Fletcher Group

**POLICY BRIEF**
Prepared for the Idaho Behavioral Health Council
Revised September 2026

# Recovery Housing That Pays Its Own Way

The RHOAR / Recovery Kentucky model: corrections-partnered recovery housing, independently evaluated for a decade, modeled for Idaho.

**KEY TAKEAWAYS**

*Each figure is explained below. Blue text links to the full source; the Idaho calculator reports are attached as Appendices A–B.*

**MEASURED IN KENTUCKY**
**$2.15**
avoided public costs per $1 spent (independent Univ. of Kentucky evaluation, 2026)

**IDAHO · SOCIAL RETURN**
**$4.86**
total return per $1 over 15 years, one 100-person center, incl. health value (App. A)

**RECIDIVISM · KENTUCKY**
**78% → 7%**
incarcerated in the prior six months: at entry vs. 12 months later

**EMPLOYMENT · KENTUCKY**
**48% → 71%**
employed at least one month: at entry vs. 12 months later

## Why Recovery Housing Programs Matter for Idaho

- **More people than beds.** Idaho holds more than 10,000 people in state custody with about 8,200 in-state beds. The overflow sits in county jails ($75 a day plus $2.50 for medical after the first week) and out-of-state contract beds (about $83 a day). A state prison bed cost $99.66 a day in FY2025 — roughly $36,400 a year — and the Governor's FY2027 budget seeks about $25 million more to house that overflow.
- **The same people come back.** Much of that overflow is churn — revocations, county-jail backfill, people a parole officer has nowhere to send. In Kentucky, 78% of residents had been incarcerated in the six months before entry; a year later, 7% had. The Council's own IDOC analysis finds that churn in every region — a statewide, rural need, not an Ada County problem.

## The model

RHOAR (Recovery, Hope, Opportunity and Resiliency) is the Fletcher Group's rural adaptation of Recovery Kentucky, created in 2005 by Governor Ernie Fletcher, M.D., with the Kentucky Department of Corrections and Kentucky Housing Corporation. Seventeen centers now house up to 2,200 Kentuckians at a time.

- **Structured, long-term, substance-free.** A 6-to-24-month phased program for adults with substance use disorder who are homeless or leaving incarceration. Low barriers to enter; high expectations to stay. A resident who returns to use is neither expelled nor excused: they restart at phase one.
- **Peer-led and work-oriented.** Residents earn responsibility phase by phase — recovery education and 12-step or other mutual-help work, then GED and job training, then jobs or service as peer mentors. Partner providers add detox support and mental health care when needed.
- **No cost to residents — and no new entitlement.** Each center braids existing funding streams (below) and opens debt-free.
- **Locally owned and operated** by community nonprofits and behavioral health providers, not the state. Built with a state Department of Corrections under a Republican governor, funded by Kentucky under both parties since 2005, and a National Council of State Housing Agencies Program of Excellence.

### How Kentucky braids the money

AN EXAMPLE, NOT A PRESCRIPTION




**Real example:** the Cumberland River RHOAR Center (Middlesboro, Ky.; 112 women; $14 million; opened 2024): $900,000+ a year in tax credits for ten years, $4 million from the National Housing Trust Fund, plus Federal Home Loan Bank and local partners.

> **In Idaho, the mix would be built from what is available here** — for example, the tax-credit, HOME and National Housing Trust Fund dollars IHFA already administers; IDOC per diems; services Medicaid already covers, and SNAP; opioid settlement funds where eligible; the Millennium Fund; city and foundation investment; and HUD Continuum of Care dollars. Cumberland River's $14 million came from federal tax credits, the National Housing Trust Fund, the Federal Home Loan Bank and local partners — no state general-fund appropriation. The Idaho question is whether IHFA's existing scoring could do the same, not whether the Legislature writes a check. Idaho's state Housing Trust Fund is in statute but not funded, and nothing here depends on it.

## What residents look like a year later

The University of Kentucky's Center on Drug and Alcohol Research independently interviews residents at Phase 1 entry and 12 months later (2026 fact sheet and full report: 282 residents, 17 centers, followed up July 2024–June 2025). Every change below is statistically significant, $p < .001$.

| Outcome in the previous six months | At entry | 12 months later |
|---|---|---|
| Incarcerated | 78% | 7% |
| Arrested | 58% | 6% |
| Any illicit drug use | 82% | 7% |
| Opioid misuse | 40% | 1% |
| Homeless | 36% | 11% |
| Employed at least one month | 48% | 71% |
| **Meets every positive recovery dimension*** | **1%** | **55%** |

*No substance use disorder, employed, housed, no arrests or incarceration, no suicidal thoughts, fair-to-excellent health, recovery support, and mid-to-high quality of life.

A peer-reviewed study of 461 residents found **80% completed the program and only 9.5% relapsed within a year** — in a population where seven in ten had been incarcerated and four in ten homeless in the six months before entry (Logan, Cole & Walker, *Journal of Drug Issues*, 2020).

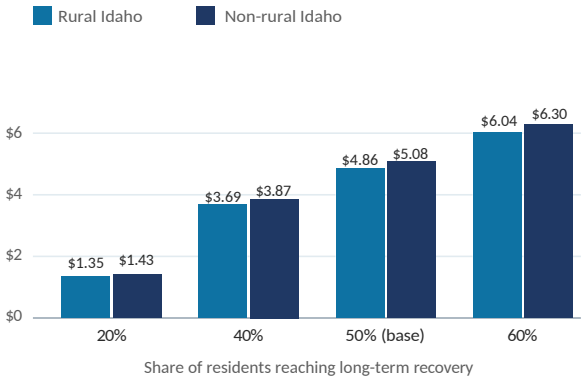
## What's the Return on Investment (ROI) for Idaho?

The Fletcher Group Economic Calculator (methodology peer-reviewed in the *Journal of Benefit-Cost Analysis*, 2024) was run in August 2026 for a 100-person-per-year Idaho center: $20 million in capital, $2.8 million a year in operations, half of residents reaching long-term recovery, over 15 years. Even if only one resident in five reaches long-term recovery — the floor of what most programs achieve — the return stays positive at $1.35 per $1. Full results: Rural Idaho report (Appendix A) and Non-rural Idaho report (Appendix B).

| 15-year results, present value | Rural | Non-rural |
|---|---|---|
| Total cost (capital + operations) | $57 M | $57 M |
| Avoided criminal-justice costs | $14 M | $14 M |
| Avoided health-care costs | $11 M | $11 M |
| Avoided lost productivity | $33 M | $48 M |
| **Direct cost savings (subtotal)** | **$58 M** | **$73 M** |
| Value of fewer early deaths, less illness | $276 M | $273 M |
| **Total benefits** | **$334 M** | **$346 M** |
| Net benefit (total benefits − cost) | $277 M | $289 M |
| **Net return per $1 invested** | **$4.86** | **$5.08** |
| …if benefits lag five years | $3.04 | $3.19 |
| …if only 20% reach long-term recovery | $1.35 | $1.43 |

Rounded to the nearest $1 million, so each column adds up. One person in recovery is worth $72,840 a year (rural) or $75,551 (non-rural).

**Net return per $1 invested, 15 years**




*Every scenario tested stays positive. Most recovery programs reach 20–40% long-term recovery; the 20% bar shows the floor.*

**How to read the table:** the three direct savings — criminal justice, health care and lost productivity — add up to $58 million (rural) to $73 million (non-rural), enough on their own to cover the $57 million 15-year cost. The further ~$275 million in value from fewer early deaths and less illness is real to families but does not appear in a state ledger; the $4.86 counts it, the $2.15 Kentucky figure does not. Either way the center pays for itself.

## Cost savings for recovery beds compared to current incarceration beds

| Cost of one person for one year | Cost | Per day |
|---|---|---|
| Idaho state prison bed (FY2025 average) | $36,400 | $99.66 |
| Out-of-state contract bed | ~$30,300 | ~$83 |
| County jail bed (state reimbursement after week one, incl. medical) | ~$28,300 | $77.50 |
| **RHOAR center, modeled operations ($2.8 M ÷ 100 residents served per year)** | **~$28,000** | **~$77** |

Modeled midpoint; actual per diems are set by contract. Unlike a jail or prison bed, the recovery bed is paid for by braiding sources — and the resident leaves employed and housed. In Kentucky, only 7% were incarcerated in the six months before their follow-up interview, so each success is a bed Idaho does not have to buy again.

## Why it fits Idaho

- **Accountability, work and faith.** Residents earn each phase, hold jobs and mentor newcomers; employment rose from 48% to 71%, and a third of residents name faith as most useful to staying sober.
- **Local control, rural-proven, no new bureaucracy.** Run by local providers where people return home, using money the state already spends plus federal capital; Kentucky has centers in 14,000-person counties.
- **Already working here.** The Walker Center runs a 14-bed version of this phased, peer-led model in Idaho; residents move from shared to single rooms as they progress. Council members can tour it, and Fletcher Group can arrange visits to Kentucky centers.
- **Other states are moving.** Tennessee and Virginia are in active predevelopment on RHOAR projects, and county and state corrections officials from neighboring Montana and Utah are visiting Kentucky centers and weighing adoption.
- **What corrections gets.** A supervised, substance-free placement for people a parole officer currently has nowhere to send, fewer revocations, and fewer county-jail backfill days; in Kentucky, 81% of residents are referred by the criminal legal system.
- **Two Council priorities, one investment.** Delivers Action Plan priorities Recovery #1 (supportive housing; sponsors IDOC and IDHW) and Treatment #3 (criminal justice continuum of care).
- **A definition Idaho can use.** A clear, certifiable category for the statewide housing definitions the Subcommittee is drafting.

## What we ask the Idaho Behavioral Health Council to do

1. **Recognize the RHOAR / Recovery Kentucky model** as one proven, evidence-based option for meeting Recovery #1, and include structured recovery housing in the statewide housing definitions the Subcommittee is drafting.
2. **Create a committee to include representatives from IDOC, IDHW, IHFA, FGI and community providers to implement braided funding to support a center.** For example, the committee could apply current per diems, services Medicaid already covers, and tax-credit, HOME and National Housing Trust Fund scoring to recovery housing where each agency determines they fit, as their Kentucky counterparts chose to do. Each agency keeps full control of its funds and priorities, and **no new appropriation is requested**.
3. **Develop a recovery-housing pilot plan** — a rural site, a non-rural site, or both, with a local nonprofit operator in each. Fletcher Group's federally funded technical assistance, including site planning and capital-stack design, is available to a rural site at no charge. Twelve-month deliverables: a site, an operator and a financing plan the Council can review before any further step.

**Full reports attached to this brief** · click a title to jump to it


| | | |
|---|---|---|
| Appendix A | Fletcher Group Economic Calculator results report — Rural Idaho RHOAR project (Aug. 2026, 9 pp.) | page 4 |
| Appendix B | Fletcher Group Economic Calculator results report — Non-Rural Idaho RHOAR project (Aug. 2026, 9 pp.) | page 13 |



**Sources (linked):** Cole, Logan & Scrivner, Recovery Center Outcome Study 2026 Report and 2026 Fact Sheet (Univ. of Kentucky CDAR) · Logan, Cole & Walker, *J. Drug Issues* 50(4), 2020 · Ashworth, Johnson & Thompson, *J. Benefit-Cost Analysis* 15(2), 2024 · Fletcher Group Economic Calculator reports, Aug. 2026: Rural Idaho (App. A) and Non-Rural Idaho (App. B) · Fletcher Group, Cumberland River RHOAR Center · Idaho Dept. of Correction FAQ (FY2025 costs) · Idaho Capital Sun, Jan. 26, 2026 (IDOC JFAC budget presentation) · IHFA, Federal Housing Trust Fund · IBHC Supportive Housing Subcommittee analysis of IDOC data, 2018–2025 · IBHC 2024–2028 Strategic Action Plan



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Free courses, guides and toolkits for building recovery housing — Fletcher Group Learning Resource Center **fgilearn.org**

# FLETCHER GROUP ECONOMIC CALCULATOR

# RESULTS REPORT

## PREPARED FOR: RURAL IDAHO RHOAR PROJECT

AUGUST 2026

**RECOMMENDED CITATION:** Ashworth, M., Johnson, D., & Thompson, R. (2024). Adaptable Tool for Modeling the Benefits and Costs of Substance Use Disorder Recovery Programs. *Journal of Benefit-Cost Analysis*, *15*(2), 335–350. doi:10.1017/bca.2024.26

This report was supported by the Health Resources and Services Administration (HRSA) of the US Department of Health and Human Services (HHS) under grant number UD9RH33631-01-00 as part of an award totaling $3.3 M with 0% financed with non-governmental sources. The contents are those of the authors and do not necessarily represent the official views of, nor endorsed by HRSA, HHS, or the US Government. As the Rural Communities Opioid Response Program (RCORP)-Rural Center of Excellence on SUD Recovery provides access to a wide range of resources on relevant topics. Inclusion on this webpage and/or document does not imply endorsement of, or agreement with, the contents by FGI or the Health Resources and Services Administration.

**FOR QUESTIONS, PLEASE CONTACT DR. MADISON ASHWORTH (MASHWORTH@FLETCHERGROUP.ORG).**

# INTRODUCTION

In this report, we provide results from the Fletcher Group Economic Calculator, a customizable cost-benefit analysis developed by the RCORP-Rural Center of Excellence on Substance Use Disorder (SUD) Recovery at the Fletcher Group.[1] This tool is designed to be utilized by recovery organizations such as recovery houses and recovery community organizations based in the United States. The cost-benefit analysis includes economic benefits associated with recovery program engagement such as avoided healthcare utilization, reduced criminal justice involvement, and increased market and household productivity, as well as increased health and well-being as reflected by reduced morbidity and premature mortality.

*Avoided Healthcare Costs*: The model estimates the healthcare costs associated with SUD, including those associated with inpatient and outpatient hospital stays, health insurance administration, crime victim healthcare, treatment, and other costs associated with emergency services and prescription drugs, using data from the Recovery Centers of America and the National Survey of Drug Use and Health.[2,3]

*Avoided Criminal Justice Costs*: Criminal justice costs are estimated using state level criminal justice expenditures, including wages, capital outlays, and other expenditures related to police protection, judicial and legal functions, and Department of Corrections, provided by the Bureau of Justice Statistics.[4]

*Avoided Productivity Costs:* Productivity costs associated with SUD, including all the labor market and household productivity lost due to premature death, incarceration, and absenteeism, are estimated using data from the Recovery Centers of America.[2]

*Value of Mortality and Morbidity Risk Reductions*: The value of mortality and morbidity risk reductions is estimated using the value of a statistical life year (e.g., the economic measure of an individual's willingness to pay for health risk reductions[5]) and quality-adjusted life year (e.g., a measure of the increased wellbeing of improved health status[6]) concepts. With these concepts, the model estimates the value of improved health status and reduced premature mortality risk per year.

The economic costs included in the model are the annual operating costs, including staffing, supplies, and programming, as well as any capital costs related to infrastructure and land purchases. All economic cost figures are provided directly by the recovery organization.

A complication of conducting cost-benefit analyses of recovery programs is modeling the recovery process itself. SUD recovery is often not a linear process where a treatment intervention occurs, and a person enters recovery for the rest of their life. SUD is characterized as a chronic, relapsing disease, and studies have shown that people seeking recovery have an average of five recovery attempts before long-term recovery is achieved.[7] Further, once long-term recovery is

achieved, there may be a delay before the benefits of recovery start accruing. Research assessing different aspects of recovery across time, including recovery capital, quality of life, and psychological distress, found that many recovery indicators take between 2 and 5 years to reach levels of individuals across those aspects who do not have a SUD.[8] As such, we include a parameter to model the delay of recovery benefits and discuss how results may change as a result of this time lag.

A full description of the methods used in this report may be found here: Fletcher Group Economic Calculator Methodology.

# RESULTS

In this section, we discuss the results from the Fletcher Group Economic Calculator based on the inputs provided by the recovery program. The recovery program characteristics provided are displayed in Table 1. These inputs underly the main results presented in Table 2.

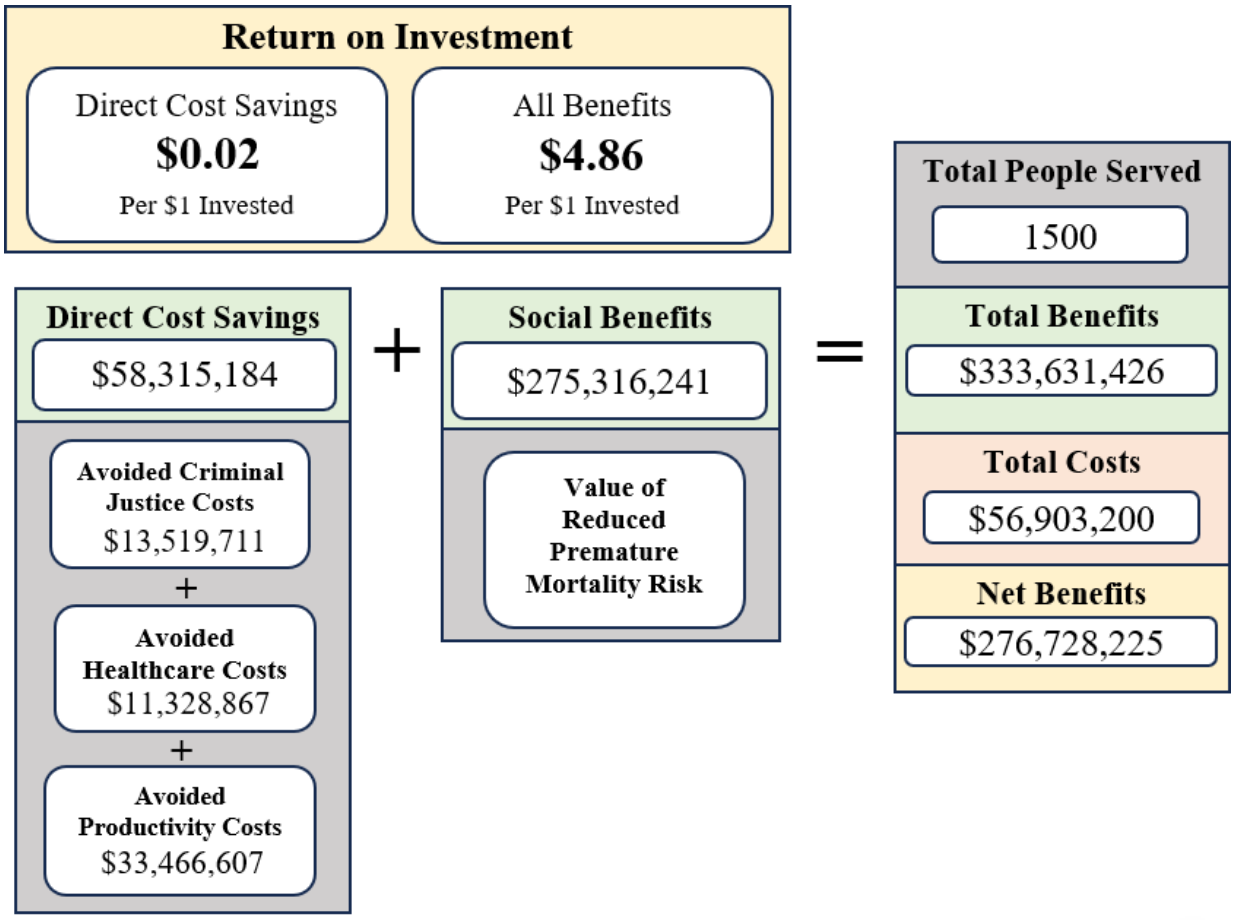
## TABLE 1. RECOVERY ORGANIZATION CHARACTERISTICS[1]

| | |
|---|---|
| Annual Operating Cost | $1.8 million - $3.8 million |
| Start-Up Cost | $15 million - $25 million |
| State | Idaho |
| Rural | Yes |
| Success Rate | 50% |
| Number of Individuals Served Annually | 100 |
| Number of years benefits/costs are estimated | 15 years |

The recovery program serves approximately 100 individuals each year and spends between $1.8 million and $3.8 million each year on operating costs. The program invested between $15 million and $25 million in start-up and/or capital costs. The program is in rural Idaho. Of the 100 individuals the program serves each year, 50% enter long-term recovery after departing from the program. The benefits and costs of the program are calculated over a timeframe of 15 years. The benefits of the recovery program can be divided into *Direct Cost Savings* in the form of avoided criminal justice, healthcare, and productivity costs, and *Social Benefits* in the form of reduced premature mortality risk, or the reduction in deaths occurring before the average age of death in a particular population. **The total benefit of one person in recovery in rural Idaho is $72,840 per year.**

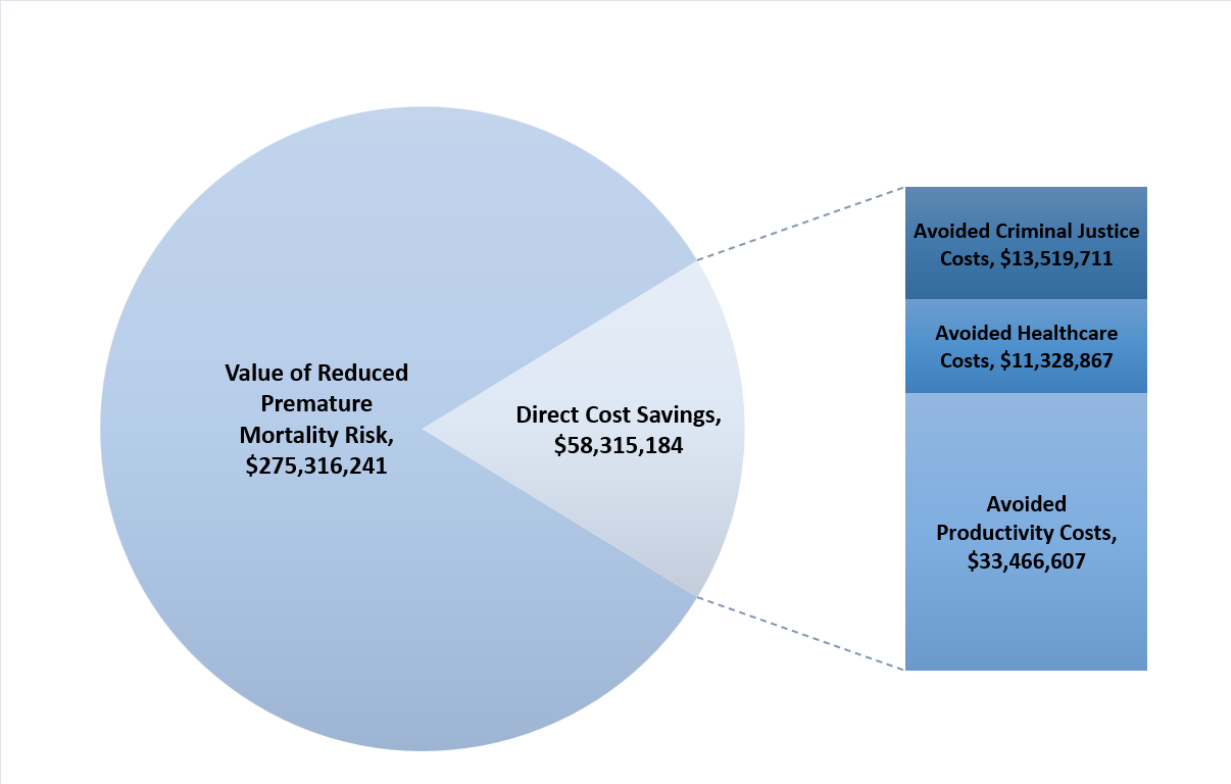
[1] The model results are based off provided by the recovery program and are not audited for accuracy by the Fletcher Group.

**FIGURE 1.** ECONOMIC BENEFITS, COSTS, AND RETURN ON INVESTMENT OF RECOVERY PROGRAM




The following results are calculated using median assumptions of annual operating cost and start-up costs of $2.8 million and $20 million, respectively. The recovery program yields approximately $334 million in total benefits over 15 years. Approximately 17% ($X million) was due to cost savings to the state, with 4% due to avoided criminal justice costs ($14 million), 3% due to avoided healthcare costs ($11 million), and 10% due to avoided productivity costs ($33 million). **Accounting for only the direct cost savings attributable to the recovery program, the cost savings return on investment (csROI) over 15 years was $0.02 in direct cost savings per dollar invested.** When factoring in the program's impact on participant's health and survival, the program generates about $275 million in economic value by reducing premature death and illness among successful participants. The recovery program's operating costs over 15 years (adjusted to present value) are about $57 million. After subtracting these costs, the net benefits equal $277 million over a 15-year period, reflecting the full range of societal benefits tied to the program. **The recovery program yields a social return on investment (sROI) of $5 for every $1 spent over 15 years.**

**FIGURE 2.** ECONOMIC BENEFITS OF RECOVERY PROGRAM




Next, we show how the economic benefits of the recovery program change based on more conservative modelling of the recovery process (Table 2). Time delays in the benefits of recovery help account for the complexities of recovery, including return to use episodes. In the *No Delay* scenario, the benefits of an individual's recovery begin accruing immediately after they leave the recovery program. In the *2-Year Delay* and *5-Year Delay* scenarios, individuals leaving the recovery program accrue a fraction of the full suite of benefits of recovery until 2 or 5 years after leaving the program. This delay in benefits models a common stabilization period in early recovery. This model also accounts for potential return to use episodes a person may have in the immediate years after leaving the recovery program.

**TABLE 2.** RESULTS ACROSS DIFFERENT MODELS OF RECOVERY

| Variable | No Delay | 2-Year Delay | 5-Year Delay |
|---|---|---|---|
| *Total Benefits* | $333,631,426 | $310,963,120 | $229,910,165 |
| *Total Costs* | $56,903,200 | $56,903,200 | $56,903,200 |
| *Net Benefits* | $276,728,225 | $254,059,919 | $173,006,964 |
| *Total Return on Investment* | $4.86 | $4.46 | $3.04 |

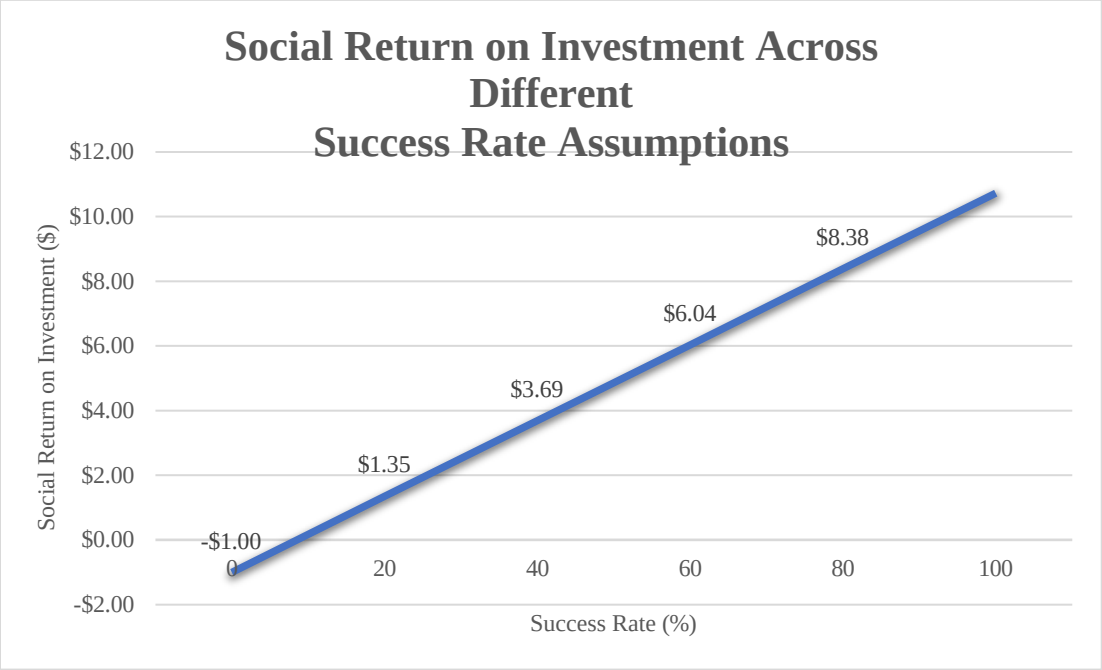
Accounting for the lag in benefits that may be associated with recovery decreases the net benefits of the program by approximately 8% under the two-year delay scenario or approximately 37% under the 5-year delay scenario. However, even under the most conservative modelling of recovery involving a 5-year delay in benefits, the net benefits of the program are positive at $173 million, and the return on investment is $3 per dollar invested.

As the success rate of the program can be the most difficult to estimate accurately and is often most important to funders, we also calculate the present value of net benefits and total return on investment for different success rates (Table 3). In this analysis, we use the baseline recovery model that does not incorporate any delay in benefits. **Note, most recovery programs have an estimated success rate (e.g., the percentage of individuals served by the program that goes into long term recovery) of between 20% to 40%.**

**TABLE 3.** NET BENEFITS AND TOTAL RETURN ON INVESTMENT ACROSS DIFFERENT SUCCESS RATE ASSUMPTIONS

| Success Rate (%) | Net Benefits | Total Return on Investment |
|---|---|---|
| 0 | -$56,903,200 | -$1.00 |
| 20 | $76,549,370 | $1.35 |
| 40 | $210,001,900 | $3.69 |
| 60 | $343,454,500 | $6.04 |
| 80 | $476,907,100 | $8.38 |
| 100 | $610,359,700 | $10.73 |

**FIGURE 3.** RETURN ON INVESTMENT ACROSS DIFFERENT SUCCESS RATE ASSUMPTIONS

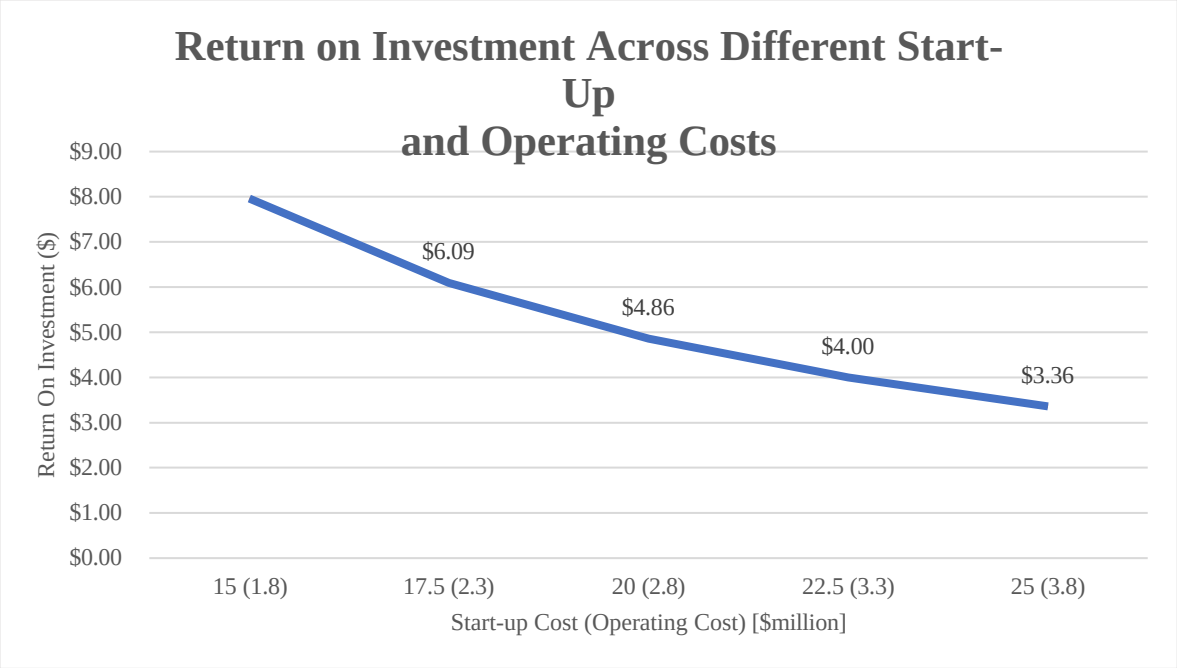


We also calculate the net benefits and total return on investment across different assumptions of both the start-up costs and operating costs. In this analysis, we use the baseline recovery model that does not incorporate any lag in benefits.

**TABLE 4.** NET BENEFITS AND TOTAL RETURN ON INVESTMENT ACROSS DIFFERENT COST ASSUMPTIONS

| Start-up Cost ($ Million) | Operating Cost ($ Million) | Net Benefits | Total Return on Investment |
|---|---|---|---|
| 15 | 1.8 | $296,391,456 | $7.96 |
| 17.5 | 2.3 | $286,559,841 | $6.09 |
| 20 | 2.8 | $276,728,225 | $4.86 |
| 22.5 | 3.3 | $266,896,610 | $4.00 |
| 25 | 3.8 | $257,064,995 | $3.36 |

**FIGURE 4.** RETURN ON INVESTMENT ACROSS DIFFERENT START-UP AND OPERATING COST ASSUMPTIONS.



# REFERENCES


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In this section, we discuss the results from the Fletcher Group Economic Calculator based on the inputs provided by the recovery program. The recovery program characteristics provided are displayed in Table 1. These inputs underly the main results presented in Table 2.

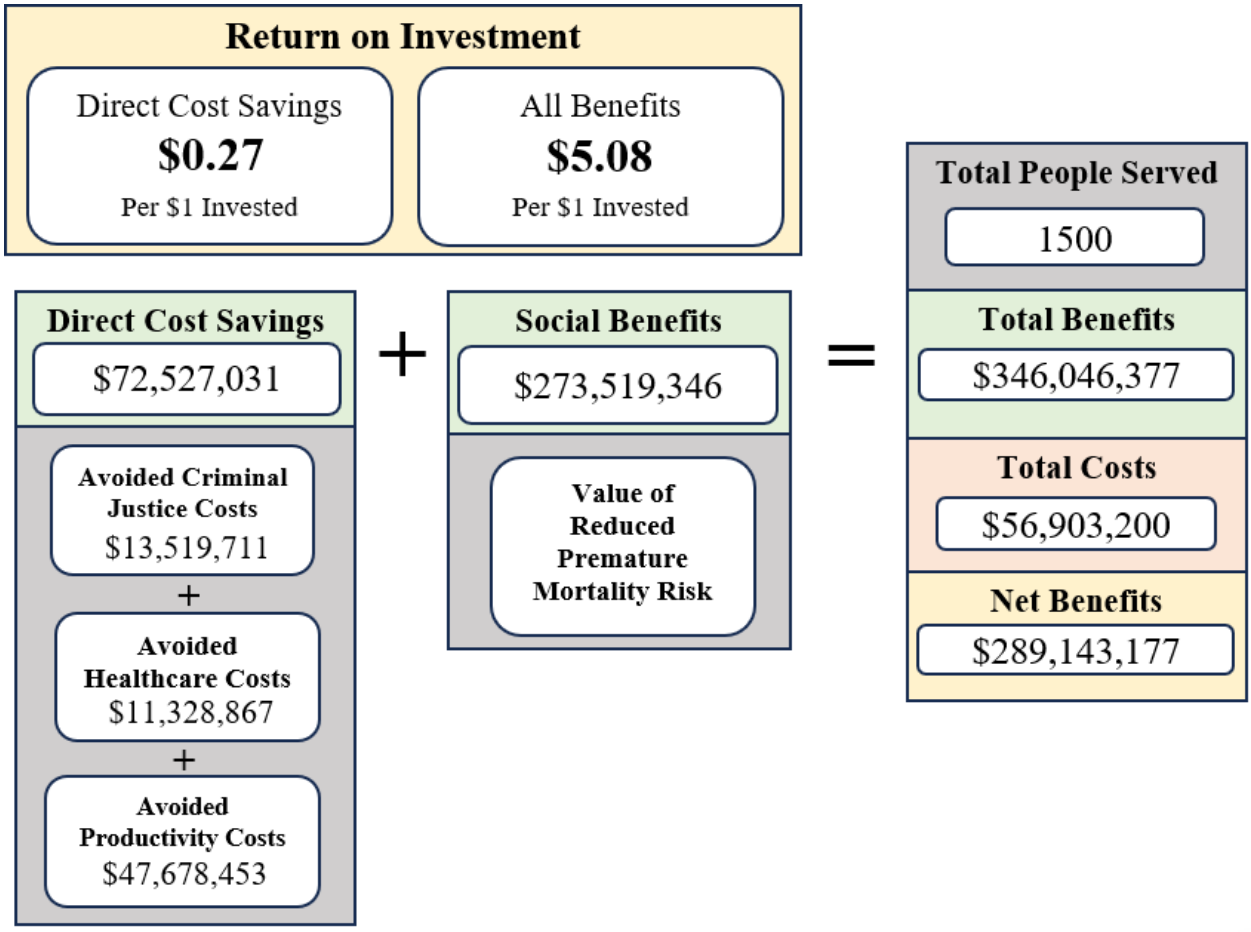
## TABLE 1. RECOVERY ORGANIZATION CHARACTERISTICS[1]

| | |
|---|---|
| Annual Operating Cost | $1.8 million - $3.8 million |
| Start-Up Cost | $15 million - $25 million |
| State | Idaho |
| Rural | No |
| Success Rate | 50% |
| Number of Individuals Served Annually | 100 |
| Number of years benefits/costs are estimated | 15 years |

The recovery program serves approximately 100 individuals each year and spends between $1.8 million and $3.8 million each year on operating costs. The program invested between $15 million and $25 million in start-up and/or capital costs. The program is in non-rural Idaho. Of the 100 individuals the program serves each year, 50% enter long-term recovery after departing from the program. The benefits and costs of the program are calculated over a timeframe of 15 years. The benefits of the recovery program can be divided into *Direct Cost Savings* in the form of avoided criminal justice, healthcare, and productivity costs, and *Social Benefits* in the form of reduced premature mortality risk, or the reduction in deaths occurring before the average age of death in a particular population. **The total benefit of one person in recovery in non-rural Idaho is $75,551 per year.**

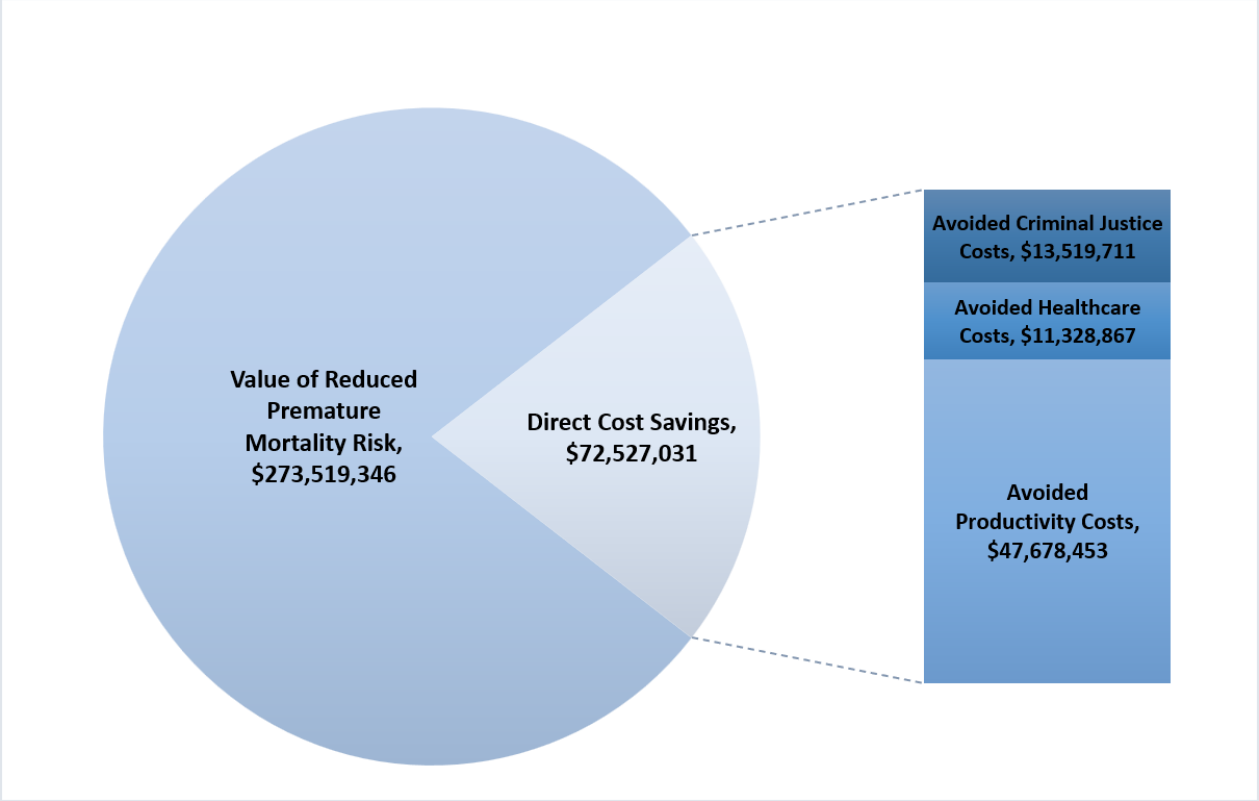
[1] The model results are based off provided by the recovery program and are not audited for accuracy by the Fletcher Group.

**FIGURE 1.** ECONOMIC BENEFITS, COSTS, AND RETURN ON INVESTMENT OF RECOVERY PROGRAM




The following results are calculated using median assumptions of annual operating cost and start-up costs of $2.8 million and $20 million, respectively. The recovery program yields approximately $346 million in total benefits over 15 years. Approximately 21% ($73 million) was due to cost savings to the state, with 4% due to avoided criminal justice costs ($14 million), 3% due to avoided healthcare costs ($11 million), and 14% due to avoided productivity costs ($48 million). **Accounting for only the direct cost savings attributable to the recovery program, the cost savings return on investment (csROI) over 15 years was $0.27 in direct cost savings per dollar invested.** When factoring in the program's impact on participant's health and survival, the program generates about $274 million in economic value by reducing premature death and illness among successful participants. The recovery program's operating costs over 15 years (adjusted to present value) are about $57 million. After subtracting these costs, the net benefits equal $289 million over a 15-year period, reflecting the full range of societal benefits tied to the program. **The recovery program yields a social return on investment (sROI) of $5 for every $1 spent over 15 years.**

## **FIGURE 2.** ECONOMIC BENEFITS OF RECOVERY PROGRAM




Next, we show how the economic benefits of the recovery program change based on more conservative modelling of the recovery process (Table 2). Time delays in the benefits of recovery help account for the complexities of recovery, including return to use episodes. In the *No Delay*
scenario, the benefits of an individual's recovery begin accruing immediately after they leave the recovery program. In the *2-Year Delay* and *5-Year Delay* scenarios, individuals leaving the recovery program accrue a fraction of the full suite of benefits of recovery until 2 or 5 years after leaving the program. This delay in benefits models a common stabilization period in early recovery. This model also accounts for potential return to use episodes a person may have in the immediate years after leaving the recovery program.

## **TABLE 2.** RESULTS ACROSS DIFFERENT MODELS OF RECOVERY

| **Variable** | **No Delay** | **2-Year Delay** | **5-Year Delay** |
|---|---|---|---|
| *Total Benefits* | $346,046,377 | $322,534,548 | $238,465,485 |
| *Total Costs* | $56,903,200 | $56,903,200 | $56,903,200 |
| *Net Benefits* | $289,143,177 | $265,631,348 | $181,562,284 |
| *Total Return on Investment* | $5.08 | $4.67 | $3.19 |

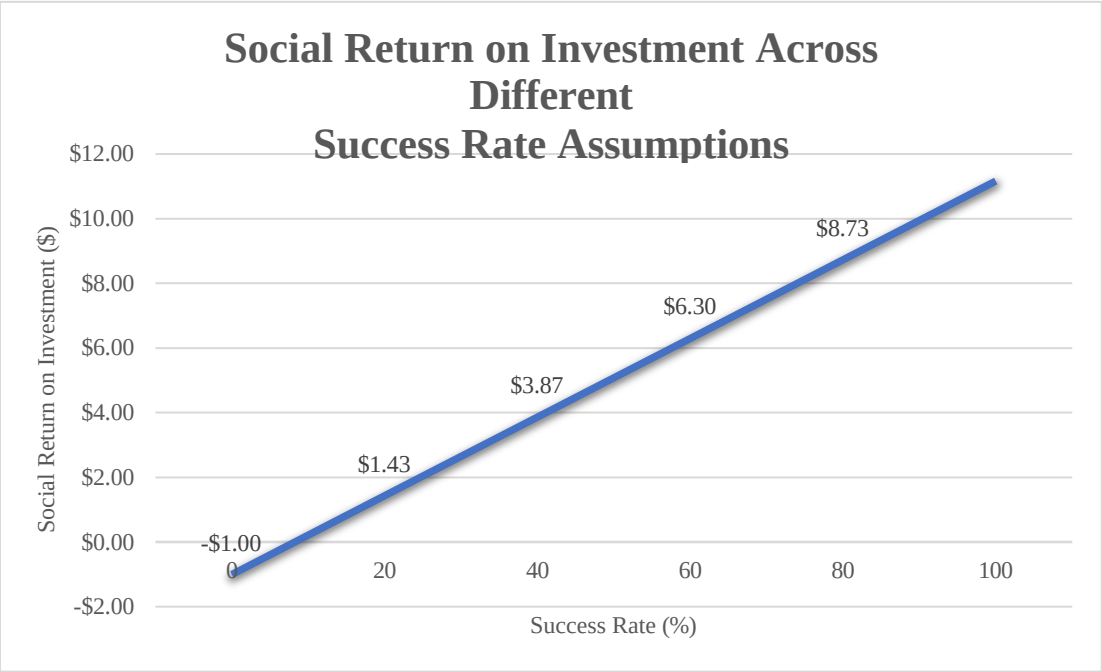
Accounting for the lag in benefits that may be associated with recovery decreases the net benefits of the program by approximately 8% under the two-year delay scenario or approximately 37% under the 5-year delay scenario. However, even under the most conservative modelling of recovery involving a 5-year delay in benefits, the net benefits of the program are positive at $182 million, and the return on investment is $3 per dollar invested.

As the success rate of the program can be the most difficult to estimate accurately and is often most important to funders, we also calculate the present value of net benefits and total return on investment for different success rates (Table 3). In this analysis, we use the baseline recovery model that does not incorporate any delay in benefits. **Note, most recovery programs have an estimated success rate (e.g., the percentage of individuals served by the program that goes into long term recovery) of between 20% to 40%.**

**TABLE 3.** NET BENEFITS AND TOTAL RETURN ON INVESTMENT ACROSS DIFFERENT SUCCESS RATE ASSUMPTIONS

| Success Rate (%) | Net Benefits | Total Return on Investment |
|---|---|---|
| 0 | -$56,903,200 | -$1.00 |
| 20 | $81,515,350 | $1.43 |
| 40 | $219,933,900 | $3.87 |
| 60 | $358,352,500 | $6.30 |
| 80 | $496,771,000 | $8.73 |
| 100 | $635,189,600 | $11.16 |

**FIGURE 3.** RETURN ON INVESTMENT ACROSS DIFFERENT SUCCESS RATE ASSUMPTIONS

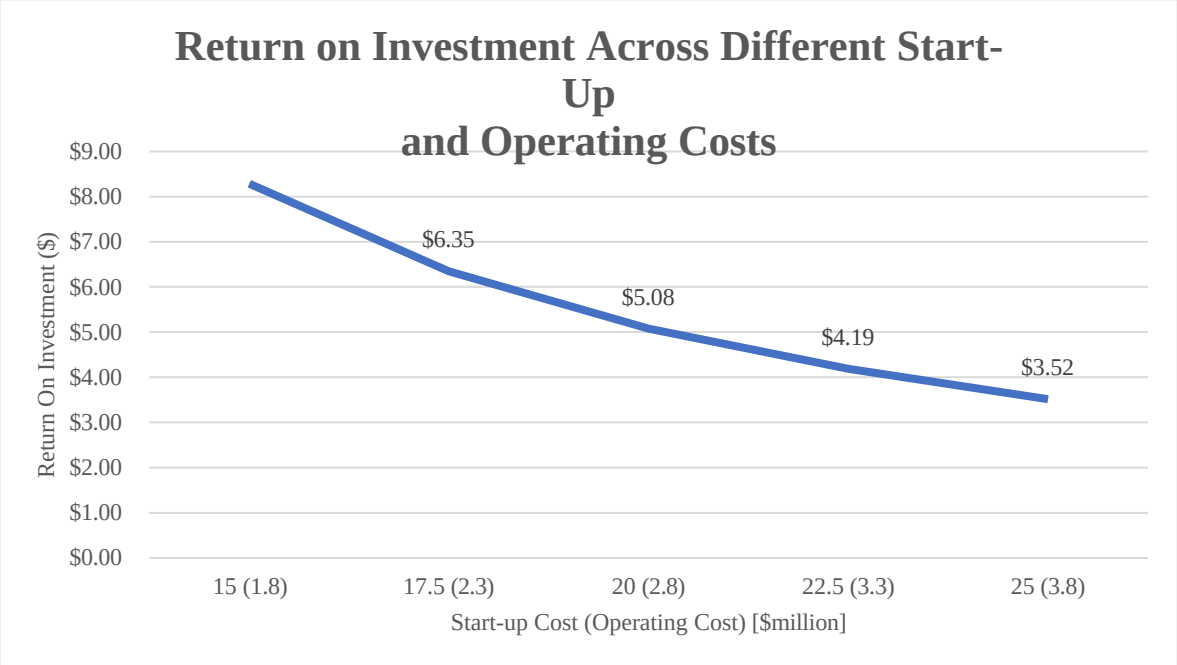


We also calculate the net benefits and total return on investment across different assumptions of both the start-up costs and operating costs. In this analysis, we use the baseline recovery model that does not incorporate any lag in benefits.

**TABLE 4.** NET BENEFITS AND TOTAL RETURN ON INVESTMENT ACROSS DIFFERENT COST ASSUMPTIONS

| Start-up Cost ($ Million) | Operating Cost ($ Million) | Net Benefits | Total Return on Investment |
|---|---|---|---|
| 15 | 1.8 | $308,806,408 | $8.29 |
| 17.5 | 2.3 | $298,974,793 | $6.35 |
| 20 | 2.8 | $289,143,177 | $5.08 |
| 22.5 | 3.3 | $279,311,562 | $4.19 |
| 25 | 3.8 | $269,479,946 | $3.52 |

**FIGURE 4.** RETURN ON INVESTMENT ACROSS DIFFERENT START-UP AND OPERATING COST ASSUMPTIONS.



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