Washington State Institute for Public Policy Benefit-Cost Results

### Resource Mothers Program Health Care: Maternal and Infant Health

Benefit-cost estimates updated December 2023. Literature review updated December 2016.

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 Resource Mothers Program is a prenatal home visiting programs for pregnant adolescents age 19 and under. Adolescent women are eligible for this program during their pregnancy and for 12 months postpartum. In this program, a paraprofessional provider called a "resource mother" makes monthly visits to the adolescents' home to provide case management, risk assessments, psychosocial support, or health education. Resource mothers are supervised by a social worker.

The Resource Mothers Program provides an average of 16 home visiting hours, 1 training hour, and 1 supervisory hour per participant. All women in treatment and comparison groups receive clinical prenatal care (treatment as usual). Both studies included in this analysis were implemented in South Carolina.

Benefit-Cost Summary Statistics Per Participant							
Benefits to:							
Taxpayers	\$410	Benefit to cost ratio	\$2.76				
Participants	\$259	Benefits minus costs	\$1,482				
Others	\$0	Chance the program will produce					
Indirect	\$1,657	benefits greater than the costs	84%				
Total benefits	\$2,326						
Net program cost	(\$844)						
Benefits minus cost	\$1,482						

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												
	age sec	Primary or secondary	No. of effect	Treatment N	Adjusted effect sizes and standard errors used in the benefit-cost analysis					Unadjusted effect size (random effects		
		participant	sizes		First time ES is estimated			Second time ES is estimated			model)	
					ES	SE	Age	ES	SE	Age	ES	p-value
Low birthweight birth***	16	Primary	2	2466	-0.037	0.044	16	0.000	0.000	17	-0.111	0.271
Preterm birth***	16	Primary	1	1901	-0.085	0.045	16	0.000	0.000	17	-0.085	0.058
Small for gestational age (SGA)	16	Primary	1	565	-0.088	0.079	16	0.000	0.000	17	-0.245	0.002
Very low birthweight birth	16	Primary	1	565	-0.042	0.079	16	0.000	0.000	17	-0.118	0.137
Low birthweight birth***	1	Secondary	2	2466	-0.037	0.044	1	0.000	0.000	2	-0.111	0.271
Preterm birth***	1	Secondary	1	1901	-0.085	0.045	1	0.000	0.000	2	-0.085	0.058
Small for gestational age (SGA)	1	Secondary	1	565	-0.088	0.079	1	0.000	0.000	2	-0.245	0.002
Very low birthweight birth	1	Secondary	1	565	-0.042	0.079	1	0.000	0.000	2	-0.118	0.137

\*\*\*We report this outcome twice: once for mothers (designated as the primary participant) and once for infants (designated as the secondary participant). We do this because the outcome is associated with costs and benefits for both mothers and infants, and the amount of the cost or benefit is different for mothers than it is for infants.

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 Resulting benefits:<sup>1</sup> Benefits accrue to: outcome: Taxpayers Participants Others<sup>2</sup> Indirect<sup>3</sup> Total \$49 Preterm birth Health care associated with \$16 \$33 \$0 \$0 preterm births Subtotals \$0 \$0 \$49 \$33 \$16 From secondary participant Preterm birth Infant mortality \$110 \$259 \$0 \$1,929 \$2,298 Preterm birth Health care associated with \$267 \$0 \$0 \$134 \$401 preterm births Subtotals \$377 \$259 \$0 \$2,063 \$2,699 Program cost Adjustment for deadweight cost \$0 \$0 \$0 (\$422) (\$422) of program Totals \$410 \$259 \$0 \$1,657 \$2,326

<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>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.

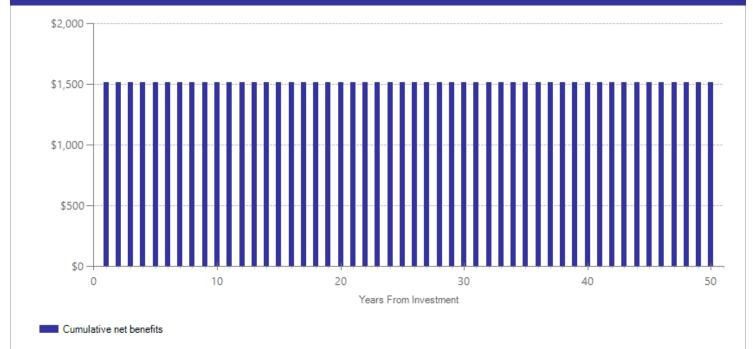
<sup>3</sup>"Indirect benefits" includes estimates of the net changes in the value of a statistical life and net changes in the deadweight costs of taxation.

Detailed Annual Cost Estimates Per Participant								
	Annual cost	Year dollars	Summary					
Program costs Comparison costs	\$715 \$0	2016 2016	Present value of net program costs (in 2022 dollars) Cost range (+ or -)	(\$844) 10%				

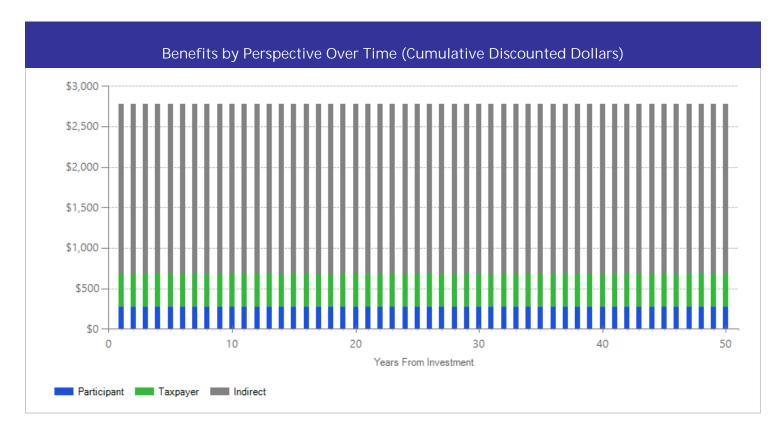
Treatment cost estimates for this program reflect costs beyond treatment as usual. We estimate provider hours including home visiting hours, training hours, and supervisory hours; apply the mean hourly wage estimate for Washington State reported by the Bureau of Labor Statistics (September 2016) for the appropriate provider; and increase wages by a factor of 1.441 to account for the cost of employee benefits. Included studies averaged 16 home visiting hours, 1 training hour, and 1 supervisory hour per participant.

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.

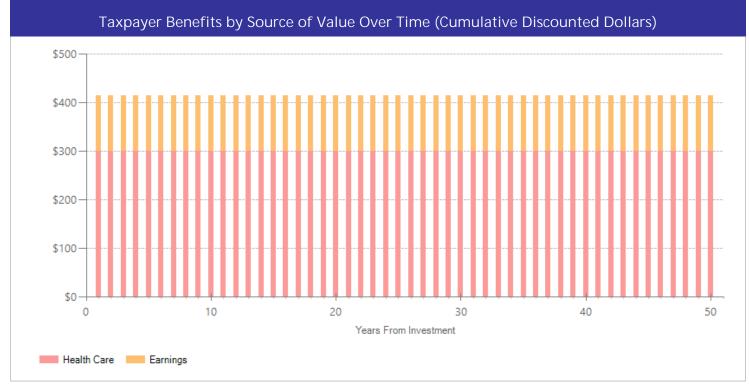
#### Benefits Minus Costs Over Time (Cumulative Discounted Dollars)



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

- Heins, H.C. Jr., Nance, N.W., & Ferguson, J.E. (1987). Social support in improving perinatal outcome: the Resource Mothers Program. Obstetrics and Gynecology, 70(2), 263-6.
- Rogers, M.M., Peoples-Sheps, M.D., & Suchindran, C. (1996). Impact of a social support program on teenage prenatal care use and pregnancy outcomes. *Journal of Adolescent Health*, 19(2), 132-140.

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# Washington State Institute for Public Policy

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