



Benefit-Cost Analysis of Expanding Wisconsin's Independent Living Program Eligibility Criteria

Prepared for the Wisconsin Department of Children and Families

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Table of Contents

| | |
|--|------------|
| <i>Executive Summary</i> | <i>iv</i> |
| <i>Acknowledgments</i> | <i>v</i> |
| <i>List of Figures & Tables</i> | <i>vi</i> |
| <i>List of Acronyms</i> | <i>vii</i> |
| Introduction | 1 |
| Program History | 1 |
| Funding | 2 |
| Description of the Independent Living Program and Services | 3 |
| Eligibility | 4 |
| Project Purpose | 6 |
| Standing | 6 |
| Policy Alternatives | 7 |
| Current Policy | 8 |
| Alternative 1: Expand eligibility to all youth who spent any time in OHC after reaching the age of 16 | 8 |
| Alternative 2: Expand eligibility to extend until 23rd birthday | 8 |
| Alternative 3: Expand eligibility to provide services to all youth who spent any time in OHC after reaching the age of 16 and expand eligibility to extend until 23rd birthday | 9 |
| Benefits | 9 |
| Benefits of Education | 10 |
| Benefits of Reduced Homelessness | 10 |
| Benefits Based on Higher Enrollment in FoodShare | 11 |
| Benefits Based on Increased Direct Payments | 11 |
| Benefits Based on Increased Earnings from Employment | 12 |
| Benefits Based on Increase Driver’s License Attainment | 12 |
| Benefits Based on Increased Health from BadgerCare Plus | 13 |
| Non-Monetized Benefits | 13 |
| Avoided Criminal Involvement | 14 |
| Connections | 14 |
| Benefit Summary Tables | 15 |

| | |
|---|----|
| <i>Costs</i> | 17 |
| <i>Results and Analysis</i> | 18 |
| Include All Youth 16 or Older, State Standing | 20 |
| Include All Youth 16 or Older, Federal Standing | 21 |
| Expand Upper Age Limit to 23, State Standing | 22 |
| Expand Upper Age Limit to 23, Federal Standing | 23 |
| Include all Youth 16 and older and expand upper age limit to 23, State Standing | 24 |
| Include all Youth 16 and older and expand upper age limit to 23, Federal Standing | 25 |
| Education Benefit Impact on Results | 25 |
| <i>Assumptions, Limitations, and Considerations</i> | 26 |
| <i>Recommendations</i> | 28 |
| <i>References</i> | 30 |
| <i>Appendix A: Wisconsin Eligibility Chart</i> | 34 |
| <i>Appendix B: Comparison of ILP eligibility across relevant states</i> | 35 |
| <i>Appendix C: Potential Beneficiaries Calculation</i> | 36 |
| Alternative 1: Expand eligibility criteria to provide independent living services to every former foster youth that leaves out-of-home care on or after their 16th birthday. | 36 |
| Alternative 2: Expand eligibility criteria to provide independent living services to former foster youth until 23rd birthday. | 37 |
| Current Users | 38 |
| New Users..... | 38 |
| Alternative 3: Expand eligibility criteria to provide independent living services to every former foster youth that leaves out-of-home care on or after their 16th birthday and expand eligibility criteria to provide IL services to former foster youth until 23rd birthday. | 39 |
| <i>Appendix D: Education Benefit</i> | 41 |
| Effect Estimate | 41 |
| TRA Survey | 41 |
| FFY Survey..... | 42 |
| Monetization | 43 |
| Application to Alternatives | 44 |
| Limitations | 44 |
| <i>Appendix E: Reduced Homelessness Benefit</i> | 46 |
| Effect Estimation | 46 |

| | |
|--|-----------|
| Monetization..... | 47 |
| Application to Alternatives | 48 |
| Limitations..... | 49 |
| <i>Appendix F: FoodShare Benefit</i> | <i>50</i> |
| <i>Appendix G: Direct Payments Benefit</i> | <i>51</i> |
| <i>Appendix H: Employment and Earnings Benefit.....</i> | <i>52</i> |
| Review of Literature | 52 |
| Employment and Earnings Outcomes..... | 53 |
| Monetization..... | 53 |
| <i>Appendix I: Driver’s License Benefit.....</i> | <i>55</i> |
| Review of Literature | 55 |
| Avoided Administrative Costs | 56 |
| Monetization..... | 56 |
| <i>Appendix J: Health Insurance Benefit</i> | <i>58</i> |
| <i>Appendix K: Non-Monetized Benefits.....</i> | <i>60</i> |
| Criminal Involvement..... | 60 |
| Connections | 61 |
| <i>Appendix L: Wisconsin IL Program Costs</i> | <i>62</i> |
| <i>Appendix M: Distributions used in the Monte Carlo simulations</i> | <i>65</i> |
| <i>Appendix N: Detailed Data — Alternative 1, State Standing</i> | <i>66</i> |
| <i>Appendix O: Detailed Data — Alternative 2, State Standing</i> | <i>67</i> |
| <i>Appendix P: Detailed Data — Alternative 3, State Standing.....</i> | <i>69</i> |
| <i>Appendix Q: Results of Monte Carlo Simulations</i> | <i>71</i> |
| <i>Appendix R: Results from TRA survey</i> | <i>72</i> |
| <i>Appendix S: Results from FFY Survey</i> | <i>79</i> |
| <i>Appendix T: Monte Carlo Simulation Stata Code.....</i> | <i>88</i> |

Executive Summary

At the request of the Wisconsin Department of Children and Families, we completed a benefit-cost analysis of potential eligibility changes to the state's Independent Living Program (ILP), a services system for foster youth transitioning out of care in their first few years of adulthood intended to help achieve self-sufficiency. The current ILP in Wisconsin has eligibility requirements that are based on federal requirements plus additional state-specific requirements, thus limiting the reach of the program. For example, former foster youth who are reunified with their families prior to aging out of the system at age 18 and those that are incarcerated at age 18 are ineligible for transition services. Also, federal law allows Wisconsin to offer independent living transition services to youth until age 23, instead of the current limit of age 21. We examined three alternative eligibility criteria in our analysis. First, expanding eligibility to all youth who spent time in out-of-home care after the age of 16; second, expanding eligibility up to participant's 23rd birthday; third, a combination of our first and second alternatives - expanding eligibility to all youth who spend time in out-of-home care after the age of 16 and expanding eligibility up to participant's 23rd birthday. We found net benefits with a present value of \$6.1 million for the first alternative, \$800,000 for the second alternative, and \$7.1 million for the third alternative. Accordingly, we recommend that the state of Wisconsin implement the third policy alternative and expand the eligibility criteria to include all youth who spent time in out-of-home care after the age of 16 and expand the upper age limit to participant's 23rd birthday.

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List of Figures & Tables

| | |
|--|----|
| Figure 1: Distribution of Net Present Value, Alternative 1, State Standing | 20 |
| Figure 2: Distribution of Net Present Value, Alternative 1, Federal Standing | 21 |
| Figure 3: Distribution of Net Present Value, Alternative 2, State Standing | 22 |
| Figure 4: Distribution of Net Present Value, Alternative 2, Federal Standing | 23 |
| Figure 5: Distribution of Net Present Value, Alternative 3, State Standing | 24 |
| Figure 6: Distribution of Net Present Value, Alternative 3, Federal Standing | 25 |
| | |
| Table 1: Eligibility under Current Policy and Alternatives | 7 |
| Table 2: Summary of Annual Benefits | 15 |
| Table 3: Present Value of Benefits Per User for Alternative 1 | 15 |
| Table 4: Present Value of Benefits Per User for Alternative 2, New Users | 16 |
| Table 5: Present Value of Benefits Per User for Alternative 2, Current Users..... | 16 |
| Table 6: Present Value of Benefits Per User for Alternative 3 | 17 |
| Table 7: Wisconsin ILP eligibility chart | 34 |
| Table 8: Comparison of ILP Eligibility Across States..... | 35 |
| Table 9: Estimation of average time that FFY uses ILS | 36 |
| Table 10: Estimation of new user per cohort, alternative 1 | 37 |
| Table 11: Estimation of current users per cohort | 38 |
| Table 12: Estimation of current ILS coverage | 38 |
| Table 13: Estimation of current new eligible FFY per year..... | 39 |
| Table 14: Estimation of new users per cohort, Alternative 2..... | 39 |
| Table 15: Additional and total number of users served per year under each alternative | 40 |
| Table 16: TRA Survey: Annual number of FFY helped with HS diploma or equivalent..... | 42 |
| Table 17: FFY Survey: “How likely would you have been to graduate from high school or equivalent (GED/HSED) without help from independent living services?” (39 responses) | 43 |
| Table 18: Housing and Homelessness Effect Estimation | 47 |
| Table 19: Expenses per Region..... | 62 |
| Table 20: TRAs Variable and Fixed Costs | 62 |
| Table 21: Possible Variable Costs per User..... | 63 |
| Table 22: Alternatives' average cost per year | 64 |
| Table 23: Distributions used in the Monte Carlo simulations..... | 65 |
| Table 24: Detailed Data on Alternative 1, State Standing (379 users per cohort) | 66 |
| Table 25: Detailed Data on Alternative 2, New Users, State Standing (35 new users) | 67 |
| Table 26: Detailed Data on Alternative 2, Current Users, State Standing (294 current users)..... | 68 |
| Table 27: Detailed Data on Adjusted Alternative 1, State Standing (394 current users)..... | 69 |
| Table 28: Alternative 3 Maximum and Minimum present values | 70 |
| Table 29: Results of Monte Carlo simulations Alternatives 1 and 2 | 71 |
| Table 30: Results of Monte Carlo simulations Alternative 3..... | 71 |

List of Acronyms

ACA: Patient Protection and Affordable Care Act of 2010

DCF: Wisconsin Department of Children and Families

ETV: Education and Training Voucher program

FFY: Former foster youth

GED: General Educational Development examinations

HHS: U.S. Department of Health and Human Services

HSED: High School Equivalency Diploma

ILP: Independent living program

ILS: Independent living services

METB: Marginal Excess Tax Burden

OHC: Out-of-home care

QALY: Quality-Adjusted Life Year

SSA: Social Security Act

TRA: Transition Resource Agency

Introduction

The purpose of Wisconsin's Independent Living Program (ILP) is to teach foster youth basic life skills to successfully transition into adulthood. The overall program is managed by the Wisconsin Department of Children and Families (DCF), but individual providers service foster youth based on geographic area. The state of Wisconsin provides these transitional services for foster youth starting at age 14, but once foster youth reach the age of 18 the responsibility for administering independent living services (ILS) shifts from the county-level child welfare coordinators to the regional-level Transition Resource Agencies (TRAs).

State-level ILPs for former foster youth (FFY), including the program in Wisconsin, are rooted in the federal John H. Chafee Foster Care Independence Program (Chafee program). A summary of the program's history and funding, description of the independent living program and services, and eligibility criteria are outlined below.

Program History

The Children's Bureau, at the Office of the Administration for Children and Families, within the U.S. Department of Health and Human Services (HHS) oversees the Chafee program, which aims to help FFY achieve self-sufficiency. While this program assists with some cash and in-kind assistance, it also assists FFY within five main pillars of independent living: 1) education; 2) employment; 3) housing; 4) transportation; and 5) health and well-being.

The framework for the Chafee program began with the creation of the federal Children's Bureau in 1912 and allocated funds for the protection and care of dependent children in the 1935 Social Security Act (SSA). With the 1985 Consolidated Omnibus Budget Reconciliation Act a new section under the SSA,

titled the Independent Living Program (ILP), was created which authorized federal funds for services for older youth in foster care as well as those transitioning to adulthood. Over the next twenty years, the budget and services covered continued to expand. In 1999, the program was renamed the John H. Chafee Program and the entitlement was doubled with funding allocations to states set by a formula based on recent foster care data. This also established a categorical Medicaid option for FFY ages 18 to 20. Medicaid eligibility was then expanded to age 26 with the Patient Protection and Affordable Care Act of 2010 (ACA), so FFY are categorically eligible for Medicaid for the same time frame that their peers can stay on a parent's health insurance as a dependent. In 2001 the Education Training Voucher (ETV) program, providing FFY up to \$5,000 per year, was authorized to help finance post-secondary education.

Funding

The Chafee program provides aid to states, territories, and tribal entities in the form of funding, materials, and other support. Today, the Chafee program provides around \$140 million annually to states as well as up to \$60 million in discretionary funds for the ETV program (Fernandes-Alcantara, 2019a). The Chafee program funds provided to state and tribal entities can only be used to implement and manage ILPs.

The process for receiving funds requires a state to prepare a five-year plan in addition to annual plan updates. These plans outline how the state intends to implement its Chafee-funded program and affirms that it meets the necessary legal requirements—for example, that the program is coordinated with other youth programs. These plans are submitted to HHS for review.

Chafee funds are allocated to states based on their relative share of children in foster care and to eligible tribal entities, which comes out of a state's allotment, based on the share of tribal children in foster care in the state. However, there is a "hold harmless" cause within the Chafee program statutory text that precludes any state from receiving less than the amount of funds it received in FY1998 or \$500,000,

whichever is greater. States are required to spend their Chafee funding allotments within a two-year period, either the fiscal year it is received or in the succeeding fiscal year. If the state does not request its maximum allotment, HHS reallocates those funds to one or more other states based on need (Fernandes-Alcantara, 2019a).

Description of the Independent Living Program and Services

Independent living services (ILS) are available for youth who are placed in out-of-home care (OHC) through a court order. OHC (also known as “foster care”) includes foster homes, treatment foster homes, group homes, residential care centers, shelter care facilities, home of a non-parental relative, or the home of a nonrelative where the youth is under the placement and care responsibility of DCF (DCF, 2019a).

Detention facilities are not considered OHC. With a goal of increasing self-sufficiency of FFY, the federal government helps fund state services and assistance to FFY. Some examples of services provided via ILPs include school and career planning, money management training, transportation assistance, and cultivating lifelong connections with supportive adults. For young adults ageing out of foster care, room and board financial assistance is also available, and ETVs may also be available through the Brighter Star program (DCF, 2019a).

When a foster youth has been in OHC for at least six months at age 14 or enters care at age 15 or older, independent living coordinators begin working with the youth on a transitional plan. This plan often focuses on finishing high school, enrolling in postsecondary education or training, career planning, finding and keeping employment, finding safe and stable housing and maintaining a living space, understanding and enrolling in medical coverage and nutrition programs, understanding and obtaining important documents such as a birth certificate or state ID, and building lifelong connections and healthy relationships. In our analysis, we looked at the impact of ILS based on a set of outcomes that fall within

the five main pillars of independent living: 1) education, 2) employment, 3) housing 4) transportation, and 5) health and well-being.

ILPs aim to produce benefits for both individuals and society. Examples include higher educational attainment, increased productivity, improved health, and reduced participation in criminal activity.

However, providing support services incurs a monetary cost. Our analysis monetizes the benefits of independent living transitional programs and services. We explore alternative eligibility requirements to analyze how much these alternate sets of requirements would increase or decrease participation and re-analyze the benefits and costs to determine if an alternate set of eligibility criteria compared to the current criteria would produce greater net benefits.

Eligibility

Eligibility requirements for ILPs are rooted in federal requirements. In order to be eligible for ILPs, an individual must fall into one or more of the following categories: 1) a child or youth must be in OHC between ages 14 and 21; 2) youth who aged out of foster care and are between ages 18 and 21 (or up to age 23 in states that have extended foster care to age 21); 3) children and youth who left foster care at 16 or older for kinship guardianship or adoption, until they reach age 21 (or up to age 23 in states that have extended foster care to age 21); 4) children and youth who had been in foster care between 14 and 21 and left foster care for some other reason besides aging out, kinship guardianship, or adoption; 5) children likely to remain in care until 18, pertaining to the Chafee program's objective of providing "regular, ongoing opportunities to engage in age or developmentally-appropriate activities" (Fernandes-Alcantara, 2019a).

From this base level of eligibility, Wisconsin further limits the pool of eligible individuals. Wisconsin's program focuses on OHC placement, defined as foster homes, treatment foster homes, group homes,

residential care centers, shelter care facilities, the home of a non-parental relative (court-ordered Kinship Care), or the home of a nonrelative where the child is under the placement and care of DCF, a county, or a tribal welfare agency. Importantly, OHC does not include long-term correctional or detention facilities, forestry camps, training schools, or any other facility primarily intended to detain children. In Wisconsin, youth are eligible based on their age, the amount of time they were placed in OHC, and placement on their 18th birthday. Youth in the following categories are eligible in Wisconsin: 1) youth between the ages of 14 and 17½ are eligible for services after they have attained a total of six months in OHC placement, for as long as they are in OHC placement; 2) youth adopted from an OHC placement on or after their 16th birthday are eligible for some services up to age 21; 3) youth who enter court-ordered Chapter 48 Guardianship or Long-Term Kinship Care from an OHC placement on or after their 16th birthday are eligible for services up to age 21; 4) youth who age out of an OHC placement on or after their 18th birthday are eligible for services up to age 21 (DCF, 2019a).

Wisconsin's ILP eligibility is largely determined by youths' placement status when they turn 18 years old. For instance, individuals who are reunified or incarcerated (i.e., county jail, prison, or juvenile correction institution) and remain in that status at the time of turning age 18 are no longer eligible for services, regardless of the length of time they previously spent in OHC (DCF, 2019a). This is an added restriction on eligibility beyond the federal requirements, limiting the individuals that ILPs can serve in Wisconsin. Additionally, while Wisconsin has adopted extended foster care to age 21 for youth enrolled in full-time school or an Individualized Education Plan (IEP), it has not adopted a plan to extend ILP services to age 23. In our analysis, we focused on these two limitations Wisconsin has placed on its program eligibility and scope.

Project Purpose

The purpose of this report is to develop several alternative sets of eligibility requirements for DCF's ILPs and to estimate their respective net benefits for cohorts of new participants. To complete this benefit-cost analysis, we drew on the approaches employed by other Midwestern states and the available literature on service cost and effectiveness. (See Appendix B.) For this analysis, there are three alternative eligibility requirements in addition to the current policy that are being quantitatively evaluated based on established cost and benefit categories.

Notably, the state of Wisconsin provides ILS for foster youth starting at age 14 and these programs are managed at different levels by separate entities (DCF, 2019a). However, this benefit-cost analysis specifically focuses on FFY of age 18 or older, who are provided ILS by the TRAs at the regional level.

Standing

Standing is defined as whose benefits and costs should be included and counted in the analysis. In effect, if someone has standing, their preferences are considered in the analysis (Boardman et al., 2018). In this report, the analysis is conducted for both state and federal standing.

Under federal standing, a more comprehensive approach is taken that captures the potential national costs and benefits. Costs relevant to implementing ILPs in Wisconsin (i.e., Chafee funding) are allocated at the federal level. Additionally, there is potential for the movement of FFY, who experience the related benefits, to another state. In contrast, under state standing, the costs and benefits are interpreted as those incurred by Wisconsin residents. Under state standing, we consider the federal funding of the Chafee program as a benefit to the state that is not offset by the cost of the funding to the federal government.

Policy Alternatives

In this analysis, we will consider three alternatives to current policy. Our first alternative would expand eligibility to all FFY who spend any time in OHC on or after their 16th birthday regardless of their situation on their 18th birthday. Our second alternative would extend the upper age limit for transitional services by two years, allowing participants to remain in the program until their 23rd birthday. Our third alternative would combine the first two, both expanding the eligibility to all FFY who spend time in OHC on or after their 16th birthday and allowing all participants to remain in the program until their 23rd birthday. See Table 1 for a summary of these alternatives and below for more detailed descriptions of each alternative.

Table 1: Eligibility under Current Policy and Alternatives

| | <i>Age</i> | | | <i>Reason for leaving out-of-home care (OHC)</i> | | | | | |
|-----------------------|-------------------|-------------------|-------------------|--|------------------|---------------------|----------------------|----------------------|--------------|
| | <i>Aged 17 ½*</i> | <i>Aged 18-20</i> | <i>Aged 21-22</i> | <i>Aged out</i> | <i>Adoption†</i> | <i>Guardianship</i> | <i>Reunification</i> | <i>Incarceration</i> | <i>Other</i> |
| <i>Current Policy</i> | X | X | | X | X | X | | | |
| <i>Alternative 1</i> | X | X | | X | X | X | X | X | X |
| <i>Alternative 2</i> | X | X | X | X | X | X | | | |
| <i>Alternative 3</i> | X | X | X | X | X | X | X | X | X |

* Youth are eligible for Transition Services after age 17 ½ if they are expected to age out at age 18.

† By federal law, adopted youth are not eligible for room and board payments, but are eligible for other services.

Current Policy

Under current policy, individuals are eligible for ILS if: 1) they are at least 18 years old and no older than 20; 2) spent at least six months in OHC; and 3) left OHC by one of A) aging out at age 18 or older; B) entering court-ordered Chapter 48 Guardianship after reaching the age of 16; or C) being adopted after reaching the age of 16. Those who left OHC through adoption at age 16 or older are not eligible for room and board payments but are eligible for the rest of transition services. Youth who leave OHC through reunification are not eligible for transition services. Youth who are incarcerated are not considered to be in OHC, so youth who are incarcerated on their 18th birthday are not eligible for transition services. Youth are not eligible for transition services on or after their 21st birthday. (See Appendix A.)

Alternative 1: Expand eligibility to all youth who spent any time in OHC after reaching the age of 16

Under our first alternative, the eligibility criteria for transition services would be greatly simplified. Anyone who spends any time in OHC on or after their 16th birthday would be eligible for all transition services, regardless of how they left OHC. There are two main groups to which this would expand eligibility: youth who leave OHC through incarceration and youth who leave OHC through reunification. In discussions with TRA staff, it was noted that they have been forced to deny youth in these categories transition services despite that youth in these groups often seeking help transitioning to adulthood. We estimate that adopting this alternative would increase the total caseload for Wisconsin's transition services program by about 380 new users per year. (See Appendix C.)

Alternative 2: Expand eligibility to extend until 23rd birthday

Our second alternative would extend eligibility for transitional services up to participants' 23rd birthday. The Chafee program allows states that have implemented extended foster care, which Wisconsin has done, to make this expansion. Staff at TRAs noted that many FFY in the program would like to continue

beyond age 21, and some FFY who do not engage with ILPs between ages 18 and 21 reach out at or after age 21 seeking assistance. We estimate that adopting this alternative would increase the total caseload for Wisconsin's transition services program by about 35 new users per year, as well as extend the length of time that participants remain engaged with the program. (See Appendix C.)

Alternative 3: Expand eligibility to provide services to all youth who spent any time in OHC after reaching the age of 16 and expand eligibility to extend until 23rd birthday

Our third alternative is a combination of Alternative 1 and Alternative 2. It both extends the eligibility criteria to include all FFY who spent any time in OHC on or after their 16th birthday and extends eligibility for until a participant's 23rd birthday. We estimate that adopting this alternative would increase the total caseload for Wisconsin's transition services program by about 429 new users per year, as well as extend the length of time that participants remain engaged with the program. (See Appendix C.)

Benefits

We estimate benefits from participation in ILS from increased educational attainment, reduced homelessness, increased enrollment in FoodShare, increased direct payments from TRAs to ILP participants, increased earnings from employment, increased driver's license attainment, and increased enrollment in BadgerCare Plus. We utilize TRA staff responses and FFY responses via online surveys (see Appendix R and Appendix S) to estimate the proportion of ILP participants who will receive each benefit. We use a two-year valuation period for Alternative 1, a one-year valuation period for new users or an additional third year valuation for current users for Alternative 2, and a three-year valuation period for Alternative 3. We use a social discount rate of 3.5 percent in our analysis. All benefits and costs estimates are in 2019 dollars.

Benefits of Education

Surveys of TRA staff (Appendix R) and FFY (Appendix S) indicate that the TRAs help a considerable number of FFY earn high-school degrees, particularly a GED or HSED. We estimate that between 25 and 33 percent of youth in ILS get a GED or HSED with the help of a TRA. For youth already engaged with transition services who remain in the program longer under Alternative 2 or Alternative 3, we assume that most who would benefit from support with education would already have earned their GED or HSED, so we apply a much smaller effect for this population of one and ten percent of our base estimates (between 0.3 percent and 3 percent).

In view of the finding by Heckman and LaFontaine (Heckman & LaFontaine, 2006) that a GED does not increase earnings, we use a minimum monetization of the benefit of education of \$0. However, a GED can enable higher education. For a maximum monetization, we monetized degrees using a modified shadow price of a high school diploma created by Boardman et al. (2018). We modified the shadow price to only capture benefits from higher education enabled by the GED (and not increased earnings from the GED per se), creating a new shadow price of **\$106,203**. The resultant marginal average net present value of education is between **\$0 and \$35,000** per new participant and between **\$0 and \$3,500** per continuing participant, based on an assumption that the degree or equivalent is earned in the second year of participation. (See Appendix D.)

Benefits of Reduced Homelessness

Administrative data from DCF indicates that a considerable portion of FFY participating in ILS get help with finding housing. We estimate that the TRAs prevent between 11 to 34 percent of participants from becoming homeless in an average year. We monetize the benefits of reduced homelessness using a study based in Los Angeles by Cohen (Cohen, 2020), who finds increased earnings, and reduced policing and homeless assistance costs for people provided with housing. We adjust these numbers to Wisconsin and

find that preventing one participant from becoming homeless creates about **\$6,700** in benefits per year. Thus, the marginal annual benefit per participant is estimated at about **\$700 to \$2,300** (See Appendix E.)

Benefits Based on Higher Enrollment in FoodShare

Individuals in Wisconsin are eligible to receive FoodShare benefits if their gross income is at or less than 130 percent of the federal poverty level. This is calculated to be \$16,588 per year, or \$1,382.33 per month as of December 2020 (US DHHS, 2020). Many FFY are eligible for FoodShare benefits based on the average income of the FFY population (Skemer & Valentine, 2016).

To estimate the benefits of FoodShare, we consider it to be a transfer from the federal government to individual FFY. As FoodShare funds are allocated from the federal government, the transfer only yields positive net benefits if considering state standing. In this case, the average FoodShare benefit per month in Wisconsin in June 2019 was **\$202**, leading to an annual average benefit of **\$2,424** (DCF, 2019b). Based on survey results from TRA staff and ILP participants, we estimate the proportion of ILP participants that will receive this benefit to range between 33 to 52 percent. Therefore, the marginal annual benefit per participant is estimated to be between **\$800 to \$1,300** (See Appendix F.)

Benefits Based on Increased Direct Payments

Some TRAs make direct payments to FFY in the form of incentive payments for completing an objective or goal, money allocations for essential items such as apparel, or room and board assistance payments. Based on TRA responses via survey, we estimate an average annual direct payment amount per participant to be **\$561**. However, since these direct payments are also considered a cost to the state, the net benefit is offset by the cost, discussed in more detail in the Costs section (See Appendix G.)

Benefits Based on Increased Earnings from Employment

An evaluation completed by MDRC analysts Valentine, Skemer, and Courtney (Valentine et al., 2018) of the Youth Villages program located in Tennessee, illustrates that ILPs increase participant earnings. The study captured data over a two-year timeframe and illustrated that the differences in earnings trend to the mean over time. The value of the benefit from employment, which considered the inflation rate and a cost-of-living adjustment based on geography, ranges from **\$270 to \$736** annual benefit per FFY. As all FFY that engage in the ILP receive employment assistance, we assume that 100 percent of the users experience this benefit. For this reason, the annual earnings benefit is equivalent to the marginal annual benefit per participant. (See Appendix H.)

The researchers note that the additional earnings are due to an increase in the percentage of FFY who were employed, particularly in part-time work. This is further supported when viewing the education results for the youth, which did not produce statistically significant impacts. Therefore, the income effects illustrated through this study are interpreted and applied in this analysis as being connected to the employment support the FFY received through the ILP.

Benefits Based on Increase Driver's License Attainment

Many youth exit the foster care system without a driver's license for a multitude of reasons including driving practice time requirements, costs associated with driving school, automobile insurance as a non-reimbursable expense for foster parents, and lack of access to documentation (Mark Courtney et al., 2001). In some states, the proportion of foster youth who obtain their driver's license by age 18 is less than 5 percent (Atkinson, 2018; Soltis, 2016). Driver's licenses are listed on many state ILP websites as a key step toward independence and self-sufficiency, falling under the "transportation" pillar of services. TRAs often assist youth in obtaining their licenses, which has implications for access to other services, education, and employment. After examining the limited literature on value of a driver's license, most of

which pertained to license suspensions, we estimate that the average annual benefit of obtaining a driver's license, including the avoided administrative costs of potential driving-without-a-license citations, falls within the range of **\$1,462 to \$2,126** per youth. Based on our interviews with TRAs, survey from FFY, and a past study on FFY in Wisconsin, we expect about 49 percent of the youth to utilize this service. Therefore, the marginal annual benefit per participant falls between **\$712 and \$1,035**. (See Appendix I.)

Benefits Based on Increased Health from BadgerCare Plus

FFY are categorically eligible for BadgerCare Plus health insurance in Wisconsin with no copays. This eligibility was expanded as part of the ACA to age 26. However, we only consider the benefits of BadgerCare Plus while the FFY is utilizing ILS based on discussions with TRA staff indicating that the paperwork and process of applying for BadgerCare Plus is a common service performed due to the complexities involved, and the individual must re-enroll annually. We use quality-adjusted life year (QALY) estimates to generate a benefit of having health insurance stemming from increased health for individuals with similar annual incomes as FFY (Skemer & Valentine, 2016). We estimate the maximum annual benefit of having health insurance for FFY is **\$170**. However, based on literature that dispute the connection between having health insurance and increased health, we chose to make this annual benefit variable with a minimum annual benefit of \$0 (Levy & Meltzer, 2008). Based on survey results from TRA staff and ILP participants, we estimate the proportion of ILP participants that will receive this benefit ranges between 57 to 71 percent. Therefore, the marginal annual benefit per participant is estimated to be **\$0 to \$120**. (See Appendix J.)

Non-Monetized Benefits

While conducting our literature review of relevant studies, we identified additional benefit categories that were notable but difficult to monetize. Outlined below are two such categories, avoided criminal costs

and connections, with explanations of the benefit area and rationale for why the impact could not be quantified. (See Appendix K.)

Avoided Criminal Involvement

Several studies showed that current and former foster care youth experience a higher criminal involvement rate than the general population (M. E. Courtney et al., 2004; M. E. Courtney & Dworsky, 2006; G. R. Cusick et al., 2012). Therefore, we expect that ILS could help FFY reduce their criminal involvement to similar rates as the general population. However, we found divergent evidence when conducting our literature review to support this hypothesis. Due to the lack of evidence about the efficacy of ILS in criminal involvement, we exclude this possible benefit from our analysis.

Connections

The impact of connections is utilized by DCF when assessing success outcomes for FFY. This is because an intangible benefit of ILPs is related to personal connections and access to resources that FFY receive from their individual caseworkers. This is further supported with reviewing the results of the FFY survey we conducted (see Appendix S), in which youth indicated ILP providers were a positive source of adult guidance and connection. Due to the difficulty in monetizing these benefits, gaps in the research literature on this topic, and technical challenges of including this subject matter in our model, the benefit of connections is not included in our analysis. Additional information on this topic can be found in the “Assumptions, Limitations, and Considerations” section.

Benefit Summary Tables

Presented below are summary tables for each of the benefit categories discussed above that describe annual benefits as well as the present value of benefits for each alternative.

Table 2: Summary of Annual Benefits

| Benefit | Annual Value of Benefit per Treated | Proportion of participants that will receive each benefit (percent) | | Estimated Marginal Annual Value of Benefit per Participant |
|-----------------------------|-------------------------------------|---|-----|--|
| | | Min | Max | |
| Education | \$0 to \$106,203* | 25 | 33 | \$0 to \$35,000 |
| Reduced Homelessness | \$6,706 | 11 | 34 | \$700 to \$2,300 |
| FoodShare | \$2,424 | 33 | 52 | \$800 to \$1,300 |
| Direct Payments | \$561 | 100 | | \$561 |
| Employment | \$270 to \$736 | 100 | | \$270 to \$736 |
| Driver's License | \$1,462 to \$2,126 | 49 | | \$712 to \$1,035 |
| Health Insurance | \$0 to \$170 | 57 | 71 | \$0 to \$120 |

*Education benefit valued over lifetime, not annually

Table 3: Present Value of Benefits Per User for Alternative 1

| Benefit | Present Value of Benefit per user | | Proportion of participants that will receive each benefit (percent) | |
|-----------------------------|-----------------------------------|-----------|---|-----|
| | Min | Max | Min | Max |
| Education | \$0 | \$102,612 | 25 | 33 |
| Reduced Homelessness | \$12,963 | | 11 | 34 |
| FoodShare | \$4,685 | | 33 | 52 |
| Direct Payments | \$1,084 | | 100 | |
| Employment | \$521 | | 100 | |
| Driver's License | \$1,413 | \$2,054 | 49 | |
| Health Insurance | \$0 | \$328 | 57 | 71 |

Table 4: Present Value of Benefits Per User for Alternative 2, New Users

| Benefit | Present Value of Benefit per user | | Proportion of participants that will receive each benefit (percent) | |
|----------------------|-----------------------------------|-----------|---|-----|
| | Min | Max | Min | Max |
| Education | \$0 | \$102,612 | 25 | 33 |
| Reduced Homelessness | \$6,593 | | 11 | 34 |
| FoodShare | \$2,383 | | 33 | 52 |
| Direct Payments | \$551 | | 100 | |
| Employment | \$265 | \$723 | 100 | |
| Driver's License | \$1,413 | \$2,054 | 49 | |
| Health Insurance | \$0 | \$167 | 57 | 71 |

Table 5: Present Value of Benefits Per User for Alternative 2, Current Users

| Benefit | Present Value of Benefit per user | | Proportion of participants that receive each benefit (percent) | |
|----------------------|-----------------------------------|----------|--|-----|
| | Min | Max | Min | Max |
| Education | \$0 | \$97,451 | 0.3 | 3.3 |
| Reduced Homelessness | \$6,154 | | 11 | 34 |
| FoodShare | \$2,224 | | 33 | 52 |
| Direct Payments | \$515 | | 100 | |
| Employment | \$247 | \$675 | 100 | |
| Driver's License | \$1,342 | \$1,951 | 1 | 5 |
| Health Insurance | \$0 | \$156 | 57 | 71 |

Table 6: Present Value of Benefits Per User for Alternative 3

| Benefit | Present Value of Benefit per user | | Proportion of participants that will receive each benefit (percent) | |
|-----------------------------|-----------------------------------|-----------|---|-----|
| | Min | Max | Min | Max |
| Education | \$0 | \$100,862 | 25 | 33 |
| Reduced Homelessness | \$19,117 | | 11 | 34 |
| FoodShare | \$6,909 | | 33 | 52 |
| Direct Payments | \$1,599 | | 100 | |
| Employment | \$769 | \$2,097 | 100 | |
| Driver's License | \$1,389 | \$2,019 | 49 | |
| Health Insurance | \$0 | \$484 | 57 | 71 |

Costs

Costs related to the implementation of Wisconsin's ILP fall generally into four major categories: administrative costs, wages and staff costs, service costs, and other costs. General and administrative costs include those meant to support the entire organization, not directly related to services provided. Wages and staff costs cover the funding needed to support the ILP coordinators who interface with the FFY. Service costs include the finances needed to support ILS provided by the TRAs. Finally, other costs cover the remaining costs of implementing ILPs in Wisconsin.

Based on our evaluation of the program, we determined that the staff costs associated with the TRAs are the only cost that would change with the alternatives and related inclusion of new users. In 2019, TRAs expended \$2,123,507 to serve 661 FFY, of which \$1,379,394 was variable costs that were used to pay staff that work directly with FFY and direct payments, which are presented earlier as benefits.

As the alternatives analyzed represent substantial user increments, we believe that it is possible that many TRAs fixed costs could change. Therefore, we are using the current annual variable cost per user as a lower bound and the current TRA's yearly total cost per user as an upper bound, which are about **\$2,100** and **\$3,200**. (See Appendix L.)

The state of Wisconsin also incurs a cost to provide BadgerCare Plus health insurance to FFY. In 2019, Wisconsin contributed 40.3 percent of Medicaid funding. Therefore, we consider 40.3 percent of the per capita cost of providing Medicaid to be the cost to Wisconsin of providing BadgerCare Plus insurance to FFY in 2019. This cost equals **\$1,144**. This cost is used when considering state standing, while the full per capita cost of **\$2,838** is used when considering federal standing since the remaining 59.7 percent of Medicaid funding comes from the federal government. Similarly, for FoodShare, if we consider state standing these services do not have costs, but when considering federal standing there is a **\$2,424** cost per user per year. The costs of these two categories are discounted in the same method as their associated benefits.

One important assumption of this analysis is that the federal funds for ILS are fully used in the current ILPs, which means that any additional cost must be financed with state resources. Also, to take into account the extra cost of government funds, we adjusted the program costs by a marginal excess tax burden (METB) of 17 cents per dollar for state standing and a range of 19 to 23 cents per dollar for federal standing (Boardman et al., 2018).

Results and Analysis

For all alternatives - including all FFY age 16 or older who spent any time in OHC, expanding the upper age limit for ILS to 23, and incorporating both eligibility expansions - we consider the costs and benefits for both state and federal standing. Because many of our benefit estimates have some degree of

uncertainty, we conduct a Monte Carlo simulation with 100,000 trials for each alternative from state and federal standing. These simulations account for variability in uncertain benefit estimations.

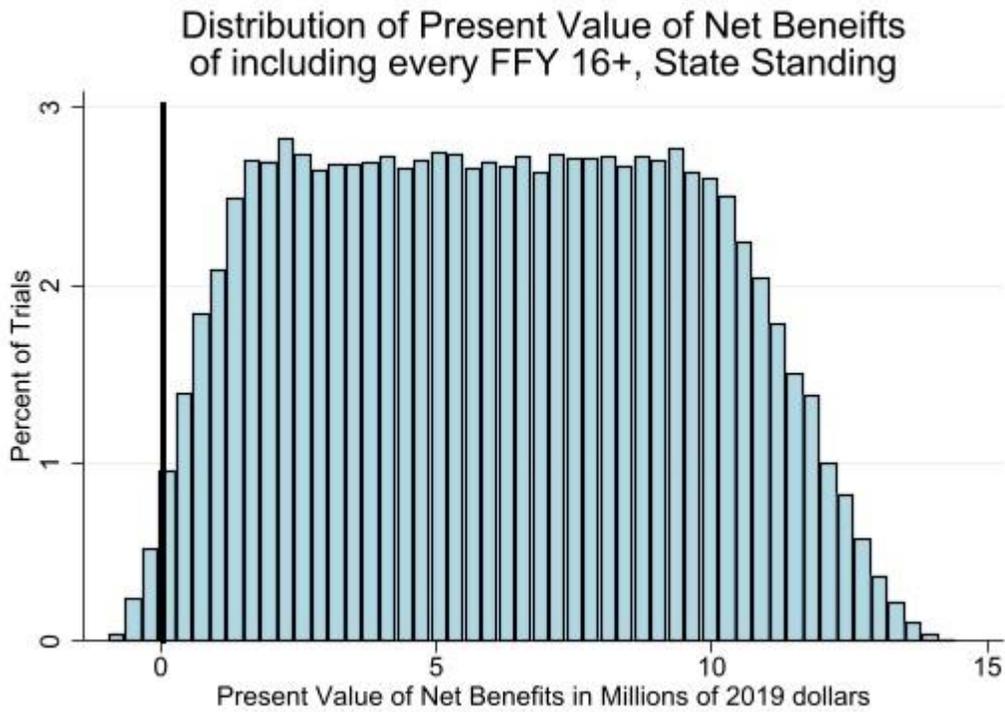
All benefits are considered over a two-year time horizon for the Alternative 1 except for education and obtaining a driver's license. Costs for this alternative are also considered over a two-year time horizon, and all benefits and costs are discounted at 3.5 percent annually. We use a two-year time horizon based on our calculation determining the average amount of time a youth utilizes ILP services, which was 2.25 years. We chose to round down to 2 years for simplicity. Similarly, all benefits and costs for Alternative 2 are considered over one year except for education for projected new participants, and for one additional year of services for continuing participants. We use a "one additional year" time horizon for current beneficiaries because we estimate that the average amount of time a youth uses ILP services is 2.25 years over the current three years of possible eligibility, meaning on average youth use ILP services for about two thirds of the maximum possible time. However, because there is likely a decreasing marginal rate of use, the additional participation in IL services is estimated to be one year over the two additional years of eligibility. Similarly, because this alternative adds two more possible eligible years, we estimate that, on average, new participants will use ILP services for one year. Benefits and costs for Alternative 3 are considered over a three-year time horizon for new participants based on estimates of average time of program use considering the maximum five years of possible program use.

The only difference between the state and federal standing scenarios is the METB rates and additional costs when considering federal standing, due to federal source of funding for some benefits in the analysis.

Include All Youth 16 or Older, State Standing

For Alternative 1 under state standing, our analysis yields positive net benefits 99 percent of the time. The average net benefit is over \$6 million stemming from an average benefit of just over \$9 million with an average cost of about \$2.9 million. The distribution for this alternative scenario is displayed below:

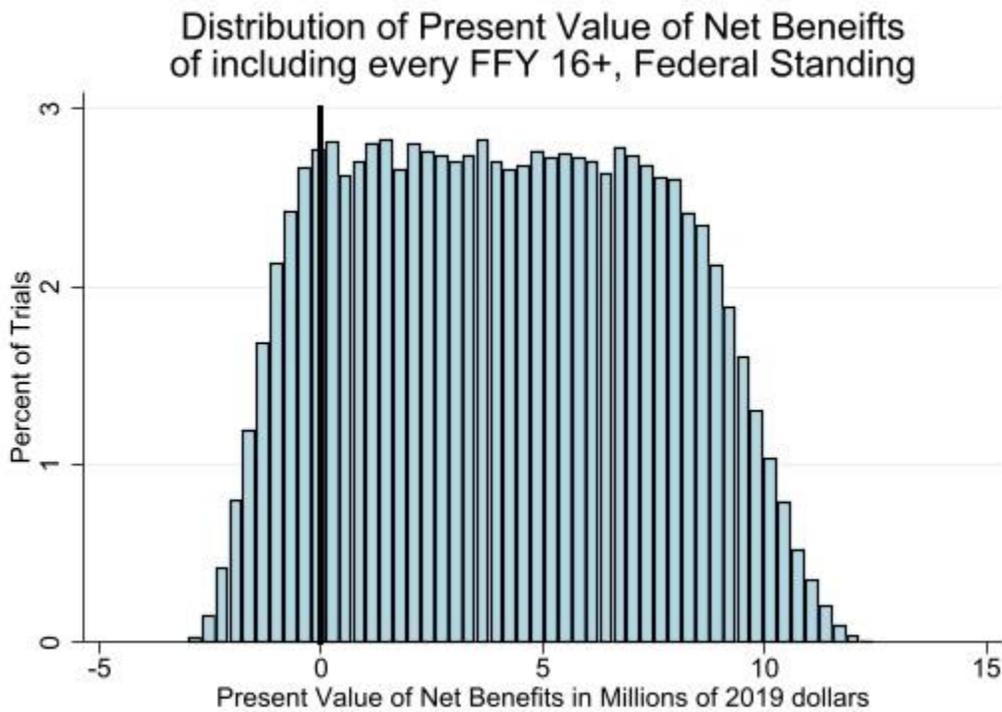
Figure 1: Distribution of Net Present Value, Alternative 1, State Standing



Include All Youth 16 or Older, Federal Standing

Our analysis yields positive net benefits 86 percent of the time with an average net benefit of \$4.1 million for Alternative 1 under federal standing. This alternative has an average benefit of \$9 million and an average cost of \$4.8 million. Unlike the state standing scenario, the federal government contribution to Medicaid spending as well as federal FoodShare expenditures are included in the costs for this scenario. The distribution for this alternative scenario is displayed below:

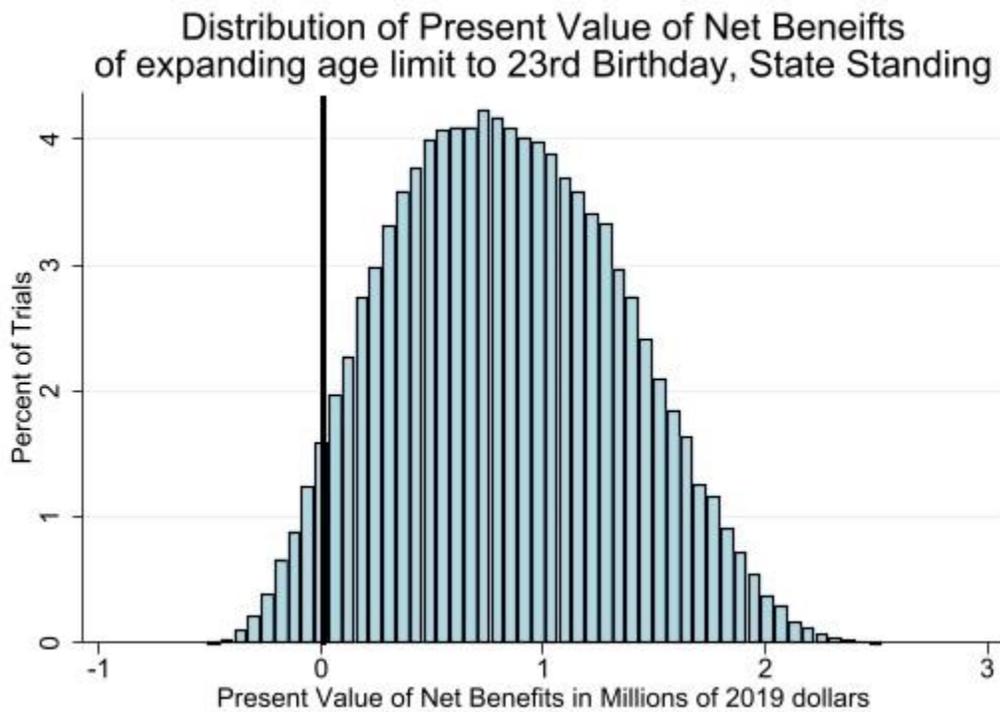
Figure 2: Distribution of Net Present Value, Alternative 1, Federal Standing



Expand Upper Age Limit to 23, State Standing

Our analysis for Alternative 2 under state standing yields an average net benefit of \$836,000 with almost 96 percent of trials resulting in positive net benefits. Average benefits in this scenario total just over \$2 million while average cost equals \$1.2 million. The distribution for this alternative scenario is displayed below:

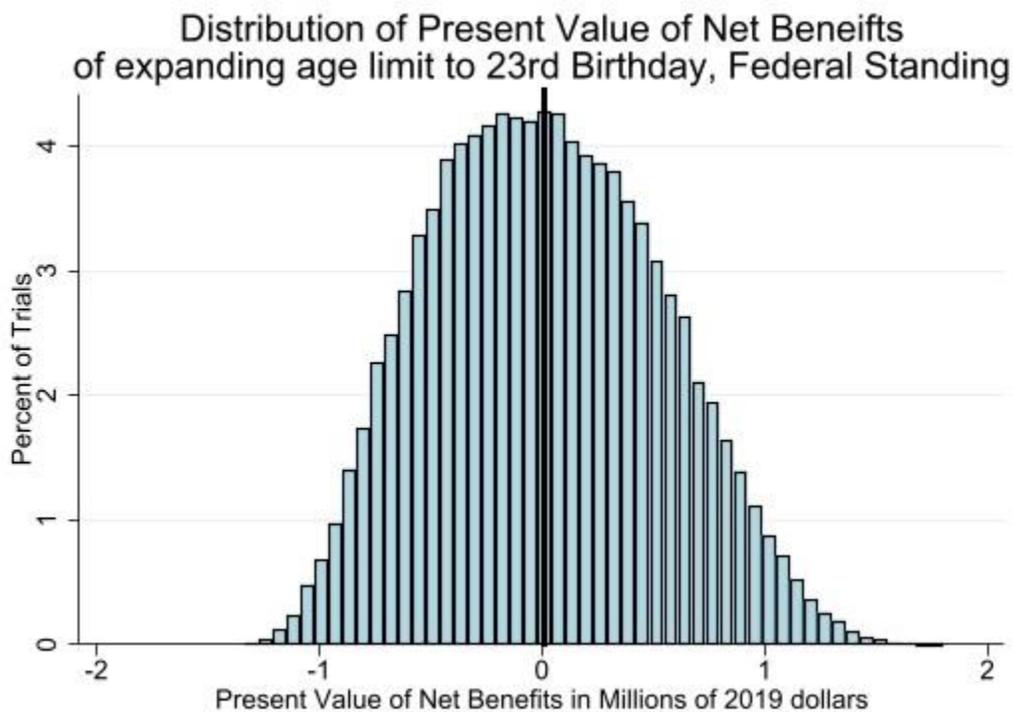
Figure 3: Distribution of Net Present Value, Alternative 2, State Standing



Expand Upper Age Limit to 23, Federal Standing

We calculate an average net benefit of about \$16,000 with average benefit of \$2.036 million and average cost of \$2.02 million for Alternative 2 under federal standing. Just under 50 percent yield positive net benefits. As discussed earlier, this standing includes the federal government contribution to Medicaid spending as well as federal FoodShare costs. The distribution for this alternative scenario is displayed below:

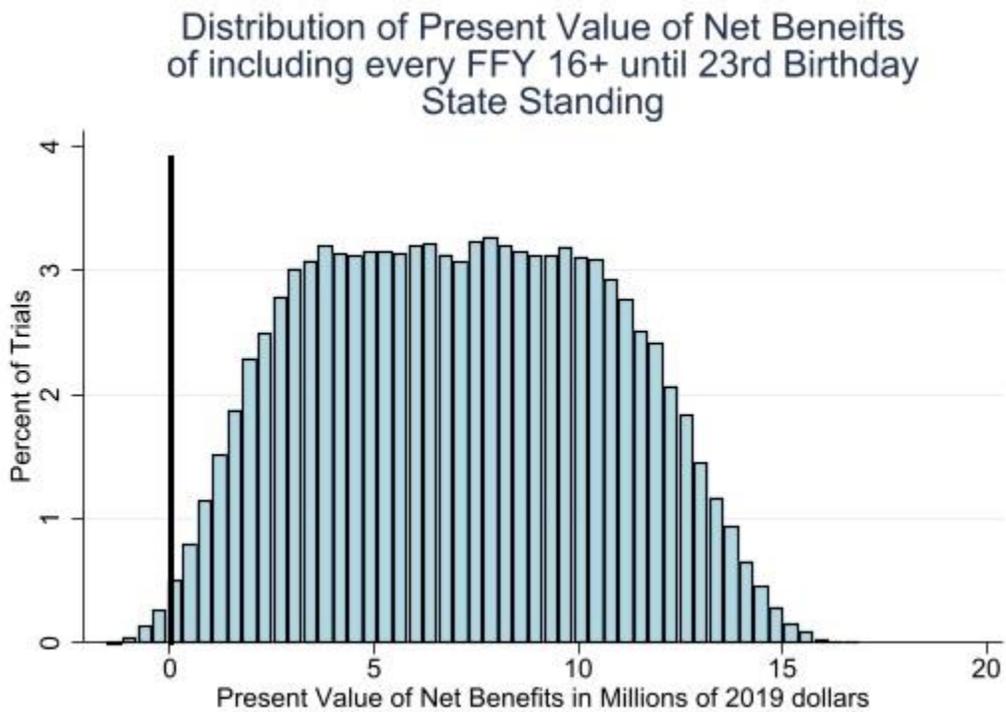
Figure 4: Distribution of Net Present Value, Alternative 2, Federal Standing



Include all Youth 16 and older and expand upper age limit to 23, State Standing

When incorporating both eligibility expansion options for Alternative 3 in state standing, our analysis yields positive net benefits in over 99 percent of trials. The average net benefit in this scenario is about \$7.1 million, with an average benefit of \$12.8 million and average cost of \$5.6 million. The distribution for this alternative is displayed below:

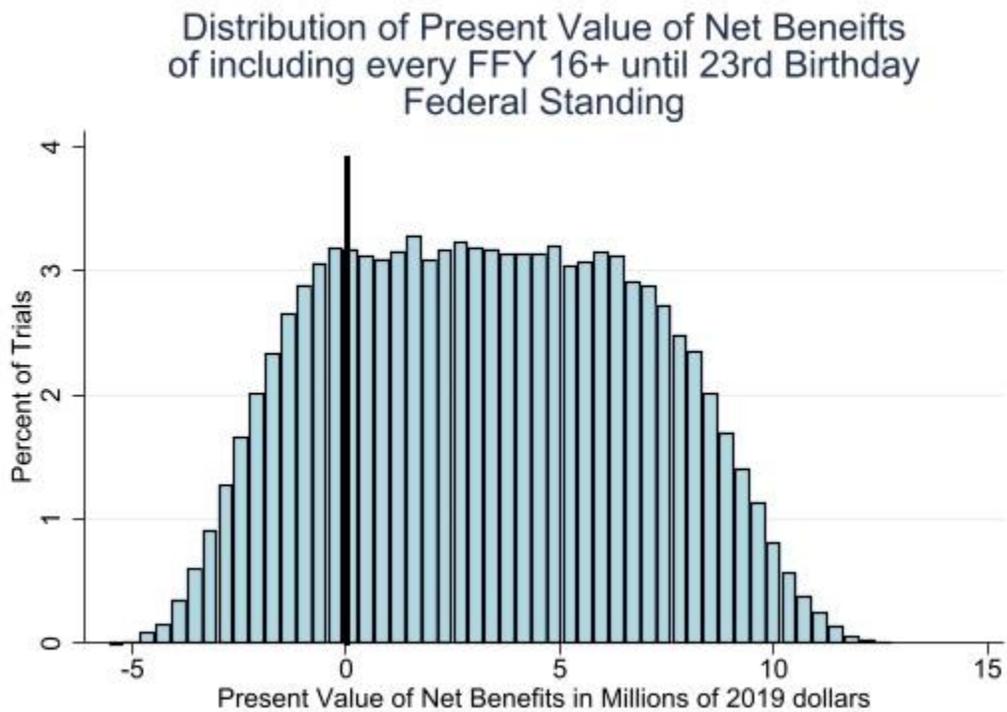
Figure 5: Distribution of Net Present Value, Alternative 3, State Standing



Include all Youth 16 and older and expand upper age limit to 23, Federal Standing

When considering federal standing, Alternative 3 yields an average net benefit of \$3.3 million with average benefit of \$12.8 million and average cost of about \$9.5 million. This alternative results in positive net benefits in 78 percent of trials. The distribution for this alternative scenario is displayed below:

Figure 6: Distribution of Net Present Value, Alternative 3, Federal Standing



Education Benefit Impact on Results

Education benefits have the most influence in our analysis, but even if we consider the shadow price of a high school diploma to be zero, Alternative 1 still generates positive net present value of benefits in about 72 percent of trials under state standing. When considering federal standing, the net present value of benefits is positive only 0.02 percent of the time. Removing education benefits for Alternative 2 results in positive net present value of benefits in about 62 percent of trials for state standing, but all trials yield negative net benefits when considering federal standing. Similarly, Alternative 3 yields positive net

present value of benefits in about 68 percent of trials when considering the education benefit to be zero but yields negative net benefits in all trials in federal standing.

Assumptions, Limitations, and Considerations

Our analysis has several assumptions, limitations, and considerations that prevent us from making a stronger recommendation for the ILP. The use of shadow prices from our literature review is a strong limitation, and while we make the case for these valuations in Appendices D through J, monetization is not certain. We worked to adjust general monetization values to the FFY population, though this was not always possible. The Monte Carlo simulation does account for uncertainty, using ranges based on estimations from the literature and surveys sent to the TRAs and FFY.

The analysis is based on the limited data available. Administrative data on benefits were in six-month intervals, while costs were based on fiscal years. More complete data on annual overall outcomes that coincide with expenditures over the same period would provide more detailed information about benefits and cost within a fiscal or calendar year. Thus, the data available and benefits chosen may have led to overlapping benefits and possible overestimations. Several components of our analysis required inferences and assumptions about the ILP and the FFY population. Each TRA responded to a survey conducted for this project and a limited group of FFY receiving services responded to one as well, providing insights to some of our estimations. However, as the FFY survey sample was limited and most likely included response and motivation bias, it is expected that the individuals who completed the survey may be more involved with the ILP. For example, there may be overlapping benefits and thus overestimations due to multiple influences on income from education, housing, and having a driver's license.

Additionally, our analysis did not include benefits from expanded eligibility to Brighter Star, an education and training voucher closely tied to ILS and promoted by the independent living coordinators. Although we included potential benefits from post-secondary education in valuation of a high school degree or equivalent, using available data from a study of FFY in the Midwest generally, we were able to make adjustments to more accurately gauge postsecondary matriculation and completion for this population (Mark Courtney et al., 2011). With this, we assume that ILS do not impact actual high school graduation, but only GED/HSED attainment, which according to the literature reviewed has limited to no benefit for future earnings (Valentine et al., 2018). We adjusted the proportions used in our shadow price of a high school diploma to only include benefits from subsequent attainment of “some college” or “bachelors or advanced degree” benefit categories. As such, the value of the increase in high school diplomas, GEDs, and HSEDs that would come from expanded eligibility already include our estimation of that expansion’s post-secondary value, as Brighter Star currently stands. However, as the ILP and Brighter Star have closely tied eligibility criteria, if changes are made to eligibility for Wisconsin’s ILP those changes would likely also affect Brighter Star. We did not analyze changes to Brighter Star, so there may be greater education benefits and costs than we predict if the eligibility criteria for these programs remain linked.

Furthermore, the ILP has numerous benefits related to personal connections and access to resources that are intangible or not able to be monetized, and thus not included in our model. The primary unquantifiable benefit is the value of the youths’ connections to their TRA contacts. TRA employees act not only as caseworkers but also as allies in the goal of self-sufficiency. In our conversations with TRAs, they often referred to themselves as an encyclopedia of local and state resources and services. They also frequently mentioned making calendar appointments to remind individual youth of expiring services or enrollment dates thus keeping in contact and helping to ensure FFY receive the benefits they are eligible for. FFY indicated to us through the survey that independent living providers help with stressful situations and provide emotional support, help look for other sources of funding for individuals to pursue postsecondary education, and work with youth to create and manage a budget. The psychological benefit

of having this connection as a resource and having the peace of mind associated with stable housing or health insurance was incalculable, but necessary, in consideration of the full benefits to this program. These benefits were not monetized because of gaps in the research literature or challenges of this modeling within the limits of our resources.

For costs, our estimations may deviate from actual marginal costs. Our estimations of participants receiving each benefit are based on information from the TRAs through interviews and the survey. We estimated expected increases in personnel costs but did not estimate overhead costs, such as building space or desks. This is primarily due to the organization of the program and how different TRAs utilize their space and staff by cost sharing with other social programs offered in the state. Additionally, we did not assess how changing eligibility may streamline service provisions as FFY who are eligible at age 17½ who are receiving transition preparation will not drop out of eligibility on the day they age out.

Recommendations

After conducting Monte Carlo simulation analyses, we have determined that changing the ILP eligibility criteria to allow all youth who were in OHC after age 16 as well as extending the upper age limit to 23rd birthday yields the highest net benefit, totaling over \$7.1 million for each cohort in state standing (Alternative 3). However, if DCF can choose only one eligibility change, we recommend that it makes all youth who were in OHC after age 16 eligible for ILP services (Alternate 1), which had a net benefit of over \$6.1 million. If cost is the most important factor when determining which alternative to implement, expanding the upper age limit for ILP services to 23 (Alternative 2) results in a positive net benefit of over \$800,000 for each cohort and has the lowest cost, at \$1.2 million per cohort, compared to \$2.9 million for Alternative 1 and \$5.6 million for Alternate 3.

We expect all cost increases to come from the state, as federal funding is designated by Wisconsin's population of foster youth. Therefore, we anticipate Alternative 1 to cost \$2.9 million annually, Alternative 2 to cost \$1.1 million annually, and Alternative 3 to cost \$4.6 million annually. If cost is a limiting factor in DCF's decisions on expanding eligibility, Alternative 2 of expanding the upper age limit to 23 may be a more feasible alternative while still yielding positive net benefits.

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Appendix A: Wisconsin Eligibility Chart

Table 7: Wisconsin ILP eligibility chart



Independent Living Program Eligibility August 2019

| ELIGIBILITY CRITERIA | IL Services (age 14-18) | Transition Services (age 18-21) | Room and Board (includes security deposit, rent, & utilities) | Education & Training Vouchers (Brighter Star) |
|---|--|--|---|---|
| <ul style="list-style-type: none"> Age 14, 15, 16 or 17 A total of 6 months in court ordered OHC | Services are REQUIRED for as long as the youth is in OHC | | | Eligible beginning at age 17 ½ IF predicted to age out of care at age 18 or older |
| <ul style="list-style-type: none"> Age 17 ½ years or older Placed in court-ordered OHC | Eligible immediately and required for as long as the youth is in OHC | Eligible IF ages out of court-ordered OHC at age 18 or older | Eligible IF ages out of court-ordered OHC at age 18 or older | Eligible IF ages out of court-ordered OHC at age 18 or older |
| <ul style="list-style-type: none"> Currently 18-21 Aged out of court-ordered OHC | | ELIGIBLE | ELIGIBLE | ELIGIBLE |
| <ul style="list-style-type: none"> Entered court-ordered Ch. 48 Guardianship any time after 16th birthday following time in court-ordered OHC | ELIGIBLE | ELIGIBLE | ELIGIBLE | ELIGIBLE |
| <ul style="list-style-type: none"> Adopted any time after 16th birthday following time in court-ordered OHC | ELIGIBLE | ELIGIBLE | | ELIGIBLE |

Source: <https://dcf.wisconsin.gov/files/cwportal/il/pdf/il-eligibility.pdf>

Appendix B: Comparison of ILP eligibility across relevant states

Table 8: Comparison of ILP Eligibility Across States

| Independent Living Services | Federal | Wisconsin | Minnesota | Michigan | Ohio | Pennsylvania |
|--------------------------------------|----------------|------------------|------------------|-----------------|-------------|---------------------|
| Ages served | 14-23 | 14-21 | 14-23 | 14-23 | 14-21 | 16-21 |
| Time in OHC requirement | n/a | 6 months | 30 days | n/a | n/a | n/a |
| ETV max award | \$5,000 | \$5,000 | \$5,000 | \$5,000 | \$5,000 | \$4,000 |
| Chafee funds allocated (FY19) | \$137,900,000 | \$2,232,075 | \$2,790,020 | \$4,171,796 | \$4,325,096 | \$4,883,041 |
| ETV funds allocated (FY2019) | \$42,461,537 | \$739,753 | \$924,667 | \$1,141,869 | \$1,433,421 | \$1,618,335 |

*Wisconsin, Minnesota, Ohio, and Pennsylvania are state-supervised, county-administered states

ETV funding calculated using Fernandes-Alcantara (2019b).

Appendix C: Potential Beneficiaries Calculation

To estimate each alternative’s net benefits, we analyzed the benefits and costs for each cohort of users. Therefore, the calculation of the number of youth that enter the program each year and how long they remain in the program is essential to this benefit-cost analysis. Presented below are the estimations made to determine the number of new beneficiaries expected for each alternative.

Alternative 1: Expand eligibility criteria to provide independent living services to every former foster youth that leaves out-of-home care on or after their 16th birthday.

We assumed that the new users would remain in contact with the TRAs at the same level as the current users. To estimate how much time FFY use ILS, we divided the average number of users per semester by the average number of disengagements per semester. The number of users and disengagements are based on 2019 values as provided by DCF. We estimated that FFY use ILS for 4.5 semesters or 2.25 years on average.

Table 9: Estimation of average time that FFY uses ILS

| Line | | Jan-Jun 2019 | Jul-Dec 2019 | Average Disengagements |
|-------------|--|-------------------------|-------------------------|-----------------------------------|
| 1 | Users | 604 | 536 | 570 |
| 2 | Disengagements | 112 | 141 | 127 |
| 3 | Average number of semesters using ILS (1) ÷ (2) | 5.39 | 3.82 | 4.5 |

To calculate the number of users per cohort, we first estimated the annual number of FFY that would be eligible in this alternative. This included the number of foster youth discharged after their 16th birthday and before their 18th birthday because of reunification, incarceration, or reasons other than adoption or guardianship. For this calculation, we used the data of OHC discharges from the “Older Youth Outcomes Dashboard” on the DCF website.

To estimate the number of new users, we assumed that the proportion of new eligible FFY under Alternative 1 that would use ILS is the same as the proportion under current eligibility. To get this proportion, we used information from the survey we conducted with TRAs about the of current ILS.

Finally, to estimate the number of new users that would enter the program each year, we divided the new users' estimation by the average time that people would remain in the program. These calculations are presented in the next table.

Table 10: Estimation of new user per cohort, alternative 1

| Line | | Estimation |
|-------------|--|-------------------|
| 1 | Reunification | 502 |
| 2 | Other | 89 |
| 3 | Annual Additional Eligible Discharges (1) + (2) | 592 |
| 4 | Number of years eligible | 3 |
| 5 | Additional eligible FFY (3) × (4) | 1,775 |
| 6 | Percentage of Eligible FFY adopted or in guardianship using ILS | 48 |
| 7 | New Users (5) × (6) | 855 |
| 8 | Average time in ILS | 2.25 |
| 9 | New users per Cohort (7) ÷ (8) | 380 |

Alternative 2: Expand eligibility criteria to provide independent living services to former foster youth until 23rd birthday.

The expansion of eligibility until age 23 creates two groups of beneficiaries that we analyzed separately.

One group is the current user of ILS that would use the service for an extended period, and the other is the new users that have not used ILS before. Below we explain the estimations for each group.

Current Users

To calculate the number of current users per cohort, we divided the current number of users by the average time FFY uses the ILS. We estimated the number of users per year using users' data and disengagements per region provided by our client.

Table 11: Estimation of current users per cohort

| Line | | Estimation |
|-------------|---|-------------------|
| 1 | Number of users per year | 661 |
| 2 | Average years in ILS | 2.25 |
| 3 | Current users per cohort (1) ÷ (2) | 294 |

A critical assumption regarding this group is that they will remain in the program one more year, extending their average time in the program to 3.25 years.

New Users

To estimate the number of new users per cohort, our first step was to calculate the current program coverage to determine how many potential users are not being served. Then we calculated the current coverage by dividing the current number of users per cohort, calculated above, by the number of additional eligible users per year.

Table 12: Estimation of current ILS coverage

| Line | | Estimation |
|-------------|---|-------------------|
| 1 | Current users per cohort | 293 |
| 2 | Current new eligible users per year | 365 |
| 3 | Current Coverage (1) ÷ (2) (percent) | 80 |

To estimate the current number of new eligible users per year, we used the data about OHC discharges from the "Older Youth Outcomes Dashboard" at the DCF website. Using the annual average of current eligible discharges, we get the average number of new eligible FFY per year.

Table 13: Estimation of current new eligible FFY per year

| Line | Currently eligible discharges per year | Estimation |
|-------------|--|-------------------|
| 1 | Aged out | 284 |
| 2 | Adoption | 5 |
| 3 | Guardianship | 76 |
| 4 | Current new eligible FFY per year (1) + (2) + (3) | 365 |

Given that the current coverage is 80 percent, we assumed that extending the eligible FFY age would increase the coverage up to 90 percent. We estimated the number of new users per cohort, multiplying the increase in coverage by the number of new eligible FFY per year.

Table 14: Estimation of new users per cohort, Alternative 2

| Line | | Estimation |
|-------------|--|-------------------|
| 1 | Current Coverage (percent) | 80 |
| 2 | New Coverage (percent) | 90 |
| 3 | Current new eligible FFY per year | 365 |
| 4 | New user per cohort ((2) – (1))*(3) | 35 |

Alternative 3: Expand eligibility criteria to provide independent living services to every former foster youth that leaves out-of-home care on or after their 16th birthday and expand eligibility criteria to provide IL services to former foster youth until 23rd birthday.

We divided this alternative into three groups of beneficiaries. The first two groups are the current and new users considered in Alternative 2, which remain the same size as calculated above. The third group is the new users considered in Alternative 1 but increased by 3.9 percent to account for the additional number of FFY that can use the service given that it is available for two more years.

The next table presents the additional and total number of users served per year under each alternative.

Table 15: Additional and total number of users served per year under each alternative

| | Additional New Users per Year | Average Additional Years in the Program | Total Additional Users per Year |
|-------------------------------|--|--|--|
| Current Eligibility | 293 | 2.25 | 661 |
| Alternative 1 | 378 | 2.25 | 852 |
| Alternative 2 | 328 | 1 | 328 |
| <i>Current Users</i> | 293 | 1 | 293 |
| <i>New User</i> | 35 | 1 | 35 |
| Alternative 3 | 670 | 2.02 | 1,352 |
| <i>Alternative 1 Adjusted</i> | 341 | 3 | 1,024 |
| <i>Alternative 2</i> | 328 | 1 | 328 |

Appendix D: Education Benefit

Effect Estimate

To determine the effect that ILS had on completion of high school or equivalent (GED or HSED) we used surveys of TRA employees and FFY enrolled in transition services. From the TRA survey, we estimate that 25.4 percent of participants earned a GED or HSED due to TRAs' efforts. We use this as a lower estimate. From the FFY survey, we estimate that 33.4 percent of participants earned a GED or HSED due to TRAs' efforts. We use this as an upper estimate. For the population of currently eligible youth that would continue on in the program under Alternative 2 or Alternative 3, we assume that any who would desire to earn their GED or HSED would already have done so, and therefore, we assume the effect for this population is between 0.3 percent (one percent of the lower base estimate of 25.4 percent) and 3.3 percent (ten percent of the upper base estimate of 33.4 percent).

TRA Survey

Our first estimate for the effect of transition services on high school level education completion was based on responses from a survey sent to TRAs (See Appendix R.) The relevant survey question for this benefit category used is: "Approximately how many FFY do you help graduate from High School or obtain GEDs per year? (Note: Please don't include individuals who started getting IL services while enrolled in high school and finish out their senior year, unless they utilize IL services and counseling to stay enrolled in high school)."

This question received eight responses from the seven TRAs (Region 4 responded twice to our survey.) Two of these responses were not considered; one was qualitative, and another failed to give an annual estimate. When a range was given (10-12) the end points were averaged (11). And when an open-ended range (15+) was given, the number was rounded down (15). We summed the TRAs' answers to the above question by the total caseload across all regions, determined by survey responses (or in the case of Region

4 where the TRA contact failed to appropriately answer relevant survey questions, we used the total caseload from the second half of 2019 according to DCF data provided to us by Kelsey Hill.) The average proportion helped annually was 11 percent (See Table 16.) With this result, we estimate that over the entire time in the program, on average 25 percent (viz. 11.3 percent \times 2.25) of FFY will receive their diploma or equivalent due to the ILP, assuming that the average participant spends 2.25 years in the program.

Table 16: TRA Survey: Annual number of FFY helped with HS diploma or equivalent

| Region | Annual number helped with HS diploma or equivalent | Total caseload | Percent helped |
|---------------|---|-----------------------|-----------------------|
| 1 | 5 | 67 | 7 |
| 2 | 20 | 135 | 15 |
| 4 | 5 | 70 | 7 |
| 5 | 11 | 109 | 10 |
| 6 | 15 | 84 | 18 |
| 7 | 5 | 74 | 7 |
| Total | 61 | 539 | 11.3 |

FFY Survey

For our second estimate, we used a survey of FFY. The relevant survey question for this benefit category used is: “How likely would you have been to graduate from high school or equivalent (GED/HSED) without help from independent living services?” A total of 33 percent indicated they they either would not have gotten their diploma or equivalent without help from a TRA (23 percent) or that they are currently working with their TRA to earn their diploma or equivalent (10 percent). (See Table 17.)

Table 17: FFY Survey: “How likely would you have been to graduate from high school or equivalent (GED/HSED) without help from independent living services?” (39 responses)

| Answer | Percent |
|--|---------|
| I definitely would have or had already graduated high school or equivalent (GED/HSED) on my own | 56 |
| I have not graduated from high school or equivalent (GED/HSED) | 8 |
| I have not graduated from high school or equivalent (GED/HSED), but am working on it WITH help from my independent living contact | 10 |
| I have not graduated from high school or equivalent (GED/HSED), but am working on it WITHOUT help from my independent living contact | 3 |
| I would not have graduated from high school or equivalent (GED/HSED) without help from my independent living contact | 23 |

Monetization

To monetize the benefits of increased education due to the ILP, we modified the shadow price of a high school diploma calculated by Boardman et al. (Boardman et al., 2018). This shadow price was \$262,506, in 2017 dollars. Adjusted for inflation this is \$273,645.80 in 2019 dollars. However, this shadow price is for a standard high school diploma. But in the population of youth who spend time in OHC, the vast majority of those who get their high school diploma do so while in care, before they would rely on transitional services. Therefore, we assumed that all the increased educational attainment due to the TRA’s efforts are in the form of GEDs or HSEDs. Research has shown that these alternative degrees are not associated with an increase in earnings as are traditional high school diplomas (Heckman & LaFontaine, 2006). Consequently, we use a lower estimate of \$0 for the value of education. However, alternative degrees do open the opportunity of higher education. So, for our upper estimate, we made two modifications to the shadow price of Boardman et al. First, we changed the model so that the earnings of diploma recipients were the same as those who did not graduate high school. Second, we adjusted the probabilities of attaining different education levels to match those of FFY; Courtney et al. (Mark Courtney et al., 2011) found that by age 26, on average, 19.9 percent of FFY had no high school diploma or equivalent, 40.1 percent had a high school diploma or GED only, 36.1 percent had attended college but

not earned a bachelor's degree, 2.5 percent earned a bachelor's degree, and 1.3 percent had attended graduate school. These adjustments yielded a new shadow price of \$106,203.

Multiplying our new shadow price by our estimates of the proportion effected by the TRAs' education efforts this gives an average net present value of education of about \$0 to \$34,000 per new participant, assuming that the additional education is achieved in the second year of the program, and thus discounted over one time period at a discount rate of 3.5 percent.

Application to Alternatives

To apply the estimates above to the alternatives we consider in this analysis we make two assumptions. First, we assume that, under Alternative 1, TRAs would be just as effective helping youth get their high school diploma or equivalent and that new participants would experience the same increase in diploma or equivalent attainment as past participants. Second, we assume that, under Alternative 2, there would be no increase in high-school level educational attainment for current users who stay in the program longer, but, for new participants, the effect would be the same as for past participants. Third, as Alternative 3 is a combination of the two other alternatives, both assumptions outlined for the other alternatives were applied to Alternative 3.

Limitations

There are several limitations that apply to this estimation of benefits. First, there is a chance that the effect of TRAs on educational achievement is overstated, and that a significant portion of youth who credit their diploma, HSED, or GED to transitional services would still have earned that diploma or equivalent without the help of a TRA. Second, it is also possible that the shadow price is optimistic. It is plausible that the value of higher education following an HSED or GED is considerably lower than for a standard high school diploma. Finally, the assumptions required to apply the estimate to the alternatives may not

be accurate. Possibly, the TRAs would become less effective with a larger caseload, or the expanded population in Alternative 1 and Alternative 3 would benefit less from help with education than the existing population. Or the population aged 21 or 22 who remain in the program longer (not new participants) in Alternative 2 and Alternative 3 may experience some benefit in educational achievement.

Appendix E: Reduced Homelessness Benefit

Effect Estimation

To estimate the number of participants that benefited from reduced homelessness we used data provided to us from Kelsey Hill at DCF. We were provided with summary data for the first and second halves (January through June and July through December) of 2019 from TRAs for each of the seven regions. The TRAs recorded their total caseloads, how many youth they helped find housing, and how many youth they helped find housing after the youth experienced homelessness. For each region in each half, we divided the number of youth who were helped with finding housing after experiencing homelessness by the total caseload, finding the percent helped. We averaged these and doubled the average to get an annual estimate of the average portion of youth helped with housing after experiencing homelessness, 10 percent. We used this as a lower bound estimate. We did the same for all those helped to find housing, reaching an annual estimate of 34 percent. We used this an upper bound estimate. (See Table 18.)

Table 18: Housing and Homelessness Effect Estimation

| Region | Youth served | Obtained housing due to agency efforts | | Helped youth find housing after homelessness | |
|---------------------------|--------------|--|-------------|--|-------------|
| | | Number | Percent | Number | Percent |
| January 2019 – June 2019 | | | | | |
| 1 | 70 | 18 | 25.7 | 6 | 8.6 |
| 2 | 106 | 11 | 10.4 | 18 | 17.0 |
| 3 | 69 | 7 | 10.1 | 2 | 2.9 |
| 4 | 54 | 7 | 13.0 | 7 | 13.0 |
| 5 | 100 | 3 | 3.0 | 1 | 1.0 |
| 6 | 79 | 12 | 15.2 | 6 | 7.6 |
| 7 | 58 | 23 | 39.7 | 2 | 3.4 |
| July 2019 – December 2019 | | | | | |
| 1 | 75 | 8 | 10.7 | 8 | 10.7 |
| 2 | 116 | 14 | 12.1 | 0 | 0 |
| 3 | 71 | 5 | 7.0 | 0 | 0 |
| 4 | 43 | 9 | 20.9 | 1 | 2.3 |
| 5 | 173 | 10 | 5.8 | 0 | 0 |
| 6 | 84 | 25 | 29.8 | 2 | 2.4 |
| 7 | 42 | 15 | 35.7 | 2 | 4.8 |
| Six-month Average (SD) | | | 17.1 (23.0) | | 5.3 (5.3) |
| Annual average (SD) | | | 34.1 (23.0) | | 10.5 (10.7) |

Monetization

To monetize the benefits of reduced homelessness, we used results of a benefit-costs analysis of homelessness programs in Los Angeles County, California (Cohen, 2020). Cohen found several benefits to providing “permanent” housing based on a Housing First strategy, which we found reasonably similar to the housing assistance provided by TRAs in Wisconsin. Cohen found cost savings of \$2,885 for homelessness services and \$1,746 for law enforcement services over 18 months. (He also calculated a \$2,085 reduction in health services costs, which we ignored in our analysis, both because health and sanitation services were also often bundled with permanent housing programs in Los Angeles, and

because we account for health benefits through BadgerCare elsewhere in our analysis.) And Cohen found that, over the 18 months, housing increased monthly wages by \$430.

To apply Cohen's results to Wisconsin's ILP we adjusted his number by 0.78 to account for differences in purchasing power between Los Angeles County and Wisconsin and used the CPI-U to adjust the results to 2019 dollars (*Regional Price Parities by State and Metro Area*, 2020). We annualized the monetization, and assumed the benefits last for two years for new participants under Alternative 1, and one year for new participants under Alternative 2. For Alternative 3, there are two populations to consider, those who are eligible under current policy, but can remain in the program for two additional years, and those who are newly eligible to spend five years in the program; we assume the former group uses services for one additional year, and the latter group uses services for three years. The total benefit per person helped is about \$12,700 under Alternative 1 and \$6,500 under Alternative 2. For Alternative 3, the total benefit per person is 6,500 for the currently eligible, and \$18,800 for the newly eligible. Multiplying this monetization by our effect estimates yields average present values per participant per year between about \$1,300 and \$4,300 for Alternative 1, \$680 to \$2200 for Alternative 2 and for the currently eligible under Alternative 3, and \$2,000 to \$6,400 for the newly eligible under Alternative 3.

Application to Alternatives

To apply these results to our alternatives we make several assumptions. First, we assume that the reduction in homelessness would occur equally, across all ages and for new and existing participants. And we assume that additional participants under both alternatives would benefit from housing assistance as much as previous cohorts, that is, the TRAs would be just as effective with a larger caseload. We also assume that the benefits of reduced homelessness are short lived, lasting approximately for the time that participants spend in the program, viz. two years under Alternative 1, one year under Alternative 2, and at most three years under Alternative 3.

Limitations

There are several limitations to our calculation of housing benefits. The effect estimate may be too large, as some portion of youth who were helped by TRAs may have found housing without their help. The monetization may also be too large. The housing programs used in Los Angeles County assessed by Cohen were considerably more expensive per person than the ILS provided in Wisconsin, and the housing programs often provided additional services (though we did try to account for this by excluding health benefits). So, the benefits calculated by Cohen may be too high relative to the services provided by TRAs. The cost-savings in Wisconsin may be considerably different than in Los Angeles County, because of differences between government services in these areas (particularly policing and homelessness services) not captured by the regional price parity adjustment. The benefits from providing housing may also last significantly longer than the time considered in our analysis.

Appendix F: FoodShare Benefit

A service commonly provided by independent living providers is assisting FFY enrolling in FoodShare benefits. FoodShare is Wisconsin's Supplemental Nutrition Assistance Program (SNAP) program, providing financial assistance to purchase healthy food for low-income households. To estimate the benefit of FoodShare for FFY, we used the average household benefit of FoodShare in Wisconsin for June 2019, which equaled \$202 (DCF, 2019b). Over a 12-month period, this comes to an annual benefit of \$2,424.

As FoodShare is funded by the federal government, FoodShare payments can be considered a benefit to FFY in Wisconsin only if residents of Wisconsin are considered to have standing (i.e., state standing). If standing is expanded to a national level (i.e., federal standing), FoodShare benefit payments would be considered a straight transfer from the government to FFY and would need to be included as both a benefit and a cost. In this case, the METB of the federal government of 19 percent would cause this transfer to be a cost of \$196 per participant.

Appendix G: Direct Payments Benefit

One method of support provided by regional agencies is direct payments to ILP participants. These payments can be made in a variety of ways including room and board assistance, incentive programs, and funds for apparel or other necessities. Unfortunately, reporting on these direct payments is still being developed, so detailed numbers on per participant direct payment values are limited. In order to estimate this benefit, through our TRA survey (Appendix R) we asked TRAs to estimate the per participant dollar amount distributed via direct payments per year. We received estimates from five regions and used the responses from four regions to estimate an average direct payment per participant per year of **\$561**. Region 5's response incorporated Brighter Star funding, which was not included in our analysis, and as we could not separate the Brighter Star funding from the direct payment dollar amount in the provided estimate, we chose not to include this in our calculation.

Since the funds for these direct payments come from the state, the direct payment is also considered a cost in our analysis. Accounting for the METB of 17 percent, this transfer has an annual per participant cost of \$95.37.

Appendix H: Employment and Earnings Benefit

Review of Literature

One of the key services ILPs provide to foster youth is employment support and resources. This can be seen at different points in the job search and employment processes, such as assisting youth in thinking about and planning for career goals and providing tools to get and keep a steady job. MDRC and Valentine et al. conducted an evaluation of the Youth Villages Transitional Living Program (current called the YVLifeSet program) managed by Youth Villages, a nonprofit social service organization. The purpose of Youth Villages Transitional Living Program, like most ILPs, is “to help young people make a successful transition to adulthood by providing intensive, individualized, and clinically focused case management, support, and counseling” (Valentine et al., 2018).

Valentine et al. employed a rigorous random assignment as the primary evaluation method. The researchers assigned 60 percent of the 1,322 eligible FFY participants to the program group, which was offered the ILS, and 40 percent to the control group with no services. The study was based in Tennessee in which the ILS typically last an average of nine months. Outcome results were measured at both one- and two-year time increments for both groups using survey and administrative data (Valentine et al., 2018).

This evaluation included FFY that ranged from age 18 to 24 who had left foster care or juvenile justice custody as teenagers or had aged out at 18 years old. Additionally, this study included a diverse group of FFY in terms to gender and race. Over 50 percent of the study population was white/non-Hispanic, while a substantial minority of 37 percent are black/non-Hispanic. This parallels with Wisconsin’s foster youth population, which are around 44 percent white/non-Hispanic and 32 percent black/non-Hispanic (Annie E. Casey Foundation, 2020).

Employment and Earnings Outcomes

The evaluation results show that the ILP led to an increase of \$611 in self-reported earnings in the year before the survey interview. This increase was statistically significant at the 5 percent level (Valentine et al., 2018). The self-reported measure is limited to only income from formal employment and not earnings from sources such as overtime, tips, commissions, bonuses, or informal work. Specifically, the study defined formal employment as ongoing employment with a particular employer, while informal work was defined as independent work for several people, with no specific supervisor.

The evaluation also calculated changes in total earnings, which captures some of the earning sources not included in the self-reported earning outcomes. The total earnings metric was measured using unemployment insurance data. On average, over the two-year study period, the FFY in the program group experienced \$224 more in total earnings than the control group. However, the results did not show statistically significant differences between the groups (Valentine et al., 2018).

Valentine et al. note that this difference resulted due to an increase in the percentage of FFY who were employed, particularly in part-time work. This is further supported when viewing the education results for the youth, which did not produce statistically significant impacts. The percentage of participating foster youth who received a high school diploma or GED equivalent, participated in vocation training, and enrolled in post-secondary institution were similar for both the program and control group over the course of the evaluation. Therefore, the income effects illustrated through this study are interpreted, and applied in this analysis, as being connected to the employment support the FFY received through the ILP.

Monetization

The Youth Villages Transitional Living Program study concluded that FFY who receive ILS experience an increase of \$224 to \$611 in yearly earnings. However, this study was conducted in Tennessee, while

this analysis in this report applies to the state of Wisconsin's ILP. To address earnings variations due to geographic locations, the cost-of-living index was consulted. In 2020, Tennessee has a 90.2 cost-of-living index value and Wisconsin has a 96.3 cost-of-living index value (MERIC, 2020). This illustrates that, on average, it is 6.1 percent more expensive to live in Wisconsin than Tennessee. Also, the study was conducted between October 2010 and October 2012, but this report is using 2019 dollars for cost and benefit calculations. Utilizing October 2011 as an average baseline and converting to December 2019 dollars, the Bureau of Labor Statistics estimated an inflation rate of around 13.66 percent for this time period (U.S. Bureau of Labor Statistics, 2020).

To address the geographical variation between the study location and this analysis, in addition to changes in inflation rate and purchasing power over time, the following adjustments were made to the valuation estimation from the study.

Increase in Earnings x Inflation rate x Cost of Living Index adjustment

Maximum: $\$611 \times (1.1349) \times (1.061) = \735.72

Minimum: $\$224 \times (1.1349) \times (1.061) = \269.72

With these adjustments, this analysis considers a maximum increase of \$736 and minimum increase of \$270 in yearly earnings is experienced by FFY who receive ILS.

Specifically, when calculating the net present value (NPV) we utilized a 3.5 percent discount rate. The study captured data over a two-year timeframe and illustrated that the differences in earning trend to the mean over time. When this discount is applied, the maximum annual benefit has an adjusted present value of \$723 and the minimum annual benefit has an adjusted present value of \$265, which we assessed over time based on the parameters for the alternatives.

Appendix I: Driver's License Benefit

In a study of Milwaukee County, among single-parent low-income families on welfare, parents with a valid driver's license are more likely to no longer need or qualify for cash assistance compared to those without a driver's license. Additionally, of households on public assistance, women are more likely to be without a driver's license. For single parent households on Aid to Families with Dependent Children (AFDC) in December 1995 and their status in June 1997, 38 percent of those with driver's licenses were still receiving AFDC, compared to 57.3 percent of households without driver's licenses. Transportation is an essential aspect of obtaining and maintaining employment (Paawasarat & Stetzer, 1998).

Review of Literature

A study in Australia (Angell et al., 2018), which has a mix of cities and vast rural areas as well as indigenous populations, similar to Wisconsin, found that an individual had a mean willingness to pay of \$2,290AUD to avoid losing a driver's license for a year. This study only looked at driver's license holders. Those who had incurred a license suspension, and thus understood the impact of a license to employment and other life events, had a higher valuation as did indigenous individuals and non-urban license holders (Angell et al., 2018). In order to turn this mean into 2019 USD, we first multiply the willingness to pay of \$2,290AUD by the average exchange rate of 0.7475 to get the 2018 USD value of \$1,712. In order to get the benefit in 2019 dollars, we multiply the resulting 2018 USD value by a 1.8 percent inflation rate for a \$1,743 value.

Because in the Australia study the non-urban individuals valued driver's licenses at a higher rate annually, we decided to use this estimation as the upper bound as the Australia willingness to pay study and Milwaukee study of income changes based on driver's licenses had similar point estimates. We took the \$407AUD amount and multiplied by the same exchange and inflation rates as the point valuation to get a value of \$305.

A study in Norway estimated that the daily costs imposed by suspending an individual's license was \$4.30 in 2019 dollars for the 12-month suspension and \$3.42 for the 24-month suspension, making annual costs of \$1,569 and \$1,248.30, respectively (Jørgensen & Wentzel-Larsen, 2002). A 2006 study of societal impacts of license suspension was done by looking at participants of Milwaukee's Center for Driver's License Recovery and Employability found individuals with driver's licenses had an average daily earnings increase of \$4.91 in 2019 dollars, and an annual increase of \$1,792 (Bush et al., 2008).

Avoided Administrative Costs

There are bureaucratic and administrative costs associated with citations for driving without a valid license. According to a previous cost-benefit analysis regarding suspended licenses in Dane County, the Dane County Sheriff's Office estimated a \$27.51 cost per citation cost in 2009, which is \$32.78 in adjusted 2019 dollars. While this study focused on individuals with suspended or revoked licenses, in the DMV calculations the researchers found that the average individual without a license was issued 1.34 citations. When applied with the METB of 25 percent, the cost per person for the sheriff's department and DMV is \$54.90 ($=\$32.78 \times 1.34 \times 1.25$) (O'Connor et al., 2009).

Monetization

Based on our interviews with the TRAs, they shared that obtaining a driver's license was an essential part of their work and many FFY required assistance. The FFY survey (see Appendix S) indicated that 35.9 percent of youth would not obtain a driver's license without assistance and 12.8 percent were currently working with their independent living provider to obtain their license. A past study by Mark Courtney et al. of Wisconsin FFY indicated about 44 percent of youth leave care without a license (Mark Courtney et al., 2001). Based on this information, we decided to use our FFY survey as the point estimate, thus

expecting about 48.7 percent of the youth to utilize this service. To get our minimum, maximum, and point rates we added the estimated avoided administrative costs of having a driver's license (\$54.90) to our estimates. For the point estimate, we added it to \$1767.50 (midpoint of Australia and Milwaukee studies) for \$1,821. For the minimum, we took the average of the 12-month and 24-month suspensions in the Norway study for a valuation of \$1,462. For the maximum, we added the non-urban added benefit as well as the avoided costs to the point estimate for a value of \$2,126.

Appendix J: Health Insurance Benefit

A commonly cited service provided by independent living providers is assisting FFY with enrolling in BadgerCare Plus. Our estimated benefit of having health insurance is based on the improvement in quality of life due to increased health from having health insurance. Miller et al. (2004) estimate that the lost health capital for a person without health insurance for one year is between \$1,645 and \$3,280. This loss in health capital from not having health insurance can be interpreted as the annual benefit of having health insurance. This estimate uses a lifetime Value of a Statistical Life (VSL) of \$4.8 million. However, the most impactful input when calculating VSL is annual income. In order to calculate a VSL and resulting annual benefit that is more representative for FFY, we used the national average household income, more recent VSL estimates using national average household income, average income of FFY, and an income elasticity of 1.5 to calculate a more accurate VSL for FFY, which equals \$310,494 (Valentine et al., 2018).

$$VSL(FFY) = \$11,000,000(\$5,591/\$60,309)^{1.5} = \$310,494$$

We then compared this VSL to the VSL used by Miller et al., to converted it from 2016 dollars to get a proportion of 0.051. This proportion was used to get a proportional annual benefit of health insurance using VSL(FFY) and the midpoint of the range of benefit listed in Miller et al. converted to 2016 dollars, which is \$3,128.73:

$$\$3,128.73(.051) = \$159.56$$

Converting this value to 2019 dollars, we found an annual benefit of having health insurance using \$310,494 as the VSL of average FFY to be \$170. However, because it may be possible that the benefit provided by health insurance is lower for FFY than for the general public due to FFY's younger ages, as well as existing literature that casts doubt on the actual health increases contributable to health

insurance (Levy and Meltzer 2008), we use a range of health insurance benefits with a lower bound of \$0 and an upper bound of \$170. Thus, the range used in our sensitivity analysis for the annual benefit of health insurance is \$0 to \$170.

Appendix K: Non-Monetized Benefits

Criminal Involvement

When completing our literature review, we found mixed effects and results of ILS on FFY's likelihood to be involved in criminal involvement. In an evaluation of the Youth Villages Transitional Services Program, Jacobs et al. (2018) found no significant difference between treatment group who were provided ILS and the control group. However, the control group had a lower percentage of youth convicted (17.7 percent of the control group compared with the 19.7 percent of the treatment group) and arrested (47.6 percent of the control group compared with the 47.7 percent of the treatment group) in the last two years, suggesting that the treatment increase the number of youths involved in criminal activity.

Similarly, an evaluation of Massachusetts' in-care transitional program that provided services to youth in foster care (M Courtney et al., 2011) found that slightly more youth in the control group (58.2 percent) compared with the treatment group (52.3 percent) reported having engaged in one or more delinquent behaviors. However, the average number of reported delinquent acts during the prior year was larger for the treatment group (2.14 acts) than the control group (2.06 acts), showing no clear effect ILS on criminal involvement. In another study about criminal activity of FFY focusing on how youth fare when they leave OHC, Cusick et al. (2011) found that youth who accessed ILS had decreased violent behavior of about 2 percent for each service used. Even though this finding is significantly different from zero, it is most likely that the services measured are more related to those provided while youth are in foster care rather than after they left OHC.

When contemplating the use of extended foster care to estimate the impact transitional services, it would suggest a positive effect. Extended foster care appears to have a robust impact on criminal involvement. Lee et al. (2014) illustrated this using data from the Midwest Evaluation of the Adult Functioning of Former Foster Youth, which found that extended foster care increased the time to arrest.

Similarly, Courtney et al. (2018) used the data available in the California Youth Transitions to Adulthood Study (CalYOUTH) and observed that each year in extended foster care was associated with a significant drop in both the likelihood of being arrested and the likelihood of being convicted of a crime. For each outcome, the expected odds of these events decreased by about two-fifths with each additional year spent in care past age 18.

As the previous research illustrates that there is no clear effect of ILS on criminal involvement, this topic area is not considered as an impact category in this analysis.

Connections

A key unquantifiable benefit of ILPs is the value of the youths' connections to their independent living provider (i.e., TRA contact.) TRA staff not only act as caseworkers, but also as allies in the goal of self-sufficiency. In our conversations with TRA contacts, they often referred to themselves as an encyclopedia of local and state resources. They also often mentioned making calendar appointments to remind individual youth of expiring services or enrollment dates thus keeping in contact and helping to ensure FFY receive the benefits they are eligible for. Youth indicated to us through the FFY survey (Appendix S) that ILP providers help with stressful situations and provide emotional support, help look for other sources of funding for individuals to pursue post-secondary education, and work with youth to create and manage a budget. The psychological benefit of having this connection as a resource and having the peace of mind associated with stable housing or health insurance is incalculable but necessary in consideration of benefits to the program.

While there is evidence that relationships with important non-parental adults leads to positive outcomes, these benefits were not monetized in this analysis because of gaps in the research literature on a monetary value and challenges of this modeling within the limits of our resources (Ahrens et al., 2011)

Appendix L: Wisconsin IL Program Costs

This analysis uses information of Wisconsin’s ILP costs from 2019, provided by Kelsey Hill from DCF.

Given that we are analyzing increments in the current services, we are interested only in variable costs that would grow if the users increase. We are considering that only TRAs’ expenses would change with the number of users. TRAs’ costs include the amount transferred by the DCF and the TRA matching expenses. In the case of Region 7, the TRA’s staff details show a larger matching amount than what was reported to the DCF, so we added this excess to the TRA’s costs. The detail of expenses per region is presented in Table 19.

Table 19: Expenses per Region

| TRA | Amount expended | Match reported | Matching Excess | Total Cost |
|--|------------------------|-----------------------|------------------------|-------------------|
| Total | \$1,797,611 | \$267,308 | \$58,589 | \$2,123,507 |
| Region 1 - Wood County Human Services Dept. | \$208,933 | \$31,330 | | \$240,263 |
| Region 2 - Bay Area Workforce Develop. Bd. | \$368,001 | \$55,183 | | \$423,184 |
| Region 3 - SaintA | \$400,000 | \$59,982 | | \$459,982 |
| Region 4 - Kenosha Human Development Services | \$206,945 | \$31,032 | | \$237,977 |
| Region 5 - Workforce Develop. Bd. of South Central Wisconsin | \$332,344 | \$47,540 | | \$379,883 |
| Region 6 - Family and Children's Center | \$166,388 | \$24,951 | | \$191,339 |
| Region 7 - Workforce Resource | \$115,000 | \$17,290 | \$58,589 | \$190,878 |

We separated the TRAs’ staff expenses according to their descriptions in variable and fixed cost. We added to these variable costs the average amount given as a direct transfer to the users according to the TRAs answers to our survey (Appendix R.)

Table 20: TRAs Variable and Fixed Costs

| | Variable | Fixed |
|------------------------|-----------------|--------------|
| Total | \$1,379,394 | \$744,113 |
| TRA Staff | \$1,008,573 | \$250,259 |
| TRA Other costs | \$370,821 | \$493,854 |

Our sensitivity analysis used the current variable cost per user as a lower bound and the TRA total cost per user as an upper bound, assuming that the big increase in possible beneficiaries would make some currently fixed cost variables due to the significant expansion in the services provided.

Table 21: Possible Variable Costs per User

| | Variable Costs | Variable Cost Per User |
|--------------------|-----------------------|-------------------------------|
| Lower Bound | \$1,379,394 | \$2,087 |
| Upper Bound | \$2,123,507 | \$3,213 |

The state of Wisconsin also incurs a cost to provide BadgerCare Plus health insurance to FFY.

BadgerCare Plus insurance for FFY is funded fully via Medicaid dollars, which is funded jointly by the federal and state of Wisconsin governments. In 2019, the split was 59.7 percent federal and 40.3 percent state (Mitchell, 2020). The average per capita expenditure for Medicaid enrollees in Wisconsin in 2018 was \$2,792 for the “children” category, which we chose to use for FFY because the ages of the FFY are closer to the average age in this category compared to the average age of the “adult” category (*Medicaid Per Capita Expenditures*, 2018). Adjusting this to 2019 dollars results in a per capita cost of \$2,838.

Because Wisconsin contributed 40.3 percent of Medicaid funding in 2019, we consider 40.3 percent of this per capita cost to be the cost to Wisconsin of providing BadgerCare Plus insurance to FFY in 2019. This cost equals **\$1,144**. This cost is used when considering state standing; the full per capita cost of **\$2,838** is used when considering federal standing. Similarly, if we consider state standing, FoodShare services do not have costs, but considering federal standing it has a **\$2,424** cost per user per year, which is the same amount accounted as its benefits. The costs of these two categories are discounted in the same way that their benefits.

The next table present the average additional annual cost to implement each alternative from a state standing, considering an average ILS’ variable cost of \$2,650 and that on average 64 percent of the additional users would obtain BadgerCare coverage because of the ILS.

Table 22: Alternatives' average cost per year

| | Additional New Users per Year | Average Additional Years in ILS | Total Additional Users per Year | Additional ILS Variable Cost | Additional BadgerCare Cost | Total Additional Cost |
|-----------------------------------|--|--|--|---|---|--------------------------------------|
| Alternative 1 | 378 | 2.25 | 852 | \$2,256,907 | \$623,475 | \$2,880,382 |
| Alternative 2 | 328 | 1.00 | 328 | \$869,830 | \$240,292 | \$1,110,122 |
| <i>Current Users</i> | 293 | 1.00 | 293 | \$777,398 | \$214,758 | \$992,156 |
| <i>New User</i> | 35 | 1.00 | 35 | \$92,431 | \$25,534 | \$117,966 |
| Alternative 3 | 670 | 2.02 | 1,352 | \$3,582,740 | \$989,739 | \$4,572,480 |
| <i>Alternative 2 Adjusted</i> | 341 | 3.00 | 1,024 | \$2,712,911 | \$749,447 | \$3,462,358 |
| <i>Alternative 1</i> | 328 | 1.00 | 328 | \$869,830 | \$240,292 | \$1,110,122 |

Appendix M: Distributions used in the Monte Carlo simulations

Table 23: Distributions used in the Monte Carlo simulations

| Category | Variable | Min | Max | Distribution |
|-------------------------|--|------------|------------|---------------------|
| Employment | Annual Salary Increase | \$270 | \$736 | Uniform |
| Education | Shadow price of education | \$0 | \$106,203 | Uniform |
| Education | Proportion of beneficiaries | 0.25 | 0.33 | Uniform |
| Homelessness | Proportion of beneficiaries | 0.11 | 0.34 | Uniform |
| Health Insurance | Annual Benefit | \$0 | \$170 | Uniform |
| Health Insurance | Proportion of beneficiaries | 0.57 | 0.71 | Uniform |
| FoodShare | Proportion of beneficiaries | 0.33 | 0.52 | Uniform |
| Driver License | Annual Benefit | \$1,463 | \$2,126 | Uniform |
| Variable Cost | Annual Cost | \$2,087 | \$3,213 | Uniform |
| Beneficiaries | Additional current users that would receive educational and driver license benefits of extending ILS to 23 | 0.01 | 0.10 | Uniform |
| METB | Federal METB | 0.19 | 0.23 | Uniform |

Appendix N: Detailed Data — Alternative 1, State Standing

Table 24: Detailed Data on Alternative 1, State Standing (379 users per cohort)

| | Present Values | | Proportion of user that receive each benefit (percent) | | Total Benefits/Costs ¹ | |
|-------------------------------------|----------------|-------------|--|-----|-----------------------------------|---------------|
| | Max | Min | Max | Min | Max | Min |
| Employment | \$1,421.89 | \$521.28 | 100 | 100 | \$1,422 | \$521 |
| Education | \$102,611.59 | \$0.00 | 33 | 25 | \$34,272 | \$0 |
| Homelessness | \$12,962.63 | \$12,962.63 | 34 | 11 | \$4,426 | \$1,363 |
| Health Insurance | \$328.47 | 0 | 57 | 71 | \$187 | \$0 |
| FoodShare | \$4,684.75 | \$4,684.75 | 52 | 33 | \$2,436 | \$1,546 |
| Direct Payments | \$1,084.22 | \$1,084.22 | 100 | 100 | \$1,084 | \$1,084 |
| Driver License | \$2,054.11 | \$1,413.19 | 49 | 49 | \$1,000 | \$688 |
| | | | | | | |
| Benefits per user | | | | | \$44,828 | \$5,202 |
| Total Benefits | | | | | \$16,989,818 | \$1,971,737 |
| Variable Costs | \$4,033.45 | \$6,209.61 | | | \$4,719 | \$7,265 |
| Health Insurance Cost | \$2,210.43 | \$2,210.43 | | | \$1,474 | \$1,836 |
| | | | | | | |
| Total Cost per User | | | | | \$6,193 | \$9,101 |
| Total Cost | | | | | \$2,347,248 | \$3,449,449 |
| Net Present Benefit per User | | | | | \$38,635 | (\$3,899) |
| Net Present Benefit | | | | | \$14,642,570 | (\$1,477,713) |

¹ Total costs are the present values of costs multiplied by a marginal cost of public funds of 1.17.

Appendix O: Detailed Data — Alternative 2, State Standing

Table 25: Detailed Data on Alternative 2, New Users, State Standing (35 new users)

| | Present Values per user | | Proportion of user that receive each benefit (percent) | | Total Benefits/Costs ² | |
|-------------------------------------|-------------------------|------------|--|-----|-----------------------------------|------------|
| | Max | Min | Max | Min | Max | Min |
| Employment | \$723.17 | \$265.12 | 100 | 100 | \$723 | \$265 |
| Education | \$102,611.59 | \$0.00 | 33 | 25 | \$34,272 | \$0 |
| Homelessness | \$6,592.79 | \$6,592.79 | 34 | 12 | \$2,251 | \$693 |
| Health Insurance | \$167.06 | \$0.00 | 57 | 71 | \$95 | \$0 |
| FoodShare | \$2,382.66 | \$2,382.66 | 52 | 33 | \$1,239 | \$786 |
| Direct Payments | \$551.43 | \$551.43 | 100 | 100 | \$551 | \$551 |
| Driver License | \$2,054.11 | \$1,413.19 | 49 | 49 | \$1,000 | \$688 |
| | | | | | | |
| Benefits per user | | | | | \$40,132 | \$2,984 |
| Total Benefits | | | | | \$1,393,489 | \$103,617 |
| Variable Costs | 2,051 | 3,158 | | | \$2,400 | \$3,695 |
| Health Insurance Cost | 1,124 | 1,124 | | | \$750 | \$934 |
| | | | | | | |
| Total Cost per User | | | | | \$3,150 | \$4,629 |
| Total Cost | | | | | \$109,371 | \$160,729 |
| Net Present Benefit per User | | | | | \$36,983 | (\$1,645) |
| Net Present Benefit | | | | | \$1,284,118 | (\$57,112) |

² Total costs are the present values of costs multiplied by a marginal cost of public funds of 1.17.

Table 26: Detailed Data on Alternative 2, Current Users, State Standing (294 current users)

| | Present Values per user | | Proportion of user that receive each benefit (percent) | | Total Benefits/Costs ³ | |
|--|-------------------------|-------|--|-----|-----------------------------------|-------------|
| | Max | Min | Max | Min | Max | Min |
| Employment | 675 | 247 | 100 | 100 | \$675 | \$247 |
| Education | 97,451 | 0 | 3 | 0 | \$3,255 | \$0 |
| Homelessness | 6,154 | 6,154 | 34 | 11 | \$2,101 | \$647 |
| Health Insurance | 156 | 0 | 57 | 71 | \$89 | \$0 |
| FoodShare | 2,224 | 2,224 | 52 | 33 | \$1,157 | \$734 |
| Direct Payments | 515 | 515 | 100 | 100 | \$515 | \$515 |
| Driver License | 1,951 | 1,342 | 5 | 0 | \$95 | \$7 |
| | | | | | | |
| Benefits per user | | | | | \$7,887 | \$2,150 |
| Total Benefits | | | | | \$2,316,909 | \$631,571 |
| | | | | | | |
| Variable Costs | 1,982 | 3,051 | | | \$2,319 | \$3,570 |
| Health Insurance Cost | 1,049 | 1,049 | | | \$700 | \$872 |
| | | | | | | |
| Total Cost per User | | | | | \$3,019 | \$4,442 |
| Total Cost | | | | | \$886,879 | \$1,304,944 |
| Net Present Benefit per User | | | | | \$4,868 | (\$2,292) |
| Net Present Benefit | | | | | \$1,430,030 | (\$673,374) |
| | | | | | | |
| Total Benefits Both Groups | | | | | \$3,710,398 | \$735,188 |
| Total Cost Both Groups | | | | | \$996,250 | \$1,465,673 |
| Net Present Benefit Both Groups | | | | | \$2,714,148 | (\$730,486) |

³ Total costs are the present values of costs multiplied by a marginal cost of public funds of 1.17.

Appendix P: Detailed Data — Alternative 3, State Standing

Alternative 3 was calculated as the sum of Alternative 2 and Alternative 1 adjusted to reflect that more FFY would use the services due to the extended time and that they will remain three years in the program instead of two, as calculated in the original Alternative 1. Table 27 presents the details of the adjusted Alternative 1. Table 28 presents the calculation of Alternative 3 maximum and minimum costs and benefits as the sum of Alternative 1 adjusted and Alternative 2.

Table 27: Detailed Data on Adjusted Alternative 1, State Standing (394 current users)

| | Present Values per user | | Proportion of user that receive each benefit (percent) | | Total Benefits/Costs ⁴ | |
|-------------------------------------|-------------------------|----------|--|-----|-----------------------------------|---------------|
| | Max | Min | Max | Min | Max | Min |
| Benefits | | | | | | |
| Employment | \$2,097 | \$769 | 100 | 100 | \$2,097 | \$769 |
| Education | \$100,862 | \$0 | 33 | 25 | \$33,688 | \$0 |
| Homelessness | \$19,117 | \$19,117 | 34 | 11 | \$6,527 | \$2,010 |
| Health Insurance | \$484 | \$0 | 57 | 71 | \$276 | \$0 |
| FoodShare | \$6,909 | \$6,909 | 52 | 33 | \$3,593 | \$2,280 |
| Direct Payments | \$1,599 | \$1,599 | 100 | 100 | \$1,599 | \$1,599 |
| Driver License | \$2,019 | \$1,389 | 49 | 49 | \$983 | \$676 |
| | | | | | | |
| Benefits per user | | | | | \$48,763 | \$7,334 |
| Total Benefits | | | | | \$19,202,033 | \$2,887,999 |
| | | | | | | |
| Variable Costs | \$6,015 | \$9,261 | | | \$7,038 | \$10,835 |
| Health Insurance Cost | \$3,260 | \$3,260 | | | \$2,174 | \$2,708 |
| | | | | | | |
| Total Cost per User | | | | | \$9,212 | \$13,543 |
| Total Cost | | | | | \$3,627,567 | \$5,333,131 |
| | | | | | | |
| Net Present Benefit per User | | | | | \$39,551 | (\$6,209) |
| Net Present Benefit | | | | | \$15,574,466 | (\$2,445,132) |

⁴ Total costs are the present values of costs multiplied by a marginal cost of public funds of 1.17.

Table 28: Alternative 3 Maximum and Minimum present values

| | Benefits, Costs, and Net Benefits | |
|--|--|---------------|
| | Max | Min |
| Total Benefits Adjusted Alternative 1 | \$19,202,033 | \$2,887,999 |
| Total Cost Adjusted Alternative 1 | \$3,627,567 | \$5,333,131 |
| Net Benefit Adjusted Alternative 1 | \$15,574,466 | (\$2,445,132) |
| | | |
| Total Benefits Alternative 2 | \$3,710,398 | \$735,188 |
| Total Cost Alternative 2 | \$996,250 | \$1,465,673 |
| Net Benefit Alternative 2 | \$2,714,148 | (\$730,486) |
| | | |
| Total Benefits Alternative 3 | \$22,912,431 | \$3,623,187 |
| Total Cost Alternative 3 | \$4,623,817 | \$6,798,804 |
| Net Benefit Alternative 3 | \$18,288,614 | (\$3,175,617) |

Appendix Q: Results of Monte Carlo Simulations

Table 29: Results of Monte Carlo simulations Alternatives 1 and 2

| | | <i>Include all FFY in OHC on or after 16th birthday</i> | | <i>Expand eligibility until 23rd birthday</i> | |
|---------------------|------------------------------|---|------------------|---|------------------|
| | | State Standing | Federal Standing | State Standing | Federal Standing |
| Net Benefits | Average | \$6,125,613 | \$4,145,004 | \$835,932 | \$15,855 |
| | Standard Deviation | \$3,397,932 | \$3,383,069 | \$515,512 | \$517,086 |
| | Min. | (\$954,563) | (\$3,012,253) | (\$516,372) | (\$1,334,612) |
| | Max. | \$14,400,000 | \$12,500,000 | \$2,528,157 | \$1,801,078 |
| | Positive values (percentage) | 99.10 | 86.40 | 95.70 | 49.80 |
| Benefits | Average | \$9,017,721 | \$9,005,870 | \$2,037,626 | \$2,035,918 |
| | Standard Deviation | \$3,386,228 | \$3,369,902 | \$502,013 | \$502,556 |
| | Min. | \$2,281,974 | \$2,287,879 | \$862,998 | \$869,150 |
| | Max. | \$17,100,000 | \$17,100,000 | \$3,637,968 | \$3,739,387 |
| Costs | Average | \$2,892,108 | \$4,860,866 | \$1,201,695 | \$2,020,063 |
| | Standard Deviation | \$280,726 | \$330,263 | \$116,400 | \$134,075 |
| | Min. | \$2,344,885 | \$3,975,503 | \$975,287 | \$1,664,324 |
| | Max. | \$3,440,630 | \$5,794,058 | \$1,428,189 | \$2,401,704 |

Table 30: Results of Monte Carlo simulations Alternative 3

| | | <i>Include all FFY in OHC on or after 16th birthday until 23rd birthday</i> | |
|---------------------|------------------------------|---|------------------|
| | | State Standing | Federal Standing |
| Net Benefits | Average | \$7,135,646 | \$3,291,724 |
| | Standard Deviation | \$3,588,744 | \$3,574,091 |
| | Min. | (\$1,541,680) | (\$5,565,321) |
| | Max. | \$16,900,000 | \$12,700,000 |
| | Positive values (percentage) | 99.46 | 78.09 |
| Benefits | Average | \$12,800,000 | \$12,800,000 |
| | Standard Deviation | \$3,560,080 | \$3,542,536 |
| | Min. | \$4,362,689 | \$4,470,792 |
| | Max. | \$22,100,000 | \$22,100,000 |
| Costs | Average | \$5,633,674 | \$9,467,636 |
| | Standard Deviation | \$445,376 | \$526,095 |
| | Min. | \$4,622,188 | \$7,880,508 |
| | Max. | \$6,681,656 | \$11,100,000 |

Appendix R: Results from TRA survey

On November 11, 2020 Kelsey Hill, DCF’s Independent Living Coordinator, sent a copy a survey to the Transitional Resource Agency contacts on behalf of our team. The purpose of the survey was to gather information regarding the relevant costs and benefits related to expanding program eligibility for FFY. The questions and corresponding responses by regions are outlined below.

Note: Two responses were provided by Region 4 by different TRA contacts, and both are included below.

Question #1: If the upper age limit for Independent Living services were to be extended to age 23, approximately how many more former foster youth do you estimate you would provide some services to per year?

Answer #1:

| Region | Response |
|--------|---|
| 1 | Approximately 15 additional youth per year |
| 2 | Estimate between at least 50-75; the older they get, developmentally, they are more likely to reach out for services and remain engaged. |
| 3 | 50 |
| 4 | 30; |
| | 60 more youth |
| 5 | Approximately 30 additional youth |
| 6 | 30 |
| 7 | 19 would probably re-engage if allowed. I approximant though with the number of youth that are 20 are currently engaged we would add additional 15 that would not exit the program that currently engage. So if this would go into affect that would be additional 30 youth in case we can not find so of the youth that were engaged and were disenrolled. |

Question #2: We are considering removing the restriction on providing services to former foster youth who are reunified or incarcerated at age 18. If new eligibility criteria were to include individuals who spent at least 6 months consecutive time in the foster care system after age 14, regardless of their status at age 18, how many more former foster youth do you estimate you would provide some services to per year?

Answer #2:

| Region | Response |
|---------------|--|
| 1 | Although we do not track this metric, given our 2020 data (through 11/19/20), we estimate our caseloads have potential to double in size for active youth. In 3 of our 9 counties, we can estimate an additional 7 youth eligible for IL services if reunified or incarcerated youth were eligible. |
| 2 | Difficult to answer, these are two very different questions, removing the incarceration criteria at age 18 when they age out would be a handful of youth who would remain eligible for services. Would this be including those reunified at 14.5 or anytime after 16 similar to current eligibility with adoption/ch 48? I estimate on the low side, at least #10 youth per county, multiplied by 17 counties with a low end of the scale starting at #170 youth and going upwards. |
| 3 | many! |
| 4 | 30; 70 more youth |
| 5 | Approximately 40 additional youth |
| 6 | 50+ |
| 7 | I can not break out the number of youth that were reunified or incarcerated. Each month I input every youth from the referral sheet from sacWisc and check eligibility input new youth. Looking through the IL tracker that WRI has created for me to track my case load. I can pull numbers for youth that were referred at some point after 14 and were eligible. Youth age 17-21 there would be additional 132 eligible were marked eligible some time after 14 and then marked ineligible before 18 for some reason other than transferring to another region. 37 youth were transferred to other regions. Dividing that by ages that would give approximate 33 additional youth per year based on my data input. $132/4=33$ |

Question #3: Approximately how many former foster youth do you help co-enroll in BadgerCare that you believe may not enroll themselves per year? (Note: You may also want to think of individuals who come to you after disconnecting from IL services whose enrollment has lapsed)

Answer #3:

| Region | Response |
|---------------|--|
| 1 | This number is hard to quantify because we remind all youth of their upcoming benefit renewals, case closures for changes, etc. (prior to COVID-19). Our estimate regionally (9 counties served) totals 35 - 40 youth. |
| 2 | #100 |
| 3 | uncertain, however i speculate that there are many for whom this has been done and they have little info about what they need to do to continue insurance over their lifetime |
| 4 | 35; About 60 youth |
| 5 | Approximately 30 youth per year |
| 6 | 30-40 |
| 7 | Based on our outcome report 51 youth have insurance. |

Question #4: Approximately how many former foster youth do you help co-enroll in FoodShare that you believe may not enroll themselves per year? (Note: You many also want to think of individuals who come to you after disconnecting from IL services whose enrollment has lapsed)

Answer #4:

| Region | Response |
|---------------|---|
| 1 | With our service delivery model, our IL Coordinators also have access to the FoodShare benefits Cares Worker Web system and so we regularly check benefit updates and refer for formal application, renewal, etc. for all active youth. For those we specifically support in co-enrollment with FoodShare (Not including FSET co-enrollment specifically), we estimate 30-35 youth. |
| 2 | #100 |
| 3 | many |
| 4 | 35; This is about 80 youth that are assisted with foodshare applications |
| 5 | Between 20-25 youth per year |
| 6 | 30-40 |
| 7 | Food share is not tracked at this time. I would believe that it would be comparable to Badger care since these appointment are do together. My estimate would be 40 since some are over income. As of right though we have 14 youth that are co-enrolled between our Food Share Employment Training program and IL services which I know IL assisted to enroll them with. |

Question #5: Approximately how many former foster youth do you help graduate from High School or obtain GEDs per year? (Note: Please don't include individuals who started getting IL services while enrolled in high school and finish out their senior year, unless they utilize IL services and counseling to stay enrolled in high school)

Answer #5:

| Region | Response |
|---------------|---|
| 1 | Youth who graduate HS typically are still in care. If they do not receive their HSD before they leave care it's very rare for us to see them return to school. In 2020, we have 2 youth enrolled in GED/HSED Programs and 3 in HSD, all alternative high schools. |
| 2 | #20 |
| 3 | a significant portion of our youth |
| 4 | 5; I have assisted 30 youth graduate from his school since the start of the program |
| 5 | Approximately 10-12 youth per year |
| 6 | 15+ |
| 7 | Right now I am working to increase the number of youth getting GED with WITC. We have approximately 5 a year get a GED and 18 graduate from high school according to the June outcome report. |

Question #6: Approximately how many former foster youth do you help find a job per year? What are the average wages and hours for these jobs? What is an approximate ratio of full-time versus part-time employment for these former foster youth?

Answer #6:

| Region | Response |
|---------------|--|
| 1 | We connect youth to work programs, specifically our regional FSET Program. Currently, we have 20 youth co-enrolled in employment and training programs. Nearly all youth express a need/goal of employment. The average wage of our employed youth is \$10.62/hour, working 29.76 average hours/week. 34.7 percent of youth are working part-time, 45.8 percent working full-time. |
| 2 | #75, Unknown, #50PT #25PT |
| 3 | up to 40 |
| 4 | 25 - average 12.00/hr/ 80 percent part time; I have in one year I have assisted 20 youth find employment |
| 5 | Between 35-40 youth; 50 percent working part-time (20hrs or less); 50 percent working full-time (32 hours or more); earnings range between \$8.00 to \$15.00/hour |
| 6 | 50. Most are part-time jobs, at or around minimum wage |
| 7 | Last reporting period we reported 28 obtain employment most with jobs 25 hours at \$12 |

Question #7: Assuming a funding increase is necessary if eligibility requirements were expanded, by approximately how many youths would your region’s caseload need to be increased in order to add an additional staff member? (Note: Please specify if those staff would be full-time and/or part-time)

Answer #7:

| Region | Response |
|---------------|--|
| 1 | Our 9-county region currently serves 80 active youth with 2 full-time IL Coordinators. Not only are we providing direct case management, but are also involved in program development and internal/external organizational projects. We utilize interns for support, although limited to support they can provide (specifically the longevity of their time with our programs). One additional full-time employee would provide more immediate case management support, program development including the Youth Advisory Council, community partnership building, etc., support we would justify requesting with our current active caseload size. |
| 2 | #30 youth per caseload, if extending to 23 (#50-75), removing incarceration (#10)and requirement of only 6 months OHC after 14 (#170): at least full time staff 8 FT staff. |
| 3 | A full time position would needed to be added initially to determine the success of expansion at minimum. |
| 4 | We could add one now, with 70 youth being served by two full time staff.;; Increasing the funding for aftercare would greatly access more opportunities to do incentives with youth that will help motivate youth to stay on track with youth. |
| 5 | Unsure at this time as caseloads, staffing patterns, and utilization of other fund sources i.e., WIOA to support staff member positions vary by region. |

| | |
|----------|---|
| 6 | We are near capacity at this point. Any more than 10-15 additional youth on each caseload would result in an additional full-time staff or 2 additional part-time staff. |
| 7 | 1 full time and 2nd part time staff in addition the current full time IL Coordinator/Program Manager and allow for current part time staff to be full time IL. Ideally one person to case manage Burnett, Polk, Barron, Sawyer, Douglas Washburn. Another full time staff to case manage Ashland, Iron, and Bayfield. Part-time to case manage Price, Taylor, Rusk and aid with YAC recruitment. This will also limit on travel time for case manager to see youth. This division would give them roughly 50 cases each if all youth are engaged for full time staff and 25 part time since these three counties do not have as many youth. |

Question #8: Does your region manage an incentive program? If so, approximately what is the average value, in dollars, of incentives paid to former foster youth in a typical year?

Answer #8:

| Region | Response |
|---------------|---|
| 1 | No current incentive program, although we are reviewing a GED/HSED completion incentive program in 2021. We utilize fuel-only gift cards from match funds, which total \$5000.00 for 2021. These cards can be used for any eligible IL youth needs, not specifically incentive. |
| 2 | Yes - \$5,000.00 This does not include incentives for attending YAC |
| 3 | at least 100-200 per youth |
| 4 | \$2,600; The incentive program that is offered through Racine is the housing /renters incentive revolving around goals of obtaining and managing housing. The dollar amount is \$50.00 per week and I would like if this amount could be increased but due to budget restraints the amount cannot. |
| 5 | No. |
| 6 | No. |
| 7 | We have started an incentive program for 2020 with attending 3 of the 4 YAC Life Skills a month they can earn a \$20.00 gift card. I would like to increase but budget does restrict. |

Question #9: What is the approximate average dollar value of all direct money provisions to former foster youth in a typical year? (Including incentives, room and board, driver's license payments, apparel, etc.)

Answer #9:

| Region | Response |
|---------------|--|
| 1 | This is a difficult number to quantify, as we do not have a maximum allotment per youth. Some youth request only Brighter Star/ETV, some who request non-monetary support/guidance, and possibly a combination of regular IL, Brighter Star and non-monetary. An average per youth estimate totals \$500/year. |
| 2 | \$55,000.00 - Not including the additional COVID funds |
| 3 | exceeds current contract dollars |
| 4 | \$20,000; |

| | |
|---|--|
| | This varies from youth to youth but I would say on average per year each youth receives on minimum 500 and there have been over \$2,000 spent on a youth so the range really varies depending on circumstances. |
| 5 | Approximately \$2,150 per youth per year (factors in use of BrighterStar funds for tuition, room/board, school supplies, and Supportive Service funds for housing/rent, groceries, household items, etc.) |
| 6 | |
| 7 | Our budget per year is \$38,000 for direct services without the Brighter Star scholarship funds from DCF IL grant. We also have applied and received outside funding which comes to another \$10000 for youth direct services and 4000 incentives used for all youth age 14-26. We currently have 74 engaged youth in the program at this time that are 17 to 21. To answer this question though I am going to use the 47 youth that are over 18 and are no longer on county care. \$48000/47 which is comes to an average \$1021 a client. We have 10 that also are getting the scholarship and that is \$5000 per client for these clients. 27 of my youth are 17 and will be exiting care in the next year. |

Question #10: Approximately how many of the former foster youth that you are currently serving are eligible for IL services based on each of these criteria?

Answer #10:

| Adopted any time after 16th birthday: | |
|--|--|
| Region | Response |
| 1 | 3 |
| 2 | 10 |
| 3 | this is a target population we are focused on recruitment, I'd say none at this time |
| 4 | 0; All youth meet this criteria |
| 5 | 8-10 youth |
| 6 | 10 percent |
| 7 | 2 |
| Entered court-ordered Ch. 48 Guardianship any time after 16th birthday: | |
| 1 | We do not have access to youths placement records and so we are unable to confirm placement types. An estimate with known information totals 14 youth. |
| 2 | 25 |
| 3 | same as adopted youth. This is a target population, I do not believe our youth fall into this category. we are focused on recruitment |
| 4 | 7; All youth meet this criteria |
| 5 | Approximately 15 youth |
| 6 | 10 percent |
| 7 | 3 for sure I am not sure if relative unlicensed is the same that would be 8 more so total of 11. |
| Aged out of foster care at age 18 or older: | |
| 1 | We do not have access to youths placement records and so we are unable to confirm placement types. An estimate with known information total 50 youth. |
| 2 | 100 |
| 3 | 100 percent |
| 4 | 63; |

| | |
|----------|---|
| | All youth meet this criteria |
| 5 | 80-90 youth |
| 6 | 80 percent |
| 7 | 70 but 1 is in from detention and 9 are tribal from this group as well. I have a total of 83 referral for youth 17 to 21 years that are referred. I put them in this complete count and we have 74 completely engaged with our services at this time. |

Question #11: For any follow-up questions, please provide your name and contact information.

Answer #11:

| Region | Response |
|---------------|---|
| 1 | Lacey Piekarski - 715-421-8927 - lpiekarski@co.wood.wi.us |
| 2 | Sarah Klapper sklapper@bayareawdb.org |
| 3 | adfantis@sainta.org |
| 4 | Denise Derdeyn, dderdeyn@khds.org , 262-764-8498; Jean L a forest |
| 5 | Jackie Hall, jhall@wdbscw.org , 608-249-9001 x 232 |
| 6 | lcampbell@fccnetwork.org |
| 7 | Crystal Meier 715-619-6001 meierc@workforceresource.org |

Appendix S: Results from FFY Survey

On November 11, 2020 Kelsey Hill, DCF's Independent Living Coordinator, sent a copy for a survey of FFY to the TRA contacts. The purpose of the survey was to hear directly from youth accessing the ILP and how their involvement has impacted progress and success in key independent living areas of focus.

The TRA contacts were encouraged to share the survey with the foster youth in their region in the best way they saw fit. The survey was both voluntary and anonymous. In total 39 responses were received from FFY and shared with our team. The questions and corresponding responses are outlined below.

Options for FFY for enrollment/participation questions include:

- "I definitely would have or already (enrolled/obtained benefit) on my own"
- "I would not have (enrolled/obtained benefit) without the help from my independent living contact"
- I have not (enrolled/obtained benefit), but am working on it WITH help from my independent living contact"
- "I have not (enrolled/obtained benefit), but am working on it WITHOUT help from my independent living contact"
- "I have not (enrolled/obtained benefit)"

Question #1: How old are you?

Answer #1: (see next page)

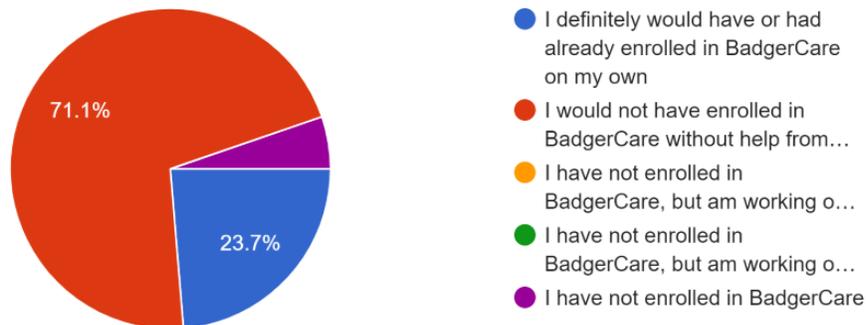
| Age | Number of Responses | Percentage of Responses |
|--------------|---------------------|-------------------------|
| 17 | 5 | 12.8 |
| 18 | 8 | 20.5 |
| 19 | 7 | 17.9 |
| 20 | 13 | 33.3 |
| 21 | 4 | 10.3 |
| 21.5 | 1 | 2.6 |
| 22 | 1 | 2.6 |
| Total | 39 | 100 |

Question #2: How likely would you have been to enroll in BadgerCare without help from independent living services:

Answer #2:

How likely would you have been to enroll in BadgerCare without help from independent living services:

38 responses

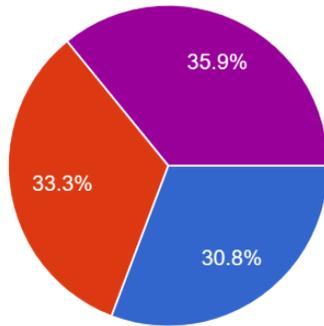


Question #3: How likely would you have been to enroll in FoodShare without help from independent living services:

Answer #3: (see next page)

How likely would you have been to enroll in FoodShare without help from independent living services:

39 responses



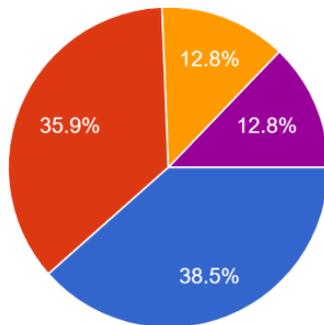
- I definitely would have or had already enrolled in FoodShare on my own
- I would not have enrolled in FoodShare without help from m...
- I have not enrolled in FoodShare, but am working on it WITH help...
- I have not enrolled in FoodShare, but am working on it WITHOUT...
- I have not enrolled in FoodShare

Question #4: How likely would you have been to obtain a driver's license without help from independent living services:

Answer #4:

How likely would you have been to obtain a driver's license without help from independent living services:

39 responses



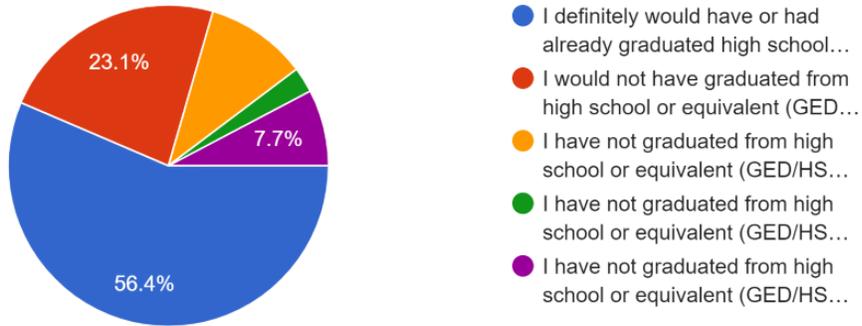
- I definitely would have or had already obtained a driver's lice...
- I would not have obtained a driver's license without help fro...
- I have not obtained a driver's license, but am working on it W...
- I have not obtained a driver's license, but am working on it W...
- I have not obtained a driver's license

Question #5: How likely would you have been to graduate from high school or equivalent (GED/HSED) without help from independent living services:

Answer #5: (see next page)

How likely would you have been to graduate from high school or equivalent (GED/HSED) without help from independent living services:

39 responses

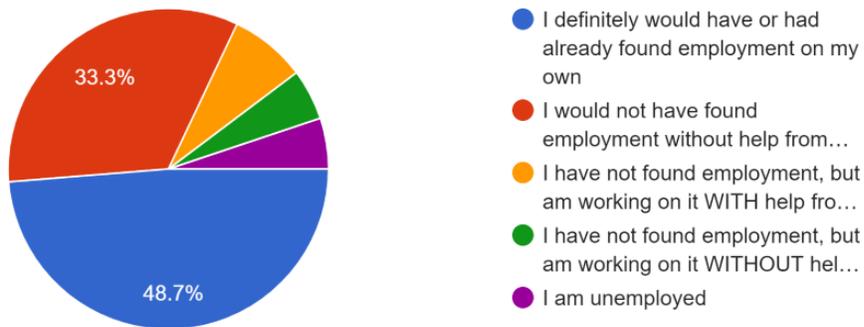


Question #6: How likely would you have been to find employment without help from independent living services:

Answer #6:

How likely would you have been to find employment without help from independent living services:

39 responses

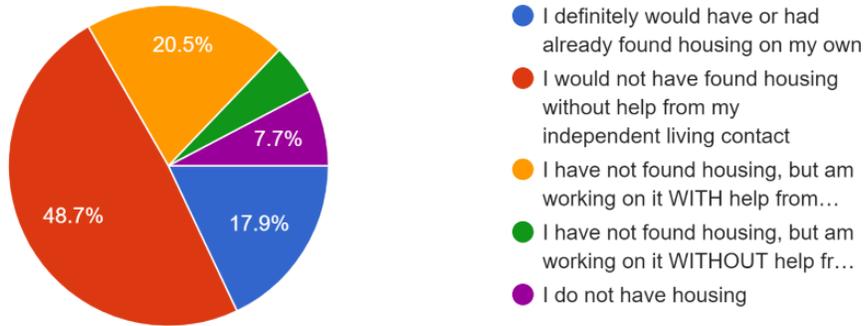


Question #7: How likely would you have been to find housing without help from independent living services:

Answer #7: (see next page)

How likely would you have been to find housing without help from independent living services:

39 responses



Question #8: List 2-3 of the most important independent living services you have received. Why are these services important for you?

Answer #8:

| |
|--|
| Budgeting Savings Rent smart program |
| Help with college this is important because I need a college education to follow what i have always wanted to do. In general she has helped me do lots of things that help me be a better adult and to live more independently. |
| Rent assistance, gas assistance, community resources. Without the independent living services, i dont know where i would be. My coordinator has helped with so much, when rent was tight one month, when i couldn't afford gas to get to work, helping me find pregnancy resources like WIC and other programs. |
| Transportation money for gas, food expenses, they are important to me because it helps me get by at the end of the month when all my bills are due. |
| Living expenses- this is helping me pay for my dorm living at the moment. Otherwise I wouldn't have enough money to live on my own. College items- I have received help with getting items that are necessary for college. Such as a computer and other things. |
| Money support, and the ability to help me with college. Money support because I was able to legally change my name as a trans person, and college help because it makes college 40 percent less harder. |
| College help finding an apartment and how to budget my money |
| The housing program, helping out with phone cards, and helping me go back to school |
| College support Scholarships for college |

| |
|---|
| The services that are most important to me would be the help with getting a job and helping find a place. Why this is so important to me is because without the help from the people that have helped me I wouldn't have been able to do it. |
| College scholarships Rent assistance Other funding |
| 1. The class for independent living because she goes into detail about what happens when you get your own place |
| 2. The help I have received for college because I don't think I would have done it by myself |
| The services that are most important to me would be the help with getting a job and helping find a place. Why this is so important to me is because without the help from the people that have helped me I wouldn't have been able to do it. |
| The scholarship type funds we get for things we need in our house |
| Housing, care packages, living expenses. Sometimes when I wasn't given a shot or had a hard time adjusting these were there for me. |
| Paying for housing |
| Housing and food. These things are important to me because they are necessities that my independent living contact has helped me obtain |
| I've received help for things I need to help me get by, like a tablet so I can work on my art for coping with anxiety and for financial reasons. It was nice to have people help me with my mom, regarding her past. And overall they help with financial support |
| Having a case manager as a support person. This is important to me because it made me feel like I was not alone. Receiving help with obtaining necessities for my first apartment was a huge help. |
| ETV helps me with school and my rent. This is important to me because it helps me get on my feet and make a plan before I don't have the services no more |
| Health Insurance ETV Funds Those services are important because it helps me get through college (etv) and to remain healthy (insurance) |
| Health Insurance ETV Funds Those services are important because it helps me get through college (etv) and to remain healthy (insurance) |
| someone who sticks with you and cares (I had a rotation of social workers but my IL worker is the best!!) help with my rent ! and school |
| Housing would have been next to impossible. Schooling- secondary education is important to me and without IL services wouldn't be able to do it. The amount of emotional and financial support IL workers give cannot be replaced |
| Helping with getting my Hsed And helping me with my living situation Because these are two important things to have to make a successful life. |
| Rent assistance- due to troubling financial times |
| Car insurance- help me be insured so I could pay other bills |
| Housing would have been next to impossible. Schooling- secondary education is important to me and without IL services wouldn't be able to do it. The amount of emotional and financial support IL workers give cannot be replaced |

| |
|--|
| Rent assistance Food stamps And Phone bill |
| Helping with finding a job and housing |
| Housing would have been next to impossible. Schooling- secondary education is important to me and without IL services wouldn't be able to do it. The amount of emotional and financial support IL workers give cannot be replaced |
| I have received help in so many areas from my independent living worker(s). She has helped me gain my driver license, GED and HSED, looking for good colleges to get into and searching for help to pay for school. Without her help I wouldn't have gained these amazing opportunities. |
| i received some money for my school's tuition but that was it |
| Financial help is the biggest one for me. Receiving a scholarship to help pay my housing at school is the biggest help I've ever received. They also have helped me in my time of need and would pay bills that I could not pay. |
| Help with a place to stay & other necessities. They are important for me because i need a little extra help after aging out of foster care. |
| My worker gives me help with housing, job coaching, and helping me with have mental issues. |
| My worker Jay definitely helped me stay off the street |

Question #9: If you were able to receive independent living services up until age 23, what are the services you think would be most valuable to you between ages 21-23?

Answer #9:

| |
|--|
| Keeping track of bills mainly and budgeting |
| I believe all aspects of independent living would be valuable through those ages because some people just aren't ready right away and giving this little extension would help. Also during this pandemic I missed almost an entire year with my independent living worker because virtual just is not the easiest. |
| Rent assistance, budgeting plans, |
| I think the services that would be most valuable to me would be the support from IL services, I will still be going to school and it will help pay for things that involve school. |
| Living expenses |
| Drivers license help, housing help, mental health support. |
| Working on life skills |
| Going back to school, helping find a career, and help with housing |
| None |
| The service I think would be the most valuable would be employment, food share and badger care. |
| College scholarship help Health insurance help Employment help |
| Independent living services |
| The service I think would be the most valuable would be employment, food share and badger care. |
| N/A |
| Housing, basics, help with bills. |
| House education |
| Help with taxes and insurance things |

| |
|---|
| Not sure if it counts in this category, but disability, more financial support, helping with college loans or payments, etc. |
| Independent living services is helpful with having many resources! |
| Etv and advice and having someone to talk to when stuff is hard and be able to have the those resources if needed |
| Houses |
| ETV funds for college students and health insurance. |
| school resources |
| Schooling and housing supports |
| College |
| Mental support |
| Rent assistance, car Insurance |
| Schooling and housing supports |
| Probably housing and education |
| Housing and badgercare |
| Schooling and housing supports |
| Help paying for school, finding great job opportunities. |
| i have received none yet for this year |
| I feel like the financial help from finding banks, loans, stuff about credit, etc., would be most useful for myself, but I feel as though just having someone to speak to in situations you're not sure how to handle in that moment would be nice as well. |
| Help with benefits/college/housing |
| I think from 21-23 making sure I have a good job and learning how to pay my rent and bills on time |
| When I get older I would want a job and a better place to live and a trade. |

Question #10: Please let us know if you have any additional comments/feedback.

Answer #10:

| |
|--|
| Thank you Beth for taking me under your wing and guiding me and hope that I can find a place for when I turn 18! |
| No |
| It's a great program and it really helps I think it's an important service for children in foster care who need guidance |
| When you come out of the system the first few years you're adjusting to a life you never had and it gets crazy, you don't know what your doing. By the time you are old enough you no longer have services to help dig you out and make better choices. Having someone there as a support is more helpful than you know. |
| I hope they extend the age because it very helpful when trying to still figure out everything in life and it's get support to have. |
| Extend the age to 23!!!! |
| The extension of IL services is a lifeline to not only myself but so many kids who are leaving and aging from out of home placement, please consciously consider the benefit so many youth will receive with the extension of IL services. |
| You guys are great |
| The extension of IL services is a lifeline to not only myself but so many kids who are leaving and aging from out of home placement, please consciously consider the benefit so many youth will receive with the extension of IL services. |
| I love this program ! |

| |
|--|
| The extension of IL services is a lifeline to not only myself but so many kids who are leaving and aging from out of home placement, please consciously consider the benefit so many youth will receive with the extension of IL services. |
| it seems as if my independent living coordinator has too many kids to help me |
| No, I do not |
| :) |
| No |
| Jay always picks up his phone for me |

Appendix T: Monte Carlo Simulation Stata Code

```
clear
```

```
*****
```

```
//Alternative 1.1 INCLUDE EVERY FFY 16+, Wisconsin Standing
```

```
*****
```

```
*** PRESETS ***
```

```
// Monte Carlo Program//
```

```
set obs 100000
```

```
set seed 2500
```

```
//discount rate
```

```
gen d = 0.035
```

```
//Wisconsin METB
```

```
gen METBWI = 1.17
```

```
*** BENEFICIARIES ***
```

```
gen AverageReunifications = 502 // Average number of foster youth discharged of OHC due to  
Reunification after 16th birthday each year
```

```
gen AverageOther = 89 // Average number of foster youth discharged of OHC due to other reasons after  
16th birthday each year
```

```
gen AnnualAdditionalFFY = AverageOther+AverageReunifications // Average number of additional  
FFY that would be eligible per year
```

```
gen YearsEligible = 3 // number of years that are eligible (18 - 20.999)
```

```
gen AdditionalFFYEligible = AnnualAdditionalFFY*YearsEligible // Total number of additional eligible  
FFY
```

```
gen Percentageofuse = 0.48 // Percentage of FFY discharged by guardianships and adoptions after 16 that  
are currently using ILS
```

```
gen AdditionalFFYUsers = AdditionalFFYEligible * Percentageofuse //Total new users
```

```
gen YearinILS = 2.25 // Average time that FFY is using ILS
```

```
gen newFFYusers16 = AdditionalFFYUsers/YearinILS // Additional FFY that would enter the program  
each year
```

```
***SOCIAL BENEFITS***
```

```
//Employment
```

```
gen salaryincrease = 269.72 + 466*uniform()
```

```
gen PVsalaryincrease = salaryincrease /((1+d)^0.5 + salaryincrease /((1+d)^1.5
```

```
//Education
```

```
gen shadowpriceED = 0 + 106203*uniform()
```

```
gen additionalHSD = 0.254+0.08*uniform()
```

```
gen PVeducation = shadowpriceED*additionalHSD/(1+d)
```

```
//Homelessness
```

```
gen prophelp = 0.10513198 + 0.2363098*uniform()
```

```
gen avoidedcosts = 2885/18*12
```

```

gen earningincrease = 5160
gen lawenforcementreduction = 1746/18*12
gen regadjustment = 0.78
gen inflationhomelessness = 1.019*1.023
gen PVHavoidedcost = prophelp*avoidedcosts*regadjustment*inflationhomelessness/(1+d)^0.5 +
prophelp*avoidedcosts*regadjustment*inflationhomelessness/(1+d)^1.5
gen PVHearningincrease = prophelp*earningincrease*regadjustment*inflationhomelessness/(1+d)^0.5 +
prophelp*earningincrease*regadjustment*inflationhomelessness/(1+d)^1.5
gen PVHlawenforcementred =
prophelp*lawenforcementreduction*regadjustment*inflationhomelessness/(1+d)^0.5 +
prophelp*lawenforcementreduction*regadjustment*inflationhomelessness/(1+d)^1.5

//Health Insurance
gen annualHIbenefit = 0 + 169.96*uniform()
gen propHI = .57 + .14*uniform()
gen PVHealthInsurance = annualHIbenefit*propHI/(1+d)^0.5 + annualHIbenefit*propHI/(1+d)^1.5

//Food Share
gen foodsharebenefit = 2424
gen propFS = 0.33 + .19*uniform()
gen PVfoodshare = foodsharebenefit * propFS / (1+d)^0.5 + foodsharebenefit * propFS / (1+d)^1.5

//Direct Payment
gen DirectPayments = 561
gen PVDirectPayments = DirectPayments / (1+d)^0.5 + DirectPayments / (1+d)^1.5

//Driver Licence
gen DriverLicenceBen = 1462.65 + 663.35*uniform()
gen DLproportion = .487
gen PVDriverLicence = DriverLicenceBen * DLproportion/(1+d)

//Present Value of Social Benefits per User
gen PVperuser = PVHearningincrease + PVEDucation + PVHavoidedcost + PVHearningincrease +
PVHlawenforcementred + PVHealthInsurance + PVfoodshare + PVDirectPayments + PVDriverLicence
gen TotalBenefits = PVperuser * newFFYusers16

***COSTS***
gen variablecost = 2087 + 1126 * uniform()
gen Hicost = 2838.03 // Annual cost per capita to WI to provide health insurance via Medicaid
gen HicostWiprop = .403
gen WIHicost = Hicost*HicostWiprop
gen TotalCost = ((variablecost+WIHicost*propHI) * newFFYusers16/(1+d)^0.5 +
(variablecost+WIHicost*propHI) * newFFYusers16/(1+d)^1.5)*METBWI

***NET BENEFITS***
gen NetBenefits = TotalBenefits - TotalCost

// Summarize and plot results //
summarize
hist NetBenefits, percent title("Distribution of Present Value of Net Benefits" "of including every Foster
Youth 16+ from State Standing")

```

```

sum NetBenefits if NetBenefits>0
clear

*****
//Alternative 1.2 INCLUDE EVERY FFY 16+, Federal Standing
*****
*** PRESETS ***
// Monte Carlo Program//
set obs 100000
set seed 2500

//Discount rate
gen d = 0.035 // discount rate

//Federal METB
gen METBFed = 1.19 + 0.04*uniform()

***BENEFICIARIES***

gen AverageReunifications = 502
gen AverageOther = 89
gen AnnualAdditionalFFY = AverageOther+AverageReunifications
gen YearsEligible = 3
gen AdditionalFFYEligible = AnnualAdditionalFFY*YearsEligible
gen Percentageofuse = 0.48
gen AdditionalFFYUsers = AdditionalFFYEligible * Percentageofuse
gen YearinILS = 2.25
gen newFFYusers16 = AdditionalFFYUsers/YearinILS

***SOCIAL BENEFITS***
//Employment
gen salaryincrease = 269.72 + 466*uniform()
gen PVsalaryincrease = salaryincrease /(1+d)^0.5 + salaryincrease /(1+d)^1.5

//Education
gen shadowpriceED = 0 + 106203*uniform()
gen additionalHSD = 0.254+0.08*uniform()
gen PVeducation = shadowpriceED*additionalHSD/(1+d)

//Homelessness
gen prophelp = 0.10513198 + 0.2363098*uniform()
gen avoidedcosts = 2885/18*12
gen earningincrease = 5160
gen lawenforcementreduction = 1746/18*12
gen regadjustment = 0.78
gen inflationhomelessness = 1.019*1.023

gen PVHavoidedcost = prophelp*avoidedcosts*regadjustment*inflationhomelessness/(1+d)^0.5 +
prophelp*avoidedcosts*regadjustment*inflationhomelessness/(1+d)^1.5
gen PVHearningincrease = prophelp*earningincrease*regadjustment*inflationhomelessness/(1+d)^0.5 +
prophelp*earningincrease*regadjustment*inflationhomelessness/(1+d)^1.5

```

```

gen PVHlawenforcementred =
prophelp*lawenforcementreduction*regadjustment*inflationhomelessness/(1+d)^0.5 +
prophelp*lawenforcementreduction*regadjustment*inflationhomelessness/(1+d)^1.5

//Health Insurance
gen annualHIbenefit = 0 + 169.96*uniform()
gen propHI = .57 + .14*uniform()
gen PVHealthInsurance = annualHIbenefit*propHI/(1+d)^0.5 + annualHIbenefit*propHI/(1+d)^1.5

//Food Share
gen foodsharebenefit = 2424
gen propFS = 0.33 + .19*uniform()
gen PVfoodshare = foodsharebenefit * propFS / (1+d)^0.5 + foodsharebenefit * propFS / (1+d)^1.5

//Direct Payments
gen DirectPayments = 561
gen PVDirectPayments = DirectPayments / (1+d)^0.5 + DirectPayments / (1+d)^1.5

//Driver Licence
gen DriverLicenceBen = 1462.65 + 663.35*uniform()
gen DLproportion = .487
gen PVDriverLicence = DriverLicenceBen * DLproportion/(1+d)

//Present Value per User
gen PVperuser = PVHearningincrease + PVEDucation + PVHavoidedcost + PVHearningincrease +
PVHlawenforcementred + PVHealthInsurance + PVfoodshare + PVDirectPayments + PVDriverLicence

gen TotalBenefits = PVperuser * newFFYusers16

***COSTS***
gen variablecost = 2087 + 1126 * uniform()
gen healthinsurancecost = 2838.02
gen PVHICost = healthinsurancecost/(1+d)^0.5 + healthinsurancecost/(1+d)^1.5
gen foodsharecost = 2424
gen PVFSCost = foodsharecost/(1+d)^0.5+foodsharecost/(1+d)^1.5
gen TotalCostFed = ((variablecost+foodsharecost*propFS+healthinsurancecost*propHI) *
newFFYusers16/(1+d)^0.5 + (variablecost+foodsharecost*propFS+healthinsurancecost*propHI) *
newFFYusers16/(1+d)^1.5)*METBFed

***NET BENEFITS***
gen NetBenefitsFed = TotalBenefits - TotalCostFed

// Summarize and plot results //
summarize
hist NetBenefitsFed, percent title("Distribution of Present Value of Net Benefits" "of including every
Foster Youth 16+ from Federal Standing")
sum NetBenefitsFed if NetBenefitsFed>0

clear

*****

```

```

// Alternative 2.1 INCLUDE 21-22.99, Wisconsin Standing
*****
*** PRESETS ***
// Monte Carlo Program//
set obs 100000
set seed 2500

//Discount rate
gen d = 0.035 // discount rate

//Wisconsin METB
gen METBWI = 1.17 // "17 cents per dollar, which was specifically estimate for property tax, should be
used" page 71

***BENEFICIARIES***
gen AverageAgedOut = 284 // Average number of foster youths discharged of OHC due to Aged Out
each year
gen AverageAdoptions = 5 // Average number of foster youths discharged of OHC due to Adoptions
after 16th birthday
gen AverageGaurdanship = 76 // Average number of foster youths discharged of OHC due to
Guardanship after 16th birthday
gen AnnualAdditionalFFY = AverageAgedOut+AverageAdoptions+AverageGaurdanship // Average
number of additional FFY that would be eligible per year
gen CurrentBeneficiaries = 661 // Number of FFY currently using ILS per year
gen YearinILS = 2.25 // Average time that FFY is using ILS calculated using the average number of users
using ILS per semester divided by the average number of disengagements per semester
gen CurrentNewUserperYear = CurrentBeneficiaries/YearinILS // Average number of new users per year,
FFY that enter into the program each year
gen CurrentCoverage = CurrentNewUserperYear/AnnualAdditionalFFY
gen NewCoverage = 0.9 // Estimation of coverage after include 21-22.99
gen AdditionalNewUsers = (NewCoverage-CurrentCoverage)*AnnualAdditionalFFY //Additional FFY
that gould enter into the program each year.
gen AdditionalYearinILS = 1 //Increase in average time that FFY use ILS

**** GROUP 1: NEW USERS /new users enter the program after their 21 birthday so the maximum time
that they can remain in the program is 2 years and the minimum 0.01 so in average we estimate that they
will use the services for one year.

***SOCIAL BENEFITS***
//Employment
gen salaryincrease = 269.72 + 466*uniform()
gen PVsalaryincrease = salaryincrease /(1+d)^0.5

//Education
gen shadowpriceED = 0 + 106203*uniform()
gen additionalHSD = 0.254+0.08*uniform()
gen PVeducation = shadowpriceED*additionalHSD/(1+d)

//Homelessness
gen propHELP = 0.10513198 + 0.2363098*uniform()

```

```

gen avoidedcosts = 2885/18*12
gen earningincrease = 5160
gen lawenforcementreduction = 1746/18*12
gen regadjustment = 0.78
gen inflationhomelessness = 1.019*1.023
gen PVHavoidedcost = prophelp*avoidedcosts*regadjustment*inflationhomelessness/(1+d)^0.5
gen PVHearningincrease = prophelp*earningincrease*regadjustment*inflationhomelessness/(1+d)^0.5
gen PVHlawenforcementred =
prohhelp*lawenforcementreduction*regadjustment*inflationhomelessness/(1+d)^0.5

//Health Insurance
gen annualHIbenefit = 0 + 169.96*uniform()
gen propHI = (.57 + .14*uniform())
gen PVHealthInsurance = annualHIbenefit*propHI/(1+d)^0.5

//Food Share
gen foodsharebenefit = 2424
gen propFS = (0.33 + .19*uniform())
gen PVfoodshare = foodsharebenefit * propFS / (1+d)^0.5

//Direct Payments
gen DirectPayments = 561
gen PVDirectPayments = DirectPayments / (1+d)^0.5

//Driver Licence
gen DriverLicenceBen = 1462.65 + 663.35*uniform()
gen DLproportion = .487
gen PVDriverLicence = DriverLicenceBen * DLproportion/(1+d)

//Present Value per User
gen PVperuser = PVHearningincrease + PVEDucation + PVHavoidedcost + PVHearningincrease +
PVHlawenforcementred + PVHealthInsurance + PVfoodshare + PVDirectPayments + PVDriverLicence
gen TotalBenefitsNU = PVperuser * AdditionalNewUsers

****COSTS****
gen variablecost = 2087 + 1126 * uniform()
gen HICost = 2838.03
gen HICostWiprop = .403
gen WIHICost = HICost*HICostWiprop
gen TotalCostNU = (variablecost+WIHICost*propHI) * AdditionalNewUsers/(1+d)^0.5

**** GROUP 2: CURRENT USERS ****
gen AdditionalProp = 0.01 + 0.09*uniform()

***SOCIAL BENEFITS***
//Employment
gen PVsalaryincreaseCU = salaryincrease / (1+d)^2.5

//Education
gen additionalHSDCU = (0.254+0.08*uniform())*AdditionalProp
gen PVEDucationCU = shadowpriceED*additionalHSDCU / (1+d)^2.5

```

```

//Homelessness /
gen prophelpCU = (0.10513198 + 0.2363098*uniform())
gen PVHavoidedcostCU = prophelpCU*avoidedcosts*regadjustment*inflationhomelessness/(1+d)^2.5
gen PVHearningincreaseCU =
prophelpCU*earningincrease*regadjustment*inflationhomelessness/(1+d)^2.5
gen PVHlawenforcementredCU =
prophelpCU*lawenforcementreduction*regadjustment*inflationhomelessness/(1+d)^2.5

//Health Insurance
gen propHICU = (.57 + .14*uniform())
gen PVHealthInsuranceCU = annualHIbenefit*propHICU/(1+d)^2.5

//Food Share
gen propFSCU = (0.33 + .19*uniform())
gen PVfoodshareCU = foodsharebenefit * propFSCU / (1+d)^2.5

//Direct Payments
gen PVDirectPaymentsCU = DirectPayments / (1+d)^2.5

//Driver Licence
gen DLproportionCU = .487*AdditionalProp
gen PVDriverLicenceCU = DriverLicenceBen * DLproportionCU/(1+d)^2.5

//Benefits' Present Value per User
gen PVperuserCU = PVHearningincreaseCU + PVEDucationCU + PVHavoidedcostCU +
PVHearningincreaseCU + PVHlawenforcementredCU + PVHealthInsuranceCU + PVfoodshareCU +
PVDirectPaymentsCU + PVDriverLicenceCU
gen TotalBenefitsCU = PVperuserCU * CurrentNewUserperYear

****COSTS****
gen TotalCostCU = (variablecost+WIIHICost*propHICU) * CurrentNewUserperYear/(1+d)^2.5
gen TotalCost=(TotalCostCU + TotalCostNU)*METBWI

****NET BENEFITS****
gen TotalBenefits= TotalBenefitsNU + TotalBenefitsCU
gen NetBenefits = TotalBenefits - TotalCost

// Summarize and plot results //
summarize
hist NetBenefits, percent title("Distribution of Present Value of Net Benefits" "of including 21-23 years
old FFY from State Standing")
sum NetBenefits if NetBenefits>0

clear
*****
// Alternative 2.2 INCLUDE 21-22.99, Federal Standing
*****

*** PRESETS ***

```

```

// Monte Carlo Program//
set obs 100000
set seed 2500

//Discount rate
gen d = 0.035 // discount rate

//Federal METB
gen METBFed = 1.19 + 0.04*uniform()

***BENEFICIARIES***
gen AverageAgedOut = 284
gen AverageAdoptions = 5
gen AverageGaurdanship = 76
gen AnnualAdditionalFFY = AverageAgedOut+AverageAdoptions+AverageGaurdanship
gen CurrentBeneficiaries = 661
gen YearinILS = 2.25
gen CurrentNewUserperYear = CurrentBeneficiaries/YearinILS
gen CurrentCoverage = CurrentNewUserperYear/AnnualAdditionalFFY
gen NewCoverage = 0.9
gen AdditionalNewUsers = (NewCoverage-CurrentCoverage)*AnnualAdditionalFFY
gen AdditionalYearinILS = 1

**** GROUP 1: NEW USERS
***SOCIAL BENEFITS***
//Employment
gen salaryincrease = 269.72 + 466*uniform()
gen PVsalaryincrease = salaryincrease / (1+d)^0.5

//Education
gen shadowpriceED = 0 + 106203*uniform()
gen additionalHSD = 0.254+0.08*uniform()
gen PVeducation = shadowpriceED*additionalHSD/(1+d)

//Homelessness
gen prophelp = 0.10513198 + 0.2363098*uniform()
gen avoidedcosts = 2885/18*12
gen earningincrease = 5160
gen lawenforcementreduction = 1746/18*12
gen regadjustment = 0.78
gen inflationhomelessness = 1.019*1.023
gen PVHavoidedcost = prophelp*avoidedcosts*regadjustment*inflationhomelessness/(1+d)^0.5
gen PVHearningincrease = prophelp*earningincrease*regadjustment*inflationhomelessness/(1+d)^0.5
gen PVHlawenforcementred =
prophelp*lawenforcementreduction*regadjustment*inflationhomelessness/(1+d)^0.5

//Health Insurance
gen annualHIbenefit = 0 + 169.96*uniform()
gen propHI = (.57 + .14*uniform())

```

```

gen PVHealthInsurance = annualHibenefit*propHI/(1+d)^0.5

//Food Share
gen foodsharebenefit = 2424
gen propFS = (0.33 + .19*uniform())
gen PVfoodshare = foodsharebenefit * propFS / (1+d)^0.5

//Direct Payments
gen DirectPayments = 561
gen PVDirectPayments = DirectPayments / (1+d)^0.5

//Driver Licence
gen DriverLicenceBen = 1462.65 + 663.35*uniform()
gen DLproportion = .487
gen PVDriverLicence = DriverLicenceBen * DLproportion/(1+d)

//Present Value per Use
gen PVperuser = PVHearningincrease + PVEDucation + PVHavoidedcost + PVHearningincrease +
PVHlawenforcementred + PVHealthInsurance + PVfoodshare + PVDirectPayments + PVDriverLicence
gen TotalBenefitsNU = PVperuser * AdditionalNewUsers

**** GROUP 2: CURRENT USERS ****
gen AdditionalProp = 0.01 + 0.09*uniform()

***SOCIAL BENEFITS***
//Employment
gen PVsalaryincreaseCU = salaryincrease / (1+d)^2.5

//Education
gen additionalHSDCU = (0.254+0.08*uniform())*AdditionalProp
gen PVEDucationCU = shadowpriceED*additionalHSDCU / (1+d)^2.5

//Homelessness
gen prophelpCU = (0.10513198 + 0.2363098*uniform())
gen PVHavoidedcostCU = prophelpCU*avoidedcosts*regadjustment*inflationhomelessness/(1+d)^2.5
gen PVHearningincreaseCU =
prophelpCU*earningincrease*regadjustment*inflationhomelessness/(1+d)^2.5
gen PVHlawenforcementredCU =
prophelpCU*lawenforcementreduction*regadjustment*inflationhomelessness/(1+d)^2.5

//Health Insurance
gen propHICU = (.57 + .14*uniform())
gen PVHealthInsuranceCU = annualHibenefit*propHICU/(1+d)^2.5

//Food Share
gen propFSCU = (0.33 + .19*uniform())
gen PVfoodshareCU = foodsharebenefit * propFSCU / (1+d)^2.5

//Direct Payments
gen PVDirectPaymentsCU = DirectPayments / (1+d)^2.5

```

```

//Driver Licence
gen DLproportionCU = .487*AdditionalProp
gen PVDriverLicenceCU = DriverLicenceBen * DLproportionCU/(1+d)^2.5

//Benefits' Present Value per User
gen PVperuserCU = PVHearingincreaseCU + PVeducationCU + PVHavoidedcostCU +
PVHearingincreaseCU + PVHlawenforcementredCU + PVHealthInsuranceCU + PVfoodshareCU +
PVDirectPaymentsCU + PVDriverLicenceCU
gen TotalBenefitsCU = PVperuserCU * CurrentNewUserperYear

****COSTS****
gen variablecost = 2087 + 1126 * uniform()
gen healthinsurancecost = 2838.02
gen PVHICostNU = healthinsurancecost*propHI*AdditionalNewUsers/(1+d)^0.5
gen PVHICostCU = healthinsurancecost*propHICU*CurrentNewUserperYear/(1+d)^2.5
gen foodsharecost = 2424 //Average annual household benefit (2019)
gen PVFScostNU = foodsharecost*propFS*AdditionalNewUsers/(1+d)^0.5
gen PVFScostCU = foodsharecost*propFSCU*CurrentNewUserperYear/(1+d)^2.5
gen TotalCostFed = (variablecost*AdditionalNewUsers/(1+d)^0.5 +
variablecost*CurrentNewUserperYear/(1+d)^2.5 + PVHICostNU + PVHICostCU + PVFScostNU +
PVFScostCU)*METBFed

****NET BENEFITS****
gen TotalBenefits = TotalBenefitsNU + TotalBenefitsCU
gen NetBenefitsFed = TotalBenefits - TotalCostFed

// Summarize and plot results //
summarize
hist NetBenefitsFed, percent title("Distribution of Present Value of Net Benefits" "of including 21-23
years old FFY from Federal Standing")
sum NetBenefitsFed if NetBenefitsFed>0
clear

*****
//Alternative 3.1 INCLUDE EVERY FFY 16+ until 23, Wisconsin Standing
*****

*** PRESETS ***

// Monte Carlo Program//
set obs 100000
set seed 2500

//discount rate
gen d = 0.035

//Wisconsin METB
gen METBWI = 1.17

*****
**ADJUSTED ALTERNATIVE 1

```

*** BENEFICIARIES ***

gen AverageReunifications16 = 502
gen AverageOther16 = 89
gen AnnualAdditionalFFY16 = AverageOther16+AverageReunifications16
gen YearsEligible16 = 3
gen AdditionalFFYEligible16 = AnnualAdditionalFFY16*YearsEligible16
gen Percentageofuse16 = 0.48
gen AdditionalFFYUsers16 = AdditionalFFYEligible16 * Percentageofuse16
gen YearinILS16 = 2.25
gen newFFYusers16 = AdditionalFFYUsers16/YearinILS16
gen Additionalproportion16 = 0.039
gen newFFYusers16adj = newFFYusers16*(1+Additionalproportion16)

SOCIAL BENEFITS

//Employment

gen salaryincrease16 = 269.72 + 466*uniform()
gen PVsalaryincrease16 = salaryincrease16/(1+d)^0.5 + salaryincrease16/(1+d)^1.5 +
salaryincrease16/(1+d)^2.5

//Education

gen shadowpriceED16 = 0 + 106203*uniform()
gen additionalHSD16 = 0.254+0.08*uniform()
gen PVeducation16 = shadowpriceED16*additionalHSD16/(1+d)^1.5

//Homelessness

gen prophelp = 0.10513198 + 0.2363098*uniform()
gen avoidedcosts = 2885/18*12
gen earningincrease = 5160
gen lawenforcementreduction = 1746/18*12
gen regadjustment = 0.78
gen inflationhomelessness = 1.019*1.023

gen PVHavoidedcost16 = prophelp*avoidedcosts*regadjustment*inflationhomelessness/(1+d)^0.5 +
prophelp*avoidedcosts*regadjustment*inflationhomelessness/(1+d)^1.5 +
prophelp*avoidedcosts*regadjustment*inflationhomelessness/(1+d)^2.5
gen PVHearningincrease16 = prophelp*earningincrease*regadjustment*inflationhomelessness/(1+d)^0.5
+ prophelp*earningincrease*regadjustment*inflationhomelessness/(1+d)^1.5 +
prophelp*earningincrease*regadjustment*inflationhomelessness/(1+d)^2.5
gen PVHlawenforcementred16 =
prophelp*lawenforcementreduction*regadjustment*inflationhomelessness/(1+d)^0.5 +
prophelp*lawenforcementreduction*regadjustment*inflationhomelessness/(1+d)^1.5 +
prophelp*lawenforcementreduction*regadjustment*inflationhomelessness/(1+d)^2.5

//Health Insurance

gen annualHIbenefit16 = 0 + 169.96*uniform()
gen propHI16 = .57 + .14*uniform()

```
gen PVHealthInsurance16 = annualHIbenefit16*propHI16/(1+d)^0.5 +
annualHIbenefit16*propHI16/(1+d)^1.5 + annualHIbenefit16*propHI16/(1+d)^2.5
```

```
//Food Share
```

```
gen foodsharebenefit16 = 2424
gen propFS16 = 0.33 + .19*uniform()
gen PVfoodshare16 = foodsharebenefit16 * propFS16 / (1+d)^0.5 + foodsharebenefit16 * propFS16 /
(1+d)^1.5 + foodsharebenefit16 * propFS16 / (1+d)^2.5
```

```
//Direct Payments
```

```
gen DirectPayments16 = 561
gen PVDirectPayments16 = DirectPayments16 / (1+d)^0.5 + DirectPayments16 / (1+d)^1.5 +
DirectPayments16 / (1+d)^2.5
```

```
//Driver Licence
```

```
gen DriverLicenceBen16 = 1462.65 + 663.35*uniform()
gen DLproportion16 = .487
gen PVDriverLicence16 = DriverLicenceBen16 * DLproportion16/(1+d)^1.5
```

```
//Present Value of Social Benefits per User
```

```
gen PVperuser16 = PVHearningincrease16 + PVEDucation16 + PVHavoidedcost16 +
PVHearningincrease16 + PVHlawenforcementred16 + PVHealthInsurance16 + PVfoodshare16 +
PVDirectPayments16 + PVDriverLicence16
gen TotalBenefits16 = PVperuser16 * newFFYusers16adj
```

```
***COSTS***
```

```
gen variablecost16 = 2087 + 1126 * uniform()
gen Hicost16 = 2838.03
gen HicostWiprop16 = .403
gen WIHicost16 = Hicost16*HicostWiprop16
gen TotalCost16 =
((variablecost16+WIHicost16*propHI16)*newFFYusers16adj/(1+d)^0.5+(variablecost16+WIHicost16*p
ropHI16)*newFFYusers16adj/(1+d)^1.5+(variablecost16+WIHicost16*propHI16)*newFFYusers16adj/(
1+d)^2.5)*METBWI
```

```
*****
```

```
//ALTERNATIVE 2
```

```
***BENEFICIARIES***
```

```
gen AverageAgedOut = 284
gen AverageAdoptions = 5
gen AverageGaurdanship = 76
gen AnnualAdditionalFFY = AverageAgedOut+AverageAdoptions+AverageGaurdanship
gen CurrentBeneficiaries = 661
gen YearinILS = 2.25
gen CurrentNewUserperYear = CurrentBeneficiaries/YearinILS
gen CurrentCoverage = CurrentNewUserperYear/AnnualAdditionalFFY
gen NewCoverage = 0.9
gen AdditionalNewUsers = (NewCoverage-CurrentCoverage)*AnnualAdditionalFFY
```

gen AdditionalYearinILS = 1

**** GROUP 1: NEW USERS

SOCIAL BENEFITS

//Employment

gen salaryincrease = 269.72 + 466*uniform()

gen PVsalaryincrease = salaryincrease / (1+d)^0.5

//Education

gen shadowpriceED = 0 + 106203*uniform()

gen additionalHSD = 0.254+0.08*uniform()

gen PVeducation = shadowpriceED*additionalHSD/(1+d)

//Homelessness

gen PVHavoidedcost = prophelp*avoidedcosts*regadjustment*inflationhomelessness/(1+d)^0.5

gen PVHearningincrease = prophelp*earningincrease*regadjustment*inflationhomelessness/(1+d)^0.5

gen PVHlawenforcementred =

prophelp*lawenforcementreduction*regadjustment*inflationhomelessness/(1+d)^0.5

//Health Insurance

gen annualHIbenefit = 0 + 169.96*uniform()

gen propHI = (.57 + .14*uniform())

gen PVHealthInsurance = annualHIbenefit*propHI/(1+d)^0.5

//Food Share

gen foodsharebenefit = 2424

gen propFS = (0.33 + .19*uniform())

gen PVfoodshare = foodsharebenefit * propFS / (1+d)^0.5

//Direct Payments

gen DirectPayments = 561

gen PVDirectPayments = DirectPayments/(1+d)^0.5

//Driver Licence

gen DriverLicenceBen = 1462.65 + 663.35*uniform()

gen DLproportion = .487

gen PVDriverLicence = DriverLicenceBen * DLproportion/(1+d)

//Present Value per User

gen PVperuser = PVHearningincrease + PVeducation + PVHavoidedcost + PVHearningincrease +

PVHlawenforcementred + PVHealthInsurance + PVfoodshare + PVDirectPayments + PVDriverLicence

gen TotalBenefitsNU = PVperuser * AdditionalNewUsers

****COSTS****

gen variablecost = 2087 + 1126 * uniform()

gen Hicost = 2838.03

gen HicostWiprop = .403

gen WIHicost = Hicost*HicostWiprop

gen TotalCostNU = (variablecost+WIHICost*propHI) * AdditionalNewUsers/(1+d)^0.5 // New user are in average one year in the program (the max is 2 year and the min 0.001)

**** GROUP 2: CURRENT USERS ****

gen AdditionalProp = 0.01 + 0.09*uniform()

SOCIAL BENEFITS

//Employment

gen PVsalaryincreaseCU = salaryincrease / (1+d)^2.5

//Education

gen additionalHSDCU = (0.254+0.08*uniform())*AdditionalProp

gen PVeducationCU = shadowpriceED*additionalHSDCU / (1+d)^2.5

//Homelessness

gen prophelpCU = (0.10513198 + 0.2363098*uniform())

gen PVHavoidedcostCU = prophelpCU*avoidedcosts*regadjustment*inflationhomelessness/(1+d)^2.5

gen PVHearningincreaseCU =

prophelpCU*earningincrease*regadjustment*inflationhomelessness/(1+d)^2.5

gen PVHlawenforcementredCU =

prophelpCU*lawenforcementreduction*regadjustment*inflationhomelessness/(1+d)^2.5

//Health Insurance

gen propHICU = (.57 + .14*uniform())

gen PVHealthInsuranceCU = annualHIbenefit*propHICU/(1+d)^2.5

//Food Share

gen propFSCU = (0.33 + .19*uniform())

gen PVfoodshareCU = foodsharebenefit * propFSCU / (1+d)^2.5

//Direct Payments

gen PVDirectPaymentsCU = DirectPayments / (1+d)^2.5

//Driver Licence

gen DLproportionCU = .487*AdditionalProp

gen PVDriverLicenceCU = DriverLicenceBen * DLproportionCU/(1+d)^2.5

//Benefits' Present Value per User

gen PVperuserCU = PVHearningincreaseCU + PVeducationCU + PVHavoidedcostCU +

PVHearningincreaseCU + PVHlawenforcementredCU + PVHealthInsuranceCU + PVfoodshareCU +

PVDirectPaymentsCU + PVDriverLicenceCU

gen TotalBenefitsCU = PVperuserCU * CurrentNewUserperYear

****COSTS****

gen TotalCostCU = (variablecost+WIHICost*propHICU) * CurrentNewUserperYear/(1+d)^2.5

gen TotalCost=(TotalCostCU + TotalCostNU)*METBWI

****NET BENEFITS****

```

gen TotalBenefits= TotalBenefitsNU + TotalBenefitsCU
gen TotalBenefitstotal = TotalBenefits + TotalBenefits16
gen TotalCosttotal = TotalCost + TotalCost16
gen NetBenefits = TotalBenefits - TotalCost + TotalBenefits16 - TotalCost16

// Summarize and plot results //
summarize
hist NetBenefits, percent title("Distribution of Present Value of Net Benefits" "of including every Foster
Youth 16+ until 23th birthday State Standing")

sum NetBenefits if NetBenefits>0

clear

*****
//Alternative 3.2 INCLUDE EVERY FFY 16+ until 23, Federal Standing
*****

*** PRESETS ***

// Monte Carlo Program//
set obs 100000
set seed 2500

//discount rate
gen d = 0.035

//Wisconsin METB
gen METBFed = 1.19 + 0.04*uniform()

*****
**ADJUSTED ALTERNATIVE 1

*** BENEFICIARIES ***

gen AverageReunifications16 = 502
gen AverageOther16 = 89
gen AnnualAdditionalFFY16 = AverageOther16+AverageReunifications16
gen YearsEligible16 = 3
gen AdditionalFFYEligible16 = AnnualAdditionalFFY16*YearsEligible16
gen Percentageofuse16 = 0.48
gen AdditionalFFYUsers16 = AdditionalFFYEligible16 * Percentageofuse16
gen YearinILS16 = 2.25
gen newFFYusers16 = AdditionalFFYUsers16/YearinILS16
gen Additionalproportion16 = 0.039
gen newFFYusers16adj = newFFYusers16*(1+Additionalproportion16)

***SOCIAL BENEFITS***

//Employment

```

```

gen salaryincrease16 = 269.72 + 466*uniform()
gen PVsalaryincrease16 = salaryincrease16/(1+d)^0.5 + salaryincrease16/(1+d)^1.5 +
salaryincrease16/(1+d)^2.5

//Education
gen shadowpriceED16 = 0 + 106203*uniform()
gen additionalHSD16 = 0.254+0.08*uniform()
gen PVeducation16 = shadowpriceED16*additionalHSD16/(1+d)^1.5

//Homelessness
gen prophelp = 0.10513198 + 0.2363098*uniform()
gen avoidedcosts = 2885/18*12
gen earningincrease = 5160
gen lawenforcementreduction = 1746/18*12
gen regadjustment = 0.78
gen inflationhomelessness = 1.019*1.023

gen PVHavoidedcost16 = prophelp*avoidedcosts*regadjustment*inflationhomelessness/(1+d)^0.5 +
prophelp*avoidedcosts*regadjustment*inflationhomelessness/(1+d)^1.5 +
prophelp*avoidedcosts*regadjustment*inflationhomelessness/(1+d)^2.5
gen PVHearningincrease16 = prophelp*earningincrease*regadjustment*inflationhomelessness/(1+d)^0.5
+ prophelp*earningincrease*regadjustment*inflationhomelessness/(1+d)^1.5 +
prophelp*earningincrease*regadjustment*inflationhomelessness/(1+d)^2.5
gen PVHlawenforcementred16 =
prophelp*lawenforcementreduction*regadjustment*inflationhomelessness/(1+d)^0.5 +
prophelp*lawenforcementreduction*regadjustment*inflationhomelessness/(1+d)^1.5 +
prophelp*lawenforcementreduction*regadjustment*inflationhomelessness/(1+d)^2.5

//Health Insurance
gen annualHIbenefit16 = 0 + 169.96*uniform()
gen propHI16 = .57 + .14*uniform()
gen PVHealthInsurance16 = annualHIbenefit16*propHI16/(1+d)^0.5 +
annualHIbenefit16*propHI16/(1+d)^1.5 + annualHIbenefit16*propHI16/(1+d)^2.5

//Food Share
gen foodsharebenefit16 = 2424
gen propFS16 = 0.33 + .19*uniform()
gen PVfoodshare16 = foodsharebenefit16 * propFS16 / (1+d)^0.5 + foodsharebenefit16 * propFS16 /
(1+d)^1.5 + foodsharebenefit16 * propFS16 / (1+d)^2.5

//Direct Payments
gen DirectPayments16 = 561
gen PVDirectPayments16 = DirectPayments16 / (1+d)^0.5 + DirectPayments16 / (1+d)^1.5 +
DirectPayments16 / (1+d)^2.5

//Driver Licence
gen DriverLicenceBen16 = 1462.65 + 663.35*uniform()
gen DLproportion16 = .487
gen PVDriverLicence16 = DriverLicenceBen16 * DLproportion16/(1+d)^1.5

//Present Value of Social Benefits per User

```

```

gen PVperuser16 = PVHearningincrease16 + PVeducation16 + PVHavoidedcost16 +
PVHearningincrease16 + PVHlawenforcementred16 + PVHealthInsurance16 + PVfoodshare16 +
PVDirectPayments16 + PVDriverLicence16
gen TotalBenefits16 = PVperuser16 * newFFYusers16adj

```

COSTS

```

gen variablecost16 = 2087 + 1126 * uniform()
gen healthinsurancecost16 = 2838.02
gen foodsharecost16 = 2424
gen TotalCostFed16 = ((variablecost16+foodsharecost16*propFS16+healthinsurancecost16*propHI16) *
newFFYusers16adj/(1+d)^0.5 +
(variablecost+foodsharecost16*propFS16+healthinsurancecost16*propHI16) *
newFFYusers16adj/(1+d)^1.5 +
(variablecost16+foodsharecost16*propFS16+healthinsurancecost16*propHI16) *
newFFYusers16adj/(1+d)^2.5)*METBFed

```

// Alternative 2

BENEFICIARIES

```

gen AverageAgedOut = 284
gen AverageAdopotions = 5
gen AverageGaurdanship = 76
gen AnnualAdditionalFFY = AverageAgedOut+AverageAdopotions+AverageGaurdanship
gen CurrentBeneficiaries = 661
gen YearinILS = 2.25
gen CurrentNewUserperYear = CurrentBeneficiaries/YearinILS
gen CurrentCoverage = CurrentNewUserperYear/AnnualAdditionalFFY
gen NewCoverage = 0.9
gen AdditionalNewUsers = (NewCoverage-CurrentCoverage)*AnnualAdditionalFFY
gen AdditionalYearinILS = 1

```

**** GROUP 1: NEW USERS

SOCIAL BENEFITS

//Employment

```

gen salaryincrease = 269.72 + 466*uniform()
gen PVsalaryincrease = salaryincrease / (1+d)^0.5

```

//Education

```

gen shadowpriceED = 0 + 106203*uniform()
gen additionalHSD = 0.254+0.08*uniform()
gen PVeducation = shadowpriceED*additionalHSD/(1+d)

```

//Homelessness

```

gen PVHavoidedcost = prophelp*avoidedcosts*regadjustment*inflationhomelessness/(1+d)^0.5
gen PVHearningincrease = prophelp*earningincrease*regadjustment*inflationhomelessness/(1+d)^0.5

```

```

gen PVHlawenforcementred =
prophelp*lawenforcementreduction*regadjustment*inflationhomelessness/(1+d)^0.5

//Health Insurance
gen annualHIbenefit = 0 + 169.96*uniform()
gen propHI = (.57 + .14*uniform())
gen PVHealthInsurance = annualHIbenefit*propHI/(1+d)^0.5

//Food Share
gen foodsharebenefit = 2424
gen propFS = (0.33 + .19*uniform())
gen PVfoodshare = foodsharebenefit * propFS / (1+d)^0.5

//Direct Payments
gen DirectPayments = 561
gen PVDirectPayments = DirectPayments / (1+d)^0.5

//Driver Licence
gen DriverLicenceBen = 1462.65 + 663.35*uniform()
gen DLproportion = .487
gen PVDriverLicence = DriverLicenceBen * DLproportion/(1+d)

//Present Value per User
gen PVperuser = PVearningincrease + PVEDucation + PVHavoidedcost + PVHearningincrease +
PVHlawenforcementred + PVHealthInsurance + PVfoodshare + PVDirectPayments + PVDriverLicence
gen TotalBenefitsNU = PVperuser * AdditionalNewUsers

**** GROUP 2: CURRENT USERS ****
gen AdditionalProp = 0.01 + 0.09*uniform()

***SOCIAL BENEFITS***

//Employment
gen PVsalaryincreaseCU = salaryincrease / (1+d)^2.5

//Education
gen additionalHSDCU = (0.254+0.08*uniform())*AdditionalProp
gen PVEDucationCU = shadowpriceED*additionalHSDCU / (1+d)^2.5

//Homelessness
gen prophelpCU = (0.10513198 + 0.2363098*uniform())
gen PVHavoidedcostCU = prophelpCU*avoidedcosts*regadjustment*inflationhomelessness/(1+d)^2.5
gen PVHearningincreaseCU =
prophelpCU*earningincrease*regadjustment*inflationhomelessness/(1+d)^2.5
gen PVHlawenforcementredCU =
prophelpCU*lawenforcementreduction*regadjustment*inflationhomelessness/(1+d)^2.5

//Health Insurance
gen propHICU = (.57 + .14*uniform())
gen PVHealthInsuranceCU = annualHIbenefit*propHICU/(1+d)^2.5

```

```

//Food Share
gen propFSCU = (0.33 + .19*uniform())
gen PVfoodshareCU = foodsharebenefit * propFSCU / (1+d)^2.5

//Direct Payments
gen PVDirectPaymentsCU = DirectPayments / (1+d)^2.5

//Driver Licence
gen DLproportionCU = .487*AdditionalProp
gen PVDriverLicenceCU = DriverLicenceBen * DLproportionCU/(1+d)^2.5

//Benefits' Present Value per User
gen PVperuserCU = PVHearingincreaseCU + PVEDucationCU + PVHavoidedcostCU +
PVHearingincreaseCU + PVHlawenforcementredCU + PVHealthInsuranceCU + PVfoodshareCU +
PVDirectPaymentsCU + PVDriverLicenceCU
gen TotalBenefitsCU = PVperuserCU * CurrentNewUserperYear

****COSTS****

gen variablecost = 2087 + 1126 * uniform()
gen healthinsurancecost = 2838.02
gen PVHICostNU = healthinsurancecost*propHI*AdditionalNewUsers/(1+d)^0.5
gen PVHICostCU = healthinsurancecost*propHICU*CurrentNewUserperYear/(1+d)^2.5
gen foodsharecost = 2424
gen PVFScostNU = foodsharecost*propFS*AdditionalNewUsers/(1+d)^0.5
gen PVFScostCU = foodsharecost*propFSCU*CurrentNewUserperYear/(1+d)^2.5
gen TotalCostFed = (variablecost*AdditionalNewUsers/(1+d)^0.5 +
variablecost*CurrentNewUserperYear/(1+d)^2.5 + PVHICostNU + PVHICostCU + PVFScostNU +
PVFScostCU)*METBFed

****NET BENEFITS****

gen TotalBenefits = TotalBenefitsNU + TotalBenefitsCU
gen TotalBenefitstotal = TotalBenefits + TotalBenefits16
gen TotalCosttotal = TotalCostFed + TotalCostFed16
gen NetBenefitsFed = TotalBenefits - TotalCostFed + TotalBenefits16 - TotalCostFed16

// Summarize and plot results //
summarize
hist NetBenefitsFed, percent title("Distribution of Present Value of Net Benefits" "of including every
Foster Youth 16+ until 23th birthday" "Federal Standing")

sum NetBenefitsFed if NetBenefitsFed>0

```