



Policy Brief

Adult Reentry Grant: Overview and Recommendations for Implementation

November 2018

Executive Summary

The 2018-19 State Budget Act includes a \$50 million appropriation to establish a new Adult Reentry Grant (ARG). This program provides significant resources to support the reentry of state individuals being released from prison who need housing and assistance in transitioning back to the community.

This policy brief is intended to inform the discussion about the implementation of the ARG with the goal of maximizing the use of the funds to better serve the needs of the most vulnerable among the reentry population. First, we summarize the requirements of the program as set forth through budget bill language and discuss current plans and a timeline for implementation. Second, we review descriptive statistics pertinent to California's prison reentry population with special focus on individuals who are Seriously Mentally Ill (SMI) and/or Medically Fragile (MF). These formerly incarcerated individuals are among the most costly and vulnerable who are eligible for services through the new grant program. Finally, we offer recommendations for consideration by the Board of State and Community Corrections (BSCC) Executive Steering Committee (ESC).

Key Findings

- **The Adult Reentry Grant program: \$50 Million Appropriation.** The new grant program was established through the Budget Act of 2018. The budget bill language authorizing the \$50 million appropriation can be seen in Appendix A. The state general fund appropriation provides funding to the BSCC that will be awarded through competitive awards to community-based organizations (CBOs). The program is broadly intended to support individuals formerly incarcerated in state prison.
- **Total Releases from State Prison.** There were 36,623 inmates released from CDCR in 2017. Of these releases, 18,199 were released to parole and 17,424 were released to Post Release Custody Supervision (PRCS). Individuals released to PRCS are generally lower level offenders who have been convicted of non-violent, non-serious or non-high-risk sex offenses, and upon release from state prison are supervised in the community by county probation departments.
- **SMI Releases.** 7,840 or 22% of the individuals released from state prison to either parole or PRCS in 2015 were identified as having a SMI.

- **Medically Fragile (MF) Releases.** 2,828 or 7% of total releases from state prison to either parole or PRCs in the 2016-2017 fiscal year were MF.
- **Reentry Supports Needed for Warm Handoffs and Housing.** Formerly incarcerated individuals with SMI and MF are particularly vulnerable and costly. Their physical and mental disabilities can require significant and complex treatment and care coordination to assure continuity of care following release from prison. Data is not available on the precise number of SMI and MF individuals who need safe and stable housing upon their release from state prison. However, we estimate that approximately 25,660 individuals in California are unsheltered homeless whom have been released from jail or prison within the past 12 months.¹ Moreover, we estimate that approximately 2,749 individuals across California are unsheltered homeless who are presently under community supervision.²

Key Recommendations

In considering proposals for Adult Reentry Grant funding, we suggest that the BSCC develop evaluative criteria that provides additional priority or weight to CBOs that can demonstrate experience and capacity in all of the following:

- Ability to offer housing support tailored to meet the needs former state prisoners who are (1) at the highest risk of becoming unsheltered homeless; and (2) are either seriously mentally ill, dually diagnosed with a substance use disorder, or medically fragile.
- Experience in serving justice involved individuals, including working relationships with the Division of Adult Parole Operations (DAPO) and county probation departments.
- Established relationships with county health, behavioral health, human services, housing and employment services as well as community health centers and other local providers.
- Commitment to a “Housing First” model. This approach acknowledges that access to safe and stable housing is an essential precondition for successful reentry. Housing policies that require an absence of criminal history or sobriety to obtain housing would be counterproductive.
- Commitment to housing policies that are compatible with and encourage evidence-based substance use treatment, including medication assisted treatment.
- Demonstrated experience in engaging individuals with personal histories of incarceration as key stakeholders in the planning and evaluation process.
- Demonstrated experience hiring individuals with lived experience of incarceration as program staff.

¹ Author calculations from Orange County CoC Homelessness Count & Survey Report, 2017

² Author calculations from San Diego WeAllCount Unsheltered Homelessness Survey, 2018

1. The Adult Reentry Grant Program

The [Adult Reentry Grant Program](#) was established through the Budget Act of 2018 and appropriates \$50 million in funding for competitive awards to CBOs to support individuals formerly incarcerated in state prison. The BSCC is responsible for oversight of this program and will be the agency that awards the grants. Established in 2012, the BSCC is an independent statutory agency that provides leadership to the adult and juvenile criminal justice systems, expertise on Public Safety Realignment issues, a data and information clearinghouse, and technical assistance on a wide range of community corrections issues. In addition, the BSCC is tasked with administering significant public safety-related grant funding.

Specific allocations of the funds are mandated to be as follows:

- \$25 million be available for rental assistance,
- \$15 million for the rehabilitation of existing property or buildings for housing offenders released from prison,
- \$9.35 million to support the warm handoff and reentry of offenders transitioning from prison to communities, and
- \$150 thousand to support the Berkeley Underground Scholars Initiative.

This grant program is currently in development and awards are anticipated to be made by June 30, 2019. These funds are available for encumbrance or expenditure until June 30, 2021. In addition, the BSCC is required to form an Executive Steering Committee (ESC) with members from relevant state agencies and departments with expertise in public health, housing, workforce development, and effective rehabilitative treatment for adult offenders to develop grant program criteria and make recommendations to the board regarding grant award decisions. The final membership of the ESC has been finalized and a full set of guidelines for the program will be made public shortly. Appendix B contains a complete list of the members on the ESC.

2. How many individuals are released from state prison annually?

There were 36,623 inmates released from CDCR in 2017. Out of those releases 18,199 were released to parole and 17,424 were released to PRCS. Individuals released to PRCS are generally lower level offenders who have been convicted of non-violent, non-serious, or non-high-risk sex offenses, and upon release from state prison these individuals are supervised in the community by county probation departments.

3. Why are SMI and MF individuals the most vulnerable and costly formerly incarcerated state prisoners?

Individuals with SMI or whom are MF³ require significant, complex treatment and care coordination to assure continuity of care following release from prison. They are at greater risk for poor health outcomes, higher rates of recidivism and costs to the health care delivery and criminal justice systems.

³ See appendix C for a detailed discussion of our working definitions of these terms.

Successful reintegration of the SMI and MF population is often particularly difficult because many are experiencing complex health problems in equally complicated social conditions.⁴ Their illnesses and disabilities are often complicated by homelessness, chronic poverty, long periods without health care, residence in a low-income community, and substance use disorders.⁵ Their health status tends to compound the other challenges to successful reintegration, including problems finding employment and housing, establishing prosocial community ties, and learning to live outside of institutions.⁶ Further, many incarcerated people have cycled through jails and prisons, homeless shelters, emergency rooms, drug treatment programs, psychiatric care, and other institutional settings for decades. Chronic illness and disability limit other forms of independence.⁷

4. How many seriously mentally ill and medically fragile individuals are released to parole or Post Release Community Supervision (PRCS)?

4.1 Seriously Mentally Ill (SMI)

During the 2015 calendar year 3,520 SMI individuals were released to PRCS (18.8% of all PRCS releases). Moreover, during the same year, about 4,320 SMI individuals were released to state parole (22.6% of all parole releases). In total, CDCR released approximately 7,840 individuals with SMI into either PRCS or parole during 2015. *These figures illustrate that roughly one out of every five former state prisoners has a serious mental illness.*

For inmates incarcerated in state prison, the CDCR Mental Health Services Delivery System (MHSDS) provides mental health treatment and monitoring for mentally ill inmates with *current* symptoms and/or requires treatment for one or more of the following DSM-IV Axis I diagnosis: Schizophrenia (all subtypes), Delusional Disorder, Schizophreniform Disorder, Schizoaffective Disorder, Brief Psychotic Disorder, Substance-Induced Psychotic Disorder, Psychotic Disorder Due to a General Medical Condition, Psychotic Disorder Not Otherwise Specified, Major Depressive Disorders, or Bipolar Disorders I and II.⁸

The CDCR classifies SMI inmates based on where their housing placement in prison. These housing options relate to the intensity of care and supervision that is provided. For example, an inmate who is effectively managing his mental illness through medication could be safely housed in the general prison population and classified as a Correctional Clinical Case Management System (CCCMS) inmate, whereas an inmate with the same serious diagnosis who is delusional, or hallucinating may be housed in segregated housing and classified as Enhanced Outpatient Program (EOP). The SMI inmates are placed in one of the five level of care as shown in Table 1. This table defines each category and provides descriptive statistics for people released to state parole or county probation under PRCS status.

⁴ Chief Probation Officers of CA. 2013. "Assessing Risks and Needs of Realigned Populations." [\[PDF\]](#)

⁵ Human Rights Watch. 2012. "The Aging Prison Population in the United States." [\[PDF\]](#)

⁶ Williams, Brie et al. 2010. "Coming Home: Health Status of Older Pre-Release Prisoners." *Journal of General Internal Medicine*, 25(10). [\[Link\]](#)

⁷ Health professionals often discuss the health status of individuals in terms of their ability to perform activities of daily living (ADLs) including continence, bathing, eating, and other types of self-care.

⁸ CDCR. 2009. "Program Guide: Overview Mental Health Services Delivery System." [\[Link\]](#)

Table 1. CDCR Housing Classification for People with Diagnosed Mental Illnesses by Release Type 2015			
	PRCS	Parole	Total
Total Releases	18,281	18,654	36,935
Total Mentally Ill Releases	3,520 (18.8%)	4,320 (22.6%)	7,840 (21.2%)
Department of State Hospitals Intermediate Care Facility (DSH-ICF): Patients in these State Hospital facilities receive longer term mental health, intermediate, and non-acute inpatient treatment that is not available in CDCR.	36 (0.2%)	58 (0.3%)	94 (0.3%)
Acute Inpatient Hospital Care: Inmates with the most severe cases of psychosis whose conditions cannot be treated in outpatient settings or short-term mental health crisis beds. Treatment is provided through a contract with the California Department of State Hospitals (DSH).	16 (0.1%)	75 (0.4%)	91 (0.2%)
Mental Health Crisis Beds (MHCBS): This program is for people with marked impairment and dysfunction in most areas (daily living activities, communication and social interaction) requiring 24-hour nursing care.	41 (0.2%)	55 (0.3%)	96 (0.3%)
Correctional Clinical Case Management System (CCCMS): These inmates exhibit symptom control or may be in partial remission as a result of treatment. They are able to function in the general prison population.	2,985 (16.3%)	3,264 (17.5%)	6,249 (16.9%)
Enhanced Outpatient Program (EOP): These inmates are unable to function in the general prison population as a result of acute onset or significant decompensation of a serious mental disorder characterized by increased delusional thinking, hallucinatory experiences, marked changes in affect, and vegetative signs with definitive impairment of reality testing and/or judgment.	442 (2.4%)	868 (4.7%)	1,310 (3.5%)

Source: CDCR – Correctional Health Care Services

4.2 Medically Fragile (MF)

CDCR reported that there were 5,526 medically high-risk or fragile inmates as of March 2017 as defined by CDCR. Approximately 80 % of these inmates are housed in four prisons: the California Medical Facility (Vacaville), the California Health Care Facility (Stockton), R.J. Donovan (San Diego), and the California Institution for Men (Chino).

To be classified as “High Risk,” an inmate must have one or more risk factors as described in Appendix D. About 3,000 high risk, medically high-risk inmates are released annually – about 250 per month. In 2016-2017 fiscal year, CDCR released 822 High Risk Priority 1s (1.9% of total releases) and 2,006 High Risk Priority 2s (4.6% of total releases). *These figures illustrate that roughly one out of every fourteen former state prisoners is medically fragile.*

5. How many former state prisoners are homeless?

Although data is not available on the number of SMI and MF former inmates who are in need of safe and stable housing upon their release from state prison, surveys of the unsheltered homeless suggest that a significant number had been released from prison or jail within the last twelve

months.⁹ Orange county conducted a survey of their unsheltered homeless population and found that 729 people reported being released from jail or prison in the last twelve months. In other words, roughly 28% of the unsheltered homeless population in Orange county is estimated to be recently incarcerated. *We estimate that approximately 25,660 individuals in California are unsheltered homeless who have been recently incarcerated in jail or prison and released in the past 12 months.*

Data also suggests that a significant percentage of the unsheltered homeless are currently on parole.¹⁰ San Diego also conducted a survey of their unsheltered homeless population and 3% of all unsheltered homeless individuals (138 people) reported being currently on parole. *We estimate that approximately 2,749 individuals across California are unsheltered homeless whom are presently under community supervision.* This estimate is likely to be biased downwards since a criminal record is particularly stigmatizing and vulnerable homeless may be unwilling to share whether they are on under supervision or not.¹¹

6. Recommendations for the Adult Reentry Grant Program Criteria

The BSCC has responsibility for establishing criteria for awarding grants to community-based organizations that provide reentry and housing services to individuals formerly incarcerated in state prison. The \$50 million one-time appropriation for this purpose offers an extraordinary opportunity to reduce homelessness, improve care coordination, and increase the chances for successful reintegration into the community. The new grant also allows the testing of innovative models of care that may demonstrate more cost-effective approaches. The outcomes of these projects may inform future efforts to secure funding to continue or expand these new approaches. These aspirations must also be balanced by the imperative of an accelerated RFP and grant process that can quickly allocate funding to where it is needed most.

The following criteria for the ARG program are offered for BSCC Executive Committee and stakeholders to consider. These criteria are based on the policy goal of prioritizing grants to formerly incarcerated state inmates who have the greatest need for safe and stable housing and community supports to address their health and behavioral health challenges. In doing so, state funding can reduce homelessness, improve the quality of care for individuals who have high cost, complex health and behavioral health needs, reduce recidivism, and enhance public safety.

In considering proposals for ARG funding, we suggest that additional priority or weight be afforded to CBOs that can demonstrate experience and capacity in all of the following:

- Ability to offer housing support tailored to meet the needs former state prisoners who are (1) at the highest risk of becoming unsheltered homeless; and (2) are seriously mentally ill, dually diagnosed with a substance use disorder, or medically fragile.

⁹ Author calculations from Orange County CoC Homelessness Count & Survey Report, 2017

¹⁰ Author calculations from San Diego WeAllCount Unsheltered Homelessness Survey, 2018

¹¹ This question about the individual's parole status had a 21% non-response rate, which is relatively high compared to other questions from the same WeAllCount survey in San Diego during 2018.

- Experience in serving justice involved individuals, including working relationships with the Division of Adult Parole Operations (DAPO) and county probation departments.
- Established relationships with county health, behavioral health, human services, housing and employment services as well as community health centers and other local providers.
- Commitment to a Housing First model. This approach acknowledges that access to safe and stable housing is an essential precondition for successful reentry. Housing policies that require an absence of criminal history or sobriety to obtain housing would counterproductive.
- Commitment to housing policies that are compatible with and encourage evidence-based substance use treatment, including medication assisted treatment.
- Demonstrated experience in engaging individuals with personal histories of incarceration as key stakeholders in the planning and evaluation process.
- Demonstrated experience hiring individuals with lived experience of incarceration as program staff.

CBOs should provide a list of enrollment and performance metrics for both quarterly reporting and continued evaluation by the BSCC. The BSCC Executive Committee should also consider the inclusion of a strong evaluation component that includes topics such as recidivism and length of stay in housing.

Appendix A

ARG: The Budget Act of 2018 (Senate Bill 840, Chapter 29, Statutes of 2018¹²)

5227-110-0001—

For local assistance, Board of State and Community Corrections 50,000,000

Schedule:

(1) 4945-Corrections Planning and Grant Programs 50,000,000

Provisions:

1. Funds appropriated in this item shall be awarded by the Board of State and Community Corrections as competitive grants to community-based organizations to support offenders formerly incarcerated in state prison. The board shall form an executive steering committee with members from relevant state agencies and departments with expertise in public health, housing, workforce development, and effective rehabilitative treatment for adult offenders, including, but not limited to, the Department of Housing and Community Development, the Office of Health Equity, county probation, representatives of reentry-focused community based organizations, criminal justice impacted individuals, and representatives of housing-focused community based organizations, to develop grant program criteria and make recommendations to the board regarding grant award decisions.
2. Of the amount appropriated in this item:
 - a. \$25,000,000 shall be available for rental assistance.
 - b. \$15,000,000 shall be available for the rehabilitation of existing property or buildings for housing offenders released from prison.
 - c. \$9,350,000 shall be available to support the warm hand-off and reentry of offenders transitioning from prison to communities.
 - d. Notwithstanding Provision 1 of this item, \$150,000 shall be available to support the Berkeley Underground Scholars Initiative at the University of California, Berkeley.
3. Of the amount appropriated in this item, \$500,000 shall be available to the Board of State and Community Corrections for transfer to Schedule (1) of Item 5227-001-0001 for costs to administer the grant programs and report on program outcomes. Funds transferred pursuant to this provision are available for encumbrance or expenditure until June 30, 2021.
4. Funds appropriated in this item are available for encumbrance or expenditure until June 30, 2021.

¹² http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180SB840

Appendix B

	Name	Title	Organization/Agency
1	Linda Peener (Co-chair)	BSCC Board Member	Board of State and Community Corrections
2	Francine Tournour (Co-Chair)	Director & BSCC Board Member	Office of Public Safety Accountability, City of Sacramento
3	Alfonso Valdez	Adjunct Professor	University of California, Irvine
4	Anna Wong	Senior Policy Associate	W. Haywood Burns Institute
5	Armand King	Co-Founder	Paving Great Futures
6	Catherine Kungu	Housing Policy Development Analyst	California Department of Housing and Community Development
7	Christopher Martin	Legislative Advocate, Homelessness	Housing California
8	Claudia Cappioa	Retired; Assistant City Administrator	City of Oakland
9	Curtis Notsinneh	Corrections Workforce Partnership Manager	California Workforce Development Board (CWDB)
10	Dana Moore	Acting Deputy Director	Office of Health Equity (OHE)
11	Eric Henderson	Policy Associate	Ella Baker Foundation
12	Hillary Blout	Research and Policy Consultant	Fair and Just Prosecution
13	Jeff Kettering	Chief Probation Office	Merced County Probation Department
14	Michael Lynch	Co-Founder & CEO	Improve Your Tomorrow, Inc.
15	Paul Watson	President/CEO	The Global Action Research Center
16	Sharon Rapport	Associate Director	Corporation for Supportive House
17	Stephanie Welch	Executive Officer	Council on Criminal Justice and Behavioral Health, CDCR
18	Sue DeLacy	Division Director	Orange County Probation Department

Appendix C

For the purposes of this brief, we use the following definitions for Serious Mental Illness (SMI) and Medically Fragile (MF):

- *Serious Mental Illness (SMI)*: A mental disorder that is severe in degree and persistent in duration, causes behavioral functioning that interferes substantially with the primary activities of daily living, and may result in an inability to maintain stable adjustment and independent functioning without treatment, support, and rehabilitation for a long or indefinite period of time. The most common diagnoses amongst adult clients in California are schizophrenia, schizoaffective disorder, bipolar disorder, anxiety disorders (including post-traumatic stress disorder), and major depression.
- *Medically Fragile (MF)*: CDCR's Correctional Health Care Services Division classifies this medically fragile population as being "High Risk 1s and 2s." To be classified as "High Risk," an inmate must have one or more risk factors as described in the Table 1. MF problems include, but are not limited to, HIV disease, severe lung disease requiring oxygen, severe lung disease requiring ventilator or tracheostomy care, complicated spina bifida, heart disease, malignancy, asthmatic exacerbations, cystic fibrosis exacerbations, neuromuscular disease, encephalopathies, and seizure disorders.

Appendix D

CDCR Definition of High Risk (Priority 1 and Priority 2)	
Flag	Description
High Risk Diagnosis/Condition	Patients identified as having a diagnosis classified as High Risk. These diagnoses or combination of conditions are deemed high risk due to current or future adverse health events. (Each condition “high Risk criteria is considered one risk factor. There are 31 conditions that are identified, e.g., HIV, cardiomyopathy & congestive heart failure, cancer, asthma, COPD, diabetes, seizures, and chronic pain)
Multiple Higher Level of Care Events – Medical	Patients with two or more community hospital inpatient admissions (excluding admissions for acute/trauma related issues).
Prolonged Medical Bed Stay	Patients in Correctional Treatment Center (CTC), Outpatient Housing Unit (OHU) or Skilled Nursing Facility (SNF) for more than 80 days of the last 180 days in prison.
Multiple Higher Level of Care Events – Mental Health	Patients with three or more Mental Health Higher Level of Care Admissions.
Polypharmacy	Patients prescribed 13 or more medications.
High Risk Specialty Consultations	Patients with three or more appointments with a “high risk” specialist(s) (e.g., oncologists, vascular surgeon).
Advanced Age	Patients who are sixty-five years of age or older.
Multiple Medium Risk Diagnoses/Conditions	Four or more Medium Risk chronic conditions.

Source: CDCR – Correctional Health Care Services

About the Authors

- **Konrad Franco** is a Researcher with California Health Policy Strategies, LLC (CalHPS). He is currently pursuing a PhD in Sociology with an emphasis in Statistics at the University of California, Davis.
- **Jim Gomez** served as the director of the California Department of Corrections from 1991 to 1997. He later became the CEO of the California Association of Health Facilities. He is currently a CalHPS Senior Advisor for the Reentry Health Policy Project.
- **David Panush** has over thirty-five years of experience in the California State Legislature, serving as a policy and fiscal advisor to five state senate leaders, and as External Affairs Director for Covered California. He is the President of CalHPS.

About the Reentry Health Policy Project

This brief is part of the Reentry Health Policy Project, which seeks to identify state and county level policies and practices that impede the delivery of effective health and behavioral health care services for formerly incarcerated individuals who are medically fragile (MF) and living with serious mental illness (SMI), as they return to the community. The report also offers specific recommendations and best practices for addressing these barriers. The Reentry Health Policy Project was managed by California Health Policy Strategies LLC with support provided by the California Health Care Foundation.

About California Health Policy Strategies (CalHPS), LLC.

CalHPS is a mission-driven health policy consulting group based in Sacramento. For more information, visit www.calhps.com.