

Money Talks

Applying Cost-Benefit
Analysis to Policies
Combatting Intimate
Partner Violence

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Presentation Overview

- Present the research questions for the larger project
- Describe components of intimate partner violence (IPV)
- Discuss the legal foundations for IPV policymaking
- Make the case for CBA at the state-level

Research Questions

- To what extent can using cost-benefit analysis (CBA) modeling improve intimate partner violence research?
- What limitations does CBA impose upon IPV research?

Intimate Partner Violence

- Describes physical, sexual, or psychological harm by a current or former partner or spouse
 - Can occur among heterosexual or same-sex couples
 - This study only looks at heterosexual couples
- Does not require sexual intimacy

IPV Themes

- Connection between pay parity and domestic violence
- Tendency to conduct simplistic accounting in quantifying economic impact
- Issue stagnation and confusion at state level

Legal Foundations & Frameworks for Policymaking

- Federal
 - E.O. 12866
 - “Other Compelling Human Need”
 - Violence Against Women Act
 - Establishment of specific female employment protections
- State
 - Mandatory and recommended arrest laws
 - Domestic violence gun purchasing laws
- Local
 - Some municipal pay equity measures

Why Cost-Benefit Analysis?

- Currently limited applications within field
 - Potentially outdated statistics
- Develops topical social cost functions
 - Critical to successful policy coalitions
- More accurate state-level analyses
 - Less reliance upon national cost factors

What Has Been Done?

- The Evolution of Cost Analyses
 - Direct Accounting
 - 2003 CDC Report (see next slide)
 - 2004 WHO Report
 - Present Value of Lifetime Earnings
 - 1996 DOJ Report
 - Propensity Score Matching
 - Willingness to Pay
 - Australian Reports (beginning 2004)
 - Disability Adjusted Life Years (DALYs)

Direct Accounting Model

Table 12. Estimated Total Costs of intimate Partner Violence Against U.S. Adult Women, 1995

Type of Cost	Estimated Total Cost (in Thousands)	Total Cost 95% Confidence interval (in Thousands)	
		Lower Limit	Upper Limit
Health care ^a	\$ 4,050,211	\$ 2,207,491	\$ 5,892,931
Lost productivity	\$ 858,618	\$ 596,058	\$ 1,121,178
Paid work	\$ 727,831	\$ 470,435	\$ 985,227
Household chores ^b	\$ 130,787	\$ 78,969	\$ 182,605
Present value of lifetime earnings	\$ 892,733	\$ 839,723	\$ 945,743
TOTAL COSTS (Direct + Indirect)	\$ 5,801,561	\$ 3,939,475	\$ 7,633,648

^aHealth care costs include mental health and medical care costs. In turn, medical care costs include outpatient clinic visits; emergency department visits; ambulance transport or paramedic care; physician, physical therapy, and dental visits; and inpatient hospitalization.

^bThe productivity value for household chores was discounted for victims who also worked at a job for pay. Due to the uncertain labor force status of victims who reported only lost productivity from household chores, one cannot assume that these victims were necessarily out of the labor force. Consequently, the value assigned to all lost productivity from household chores was discounted.

NOTE: The Estimated Total Cost column does not sum to Total Costs due to rounding.

Sources: CDC, NCIPC, Office of Statistics and Programming (unpublished data) 2002; Bardwell 2001; Bardwell Consulting, Ltd. (unpublished data) 2001; Max, Rice, Golding and Pinderhughes 1999; Research Triangle Institute International 2001.

What Has Been Done? (cont)

- Benefit Analyses
 - Specific avoided costs (see Elwart, et al. 2006)
 - Violence containment reduction (IEP 2015)
 - Economic parity factoring (see Aizer 2010)
 - Social norm construction (see Jewkes 2002)

Key Takeaways from the Literature

- Almost all data are nationally derived.
 - Future policy arena for states, who currently rely upon nonprofit and academic studies solely.
- Weakness in calculating the benefit.
 - The cost avoidance method appears to be the strongest empirically but is often quickly outdated by the inflationary medical and legal costs.
 - Economic parity factoring assumes association.
 - Social norm construction lacks the interpretative foundation for ethically.

Preliminary CBA Case Study: Tennessee

- State Profile:
 - High rate of gun violence as a state
 - Gender pay parity ranges between 76% and 91%
 - Extensive female-headed household poverty rate (36%)
 - Approximately 75,828 IPV incidents filed in 2014
 - Primarily reliant upon IPV research conducted by nonprofit institutions (Tennessee Economic Council on Women)

Tennessee's Simple Cost Accounting Analysis

The Costs of Violence Against Women in Tennessee

Social Services:	\$181,086,720
Law Enforcement:	\$27,731,509
Judicial System:	\$36,353,721
Healthcare:	\$438,000,000
Workplace Expense & Productivity Loss:	\$203,000,000

Children's Services: Influencing \$527,600,000

Victims' Loss: Incalculable

Subtotal: \$886,171,950



Next Steps for My Research

- Integrate the willingness to pay model within constructing an initial data point for a victims' loss function
- Adopt a present value discounting method for children's services to potentially capture more long-run costs
- Begin benefit analysis of certain Tennessee reforms
 - Example: Gun purchases by former offenders

Sources

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