

A Healthy Bottom Line

High-quality early childhood care and education is critical to a healthy, productive workforce

SUMMARY

Poor health among today's and tomorrow's adults is jeopardizing businesses' ability to compete in the global economy. Mounting evidence shows that the foundation for good health lies in the earliest years—making greater access to high-quality early care and education imperative for promoting business success and a Culture of Health.

AMERICA'S BUSINESSES ARE PAYING FOR POOR HEALTH

Researchers predict that children growing up in America today will be the first generation to live shorter lives than their parents.¹ Despite high spending on health care, the U.S. now ranks 27th out of 34 developed countries in terms of life expectancy.¹ This health crisis affects business in a number of ways, including:

- **Health insurance costs:** Spending on health insurance consumed 45 percent of private industry's total profits in 2009.³ The average employer currently pays \$12,000 per family plan—a cost that has increased by 60 percent in the past decade.⁴ When employers spend more on health insurance, they have fewer resources to put towards hiring the best workers, developing the best products and generating returns for shareholders and their companies.⁵
- **Employee absenteeism and productivity:** The costs of sick days and days of low productivity due to illness are harder to measure, but also real—researchers estimate they cost the U.S. economy nearly \$260 billion per year.⁶



High-quality early childhood programs can lead to a host of better health behaviors and outcomes, including:

- Improved mental health
- Less smoking
- Less substance abuse
- Regular exercise
- Improved diet
- Less obesity
- Lower risk of heart disease, stroke, diabetes

Source: Friedman-Krauss & Barnett (2013)

- **Customers' ability to buy goods and services:** High medical costs or unemployment due to health problems directly impacts individuals' discretionary income. In fact, unpaid medical bills are the leading cause of personal bankruptcy among Americans.⁷ Altogether, spending on health care consumes 17 percent of the Gross Domestic Product (GDP) in the U.S.—the highest percentage of any major country.⁸

“If we can take the long view, current knowledge tells us that investing in improving children’s development at the beginning of life is indeed a wise business venture as well as a social imperative – probably the single most effective strategy for realizing the health potential of all Americans.”

—Robert Wood Johnson Foundation 2014 Issue Brief: Early Childhood Experiences Shape Health and Well-Being Throughout Life

EARLY CARE AND EDUCATION: PROMOTING HEALTHY WORKERS AND A CULTURE OF HEALTH

Mounting evidence shows that high-quality early care and education can help establish the foundation for good health throughout life. Children’s earliest years are not only the period in which the most rapid brain development occurs; they are also a crucial time for shaping healthy behaviors.⁹ High-quality early interventions can impact health in a number of ways:

By reducing toxic stress that hurts brain development

Because of the rapid development that occurs in young brains, chronic or “toxic” stress during these years can lead to harmful effects on the brain and serious health issues later in life. According to the science, “When we are threatened, our bodies activate a variety of physiological responses, including increases in heart rate, blood pressure, and stress hormones such as cortisol... When strong, frequent, or prolonged adverse experiences such as extreme poverty or repeated abuse are experienced without adult support, stress becomes toxic, disrupt[ing] developing brain circuits.”¹⁰

Currently, too many young children experience toxic stress. Research shows that 37 percent of

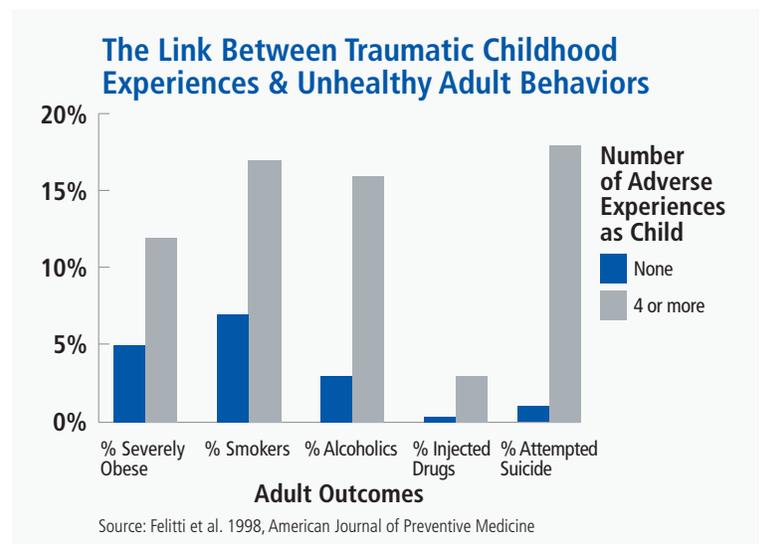
young children in the U.S. have at least one adverse experience—such as being abused or growing-up in a household with an alcoholic or drug user or domestic violence—before the age of five.¹¹

There is a strong connection between these traumatic childhood experiences and unhealthy adult behaviors. A study of more than 17,000 adults, the Adverse Childhood Experiences Study, found that individuals who had four or more adverse childhood experiences were 2.5 times more likely to smoke as an adult, five times more likely to become an alcoholic, 10 times more likely to have injected street drugs, and 15 times more likely to attempt suicide compared to people reporting no traumatic childhood experiences.¹²

It’s crucial to reach children during the early years of brain development with interventions proven to help prevent these adverse experiences. For example, studies show that the Chicago Child-Parent Center preschool program and the Nurse-Family Partnership home visiting program each reduced child abuse and neglect by 50 percent.¹³

By fostering healthy behaviors and outcomes

Failing to learn self-control at a young age is one risk factor for future health problems. For example, a groundbreaking study followed 1,000 individuals from birth to adulthood and found that children who exhibited more self-control during their preschool years had substantially better physical health and were much less likely to be substance abusers 30 years later.¹⁴ They were also less likely to become



“All companies need a healthy workforce, and early education helps lay the foundation for the long-term health of employees, families and communities.”

—Tim Solso, Chairman, General Motors Company;
Retired Chairman and CEO, Cummins, Inc.

criminals—an indication that they had better mental health.¹⁵ Similarly, a recent study funded by the Robert Wood Johnson Foundation found that children rated by their kindergarten teachers as more sharing, cooperative and helpful had better mental health in their 20s.¹⁶ High-quality early education programs can help children learn these important self-control skills. Pennsylvania’s Pre-K Counts program, for example, reduced the number of problem behaviors among their young students by 80 percent.¹⁷

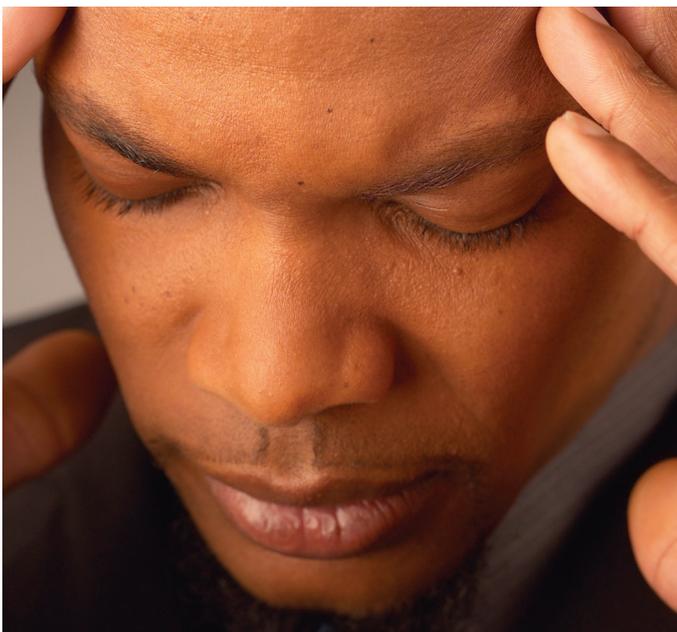
In addition to social skills, early childhood interventions that emphasize nutrition and physical activity can also greatly impact children’s physical health behaviors and outcomes. For example, a randomized trial of the Abecedarian early education program found that boys who participated were nearly four times more likely to exercise regularly and less likely to be substance abusers as young adults, and had significantly

lower risk factors for heart disease, stroke and diabetes by their mid-30s.¹⁸ Meanwhile, girls who participated in the program were more likely to exercise regularly as young adults and less likely to become obese as older adults.¹⁹ Similarly, a recent study showed that boys who participated in the Perry Preschool Project were 29 percent less likely to be smokers and 65 percent more likely to report improving their diet for health reasons as adults, while girls in the program were eight times more likely to exercise regularly as adults.²⁰

By promoting good parenting

Many young, at-risk parents lack some of the skills or knowledge that can help their child develop, such as knowing how to recover from a substance abuse disorder or reinforce positive behaviors in their children. A few high-quality interventions for these parents have achieved impressive results by affecting both generations.

The Nurse-Family Partnership (NFP), for example, is a voluntary program in which a nurse regularly visits the homes of at-risk, expectant parents from before birth to age two, to help improve their parenting and their own lives. According to randomized trials, the program improved healthy behaviors, such as reducing smoking during pregnancy and increasing breastfeeding.²³ It also cut child abuse and neglect in half and reduced deaths throughout childhood—by the age of 20, none of the children



Early education can help address health care costs

Early childhood education’s long-term mental health and obesity impacts translate directly to health care savings. Obesity and mental health problems are behind some of the most common chronic diseases—including heart disease, diabetes, depression and substance abuse—and individuals with chronic diseases account for approximately 85 percent of healthcare spending in the U.S.²¹

Businesses are directly affected. A single one of these conditions, diabetes, adds an average of \$10,000 per year in health insurance costs.²²

“My career has been dedicated to promoting good health, and I have come to believe strongly that early childhood is the foundation for life-long health and well-being.”

—George Halvorson, Former Chairman and CEO, Kaiser Permanente

who received NFP died of preventable causes (such as sudden infant death syndrome, unintentional injury and homicide), compared with 1.6 percent of children in the control group.²⁴

Another program, Positive Parenting Practices (“Triple P”), provides at-risk parents with simple, well-tested strategies for promoting positive behavior in their children through pamphlets and/or classes. A rigorous study of Triple P found that it dramatically reduced child abuse and foster care placements and paid for itself within a year.²⁵

By helping kids succeed in school and the workforce

Studies have demonstrated that high-quality early childhood education can impact high school graduation, college attendance and even future employment. For example, children in the Chicago Child-Parent Centers and the Perry Preschool Project were 30 to 40 percent more likely to graduate from high school.²⁶ Meanwhile, children in the Abecedarian early learning program were four times more likely to graduate college and 40 percent more likely to be consistently employed as adults.²⁷ More education, in turn, is associated with

less smoking, more physical activity and a longer life expectancy.²⁸ Meanwhile, stable employment enables families and individuals to live in healthier communities, buy more nutritious food, provide quality childcare for their own children and access better health care services.²⁹

By identifying problems early

Enrollment in early childhood programs allows for access to health services such as vaccinations, as well as screening of health problems that can identify a wide variety of impairments, including speech problems, hearing impairments and autism.³⁰ For example, one study found that children who participated in Head Start were more likely to access immunizations, dental care and health care, which contributed to a decrease in child mortality rates.³¹

CONCLUSION

High health care costs and a shrinking pool of well-qualified, healthy workers put businesses at a global disadvantage. Fixing this problem will require more support for effective solutions, and a new focus on the early years of life.

Research shows that high-quality early childhood education and care can dramatically improve health throughout life. Giving children such opportunities will help them succeed in school, their work and their careers, and contribute to a brighter future that includes less child abuse, obesity-related diseases and premature deaths.

And ultimately, early childhood investments will help to foster a Culture of Health nationwide while making all businesses more competitive.

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WHO WE ARE

ReadyNation is a business leader organization working to strengthen business through better policies for children and youth. Our members educate local, state, national, and international policymakers and the media about effective investments that will help business compete in today's global marketplace by helping children get on the right track to succeed in school and in life.

We invite anyone from a business or business organization to join. There are no membership fees, financial obligations, or formal meetings. Our staff support our members to take action, making the best use of their time. Go to www.readynation.org/join.

ReadyNation is a membership organization of business leaders that operates under the nonprofit Council for a Strong America.

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