

Gov. Nikki Haley Launches Landmark “Pay for Success” Project to Improve Maternal and Child Health, Increase Government Accountability

Project Aims to Reduce Preterm Births; Prevent Child Injury

Columbia, S.C. – Feb. 16, 2016 – South Carolina Gov. Nikki Haley today announced the launch of the nation’s first Pay for Success project aimed at improving health outcomes for mothers and children living in poverty.

The South Carolina Nurse-Family Partnership Pay for Success project will bring Nurse-Family Partnership’s evidence-based program to an additional 3,200 first-time mothers and their babies enrolled across South Carolina over the next four years, a significant increase over the 1,200 families currently benefiting from the high-impact intervention.

Nurse-Family Partnership pairs vulnerable first-time mothers with registered nurses who have specialized training in maternal and child health. Through home visits from early in pregnancy to the child’s second birthday, the nurses support mothers in having healthy pregnancies, becoming knowledgeable and responsible parents and giving their babies the best possible start in life. By strengthening families and improving early childhood development, Nurse-Family Partnership sparks multigenerational change and helps break cycles of poverty.

“We are focused on implementing programs in South Carolina that are shown to work,” Gov. Haley said. “Achieving measurable results will save money, strengthen our communities and help young women and their children chart a path from poverty to opportunity.”

More than 280,000 South Carolina children — or about 27 percent — live in families struggling with poverty. And more than half of the babies in South Carolina are born to low-income mothers who qualify for public health insurance programs. Young mothers living in poverty are at greater risk for poor birth outcomes including delivering babies who are premature or weigh too little. Growing up in poverty can be harmful to a child’s cognitive development, health, school performance, and social and emotional well-being.

“This pioneering South Carolina Pay for Success Initiative will help us reach thousands of new mothers, transforming their lives and those of their children,” said Roxane White, president and CEO of Nurse-Family Partnership. “We also will be developing new, more cost-effective ways to scale our programs.”

Pay for Success projects combine nonprofit expertise, private funding and rigorous evaluation to transform how government leaders respond to chronic social problems. Funders provide upfront capital to expand effective social services and governmental entities pay for all or part of the program only if it measurably improves the lives of participants. Independent evaluators measure the effects of a program based on specific, predetermined metrics that benefit both individuals and society and generate value for taxpayers. J-PAL North America, a research center based at the Massachusetts Institute of Technology, will lead the evaluation of the South Carolina project.

“Expanding Nurse-Family Partnership is momentous for South Carolinians and for the Pay for Success field,” said Tracy Palandjian, CEO and co-founder of Social Finance, the nonprofit that supported the design and financing for the South Carolina initiative. “This project will increase opportunity for mothers and children and unlocks private capital to advance public good. It’s a testament to what we can achieve when diverse leaders think creatively and work together.”

Other private and philanthropic funders for the South Carolina project include:

- BlueCross BlueShield of South Carolina Foundation
- The Boeing Company
- The Duke Endowment
- Greenville First Steps
- Laura and John Arnold Foundation

“Investing in effective prevention programs such as Nurse-Family Partnership will lead to substantial cost savings over time,” said Minor Shaw, chair of The Duke Endowment and a board member of the BlueCross BlueShield of South Carolina Foundation. “And as we help parents and children get off to the best start possible, the long-term impact for families and communities is even more significant.”

Harvey Galloway, executive director of BlueCross BlueShield of South Carolina Foundation, said Nurse-Family Partnership is on the right path to improve the health and life trajectory of vulnerable, first-time moms and their babies.

“We have supported Nurse-Family Partnership since 2008 and we see this intervention and new funding model as paramount in our work to support innovative approaches to bridge health and health care gaps,” Galloway said. “We are pleased to partner in this transformational shift of public and private efforts to address the needs of underserved populations and improve the quality of life for mothers living in poverty, their children and ultimately all South Carolinians for generations to come.”

This South Carolina project has four concrete goals: reducing preterm births, decreasing child hospitalization and emergency department usage due to injury, improving healthy spacing between births and increasing the number of first-time mothers served in the lowest-income communities.

“The Pay for Success model changes the way that government does business, by promoting evidence-based policy and making payments contingent upon actual measured outcomes,” said Christian L. Soura, director of the South Carolina Department of Health and Human Services, the state agency spearheading the initiative.

The project mobilizes \$30 million, with philanthropic funders committing \$17 million to the project. Medicaid will fund approximately \$13 million via a 1915(b) Medicaid Waiver awarded to the South Carolina Department of Health and Human Services by the federal Centers for Medicare and Medicaid Services.

For details on how the project will work, click [here](#).

For a list of partners, click [here](#).