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To CBA or Not CBA - What are states' responses to the question?

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**Gary VanLandingham, Director, Results First
Darcy White, Associate, Results First**

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First systematic assessment of CBA activity in the states

Key questions:

- **How much cost-benefit analysis is occurring in states?**
- **Are these studies used by policy makers?**
- **Can Washington State's success with CBA be replicated?**

Research method

- **Comprehensive state web review and snowball sampling to identify CBAs**
- **Identified over 1,000 reports from the 50 states and D.C.**
 - **384 reports classified as full or partial CBAs**
- **Conducted 6-10 interviews in each state to evaluate impact and state of the art**

How much CBA activity?

- **Most states are enacting statutory mandates to conduct CBAs**
 - **Number of mandates has grown in recent years**
 - **Almost all states (48 plus D.C.) now require CBAs**
- **Major areas covered by requirements: economic development, health / social services, procurement, environment / natural resources**

Majority of CBAs are not mandatory

- **Number of CBAs are increasing**
 - **Number of reports increased each year from 2008 to 2010**
- **Most CBAs are conducted outside of statutory mandates**
 - **Of 384 CBAs identified, only 27% were required by law**

Activity varies substantially among states

- **Highest number of reports:**
 - **California, Kansas, Missouri, North Carolina, Washington**
- **Lowest number of reports:**
 - **Arizona, North Dakota, Pennsylvania, Rhode Island, South Dakota, Wyoming**
 - **No reports identified in Arizona**

CBAAs are effective in influencing state policy and budget decisions

- **Nearly half of reports assessed had some level of reported impact, including:**
 - ***Direct use* in decisions to change or sustain appropriations for programs or to adopt or suspend a policy (>50%)**
 - ***Indirect use* in informing legislative debates on pressing issues (28%)**
- **Washington State has developed the most extensive model for conducting CBAAs and reports substantial impact**

Washington State has the most developed CBA model

- 1. Aggregate best national research to identify evidence-based programs that are effective**
- 2. Estimate programs' impact based on state population characteristics**
- 3. Use state fiscal data to predict total costs and benefits for each program**

Result: Predicted state-specific return on investment for each program

“Consumer Reports” guide to programs

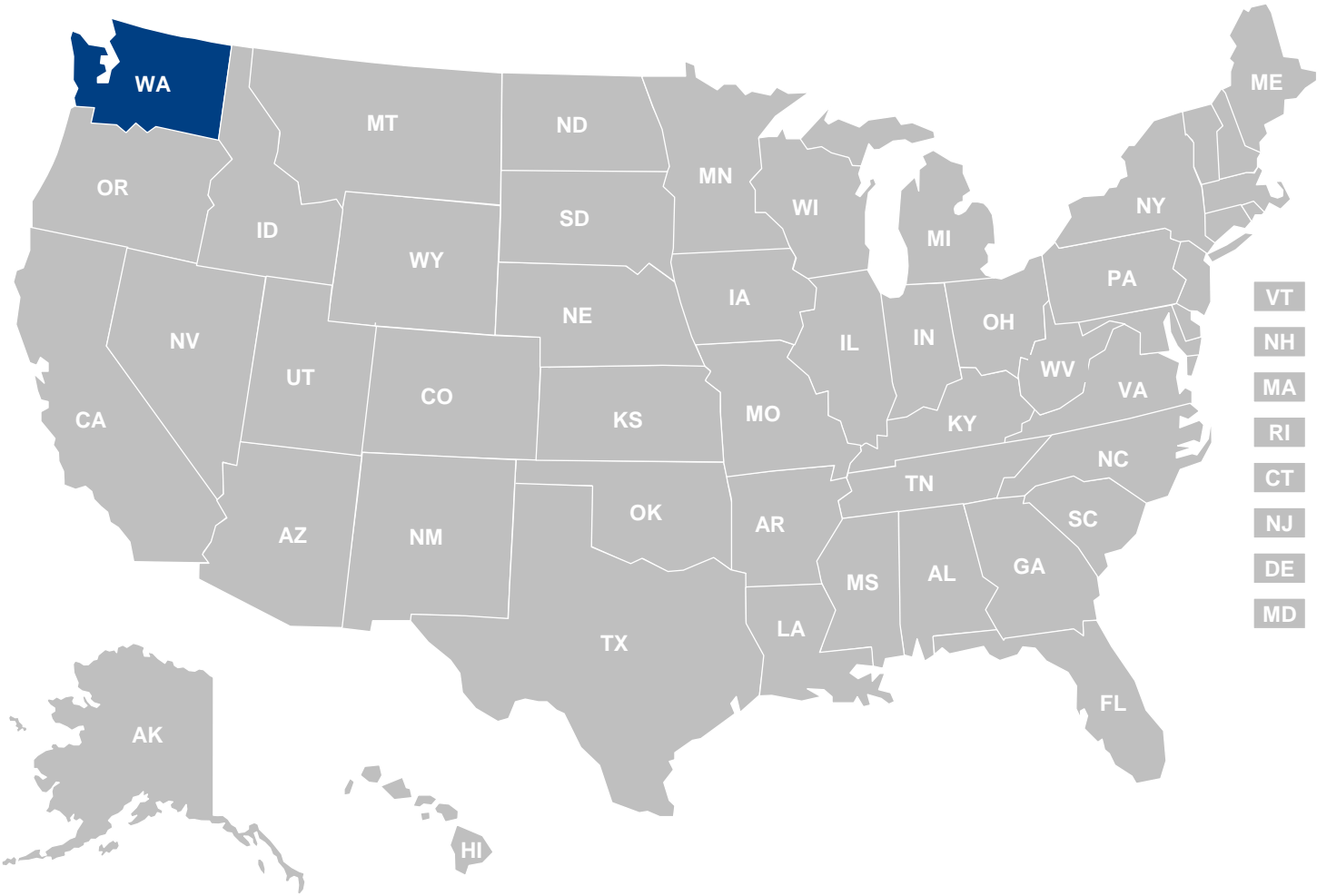
Policy/Program	Cost	Net Long-term Benefits	Cost/Benefit Ratio
Alternative drug sentencing	\$1,511	\$26,502	\$18.57
Correctional education in prison	\$1,102	\$18,821	\$18.11
Vocational education in prison	\$1,537	\$17,547	\$12.43
Community drug treatment	\$2,102	\$13,317	\$7.35
Mental health court	\$2,878	\$11,352	\$4.95
Cognitive behavioral therapy	\$217	\$10,524	\$49.55
Work release	\$649	\$5,817	\$9.97
JUVENILE PROGRAMS			
Aggression replacement training	\$1,473	\$66,481	\$45.50
Drug court	\$3,024	\$9,713	\$4.22
Coordination of services	\$386	\$4,884	\$13.63
Scared Straight	\$63	-\$6,095	0

Source: Washington State Institute for Public Policy

Long-term success in Washington State

- **CBA model developed by Washington State Institute for Public Policy (WSIPP)**
- **Washington has used model for 15+ years to help steer budget decisions, achieving better outcomes at lower costs**
 - **Example: Washington State has been able to lower crime rate AND avoid \$1.3 billion per biennium**

12 states working to replicate the WSIPP model with Results First



For more information

Gary VanLandingham

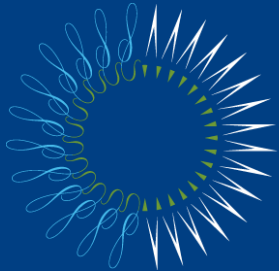
Director, Results First

gvanlandingham@pewtrusts.org

Darcy White

Associate, Results First

dwhite@pewtrusts.org



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