



## DELIVERS AN IMMEDIATE RETURN ON NEW YORK STATE'S INVESTMENT

**Healthy Families New York (HFNY)** is based on the Healthy Families America home visiting model, which offers home based services to at-risk expectant and new parents in order to improve birth outcomes, promote the child's healthy development, reduce child abuse and neglect, enhance positive parent-child interaction, and increase self-sufficiency.

**HFNY produces early impacts.** A randomized controlled trial of HFNY in three sites showed that mothers who were offered the program before their 31<sup>st</sup> week of pregnancy were about half as likely to deliver a low birth weight (LBW) baby as mothers in the control group (5.1% versus 9.8%)<sup>1</sup>.

**HFNY generates an immediate financial return.** HFNY spends about \$1000 to serve a family during pregnancy. Given HFNY's success in preventing LBW newborns and the high medical costs associated with low birth weight deliveries, the program immediately recovers the state's initial investment by generating a return of about \$1050 at the time of the child's birth.

**The provision of HFNY services during pregnancy across the program's 39 sites is projected to yield significant savings.** From June 2008 to May 2009, HFNY served 5851 families, including 3617 pregnant women. Assuming 65% of the women who enrolled prenatally started HFNY prior to their 31<sup>st</sup> week of pregnancy, it is estimated that the program:

- averted the delivery of about 110 LBW newborns
- saved Medicaid and state sponsored health insurance plans about \$2.4 million

**HFNY offers opportunities for substantial Medicaid savings through large-scale reductions in LBW.** In 2007, Medicaid rates covered the delivery of 107,418 babies, including 9800 LBW deliveries at a cost of \$241,429,372<sup>2</sup>. If these pregnant women had initiated services with HFNY prior to the 31<sup>st</sup> week of pregnancy, the program would have had the opportunity to

- avert an additional 4,300 LBW deliveries
- save Medicaid \$96.8 million

**HFNY holds promise for long-term social and economic benefits.**

- By age 8, LBW children can accrue an additional \$40,000 in medical expenses resulting from health problems, developmental delays, and increased rates of child maltreatment.<sup>3</sup>
- For LBW children, medical, education, and other costs persist well beyond childhood.
- HFNY has also demonstrated positive impacts in the areas of child abuse and neglect, parenting practices, and access to health care during the first three years of life.<sup>4,5</sup> The HFNY research team is in the process of analyzing and monetizing program impacts through age 7, with the resulting cost-benefit analysis expected by June 2010.

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<sup>1</sup> Lee et al. (2009). Reducing low birth weight through home visitation: a randomized controlled trial. [American Journal of Preventive Medicine](#), 36, 154-60.

<sup>2</sup> Information regarding Medicaid birth rates and associated costs were obtained from 2007 SPARCS Medicaid data.

<sup>3</sup> U.S. Environmental Protection Agency. Cost of Illness Handbook. Washington, DC:U.S. Environmental Protection Agency. Available: <http://www.epa.gov/oppt/coi/index.html> [accessed 31 August 2009].

<sup>4</sup> DuMont et al. (2008). Effects of Healthy Families New York on maternal behaviors: observational assessments of positive and negative parenting. Rensselaer, New York: New York State Office of Children and Family Services.

<sup>5</sup> DuMont et al (2008). Healthy Families New York (HFNY) Randomized Trial: Effects on early child abuse and neglect. [Child Abuse & Neglect](#), 32, 295-315.