EXHIBIT E

ARKANSAS

Recovery Homes

A Sustainable Prison Diversion Proposal

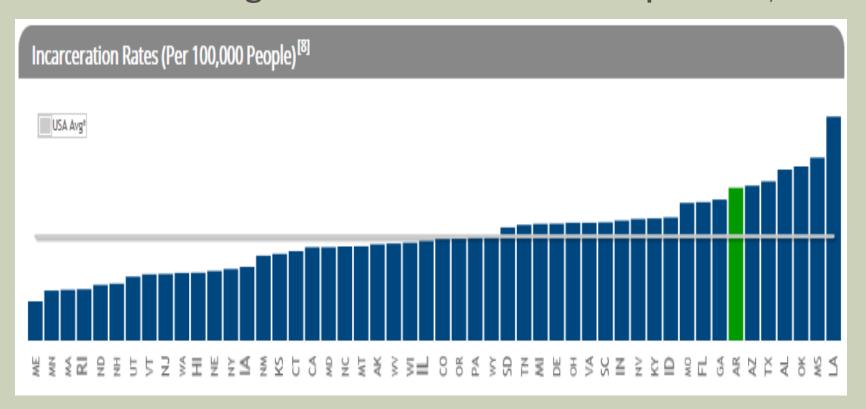


OVERVIEW

- PART I Need
 - Incarceration Trends
- PART II Financial Benefit
 - Savings of \$379,602,000 Over 8 Years
- PART III Outcomes
 - Award Winning Current Success
- PART IV Recovery Home Model
 - Creating Sustainable Change

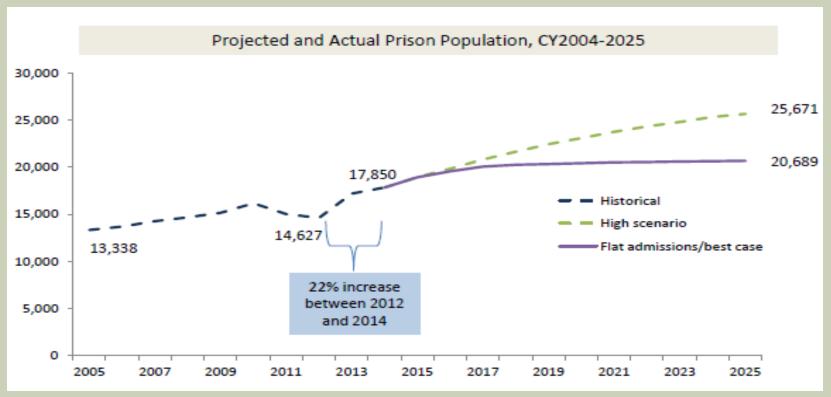
ARKANSAS INCARCERATION

Arkansas (2013) has a rate about 46% higher than the national average of incarcerated adults per 100,000.



ARKANSAS INCARCERATION TREND

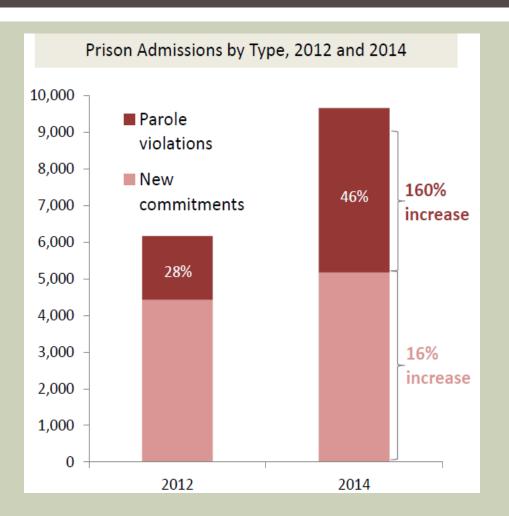
Arkansas' prison population increased 34% in ten years and could climb an additional 44% by 2025.



http://www.arktimes.com/general/files/justicecenter.pdf

ARKANSAS RECIDIVISM

Arkansas' recidivism rate, defined as return to prison within three years of release, is 42.2%.



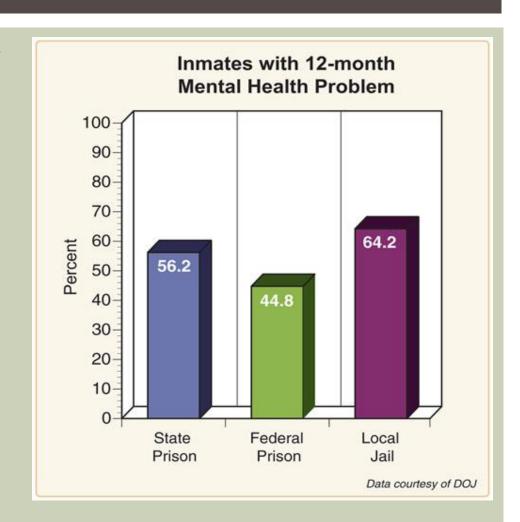
http://www.dcc.arkansas.gov/publications/Documents/publications/Act-1190%20-%20Comprehensive-Final-Report.pdf http://www.arktimes.com/general/files/justicecenter.pdf

NATIONAL STATISTICS - INCARCERATION AND SUBSTANCE USE DISORDERS

- Imprisonment has little effect on drug abuse.
 - 60 80% of drug abusers commit a new crime (typically a drug-driven crime) after release from prison.
 - Approximately 95% return to drug abuse after release from prison.
- 80% of offenders abuse drugs or alcohol.
- Nearly 50% of jail and prison inmates are clinically addicted.
- Approximately 60% of individuals arrested for most types of crimes test positive for illegal drugs at arrest.

INMATES SATISFYING THE CRITERIA FOR A MENTAL HEALTH PROBLEM CURRENTLY OR IN THE PREVIOUS YEAR

From the Department of Justice's Survey of Inmates in State and Federal Correctional Facilities (2004) and Survey of Inmates in Local Jails (2002) indicate that the rate of mental health problems differ by the type of correctional facility. In this study a mental health problem was defined as receiving a clinical diagnosis or treatment by a mental health professional. Inmates in local jails had the highest prevalence of mental problems, with nearly two thirds of jail inmates (64.2 percent) satisfying the criteria for a mental health problem currently or in the previous year.



ARKANSAS STATISTICS - INCARCERATION, SUBSTANCE USE AND MENTAL DISORDERS

- Manufacturing/Delivery/Possession is number one admission offense, average sentence length of 8 years, 9 months.
- There are 11.7 substance abuse arrests per 1000 population.
- Conservatively, 28% of incarcerated individuals (5000 of 17,850) have mentalhealth issues.

INCARCERATION COSTS

In FY2014, the Arkansas Department of Corrections employed a staff of 3,953 in 18 facilities. The operating expenditures for FY2014 was \$324 million.

\$63.26 per day x 365 days =

\$23,089 Per inmate, per year

SAVINGS THRU DIVERSION REINVESTMENT EXAMPLES

State	Projected savings* (time period)		
Hawaii	\$130 M	(6 years)	
Kentucky	\$ 422 M	(10 years)	
North Carolina	\$560 M	(6 years)	
Ohio	\$78 M	(4 years)	
Pennsylvania	\$253 M	(5 years)	

^{*} Projected savings estimate includes both averted costs and reductions in state spending on corrections

Council of State Governments Justice Center, Lessons from the States: Reducing Recidivism and Curbing Corrections Costs through Justice Reinvestment (New York: Council of State Governments Justice Center, 2013).

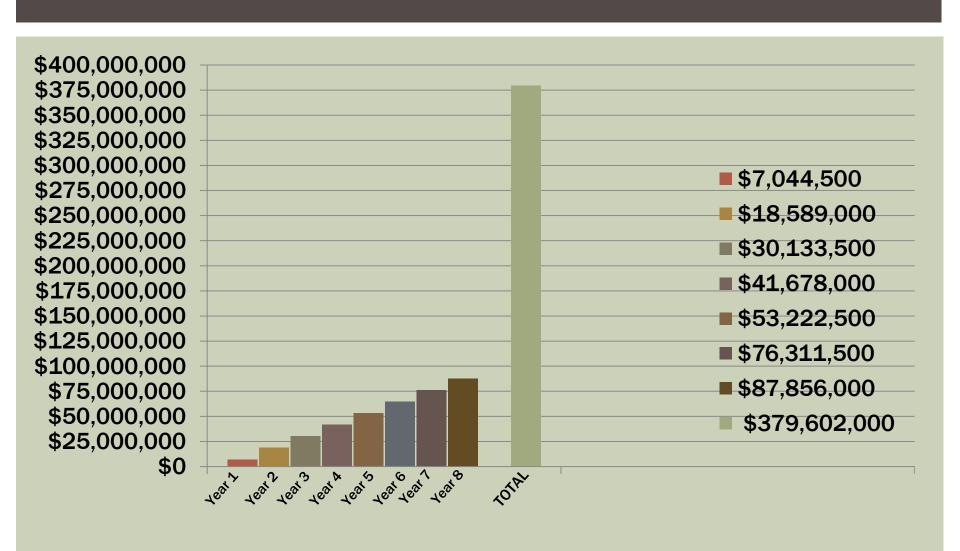
PROJECTED COSTS AND SAVINGS OF DIVERSION IN ARKANSAS – PERFORMANCE INCENTIVE MODEL

I. Costs of Incarceration @ \$63.26 per day per inmate							
	2014 Annual Cost per Inmate	Total Inmates	State Cost	Federal Cost	Total Cost		
Incarceration	\$23,089	500	\$11,544,500	\$0	\$11,544,500		
II. Cost of Diversion							
			State Cost	Federal Cost			
Recovery Home Prison Diversion	Annual Cost per Diversion	Total Diverted	* Varies dependent on Private Option (e.g. MH @ 70% Federal)		Total Cost		
	\$9,000	500	\$4,500,000*	Varies*	\$4,500,000		
III. Reinvestment Savings to State							
Number enrolled in Recovery Home Prison Diversion	2014 Cost of Incarceration per offender	% to Provider based on Diversion Performance	% cost reduction to AR DOC	Funding to Provider	Savings to AR		
500	500 \$23,089 39%		61%	\$4,500,000	\$7,044,500		

ARKANSAS RECOVERY HOME PRISON DIVERSION PERFORMANCE INCENTIVE MODEL

Performance Incentive Proposal						
Outcome Status	Intake and Plan	1 month	3 months	6 months	1 year	Total Funding to Provider
Outcome Reimbursement	\$1,500	\$1,500	\$2,000	\$2,000	\$2,000	\$9,000
Successful Diversion Rate 100%	\$750,000	\$750,000	\$1,000,000	\$1,000,000	\$1,000,000	\$4,500,000
Rate 100%	1.0	1.0	1.0	1.0	1.0	
Successful Diversion Rate 75%	\$712,500	\$675,000	\$850,000	\$800,000	\$750,000	\$3,787,500
Nate 70%	.95	.90	.85	.80	.75	ψ0,101,000
Successful Diversion Rate 50%	\$675,000	\$510,000	\$700,000	\$600,000	\$500,000	\$2,985,000
	.90	.80	.70	.60	.50	, = = = , = = •

SAVINGS THRU DIVERSION REINVESTMENT EXAMPLE - AR



COLLABORATION AND COLLECTIVE IMPACT (SUSTAINABILITY)

Collaboration

Collective Impact

Convene around Programs/Initiatives



Work Together to Move Outcomes

Prove



Improve

Addition to What You Do



Is What You Do

Advocate for Ideas



Advocate for What Works

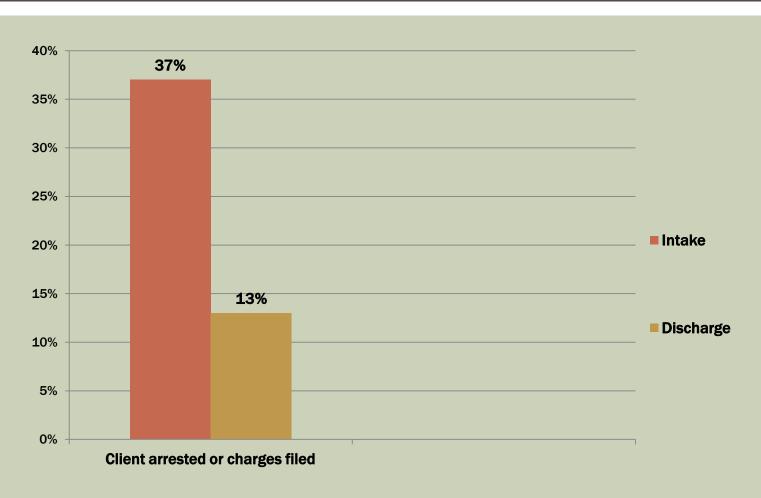


PFH ARKANSAS OUTCOMES - FY15

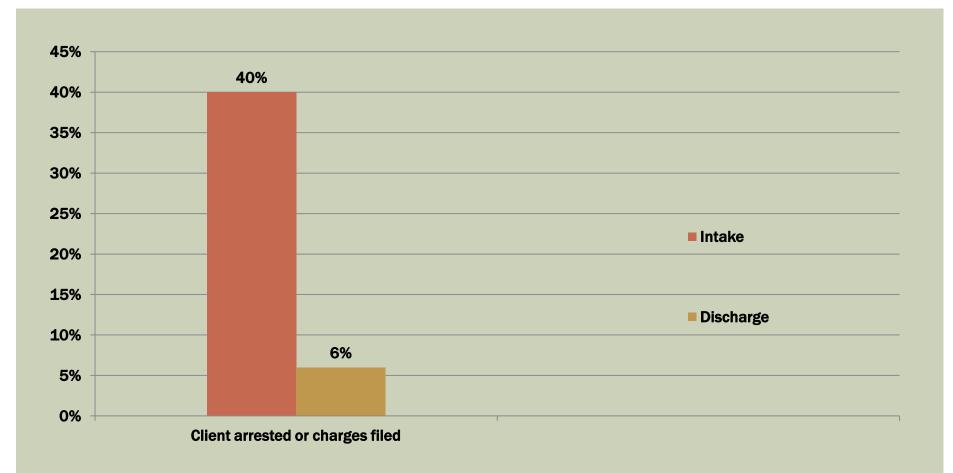
- Treatment Outcomes
 - Mental Health & Criminal Justice
 - Substance Use Disorder & Criminal Justice

- Employment Outcomes
 - Not Addressed as Integrated Service
 - Addressed as Integrated Service

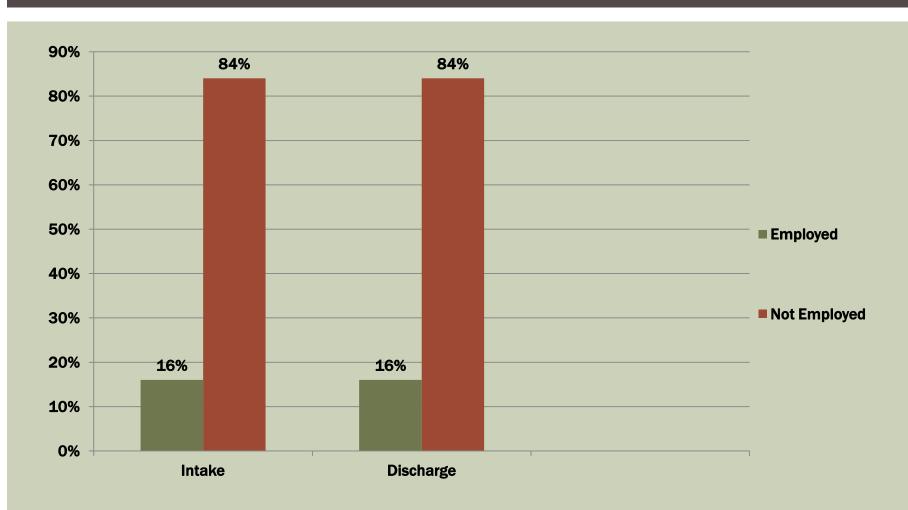
CRIMINAL JUSTICE INVOLVEMENT – ADULT MENTAL HEALTH SERVICES



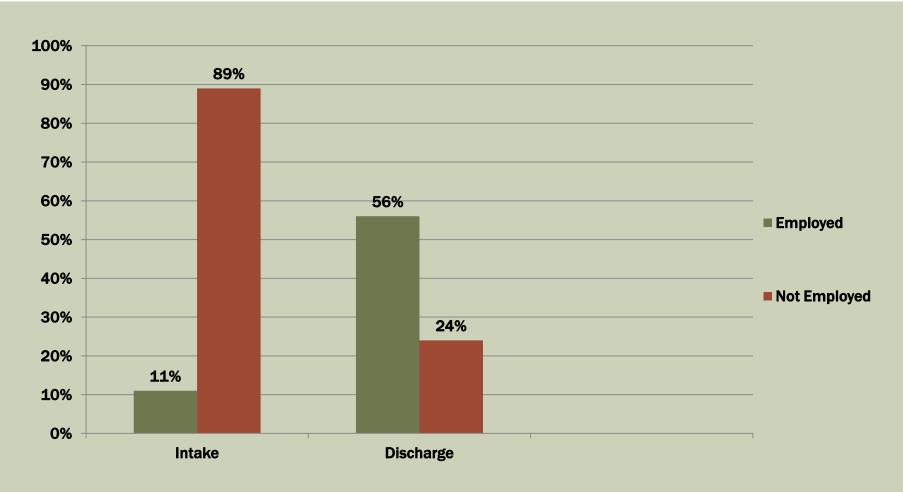
CRIMINAL JUSTICE INVOLVEMENT – SUBSTANCE USE DISORDER (SUD) SERVICES



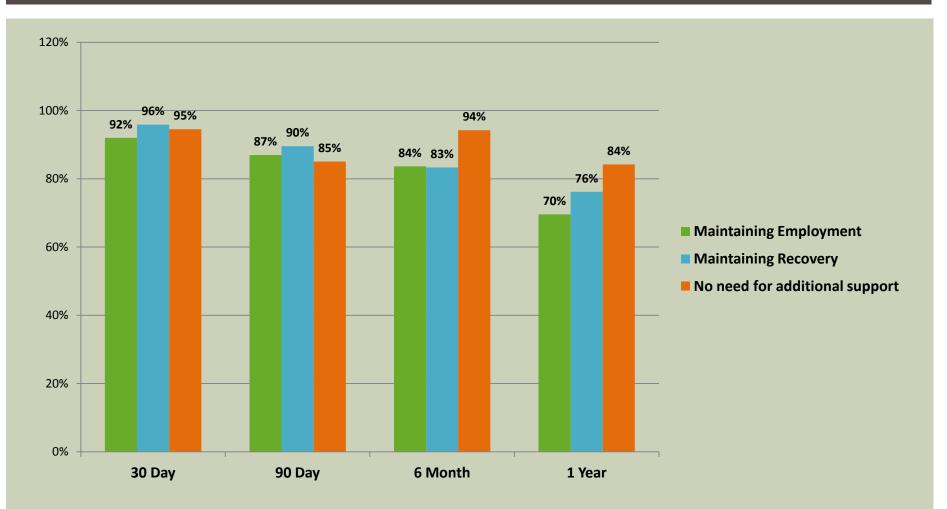
MENTAL HEALTH TREATMENT WITHOUT INTEGRATED EMPLOYMENT SERVICES



SUD TREATMENT WITH INTEGRATED EMPLOYMENT SERVICES (IPS MODEL)



SUD TREATMENT WITH INTEGRATED EMPLOYMENT (IPS MODEL)



COLLECTIVE IMPACT = SUSTAINABILITY

- Collective Impact Requires Integration
 - Employment is Treatment
 - Partnerships
 - AR Dept of Workforce Development
 - AR Rehabilitation Services
- PFH Integrated Employment (IPS)
 - 2015 Achievement Award Dartmouth IPS Collaborative (16 US states, 5 countries)
 - 2015 Outstanding Performer Award Missouri Division of Behavioral Health
- Effective Intervention

RECOVERY HOME APPROACH

- Recovery Homes...
 - Not a physical structure in the sense that offenders reside at the Recovery Home
 - Is an intervention model that brings about collective impact leading to sustainable change
 - Diversion
 - MH & SUD Recovery
 - Employment
- SAMHSA Recovery
 - A process of change through which individuals improve their health and wellness, live a self-directed life, and strive to reach their full potential.

Arkansas Prison Diversion

Recovery Home Model & Linkages



Employment and Education

Housing

Recovery Plan
Sustainable Recovery

Integrated Education Participation

Peer Recovery Support

Health Screenings
Wellbeing Coaching
Medication Management
Trauma Informed
Psychiatrist
Therapy

Family Relationship Education

Child Care & Parenting

Healthcare

Other Community Support

SUD, Behavioral Health Treatment

RECOVERY HOME PRISON DIVERSION LOGIC MODEL - EVALUATION

Target Pop Who will benefit	Activities what activities the program undertakes	Outputs what is produced through those activities	Outcomes changes or benefits that result from the program
Sentenced offenders at risk of incarceration in prisons, jails, or detention centers	 Assessment Care Coordination Behavior Health, SUD and Co-existing Disorder treatment 	 Number of offenders referred and accepted Number of offenders completing & sustaining 	 Increased frequency of successful diversion Increased frequency of sustained gains Increased probation
	 Medication Assisted Treatment 	intervention gains Number with	adherence/completion Increased abstinence from
	❖ IPS Vocational Support	abstinence from substance use &/or reduced MH	substance use &/or reduced MH symptoms
	System of Care (Wraparound) Supports	symptoms Number employed	Increased adherence to self care plans
	Judicial and P & P partnership	 Number employed Number with housing stability 	Increased employment rates
	Stakeholder partnerships	Stability	Increased housing stability

RECOVERY HOMES A SUSTAINABLE PRISON DIVERSION MODEL

- Need Is Significant
- Substantial Financial Benefit
- Outcomes Demonstrate Success

- Creating Sustainable Change
- Public/Private Partnership

RECOVERY HOMES A SUSTAINABLE PRISON DIVERSION MODEL



For additional information and/or questions, contact Keith Noble, Ph D (knoble@pfh.org