What do we know about the return on investment in preventing child maltreatment?

Background
An estimated 1 in 8 children will experience maltreatment before they reach the age of 18.¹ For these children — as well as for their families, communities, and society at large — the burden is substantial. Children who experience abuse or neglect are at a significantly higher risk of developmental delays, mental health and substance abuse challenges, low academic achievement, delinquency and involvement with the criminal justice system, teen pregnancy, and a host of other negative outcomes, including diminished future productivity.²,³

Given the long-lasting impact of child abuse and neglect, delivering programs that prevent child maltreatment not only is an effective approach to protecting children and strengthening families, but is also one of the most pragmatic ways to reduce the enormous financial and societal costs incurred when children are harmed. And with the Family First Prevention Services Act providing states new flexibility to spend Title IV-E funds on evidence-based prevention services,⁴ this preventive approach now has an ongoing funding mechanism to support it.
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Cost of maltreatment
Over the past several years, researchers have sought to understand the economic burden of child maltreatment.\(^5\) **Research estimates the cost of nonfatal child maltreatment at $830,928 over a child’s lifetime.** This estimate includes both the tangible costs associated with child abuse and neglect (costs related to medical care, special education, criminal justice involvement and other areas) and the intangible costs of pain and suffering experienced by the child and the broader community.\(^6\) In total, the lifetime economic burden resulting from new non-fatal cases of child maltreatment in the U.S. is estimated to be approximately $563 billion per year. The economic burden is even greater ($592 billion) when cases involving children who experience fatal maltreatment are included.\(^7\)

Financial benefit of prevention and early intervention services
A comprehensive approach to estimate the cost of child maltreatment is critical because it highlights the magnitude of the problem and allows for an accurate assessment of the value of prevention strategies. In fact, child maltreatment prevention and intervention programs can be very cost-effective, yielding anywhere from $1.79 to more than $20 per $1 invested in services.

Given the recently enacted [Family First Prevention Services Act](https://www.casey.org), child welfare agencies can now spend Title IV-E funds on evidence-based prevention services.\(^8\) There is an array of effective prevention and intervention programs that can offset the astronomical financial costs of child maltreatment. These programs have been found to improve outcomes for children and families and are relatively

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**Estimated cost of nonfatal child maltreatment**

$830,928

Over the course of a child’s lifetime

**THIS INCLUDES**

Tangible costs such as

- Medical care
- Special education
- Criminal justice

Intangible costs from

- Pain and suffering experienced by the child and the broader community
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Inexpensive to deliver. For example, Triple P, a parenting and family support program, costs $1,400 per child to administer, compared to an estimated $831,000 in lifetime costs to society for each child that experiences abuse or neglect.\(^9\) Given the substantial economic burden associated with incidences of child maltreatment, the benefits of investing in prevention programs significantly outweigh their costs.

Assessing impact at the jurisdiction level

Several states have measured the costs of child maltreatment and the savings secured as a result of investments in prevention and family strengthening activities to demonstrate the potential return on investment.\(^10\) Studies in Alabama,\(^11\) Colorado,\(^12\) Michigan,\(^13\) and Washington\(^14\) concluded that, even with conservative intervention cost estimates, prevention programs can be highly cost-effective. For example, an analysis in Washington determined that after five years of implementing an evidence-based prevention programming strategy, the state would receive long-term net benefits between $317 million and $493 million (of which $6 million to $62 million would be net taxpayer benefits).\(^15\)

Key resources

A number of guides and tools have been developed to inform return on investment analyses:

- **Casey Family Programs' Levels of Research Evidence and Benefit-Cost Data for Title IV-E Waiver Interventions** categorizes Title IV-E demonstration interventions according to their effectiveness data, as well as benefit-cost data, when available.

- **The Children's Bureau's Cost Analysis in Program Evaluation: A Guide for Child Welfare Researchers and Service Providers** offers a framework for integrating cost analysis into program evaluations, including key principles and concepts in cost analysis; guidance for defining the scope and purpose of a cost analysis, and determining the information needed to conduct it; the core steps in conducting a cost analysis; and the advantages and disadvantages of specific methods of data collection and analysis.

- **The National Technical Assistance Center for Children's Mental Health's Return on Investment** report highlights return on investment results from studies of four multi-state projects and examples of cost savings and cost avoidance in 13 states. Key interventions include health care, foster care, juvenile justice diversion, and counseling services provided to at-risk children and vulnerable families.

- **The Washington State Institute for Public Policy's Benefit-Cost Results** is a comprehensive return on investment website, which presents the latest findings regarding outcomes and cost-benefits of a range of evidence-based programs, in order to provide policymakers and budget writers with a list of well-researched programs that can lead to better outcomes coupled with a more efficient use of taxpayer dollars. Programs are sorted into a wide variety of categories, including child welfare, children’s mental health, juvenile justice, public health and prevention, and substance abuse disorders.
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**Snapshot of child maltreatment prevention and intervention programs and return on investment**

The following table highlights findings on cost savings related to child maltreatment prevention and family strengthening interventions. The benefit-cost ratios go beyond child welfare savings to include medical, mental health, employment, criminal justice, and other long-term savings. The numbers reported in the chart below are current as of July 2020.

<table>
<thead>
<tr>
<th>RESOURCE</th>
<th>SUMMARY</th>
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<tbody>
<tr>
<td>Incredible Years Parent Training</td>
<td>The Washington State Institute for Public Policy found a return of $5.65 for every $1 invested, with a lifetime savings of $6,493.</td>
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<tr>
<td>Treatment Foster Care Oregon (formerly known as Multidimensional Treatment Foster Care)</td>
<td>A review of TFCO found that for every $1 spent on TFCO treatment, there is a benefit of $3.15 at 4.5 years (and $4.15 at 9.5 years), when considering child welfare and criminal justice involvement.</td>
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<tr>
<td>Nurse-Family Partnership</td>
<td>A recent cost analysis of Nurse-Family Partnership programs across six states, along with a review of 30 studies on program impacts, found an average cost in excess of other home visiting programs. However, the estimated benefits from successfully reducing child maltreatment exceeded program costs. A review of studies found savings of $1.38 for every $1 spent, with a lifetime savings of $4,621.</td>
</tr>
</tbody>
</table>

16 The benefit-cost ratios go beyond child welfare savings to include medical, mental health, employment, criminal justice, and other long-term savings. The numbers reported in the chart below are current as of July 2020.
**RESOURCE** | **SUMMARY**
---|---
**Parent-Child Interaction Therapy** | A review of studies found savings of $24,009 per family in the child welfare system, and a benefit-cost ratio of $15.10 for every $1 spent.  

**Triple P - Positive Parenting Program**
- **Individual**
- **Group**
- **System**  
  The Level 4 individual program, which teaches parents strategies for decreasing their child’s problem behavior, could save $4,800 per participant by preventing child abuse and neglect. This amounts to $7.11 savings for every $1 spent. The Level 4 group program could result in savings of $3,589 per participant. A systemwide public health large-scale rollout for prevention purposes would return $9.71 for every $1 spent.  

**HOMEBUILDERS**  
The benefit-cost ratio indicates a benefit of $4.76 for every $1 spent per participant. The total cost-savings of the program was $13,628 per participating family.  

**SafeCare**  
A review of studies in Washington state found that SafeCare yields savings of $3,804 per family, with a benefit of $20.80 for every $1 spent.  

**Alternative Response (RA)/Family Assessment Response (FAR)**  
Long-term studies have demonstrated that AR programs, when compared to traditional interventions, show increased costs in the early stages of intervention due to the intensity of services provided to families. However, the cost of continued case management was found to decrease with each follow-up period, ultimately demonstrating that long-term savings outweigh the initial increase in early costs. In the long term, for every $1 spent on the FAR program, agencies ultimately saved $6.80, with a lifetime savings of $1,465 per case. For example: In Illinois, AR cases cost an average of $752 annually per case compared to $2,738 for the traditional interventions.  

**Family Resource Centers**  
The early intervention services offered through Family Resource Centers, including some programs highlighted above, are likely to save the child welfare system money and positively impact the well-being of the families served. For instance, a cost analysis of short- and long-term impacts for the Alabama Network of Family Resource Centers has shown that for every $1 invested, the state receives $4.70 in immediate and long-term financial benefits. Parenting programs had the largest financial impact, with a return of $29 million (as compared to program costs of $2.1 million). As another example, the Vermont Parent Child Center network saved the state an estimated $210,000 per family that otherwise would have been involved with child welfare if they had not received prevention services.

**CONCLUSION**
Given this benefit-cost data, and the long-lasting impact of child abuse and neglect, delivering programs that prevent child maltreatment not only is an effective approach to protecting children and strengthening families, but is also one of the most pragmatic ways to reduce the enormous financial and societal costs incurred when children are harmed.
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16. Calculations are drawn from the work of the Washington State Institute for Public Policy at http://www.wsipp.wa.gov/BenefitCost