

Washington State Institute for Public Policy

Benefit-Cost Results

Early college high school (for high school students) Higher Education

Benefit-cost estimates updated December 2023. Literature review updated February 2018.

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: Early college high schools are alternative high schools designed to help under-served and underrepresented students transition to the college environment. Located on college campuses or as small stand-alone schools, they provide students with the opportunity to take high school and college courses to complete their high school graduation requirements. Unlike dual enrollment programs, where students attend a typical high school and elect to take college courses in their junior or senior year, students enroll in early college high schools in the 9th grade and participate for four years. The curriculums are specifically designed to help students transition from high school to college-level coursework. Upon graduation, students usually have finished the equivalent of two years of college course work (enough to complete a 2-year college degree or enter a 4-year college as a junior). We report on college in the high school and dual enrollment programs separately.

Benefit-Cost Summary Statistics Per Participant							
Benefits to:							
Taxpayers	\$19,355	Benefit to cost ratio	\$21.49				
Participants	\$53,764	Benefits minus costs	\$95,797				
Others	\$32,698	Chance the program will produce					
Indirect	(\$5,346)	benefits greater than the costs	93%				
Total benefits	\$100,471						
Net program cost	(\$4,675)						
Benefits minus cost	\$95,797						

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 sizes	Treatment N	Adjusted effect sizes and standard errors used in the benefit-cost analysis						Unadjusted effect size (random effects	
				First time ES is estimated		Second time ES is estimated		6	model)		
				ES	SE	Age	ES	SE	Age	ES	p-value
High school graduation	14	1	1010	0.150	0.323	18	0.150	0.323	18	0.150	0.641
Graduate with 4-year degree	14	1	1044	0.277	0.195	23	0.277	0.195	23	0.277	0.156
Enroll in 4-year college	14	1	1044	0.120	0.226	18	0.120	0.226	18	0.120	0.595
Enroll in 2-year college	14	1	1044	0.511	0.231	18	0.511	0.231	18	0.511	0.027
Graduate with 2-year degree	14	1	1044	0.905	0.261	20	0.905	0.261	20	0.905	0.001

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	Benefits accrue to:						
		Taxpayers	Participants	Others ²	Indirect ³	Total		
High school graduation	Criminal justice system	\$43	\$0	\$101	\$21	\$165		
Enroll in 2-year college	Labor market earnings associated with higher education	\$25,372	\$59,770	\$34,167	\$0	\$119,309		
Enroll in 2-year college	Costs of higher education	(\$6,060)	(\$6,006)	(\$1,570)	(\$3,030)	(\$16,666)		
Program cost	Adjustment for deadweight cost of program	\$0	\$0	\$0	(\$2,337)	(\$2,337)		
Totals		\$19,355	\$53,764	\$32,698	(\$5,346)	\$100,471		

¹In 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.

 $^{^{2}}$ "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.

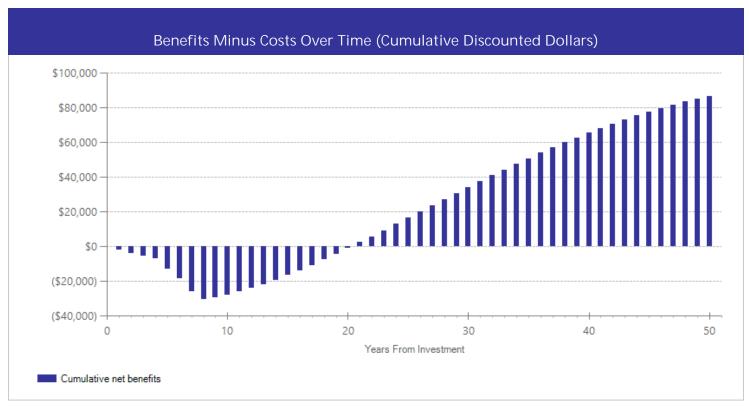
³"Indirect benefits" includes estimates of the net changes in the value of a statistical life and net changes in the deadweight costs of taxation.

Detailed Annual Cost Estimates Per Participant

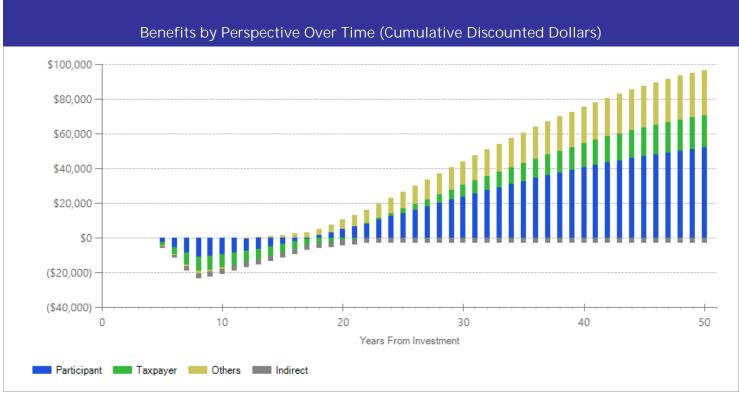
	Annual cost	Year dollars	Summary	
Program costs	\$9,727	2015	Present value of net program costs (in 2022 dollars)	(\$4,675)
Comparison costs	\$8,695	2015	Cost range (+ or -)	25%

WSIPP estimates the total cost of early college by taking the difference between the per-student estimate of the total expenditures per early college high school student and WSIPP's per-student estimate of the total cost of regular K–12 education. The per-student estimate for early college is based on projected costs of early college by location, weighted by the location of the early college in the studies (Webb, 2004).

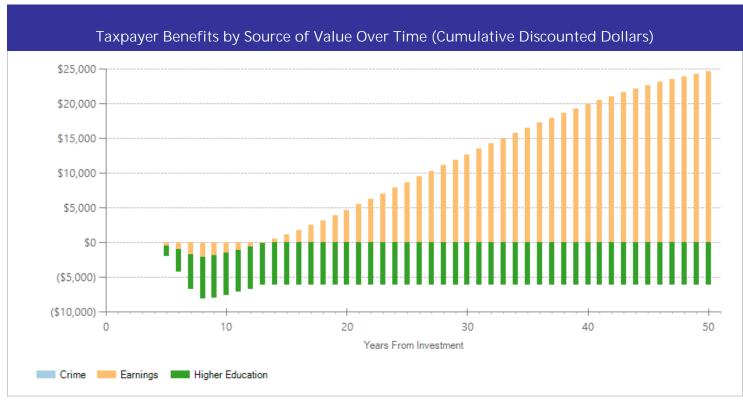
The figures shown are estimates of the costs to implement programs in Washington. The comparison group costs reflect either no treatment as usual, depending on how effect sizes were calculated in the meta-analysis. The cost range reported above reflects potential variation or uncertainty in the cost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

Berger, A., Turk-Bicakci, I., Garet, M. Song, M., Knudson, J., Haxton, C., . . . Cassidy, L. (2013). Early college, early success: Early College High School initiative impact study. Washington DC: American Institutes for Research.

Haxton, C., Song, M., Zeiser, K., Berger, A., Turk-Bicakci, L., Garet, M.S., . . . Hoshen, G. (2016). Longitudinal findings from the Early College High School initiative impact study. *Educational Evaluation and Policy Analysis*, 38(2), 410-430.

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Washington State Institute for Public Policy

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