IDENTIFYING AND IMPLEMENTING POLICIES THAT IMPROVE OUTCOMES AND SAVE MONEY

WASHINGTON STATE INSTITUTE FOR PUBLIC POLICY

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IOM-NRC Forum on Promoting Children’s Cognitive, Affective, and Behavioral Health
Washington, DC

April 1, 2014
Washington State Institute for Public Policy
Non-partisan research at legislative/board direction

Nature of the Institute
✓ Created by 1983 Legislature
✓ General purpose
✓ Legislative & Executive Board
✓ Projects assigned by bills or Board

Directions from the Legislature
✓ Crime
✓ Early/K-12 education
✓ Child abuse & neglect
✓ Substance abuse
✓ Mental health
✓ Health care
✓ Public health
✓ Developmental disabilities
✓ Teen births
✓ Employment, workforce training
✓ Public assistance, housing
Are there evidence-based policies that improve outcomes with a positive return on investment?

Our 3-step “investment advisor” research approach

1. **Evidence**: What works to improve outcomes; what does not?
   We meta-analyze all rigorous evaluations of policies to improve public outcomes of legislative interest.

2. **Economics**: What is the return on investment?
   We compute benefits, costs, and risk to the people of Washington State using a consistent framework.

3. **Portfolio**:
   How would a combination of options affect statewide outcomes? What is the risk?
WSIPP “Consumer Reports” Lists
Evidence-based policy options ranked by return on investment

Summary

WSIPP analyzed various approaches to early childhood education (ECE) for low-income children to identify outcomes and whether benefits exceed costs. We examined three typologies of programs: state and district pre-kindergarten, the federal Head Start program, and "model" programs.

To investigate, we conducted a systematic review by gathering all policies we could find on the topic. We screened for scientific rigor and only analyzed studies with strong research methods.

We identified 49 credible evaluations of the three types of ECE for low-income children a cause-and-effect relationship with student outcomes. The studies in our review measured academic as well as social and emotional development outcomes. A few studies also measured longer-term outcomes including crime and teen births.

Our bottom line findings. Our analysis shows that ECE for low-income children can improve outcomes. In scale-up state, district, and federal programs, the long-term benefits have a relatively high probability of outweighing program costs. We find that the typical state program outperforms the federal Head Start program, but both have favorable results.

Unfortunately, scientifically rigorous research identifying specific ECE program components critical to producing improved outcomes is scarce. In this report we present preliminary evidence on the association between teacher degree attainment, classroom quality, and student outcomes.

Next steps. As directed by the 2013 legislature, WSIPP is conducting a retroactive outcome evaluation of Washington States Early Childhood Education and Assistance Program. Results will be available by December 2014.

Context

Washington State Institute for Public Policy
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Approach

April 1, 2014

ROI Results

WSIPP “Consumer Reports” Lists
Evidence-based policy options ranked by return on investment

Use in WA

http://www.wsipp.wa.gov
Nurse Family Partnership: Return on Investment

Updated results for Washington State

- Reduced child abuse & neglect
  - Lower CW system costs $1,096
  - Lower victim costs

- Increased ed. attain. (mom & child)
  - Increased earnings $24,131

- Reduced crime (mom & child)
  - Lower CJ system costs $5,333
  - Fewer victimizations

- Incr. K-12 resources
  - Higher K-12 costs -$1,738
  - Lower public assistance $2,854
  - Lower health care costs

Other impacts

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Total benefits per-family $26,743
Cost per-family -$9,788

Net present value (NPV) $16,956
### Selected Prevention and Treatment Programs

From WSIPP’s current findings

<table>
<thead>
<tr>
<th>Program</th>
<th>Monetary Benefits</th>
<th>Costs</th>
<th>Summary Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>Tax-payer</td>
<td>Non Tax-payer</td>
</tr>
<tr>
<td>Nurse Family Partnership</td>
<td>$26,743</td>
<td>$9,463</td>
<td>$17,281</td>
</tr>
<tr>
<td>Preschool (for low-income)</td>
<td>$29,210</td>
<td>$9,058</td>
<td>$20,151</td>
</tr>
<tr>
<td>Guiding Good Choices</td>
<td>$2,603</td>
<td>$680</td>
<td>$1,923</td>
</tr>
<tr>
<td>Triple P—(system)</td>
<td>$1,272</td>
<td>$375</td>
<td>$897</td>
</tr>
<tr>
<td>Triple P—Level 4, group</td>
<td>$2,077</td>
<td>$732</td>
<td>$1,345</td>
</tr>
<tr>
<td>CBT for child trauma</td>
<td>$10,985</td>
<td>$3,071</td>
<td>$7,915</td>
</tr>
<tr>
<td>Multidim.Tx Foster Care</td>
<td>$39,094</td>
<td>$8,875</td>
<td>$30,218</td>
</tr>
</tbody>
</table>

Benefits and costs are life-cycle present values per participant, in 2012 dollars. Some programs achieve other benefits we cannot, at present time, monetize.
Using the ROI findings to craft state budgets: Washington’s legislative milestones

1995  
Juvenile Justice → Budget Change

2000  
Adult Corrections → Budget Change

2003  
Prevention → Budget Change

2005-6  
What policy portfolio reduces crime & limits prison construction? → Budget Change, Silo

2009  
K-12 Education

2012 & 2013  
Evidence-based budget requirements  
(for juvenile justice, children's mental health, child welfare, adult mental health & substance abuse).
THANK YOU

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