# Article information:

Using Pay for Success Financing to Improve Outcomes for South Carolina's Children: Results of a Feasibility Study - Institute for Child Success
<https://www.instituteforchildsuccess.org/publication/usingpayforsuccessfinancingtoimproveoutcomes-south-carolinas-children-results-feasibility-study/>

# Article summary:

1. The Institute for Child Success conducted a feasibility study on using Pay for Success financing to improve outcomes for South Carolina's youth.

2. The study found that it is feasible to use this mechanism to scale up proven early childhood programs such as the Nurse-Family Partnership.

3. Pay for Success could improve the health and prospects of the state’s youth and use public-private partnerships to make government more accountable and efficient.

# Article rating:

Appears moderately imbalanced: The article provides some useful information, but is missing several important points or pieces of evidence that would be required to present the discussed topics in a balanced and reliable way. You are encouraged to seek a more balanced perspective on the presented issues by exploring the provided research topics and looking at different information sources.

# Article analysis:

The article "Using Pay for Success Financing to Improve Outcomes for South Carolina's Children: Results of a Feasibility Study" by Megan Golden, Joe Waters, and Kevin Seok-Hyun Mun discusses the feasibility of using Pay for Success (PFS) financing to improve outcomes for children in South Carolina. The study was conducted by the Institute for Child Success with funding from The Duke Endowment and South Carolina’s Department of Health and Human Services.

The article highlights the need to improve outcomes for children in South Carolina, which ranks 45th in child well-being in the United States. It suggests that PFS could be used to scale up proven early childhood programs such as the Nurse-Family Partnership, a home visiting program for low-income first-time mothers. The authors argue that PFS could improve the health and prospects of the state’s youth while making government more accountable and efficient through public-private partnerships.

While the article presents a compelling case for using PFS financing to improve outcomes for children in South Carolina, it is important to consider potential biases and limitations. For example, the study was funded by The Duke Endowment and South Carolina’s Department of Health and Human Services, which may have influenced its findings. Additionally, while home visiting programs like the Nurse-Family Partnership have been shown to be effective in improving outcomes for children, there may be other factors contributing to poor child well-being in South Carolina that are not addressed by this approach.

Furthermore, while PFS has been touted as an innovative financing mechanism that can align incentives between government and private investors, there are also concerns about its potential risks. Critics argue that PFS contracts can be complex and difficult to implement effectively, leading to high transaction costs and limited scalability. There is also a risk that private investors may prioritize financial returns over social impact, leading to perverse incentives or unintended consequences.

Overall, while the article presents a promising approach to improving outcomes for children in South Carolina through PFS financing, it is important to consider potential biases and limitations as well as possible risks associated with this approach. Further research is needed to fully evaluate its effectiveness and scalability.

# Topics for further research:

* Criticisms of Pay for Success financing
* Other factors contributing to poor child well-being in South Carolina
* Effectiveness of home visiting programs for improving child outcomes
* Risks associated with public-private partnerships
* Transaction costs of Pay for Success contracts
* Prioritization of financial returns over social impact in Pay for Success financing

# Report location:

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