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**Subject:** Press Conference: HHS and NFP  
**Location:** 1st Floor Lobby, Statehouse  
**When:** 2/16/2016 1:00:00 PM - 1:30:00 PM

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**EVENT:** Announcement of the South Carolina SC DHHS/Nurse-Family Partnership Pay for Success program

**DATE:** February 16, 2016

**TIME:** 1:00 PM

**LOCATION:** Statehouse, first floor lobby

**PURPOSE:** To announce the South Carolina Nurse-Family Partnership (NFP) Pay for Success program

**INTRODUCED BY:** Governor Haley will open the press conference with her remarks

**LENGTH OF SPEAKING:** 5 minutes

**LINE-BY-LINE:**

- **SC Governor Nikki R. Haley**
- **Christian Soura**, director, South Carolina Department of Health and Human Services
- **Roxane White**, president and chief executive officer, Nurse-Family Partnership
- **Lanthea Brown**, a mother served by Nurse-Family Partnership, with her son, Jameer Reddick
- **Minor Shaw**, board president, The Duke Endowment, and board member of BlueCross BlueShield Foundation of South Carolina
- **SC Governor Nikki R. Haley** will conclude event and open it up for questions
- Q&A

**Non-speaking attendees (behind the podium):**

- Roxanne Sims and her daughter, Addalyn Daley (Mother served by NFP)
- Rebecca McKenzie, RN
- Virginia Kennedy Blume, RN
- Tracy Palandjian, chief executive officer and co-founder, Social Finance
- Sue Williams, executive director, The Children's Trust of South Carolina
- Harvey Galloway, president, BlueCross BlueShield of South Carolina Foundation
- Lindsay Leonard, The Boeing Company Representative
- Rhett Mabry, vice president, The Duke Endowment
- Derek Lewis, executive director, Greenville County First Steps
- Senator Thomas Alexander (District 1; Oconee and Pickens counties)
- *Senator Harvey Peeler (District 14; Cherokee, Spartanburg, Union and York counties)*

**BACKGROUND:**

**Project Overview:**

- Nurse-Family Partnership pairs vulnerable first-time parents with specially trained nurses. During home visits from early pregnancy through the child's second birthday, the nurses support first-time moms to have healthy pregnancies, become knowledgeable and responsible parents, and give their babies the best possible start in life. By strengthening families and improving early child

- development, Nurse-Family Partnership strengthens communities and aims to improve the health and well-being of residents.
- The South Carolina Department of Health and Human Services (SCDHHS) will lead the project.
- Nurse-Family Partnership, a nationwide evidence-based program, currently serves 1,200 families in South Carolina. The Pay for Success project will pair nurses with an additional 3,200 first-time, low-income mothers over the next four years, marking the first statewide Pay for Success project in the U.S.
- More than 280,000 children in South Carolina — or 27 percent — live in poverty. And more than half of the 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, and social and emotional well-being. Research on brain development has shown that giving children a strong start in life begins before they are born, during a mother's pregnancy. Mothers struggling with poverty are at higher risk for poor birth outcomes such as delivering premature babies or those who weigh too little.
- Nurse-Family Partnership has a nearly 40-year track record of successfully improving outcomes for mothers and children — including multiple randomized controlled trials in different geographic regions of the U.S.

### **Overview of Pay for Success:**

- Pay for Success projects combine nonprofit expertise, private sector funding, and rigorous measurement and evaluation to transform the way government and society respond to chronic social problems. In a Pay for Success project, funders provide upfront capital to expand social services and government pays for all or part of a program only if it measurably improves the lives of participants. In some Pay for Success projects, investors earn a small return on their investment. In this case, the funders are recycling any returns back into Nurse-Family Partnership services in South Carolina.
- Independent evaluators measure the providers' impacts based on pre-determined outcomes that benefit both individuals and society — and generate value for taxpayers.
- The evaluation of the South Carolina project will be led by J-PAL North America, a research center at the Massachusetts Institute of Technology.
- The project includes a new randomized controlled trial, which will evaluate how well Nurse-Family Partnership is working and how successfully the program can implement a pledged 25 percent reduction in the cost of their services.
- Social Finance, a nonprofit intermediary, supported the design, negotiation and financial structuring of the project. Social Finance also managed the capital raise, and will coordinate performance management services for the duration of the project alongside SCDHHS, NFP and the Harvard Kennedy School Government Performance Lab.

### **Project Metrics for Evaluation:**

- Reduction in preterm births
- Reduction in child hospitalization and emergency department usage due to injury
- Increase in healthy spacing between births
- Increase the number of first-time moms served in predetermined ZIP codes with high concentrations of poverty

### **Funding:**

The South Carolina Pay for Success initiative mobilizes \$30 million to expand Nurse-Family Partnership's evidence-based services. Philanthropic funders have committed \$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.

### **The philanthropic funders include:**

- BlueCross BlueShield of South Carolina Foundation (\$3.5 million)
- The Duke Endowment (\$8 million)
- The Boeing Company (\$800,000)
- Greenville County, SC First Steps (\$700,000)
- Laura and John Arnold Foundation (\$491,000)
- Anonymous donors (\$4 million)

**Success payments:** South Carolina will make up to \$7.5 million in success payments to sustain Nurse-Family Partnership's services only if the independent evaluators, J-PAL North America, find positive results.

### **SUGGESTED TALKING POINTS:**

- It really is a great day in South Carolina.
- Since the beginning of our administration, we have focused heavily on the health of newborn babies and their mothers.
  - In 2012, we announced the SC DHHS' refusal to pay for elective early births. Not only was this practice expensive, but it also added risk for mothers and their newborns.
  - Last November, DHEC announced that South Carolina's Infant Mortality Rate dropped to a record low for the second consecutive year.
- Today, we're announcing a partnership with a wonderful organization that has been a tremendous asset to South Carolina for years - Nurse Family Partnership (NFP). This partnership is another step towards providing mothers and their babies with every tool necessary for a healthy start to life.
- NFP's model is a proven method that connects first-time mothers with in-home nursing support during and after their pregnancy, which is a crucial component to improving the well-being of mothers and their families.
- This initiative is so important because it's the first of its kind – it's the first time our state will contract with NFP to deliver their services to our citizens using an innovative Pay for Success system that will deliver measurable results and provide accountability for all of the partners involved.
- Through this new initiative, 3,200 Medicaid-eligible mothers who are interested in participating in the program will be paired with a nurse early in their pregnancy and receive regular home visits until their child's second birthday.
- We want to give the children of our state the best possible start in life, and expanding Nurse Family Partnership's footprint here is an important step towards making sure we do that.
- We also expect this program to reduce Medicaid costs by lowering the number of expensive, pre-term births, NICU admissions and child emergency department visits.
- We're always looking for new and exciting ways to make state government run more like a business. In the private sector, if you're paid for a job and you don't do it well, then you're going to be held accountable.
- That's exactly how this program works. Through the Pay for Success system, HHS will be responsible for the cost of the program based on an independent evaluation of a set of pre-negotiated benchmarks.
- By paying for services based on proven results, we are ensuring that taxpayer dollars are only spent on programs that definitively benefit the people of South Carolina.

- I want to close by thanking everyone who is involved. When you do something this innovative and exciting, it takes a team of world-class individuals and organizations to make it happen, and that's exactly what I have behind me today.
- I want to recognize Director Christian Soura and his team at the South Carolina Department of Health and Human Services. Their leadership to make this program happen embodies so many of the priorities of this Administration – connecting more families in need with the services they need for success, while also reforming Medicaid and increasing accountability in the use of taxpayer funds.
- To Roxanne White and her team at Nurse Family Partnership, thank you for your many years of commitment to serving South Carolina's families, and to Social Finance for their support in developing this important initiative.
- Although they're not here behind me, I also want to thank J-PAL, the Jameel Poverty Action Lab. It's their experts based at MIT and Harvard who will be conducting the evaluation of NFP's services. Without their research, we won't know how well the program is working.
- I'm also grateful for our philanthropic partners including –
  - BlueCross BlueShield of South Carolina Foundation
  - The Boeing Foundation
  - The Duke Endowment
  - Greenville County First Steps
  - The Laura and John Arnold Foundation
- Through their continued support of South Carolina residents, we will considerably increase the number of mothers receiving quality guidance from nurses during and after their pregnancy.