Children's Hospital of Philadelphia PolicyLab

Expanded Child Tax Credit Payments During Pregnancy Were Associated With Decreased Odds Of Adverse Birth Outcomes

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The 2021 expanded Child Tax Credit (ECTC) provided families with six monthly cash transfer payments disbursed between July and December 2021, with the goal of alleviating financial strain during the COVID-19 pandemic. These payments reduced child poverty and food insufficiency and may have had beneficial effects on child health. Using 2019–22 Pennsylvania birth certificate data, we examined the association between parental receipt of monthly ECTC payments during pregnancy and infant birth outcomes, exploiting quasi-random variation in ECTC payment amounts based on date of birth and number of siblings. For every $1,000 in ECTC payments received during pregnancy, we observed decreased odds of preterm birth, low birthweight, and very low birthweight among infants of Medicaid-insured pregnant people. Nondirected cash transfer programs such as the ECTC and other income support programs and policies targeting pregnancy may lead to improved birth outcomes.

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