

# BUILDING HIGH- PERFORMANCE STATE CHILD INVESTMENT PORTFOLIOS

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Results First  
and the  
WSIPP Model



# THE WASHINGTON STATE INSTITUTE FOR PUBLIC POLICY

- **Washington State Institute for Public Policy (WSIPP)**
  - Created by legislature in 1983
  - Began “evidence-based” assessments of criminal justice policies in the late 1990s
  - Developed a benefit-cost model to facilitate systematic assessments of efficiency of alternative policies
  - Over last ten years, expanded benefit-cost model to other policy areas

# THE WSIPP MODEL

- **Systematic review of evidence relevant to policy alternatives**
  - Meta-analysis to combine results from all available evaluations
  - Predictions based on data for Washington
- **Monetize impacts and needed resources (CBA)**
- **Assess certainty of prediction of net benefits using Monte Carlo simulation (report estimated probability of positive net benefits)**

# THE WSIPP MODEL

- Performs meta analysis across a range of policies and programs;
- Links to Washington state specific costs of operations;
- Monetizes outcomes;
- Prioritizes policy choices and makes recommendations to the legislature.

In 2008, recommended funding several cost-effective initiatives. Savings from those programs allowed plans to build two new prisons to be shelved. Passed by the Legislature.

# THE WSIPP MODEL

- Identified by MacArthur Foundation's Power of Measuring Social Benefits project as the organization most successful in applying CBA to social policy
- MacArthur funded external reviews of the model by the Vera Institute for Justice and the Pew Charitable Trusts
- Pew and MacArthur launched the “Results First Initiative” in 2011
  - Help states implement the WSIPP model
  - So far, 13 states are participating

# RESULTS FIRST

- 1. Use the best national research to identify what works**
- 2. Predict program impacts in your state**
- 3. Calculate and compare long-term costs and benefits**

# RESULTS FIRST

- **Step 1: conduct Program Inventory**
  - Identify the programs currently provided in North Carolina and the population that is served by those programs
  - Identify the current funding for programs
  - Assess whether the programs are evidence-based
  - Determine if programs are being implemented according to design

# RESULTS FIRST

- **Step 2: identify Program Costs**
  - Identify the costs of serving persons in each program
  - Include direct and indirect costs
  - Calculate marginal costs for each program

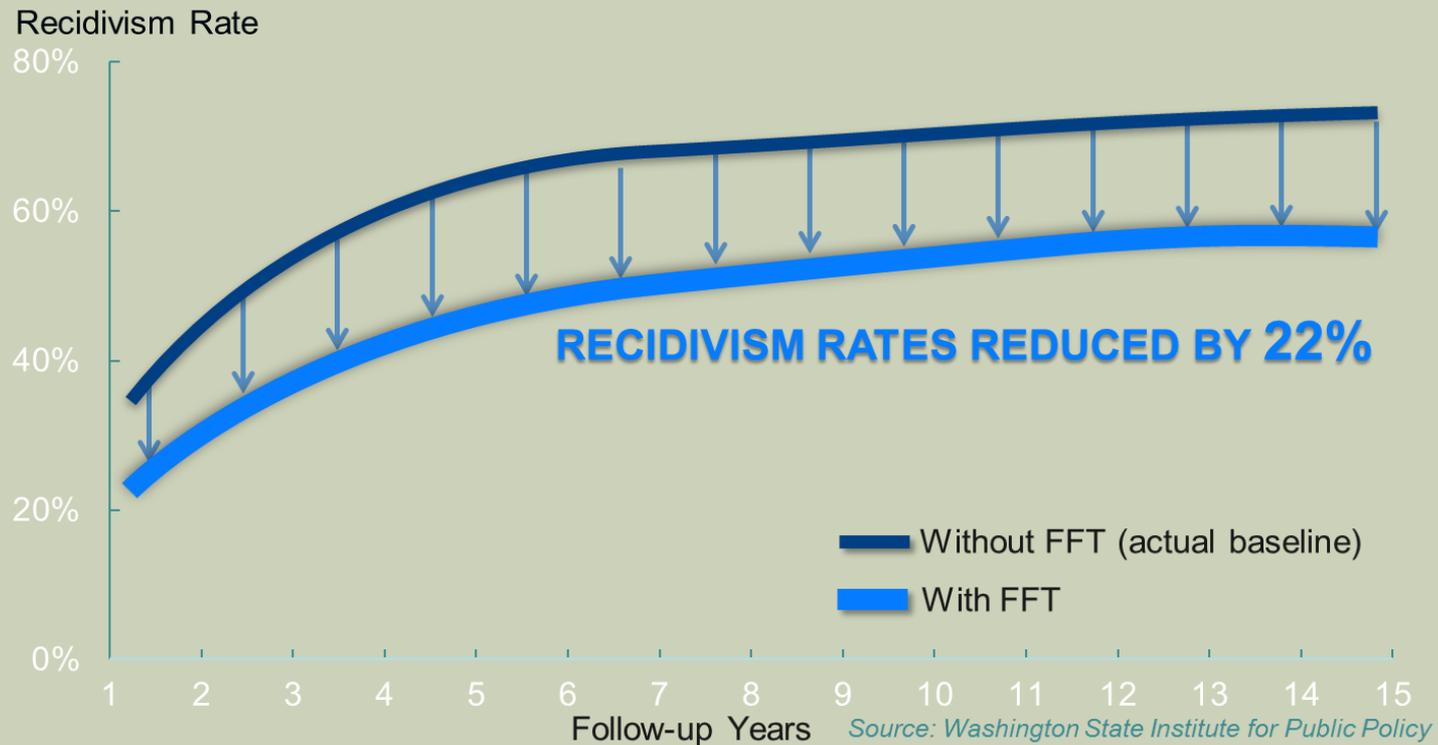
# RESULTS FIRST

- **Step 3: Predict and Monetize Outcomes**
  - **Taxpayer Benefits (avoided costs)**
    - Costs per felony conviction
    - Convictions avoided per participant
    - Other benefits throughout system
  - **Victimization benefits (avoided costs)**
    - Victimizations avoided per participant

- **Assess full program outcomes**
  - **Taxpayer outcomes**
    - Avoided cost of delivery of services and programs
  - **Societal outcomes**
    - Avoided costs incurred of crime victims
    - Tangible costs (*e.g., lost wages, health care*)
    - Intangible costs (*e.g., pain and suffering*)
    - Estimates based on medical records, insurance claims, and court judgments

# META-ANALYSIS OF FUNCTIONAL FAMILY THERAPY

## Meta-analysis of Functional Family Therapy



# FUNCTIONAL FAMILY THERAPY

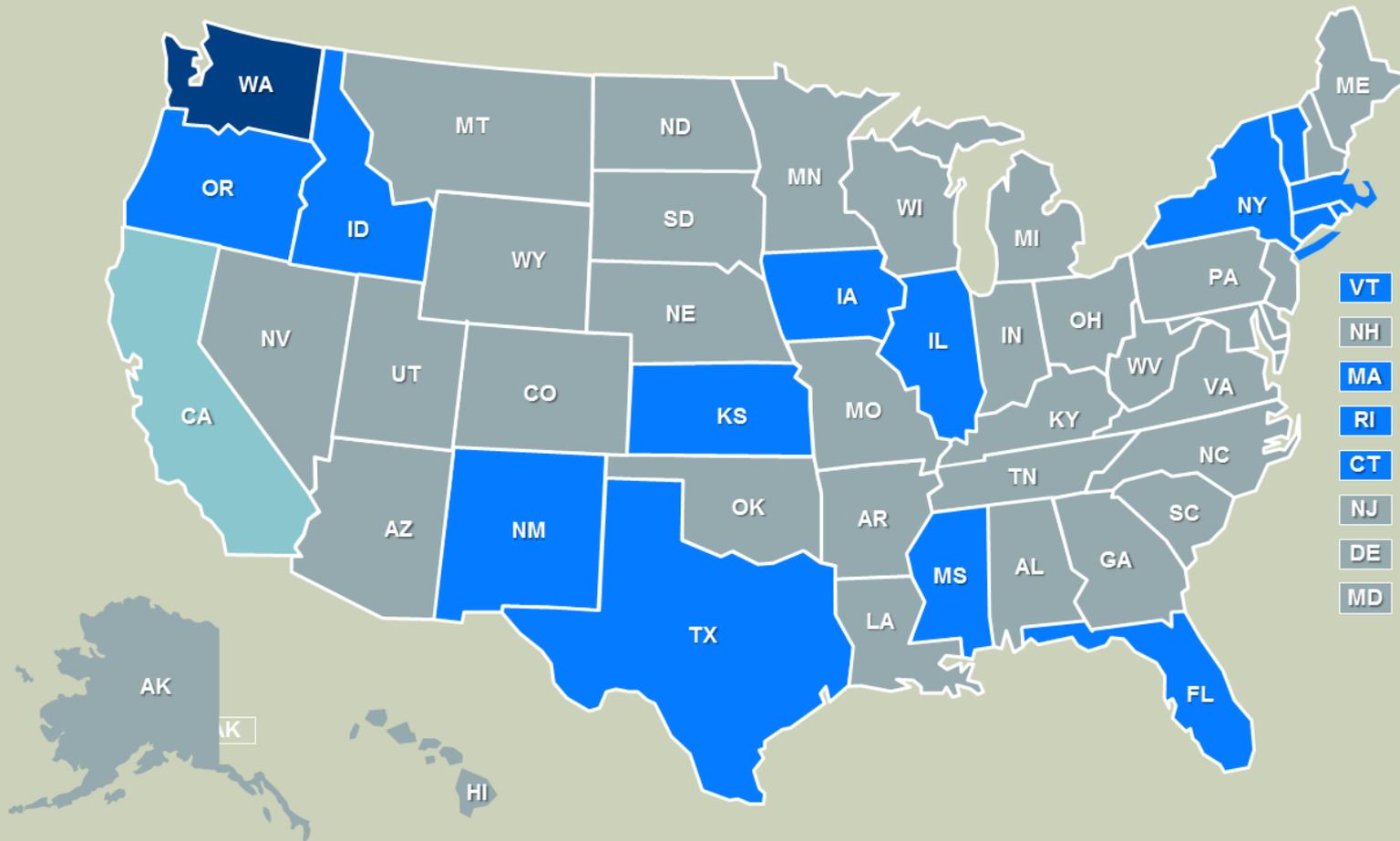
BENEFITS PER FAMILY	WA STATE 2010 DOLLARS	MAIN SOURCE OF BENEFITS
Reduced crime	\$31,745	Lower state & victim costs
Increased high school graduation	\$5,686	Increased earnings
Reduced health care costs	\$307	Lower public costs
<b>Total Benefits Per Family</b>	<b>\$37,739</b>	
<b>Cost Per Family</b>	<b>\$3,190</b>	
<b>Net Present Value</b>	<b>\$34,549</b>	
<b>Benefits Per Dollar of Cost</b>	<b>\$11.86</b>	

# RESULTS FIRST: STEP 4

POLICY/PROGRAM	COST	LONG-TERM BENEFITS	COST/BENEFIT RATIO
Intensive supervision (only)	\$4,140	<b>-\$578</b>	<b>-\$0.14</b>
Mental health court	\$2,935	\$20,424	\$6.96
Community drug treatment	\$1,602	\$17,711	\$11.05
Correctional education in prison	\$1,128	\$21,426	\$19.00
Work release	\$661	\$7,117	\$10.77
Cognitive behavioral therapy	\$412	\$9,695	\$23.55
Community job training & aid	\$135	\$5,501	\$40.76
JUVENILE PROGRAMS			
Functional Family Therapy	\$3,262	\$70,370	\$21.57
Aggression replacement training	\$1,508	\$62,947	\$41.75
Coordination of services	\$395	\$5,501	\$13.94
Scared Straight	\$65	<b>-\$4,949</b>	<b>-\$76.35</b>

**Step 4: Compare Costs and Benefits Across Program Portfolio**

# RESULTS FIRST STATES



# WHAT ARE RESULTS FIRST STATES DOING?

- Three states have enacted legislation incorporating Results First into their policy making process
  - CT, MA, VT
- Two states have used models to analyze legislation, avoiding millions in potential costs
  - IA, IL
- Five states have used their models to target over \$28 million in spending
  - NM, IA, MA, NY, VT

# RESULTS FIRST CAN BE USED TO ANALYZE MANY POLICY AREAS

Criminal Justice

K-12 Education

Early Education

Child Welfare

Substance Abuse

Mental Health

# WHAT DOES IT TAKE TO BECOME A RESULTS FIRST STATE?

## State Selection Criteria

1

Commitment to evidence-based decision making

2

Ability to provide necessary data

3

Willingness to dedicate resources



# THE ROLE OF PARTNER STATES

- Secure leadership support
- Appoint a policy work group
- Establish a staff work group with project manager
- Collaborate with Results First to strengthen the model and build a learning community of states

# SERVICES PROVIDED BY RESULTS FIRST

## Provide software

- Train staff in the approach
- Provide ongoing technical assistance
- Help interpret results for policymakers
- Compile and share lessons learned with other participating states
- Expand and update model
- **No charge for Results First services**

# GOAL – DRAMATICALLY IMPROVE OUTCOMES BY:

## Using Evidence

- Fund programs that are proven to work (and cut those that don't)

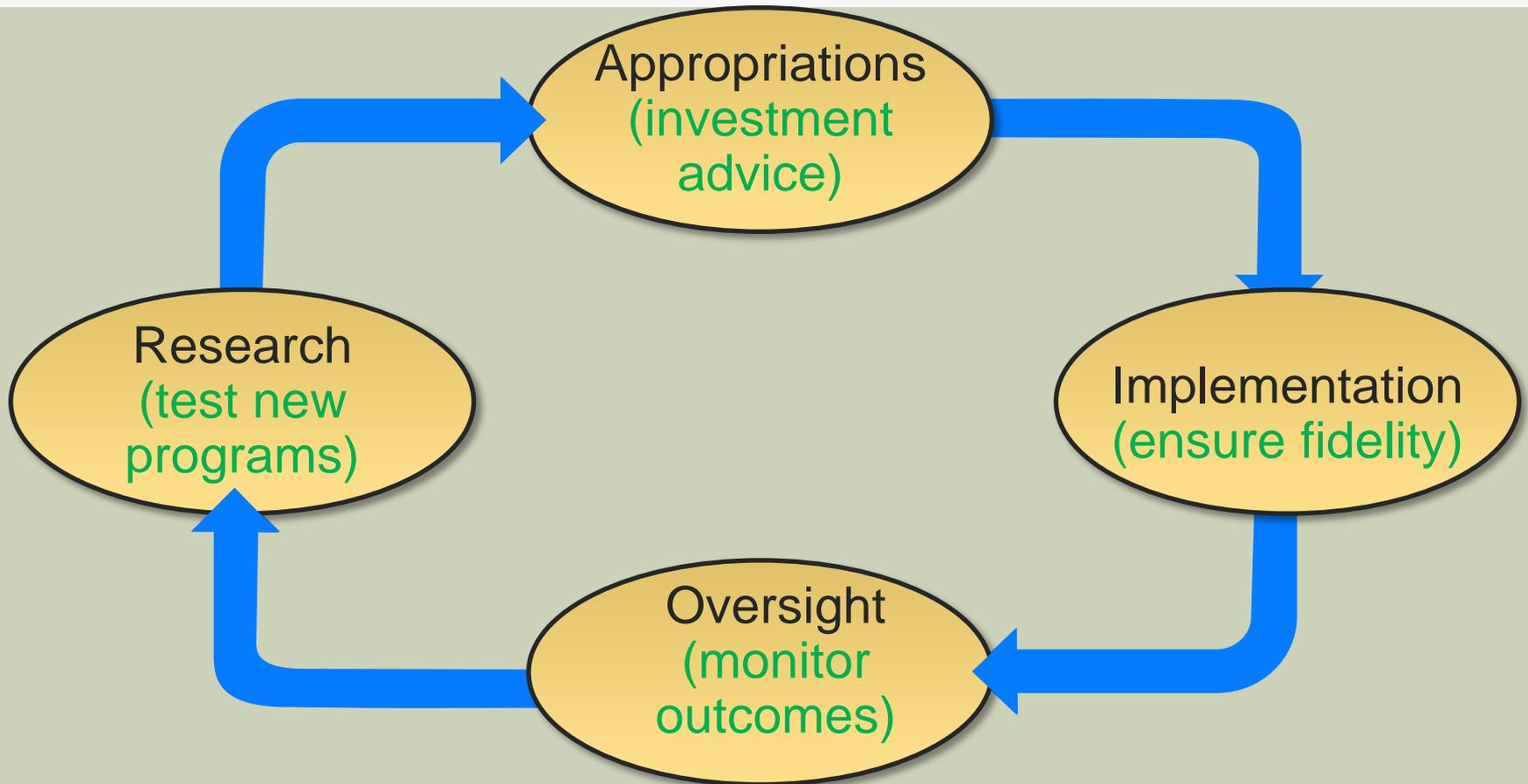
## Ensuring Program Quality

- Programs must be properly implemented
- Must target the right people

## Tracking Results

- Compare outcomes to predictions
- Require new programs to prove success

# THIS APPROACH SHOULD DRIVE THE SYSTEM



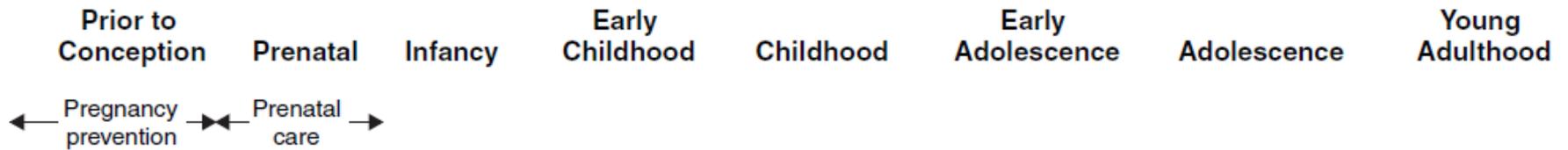
# INVESTING ACROSS DEVELOPMENT

## Interventions by Developmental Phase

**Prior to Conception**   **Prenatal**   **Infancy**   **Early Childhood**   **Childhood**   **Early Adolescence**   **Adolescence**   **Young Adulthood**

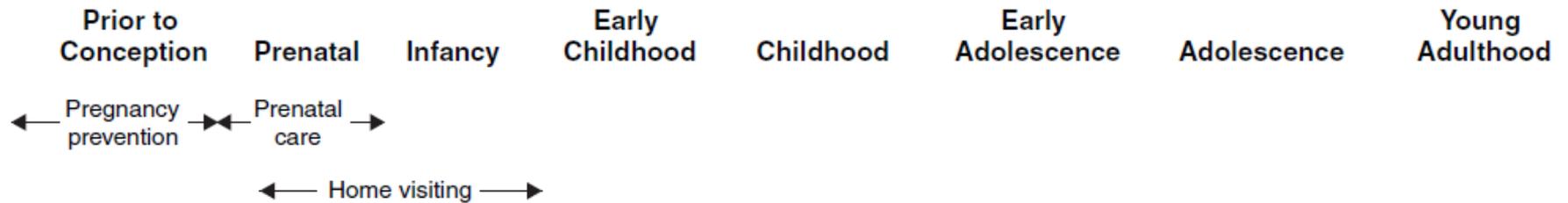
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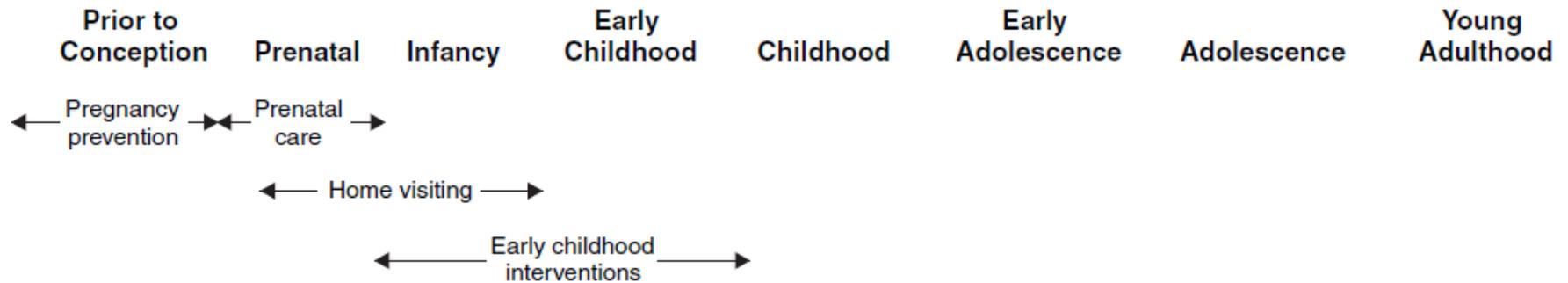
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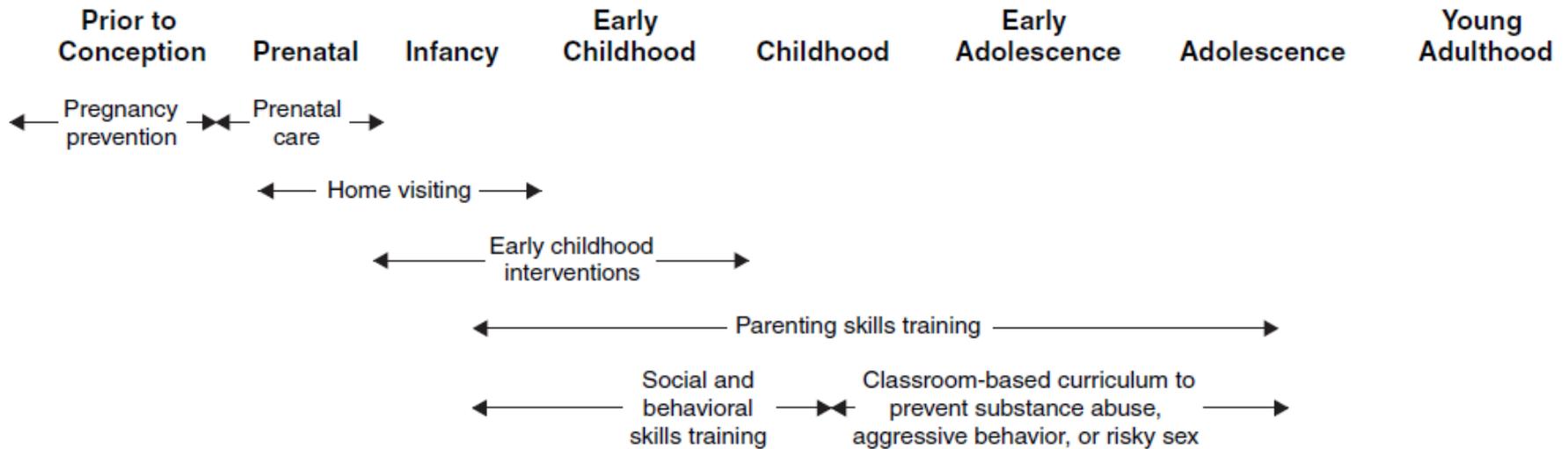
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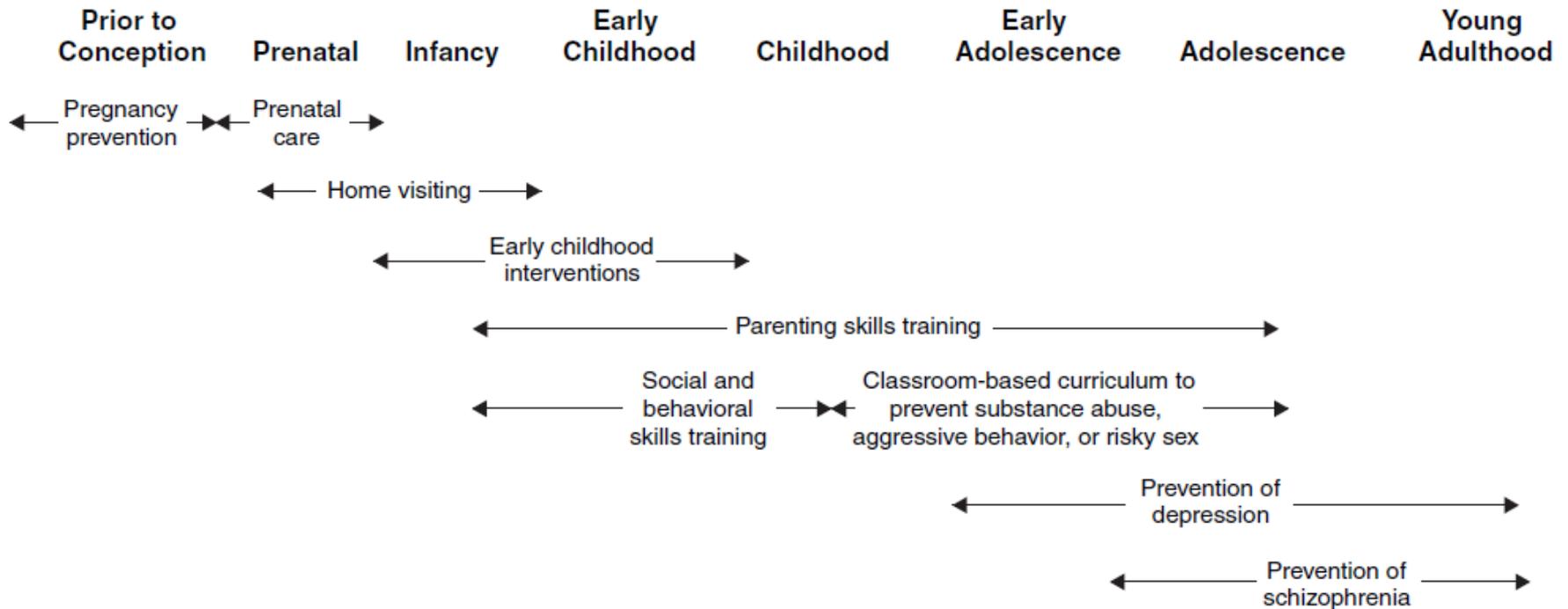
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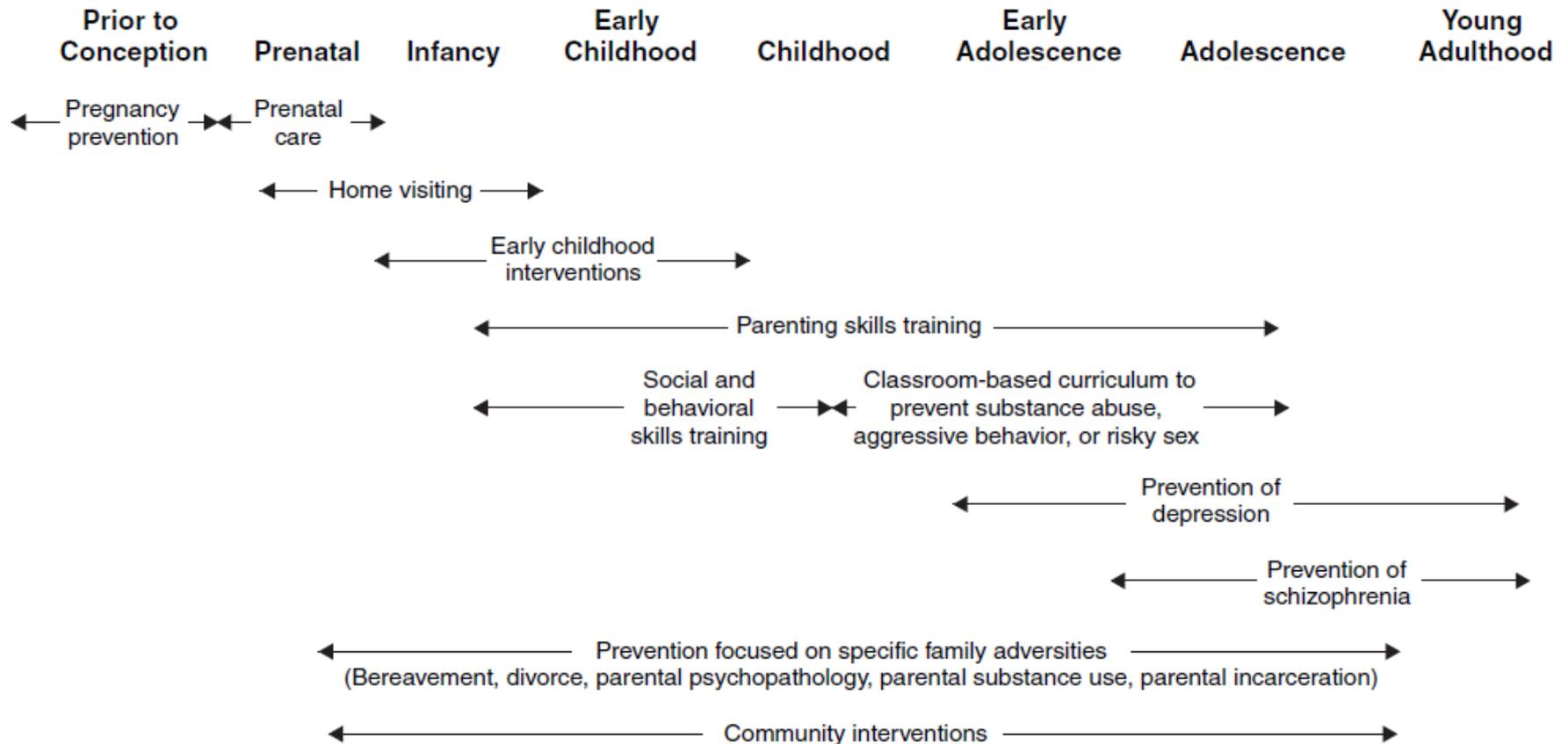
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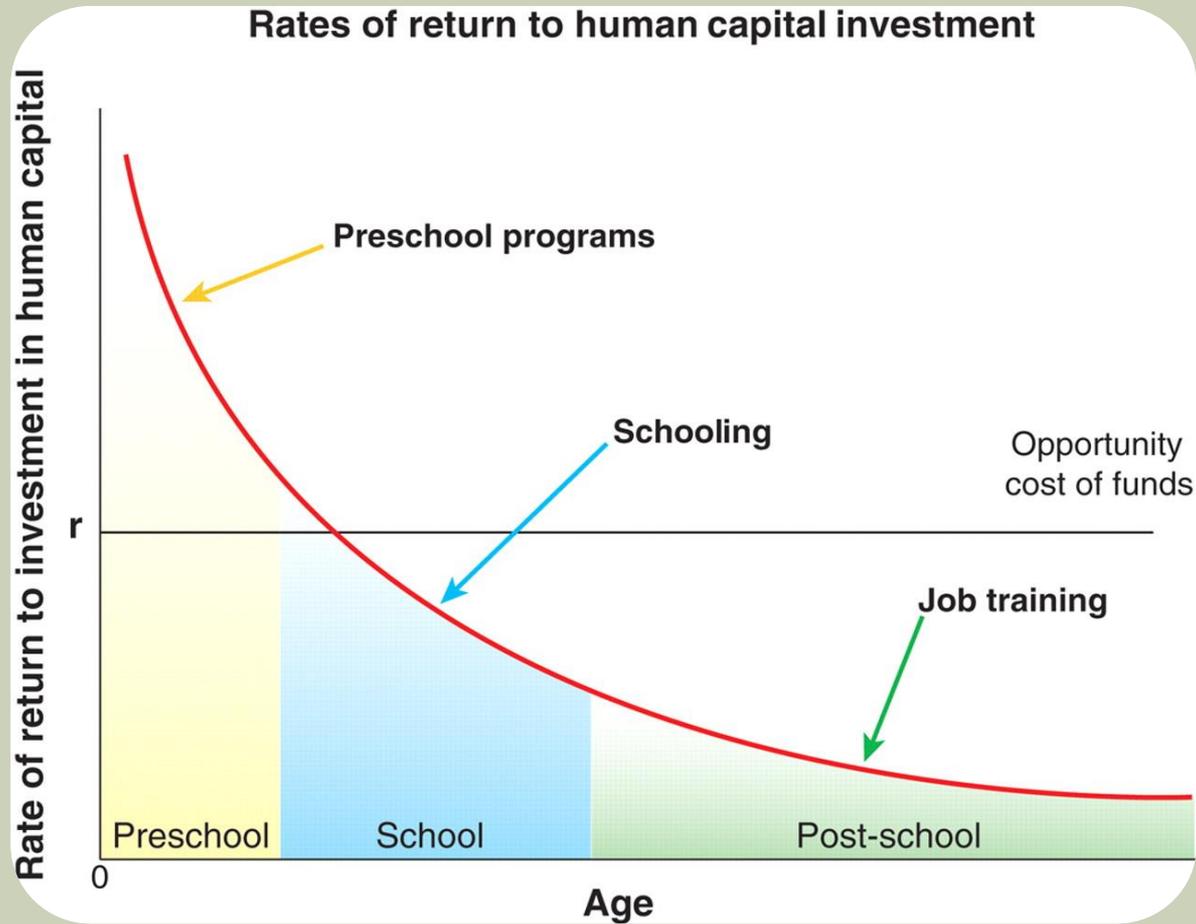


# INVESTING ACROSS DEVELOPMENT

## Interventions by Developmental Phase



# RATES OF RETURN ACROSS DEVELOPMENT



# BUILDING A PORTFOLIO ACROSS DIVERSE OUTCOMES

Program	Child Abuse & Neglect	Out-of-Home Placement	Permanent Placement	Stable Placement
Chicago Child Parent Centers:	<b>-0.34</b>	<b>-0.34</b>	<i>Not measured</i>	<i>Not measured</i>
Nurse Family Partnership for Low-Income Families:	<b>-0.44</b>	<i>Not measured</i>	<i>Not measured</i>	<i>Not measured</i>
Other Home Visiting Programs (for At-Risk Mothers):	<b>-0.19</b>	No effect	<i>Not measured</i>	<i>Not measured</i>
Parents as Teachers:	No effect	<i>Not measured</i>	<i>Not measured</i>	<i>Not measured</i>
Dependency (Family Treatment) Drug Court:	<b>.14</b>	<b>-0.15</b>	<b>.14</b>	<i>Not measured</i>
Homebuilders Family Preservation Services:	<b>-0.14</b>	<b>-0.35</b>	<i>Not measured</i>	<i>Not measured</i>
Other Family Preservation Services:	No effect	<b>.10</b>	<i>Not measured</i>	<i>Not measured</i>
Parent-Child Interaction Therapy:	<b>-0.42</b>	<i>Not measured</i>	<i>Not measured</i>	<i>Not measured</i>
Family Assessment Response (MN):	No effect	<b>-0.08</b>	<i>Not measured</i>	<i>Not measured</i>
Subsidized Guardianship (Illinois):	<i>Not measured</i>	<i>Not measured</i>	<b>.16</b>	No effect

# PERFORMANCE OF DIFFERENT POTENTIAL INVESTMENTS

Program name	Date of last literature review	Total benefits	Taxpayer benefits	Non-taxpayer benefits	Costs	Benefits minus costs (net present value)	Benefit to cost ratio	Odds of a positive net present value
Nurse Family Partnership for low-income families	Apr. 2012	\$26,743	\$9,463	\$17,281	(\$9,788)	\$16,956	\$2.73	76 %
Intensive family preservation services (Homebuilders(c))	Apr. 2012	\$15,073	\$8,768	\$6,304	(\$3,354)	\$11,718	\$4.49	100 %
Parent Child Interaction Therapy (PCIT) for families in the child welfare system	Apr. 2012	\$11,626	\$2,814	\$8,812	(\$1,582)	\$10,044	\$7.35	100 %
Subsidized guardianship (Title IV-E waivers)	Apr. 2012	\$3,507	\$437	\$3,070	\$4,083	\$7,590	n/e	100 %
SafeCare	Apr. 2012	\$2,289	\$542	\$1,747	(\$177)	\$2,112	\$12.92	98 %
Alternative response	Apr. 2012	\$1,436	\$345	\$1,091	(\$98)	\$1,338	\$14.67	100 %
Triple P Positive Parenting Program (All levels)	Apr. 2012	\$1,272	\$375	\$897	(\$146)	\$1,127	\$8.74	100 %
Flexible funding (Title IV-E waivers)	Apr. 2012	\$249	\$71	\$179	\$0	\$249	n/e	94 %
Parents as Teachers	Apr. 2012	\$2,825	\$1,128	\$1,698	(\$4,319)	(\$1,494)	\$0.65	36 %
Healthy Families America	Apr. 2012	\$2,124	\$2,125	(\$2)	(\$4,687)	(\$2,563)	\$0.45	18 %
Other home visiting programs for at-risk mothers and children	Apr. 2012	\$2,576	\$1,285	\$1,291	(\$5,709)	(\$3,133)	\$0.45	26 %
Parent Child Home Program	Apr. 2012	\$1,486	\$1,087	\$400	(\$5,604)	(\$4,118)	\$0.27	26 %
Other family preservation services (non-Homebuilders®)	Apr. 2012	(\$1,954)	(\$100)	(\$1,854)	(\$3,099)	(\$5,053)	n/e	0 %

\*Based on Program Costs and Benefits in Washington State

Enter Sector Inputs

Enter Program Inputs

Run Models & View Reports

Main Model

Crime Models

Run Crime Models

Back to Main Model

Prison Forecast Results

Sentencing Tool Inputs

Sentencing Tool Run

Evidence-Based Program Portfolio Selection

Enter % of fiscal savings from prison ADP change used to purchase program slots:

0.5

Program	Program Cost	Victimizations Avoided			Taxpayer Benefits			Victim Benefits	Percent of Portfolio	Number of Slots Funded
		Mean	StdEr	Per \$1000	Mean	StdEr	State Pct.			
Vocational Education in Prison	\$1,536	0.46	0.09	0.30	\$4,596	\$703	0%	\$12,569	25%	174
Intensive Supervision with Treatment (High)	\$4,217	1.09	0.55	0.24	\$0,147	\$4,137	0%	\$21,214	0	0
Correctional Education in Prison (basic or post)	\$1,102	0.49	0.10	0.45	\$4,963	\$1,148	0%	\$13,267	0	0
Cognitive Behavioral Programs in Prison	\$217	0.26	0.11	1.19	\$2,679	\$1,103	0%	\$6,971	25%	1232
Correctional Industries in Prison	\$1,387	0.15	0.05	0.11	\$1,516	\$487	0%	\$4,197	0	0
Drug Treatment in Prison	\$3,893	0.35	0.06	0.09	\$3,459	\$701	0%	\$9,460	0	0
Drug Treatment in Community	\$2,102	0.30	0.08	0.14	\$3,671	\$919	0%	\$9,566	0	0
Drug Courts (adults)	\$4,095	0.20	0.04	0.05	\$2,511	\$275	0%	\$6,022	0	0
Employment Training/Job Assistance in Com	\$132	0.09	0.03	0.67	\$970	\$367	0%	\$2,988	0	0
Multidimensional Treatment Foster Care	\$7,730	0.73	0.73	0.09	\$7,747	\$5,929	0%	\$23,902	0	0
Family Integrated Transitions (IRA)	\$10,993	0.64	0.24	0.05	\$5,681	\$2,066	0%	\$17,593	0	0
Coordination of Services	\$386	0.07	0.11	0.17	\$786	\$1,216	0%	\$2,247	0	0

Enter portfolio percent for selected program:

Annual prison ADP impact:

-100

Percent change from current ADP:

-0.005

Check to include capital costs

Check to include local cis dollars

Run the Model

Impact on Taxpayer Costs

Direct (near-term) Fiscal Impact:

Change in prison costs from the ADP policy change

-\$2,139,203

Change in evidence-based program portfolio costs

\$1,069,601

Net change in direct (near-term) costs

-\$1,069,601

Indirect (long-term) Fiscal Impact:

Present value of additional criminal justice costs from the ADP policy change

\$186,481

Present value of criminal justice costs from the evidence-based portfolio

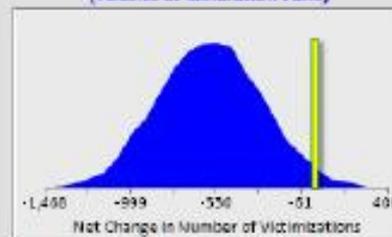
-\$5,819,697

Total change in taxpayer costs

-\$6,702,818

Impact on Victimization

Risk Analysis (results of simulation runs)



Negative numbers = fewer victimizations

Percent of cases when net victimizations are lower

97%

Average Change in Victimization

Change from sentencing policy

52.7

Change from program portfolio

-578.7

Net impact on victimizations

-526.

Percent change in current crime rate

-0.01%

# PROJECTING PROGRAM BENEFITS

