

# Early Childhood Programs

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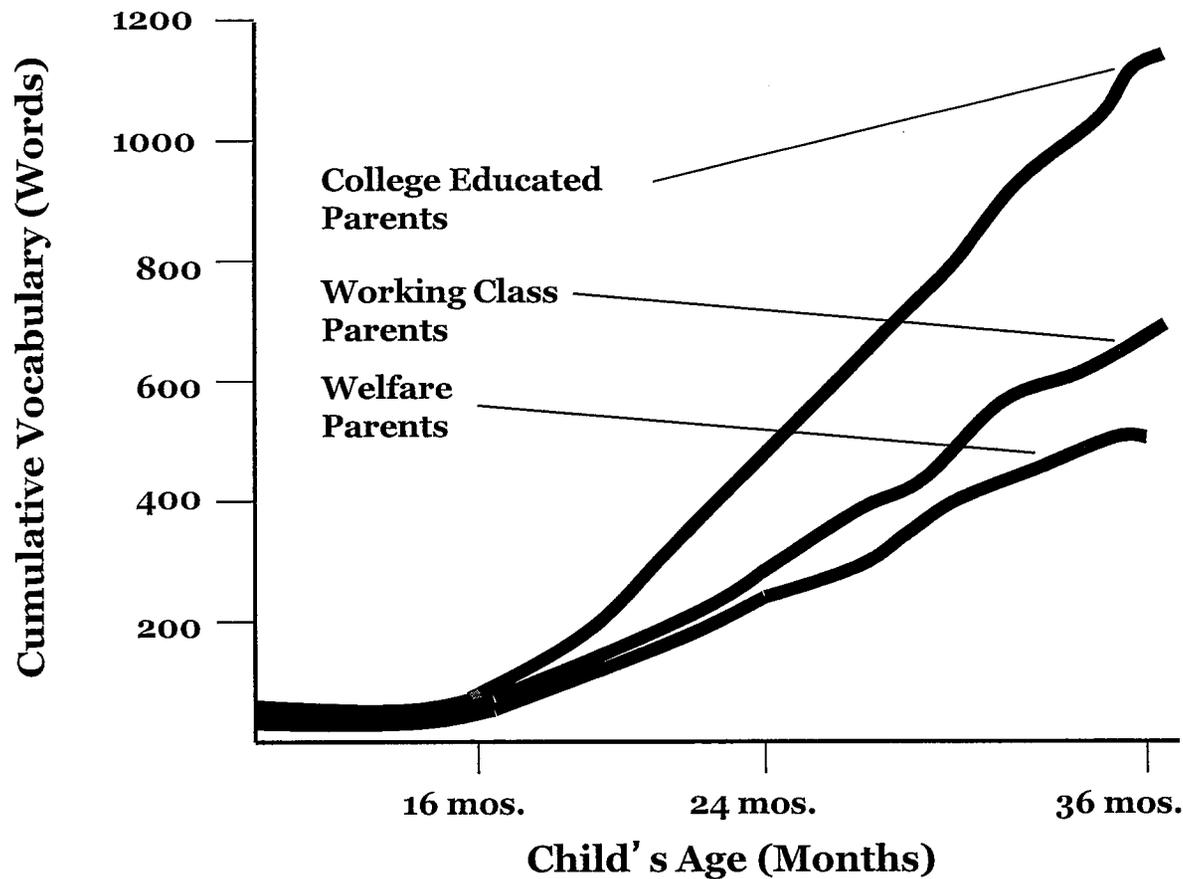
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# Why start early?

- According to the Center on the Developing Child at Harvard University:
  - **700** new neural connections created per second in the earliest years of life
  - At **18 months** vocabulary disparities start to appear
  - **90% - 100%** chance of developmental delays when young children experience 6 - 7 risk factors
  - **\$4 - \$9** – return for every dollar invested in early childhood programs
- Toxic stress early in life can disrupt healthy development and affect learning, behavior, and health.

# Barriers to Educational Achievement Emerge at a Very Young Age



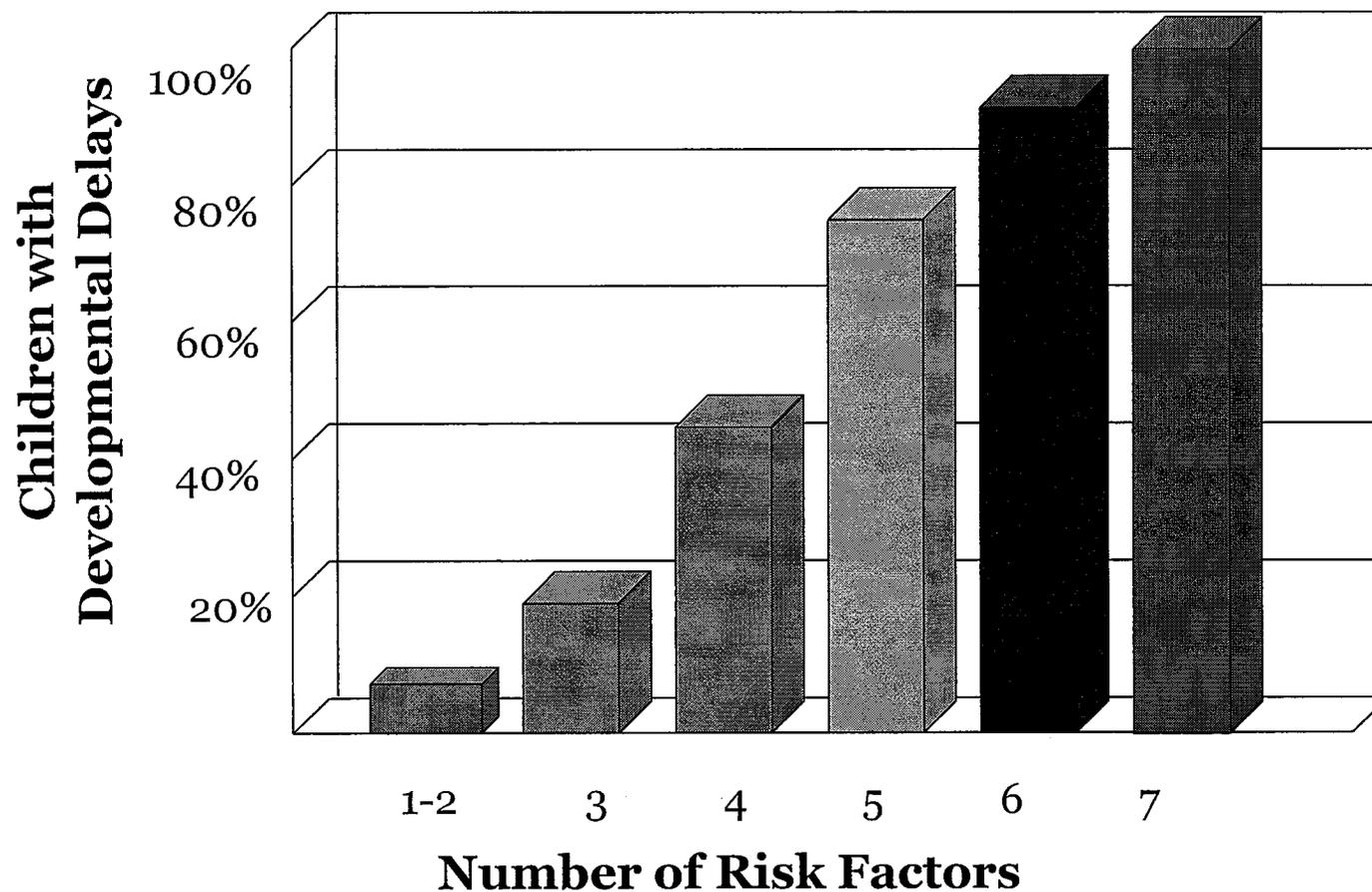
Data Source: Hart & Risley (1995)

Graph Courtesy: Center on the Developing Child at Harvard University

# Adverse Childhood Experiences (ACE)

- ACE Study identified the following risk factors:
  - Child maltreatment
    - emotional, physical, or sexual abuse and physical or emotional neglect
  - Domestic violence
  - Household member with mental illness
  - Household member with substance abuse
  - Household member ever imprisoned
  - Single caregiver
  - Teenage mother
- Research shows that the more risk factors children from birth to 3 experience, the greater their chance of cognitive, emotional, social, and physical development problems.

# Significant Adversity Impairs Development in the First Three Years



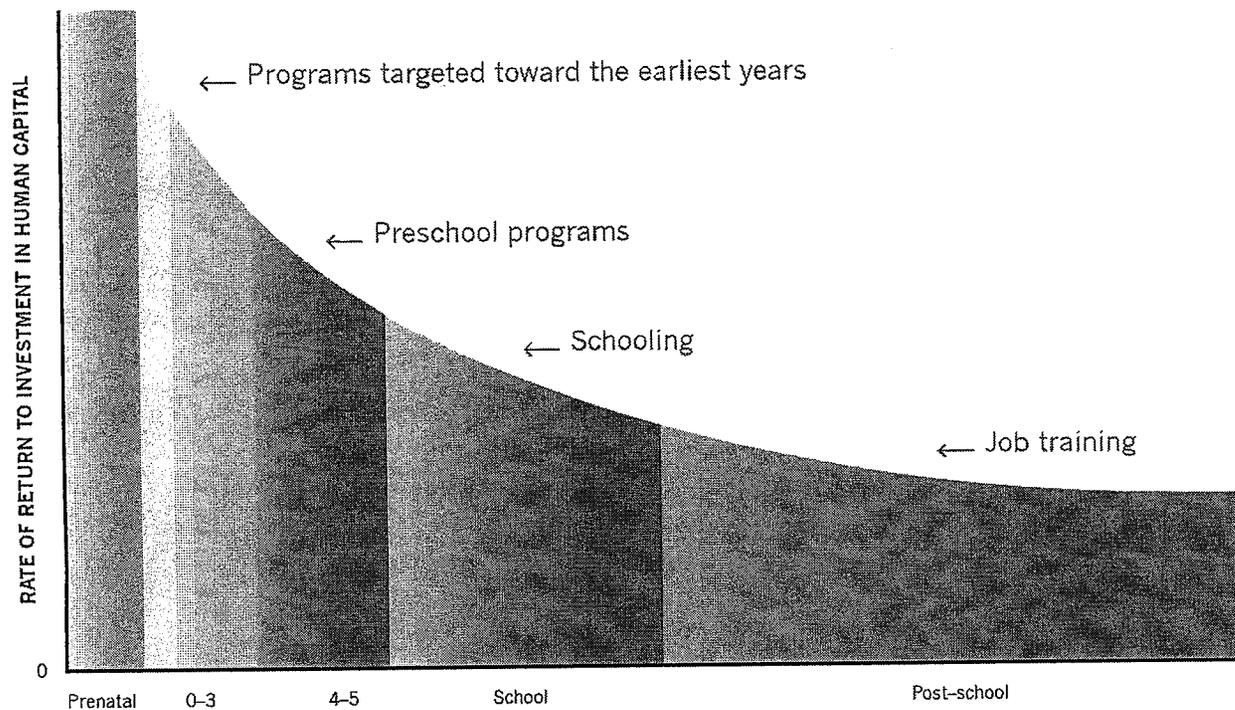
Data Source: Barth, et al. (2008)

Graph Courtesy: Center on the Developing Child at Harvard University

# Return on Investment

- High-quality early learning experiences are proven to prepare children for success in school and later in life.
- Cost-benefit research demonstrates investments in high-quality early childhood programs produce future savings on special education, remedial education, teenage pregnancy, juvenile and adult rehabilitation, and welfare assistance.
- Investments include: Home Visiting, Childcare Assistance, Prekindergarten, and Kindergarten-Three-Plus

## Returns to a Unit Dollar Invested



Source: Heckman, James J. (2008). "Schools, Skills and Synapses," *Economic Inquiry*, 46(3): 289-324

# Early Childhood: A Legislative Priority

- Early childhood programs have been a legislative priority dating back to full-day kindergarten.
- Early Childhood Care and Education Act
- Over the last two years, the LFC has held several interim hearings and conducted a program evaluation highlighting the return on investment of early childhood programs and stressing the need for investment in our youngest children, tomorrow's future workforce.
- From FY12 to FY13, funding for early childhood programs grew by 21 percent.
- In FY14, early childhood appropriations grew by 19 percent over FY13.

# Home Visiting

- Home visiting services can lead to improved maternal and child health outcomes, positive parenting, safe homes, school readiness, connections to community services, and reductions in child abuse and neglect.
- Home Visiting Accountability Act
- Additional funding streams for home visiting must be explored – other states have used child abuse prevention funding, protective services funding, children's trust fund, Medicaid, and State Children's Health Insurance Program (SCHIP), to fund home visiting services.
- FY14 Appropriation: \$8.1 million
  - Estimated to serve 2,131 children

# Childcare Assistance

- Provides subsidized childcare for families with incomes at or below 200 percent of the federal poverty level [\$47,100 a year for a family of four] where the parents are working or in school.
- Waiting List – 100 percent of poverty
- Quality concerns
- FY14 Appropriation: \$98 million
  - Estimated to serve 22,459 children

# Prekindergarten

- NM Prekindergarten addresses the total developmental needs of preschool children, including physical, cognitive, social, and emotional needs; health care; nutrition; safety; and multicultural sensitivity.
- Managed by both CYFD and PED
- FY14 Appropriation: \$30 million
  - Estimated to serve 8,671 children

# Kindergarten-Three-Plus

- Extends the school year for kindergarten through third grade by a minimum of 25 days for participating students and measures the effect of the additional time on literacy, numeracy, and social skills development.
- K-3 Plus is limited to public schools where 80 percent or more of the students are eligible for free or reduced-fee lunch at the time the public school applies for the program or schools with a D or F school grade the previous school year.
- FY14 Appropriation: \$16 million
  - Estimated to serve 14,600 children

# Unmet Needs

- Number of eligible clients in need of services is significant:
  - In 2010, Medicaid covered almost 20,000 births, or roughly **71 percent** of all births in New Mexico.
  - LFC staff estimates the additional cost to serve eligible clients:
    - Home Visiting - \$2.5 million (based on Medicaid proxy and a 15 percent uptake)
    - Childcare Assistance - \$22.8 million (based on waiting list)
    - Prekindergarten - \$6.6 million (based on 50 percent uptake of eligible students)
    - Kindergarten-Three Plus - \$59.2 million (based on 100 percent uptake of students attending eligible schools)

# Capacity Constraints, and Opportunities

- Capacity issues exist in high-risk and rural communities
  - Lack of providers
  - Lack of support services in the community
    - Substance abuse
    - Behavioral health
    - Prenatal
- Race to the Top Early Learning Challenge Grant - \$25 million
  - Increase quality, data collection, and access
    - FOCUS tiered quality rating and improvement system
    - Workforce development
    - Investment zones

# Investing in Proven Programs

- NM Results First - cost-benefit analysis
- Need to identify and fund programs which boost school readiness and reduce child abuse and out-of-home placements
- LFC staff is currently conducting an evaluation on the impact of Head Start and childcare assistance on school readiness

# NM Results First Model

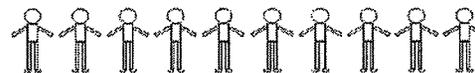
- Over the last year the LFC has been developing a cost benefit model with assistance from the Pew-MacArthur Results First Initiative.
- With this approach we can start looking at what benefits we should expect to get from evidence-based programs.
- In 2012 the LFC conducted a cost-benefit analysis for Nurse-Family Partnership in New Mexico, the analysis assumes the program is run with complete fidelity.

**New Mexico Results First Model Cost Benefit Analysis for Nurse-Family Partnership**  
(per participant)

Benefits to Participants	Benefits to Taxpayers	Other Benefits	Total Benefits	Costs	Benefits-Costs	Benefits/ Costs
\$11,834	\$8,642	\$13,450	\$33,926	(\$6,374)	\$27,551	\$5.33

Source: New Mexico Results First Model

- Establishing goals for monitoring programs and implementing programs with fidelity will be crucial in funding programs that have been established to work.



Increasing NFP by just 10 participants would provide an estimated benefit of \$275 thousand

# Estimating the cost to taxpayers of social issues...Child Abuse and Neglect

- With this approach the LFC can estimate the cost of a number of social issues in NM including
  - adult and juvenile crime
  - child abuse
  - substance abuse
- The cost of one case of child abuse/neglect in NM resulting in adoption is **\$142,726**

