their public defenders to take the drug court option, as the PC1000 program is much less intensive. The reasoning here is that most actual participants in drug court are not eligible for PC1000 and therefore, it is not valid to compare them to a group of individuals who are eligible. The researchers were unable to determine if the Court 3 participants were or were not eligible for PC1000. For the above reasons, the results in the following section are presented both using the original comparison group and using the comparison group with those who opted for PC1000 removed.

The original comparison cohort for Court 3 consists of 218 individuals (91 individuals with those eligible for PC1000 removed) arrested on drug related charges between October 1, 1997, and October 1, 1999. The original comparison cohort for Court 3 was predominantly Caucasian men and women in their late thirties. Over three quarters of the individuals in the cohort were Caucasian, 58% of each cohort was male, and the mean age was 35 years. The demographics of the comparison group, removing the PC1000 individuals, remain unchanged, with a majority Caucasian males in their thirties. Further information on cohort demographics can be found in Appendix E of the Phase I final report.

	All Participants*	DC Graduates	Comparison Group**	Comparison Group Minus PC1000***
Re-arrests	47%	30%	59%	67%
Convictions	26%	11%	30%	42%
Average # of Jail Days Served	11	9.6	30	37
Average # of Prison Months Served	1.2	0.6	1.0	3.9
Average # of Probation Months Served	9.3	2.8	13	23.1

## 1. Outcome Results: Criminal Justice Recidivism

The following table provides the criminal justice outcome results for the cohort of those who participated in drug court (whether they graduated or not), as well as drug court graduates, and comparison groups of those who were eligible for drug court but did not participate, and this last group again but excluding those eligible for PC1000. These outcome results are the percentage in each cohort who were re-arrested, the percentage convicted on new charges, and the average number of jail days, prison months, and probation months served per individual **after the drug court eligible arrest**.

**Table 1: Court 3 County Criminal Justice Outcome Results**

**\* These are all individuals who entered Drug Court between August 1, 1997 and December 31, 1998, whether they graduated or not; a total of 178 participants.**

\*\* These are 218 arrested on drug related charges between October 1, 1997 and October 1, 1999 who were eligible for drug court but chose other options such as PC1000 or probation.

\*\*\* This is a subset of the larger comparison group, consisting of 91 individuals who chose probation or another option excluding PC1000.

It is clear from this table that the group without the PC1000 participants is a more criminal population. Unfortunately, because we can't know for certain whether the drug court participant group included individuals eligible for PC1000, it is not clear which comparison group is the most valid. However, the drug court participants, whether they graduated or not, show better outcomes than either comparison group.

## 2. Cost Results: Preliminary Costs and Avoided Costs

The purpose of Phase I was to develop a methodology that can be used to measure the investment and avoided costs of drug courts. It was not intended to be a complete evaluation of each court who participated. Therefore, in-depth interpretation of these results is not attempted in this report.

The central approach to the study of costs and avoided costs used in this evaluation of California’s drug courts is NPC Research’s model of transaction cost analysis (TCA). This model combines organizational, institutional, and transaction cost theories with the practical experience of NPC Research staff in public program management and cost evaluation. The NPC approach to TCA focuses on the transactions that occur as a program participant moves through the various elements (e.g., agencies and activities) of the program system. This approach includes both direct and indirect (institutional) costs. More details on this approach to TCA can be found in the Phase I final report.

Gathering information on the costs of the transactions that make up drug court and the *business-as-usual* process can aid policymakers and program managers in making sound program planning and budgeting decisions. We use the term business-as-usual to describe whatever court process exists without drug court. This includes other diversion programs, as well as traditional court processes. The TCA methodology provides unit costs for the transactions involved in drug court along with the transactions involved in the business-as-usual process. Below are examples of unit costs gathered with this methodology.

### **2a. Drug Court Hearings**

The cost of a drug court hearing varies in the three study sites, as does the average number of hearings attended by drug court participants. Table 2 displays the drug court hearing per-participant cost, the average number of hearings, and the total per-participant cost for drug court hearings at each study site.

**Table 2. Cost of Drug Court Hearings**

<b>Site</b>	<b>Per-participant/per hearing cost</b>	<b>Average number of hearings</b>	<b>Total (average) per-participant cost</b>
Court 3	\$82	26	\$2,126

### **2b. Non-Drug Court Case Court Unit Costs (for the Drug Court Eligible Charge)**

Non-drug court cases for the drug court eligible charge were grouped into two categories: those cases that go to trial (“trial cases”), and all other cases (“non-trial cases”). It should be noted here that the majority of cases do not go to trial, but are pled out under lesser charges. Accordingly, “non-trial cases” include those cases in which a plea bargain occurred. Table 3 displays the cost

for each of these types of cases.

**Table 3. Unit Cost of Non-Drug Court Cases for Drug Court Eligible Charges**

Site	Trial case cost	Non-trial case cost
Court 3	\$9,125	\$526

The most interesting aspect of comparing this table with the previous table is that it reveals that the relative cost of drug court depends greatly on whether the policy alternative to drug court regularly involves a trial for offenders or whether the charges are either not pursued or pled out under lesser charges. Courts in which offenders commonly take their cases to trial will clearly save money by processing these individuals through drug court instead. In courts where the alternative for these drug court eligible offenses usually does not involve trial, drug court is clearly the more expensive option.

**2c. Substance Abuse Treatment Costs**

As described in the methodology in the Phase I final report, the drug court treatment components included in this study are outpatient individual and group outpatient counseling sessions. Table 4 displays the cost and utilization data for outpatient treatment at the Court 3 site.

**Table 4. Outpatient Treatment Costs**

	Cost per session	Average utilization per participant	Total (average) per-participant cost
Court 3			
Group sessions	\$55	116	\$6,334
Individual sessions	\$110	10	\$1,099

**2d. Incarceration for the Drug Court Eligible Offense**

Data were collected on the costs and use of jail and prison sentences for the drug court and comparison samples' eligible offenses. Table 5 presents the incarceration cost data for Court 3 for the eligible offense **only**. **For the drug court participant cohort, these incarceration costs do not include incarceration used as a sanction while participating in drug court. These are costs due to those who were terminated from drug court and subsequently had incarceration as a part of their drug court sentence.** For the comparison cohort, these costs are due to incarceration as a consequence of their drug court eligible crime only. Incarceration costs on outcomes (any incarcerations due to re-arrests **after** the drug court-eligible arrest) are presented later in this section.

**Table 5. Incarceration Costs for Drug Court Eligible Offense ONLY**

	Court 3		
	Drug court	Original Comparison Sample	Comparison Sample Minus

	Sample		PC1000
<b>Jail</b>			
Bed day cost per individual	\$86 <sup>a</sup>	\$86 <sup>a</sup>	\$86 <sup>a</sup>
Average days	35	20	33
Total cost	\$3,423	\$2,070	\$2,838
<b>Prison</b>			
Bed day cost <sup>b</sup>	\$75	\$75	\$75
Average days	45	6	15
Total cost	\$3,362	\$448	\$1,125
<b>Total incarceration costs</b>	<b>\$6,785</b>	<b>\$2,518</b>	<b>\$3,963</b>

<sup>a</sup> There are six jail facilities used by **Court 3** and this cost is the average of all six. We used the individual facility cost and utilization data when calculating total costs, however.

<sup>b</sup> Prison bed days were calculated from the State Correction Website.

Those in this sample who were terminated from drug court served more days in prison for their drug court eligible charge than those in either comparison group. It is not clear why the prison sentences for those terminated from drug court would be different from those for individuals with the same charge in the comparison group if the criminal histories were comparable.

## **2e. Investments and Avoided Costs of Drug Court by Agency**

The drug court participant cohorts at all three Phase I sites experienced lower recidivism than the comparison cohorts. All of the agencies involved in the drug court programs make an initial investment for each drug court participant with the hope that over time this investment will be outweighed by avoided costs. NPC’s TCA model allows for the compilation of investment and avoided costs for each agency involved in drug courts, which in turn can aid policymakers and agency administrators with program planning and budgeting decisions. The tables below (Tables 6A and 6B) illustrate the type of data available at the agency level as well as how these data are useful to policymakers. Knowing how much an agency spends on drug court, and on its component transactions, and how much that agency will save over time, allows the agency to plan alternative uses for its cost savings (opportunity resources). In the particular cases below, it also suggests that the avoided costs are not always experienced by the same agency that put in the most resources.

In the following tables, the *investment* column shows the cost invested in drug court minus the cost for non-drug court processing, so the numbers in this column represent the cost of drug court over and above the cost of non-drug court processing. A negative number in this column indicates that an agency invested less in the drug court process than in non-drug court processing. The *cost avoidance* column is the cost for each agency due to *criminal justice outcomes* (recidivism) for the comparison cohort minus those for the drug court participant cohort. (“Criminal justice outcomes” is defined in this study as any arrests, bookings, court trials,

jail time served, prison time served, and probation time served that occurred after the drug court eligible charge). So, a positive number indicates that the comparison cohort cost an agency more in recidivism costs than the drug court cohort, while a negative number indicates the drug court participants cost an agency more than the comparison cohort. Table 6A presents these costs using the original comparison cohort while table 6B presents these costs for the comparison cohort minus the individuals who chose PC1000.

**Table 6A. Investments and Avoided Costs by Agency over Two Years  
(per 100 participants, using original comparison group)**

<b>Agency</b>	<b>Investment</b>	<b>Cost Avoidance (due to outcomes)</b>
Superior Court	-\$101,467	\$12,979
District Attorney	-\$25,161	\$7,962
Public Defender	-\$29,431	\$6,376
Probation	\$43,629	\$10,652
Law Enforcement	\$51,697	-\$15,083
CA Department of Corrections	\$0	-\$340,658
Victimization costs		\$837,010 <sup>16</sup>
Total Criminal Justice System	-\$60,733	\$519,238

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<sup>16</sup> The National Institute of Justice's Victim Costs and Consequences: A New Look (January 1996) documents estimates of costs and consequences of personal crimes. The study documents losses per criminal victimization, including attempts, in a number of categories, including fatal crimes, child abuse, rape and sexual assault, other assaults, robbery, drunk driving, arson, larceny, burglary, and motor vehicle theft. The reported costs include lost productivity, medical care, mental health care, police and fire services, victim services, property loss and damage, and quality of life. In our study, arrest charges were categorized as violent or property crimes, and therefore costs from the victimization study were averaged for rape and sexual assault, other assaults, and robbery and attempted robbery to create an estimated cost for violent crimes, and arson, larceny and attempted larceny, burglary and attempted burglary, and motor vehicle theft were averaged for an estimated property crime cost.

**Table 6B. Investments and Avoided Costs by Agency over Two Years  
(per 100 participants, using the comparison group minus PC1000 clients)**

<b>Agency</b>	<b>Investment</b>	<b>Cost Avoidance (due to outcomes)</b>
Superior Court	-\$152,599	\$35,461
District Attorney	-\$43,384	\$22,312
Public Defender	-\$44,023	\$17,867
Probation	\$42,942	\$93,305
Law Enforcement	\$49,742	\$208,564
CA Department of Corrections	\$0	\$372,034
Victimization costs		\$942,558
Total Criminal Justice System	-\$147,322	\$1,692,101

Although in general, the cost of drug court is greater than non-drug court processing, it appears that for many agencies in the county, their **investment in drug court is actually less** than their investment in non-drug court processes. When the investment of the criminal justice system in drug court at this site is taken as a whole and compared to costs avoided (victimization costs to the taxpayer are included), the return is well worth the investment, regardless of which comparison group is used. The use of the comparison group without those who chose PC1000 did result in higher **avoided** costs for every criminal justice agency involved in drug court and the total avoided costs are greater using this comparison group.

The ability to isolate investments and avoided costs (savings) by agency is a powerful tool for policymakers and program managers. This information helps clarify where the money is being spent and where the benefits occur. The above table suggests that, although the system as a whole is experiencing a savings, the individual agencies that invest the most in drug courts are not the agencies that experience the most cost savings. One policy decision might be that, because the system does see a savings due to drug court, the agencies that invest the most be recompensed for their investment.

## ***2f. Available Jail and Prison Opportunity Resources***

If drug court programs are successful in reducing recidivism among participants, it follows that the number and length of subsequent jail and prison stays should be reduced. Our TCA methodology allows us to isolate the number of jail and prison bed days saved along with the resulting cost avoidance. Indeed, this jurisdiction saved \$163,400 per 100 drug court participants in reduced jail stays for subsequent arrests (there were an extra 19 jail bed days available for each drug court participant). Excluding the PC1000 participants from the comparison group results in avoided costs of \$223,600 per 100 drug court participants (a savings of 26 jail bed days

per drug court participant). However, drug court participants had slightly longer prison stays than the original comparison group, resulting in an extra cost of \$54,000 per 100 drug court participants for the additional prison days. However, this cost reverses to a cost savings when using just the subset of the comparison group who did not choose PC1000. This results in an extra 83 prison bed days available per drug court participant, or avoided costs of \$624,000 per 100 drug court participants.

**2g. Total Outcome Costs**

As described in the methodology (Product 1), the outcome costs included in this study are re-arrest costs; costs for trial and non-trial cases; jail, prison, and probation costs; warrant costs; and victimization costs. The average cost per individual in each cohort for each outcome transaction were summed to achieve the total average cost per participant. This per participant total was then multiplied by 100 to achieve the cost per 100 individuals, (which is approximately the number of individuals in a mid-sized drug court). Two years of outcome data were available for Court 3.

**Table 7. Court 3 Drug Court Outcome Costs Per 100 Participants**

Year	Drug Court Sample	Original Comparison Sample	Comparison Sample minus PC1000
Year 1	\$ 1,167,680	\$ 851,179	\$1,634,437
Year 2	\$ 297,565	\$ 505,649	\$816,295

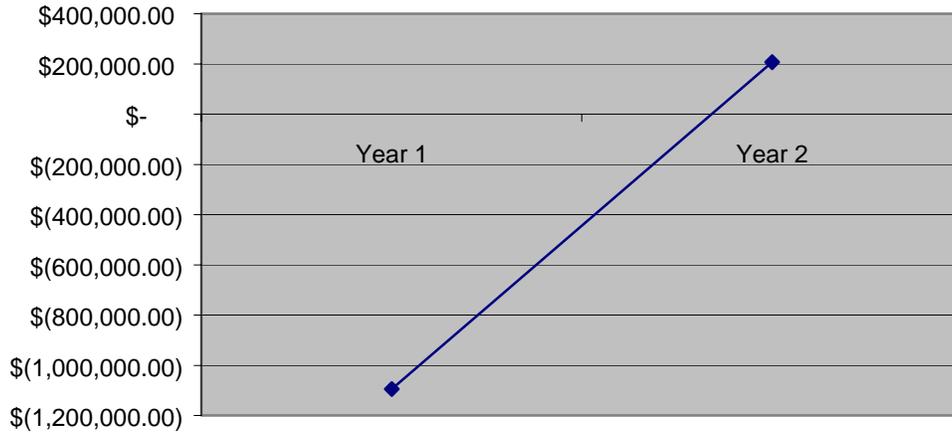
The outcome costs for Court 3 are displayed in Table 7 above. The drug court sample has much higher outcome costs in Year 1 than the original comparison sample. This high cost can be partially explained by the fact that the Court 3 participants have longer jail and prison sentences than the original comparison sample individuals have for their drug court-eligible offense. However, when PC1000 participants are removed from the comparison sample, the resulting comparison group has higher outcome costs than the drug court sample, resulting in part from the longer sentences this group received compared to the PC1000 group. Using the comparison group without those who chose PC1000 results in much lower outcome costs for the drug court participants, whether graduate or not.

**2h. Total Avoided Costs**

Once investment and outcome costs have been determined, it is possible to compute the total avoided costs due to drug court. Because the past drug court sample was selected from a period from 1997 through the end of 1998, only two years of outcome data were available for Court 3 at the time of data collection. The annual avoided costs for this court are displayed in Figures 1 and 2. The costs in the following graphs include drug court treatment costs.

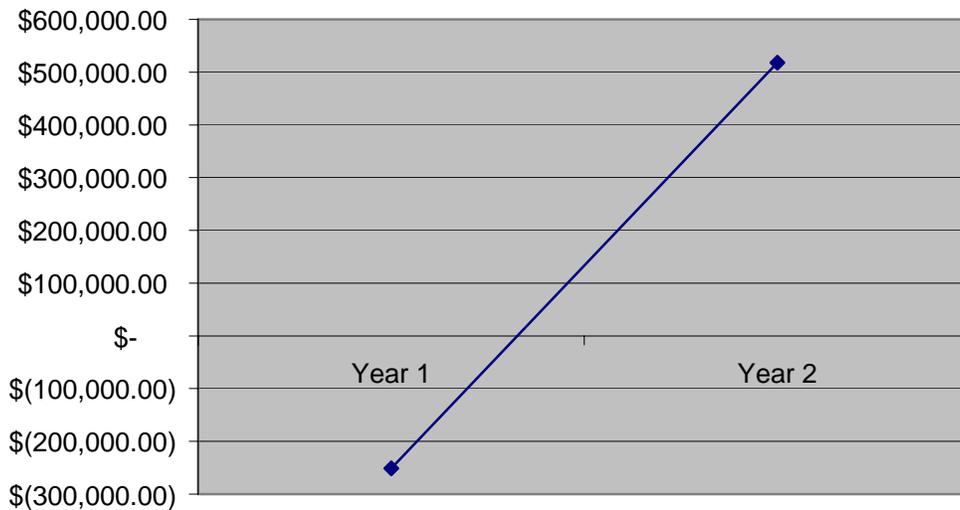
**Figure 1A. Court 3 Avoided Costs Per 100 Participants**

**(Using Original Comparison Sample)**



The large loss shown in Figure 1A during Year 1 is attributable both to the large initial investment in drug court and to the longer prison sentences for drug court failures, as described above. However, by Year 2 the court is realizing cost savings of approximately \$207,558 per 100 participants. Based only on these two years of data, and using the comparison group that includes those who chose PC1000, it appears that Court 3 has suffered a loss of \$887,672. However, if the trend in recidivism in both the drug court participant and comparison cohorts continued, the court would realize additional cost savings in subsequent years so that the court would eventually see a return on its investment.

**Figure 1B. Court 3 Avoided Costs Per 100 Participants  
(Using the Comparison Sample without PC1000 participants)**



The same analysis using only non-PC1000 comparison group individuals results in a Year 1 loss of only \$251,429 as well as a Year 2 savings of \$518,205, resulting in an overall cost **savings** of

**\$266,775 per 100 drug court participants** over the two years. Thus, removing the PC1000 individuals from the comparison group results in a comparison group with greater outcome costs and therefore greater overall cost avoidance for the drug court. If the recidivism trends continue in both the drug court participant and comparison cohorts, each year will result in additional cost savings for Court 3.

Our study data indicates that we might have found additional avoided costs for Court 3 if we had additional years of outcome data. This illustrates the importance for researchers to collect long-term outcome data. This also illustrates the necessity for policymakers to take the long view when deciding on the allocation of program funds, if they want to see large returns on their investments.

Further research in Phase II in six new drug court sites will investigate what components of drug court, what combination of services (hearings and treatment), and what amount of services may result in the most cost-effective programs.