Giving Ex-Offenders a Choice in Life: First Findings from Beneficiary Choice

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DOL Recovery and Reemployment Research Conference
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Presentation Overview

- The demonstration and its evaluation
- Enrollment and participant characteristics
- Key implementation findings
- Next steps
The Demonstration and Its Evaluation
What is the Beneficiary Choice Program?

- **Grantees in five cities**
  - Phoenix, Denver, Chicago, Indianapolis, Des Moines

- **Target population**
  - Ex-offenders who are 18-29 years old
  - Convicted of Federal or State crime
  - Released within past 60 days

- **Three distinct features**
  - Expansion of service delivery network
  - Emphasis on participant choice
  - Use of performance-based contracts

- **Implementation began fall 2007**
Key Research Questions

- How are programs implemented?
- How does performance-based contracting influence implementation?
- How are participants ensured an informed and independent choice of providers?
- What services do participants receive? What is the role of faith in service provision?
- What are the outcomes of participants?
- What are the costs of the program?
Evaluation Data Sources

- Survey of grantees and providers (July 2008)
- In-depth site visits (July 2008 and fall 2009)
- MIS data (August 2008 and fall 2009)
- State-level criminal justice administrative data (fall 2008)
- Cost data (fall 2009)
Enrollment and Participant Characteristics
Enrollment by Site as of August 2008

Source: Beneficiary Choice Management Information System extract dated August 15, 2008
Participant Characteristics

- Majority were African American men in their mid-20s

- Criminal histories
  - 89 percent on parole or probation
  - 36 percent mandated to participate by justice agency
  - 71 percent nonviolent offenders
  - 2.6 years incarcerated during lifetime, on average

- Poor work histories

- Range of barriers to reentry, such as unstable housing, substance abuse, transportation
Primary Income Source During 6 Months Prior to Incarceration

Percent of All Participants

- Illegal activities, 35
- Formal employment, 39
- Informal employment, 6
- Public benefits, 2
- Other, 5
- Friends and family, 14

Source: Beneficiary Choice Management Information System extract dated August 15, 2008
Preview of Early Implementation Findings
Key Implementation Findings

- Further capacity-building was needed to improve service delivery and job placements.
- The number and types of providers was limited by outreach and lack of appeal.
- Faith-infused services did not play a major role.
- Grantees targeted motivated ex-offenders.
- Providers found the combination of choice and performance-based contracting very difficult.
- Providers faced a tough balance between rapid job placement and meeting other client needs.
Community Capacity and Network Development
Beneficiary Choice Expanded Service Capacity in Local Areas

- Limited local resources for ex-offenders
- Grant infused new funds into communities
- Grantees able to serve many ex-offenders who would otherwise have gone unserved
Community-Based Approach Built Framework for Collaboration

- Contracts negotiated and entered at local level between grantees and specialized service providers (SSPs)
  - Total of 30 SSPs across five sites in July 2008
  - 18 CBOs, 12 FBOs

- Brought together agencies as a community coalition, rather than competitors

- Streamlined outreach and referrals

- In three sites, formal partnership with parole and/or probation for participant tracking
Capacity-Building Needed to Improve SSP Service Delivery

- Most SSPs are small and inexperienced
- Limited effort to tailor technical support to SSP needs
- Technical assistance primarily focused on service flow, MIS data entry and invoicing
- SSPs needed help strengthening networks with employers
Expansion of the Service Delivery Network
Number and Types of SSPs Limited By Outreach and Lack of Appeal

- SSP network depended on total supply of FBCOs as well as outreach efforts
- Grantees relied heavily on SSPs they knew and recommendations from partners
- Few FBCOs submitted applications during open procurements
- Grant provisions may have deterred some SSPs from applying
Some New and Unique Service Providers Engaged as SSPs

- Gave some small, inexperienced FBCOs the opportunity to learn and grow
- Engaged some SSPs with distinctive approaches to service delivery
Faith-infused Services Did Not Play a Substantial Role in Service Delivery

- Some grantees did not fully understand whether and how religious activities could be included under indirect funding rules
- Grantees did little outreach to faith-infused providers
- SSPs accustomed to direct funding may have defaulted to their traditional service approach
- Some FBOs reported fear that participants would not select their programs if faith-infused
Emphasis on Customer Choice
Participants May Not Fully Understand Their SSP Options

- Participants must choose an SSP quickly, either during or immediately after orientation
- Only one site required participants to contact SSPs before they make a choice
- Most common reasons for selection
  - Location
  - Agency reputation
Grantees Target Motivated Ex-Offenders

- Staff reported significant drop-off between referral and enrollment at SSPs
- Those who enrolled appear to be motivated to get and keep jobs
- Participants who fell through the cracks may be those with highest service needs
Receipt of Core Services

Percent of Participants

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<th>Location</th>
<th>Any Core Service</th>
<th>Work Readiness Training</th>
<th>Career or Life Skills Counseling</th>
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<tr>
<td>All Participants</td>
<td>90</td>
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<td>Des Moines</td>
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<td>89</td>
<td>41</td>
</tr>
</tbody>
</table>

Source: Beneficiary Choice Management Information System extract dated August 15, 2008
Receipt of Supplemental Services

Source: Beneficiary Choice Management Information System extract dated August 15, 2008
Use of Performance-Based Contracting
SSPs Found Combination of Choice and Performance-Based Contracting Difficult

- Choice and contract structure sometimes created planning challenges
  - Uncertainty about number of participants
  - Uncertainty about how many would reach benchmarks to allow payment

- To minimize risk, most SSPs relied on existing staff rather than hiring new staff
Emphasis of Payment Points Reflect Overall Goals of Program but Vary by Site

- Two sites focused payments on service provision so small FBCOs had sufficient cash flow during early implementation
- Three sites associated the largest payments with job placement
- Three sites included other payment points related to…
  - Follow-up
  - Recidivism avoidance
  - Abstinence from substances
  - Other outcomes
Performance-Based Contracts Difficult for Small, Inexperienced FBCOs

- In four sites, some SSPs reported difficulties covering basic costs

- Expenditures exceeded income due to:
  - Inability to achieve placement and retention benchmarks
  - Denied payments for lack of documentation
  - Low referral numbers

- Some underestimated intensive service needs and difficulty placing those with criminal records

- Some were inexperienced with job development and had limited relationships with employers
SSPs Face Tough Balance Between Rapid Job Placement and Meeting Other Needs

- Grant goals and payment points structured to encourage quick attachment to workforce

- Some SSPs altered existing programs to help participants get jobs quickly
  - Shift away from individualized services to one-size-fits-all model
  - Shortened or eliminated supplemental services

- In some cases, rapid entry appeared to limit program uniqueness and effectiveness
Job Placement Rate by Site

Percent of All Participants

- All Participants: 43%
- Phoenix, AZ: 54%
- Denver, CO: 44%
- Chicago, IL: 32%
- Indianapolis, IN: 25%
- Des Moines, IA: 61%

Source: Beneficiary Choice Management Information System extract dated August 15, 2008
Characteristics of Job Placements

- Average of 6 weeks from enrollment to placement
- Average hourly wage of $8.50
  - Colorado had average of $11.21 from training in asbestos abatement, hazardous materials, and forklift operation
- Most common occupations included...
  - Food preparation and serving
  - Construction and extraction
  - Production
  - Installation, maintenance and repair
- High job turnover
  - 28 percent had left their placement as of August 2008
  - 21 percent had been placed in more than one job
Next Steps
Evaluation Timeline

- First findings report available on DOL and Mathematica websites

- Further data collection in fall 2009
  - Second round of in-depth site visits
  - State-level criminal justice administrative data
  - Cost data

- Final report due in Spring 2010
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