

ADMINISTRATION FOR CHILDREN & FAMILIES

Maternal and Infant Health & Direct Cash Transfers

What are direct cash transfers? Direct cash transfers are payments made directly to individuals or families, by a government or non-profit organization, for the purpose of promoting economic stability and mobility at the household level.

Pregnancy and early infancy can be an extremely destabilizing times for families financially as household income drops to the lowest level in one's life and poverty increases dramatically (Clemens & Vaghul, 2016; Hamilton et al., 2023). In the U.S., more than one in four mothers experience poverty in the month after giving birth, and the birth of a child increases the likelihood of familial poverty by more than 33% (Hamilton et al., 2023). Poverty during pregnancy has been linked to many poor health outcomes, including preterm birth and infant mortality, lower birthweight, pregnancy and birth complications and maternal mortality (Kramer et al., 2000; Singh, 2021).

Black, Indigenous and other women of color are more likely to experience poverty before pregnancy as compared to White women and are therefore more vulnerable to increased pregnancy and post-birth poverty. This increased likelihood of poverty, along with other structural factors, means that Black, Indigenous and other women of color experience higher rates of negative health outcomes during pregnancy and childbirth than White women. Specifically, compared to White women, Black women are three times more likely to die from pregnancy-related causes and American

The Resilient Families Hub is an interagency effort to expand knowledge of cash transfer programs within the federal government as part of the Facing Financial Shock initiative. Developed by the Executive Order on Transforming Federal Customer Experience and Service Delivery to Rebuild Trust in Government (EO 14058), the mission of FFS is to provide stability and smoother pathways to resilience through better benefit delivery, better benefits, and better jobs.

Indian and Alaska Native (AIAN) women are two times more likely to die (Hill et al., 2022). In addition, Black, AIAN, and Native Hawaiian and Other Pacific Islander women and their infants experience higher rates of preterm birth, low birth weights, and births for which they receive late or no prenatal care (Hill et al., 2022).

The federal government has long recognized the need to support mothers and infants during pregnancy and the postpartum period and has recently increased the focus on racial disparities.¹ For fifty years the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) has provided food benefits to low-income pregnant and postpartum people and their children up to age 5.² Since 2021, the White House has issued a Proclamation on Black Maternal Health Week annually, and the CDC's Women's Health features an article on Black maternal mortality.

Several programs support low-income mothers with children and have positive impacts on income stability, health, and wellbeing, including the Child Tax Credit.³ However, there are far fewer programs directed towards the pregnancy and immediate postpartum time periods.

Previous research has indicated that increased income through cash transfers may improve the health of mothers and infants:

- Increases in the Earned Income Tax Credit (EITC) was associated with reduced incidences of low birth weight and increases in mean birth weight. Specifically, in single mothers without a high school diploma, a \$1,000 increase in after-tax income through the EITC was found to be associated with a 1.6% - 2.9% decrease in the proportion of infants with low birth weight (Hoyne et al., 2015).

¹ See for example, ACF's Equity in Action site. <https://www.acf.hhs.gov/equity>.

² When WIC was first established in 1974, the program only covered children up to age 4 and excluded non-breastfeeding postpartum women. The program was expanded in 1975 to include these individuals (Oliveira et al., 2002).

³ Families receive the federal Child Tax Credit annually after having filed their tax returns. Depending on when their infant is born, families may have to wait more than a year to access the credit and currently there is no tax credit available during – and due to – pregnancy.

- States with EITCs of any level have shown improvements in infant health outcomes. For Black women, the most generous EITCs (defined as 10% or more of the federal EITC amount and refundable) have been associated with significant reductions in infants with low birth weight and preterm birth (Komro et al., 2019).
- The Alaska Permanent Fund Dividend, an annual, universal cash transfer program for every resident in Alaska, was shown to decrease incidence of infants with low birthweight, particularly for those born to mothers with low incomes (Guettabi, 2019).

Recent Cash Transfer Demonstrations

Further contributing to the current research, a few sites around the country are providing direct cash assistance to people during pregnancy and the first year of their infant's life.

Abundant Birth Project: Launched in San Francisco by Expecting Justice in 2020, the Abundant Birth Project provides unconditional cash supplements to Black and Pacific Islander mothers in the state of California. Its goal is to reduce preterm births and improve economic outcomes, and it is supported by a mix of public and private funds. Since its inception, nearly 150 mothers have received \$1,000 a month during their pregnancies and the first six months of their child's life. ([Link](#))

Rx Kids: Launched in Flint, Michigan, in 2024, Rx Kids is the first citywide maternal and infant cash prescription program. Funded by a mix of public and private funds, the program uses non-recurrent short-term payments under the Temporary Assistance to Needy Families program when eligible to provide all pregnant mothers one prenatal payment of \$1,500 along with \$500 a month for the first year of their infant's life. ([Link](#))

The Nest: The Nest uses private funding to provide \$1,250 a month to pregnant Indigenous people during the first three years of their child's life. The program serves

communities throughout the U.S. and anticipates providing up to \$45,000 to 150 families. ([Link](#))

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