Public Costs Associated with Teen Parenthood

November 2014
Acknowledgements

Study sponsors

Better Together Hennepin: Healthy Communities, Health Youth
Hennepin County Human Services and Public Health Department

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Minnesota Department of Education
Minnesota Department of Health
Minnesota Fourth Judicial District
Minnesota Department of Corrections

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November 2014
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Executive Summary

Better Together Hennepin: Healthy Communities, Healthy Youth is a Hennepin County initiative to prevent adolescent pregnancy and promote healthy youth development. To better understand the potential savings to be had by investing in teen pregnancy prevention, Better Together Hennepin asked the Center of Innovation and Excellence (CIE) to conduct an analysis of the costs associated with teen parents enrolled in the Minnesota Family Investment Program (MFIP) in Hennepin County. As funding for teen pregnancy prevention constricts and shifts, it is important for county and community leaders to better understand the costs of teen pregnancy prevention, and the costs associated with failing to help young people wait to become parents until they are adults.

Summary of findings

- Costs were estimated by looking at the lifetime public service involvement patterns of 1,384 teen parents on Hennepin County’s MFIP caseload on December 1st, 2008.
- MFIP teen parents and their children benefitted from at least $220 million in public services from birth to early adulthood. Public spending on the children of these MFIP teen parents was just over $95 million, about 43 percent of all estimated public costs. See Table 1.
- Federal or State of Minnesota funding paid the majority of public service costs associated with the MFIP teen parents; conversely, Hennepin County funds paid 11 percent of all public costs associated with these youth, about $24 million.
- Service administration and placement costs made up the largest share of county funded services, about 76 percent of Hennepin County spending on these youth and their children. Most of the Hennepin County funds paid for staff time, evenly split between the MFIP teen parents and their children. See Table 1.

Table 1. Summary cost amounts for MFIP teen parents and their children by government source and service area categories. N=1,384

<table>
<thead>
<tr>
<th>Category</th>
<th>All public costs ($2012)</th>
<th>Hennepin County costs ($2012)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>MFIP teen parents and their children</td>
<td>MFIP teen parents alone</td>
</tr>
<tr>
<td>Total costs</td>
<td>$220,314,331</td>
<td>$124,941,294</td>
</tr>
<tr>
<td>Criminal justice</td>
<td>$8,805,630</td>
<td>$8,805,630</td>
</tr>
<tr>
<td>Service administration and placement</td>
<td>$30,068,037</td>
<td>$17,941,498</td>
</tr>
<tr>
<td>Eligibility and work support</td>
<td>$178,730,933</td>
<td>$95,412,571</td>
</tr>
<tr>
<td>Single and family shelter</td>
<td>$2,709,730</td>
<td>$2,709,730</td>
</tr>
</tbody>
</table>
• On average, the MFIP teen parents and their children benefitted from about $7,000 per year in public funding from childhood through early adulthood. See Table 2.

• All cost estimates are likely underestimates. Many social services records were expunged after a short period, often just six years, resulting in missing data.

• All costs were adjusted to reflect 2012 dollars using the Consumer Price Index (CPI) for the Twin Cities area.

• Cost calculation and assumption details can be found in the Technical Appendix.

Cost summary for MFIP teen parents

Rate costs, as displayed in Table 2 below, give a better sense of the unit costs of services provided to MFIP teen parents and their children from birth to early adulthood. Calculations of costs per teen parent, per year, reflect the entire range of time MFIP teen parents or their children were receiving services, standardized to the longest time span. For example, if the earliest date of service for any teen parent was January 1, 1990, and the latest was January 1, 2010, the time frame of service coverage for all teen parents would be calculated at 20 years, even though many may have received that service for a much shorter time span.

Table 2. Summary of average yearly costs for MFIP teen parents and their children by government source and service area categories.\(^1\) N=1,384

<table>
<thead>
<tr>
<th>Category</th>
<th>All public costs per parent, per year ($2012)</th>
<th>Hennepin County costs per parent, per year ($2012)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>LFIP teen parents and their children</td>
<td>MFIP teen parents alone</td>
</tr>
<tr>
<td>Total costs per parent, per year</td>
<td>$6,921</td>
<td>$3,925</td>
</tr>
<tr>
<td>Criminal justice</td>
<td>$426</td>
<td>$426</td>
</tr>
<tr>
<td>Service administration and placement</td>
<td>$1,620</td>
<td>$1,086</td>
</tr>
<tr>
<td>Eligibility and work support</td>
<td>$6,150</td>
<td>$3,285</td>
</tr>
<tr>
<td>Single and family shelter</td>
<td>$797</td>
<td>$797</td>
</tr>
</tbody>
</table>

Note: Costs for MFIP teen parents and the children of the MFIP Teen Parents may not sum to the total. This is because parents were much older than their children at the last date of available data, giving the children fewer years in which to incur costs. Composite costs of the teen parents and their children use the parents' longer time frame as the denominator, diluting the concentration of child-related costs. Serve areas rates do not sum to the total rate because of the differences in the number of youth participating in each service area, and the time spans across which they were participating.

\(^1\) Per teen parent, per year figures were calculated using the number of MFIP teen parents involved in a particular service area and the number of years in which MFIP teen parents could be found in that service area. For the children of MFIP teen parents, the number of years in which the children of teen parents could be found in a particular service area was used, however retaining the number of participants from the teen parent group rather than for the children. Thus, the unit of analysis is always the parent and never the child.
The number of teen parents used in the calculation reflects the number receiving a particular service. See Table 3. For example, some services had nearly complete coverage, while others, such as prison, included relatively few teen parents; thus, cost rates fluctuate accordingly. For these reasons, when taken separately, rates for teen parents and their children will not sum to the rate of the two groups together.

Table 3. Number of MFIP teen parents ever participating in each service area. N=1,384

<table>
<thead>
<tr>
<th>Category</th>
<th>MFIP teen parents alone</th>
<th>All public service areas</th>
<th>Hennepin County paid services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participation in any service area</td>
<td>1,384</td>
<td>647</td>
<td></td>
</tr>
<tr>
<td>Criminal justice</td>
<td>1,033</td>
<td>641</td>
<td></td>
</tr>
<tr>
<td>Service administration and placement</td>
<td>718</td>
<td>718</td>
<td></td>
</tr>
<tr>
<td>Eligibility and work support</td>
<td>1,384</td>
<td>13</td>
<td></td>
</tr>
<tr>
<td>Single and family shelter</td>
<td>425</td>
<td>-</td>
<td></td>
</tr>
</tbody>
</table>
**Introduction**

In 2007, Hennepin County introduced a new initiative, “Better Together Hennepin: Healthy Communities, Health Youth,” to reduce teen pregnancy. Despite program successes, teen childbearing is still a problem and continues to costs taxpayers millions of dollars from expenditures for public assistance, public health care and human and criminal justice services.

The cohort of teen parents used in this cost study comes from the Center of Innovation and Excellence’s *Cohort Study of County-Involved Youth*, the most comprehensive human service, health, criminal justice and education information collected on Hennepin County’s youth to date. The *Cohort Study of County-Involved Youth* is a retrospective longitudinal analysis of the cohort’s county, state and federal service use and their educational experiences, including public service data collected from 1988 to 2013. For more information about these teen parents and other county-involved youth in this project, contact Vinodh Kutty of the A-GRAD Initiative at vinodh.kutty@hennepin.us.

Costs were estimated by looking at the lifetime public service involvement patterns of all teen parents on Hennepin County’s MFIP caseload on December 1st, 2008. This group of 1,384 MFIP teen parents provided an example of what lifetime public service costs might look like for teen parents on Hennepin County’s MFIP caseload on any given day. There were 2,602 children born to MFIP teen parent cohort by the end of the CIY study period, and at least 82% of the children were born in Hennepin County. These children were more likely to have a low birth weight and were slightly more likely to be born preterm than children born to teen parents in Minnesota overall. Generally, public costs related to these children were aggregated over a shorter period of time than their parents, resulting in much higher yearly average costs in some categories.

**Cost estimation**

Cost estimates were calculated using different methods for each service area with varying levels of reliability, ranging from the application of per diem rates to actual claim amounts. In all cases, costs reflect recorded service usage or eligibility – even data using average costs, such as per diems, were applied to recorded service patterns, resulting in cost estimates that reflect service usage patterns in a meaningful way. Despite the robust nature of some results, many datasets were subject to purging rules or otherwise contained incomplete data. For these reasons, most amounts should be considered conservative estimates of the costs of these youth to Hennepin County, the state of Minnesota and the federal government. All costs were inflation adjusted to represent 2012 dollars, either using the Consumer Price Index for the Minneapolis-St. Paul metro area or using 2012 calculated or published per diems.
A brief profile of MFIP teen parent cohort

Half of MFIP teen parent cohort was at least 20 years old on the date the data was drawn, suggesting that they were already old enough to have graduated from high school (though most did not). The majority were youth of color, who lived in communities with relatively few socioeconomic resources, while facing a number of negative experiences throughout their lives. These teen parents typically entered the Minnesota social service system as a child, with half receiving social services through their families by the time they were age four (see Table 4).

Table 4. Profile statistics for MFIP teen parent cohort. N=1,384

<table>
<thead>
<tr>
<th>Individual characteristics</th>
<th>Government service history</th>
<th>Education characteristics</th>
</tr>
</thead>
<tbody>
<tr>
<td>50% were 20 years old or older</td>
<td>30% ever experienced an out-of-home placement</td>
<td>24% ever received special education services</td>
</tr>
<tr>
<td>87% were youth of color</td>
<td>70% ever received a criminal charge</td>
<td>96% ever qualified for free/ reduced price lunch</td>
</tr>
<tr>
<td>63% lived in communities of concentrated disadvantage</td>
<td>56% ever received child welfare services</td>
<td>32% graduated from high school</td>
</tr>
<tr>
<td>26% ever experienced homelessness</td>
<td>36% were ever on supervised probation</td>
<td>50% had a service contact somewhere in the state of Minnesota by the age of 4.</td>
</tr>
</tbody>
</table>

Detailed public costs associated with MFIP teen parents and their children

Criminal justice costs\(^2\)

Over 30% of the teen parents experienced one or more CHIPS petitions, and 70% were seen in the Minnesota Judicial District Court for one or more criminal cases. Almost half (46%) of MFIP teen parents were involved in DOCCR juvenile probation, Sentencing to Service or were jailed in the Hennepin County Sheriff’s Adult Detention Center (ADC). See Table 5. The Hennepin County share of criminal justice public expenditures came from DOCCR and the ADC, totaling $5.6 million altogether or approximately $630 per youth per year. Of these county costs, the DOCCR share was the dominant driver of county criminal justice costs for this group. While ADC stays were about as common as contact with DOCCR, these stays were often very short, resulting in relatively low ADC cost totals.

Table 5. Criminal justice aggregate costs

<table>
<thead>
<tr>
<th>Agency or department</th>
<th>Service category</th>
<th>Timespan of intervention</th>
<th>% Receiving services</th>
<th>Aggregate public costs</th>
<th>Cost per parent, per year</th>
<th>Costs to Hennepin County</th>
<th>Hennepin County costs per parent, per year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minnesota Judicial District Court</td>
<td>CHIPS cases</td>
<td>1993-2013</td>
<td>31%</td>
<td>$1,787,940</td>
<td>$209</td>
<td>$-</td>
<td>$-</td>
</tr>
<tr>
<td>Minnesota Judicial District Court</td>
<td>Criminal cases</td>
<td>1997-2012</td>
<td>70%</td>
<td>$1,167,725</td>
<td>$80</td>
<td>$-</td>
<td>$-</td>
</tr>
<tr>
<td>Hennepin County DOCCR</td>
<td>Juvenile Probation and STS</td>
<td>1999-2013</td>
<td>31%</td>
<td>$5,401,623</td>
<td>$899</td>
<td>$5,401,623</td>
<td>$899</td>
</tr>
<tr>
<td>Hennepin County Sheriff Office (ADC)</td>
<td>Jail</td>
<td>2005-2012</td>
<td>28%</td>
<td>$250,177</td>
<td>$93</td>
<td>$250,177</td>
<td>$93</td>
</tr>
<tr>
<td>MN Department of Corrections</td>
<td>Prison</td>
<td>2011-2013</td>
<td>1%</td>
<td>$198,165</td>
<td>$14,155</td>
<td>$-</td>
<td>$-</td>
</tr>
<tr>
<td><strong>Total criminal justice costs</strong></td>
<td><strong>1993-2013</strong></td>
<td><strong>75%</strong></td>
<td><strong>$8,805,630</strong></td>
<td><strong>$426</strong></td>
<td><strong>$5,651,800</strong></td>
<td><strong>$630</strong></td>
<td></td>
</tr>
</tbody>
</table>

\(^2\) For this analysis, the Hennepin County Juvenile Detention Center (JDC) and the County Home School (CHS) were included in the out-of-home placement section. Incorporating these two Hennepin County DOCCR operating divisions in all out-of-home placements was because of the CIY study spell and pattern analyses, which was carried over in this cost study. Typically, the JDC is not a reasoned placement; youth are held there on an emergent basis without regard to treatment needs. They frequently go from JDC to a therapeutic placement, but therapeutic intervention is not its primary purpose.
Service administration and placement (HSPHD & DOCCR)

The Human Services and Public Health Department and the Department of Community Corrections Rehabilitation supported contracted and placement services for many of the teen parent cohort youth and their children. This section aggregates the costs of teen parents and their children from both of these departments for contracted and placement services. Cost analyses include cost of the youth per year and breaks out cost amounts that were the responsibility of Hennepin County. See Tables 6 and 7 in page 8. Cost amounts are conservative estimates. For some contracted services, time reporting in particular, purging rules limited the availability of services and the amounts paid.

Among MFIP teen parents in this study, 226 (16%) received a service identified by service authorization payments. Just over 28% were placed out-of-their homes or received community based services. There were 718 (52%) unduplicated teen parent youth receiving community and out-of-home placement that were partially or wholly paid for by Hennepin County. It is estimated that over $11 million of the total payments made for community-based services, out-home placements and other authorized services were paid by Hennepin County. See Table 6 in page 8. This $11 million was largely due to the staff time managing contracts and cases, costing approximately $682 per youth per year.

For the children of the teen parents, the average cost per user was greater, almost $1,200, on average, per year. This is likely due to the greater availability of data for these youth. See Table 7 in page 8.

Eligibility and work support

The Human Services and Public Health Department provides a wide-range of assistance programs to eligible individuals and families. For this analysis, cost categories included emergency assistance, cash and food support (not MFIP), and MFIP portions of food and cash assistance as well as medical and child care assistance. Not all child care data was available for analyses; therefore, it is likely that the full costs of human services support for the teen parent cohort is greater than what is represented here. Furthermore, while data for MFIP teen parents was often available for their entire lifetimes, the follow-up study period typically ended before the children reached adolescence, leading to lower cost tabulations by definition. The average cost per year per teen parent and their children for eligibility and work supports was over $6,000. See Table 8 in page 8.

- **Emergency Assistance** - short-term aid to families in financial crisis.
- **Food Support Program (FS)** - the Supplemental Nutrition Assistance Program or SNAP (formerly known as food stamps), which helps low-income people with their food costs.
- **Minnesota Family Investment Program (MFIP)** - Minnesota’s Cash and Food Assistance program for families who need assistance.
- **Child Care** – child care is a subsidized program to help pay for the childcare costs for low-income working families. In this section, child care represents only the care provided to the teen parent, not their children. This program helps pay childcare costs for low-income working families.
- **Medical Assistance (MA)** – Minnesota’s Medicaid program for low-income residents and their families. Funding is a combination of federal and state dollars with minimal county-level administrative costs.
Table 6. MFIP teen parent contracted (service authorizations), staff time or time reporting for contracted (service authorizations) and community and out-of-home placement aggregated costs; does not include the children of the teen parents.

<table>
<thead>
<tr>
<th>Cost area</th>
<th>Service category</th>
<th>Date range of recorded interventions</th>
<th>% of cohort ever involved</th>
<th>Aggregate costs</th>
<th>Cost per parent, per year</th>
<th>Costs to Hennepin County</th>
<th>County costs per parent, per year</th>
</tr>
</thead>
<tbody>
<tr>
<td>HSPHD</td>
<td>Service and authorizations</td>
<td>2007-2013</td>
<td>16%</td>
<td>$891,754</td>
<td>$658</td>
<td>$530,061</td>
<td>$391</td>
</tr>
<tr>
<td>HSPHD</td>
<td>Time reporting for service authorizations</td>
<td>1999-2013</td>
<td>37%</td>
<td>$10,979,698</td>
<td>$1,550</td>
<td>$6,512,484</td>
<td>$919</td>
</tr>
<tr>
<td>DOCCR - HSPHD</td>
<td>Out-of-home and community placements</td>
<td>1988-2011</td>
<td>29%</td>
<td>$6,070,046</td>
<td>$663</td>
<td>$4,214,942</td>
<td>$460</td>
</tr>
<tr>
<td><strong>Total service administration and placement</strong></td>
<td></td>
<td>1988-2013</td>
<td>52%</td>
<td>$17,941,498</td>
<td>$1,086</td>
<td>$11,257,487</td>
<td>$682</td>
</tr>
</tbody>
</table>

Table 7. Children of MFIP teen parents contracted (service authorizations) and staff time (time reporting); does not include parents

<table>
<thead>
<tr>
<th>Cost area</th>
<th>Service category</th>
<th>Date range of recorded interventions</th>
<th>% of teen parents with children ever involved</th>
<th>Aggregate costs</th>
<th>Cost per parent, per year</th>
<th>Costs to Hennepin County</th>
<th>County costs per parent, per year</th>
</tr>
</thead>
<tbody>
<tr>
<td>HSPHD</td>
<td>Service and authorizations</td>
<td>2007-2013</td>
<td>9%</td>
<td>$1,508,236</td>
<td>$1,979</td>
<td>$891,321</td>
<td>$1,170</td>
</tr>
<tr>
<td>HSPHD</td>
<td>Time reporting for service authorizations</td>
<td>2001-2013</td>
<td>31%</td>
<td>$10,618,303</td>
<td>$2,034</td>
<td>$6,283,281</td>
<td>$1,204</td>
</tr>
<tr>
<td><strong>Total service administration and placement</strong></td>
<td></td>
<td>2001-2013</td>
<td>32%</td>
<td>$12,126,539</td>
<td>$2,271</td>
<td>$7,174,602</td>
<td>$1,344</td>
</tr>
</tbody>
</table>

Table 8. Eligibility and work support costs

<table>
<thead>
<tr>
<th>Service area department</th>
<th>Service cost category</th>
<th>Date range of intervention</th>
<th>% of MFIP teen parents involved</th>
<th>MFIP teen parents &amp; their children</th>
<th>MFIP teen parents alone</th>
<th>Children alone</th>
<th>Parents &amp; children, per parent, per year</th>
<th>MFIP teen parents alone, per parent, per year</th>
<th>Children alone, per parent, per year</th>
</tr>
</thead>
<tbody>
<tr>
<td>HSPHD</td>
<td>Emergency payments</td>
<td>2003-2012</td>
<td>67%</td>
<td>$3,219,792</td>
<td>$1,211,546</td>
<td>$2,008,246</td>
<td>$388</td>
<td>$146</td>
<td>$227</td>
</tr>
<tr>
<td>HSPHD</td>
<td>Cash &amp; food support (excludes MFIP)</td>
<td>2008-2010</td>
<td>87%</td>
<td>$22,629,342</td>
<td>$2,984,622</td>
<td>$19,644,720</td>
<td>$9,366</td>
<td>$1,235</td>
<td>$8,138</td>
</tr>
<tr>
<td>HSPHD</td>
<td>MFIP food portion</td>
<td>2001-2012</td>
<td>100%</td>
<td>$32,747,732</td>
<td>$20,690,209</td>
<td>$12,057,523</td>
<td>$2,151</td>
<td>$1,359</td>
<td>$792</td>
</tr>
<tr>
<td>HSPHD</td>
<td>MFIP cash portion</td>
<td>2001-2012</td>
<td>100%</td>
<td>$34,550,437</td>
<td>$22,074,153</td>
<td>$12,476,284</td>
<td>$2,269</td>
<td>$1,450</td>
<td>$821</td>
</tr>
<tr>
<td>HSPHD</td>
<td>Health (medical assistance)</td>
<td>1991-2012</td>
<td>100%</td>
<td>$76,359,408</td>
<td>$48,452,040</td>
<td>$27,907,367</td>
<td>$2,633</td>
<td>$1,671</td>
<td>$1,837</td>
</tr>
<tr>
<td>HSPHD</td>
<td>Child care</td>
<td>2003-2005</td>
<td>24%*</td>
<td>$9,224,222</td>
<td>$71,865</td>
<td>$9,152,357</td>
<td>$13,605</td>
<td>$2,764</td>
<td>$13,909</td>
</tr>
<tr>
<td><strong>Total eligibility and work support costs</strong></td>
<td></td>
<td>1991-2012</td>
<td>100%</td>
<td>$178,659,068</td>
<td>$95,412,571</td>
<td>$83,246,498</td>
<td>$6,150</td>
<td>$3,285</td>
<td>$5,012</td>
</tr>
</tbody>
</table>

- The number of unduplicated teen parents (13 teen parents as children used childcare) and their 329 children using child care that was paid through Hennepin County property tax dollars.
Shelter

Hennepin County contracts with several agencies to provide single, emergency and family shelter services to those experiencing homelessness, primarily in Minneapolis. Hennepin County policy stipulates that families struggling with homelessness must pay for their shelter stay if they are able. If individuals and families do not have the income to do so, the county provides a shelter voucher to a contracted shelter. Shelter data was not detailed enough to allow us to account for parents and children separately, and as such, we have allocated all shelter costs to the parent. Only 425 (31%) of teen parents used emergency shelter care during the study period, regardless of whether children were present. See Table 9.

Overall, shelter use by the teen parent cohort and their children cost about $2.7 million. The largest share of the shelter total costs was from family shelters, where 413 teen parent cohort members and their children recorded one or more stays during the study period.

Table 9. Single, secure and family shelter aggregated costs. N=425

<table>
<thead>
<tr>
<th>Cost area department</th>
<th>Service cost category</th>
<th>Timespan of Intervention</th>
<th>% of cohort cost is applicable</th>
<th>Aggregate costs</th>
<th>Cost per cohort member per year (N=425)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Human Services</td>
<td>Single and secure waiting</td>
<td>2005-2013</td>
<td>2%</td>
<td>$10,366</td>
<td>$39</td>
</tr>
<tr>
<td>Human Services</td>
<td>Family shelter</td>
<td>2005-2013</td>
<td>30%</td>
<td>$2,699,365</td>
<td>$817</td>
</tr>
<tr>
<td>Total shelter</td>
<td></td>
<td>2005-2013</td>
<td>31%</td>
<td>$2,709,731</td>
<td>$797</td>
</tr>
</tbody>
</table>

Note: Figures above do not represent shelter stays related to teen pregnancy alone, but rather all shelter use stretching from late teens into early adulthood. Many teen mothers entered shelter only as adults, at ages 20 to 24 when their children were older.
Technical Appendix

Cost estimation and assumptions associated with criminal justice services

Hennepin County Sheriff’s Office (ADC or jail)

A 2012 per diem rate for Hennepin County jail was applied to Hennepin County jail booking records matched to the MFIP teen parent cohort using name and date of birth. Jail records were available from 2002 to 2012. Jail days were counted on an hourly basis, accounting for partial days of jail time in the cost estimates.

Hennepin County Sheriff’s Office (jail) assumptions

1. Hennepin County Jail cost $116.88 per day in 2012 (Sheriff’s Office estimate)
2. Jail stays were never reimbursed by MN DOC nor any other non-Hennepin County jurisdiction. While we know that reimbursements do occur, we were unable to parse booking records in this fashion.
3. Jail cost estimates do not include any data from other jail systems and are therefore an underestimate of jail involvement. We assume, however, that the majority of MFIP teen parents on Hennepin County’s case load would likely go to Hennepin County jail if they went to jail at all.

MN DOC (state prison)

Costs were calculated from 2012 per diem rates for individual state facilities and applied to public state prison records matched using name and date of birth. Data was obtained from MN DOC, with records available from the 1940s through 2013. State prison costs include work release records provided in MN DOC databases.

MN DOC (state prison) assumptions

1. State prison costs per day followed MN DOC per diem estimates for state facilities and work release.
2. State-reimbursed stays at county jails and other incarceration facilities were not counted in this analysis, as it may duplicate costs at other Hennepin County correctional facilities.
3. Records included all days of incarceration at a state facility and were rounded to the day to mitigate the effect of transfers to and from jail for trial dates etc. This method likely over-estimates county jail costs and underestimates state prison costs by a small margin.
4. Work release was included as a state cost. MN DOC staff have indicated that it is unlikely that these work release records would duplicate county DOCCR records.
Federal prison

No federal prison data was analyzed for this study.

Juvenile Probation supervision

Sentencing to Service (STS) use has been included in the juvenile supervision cost amounts for this analysis; however, the Juvenile Detention Center (JDC), the County Home School (CHS), Electronic Home Monitoring (EHM) and other out-of-home placement use by DOCCR youth has been merged with HSPHD community and out-of-home placement data and is presented in a subsequent section.

Juvenile Probation supervision assumptions

1. Probation tracks occurring concurrently also incur independent costs. For example, if a youth is on individual supervision and, at the same time, Project Support or STS, costs are calculated independently for Project Support and STS in addition to the individual supervision costs.
2. Probation supervision is a twenty-four hour service. Thus, length of time on probation includes weekends and holidays.
3. STS average length of stay on the program is 2½ days for all youth (DOCCR estimate).
4. STS cost $47.25 per person, per day (DOCCR estimate).
5. Juvenile probation supervision cost $23.70 per person, per day (DOCCR estimate).
6. All rates represent 2012 costs. Regardless of the year of service, all juvenile related costs used the 2012 rates and represent 2012 dollars.

Minnesota Judicial District Court

Court case costs were provided by the Minnesota Fourth Judicial District Court for both criminal and Child in Need of Protective Services (CHiPS) cases. The criminal cases covered adult and juvenile offenses of all levels: traffic, status, petty, misdemeanor, gross misdemeanor and felony cases. All cases reflect activity throughout the State of Minnesota. The CHiPS cases included voluntary placement, education neglect, runaway, truancy and termination of parental rights. CHiPS cases are for the teen parent cohort and not for their children.

Minnesota Judicial District Court assumptions

1. Criminal court cases with the same court disposition date, but different case numbers, were treated as one case, with the cost rate applied to the most serious case.
2. Costs were calculated on a per case basis, regardless of the number of hearings or other judicial events attached to the case.
3. The costs associated with each case were uniform across all cases.
4. Regardless of the complexity of any case, the cost amount applied to each case type was the same.
5. Not all court personnel costs were included in the dollar amounts.
6. Court rates varied by case level and sometimes case type. For example, a CHiPS case was calculated at $1,802.93 while a felony juvenile court case was $810.51.

7. All court cost amounts are in 2012 dollars.

Cost estimation and assumptions associated with service administration and placement (HSPHD & DOCCR)

Time reporting

Time reporting costs reflect costs for Hennepin County staff time to administer services such as case management, assessments and other social services. Costs were estimated by applying yearly Hennepin County SEAGR report staff cost per minute averages by BRASS code to time reported in that year. In essence, time reporting costs reflect public costs for administering social services.

Most time reporting data is kept for no longer than six years, meaning that costs reflected in this report cover just a small portion of all staff administration costs related to each teen parent and their children. Some costs go back further, as early as 1999. Data retention varies substantially by category and is thus reported in aggregate.

SEAGR reports are mandatory reports to the state on human service expenditures. Reports were available from 2003 to 2013.

Time reporting assumptions

1. Records unmatched to a specific teen parent were discarded.

2. Child records unmatched to a specific teen parent were discarded.

3. 99% of time reported matched a SEAGR report entry. In the few cases where either no SEAGR entry was available or the entry occurred before 2003, the nearest year featuring that BRASS code was used as a proxy.

4. For county shares, it is assumed that aggregating percentages at the hundred-level is a better reflection of true county cost shares than at the individual BRASS code level.

5. 2013 county shares are broadly reflective of county shares 1999-2012. A 2013 document was the only document available for this purpose.

6. All costs were adjusted to reflect 2012 dollars using the Consumer Price Index (CPI) for the Twin Cities area.

7. Figures reflect Hennepin County costs only.

Service authorizations, community and out-of-home placements

Hennepin County HSPHD and DOCCR managed contracts for the purchase of client-based human and juvenile justice services for clients in both departments. Human service contracts are paid using a unit rate, cost reimbursement or pay-for-performance rate.
The community and out-of-home placement services cost rates came from Hennepin County Department of Community Corrections Rehabilitation and Human Services and Public Health Department. The out-of-home and community placements were those that were not listed in the service authorization data (or contract data) provided by HSPHD. De-duplication of service authorization and other placement related data was performed using software applications and manual comparisons.

Out-of-home placements are provided for children who need to move out of their own homes temporarily or enter other “permanent” living arrangements. Placement information represents both county-operated facilities such as the Hennepin County Juvenile Detention Center and Hennepin County Home School as well as contracted facilities. DOCCR community placements include Electronic Home Monitoring (EHM).

Community-based services represent a wide-range of support provided by agencies throughout Minnesota to help Hennepin County teen parents get connected to comprehensive and coordinated evidence-based services for pregnant youth and their children.

**Assumptions for contracted, community and OHP services**

1. Costs for contracted service authorizations are those provided by HSPHD and reflect the true cost of the services provided.
2. Contracted service authorization amounts provided in the data that had zero amounts paid were assumed to not have occurred and were excluded from the analyses.
3. All community and out-of-home placements and service authorization amounts were adjusted to 2012 dollars.
4. The lengths-of-stay provided accurately reflect the true length of time youth spent in placement or community service.
5. Electronic Home Monitoring (EHM) cost $34.50 per person, per day (DOCCR estimate).
6. De-duplicating the placement, enrollment and contracted service authorization data was accurate.
7. For data that did not have service authorization amounts, but length of stay was provided, per diems were drawn from DOCCR, HSPHD and Minnesota Department of Human Services.
8. For out-of-home placement data that did not have published per diems, average per diems from like agencies were calculated.
9. For community services that did not have published per diems, average per diems from like agencies or services were calculated.
10. Cost amounts for placement facilities with 0% approved MA reimbursement, as identified by the Minnesota Department of Human Services, are provided as 100% of the calculated amount.
11. Hennepin County service authorizations contracted usage amounts are approximately 59% of total service authorization costs.
12. Community and out-of-home placement were primarily County Home School, Juvenile Detention Center, Electronic Home Monitoring, foster care, group homes and various other placement services. Therefore, the county portion of placement amounts is all of the County Home School, Juvenile
Detention Center and Electronic Home Monitoring amounts plus 59% of the remaining placement services.

**Cost estimation and assumptions associated with eligibility and work supports**

1. Medical Assistance (MA) service history includes both current MA and its prior incarnations. Claims data was not available for this study. Instead, 2012 monthly rates of $213.73 for children and $274.58 for adults (age 21 and older) calculated from inflation-adjusted 2008 CMS data for Minnesota MA programs and were applied to monthly enrollment data to produce MA cost figures.

2. Emergency Payments include EA and EGA. Due to the nature of matching benefit, months with payments months, issuances more than 60 days after the benefit approval month may be missed.

3. The person count provided for the cost calculation is a count of eligible person on the date of eligibility.

4. For all emergency, food, cash and MFIP assistance programs, to calculate the cost of the single teen parent cohort member or child of the teen parent share, the net payment amount was divided by the household count.

5. Child care per diems were calculated based on facility type and age of child. Not included in the calculation of payments made to childcare vendors for services to the teen parent population:

   a. Uncompensated childcare provided by the vendor to the teen parent. This happened frequently prior to 2008 when vendors with large parent organizations were able and willing to assume the cost of not getting paid for care provided. After the 2008 crash, parent organizations started looking for other ways to raise funds to cover the cost of uncompensated care. If they could not raise funds, centers had no choice but to refuse to care for children.

   b. In 2007, Hennepin County created a “stabilization” scholarship fund for Strong Beginnings centers to cover short term childcare costs while parents worked to get their childcare eligibility status corrected. Ten percent of the families we served in 2007 were teen parents (five parents/five children). Hennepin County covered approximately 2½ to 3 months of unauthorized childcare at an average cost of $3,500 per child. There was duplication in administrative costs to Hennepin County. The frequency of this duplication has increased as the number of childcare days authorized for the teen parent cohort dropped from three to six months prior to 2004 to one month beginning 2004 through 2008, and down to one to two weeks in 2009 through 2012.

It was assumed that Hennepin County was not responsible for any of the costs associated with eligibility and work supports, with the exception of child care, where the county responsibility was estimated at about 3.3 percent of total costs.
Cost estimation and assumptions associated with family, single and secure waiting shelter use

1. The total aggregate shelter costs below were paid by Hennepin County and reimbursed by the state. Even though we know the truth is more complex, the shelter database does not distinguish funding sources. Since state reimbursement is the most common outcome, we make the broad assumption that all costs were reimbursed.

2. The costs reflect the teen parent cohort member and his/her children and no other family members.

3. When dollar amounts were not provided, 2010 per diems were substituted. It is assumed these reflect the actual cost of the shelter stay.

4. Costs across years were adjusted to 2012 dollars.

5. Costs were only tabulated if they could be attributed to an MFIP teen parent as an adult.

6. Shelter stays attached to the family PMI’s when the parent was a child were not included. Thus, shelter figures only reflect adolescent or adult usage and not a parents’ childhood experience.