



WHAT DO RX KIDS MOMS SPEND THEIR CASH PRESCRIPTIONS ON? ESSENTIAL NEEDS— STARTING WITH DIAPERS

EXECUTIVE SUMMARY

The first year of a child's life is one of the most financially demanding periods for families in the United States. Rx Kids provides direct, unconditional cash support during pregnancy and early infancy to help families meet these costs.

Biannual participant surveys conducted by GiveDirectly provide insight into how families are using their Rx Kids payments. Since May 2024, **2,288 survey responses** have been collected across participating communities.

Across all surveys, the **most common spending category is baby supplies**, with **74% of mothers reporting purchases such as diapers, wipes, bottles, formula, and clothing**. Families also frequently report spending on **food (59%), rent/housing (37%), and utilities (35%)**—all essential expenses during the transition to parenthood.

Importantly, the data show **virtually no spending on luxury or discretionary items**. These findings closely mirror decades of research on child cash transfer programs worldwide: when families receive direct financial support, they overwhelmingly use it to meet essential needs and support the wellbeing of their children.

REPORT

The months surrounding the birth of a child are among the most financially demanding periods in a family's life. In the United States, the first year of a baby's life alone is estimated to add roughly **\$20,000 in new expenses**, including diapers, formula, clothing, medical care, housing, transportation, and childcare. At the same time, many families experience a decline in income due to unpaid leave or reduced work hours. Together, these rising costs and lost income create significant financial strain during pregnancy and the first year of life.

A growing body of research on child allowances and unconditional child cash transfer programs—both globally and in the United States—shows that when families receive direct financial support, they overwhelmingly spend it on essential needs such as **food, housing, utilities, and items for their children**. These programs consistently demonstrate improvements in household stability, reductions in material hardship, and better outcomes for parents and children. Rx Kids builds on this evidence by providing flexible cash support during pregnancy and early infancy—empowering families to meet the real costs of caring for a newborn.

Understanding how Rx Kids mothers spend their cash prescriptions provides vital insight into the economic realities of parenting and helps us strengthen the program.

GiveDirectly, the Rx Kids administrator, conducts [biannual voluntary participant surveys](#) to understand how families are using their support. These surveys include questions about household spending priorities and the ways families use their Rx Kids payments in their daily lives.

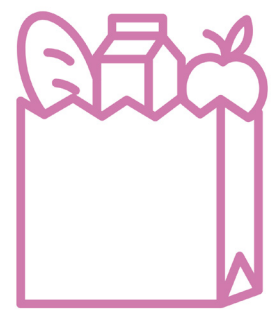
Since May 2024, Rx Kids has collected spending data across multiple survey waves, with **2,288 responses from participants across all Rx Kids communities**. These responses include both pregnant and postnatal participants and offer a consistent picture of how families are using their cash support.

Across surveys and communities, mothers overwhelmingly report spending their Rx Kids support on **baby supplies, food, rent/housing, and utilities**—a pattern consistent with findings from child cash transfer programs worldwide.

MOST COMMON SPENDING CATEGORIES:



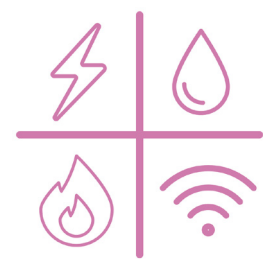
74%
baby supplies



59%
food



37%
rent/housing



35%
utilities

Mothers were asked: **“Thinking about the money you received from Rx Kids, what three items did you spend the most money on in the past month?”**

	Survey May 2024	Survey Nov. 2024	Survey May 2025	Survey Nov. 2025	Across Surveys
Communities	Flint	Flint	Flint, Pontiac, Kalamazoo, Eastern Upper Peninsula	Flint, Kalamazoo, Eastern Upper Peninsula, Clare County, Oakland County (Pontiac, Hazel Park, Royal Oak Township) Wayne County (Dearborn, Highland Park, Inkster, Melvindale, Hamtramck, River Rouge)	Flint, Kalamazoo, Eastern Upper Peninsula, Clare County, Oakland County (Pontiac, Hazel Park, Royal Oak Township) Wayne County (Dearborn, Highland Park, Inkster, Melvindale, Hamtramck, River Rouge)
Sample Size	n=112	n=534	n=718	n=924	n=2288
Baby Supplies	79%	80%	77%	77%	74%
Food	70%	63%	58%	64%	59%
Rent/Housing	51%	38%	37%	41%	37%
Utilities	43%	39%	37%	34%	35%
Clothing	17%	19%	19%	16%	17%
Transportation	32%	17%	17%	14%	15%
Healthcare	4%	3%	5%	8%	5%
Child Care	4%	3%	6%	7%	5%
Savings	9%	5%	6%	5%	5%
Household Improvement	6%	7%	8%	5%	6%
Debt/Creditors	1%	1%	2%	3%	2%
Other	3%	2%	1%	2%	2%
Technology	0%	1%	1%	1%	1%
Child's Education	0%	1%	1%	1%	1%
My Education	1%	0%	1%	1%	1%
Entertainment	0%	0%	0%	1%	0%
Child Activities/ Sports	0%	0%	1%	0%	0%
Business	0%	0%	0%	0%	0%
Leisure	0%	0%	0%	0%	0%
Donations	1%	0%	0%	0%	0%

To better understand what “baby supplies” includes, mothers were asked which specific baby-related items they had purchased with their Rx Kids payments.

	Survey May 2024	Survey Nov. 2024	Survey May 2025	Survey Nov. 2025	Across Surveys
Changing Supplies (ie: diapers)	64%	83%	80%	82%	81%
Bottles/ Accessories	58%	77%	71%	70%	72%
Clothes	7%	72%	69%	70%	70%
Other	44%	59%	55%	53%	55%
Formula/Baby Food	37%	56%	47%	5%	50%
Furniture	40%	37%	40%	37%	38%
Carseat	38%	31%	35%	30%	32%
Nursing Support	29%	25%	26%	30%	27%
Stroller/Carrier	24%	32%	32%	29%	31%
Enrichment	18%	33%	30%	28%	29%
Perinatal Recovery	13%	8%	13%	10%	11%
None	1%	2%	3%	2%	2%

Across all surveys and Rx Kids communities, the most commonly reported spending category is **baby supplies (74%)**. When mothers were asked to specify which items they purchased, the most common response was **changing supplies—primarily diapers and wipes**.

Other frequently reported purchases include bottles and feeding accessories, clothing, formula, baby food, furniture, and other essential care products. These purchases reflect the real and often costly needs of caring for a newborn. The data shows that families are using the flexibility of the program to ensure their babies are **clean, fed, clothed, and safe**.

WHAT RX KIDS MOMS ARE SAYING:

“Rx Kids has helped me to cover things like gas for my car to go to doctor’s appointments, go grocery shopping, and other health related appointments. It has also helped me to be able to buy necessities for my child such as; clothes, baby furniture, bottles, pacifiers, diapers, and wipes. It relieves a lot of stress because I don’t have to worry about how I’m going to buy these items.”

- Rx Kids Mom, Eastern Upper Peninsula

“Buying my baby a crib was only possible because of this program.”

- Rx Kids Mom, Pontiac

“My baby had formula every month.”

- Rx Kids Mom, Flint

“It has made everything easier on me. We weren’t sure how we were going to afford daycare or other necessary things for when baby came.”

- Rx Kids Mom, Kalamazoo

“With my other kids, I would struggle to buy diapers and wipes and baby essentials even with working. The Rx Kids helped me not have to stress about it.”

- Rx Kids Mom, Pontiac

“This has been a life changing experience. I don’t think we could have stayed housed and kept utilities on as well as keeping diapers and other needed supplies on hand without it. Thank you.”

- Rx Kids Mom, Flint

“It helped us stay ahead on formula and diaper buying.”

- Rx Kids Mom, Pontiac

“Less stress! The payment covers 1.5 weeks of daycare and that’s very helpful.”

- Rx Kids Mom, Kalamazoo

“It’s made our life less stressful with not having to worry about money issues or daycare.”

- Rx Kids Mom, Eastern Upper Peninsula

CONCLUSION

In conclusion, families report using their Rx Kids support to cover a wide range of essential expenses. Across all surveys and communities, the most common spending category is **baby supplies**, with nearly three-quarters of mothers reporting spending on items such as diapers, wipes, bottles, formula, clothing, and other necessities needed to care for a newborn. Food, rent, and utilities are also frequently reported spending categories. Transportation has emerged as another important expense, covering gas, car repairs, and rideshares that help families get to medical appointments, work, childcare, and grocery stores. Healthcare costs also directly appear in the data, including medications, co-pays, urgent care visits, and items not covered by insurance. Childcare expenses are another significant cost during a baby's first year, and several mothers report using their Rx Kids payments to help cover daycare and other caregiving needs as they return to work.

Importantly, with virtually no responses indicating money spent on luxury or discretionary items, this reinforces what has consistently been observed in research on child cash transfers: when families receive direct financial support, they prioritize essential household and child-related needs.

These spending patterns highlight how flexible cash support helps families stay stable during one of the most financially vulnerable periods of life. By helping families meet essential needs—especially the direct costs of caring for a newborn—Rx Kids reduces financial strain, prevents crises, and gives parents the flexibility to focus on caring for their babies with greater security and peace of mind. The findings from Rx Kids closely mirror decades of global and domestic research on child cash transfers: when families are trusted with direct support, they overwhelmingly invest it in their children and in the stability of their households.

About Rx Kids:

Rx Kids is the nation's first **community-wide and unconditional prenatal and infant cash prescription program**. Designed to proactively address the economic shock of pregnancy and childbirth, Rx Kids prescribes **\$1,500 during mid-pregnancy and \$500 per month** throughout the infancy to all eligible families in participating communities.

The program launched in Flint, Michigan, in January 2024 and has since expanded to dozens of communities across the state. Preliminary findings—consistent with global evidence on child cash transfers—suggest improvements in family financial security, maternal and infant health, maternal mental health, health care utilization, child welfare involvement, civic engagement, and community reinvestment.

Rx Kids is a program of the Michigan State University Pediatric Public Health Initiative and is administered by GiveDirectly, a global leader in cash transfer delivery. University of Michigan Poverty Solutions is a founding partner. As a public-private partnership, Rx Kids is supported by the State of Michigan alongside philanthropic and other partners. More about Rx Kids at RxKids.org.

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