

National Commission on Fiscal Responsibility and Reform
Eisenhower Executive Office Building
1650 Pennsylvania Avenue NW
Washington, DC 20504

Dear Members of the Commission,

In August 2010, the Congressional Budget Office estimated that the federal budget deficit will exceed \$1.3 trillion for 2010. While the need for fiscal austerity is urgent, Congress must make forward-thinking decisions to ensure that short-term cuts will not harm our nation's long-term well-being and competitiveness in a global marketplace. **We respectfully request that the Commission hold a hearing or expert meeting on the potential of *investments in prevention* to enhance the security of our financial future.**

Years of robust research tell us that prevention, in almost every instance—whether it be physical and mental health, education, criminal justice, environmental protection, or infrastructure—is less expensive and more effective than delaying action until the advent of a full-blown crisis. Furthermore, evidence is overwhelming that to build a 21st century workforce that draws on the talents of everyone in our society, we must *invest in people*—the real wealth of our nation in an era in which knowledge is paramount. Trimming excessive federal spending is vital, but so is investing in our collective future.

The attached sheet provides some examples of how targeted, pre-emptive investments in proven, evidence-based approaches can save hundreds of billions of dollars annually.¹ This new form of prevention-based budgeting would produce savings for the federal government as well as for businesses, states, and local communities within five to ten years.

It is essential that our nation's policymakers start viewing the debt crisis through the lens of prevention, an area in which investments today provide significant returns in money saved or revenues added tomorrow—while also creating safer, more vibrant communities and a healthier, more productive workforce.

We thank you for your attention to this matter.

Sincerely,

American Federation of Teachers—Wisconsin + American Human Development Project of the Social Science Research Council + American Public Health Association + Bronx HIV CARE Network + Consortium of Social Science Associations + FirstStar, Putting Children First + Health People + Justice Policy Institute

National Council of Women's Organizations + National Education Association + National Law Center on Homelessness & Poverty + 9to5 National Association of Working Women + Peace and Justice Studies Association + Pennsylvania State Education Association + Prevention Institute + P\$—The Prevention Saves Project + Psychologists for Social Responsibility + Society for Community Research and Action, Division 27 of the American Psychological Association

Invest Now to Save Later:

An Open Letter to the National Commission on Fiscal Responsibility and Reform

	INVEST NOW	SAVE LATER
HEALTH	In nutrition and exercise programs, diabetes prevention counseling, and a more conducive environment for recreation, walking, and biking	Save \$174 billion in diabetes treatment and related lost productivity every year. ² Diabetes is a leading cause of death in the U.S. today.
	For every \$1 invested in substance abuse treatment	Save \$7 in the form of reduced use of the criminal justice system and fewer health-care costs. Employers also benefit from reduced absenteeism, work conflicts, and on-the-job accidents. ³
	In comprehensive lifestyle changes for every patient with heart disease	Save \$30,000 per patient after one year as compared with cost of usual care: bypass operations, angioplasties, etc. ⁴
EDUCATION	For every \$1 invested in quality preschool education	Gains of between \$6-\$10 from increased individual earnings and government tax revenues later in life, reduced costs for remedial help, and lower incarceration rates. ⁵
	Halve the number of students who drop out of high school	Save \$45 billion every year through higher tax revenues and decreased public health costs, criminal justice services, and welfare payments. ⁶
EMPLOYMENT	In paid sick leave for full-time employees	Save \$100 million annually in out-of-pocket medical expenses for seasonal flu, plus help employers save \$164 million every year in reduced turnover and workplace contagion. ⁷
INFRASTRUCTURE	For every \$1 invested in repairing our aging physical infrastructure and maintaining public health and emergency response systems	Save \$7 in natural disaster response in lives saved, property protected, response quality and timeliness improved, and potential tragedies averted. ⁸
HOUSING	Prevent 1 foreclosure	Save \$80,000 for the homeowner, lender, local government, and adjacent neighbors. ⁹
	In supportive housing services and appropriate care for 1 homeless person	Save over \$16,000 every year on ER visits, inpatient services, shelters, and incarceration. ¹⁰

¹ Wollman, Neil. 2010. "A Prevention Model for Reducing the Federal Debt While Doing Social Good," 2010.

<http://www.healthpeople.org/PreventionModel.pdf>. Williams-Taylor, Lisa. 2010. *The Journey to Evidence-Based Programming: Changing the Face of Social Services*. Palm Beach, FL: Children's Services Council. <http://www.cscpb.org/evidinfo>.

² American Diabetes Association. 2008. "Costs of Diabetes in the U.S. in 2007." *Diabetes Care* 31(3): 596-615.

³ U.S. Department of Health and Human Services. 2009. "Cost Offset of Treatment Services," and Ettner, S.L., D. Huang, et al. 2006. "Benefit-cost in the California treatment outcome project: does substance abuse treatment 'pay for itself'?" *Health Services Research*, 41(1): 192-213.

⁴ Center for Science in the Public Interest. 2008. "Prevention Can Save on Health Care Costs."

⁵ Temple and Reynolds. 2007. "Benefits and Costs of Investments in Preschool Education." *Economics of Education Review*. 26(1): 126-144.

⁶ Levin, Henry et al. 2006. "The Costs and Benefits of an Excellent Education for America's Children," Working Paper, Teacher's College, Columbia University.

⁷ Lovell, Gault, and Hartmann. 2004. *Expanded Sick Leave Would Yield Substantial Benefits to Businesses, Employers, and Families*. Washington DC: Institute for Women's Policy Research and Miller, Kevin. 2010. "Fact Sheet: Paid Sick Days Can Help Contain Health Care Costs," Washington, DC: Institute for Women's Policy Research IWPR #B291.

⁸ Flynn, Stephen. 2007. *The Edge of Disaster: Rebuilding a Resilient Nation*. New York, NY: Random House, p. 156.

⁹ Joint Economic Committee. 2007. "Special Report: Sheltering Neighborhoods from the Subprime Foreclosure Storm."

¹⁰ Anderson, Jacquelyn. 2006. "Supportive Housing Research FAQs: Is Supportive Housing Cost Effective?" Corporation for Supportive Housing.