

# PAY FOR SUCCESS PROJECT DESIGN OPTIONS: IMPROVING MATERNAL AND CHILD HEALTH

## POLICY OBJECTIVE

Improve birth and early childhood development outcomes and reduce maltreatment in low-income families by providing home visiting for expectant mothers



Compared to other developed countries, the U.S. has some of the worst maternal and child health outcomes, particularly regarding preterm birth rates, infant mortality, and maternal death



Birth outcomes in the U.S. are worse for women of color. For non-Hispanic black women, the infant mortality rate is nearly double that of white women



Research done by the Heckman Equation shows that high-quality birth-to-five programs for disadvantaged children can deliver a 13% per year return on investment, realized through better outcomes in education, health, social behaviors, and employment

## PFS PROGRAM DESIGN OPTIONS<sup>1</sup>

### Target Population

- First-time, low-income mothers
- Women who are pregnant
- Medicaid eligible mothers

### Intervention

- Home visiting delivered by registered nurses (RNs)
- Pre-natal care advice
- Child development support
- Child screening
- Life skills coaching
- Direct counseling from a registered nurse

### Outcomes

- Reduction of hypertensive disorders during pregnancy
- Reduction of pre-term births
- Reduction of child abuse and neglect, as measured by child hospitalization and ER usage due to injury
- Increase in healthy spacing between births
- Increase in maternal employment
- Increase in smoking cessation
- Increase in school readiness and success

### Measurement

- Validation of administrative data
- Pre-post assessment
- Historical baseline comparison
- Matched comparison (contemporaneous or historical)
- Randomized control trial (RCT)

1. These options represent areas that Social Finance has explored as suitable for Pay for Success; options shown here are not exhaustive.

# PAY FOR SUCCESS IN ACTION: SOUTH CAROLINA NURSE FAMILY PARTNERSHIP PROJECT

Launched in 2016, the South Carolina Nurse-Family Partnership Project is the nation's first Pay for Success project focused on improving health outcomes for women and children in poverty. The project braids \$17 M in philanthropic funding with \$13 M via a 1915(b) Medicaid waiver, to serve 3,200 low-income, first-time mothers and their babies. The project will double Nurse-Family Partnership (NFP)'s capacity to serve families in South Carolina.

## THE CHALLENGE

 More than 280,000 children in South Carolina (27%) live in poverty. More than half of babies in the state are born to low-income mothers who qualify for Medicaid. Growing up in poverty can be harmful to a child's cognitive development, health, school performance, social and emotional well-being.

 Mothers struggling with poverty are at higher risk for poor birth outcomes such as delivering premature babies or babies who weigh too little.

## THE OPPORTUNITY

 The South Carolina Nurse-Family Partnership project presents opportunity for:

**Long-term and Lasting Results:** The project provides increased support for healthy pregnancies and sets children up for successful early childhood development

**Sustainability:** Braiding Medicaid funding with philanthropic funding provides pathway for the state to provide NFP to more mothers. Philanthropic funders will also recycle outcome payments to further scale NFP

**Innovation and Learning:** The project uses a rigorous evaluation to understand the efficacy of NFP and provide insights in how to scale this program while minimizing taxpayer cost and maximizing impact

## PROJECT TERMS

### PFS Program Terms

- **Target Population:** Low-income, first-time mothers
- **Intervention:** NFP's evidence-based intervention
- **Outcomes:** (1) Reduction in pre-term births; (2) Reduction in child hospitalization and ER usage related to injury; (3) Increase in healthy birth spacing; (4) Number of mothers served in low-income zip codes
- **Measurement:** Randomized control trial

### Financial Terms

- **Scale:** 4,000 families (3,200 through Medicaid waiver, 800 through MEICHV)
- **Maximum Outcome Payments:** \$7.5 M
- **Outcome Payment Schedule:** Payments possible in 4<sup>th</sup> and 5<sup>th</sup> year after project launch, contingent on outcomes achieved
- **Term:** 4 years of service delivery, 5 year investment term