

**Testimony before the Senate Finance Corrections Subcommittee  
House Bill 64 – FY 2016-2017 Biennial Operating Budget  
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Good morning Chair Uecker, Vice Chair Brown, and members of the Senate Finance Corrections Subcommittee. Thank you for providing me the opportunity to speak before the subcommittee today to discuss the Department of Rehabilitation and Correction (DRC)'s Fiscal Year 2016-17 Executive budget request.

**Introduction**

The Vision of the Department is "To reduce crime in Ohio" and our Mission is "To reduce recidivism among those we touch." I am proud that Ohio's recidivism rate is currently 27.5%, which is significantly below the national average of 49.7%. This is important because if we stood at the national average, there would be approximately 4,300 more persons entering Ohio's prisons each year than currently. This would not only result in millions of dollars of increased costs to Ohio's taxpayers, but even more importantly, it would result in more crime victimization and children of the incarcerated, who we know are six times more likely to commit crimes themselves. The 3-Tier Prison System is designed to facilitate the Department's mission of recidivism reduction by treating inmates differently. Those inmates who desire to change their lives are being offered increased opportunities to participate in meaningful pro-social programs that will provide them with a sense of hope. I am proud to report that Ohio will open its 12th reintegration unit next week at the Ohio Reformatory for Women (ORW). With the opening of the ORW unit, DRC will house nearly 2,800 inmates in these centers where inmates are engaged in meaningful activities 8-10 hours per day.

In cooperation with all of our stakeholders and community partners, we are proud of our achievements, but we know there is much more work to be done.

**Ohio's Prison Population Trends**

Ohio's current prison population stands at 50,260 and is projected to increase to 51,261 by the end of the next biennium. Ohio has reduced the number of low level felons entering prison serving less than a year from over 60% a decade ago to 41% in calendar 2014, but this number remains far too high. These offenders serve on average nine months in prison and in many cases after the reception process there is very little time remaining for any meaningful programming. It is also important to note that of DRC's prison intake of more than 20,000 offenders in calendar year 2014, an estimated 25% have no history of violence in their criminal background. Overall commitments from Ohio's courts are down in Ohio's six largest populated counties by 10% in FY 2014, but have increased by 5% in all other counties. The largest counties as a group have the lowest percentages of commitments that are felony 4 and felony 5 offenders and community control violators in both FY 2013 and FY 2014.

Of special note is the dramatic increase in the female population in Ohio's prisons. When I started working for the Department in July of 1974, there were a total of 8,500 offenders in 7 Ohio prisons. Only 291 of these prisoners were women housed at the Ohio Reformatory for Women in Marysville. Today, Ohio's female population stands at over 4,000 offenders, driven largely by Ohio's opioid and heroin epidemic. In proportional terms, the percentage of female offenders committed from counties under 100,000 in population has doubled in 10 years, compared to only a 40% increase among males.

Overall, female offenders represent a gradually increasing proportion of the total intake (14.2% currently) as compared to 11.6% in 2003. The rate at which females are committed to prison as probation violators is nearly double the comparable rate of male commitments to prison (40% versus 21% in FY 2014). Females are admitted to prison with substantially higher levels of criminogenic needs in the substance abuse/mental health domain.

### **Investment in Ohio's Community Corrections Programs**

While some might argue that harsher penalties and building more prisons is the answer to the scourge of chronic drug use and drug addiction facing our society, I believe that we cannot incarcerate our way out of this problem. The cost to build and operate just one prison over two decades is astronomical requiring roughly one billion dollars in new appropriations. If the numbers of violent offenders in Ohio's communities were increasing, I would be proposing new prison construction, but statistics reflect that the state's violent crime rate fell 8% in 2013, and now stands at its lowest rate since 1969.

A far more effective approach for rehabilitating low level non-violent offenders is to invest in community corrections programs which will hold appropriate offenders accountable for their crimes, while keeping them employed and connected to their families in their local communities. These programs have been demonstrated to be twice as effective as prison programs in reducing the rate of offender recidivism, at one-third the cost. The Department is committed to continuing its investment in community corrections programs in this budget with a proposed increase in appropriations of \$25.1 million in FY 2016, and \$33.0 million in FY 2017. This increased funding will provide more programming opportunities to counties through an expansion of grant opportunities, and support of additional common pleas specialty courts, which currently only serve 33 of Ohio's 88 counties.

Furthermore, the budget will fund 500 additional residential placements (Halfway House and Community Based Correctional Facility beds). The goal of this enhanced funding is to provide judges especially in rural counties with increased resources to develop alternative options, both residential and non-residential for non-violent offenders, which will positively impact offender recidivism rates. Examples of our approach in this budget include the addition of 100 beds at the STAR Community Based Correctional Facility in Franklin Furnace, which currently has a 3-4 month waiting list, and a new Halfway House in Marietta, Ohio which will provide much needed services to an area without this type of facility. I would like to spotlight an example of a successful partnership with Ohio's courts that shows how we can effectively address issues of drug addiction at the local level. Recently, Warren County Common Pleas Court Judge Robert Peeler wrote me to inform me about the great success of a program that blends traditional treatment (cognitive therapy and support groups) with Medication Assistance Treatment (MAT). The program was started one year ago utilizing Smart Ohio grant funding from the state. According to Judge Peeler, the program has 26 participants and to date has a 100% success rate. These are the types of partnerships that this budget will allow us to expand upon in order to continue to lower the number of drug addicted offenders sent to our prisons.

I am looking forward to participating in the Recodification Committee that was established in HB 483 in the previous General Assembly to take a comprehensive look at Ohio's criminal sentencing code. Our hope is that the committee can address the number of mandatory sentences, reclass certain felonies as misdemeanors, and increase judicial discretion. In fact nearly every piece of criminal justice legislation pending before the legislature is a new law, enhanced penalty, or a mandatory sentence. I believe that by working collaboratively, the members of the committee can agree on common-sense solutions that will reduce the number of non-violent, first-time offenders sentenced to prison. To show my commitment to the Recodification Committee and the issues facing local communities, I have convened

a “Think Tank” of Common Pleas judges which I meet with every other month to discuss issues of mutual interest. I have asked these judges to review some ideas for presentation to the Recodification Committee so that I can come prepared with suggestions that have their support. By establishing and maintaining these relationships, I truly believe we can address Ohio’s drug epidemic, and help addicted Ohioans receive the help they need, and ultimately reach their full potential.

A specific area where we are increasing judicial discretion in this budget is a proposed revision to the judicial release statute that will allow judges to consider the release of inmates who have been rendered medically incapacitated, terminally ill, or in imminent danger of death who would otherwise be ineligible for judicial release, except for inmates serving life sentences or on death row. We worked with the Ohio Judicial Conference (OJC) on clarifications to the language that are included in the House passed version of the budget. We would request that the Senate also incorporate the House language into its version of the budget.

### **Enhancing Ohio’s Partnership for Offender Addiction Treatment**

Studies show that approximately 80% of persons incarcerated within DRC facilities have histories of drug or alcohol addiction. Nearly 30,000 of those incarcerated have a considerable or moderate treatment need, but current resources limit treatment availability to reaching only about 4,500 of those in prison. Inmates with non-violent drug charges tend to have shorter sentences within the DRC system and have limited access to addiction treatment while incarcerated. If left untreated, these individuals are at a high risk of relapsing and returning to criminal behavior, placing them and their communities at risk.

As part of Governor Kasich’s FY 16-17 budget proposal, we have announced a significant partnership between the DRC and the Ohio Department of Mental Health and Addiction Services (OhioMHAS) that will leverage the combined expertise of each agency in order to provide increased treatment within the prisons and ensure a better connection to clinical and recovery supports for offenders upon release. This partnership will include the transitioning of all current DRC Recovery Services staff over to OhioMHAS effective July 1, 2015.

The mission of DRC’s Division of Recovery Services is to provide evidence-based treatment so that offenders possess the necessary skills to remain drug free upon release from prison to the community. We know that for individuals who successfully complete a Therapeutic Community recovery services treatment program during incarceration the recidivism rate is a low 10.4%. OhioMHAS has the necessary resources and expertise to provide effective recovery services treatment in the community. It makes sense for DRC to partner with OhioMHAS in a manner that will promote a seamless continuity of care for offenders as they are released into the community.

This transition will enhance the current level of services within DRC prisons, while at the same time allowing OhioMHAS to put in place an unrivaled community care structure that will provide linked treatment opportunities for offenders upon release from prison. Some of the other added benefits of this transition include:

- A significant expansion of the number of Recovery Services staff within DRC facilities,
- Continuation of the evidenced-based model of treatment currently provided by DRC Recovery Services,
- Increased treatment capacity and opportunities within DRC facilities,

- Development and implementation of a community network of designated treatment centers and other supports such as sober housing for released offenders so they can continue their treatment and thereby ensure continued stability.

Ohio MHAS Director Tracy Plouck is scheduled to also appear before this committee later this morning to discuss our Recovery Services partnership, and to assist me in responding to any questions that you may have.

### **Restrictive Housing and Use of Force Reduction**

There is a concentrated challenge from both national and international sources regarding the use of restrictive housing or what is commonly referred to as a “jail within a prison setting”. Across the country jurisdictions are evaluating their use of such housing due to increased litigation and trends that are questioning the overuse of this type of confinement. We have instituted a reform team that has focused on many tasks including developing interactive training for all staff assigned to work in restrictive housing; expanding congregate programming, and increasing behavioral health and wellness staff; and assigning mentors for those in this setting. Our reforms have gained national attention, and I am pleased to be co-chairing a committee established by the American Correctional Association (ACA) to rewrite national standards associated with how correctional jurisdictions manage their most difficult inmates.

Given the current climate and public perception of abuse of use of force against those who come in contact with the criminal justice system, I am also pleased to report that overall we have experienced a significant reduction in use of force incidents in our prisons since 2011 at the same time we have been working to reduce incidents of violence. We have been doing so with a rising inmate population which is increasingly more violent. This reduction is of particular importance given the incidents of force that we have seen in public settings in the media.

### **Agency and Prison Operations**

The agency’s request includes an increase in prison operations appropriations of \$47.8 million in FY 2016 and \$90.2 million in FY 2017. Approximately two-thirds or around \$95 million of the increase will allow DRC to maintain and continue current operations. Funding for additional beds and staffing are included in the increased appropriations. We are currently embarked on a strategic planning process to best allocate these resources to incident data, and population trends.

### **Measures to Increase Operational Efficiencies and Reduce Budget**

In recent years, the Department has carefully examined all areas of operations for efficiencies. This is borne out by the fact that our current cost per day has gone down by \$100,000 since 2011. There have been at least 54 major cost saving initiatives that DRC has implemented during this time period. Some of the most significant are highlighted below:

**Food Service** –After much deliberation and passage of the previous biennial budget (Am. Sub. HB 59) the Department of Administrative Services (DAS) issued a Request for Proposal for the outsourcing of food service operations statewide. We did this to generate a projected budgetary savings of \$14 million, so that we could avoid closure of the Hocking Correctional Facility, a closure which would have resulted in painful staff layoffs and negative economic effects to the local community. We implemented the Aramark contract in September of 2013, and I am pleased to report that we have more than achieved

the projected budgetary savings, with cost reductions in FY 2015 anticipated to be nearly \$17 million. While there were well publicized operational challenges at some prisons during the early stages of contract implementation, it is evident from the chart included in your packets that there has been a dramatic decline in the number of negative food service incidents reported on a daily basis. It is also important to note that the issues documented are not uncommon to what was encountered when food service was state-operated. Aramark is currently serving approximately 50 million meals annually with an average of less than five daily documented concerns.

I am also pleased that Aramark has worked cooperatively with DRC to develop innovative inmate programs such as the In-2-Work program which was designed as a re-integration tool that provides offenders with real-world food service training and practical work experience. Using the skills and knowledge gained through the program, participants develop job skills to become more employable upon their return to the community. Another program Aramark has recently implemented entitled Fresh Favorites allows offenders to develop a marketing plan and develop entrepreneurial skills to operate a small business through a weekly food sale that offers high quality food for offenders and staff to purchase. This program teaches the offenders/students food preparation procedures, industry standard Hazard Analysis and Critical Control Points guidelines and reinforces the importance of providing a quality product.

#### **Medicaid Expansion/Utility and Waste Reductions through Conservation**

Medicaid expansion is paying major dividends for DRC, helping us to manage our medical budget while our population continues growing. Last fiscal year the Ohio Department of Medicaid partnered with DRC to cover inpatient hospitalizations of inmates, saving the state \$10.3 million. I would also like to thank the Ohio State University hospitals for their critical cooperation and support in expanding Medicaid to inmate patients.

Although we have continued to increase efficiencies in our medical budget, I must state my concern with the House's proposed reduction of \$2.9 million in FY 2016 and \$3.3 million in FY 2017 to DRC's medical and mental health services line item. We are concerned that this could negatively impact medical operations due to cost increases in Hepatitis C and other drugs, cost increases in various outsourced contracts (eg. MRI, STNA), implementation of electronic health records, and other potential increases (eg. legal settlements). This could also negatively impact mental health operations by affecting staffing in critical areas like restrictive housing. For these reasons, DRC would oppose the House funding reductions.

Another area of emphasis has been conservation and sustainability. We recognize that we can play a major part in protecting the environment in the communities where we operate. We've pursued conservation with a focus on also achieving cost savings, reducing levels in the last three years lower than they've been in a decade, saving the state \$14.1 million since Governor Kasich took office.

#### **Other Budget Initiatives**

**Inmate Phone Contract**– Telephone calls are one of the primary means of prisoners maintaining family connections, which is a positive contributor to re-entry and recidivism reduction. Aligned with our mission, DRC has ceased collecting a commission on inmate telephone calls. New rates have reduced a typical 15 minute telephone call from Columbus to Cleveland from \$5.87 to around \$0.81. This budget provides for additional General Revenue Fund appropriations to offset the loss of funds from the

commissions that are currently used to pay for recovery services and educational staff and programming.

**Conclusion**

I believe that the budget I have presented to you today is necessary to provide for continued agency operations while also making critical investments in community corrections and recovery services programming that will lead to improved outcomes for offenders, reduced recidivism, and ultimately a reduction in crime and costs to Ohio taxpayers. The initiatives we are implementing will allow us to provide services that achieve our agency mission in the most efficient manner possible for the taxpayers of Ohio. I am proud of the nearly 12,000 employees of the Ohio Department of Rehabilitation and Correction and I believe that their hard work and dedication is without parallel. I am also proud of our collaboration with our many community partners and criminal justice stakeholders.

In conclusion, Chair Uecker, and members of the Senate Finance Corrections Subcommittee, thank you for the opportunity to speak before you today and I urge your support of the proposed DRC FY 2016-17 Executive Budget. I would now be pleased to answer any questions you might have.