# Washington State Institute for Public Policy

Benefit-Cost Results

#### Parents as Teachers

Public Health & Prevention: Home- or Family-based

Benefit-cost estimates updated December 2023. Literature review updated August 2017.

Current estimates replace old estimates. Numbers will change over time as a result of model inputs and monetization methods.

The WSIPP benefit-cost analysis examines, on an apples-to-apples basis, the monetary value of programs or policies to determine whether the benefits from the program exceed its costs. WSIPP's research approach to identifying evidence-based programs and policies has three main steps. First, we determine "what works" (and what does not work) to improve outcomes using a statistical technique called meta-analysis. Second, we calculate whether the benefits of a program exceed its costs. Third, we estimate the risk of investing in a program by testing the sensitivity of our results. For more detail on our methods, see our Technical Documentation.

Program Description: The Parents as Teachers (http://parentsasteachers.org/) home visiting program works with parents to improve parenting practices, with the aim of promoting healthy child development and school readiness. While any family may participate, many families have high needs, such as a teen parent, a disability, or low educational attainment. Home visits are provided by parent educators with prior experience working with young children or parents. The program also provides child developmental screenings, parent group meetings, and referrals to other community resources. Participation typically begins during a mother's pregnancy and may continue until her child enters kindergarten. In the studies in this meta-analysis, families received an average of 16 visits over a period of 31 months.

Benefit-Cost Summary Statistics Per Participant							
Benefits to:							
Taxpayers	\$1,304	Benefit to cost ratio	\$0.28				
Participants	\$2,316	Benefits minus costs	(\$3,811)				
Others	\$214	Chance the program will produce					
Indirect	(\$2,380)	benefits greater than the costs	34%				
Total benefits	\$1,454						
Net program cost	(\$5,265)						
Benefits minus cost	(\$3,811)						

The estimates shown are present value, life cycle benefits and costs. All dollars are expressed in the base year chosen for this analysis (2022). The chance the benefits exceed the costs are derived from a Monte Carlo risk analysis. The details on this, as well as the economic discount rates and other relevant parameters are described in our Technical Documentation.

Meta-Analysis of Program Effects											
Outcomes measured	Treatment age	No. of effect	Treatment N	Adjusted effect sizes and standard errors used in the benefit-cost analysis				the	Unadjusted effect size (random effects		
		sizes		First time	First time ES is estimated		Second time ES is estimated		model)		
				ES	SE	Age	ES	SE	Age	ES	p-value
Preschool test scores ^	1	2	285	0.270	0.210	3	n/a	n/a	n/a	0.270	0.198
Child abuse and neglect	1	1	149	-0.061	0.151	3	-0.061	0.151	17	-0.061	0.684

<sup>^</sup>WSIPP's benefit-cost model does not monetize this outcome.

Meta-analysis is a statistical method to combine the results from separate studies on a program, policy, or topic in order to estimate its effect on an outcome. WSIPP systematically evaluates all credible evaluations we can locate on each topic. The outcomes measured are the types of program impacts that were measured in the research literature (for example, crime or educational attainment). Treatment N represents the total number of individuals or units in the treatment group across the included studies.

An effect size (ES) is a standard metric that summarizes the degree to which a program or policy affects a measured outcome. If the effect size is positive, the outcome increases. If the effect size is negative, the outcome decreases.

Adjusted effect sizes are used to calculate the benefits from our benefit cost model. WSIPP may adjust effect sizes based on methodological characteristics of the study. For example, we may adjust effect sizes when a study has a weak research design or when the program developer is involved in the research. The magnitude of these adjustments varies depending on the topic area.

WSIPP may also adjust the second ES measurement. Research shows the magnitude of some effect sizes decrease over time. For those effect sizes, we estimate outcome-based adjustments which we apply between the first time ES is estimated and the second time ES is estimated. We also report the unadjusted effect size to show the effect sizes before any adjustments have been made. More details about these adjustments can be found in our Technical Documentation.

Detailed Monetary Benefit Estimates Per Participant							
Affected outcome:	Resulting benefits:1		Benefi	its accrue to			
		Taxpayers	Participants	Others <sup>2</sup>	Indirect <sup>3</sup>	Total	
Child abuse and neglect	Criminal justice system	\$81	\$0	\$158	\$40	\$279	
Child abuse and neglect	Child abuse and neglect	\$109	\$372	\$0	\$55	\$536	
Child abuse and neglect	K-12 grade repetition	\$11	\$0	\$0	\$5	\$16	
Child abuse and neglect	K-12 special education	\$231	\$0	\$0	\$116	\$347	
Child abuse and neglect	Property loss associated with alcohol abuse or dependence	\$0	\$0	\$0	\$0	\$0	
Child abuse and neglect	Health care associated with PTSD	\$53	\$15	\$55	\$27	\$150	
Child abuse and neglect	Labor market earnings associated with child abuse & neglect	\$818	\$1,928	\$0	\$0	\$2,746	
Child abuse and neglect	Mortality associated with child abuse and neglect	\$0	\$1	\$0	\$9	\$11	
Program cost	Adjustment for deadweight cost of program	\$0	\$0	\$0	(\$2,633)	(\$2,633)	
Totals		\$1,304	\$2,316	\$214	(\$2,380)	\$1,454	

<sup>&</sup>lt;sup>1</sup>In addition to the outcomes measured in the meta-analysis table, WSIPP measures benefits and costs estimated from other outcomes associated with those reported in the evaluation literature. For example, empirical research demonstrates that high school graduation leads to reduced crime. These associated measures provide a more complete picture of the detailed costs and benefits of the program.

<sup>&</sup>lt;sup>2</sup>"Others" includes benefits to people other than taxpayers and participants. Depending on the program, it could include reductions in crime victimization, the economic benefits from a more educated workforce, and the benefits from employer-paid health insurance.

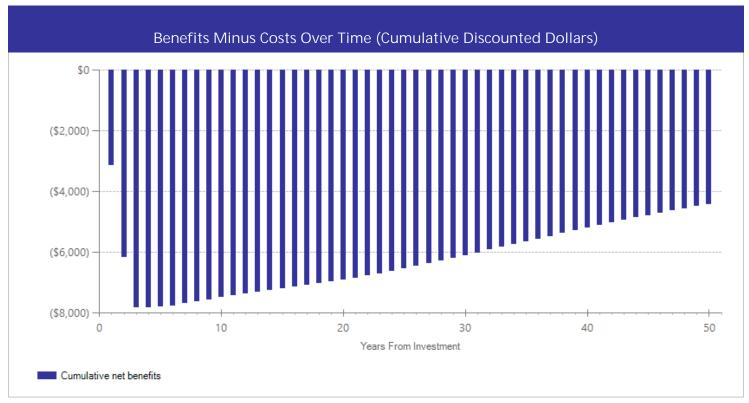
<sup>3&</sup>quot;Indirect benefits" includes estimates of the net changes in the value of a statistical life and net changes in the deadweight costs of taxation.

## Detailed Annual Cost Estimates Per Participant

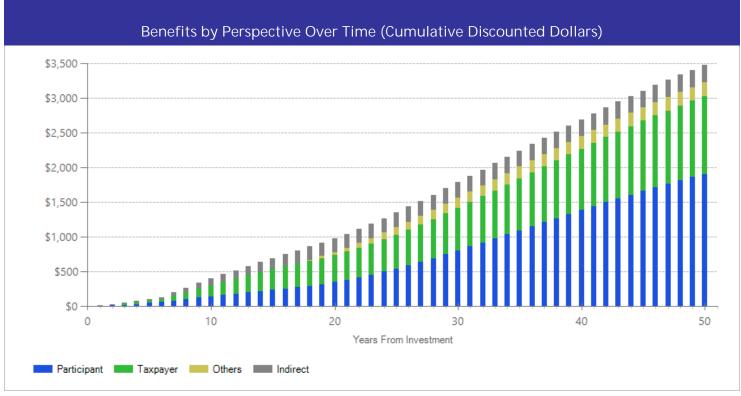
	Annual cost	Year dollars	Summary	
Program costs	\$1,780	2016	Present value of net program costs (in 2022 dollars)	(\$5,265)
Comparison costs	\$0	2016	Cost range (+ or -)	25%

The per-participant cost estimate is based on the average cost per home visit in Washington and the average number of home visits in the included studies. The cost per visit was calculated from the annual direct service cost per-participant in Washington (provided by the Washington State Department of Early Learning in 2017), increased by 10% to account for additional training and administrative costs. To estimate an average cost per visit, we divide this total annual cost by the average number of visits per year in Washington (18). Among included studies, participating families received an average of 16 visits over 31 months.

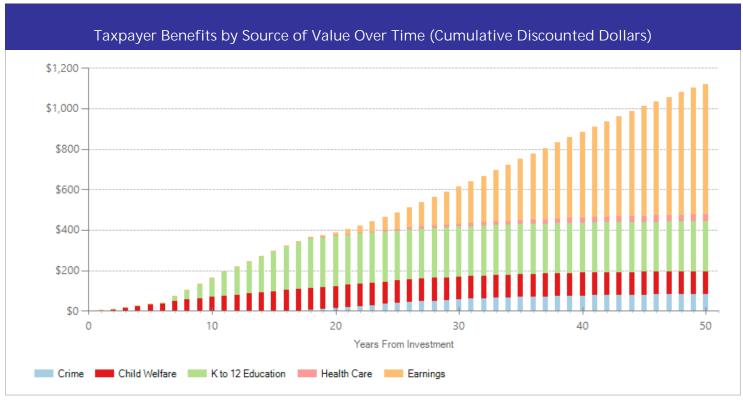
The figures shown are estimates of the costs to implement programs in Washington. The comparison group costs reflect either no treatment or treatment as usual, depending on how effect sizes were calculated in the meta-analysis. The cost range reported above reflects potential variation or uncertainty in the cost estimate; more detail can be found in our Technical Documentation.



The graph above illustrates the estimated cumulative net benefits per-participant for the first fifty years beyond the initial investment in the program. We present these cash flows in discounted dollars. If the dollars are negative (bars below \$0 line), the cumulative benefits do not outweigh the cost of the program up to that point in time. The program breaks even when the dollars reach \$0. At this point, the total benefits to participants, taxpayers, and others, are equal to the cost of the program. If the dollars are above \$0, the benefits of the program exceed the initial investment.



The graph above illustrates the breakdown of the estimated cumulative benefits (not including program costs) per-participant for the first fifty years beyond the initial investment in the program. These cash flows provide a breakdown of the classification of dollars over time into four perspectives: taxpayer, participant, others, and indirect. "Taxpayers" includes expected savings to government and expected increases in tax revenue. "Participants" includes expected increases in earnings and expenditures for items such as health care and college tuition. "Others" includes benefits to people other than taxpayers and participants. Depending on the program, it could include reductions in crime victimization, the economic benefits from a more educated workforce, and the benefits from employer-paid health insurance. "Indirect benefits" includes estimates of the changes in the value of a statistical life and changes in the deadweight costs of taxation. If a section of the bar is below the \$0 line, the program is creating a negative benefit, meaning a loss of value from that perspective.



The graph above focuses on the subset of estimated cumulative benefits that accrue to taxpayers. The cash flows are divided into the source of the value.

### Citations Used in the Meta-Analysis

Pfannenstiel, J.C., & Seltzer, D.A. (1989). New parents as teachers: Evaluation of an early parent education program. *Early Childhood Research Quarterly, 4*(1), 1-18.

Wagner, M.M., & Clayton, S.L. (1999). The Parents as Teachers program: Results from two demonstrations. The Future of Children, 9(1), 91-115.

For further information, contact: (360) 664-9800, institute@wsipp.wa.gov

Printed on 03-23-2024



### Washington State Institute for Public Policy

The Washington State Legislature created the Washington State Institute for Public Policy in 1983. A Board of Directors-representing the legislature, the governor, and public universities-governs WSIPP and guides the development of all activities. WSIPP's mission is to carry out practical research, at legislative direction, on issues of importance to Washington State.