casey family programs

Cost-Benefit Analysis of Iowa Parent Partner Approach[1]

Introduction

Parent partner programs in child welfare pair parents who have been impacted by the child welfare system previously to support parents who are currently facing the child welfare system. These programs serve parents at various stages of the child welfare system, from prevention to investigation through permanency, and are implemented in different settings like community providers, courts, or child welfare agencies themselves. A growing body of research shows positive outcomes from parent partner programs in child welfare.[2] These outcomes include increases in reunification rates and reductions in adoptions, decreases in rates of re-entry into foster care, increases in parents' participation in services and court hearings, increases in parents' understanding of the child welfare system, perceptions of due process, and feelings of support. Currently, two peer mentoring programs are listed as evidence-based according to the Title IV-E Prevention Services Clearinghouse: the Sobriety Treatment and Recovery Team (START) Program and the Iowa Parent Partner Approach. Since some parent partner programs have been evaluated rigorously, this brief seeks to take these findings further to understand what cost savings these programs might produce for jurisdictions who implement them. To understand this, we conducted a cost-benefit analysis of the Iowa Parent Partner Approach, using the outcome evaluations study and supplementary data from Iowa HHS.

Description of the Iowa Parent Partner Approach

The Iowa Parent Partner Approach began in 2009, went statewide several years later, and has since been replicated in several other jurisdictions. The program—operated with a contract from Iowa HHS to a non-profit, Children and Families of Iowa, pairs "parent partners" with parents whose children have been removed from their homes into foster care. The parent partners employed by the program are individuals who were previously involved with the child welfare system and were able to reunify with their children and have remained reunified for at least one year. Parent partners guide families through the child welfare and related court systems, support parents emotionally, and coordinate with social workers and other professionals to ensure the family is getting helpful services. The program's goals are to support reunification and reduce recurrence of child maltreatment.[3]

Research Evidence & Outcomes

As mentioned above, the program is rated "Promising" on the Title IV-E Prevention Services Clearinghouse, one of only two parent mentoring programs listed in the clearinghouse. In 2014,

---

[1] This report was authored by Lucas A. Gerber (Casey Family Programs), with contributions by Alex Pimentel (Casey Family Programs), Julie Clark-Albrecht (Iowa HHS), Sara Persons (Children and Families of Iowa), Jeff Chambers (U. Nebraska-Lincoln), and Brittany Brakenhoff (U. Nebraska-Lincoln).
[2] See, for example, a review here: https://www.casey.org/Appendix-A-Research-Parent-Partner-Programs/.
[3] See description at Title IV-E Prevention Services Clearinghouse

casey family programs | casey.org

a quasi-experimental study, using propensity score matching to compare program participant families and non-participants, evaluated the impact of the Iowa Parent Partner Approach. This research was later updated and published in a peer-reviewed journal in 2019.[4] These studies found the following results:

- No statistically significant difference in the number of days children spent in out-of-home care.
- Children of program participants were more likely to return home at exit than non-participants. The 2014 report showed that children of program participants were less likely to exit to adoption or guardianship.[5]
- Children of program participants were less likely to re-enter care within 12 months of being reunified, though there was no statistically significant difference in re-entry within 24 months of being reunified.

Methods

This brief applies a standard cost-benefit analysis to the Iowa Parent Partner Approach, comparing the costs of the program to savings produced by the program. The cost-benefit analysis seeks to answer the question, *what are the overall savings to the state annually, comparing the program's costs to the savings from improved outcomes?* In order to answer this question, we focus on the potential cost savings from the State Fiscal Year 2019 (SFY2019) cohort of families who received the Iowa Parent Partner Approach and estimate the lifetime cost savings to government for this cohort. This calculation involves two elements: [1] the additional costs the state incurred by funding the parent partner program in 2019, and [2] the estimated savings the state gained from improving outcomes for families who received the parent partner program in 2019.

The **cost** simply includes the funds contracted by Iowa HHS to Children and Families of Iowa to operate the program in 2019. For the estimated **savings**, this means using the outcomes from the evaluation study to extrapolate how much the state saved because of improved outcomes for the 2019 cohort as compared to a counterfactual where that 2019 cohort did not receive the Iowa Parent Partner Approach. In other words, we apply the outcome differences—between families who received the Iowa program versus the matched comparison group—from the evaluation study, to the 2019 cohort to calculate the savings.

Specifically, the savings includes reductions in adoptions, guardianships, and re-entries extrapolated from the results of the quasi-experimental study to the number of children of

---

[4] This study was originally published as a report in 2014 and then later as a peer-reviewed journal article in 2019.

[5] We note that, though this finding was not statistically significant, we use this result to calculate savings. Statistical significance must be interpreted in context, as it only indicates here that the data are also somewhat compatible with the program having no effect on these outcomes. In context, however, the significant increase in reunification means that there must be reductions in the other outcomes; thus, we choose to use the findings around reductions in adoption and guardianship.

program participants in 2019.[6] Though the program increased reunification outcomes, the overall time children spent in care did not change, so there would not be a cost differential for this outcome. To calculate the savings on reductions in adoptions, we multiply the total children who received the program in 2019 by the percentage reduction in adoptions to get the number of adoptions averted. We calculate the cost for each adoption averted by multiplying the average time of adoption subsidy payments (calculated as the number of months from the average age at exit to adoption until age 18) by the adoption subsidy rate. The savings on guardianship were calculated similarly, with one addition that not all guardianship exits are subsidized and so the guardianships averted were discounted by the percentage of guardianship exits that are subsidized. Finally, the savings from reducing re-entries into care were calculated similarly; we applied the percentage reduction to calculate the number of re-entries averted, and then to calculate the savings from each averted re-entry, we used the average length of stay for children who re-entered care multiplied by the per diem foster care rate to calculate costs instead of the average subsidy length.

The formula for program **savings** is the sum of these three items:

- *Adoptions reduced* is the product of the following:
  - Number of children whose families participated in the program in SFY2019
  - Percentage reduction in adoptions from study
  - Average months of adoption subsidy to be paid, calculated using the months between average age at adoption in 2019 and 18-years-old
  - Adoption subsidy rate
- *Guardianships reduced* is the product of the following:
  - Number of children whose families participated in the program in SFY2019
  - Percentage reduction in guardianships from study
  - Percentage of guardianship exits in SFY2022 that were subsidized
  - Average months of guardianship subsidy to be paid, calculated using the months between average age at guardianship in 2019 and 18-years-old
  - Guardianship subsidy rate
- *Re-entries prevented* is the product of the following:
  - Number of children whose families participated in the program in SFY2019
  - Percentage reduction in re-entries from study, accounting for increases in reunifications
  - Average length of stay for children who re-entered care (using children who re-entered care in 2018)
  - Foster care per diem rate

The data points that were used in this brief are listed in Table 1 below with their source.

---

[6] We do not include reunification, because the evaluation study found no difference in the length of time children spent in care. We do not include aging out because the evaluation study found no difference in outcomes.

casey family programs

Table 1.

Data Point	Source
Program costs for SFY2019	Iowa HHS
Number of families and children participating in the program in SFY2019	Iowa HHS
Percentage reductions in adoptions, guardianships, and re-entries for program participants from the evaluation study	Chambers, J. M., Lint, S., Thompson, M. G., Carlson, M. W., & Graef, M. I. (2019). Outcomes of the Iowa Parent Partner program evaluation: Stability of reunification and re-entry into foster care. Children and Youth Services Review, 103. https://doi.org/10.1016/j.childyouth.2019.05.030 Midwest Child Welfare Implementation Center. (2014). Iowa's partnering with parents for systems change: Final implementation project report.
Adoption subsidy monthly rate (current)	Iowa HHS
Guardianship subsidy monthly rate (current)	Iowa HHS
Foster care per diem rate (current)	Iowa HHS
Average age at adoption for 2019	Casey Family Programs Analysis from NDACAN Cornell University AFCARS Data
Average age at guardianship exit in 2019	Casey Family Programs Analysis from NDACAN Cornell University AFCARS Data
Percentage of guardianship exits that were subsidized in SFY2022	Iowa HHS
Average length of stay for children who re-entered care in 2018	Casey Family Programs Analysis from NDACAN Cornell University AFCARS Data

casey family programs | casey.org

casey family programs

Results

Our analysis estimates that the overall lifetime net savings from the Iowa Parent Partner Approach implementation in SFY2019, accounting for costs, was approximately $5.79M. We estimate that the program cost $1.43M and saved $7.22M. Below, we describe our results in more detail.

Costs

According to data from Iowa HHS, the program contract cost $1,433,016 in State Fiscal Year 2019. That year, looking only at new cases, the program served 1,963 parents or 1,570 children. This is the cohort on which this analysis focuses.

Savings

Below we discuss the results from the estimated savings calculations for the 2019 cohort of 1,963 parents or 1,570 children. We turn to each component of the savings calculation below: adoption, guardianship, and re-entry.

Regarding adoption, there were 1,570 children in SFY2019 who received the Iowa Parent Partner Approach. The evaluation study found that the program reduced adoptions by 5% for children whose parents received the program as compared to those who did not. Multiplying the two together obtains 78 adoptions averted in this cohort.[7] Given that the average months a child receives an adoption subsidy is 150.9 and the monthly payment rate is $508[8], each adoption averted saves $76,578 on average. Therefore, the total savings from 78 adoptions averted is $5,973,076.

Regarding subsidized guardianship, we again begin with the 1,570 children in SFY2019 who received the Iowa Parent Partner Approach. The evaluation study found that the program reduced guardianships by 4% for children whose parents received the program as compared to those who did not. However, only 23% of guardianship exits in Iowa receive a subsidy. Multiplying these factors together obtains 14 subsidized guardianships averted in this cohort.[9] Given that the average months a child receives an adoption subsidy is 104.7 and the monthly payment rate is $508, each subsidized guardianship averted saves $53,152 on average. Therefore, the total savings from 14 subsidized guardianships averted is $744,132.

Regarding re-entries into care after reunification, we again begin with the 1,570 children in SFY2019 who received the Iowa Parent Partner Approach. The evaluation study found that the program reduced re-entries into care within 12 months by 4% for children whose parents received the program as compared to those who did not.[10] Multiplying the two together obtains 63 re-entries into care averted in this cohort.[11] Given that the average length of stay for a child

---

[7] Note that we round down, because in reality there is no fraction of an adoption.

[8] We note that, for all of the per diem payment rates, we use the lowest rate on the payment scale, which goes up to $1022 per month. Therefore, our estimate of savings is intentionally conservative.

[9] Note that we round down, because in reality there is no fraction of a guardianship exit.

[10] This 4% accounts for the higher number of reunifications among children whose parents received the program. The re-entry percentages reported in the evaluation study did not originally factor in this difference in denominators, looking only at the percentage of re-entries out of children who reunified.

[11] Note that we round down, because in reality there is no fraction of a re-entry into care.

for a child who re-enters care is 480 days and the daily payment rate is $17, each adoption averted saves $8,054 on average. Therefore, the total savings from 63 re-entries averted is $507,427.

Adding these three totals together, we find that the overall lifetime savings from the Iowa Parent Partner Approach implementation for the cohort in SFY2019 was $7,224,635.

Net

Finally, we combine the added costs of the program together with the estimated savings to compute the net cost-benefit. Our analysis estimates that the overall lifetime net savings from the Iowa Parent Partner Approach implementation in SFY2019, accounting for costs, was approximately $5,791,619. Put another way, for each $1 invested in the program, the state received $5 in return through reduced expenditures, in addition to the documented benefits to families from prior evaluation studies.

Limitations

Next, we discuss several limitations built into this analysis. Given the large net savings and our conservative estimation, however, we believe our analysis accurately reflects that the program has net savings and a positive return on investment that outweighs the program costs.

First, because the evaluation study was done for cohorts as early as 2014, the reductions in rates of adoption and guardianship may no longer be applicable to the more recent year we select for analysis if Iowa child welfare system outcomes have changed significantly overall. *Second,* the evaluation study was completed before the program was implemented statewide, so our analysis assumes that the effects seen in the counties who first implemented will be similar to newer counties in other parts of Iowa. *Third,* the evaluation study only looked at outcomes for the youngest child in each family for methodological reasons, and we are assuming that those effects will be the same for other children in the family. *Fourth*, our analysis uses the average age at adoption and guardianship for all children who exited in a recent year; it may be that families who receive the Iowa parent partner approach have different average ages at adoption and guardianship. *Fifth*, as noted earlier, we used the lowest per diem payments rates which are a conservative estimate of savings. Additionally, the foster care per diem payments rates do not capture any of the administrative costs, such as case management staff, healthcare coverage, and other expenses related to foster care, again highlighting the conservative nature of the savings.

Conclusion

The Iowa Parent Partner Approach is rated "Promising" on the Title IV-E Prevention Services Clearinghouse, one of only two parent mentoring programs listed in the clearinghouse. Prior evaluation studies have demonstrated that the program improves the likelihood that children return home at exit and reduces the likelihood for children to re-enter care within 12 months of being reunified—two key outcomes for any child protection agency. The program has recently been replicated by several states. This cost-benefit analysis sought to understand, what are the overall savings to the state annually, comparing the program's costs to the savings from improved outcomes? In order to answer this question, we focused on estimating the lifetime cost savings to government from the SFY2019 cohort of families who received the Iowa Parent

casey family programs

Partner Approach. Our analysis finds that the program cost $1.43M to operate and saved $7.22M from improved outcomes for families. Therefore, the overall lifetime net savings from the Iowa Parent Partner Approach implementation in SFY2019, accounting for costs, was approximately $5.79M. In other words, for each $1 invested in the program, government received $5 in return through reduced expenditures. Our analysis suggests that the model can be expected to be cost-neutral, and even cost-saving, to child protection agencies.