

COST-BENEFIT ANALYSIS OF MULTISYSTEMIC THERAPY
WITH SERIOUS AND VIOLENT JUVENILE OFFENDERS

Stephanie J. Klietz

Dr. Charles M. Borduin, Thesis Supervisor

ABSTRACT

This study investigated the economics of multisystemic therapy (MST) vs. individual therapy (IT) using longitudinal rearrest data from a 13.7-year follow-up (Schaeffer & Borduin, 2005) of a randomized clinical trial with serious juvenile offenders (Borduin et al., 1995). Two types of benefits of MST were evaluated: (1) the tangible value to taxpayers was derived from measures of criminal justice system costs (e.g., police and sheriff's offices, court processing, jails and community supervision), and (2) the value to crime victims was derived in terms of both tangible (e.g., property damage and loss, health care, police and fire services, lost productivity) and intangible (e.g., pain, suffering, reduced quality of life) losses. The results indicated that reductions in the rearrest rate (i.e., by 38%) and average number of posttreatment offenses per recidivist (i.e., by 24%) in the MST vs. IT conditions were associated with substantial reductions in costs to taxpayers (i.e., \$40,671.63) and crime victims (i.e., tangible = \$53,134.05; intangible = \$93,167.13), with a cumulative benefit of \$202,461.73 per MST participant. Moreover, it was estimated that every dollar spent on MST today will provide \$6.25 to \$27.14 in savings to taxpayers and crime victims in the years ahead. The economic benefits of MST, as well as its clinical effectiveness, should be considered by policymakers and the public at large in the selection of interventions for serious juvenile offenders.