

Small cash incentives boost participation in Medicaid home visiting program

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Offering small cash incentives can significantly increase participation in

a Medicaid home visiting program for pregnant people, infants and their families, according to a study by the Youth Policy Lab at the University of Michigan [published](#) in the *American Journal of Health Economics*.

U-M researchers discovered that providing a \$20 cash incentive for keeping the initial appointment increased both enrollment and subsequent participation in Michigan's Maternal Infant Health Program.

"We find that offering incentives increases the likelihood of completing the enrollment appointment and at least one subsequent appointment," said lead author Robin Jacob, faculty co-director of the Youth Policy Lab and research professor at U-M's Institute for Social Research.

The experimental study involved 218 Medicaid-enrolled pregnant people referred to MIHP between April 2019 and October 2020. Participants were randomly assigned to receive either a \$20 incentive for keeping their first appointment or no incentive.

Key findings include:

- 83% of those offered the incentive kept their initial appointment, compared to 61% of the control group.
- The incentive group was 17 percentage points more likely to enroll in MIHP than the control group.
- Those offered the incentive were 15 percentage points more likely to keep at least one follow-up appointment.

The impact was even larger for Black participants.

"Black families were 30 percentage points more likely to keep the appointment if offered an incentive," said study co-author Megan Foster Friedman, managing director of the Youth Policy Lab.

The authors suggest that offering a monetary incentive helps to offset some of the costs of keeping the appointment, such as taking time off work, or concerns about inviting a stranger into the home, and provides an immediate benefit to participating in the program.

Home visiting programs like MIHP are evidence-based strategies for promoting maternal and infant health. Trained professionals visit families to provide education, social support and resources throughout pregnancy and early childhood.

Despite their proven effectiveness, these programs are often underutilized. The National Home Visiting Resource Center estimates that current programs reach only 6% of eligible families nationwide.

The study also explored whether the effects of the incentives persisted beyond the initial appointment. Results showed that individuals who kept their enrollment appointment were significantly more likely to enroll in the program and attend subsequent visits.

However, the impact on full program participation (defined as attending at least three follow-up visits) was not statistically significant.

The researchers suggest that the incentive may provide a "foot in the door," allowing home visitors to establish relationships with families and demonstrate the program's value.

The analysis showed that the incentive had no impact when enrollment visits were conducted via telehealth during the COVID-19 pandemic. This suggests that the incentive may have been particularly effective in overcoming initial hesitancy about in-home visits.

The authors estimate that implementing the incentive program statewide could save Michigan nearly \$935,000 annually by increasing

participation in MIHP. Previous research has shown that MIHP participation reduces preterm births, [low birth weight](#) and [infant mortality](#). Lowering the rates of these conditions would also generate cost savings for the state by reducing [medical costs](#), in addition to improving maternal and infant health.

"Given the many potential benefits of participating in home visiting, including reductions in [preterm birth](#), infant mortality and child maltreatment, we conclude that the small financial investment required to provide the incentive is likely quite cost-effective," Jacob said.

More information: Robin Tepper Jacob et al, The Impact of Modest Cash Incentives on Home Visiting Enrollment and Participation, *American Journal of Health Economics* (2023). [DOI: 10.1086/724793](https://doi.org/10.1086/724793)

Provided by University of Michigan

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