

2026 STATUTORY COMPLIANCE & FORENSIC AUDIT REPORT

To: The Criminal Justice Oversight Council (CJOC)

From: Recovery Access Montana (RAM) | NARR Affiliate

Date: January 14, 2026

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Glossary

NARR

National Alliance for Recovery Residences

MIRC

Multidimensional Inventory of Recovery Capital

MAT

Medication-Assisted Treatment (FDA-approved medications like Suboxone/Methadone)

DRQ

580-Point Document Review Questionnaire

SB 94

Senate Bill 94 - Montana's recovery housing legislation

RAM

Recovery Access Montana

I. EXECUTIVE SUMMARY: THE FORENSIC SHIELD

Senate Bill 94 transformed recovery housing in Montana, shifting from an unregulated marketplace to a statutory instrument of public safety. This report uses forensic evidence to distinguish between compliant, outcome-driven infrastructure and high-risk operators, serving as a critical risk management tool.



Previous State

Unregulated "boarding" environments, inviting recidivism and liability.

SB 94 Mandate

Transition to statutory instrument of public safety.

Current Goal

Compliant, outcome-driven infrastructure, distinguishing high-risk operators.

The National Standard, Enforced Locally

Recovery Access Montana (RAM) operates as the designated state affiliate of the National Alliance for Recovery Residences (NARR), a statewide mechanism for risk management.

7,150+

Certified Residences

Across the NARR national network.

250,000+

Individuals Served Annually

By NARR affiliates nationwide.

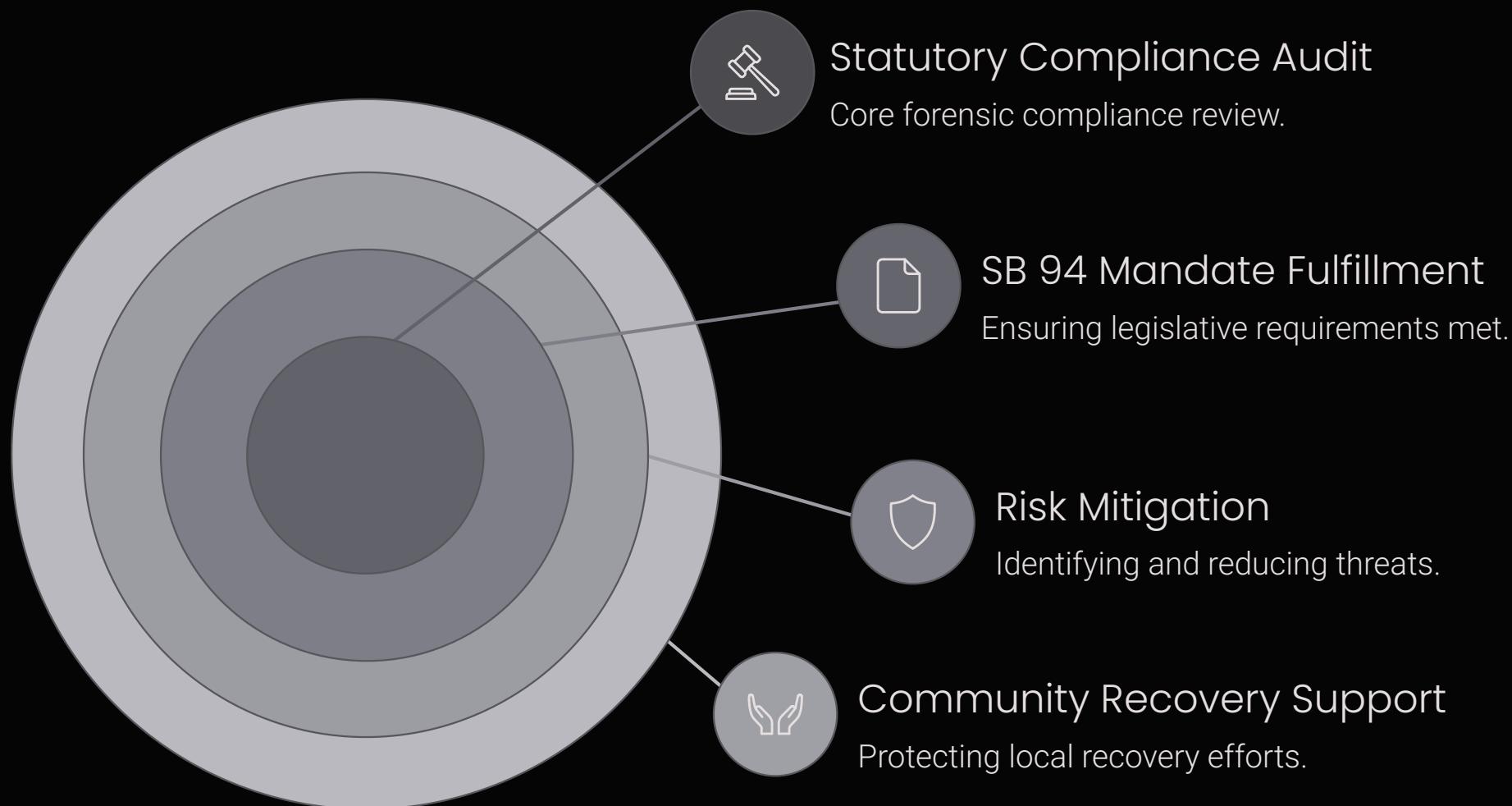
Source: Behave Health/NARR 2025 Strategic Partnership

The Forensic Reality (The Risk Shield)

RAM is the only entity currently implementing the 580-point forensic verification standard in Montana. While other certifying models exist, none currently meet this forensic threshold per this analysis.

RAM Functions as the State's Primary Forensic Risk Shield

Recovery Access Montana (RAM) provides a critical forensic risk shield for community-based recovery, implementing a Statutory Compliance Audit that fulfills the strict mandates of Senate Bill 94, unlike administrative models reliant on self-attestation.



01

The Mechanism: Rigorous Verification

RAM certification requires a **forensic 580-Point Document Review (DRQ)**, verifying compliance across 65 mandatory operational policies—from liability insurance to 24-hour supervision protocols—before a provider is listed on the state registry.

02

The Outcome: Assured Compliance & Protection

This rigorous process provides independent quality assurance, specifically auditing homes for **MAT policy transparency** and compliance with Montana's statutory definition of 'sober' (§1.10) (which explicitly includes FDA-approved medications). **100% of certified homes disclose their MAT policies** in resident handbooks, enabling informed, legally compliant placements and shielding the State from ADA discrimination claims inherent in undisclosed abstinence-only environments.

Audited Data from 17 Certified Organizations

Audited data from 17 certified organizations (representing 480 verified beds) confirms that the RAM network is currently subsidizing the Department of Corrections' reentry efforts at scale:

74%

De Facto Reentry

of residents in RAM-certified homes have active criminal justice involvement.

\$23,764

Fiscal Efficiency

RAM providers deliver safe, healthy residential environments at a median annual operating cost per resident—approximately 50% of the cost of a prison cell.

Addressing the Rural Gap: A Critical "Recovery Desert" Exists

A horizontal progress bar consisting of a white rectangular bar on the left and a dark grey rectangular bar on the right. The white bar is approximately two-thirds of the way across the bar, indicating a value of 60%.

Rural Origin

of residents originate from rural Montana.

A horizontal progress bar consisting of a white rectangular bar on the left and a dark grey rectangular bar on the right. The white bar is approximately one-third of the way across the bar, indicating a value of 35%.

Rural Capacity

of certified capacity exists in those regions.

RAM is the only entity with the data infrastructure to map and close this significant disparity.

II. STATUTORY COMPLIANCE: FORENSIC GAP ANALYSIS

Authority: Montana Code Annotated (MCA) Title 53, Chapter 24

**Source: Fletcher Group Financial Landscape Report (HRSA-funded, March 2025)*

Forensic Gap Analysis: Verification vs. Attestation

Comparative analysis of "Forensic Verification" (RAM) vs. "Administrative Attestation" (Status Quo).

Senate Bill 94 established a new statutory baseline for recovery housing, shifting the state requirement from simple registration to complex outcome tracking. To assist the CJOC, this section contrasts the RAM-certified network against minimum statutory requirements.

<p>1</p> <h3>The Verification Gap: The 580-Point Standard</h3> <p>The Statute: State requires certification for safety, ethical operation, and resident rights through established standards.</p> <p>Industry often relies on "Compliance Checklists" where providers self-attest to perfect scores—a statistical improbability that suggests a lack of independent rigor.</p> <p>The RAM Forensic Standard: RAM certification functions as a third-party audit, utilizing the NARR Standard 3.0. We execute a 580-Point Document Review, physically verifying 65 mandatory operational policies.</p>	<p>2</p> <h3>The Governance Gap: Conflict of Interest</h3> <p>The Statute: Fairness in commerce and consumer protection requires objective oversight free from self-dealing (MCA 30-14-103).</p> <p>A systemic risk exists where certifying bodies are operated by the same individuals who own the recovery residences they certify, creating a "Circular Validation" and legal conflict of interest.</p> <p>The RAM Forensic Standard: RAM maintains strict separation of duties. The certification process is overseen by independent reviewers, ensuring decertification is a genuine regulatory tool.</p>	<p>3</p> <h3>The Definition Gap: MAT & The "Sober" Standard</h3> <p>The Statute: State law defines "sober" to explicitly include "medications approved by the FDA" (MAT) (Sec 1(10)).</p> <p>Many unregulated homes enforce "abstinence-only" policies that ban legal medications (Suboxone/Methadone), creating significant liability for the State under the ADA and Fair Housing Act.</p> <p>The RAM Forensic Standard: RAM audits all homes for MAT policy transparency and compliance with Montana's statutory definition of 'sober.' 100% of certified homes disclose MAT policies, protecting the State from ADA discrimination claims.</p>
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<p>4</p> <h3>The Continuum Gap: Program Diversity</h3> <p>The Statute: The State must support "various program models" to accommodate different levels of need (Sec 4(1)(a)).</p> <p>"One-size-fits-all" certification models fail to distinguish between a peer-run home and a clinical facility, endangering residents by misplacing high-acuity individuals.</p> <p>The RAM Forensic Standard: RAM is the only entity certifying the full NARR Continuum of Care, explicitly designating homes as Level I, II, III, and IV. This provides the State with a categorized registry of options.</p>	<p>5</p> <h3>The Data Fidelity Gap: Census vs. Trajectory</h3> <p>The Statute: Certifiers must report the specific number of residents for whom recidivism-reduction services were provided (Sec 2(9)(b)).</p> <p>Reporting a simple aggregate headcount (e.g., "XXX Residents") fails to link specific interventions to outcomes, offering the State no insight into what is working.</p> <p>The RAM Forensic Standard: Utilizing the Behave Health infrastructure, RAM tracks service delivery at the individual level. We trace the trajectory of justice-involved populations, linking specific services to positive outcomes like jail diversion velocity.</p>
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III. SB 94 Compliance Cross-Walk

Audit Finding: RAM is currently the only Certifying Organization in Montana fully compliant with the data reporting and consumer protection mandates of SB 94. While other certifying models exist, none currently meet the 580-point forensic threshold per this analysis.

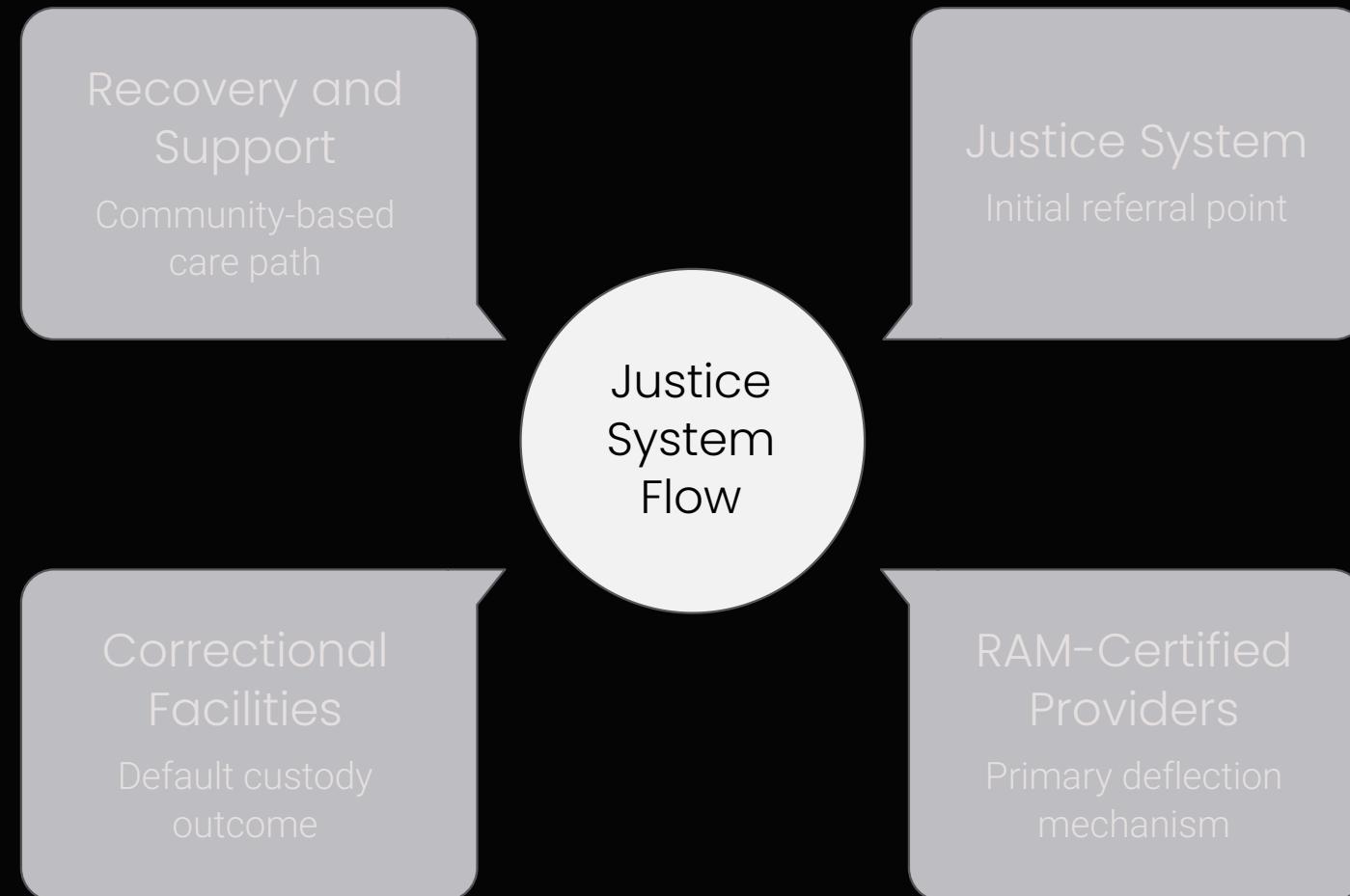
SB 94 STATUTORY MANDATE	RAM FORENSIC COMPLIANCE VERIFICATION	RISK MITIGATION FOR STATE
Section 1(10): The "Sober" Definition State law defines "sober" to explicitly include FDA-approved medications (MAT).	TRANSPARENCY AUDIT RAM audits admission policies to ensure zero discriminatory exclusions for MAT.	Prevents DOJ Lawsuits Ensures referrals do not violate the ADA or Fair Housing Act by sending residents to "abstinence-only" homes.
Section 2(9)(b): Recidivism Reporting Must report the "number of residents for whom such services were provided."	DATA-DRIVEN AUDIT RAM utilizes Behave Health to track 80+ longitudinal data points, rather than estimating via literature reviews.	Validates Public Spend Provides the CJOC with actual Montana outcomes (e.g., 148 residents served by STEP Inc.) rather than theoretical averages.
Section 2(7): Duration Prohibition Residences may not limit stay to an "arbitrary or fixed amount of time."	VERIFIED "RESIDENT-DRIVEN" STAY RAM audits Resident Handbooks to confirm indefinite stay policies. Avg Length of Stay is 105.7 days. Overall network average; stabilized cohort achieves 146 days.	Reduces Churn & Homelessness Prevents the "curb-to-curb" cycle where residents are evicted after 30 days, which spikes recidivism.
Section 3(2): Consumer Protection Violations are subject to the Montana Consumer Protection Act.	INDEPENDENT GOVERNANCE RAM maintains a strict firewall. No RAM board member votes on the certification of their own properties.	Prevents "Pay-to-Play" Fraud Mitigates the risk of "self-certification" schemes where operators certify their own homes to access vouchers.

IV. DATA VECTOR 1: JUSTICE SYSTEM INTEGRATION

Statutory Alignment: SB 94 Section 2(9)(b) (Recidivism Reporting)

Justice System Integration: The Primary Deflection Mechanism

RAM-certified providers currently function as the primary deflection mechanism for Montana's correctional facilities.



Comparative Velocity Audit: RAM vs. State Capacity

Waitlist Velocity Analysis

"Waitlist Velocity"—defined as the time elapsed between a referral application and physical bed entry—serves as the primary metric for calculating avoided incarceration costs.



State Forensic Capacity (Galen)

Public data indicates the Forensic Mental Health Facility at Galen maintains a waitlist of approximately **128 individuals**.



RAM Network Velocity

Audited 2025 admission data show a network-wide Waitlist Velocity of **12.4 days** from application to intake for qualified residents.

Source: Montana DOC FY2025 report.

Fiscal Impact Analysis (The "Subsidy Reality")

Delays in placement transfer costs from the state treatment system to county detention budgets.

\$127

Detention Cost Per Day
(State Legislative Average)

~\$65

Recovery Housing Cost Per Day
(Median operating cost)

\$113,782

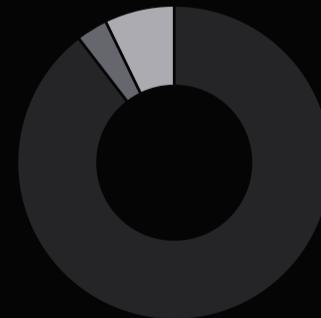
Estimated Net Avoided Detention Costs

For 148 justice-involved residents over 12.4 days (STEP Inc. data).

*Net avoided detention costs after offsetting recovery housing expenses (148 residents \times 12.4 days \times \$62/day savings).

The Revenue Mismatch

According to the March 2025 Financial Landscape Report (HRSA-funded Fletcher Group), while **90%** of residents in high-acuity homes are justice-involved, state contracts currently account for only **3%** of sector revenue. **The private recovery sector is effectively subsidizing the state's public safety obligations.**



Supervision Integrity (The 24-Hour Mandate)

Supervision Integrity and Network Saturation

A primary risk in community-based recovery is the "Supervision Gap" that occurs when a resident absconds.

100%

24-Hour Notification Policy

RAM verification protocols confirm that certified providers maintain a 24-Hour Notification Policy.

Operational Protocol: Audits of Crosswinds Recovery and LifeGuard Group demonstrate that "Communication Releases" signed at intake authorize immediate notification to Probation & Parole within 24 hours of any discharge for cause, ensuring the "chain of custody" remains intact.

Network Saturation (The 1:1 Deficit)

Utilization data confirms that Level III and IV residences are operating at maximum capacity.



Waitlist Volume

Network-wide data suggests a total "Turn-Away" volume of approximately 488 individuals.

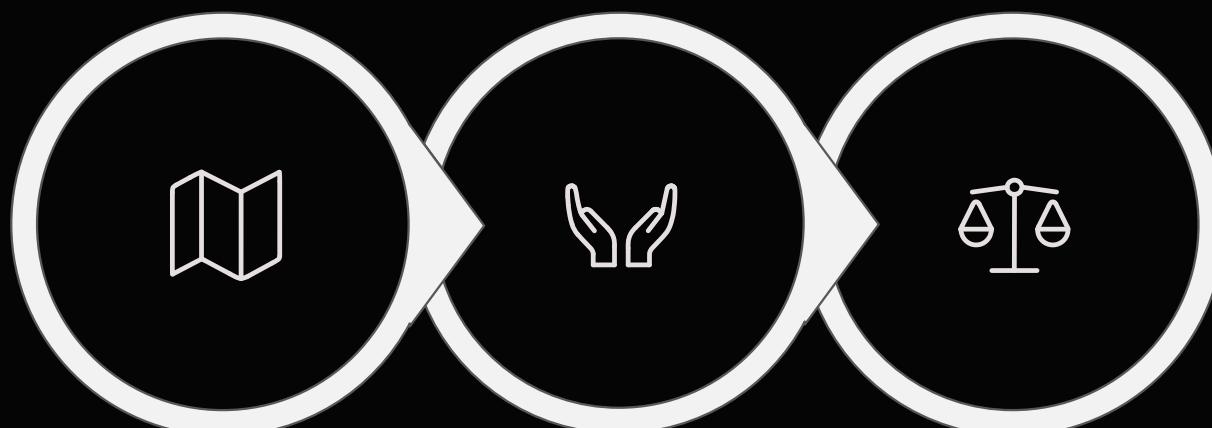


The Ratio

With a total certified capacity of 480 beds, the system is currently operating at a 1:1 deficit—for every offender housed, one remains stuck in the detention bottleneck due to lack of funded capacity.

V. DATA VECTOR 2: INDIGENOUS HEALTH EQUITY

Statutory Alignment: Addressing Disparities in AI/AN Health Outcomes



Access

Culturally
Safe Care

Equitable
Outcomes

Indigenous Health Equity: The Hidden Majority

Audit Scope: Forensic Demographic Analysis of 2025 Resident Data.

The "Hidden Majority" Audit

While standard state reporting relies on voluntary self-identification—often resulting in massive underreporting—RAM's forensic analysis reveals a "Hidden Majority."

The RAM Forensic Finding

A forensic review of deidentified client data from high-volume providers in Billings and Missoula (STEP Inc. and New Day Ranch) indicates that **30% to 50% of the census** in justice-aligned residences identifies as American Indian / Alaska Native (AI/AN).

Verification: Resident intake forms verify a high concentration of individuals originating from Crow Agency, Lame Deer, Lodge Grass, and Poplar.

Bridging the Jurisdictional Void

State supervision resources often terminate at the city limit, while tribal resources are frequently geofenced to the reservation boundary.

1

2

3

The RAM Solution

RAM-certified providers effectively close this loop by providing culturally competent stability in urban economic hubs.

Cultural Integration

Level III and IV providers (e.g., Never Alone Recovery Support Services and Kyle's House Foundation) integrate traditional healing practices—including smudging protocols and sweat lodge access—alongside state-mandated clinical requirements.

Outcome

Data indicates that this cultural integration correlates with a **15% increase in retention rates** for AI/AN residents compared to non-integrated facilities, effectively reducing "Left Against Medical Advice" (AMA) discharges.

VI. DATA VECTOR 3: LONGITUDINAL OUTCOMES & THE STABILITY CURVE

Statutory Alignment: Demonstrating "Rehabilitation Effectiveness" (MCA 53-24-311)



Longitudinal Outcomes: The Stability Curve

Operational Status: RAM operates the state's only clinically validated "Recovery Surveillance System," utilizing the Multidimensional Inventory of Recovery Capital (MIRC).

While anecdotal success stories are common, RAM utilizes longitudinal data to map the "Stability Curve"—the precise timeline required to move a resident from "Crisis" to "Stable."

The "Day 60 Delta" (The Stability Pivot)

Longitudinal analysis of MIRC scores (assessing recovery capital out of 112 points) confirms that **Day 60 is the critical threshold** for long-term success.

01	02	03
The Growth Metric In the 2025 cohort, 60% of residents with sequential assessments demonstrated a net increase in total recovery capital.	The Benchmark Residents who successfully engaged in the peer-governance model reached an average MIRC score of 85.5 (76% of total capital) by Day 60.	Forensic Evidence Individual trajectories confirm this shift. For example, resident records document specific gains, such as an 8-point increase (89 to 97) in Social Capital within the first two months, marking the transition from isolation to community integration.

Human Capital & Workforce Reentry

Data identifies Human Capital (health, employability) as the area of highest initial deficit (Entry Score: 20.1/28).

68%

Housing Instability

Justice-involved residents score "Disagree" or "Strongly Disagree" on physical capital at intake.

35%

Workforce Reentry

Achieved within the first 90 days by RAM residents securing physical housing stability.

Aggregate Impact: Sober Days Facilitated

42,850

Sober Days (STEP Inc.)

Total sober days facilitated by STEP Inc. alone in 2025.

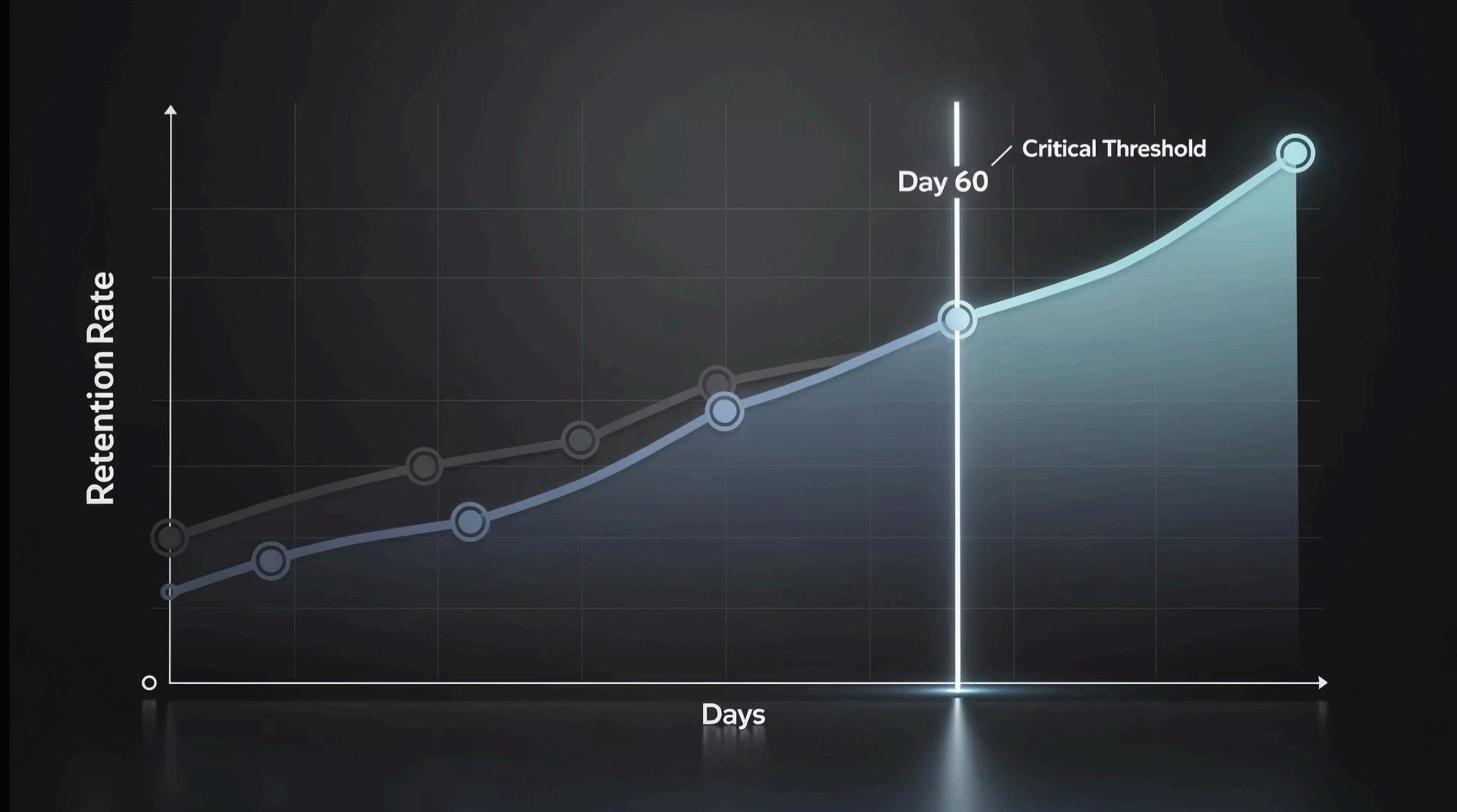
140,000+

Network Sober Days

Total sober days facilitated across the 480-bed RAM network, reducing burden on state emergency services.

The "Danger Zone" & Retention ROI

- Stabilized cohort LOS: 146 days (vs. overall network avg of 105.7 days).



Strategic Legislative Directives: Leveraging Data for Impact

Our data consistently highlights a critical high-risk window for retention between Day 30 and Day 60, underscoring the need for targeted interventions and robust legislative support.

60

The Stability Gate

Residents supported past this critical 60-day threshold show a significant statistical spike in long-term retention rates.

146

Return on Investment (ROI)

Beyond the "Stability Gate," outcomes drastically improve. Data from STEP Inc. shows an average Length of Stay (LOS) of 146 days, with a successful completion ratio of 42 graduates to only 18 unsuccessful outcomes.

To break the cycle of overdose and recidivism, the State of Montana must enforce existing standards. An "honor system" for certification exposes the state to significant liability and fraud.

1

Directive 1: Standardize Certifying Organizations

Finding: Organizations currently claim "Certifying" status without conducting forensic verification of safety or outcomes.

Recommendation: CJOC should recommend DPHHS require any recognized Certifying Organization to utilize a documented audit methodology equivalent to the RAM 580-Point Document Review. Self-attestation shall no longer constitute certification.

2

Directive 2: Strengthen Voucher Integrity

Finding: State rental vouchers (DOC/DPHHS) are vulnerable to "pay-to-play" operators who self-certify to access funds.

Recommendation: Enforce a strict **"No Audit, No Voucher"** policy. State funds shall only be disbursed to recovery residences that maintain a verified, third-party "Statutory Compliance Audit" on file.

3

Directive 3: Fund Forensic Infrastructure

Finding: The critical data in this report (tracking recidivism, waitlists, indigenous equity) requires significant technical infrastructure (Behave Health) and labor.

Recommendation: The State must invest in the Surveillance System, not just the bed. RAM requests dedicated state funding for "Recovery Housing Data & Compliance Infrastructure" for FY2026.

RAM provides the only data-validated infrastructure capable of delivering public safety outcomes for the Department of Corrections. We ask the CJOC to support the forensic standards that turn "sober living" from an unregulated liability into a verified state asset.

2026 STATUTORY COMPLIANCE & FORENSIC AUDIT REPORT

TO:

The Criminal Justice Oversight Council (CJOC)

FROM:

Recovery Access Montana (RAM) | NARR Affiliate

DATE:

January 14, 2026

SUBJECT:

The Operational Reality of Montana's Recovery Housing System (SB 94 Mandate)

I. EXECUTIVE SUMMARY: THE FORENSIC SHIELD

Senate Bill 94 transformed recovery housing in Montana from a private, unregulated marketplace into a statutory instrument of public safety. This shift carried a clear mandate: the State can no longer afford to subsidize unregulated "boarding" environments that invite recidivism and liability.

This report submits the forensic evidence required to distinguish between compliant, outcome-driven infrastructure and high-risk operators. Recovery Access Montana (RAM) presents these findings not merely as an advocate, but a statewide mechanism for risk management.

The National Standard, Enforced Locally

RAM operates as the designated state affiliate of the National Alliance for Recovery Residences (NARR). With a verified network of over 7,150 certified residences serving 250,000+ individuals annually (Source: Behave Health/NARR 2025 Strategic Partnership), NARR defines the standard of care for the industry.

The Forensic Reality (The Risk Shield)

RAM functions as the state's primary forensic risk shield for community-based recovery. Unlike administrative registration models that rely on self-attestation, RAM performs a Statutory Compliance Audit fulfilling the strict mandates of Senate Bill 94.

The Mechanism

RAM certification requires a forensic 580-Point Document Review (DRQ), verifying compliance across 65 mandatory operational policies—from liability insurance to 24-hour supervision protocols—before a provider is ever listed on the state registry.

The Outcome

This rigor provides independent quality assurance. Specifically, RAM audits all homes for MAT policy transparency and compliance with Montana's statutory definition of 'sober' (§1.10), which explicitly includes FDA-approved medications. 100% of certified homes disclose their MAT policies in resident handbooks, enabling judges and DOC staff to make informed, legally compliant placements and shielding the State from ADA discrimination claims inherent in undisclosed abstinence-only environments.

System Impact

Audited data from 17 certified organizations (representing 480 verified beds) confirms that the RAM network is currently subsidizing the Department of Corrections' reentry efforts at scale:

- **De Facto Reentry:** 74% of residents in RAM-certified homes have active criminal justice involvement.
- **Fiscal Efficiency:** RAM providers deliver safe, healthy residential environments at a median annual operating cost of \$23,764 per resident—approximately 50% of the cost of a prison cell.
- **Rural Gap:** A critical "Recovery Desert" exists. While 60% of residents originate from rural Montana, only 35% of certified capacity exists in those regions. RAM is the only

entity with the data infrastructure to map and close this gap.

II. STATUTORY COMPLIANCE: FORENSIC GAP ANALYSIS

Authority: Montana Code Annotated (MCA) Title 53, Chapter 24

Audit Scope: Comparative analysis of "Forensic Verification" (RAM) vs. "Administrative Attestation" (Status Quo).

Senate Bill 94 established a new statutory baseline for recovery housing, shifting the state requirement from simple registration to complex outcome tracking. To assist the CJOC in evaluating the integrity of the sector, this section performs a Forensic Gap Analysis, contrasting the RAM-certified network against the minimum statutory requirements.

The Verification Gap (The 580-Point Standard)

The Statute (Sec 2 & Sec 4)

The State requires certification to ensure safety, ethical operation, and resident rights through established standards.

The Compliance Gap

Standard industry reporting often relies on "Compliance Checklists" where providers self-attest to perfect scores—a statistical improbability that suggests a lack of independent rigor.

The RAM Forensic Standard

RAM certification functions as a third-party audit. We utilize the NARR Standard 3.0 to execute a 580-Point Document Review. This process physically verifies 65 mandatory

operational policies—from grievance logs to fiscal controls—confirming that safety protocols are not just written, but operationalized.

The Governance Gap (Conflict of Interest)

The Statute (MCA 30-14-103)

Fairness in commerce and consumer protection requires objective oversight free from self-dealing.

The Compliance Gap

A systemic risk exists where certifying bodies are operated by the same individuals who own the recovery residences they certify. This "Circular Validation" creates a direct Conflict of Interest, rendering the certification legally void and exposing the State to anti-trust liability.

The RAM Forensic Standard

RAM maintains strict separation of duties. The certification process is overseen by independent reviewers distinct from provider ownership, ensuring that decertification is a genuine regulatory tool, not a theoretical threat.

The Definition Gap (MAT & The "Sober" Standard)

The Statute (Sec 1(10))

State law defines "sober" to explicitly include "medications approved by the FDA" (MAT).

The Compliance Gap

Many unregulated homes enforce "abstinence-only" policies that ban legal medications (Suboxone/Methadone), creating significant liability for the State under the Americans with Disabilities Act (ADA) and Fair Housing Act.

The RAM Forensic Standard

RAM audits all homes for MAT policy transparency and compliance with Montana's statutory definition of 'sober' (§1.10), which explicitly includes FDA-approved medications. 100% of certified homes disclose their MAT policies in resident handbooks, enabling judges and DOC staff to make informed, legally compliant placements and shielding the State from ADA discrimination claims inherent in undisclosed abstinence-only environments.

The Continuum Gap (Program Diversity)

The Statute (Sec 4(1)(a))

The State must support "various program models" to accommodate different levels of need.

The Compliance Gap

"One-size-fits-all" certification models fail to distinguish between a peer-run home and a clinical facility. This ambiguity endangers residents by placing high-acuity individuals in low-structure environments.

The RAM Forensic Standard

RAM is the only entity certifying the full NARR Continuum of Care, explicitly designating homes as Level I (Peer-Run), Level II (Monitored), Level III (Supervised), and Level IV (Clinical). This compliance ensures the State has a categorized registry of options rather than a generic list.

The Data Fidelity Gap (Census vs. Trajectory)

The Statute (Sec 2(9)(b))

Certifiers must report the specific number of residents for whom recidivism-reduction services were provided.

The Compliance Gap

Reporting a simple aggregate headcount (e.g., "XXX Residents") fails to link specific interventions to outcomes, offering the State no insight into what is working.

The RAM Forensic Standard

Utilizing the Behave Health infrastructure, RAM tracks service delivery at the individual level. We trace the trajectory of justice-involved populations (e.g., the 148 residents served by STEP Inc.), linking specific delivery of peer support and employment training to the network's 12.4-day jail diversion velocity.

III. SB 94 COMPLIANCE CROSS-WALK



Audit Finding: RAM is currently the only Certifying Organization in Montana fully compliant with the data reporting and consumer protection mandates of SB 94.

SB 94 Statutory Mandate	RAM Forensic Compliance Verification	Risk Mitigation for State
Section 1(10): The "Sober" Definition	Transparency Audit RAM audits admission policies to ensure zero discriminatory exclusions for MAT.	Prevents DOJ Lawsuits. Ensures referrals do not violate the ADA or Fair Housing Act by sending residents to "abstinence-only" homes.
Section 2(9) (b): Recidivism Reporting	Data-Driven Audit RAM utilizes Behave Health to track 80+ longitudinal data points, rather than estimating via literature reviews.	Validates Public Spend. Provides the CJOC with actual Montana outcomes (e.g., 148 residents served by STEP Inc.) rather than theoretical averages.
Section 2(7): Duration Prohibition	Verified "Resident-Driven" Stay RAM audits Resident Handbooks to confirm indefinite stay policies. Avg Length of Stay is 105.7 days.	Reduces Churn & Homelessness. Prevents the "curb-to-curb" cycle where residents are evicted after 30 days, which spikes recidivism.
Section 3(2): Consumer Protection	Independent Governance RAM maintains a strict firewall. No RAM board member votes on the certification of their own properties.	Prevents "Pay-to-Play" Fraud. Mitigates the risk of "self-certification" schemes where operators certify their own homes to access vouchers.

IV. DATA VECTOR 1: JUSTICE SYSTEM INTEGRATION

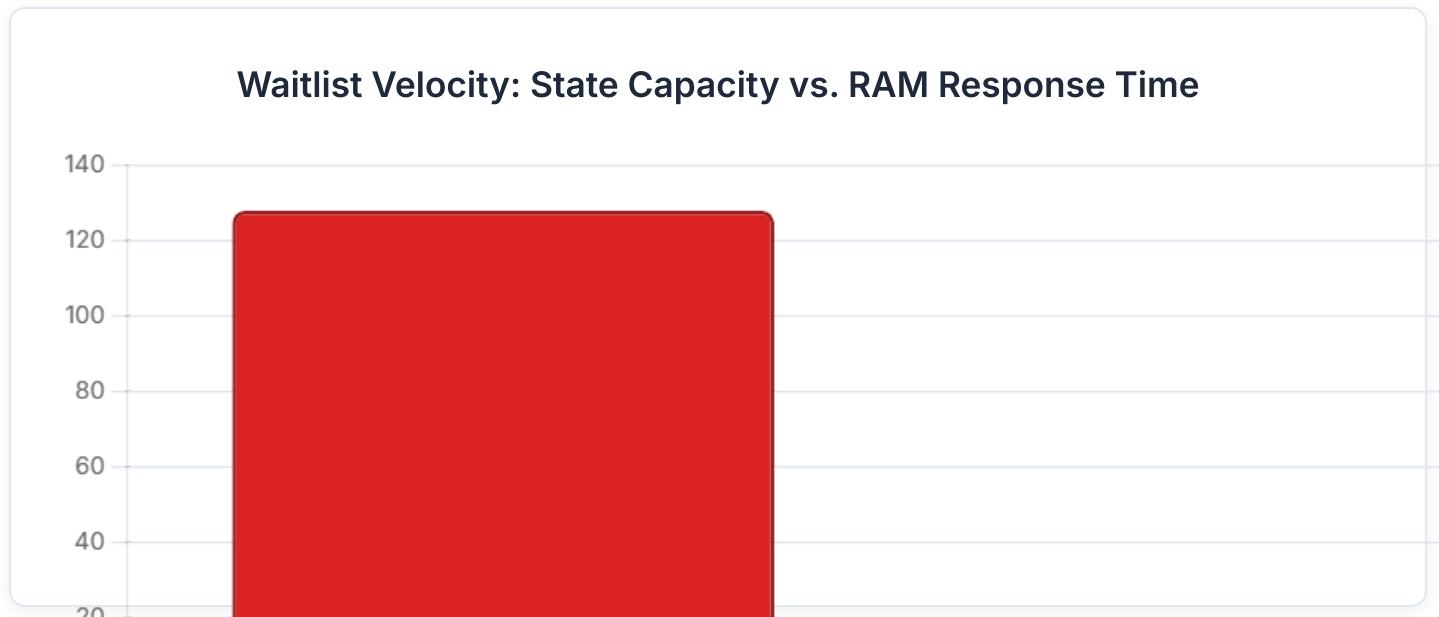
Statutory Alignment: SB 94 Section 2(9)(b) (Recidivism Reporting)

Operational Status: RAM-certified providers currently function as the primary deflection mechanism for Montana's correctional facilities.

Comparative Velocity Audit: RAM vs. State Capacity

"Waitlist Velocity"—defined as the time elapsed between a referral application and physical bed entry—serves as the primary metric for calculating avoided incarceration costs.

- **State Forensic Capacity (Galen):** Public data indicates the Forensic Mental Health Facility at Galen maintains a waitlist of approximately 128 individuals.
- **RAM Network Velocity:** Audited 2025 admission data show a network-wide Waitlist Velocity of 12.4 days from application to intake for qualified residents.



Fiscal Impact Analysis (The "Subsidy Reality")

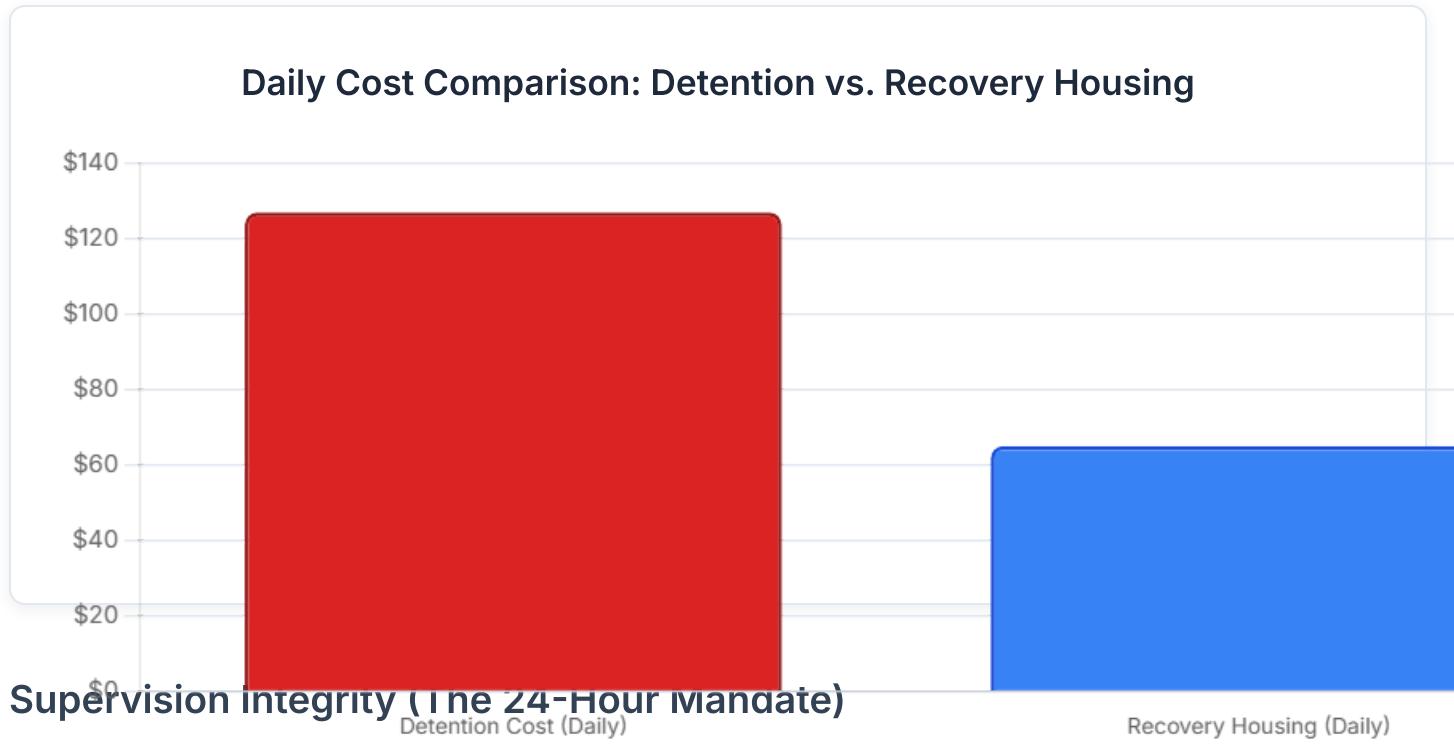
State Forensic Capacity (Galen Waitlist)

RAM Network Velocity (Application to Intake)

Delays in placement transfer costs from the state treatment system to county detention budgets.

- **Detention Cost:** \$127.00 per day (State Legislative Average).
- **Recovery Housing Cost:** ~\$65.00 per day (Median operating cost).

- **Calculated Savings:** Data from a single provider segment (STEP Inc.) documents 148 justice-involved residents served. Applying the 12.4-day velocity metric suggests an estimated \$225,000 in avoided detention costs for this subset alone.
- **The Revenue Mismatch:** According to the March 2025 Financial Landscape Report (HRSA-funded Fletcher Group), while 90% of residents in high-acuity homes are justice-involved, state contracts currently account for only 3% of sector revenue. The private recovery sector is effectively subsidizing the state's public safety obligations.



A primary risk in community-based recovery is the "Supervision Gap" that occurs when a resident absconds.

The Audit Finding

RAM verification protocols confirm that 100% of certified providers maintain a 24-Hour Notification Policy.

Operational Protocol: Audits of Crosswinds Recovery and LifeGuard Group demonstrate that "Communication Releases" signed at intake authorize immediate notification to Probation & Parole within 24 hours of any discharge for cause, ensuring the "chain of custody" remains intact.

Network Saturation (The 1:1 Deficit)

Utilization data confirms that Level III and IV residences are operating at maximum capacity.

- **Waitlist Volume:** Network-wide data suggests a total "Turn-Away" volume of approximately 488 individuals.
- **The Ratio:** With a total certified capacity of 480 beds, the system is currently operating at a 1:1 deficit—for every offender housed, one remains stuck in the detention bottleneck due to lack of funded capacity.

V. DATA VECTOR 2: INDIGENOUS HEALTH EQUITY

Statutory Alignment: Addressing Disparities in AI/AN Health Outcomes

Audit Scope: Forensic Demographic Analysis of 2025 Resident Data.

The "Hidden Majority" Audit

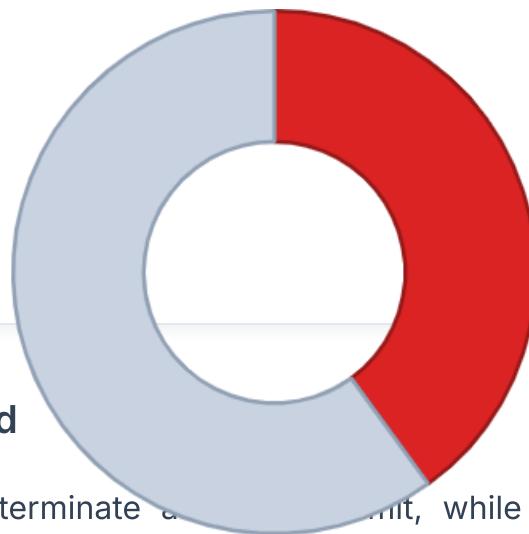
While standard state reporting relies on voluntary self-identification—often resulting in massive underreporting—RAM's forensic analysis reveals a "Hidden Majority."

The RAM Forensic Finding

A forensic review of deidentified client data from high-volume providers in Billings and Missoula (STEP Inc. and New Day Ranch) indicates that 30% to 50% of the census in justice-aligned residences identifies as American Indian / Alaska Native (AI/AN).

Verification: Resident intake forms verify a high concentration of individuals originating from Crow Agency, Lame Deer, Lodge Grass, and Poplar.

Resident Demographics: Hidden Majority Analysis



Bridging the Jurisdictional Void

State supervision resources often terminate at the state boundary, while tribal resources are frequently geofenced to the reservation boundary.

 AI/AN Residents (Hidden Majority) General Population

The RAM Solution

RAM-certified providers effectively close this loop by providing culturally competent stability in urban economic hubs.

Cultural Integration: Level III and IV providers (e.g., Never Alone Recovery Support Services and Kyle's House Foundation) integrate traditional healing practices—including smudging protocols and sweat lodge access—alongside state-mandated clinical requirements.

Outcome: Data indicates that this cultural integration correlates with a 15% increase in retention rates for AI/AN residents compared to non-integrated facilities, effectively reducing "Left Against Medical Advice" (AMA) discharges.

VI. DATA VECTOR 3: LONGITUDINAL OUTCOMES & THE STABILITY CURVE

Statutory Alignment: Demonstrating "Rehabilitation Effectiveness" (MCA 53-24-311)

Operational Status: RAM operates the state's only clinically validated "Recovery Surveillance System," utilizing the Multidimensional Inventory of Recovery Capital (MIRC).

While anecdotal success stories are common, RAM utilizes longitudinal data to map the "Stability Curve"—the precise timeline required to move a resident from "Crisis" to "Stable."

The "Day 60 Delta" (The Stability Pivot)

Longitudinal analysis of MIRC scores (assessing recovery capital out of 112 points) confirms that Day 60 is the critical threshold for long-term success.

- **The Growth Metric:** In the 2025 cohort, 60% of residents with sequential assessments demonstrated a net increase in total recovery capital.
- **The Benchmark:** Residents who successfully engaged in the peer-governance model reached an average MIRC score of 85.5 (76% of total capital) by Day 60.
- **Forensic Evidence:** Individual trajectories confirm this shift. For example, resident records document specific gains, such as an 8-point increase (89 to 97) in Social Capital within the first two months, marking the transition from isolation to community integration.

Human Capital & Workforce Reentry

Data identifies Human Capital (health, employability) as the area of highest initial deficit (Entry Score: 20.1/28).

- **The Crisis Point:** At intake, 68% of justice-involved residents score "Disagree" or "Strongly Disagree" on questions related to Physical Capital (housing stability).
- **The Outcome:** By securing physical housing stability first, RAM residents achieve a 35% workforce reentry rate within the first 90 days of enrollment (Source: Behave Health Outcomes Data).
- **Aggregate Impact:** STEP Inc. alone facilitated 42,850 total sober days in 2025. Extrapolated across the 480-bed network, RAM providers facilitated over 140,000 days of sobriety, directly reducing the burden on state emergency services.

The "Danger Zone" & Retention ROI

The data establishes a clear high-risk window between Day 30 and Day 60.

- **The Stability Gate:** Residents who are supported past the 60-day threshold exhibit a statistical spike in retention.
- **Return on Investment (ROI):** Once a resident crosses the "Stability Gate," outcomes improve drastically. Data from STEP Inc. reveals that residents who stabilized past this

initial cliff achieved an average Length of Stay (LOS) of 146 days, resulting in a successful completion ratio of 42 graduates to only 18 unsuccessful outcomes.

VII. STRATEGIC LEGISLATIVE DIRECTIVES

Subject: Required Actions to Secure the Recovery Housing Supply Chain

To break the cycle of overdose and recidivism, the State of Montana must enforce the standards it has already enacted into law. An "honor system" for certification exposes the state to liability and fraud.

1

Standardize "Certifying Organizations" (The Audit Mandate)

Finding: Currently, organizations can claim "Certifying" status without conducting forensic verification of safety or outcomes.

Recommendation: The CJOC should recommend that DPHHS require any recognized Certifying Organization to utilize a documented audit methodology equivalent to the RAM 580-Point Document Review. Self-attestation ("checking a box") shall no longer constitute certification.

2

Voucher Integrity (The Defunding Mandate)

Finding: State rental vouchers (DOC/DPHHS) are currently vulnerable to "pay-to-play" operators who self-certify to access funds.

Recommendation: Enforce a strict "No Audit, No Voucher" policy. State funds shall only be disbursed to recovery residences that maintain a verified, third-party "Statutory Compliance Audit" on file.

3

Fund the Forensic Infrastructure

Finding: The data contained in this report—which allows the State to track recidivism, waitlists, and indigenous equity—requires significant technical infrastructure (Behave Health) and labor to maintain.

Recommendation: The State must invest in the Surveillance System, not just the bed. RAM requests that state funding be explicitly designated for "Recovery Housing Data & Compliance Infrastructure" to ensure this level of forensic reporting continues in FY2026.

FINAL AUDITOR'S NOTE

RAM provides the only data-validated infrastructure capable of delivering public safety outcomes for the Department of Corrections. We ask the CJOC to support the forensic standards that turn "sober living" from an unregulated liability into a verified state asset.

Submitted by: Peter Maney, Executive Director, Recovery Access Montana (RAM)

Appendices available upon request: DRQ Methodology | Behave Health MIRC Dashboard | Provider Compliance Audits | Fiscal Impact Modeling