Performance Incentives for Reducing Revocations

5-year impact in Tennessee

If Tennessee decreased its technical and new crime revocation rate from probation and parole by 20%, the state could avoid $13.7M in cumulative marginal cost, reduce the prison population by 839, and give 682 life years back over the next five years.

Marginal cost avoidance (cumulative)

- $4.1M from reducing parole revocation rate by 20%
- $9.6M from reducing probation revocation rate by 20%

Impact varies with % reduction in revocation rate. This assumes a per capita marginal cost of $6,307 for incarceration and $285 for probation and parole.

Fewer people in prison for revocations (annual)

- 192 fewer people in prison for parole revocations
- 647 fewer people in prison for probation revocations

Impact of other states using performance incentive funding

- **Texas**
  
  In 2005, Texas pledged $55 million in incentive-based funding to probation departments that used graduated sanctions to try to reduce technical revocations by 10%. Departments that participated reduced technical violations revocations by 13.4%, while those who did not opt-in increased such revocations by 5.9%.

682

Life years back from avoided parole revocations

1,598

Life years back from avoided probation revocations

The opportunity

Approximately 5,000 people are returned to Tennessee state prisons for violations of parole and probation each year, accounting for nearly 40% of prison admissions. Taxpayers in Tennessee spend approximately $160 million per year on incarcerating people who are revoked to prison for parole and probation violations. Roughly half of those revocations are for technical violations, like missing a meeting with an officer.

A performance incentive model in Tennessee would reward parole and probation field offices for improving client outcomes making communities safer. Here's how it would work: if a probation and parole district reduces the number of people returned to prison for technical violations and new crimes compared to a historical baseline, then that district is entitled to half of what it would have cost the state to incarcerate those individuals. The state of Tennessee gets the rest of the savings. Funds awarded to parole/probation districts can be used for rehabilitation programs, contracting part-time social workers or job coaches, and for performance bonuses divided equally among the officers in that district (to boost retention of the best officers).

Research shows that performance incentive funding encourages parole and probation officers to improve outcomes and lower revocation rates. With the right incentives, officers use better discretion when determining which people actually pose a threat to public safety and should be revoked for technical violations. At the same time, performance-based incentives reward field offices for effectively rehabilitating people on supervision and reducing the number of actual crimes committed while on supervision.