

## Benefit-cost analysis

### Advancing the Use of Evidence and Economics in State Government Policymaking

*How can state governments make better use of the growing base of evidence about “what works” and thereby provide taxpayers improved returns on their dollars?*

#### Background

Since the 1990s, the Washington State legislature has directed WSIPP to review research on “what works” (and what does not) in public policy. WSIPP’s work has spanned many topic areas, including criminal justice, education, child welfare, behavioral health, health care, workforce development, public health, and prevention. In our systematic reviews, we assess the research evidence to identify public policies that improve statewide outcomes of legislative interest; we then estimate the benefits, costs, and risk associated with different options.

In recent years, representatives from other states have contacted us with an interest in duplicating Washington’s approach. The Pew-MacArthur Results First initiative, which funds part of WSIPP’s work, aims to enable other states to take a similar approach as Washington. As part of this project, WSIPP has developed software that allows analysts to input state-specific data to examine the cost and benefits of various policy choices that impact outcomes of interest to state governments.

WSIPP’s benefit-cost model includes a tool to analyze hypothetical “portfolios” of policy choices in order to forecast the overall impact on outcomes given a combination of policies and programs. In addition to projecting short- and long-term benefits and costs of portfolios, the new tool can also project future high school graduation, crime, and child abuse and neglect rates.

#### The current project

In 2016 and 2017, WSIPP’s “evidence and economics” approach will expand into new research areas, including aging and higher education. WSIPP will also update and substantively extend analyses in previous areas, such as health care, children’s services, workforce development, and crime.

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