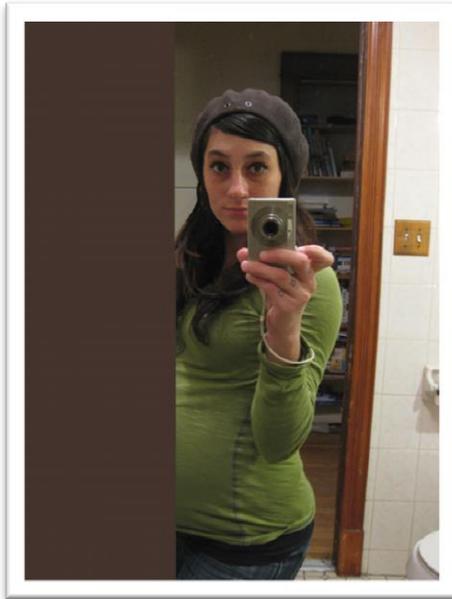


## Protect Medicaid Funding *Pregnant Women* Issue #11 (Updated March 2017)

### *A personal story from a woman in Illinois:*



Rachel was overjoyed, but also overwhelmed when she found out that she was pregnant. Though her pregnancy was planned, Rachel did not have maternity coverage through her part-time job. She intended to find a way to scrape together money and pay for her prenatal care out of pocket. Rachel knew she wanted to give birth at home, so she started to do research about what was available in her hometown. Rachel met with a midwife shortly after she confirmed her pregnancy. The midwife told Rachel that she was probably eligible to get Medicaid to help her with the cost of prenatal care and labor and delivery. The midwife advised Rachel on how to apply, and explained to her exactly what she needed to do and bring to the Medicaid office in order to apply. Rachel was found eligible for pregnancy-based Medicaid, which she used throughout her pregnancy. She was able



to use Medicaid for all the care she needed during her pregnancy including labs, dental care, ultrasounds, and screening tests. Her pregnancy was healthy and uneventful, and she gave birth to her son Owen at home surrounded by her family and friends, just as she wanted.

After giving birth, Rachel was able to get all of her postpartum care through Medicaid too, including getting an IUD put in to avoid getting pregnant again before

she was ready. Rachel struggled with breastfeeding, but with Medicaid she was able to see a lactation consultant and get a breast pump; she was also connected to a breastfeeding support resource group. In addition, her newborn son was immediately enrolled into Medicaid and was

able to get the well visits, screenings, and immunizations he needed in his first year of life. After giving birth, Rachel was still working part-time and trying to make ends meet. Rachel says that her ability to stay on Medicaid while she was adjusting to having a newborn was “so important!” She adds, “Medicaid is what allowed me to get the care I needed as a new mom and to take care of my baby.”

## ***Pregnant Women***

Medicaid provides a long-term investment in health that helps people succeed. It increases the diagnosis and early treatment of chronic conditions, enhances educational achievement and future earnings for covered children, and reduces health care disparities.<sup>1</sup> Medicaid coverage is tailored to the unique needs of low-income individuals and families, but still costs less per enrollee than employer-based insurance.<sup>2</sup> Despite Medicaid’s proven success and efficient use of funds, opponents repeatedly seek to cut or cap funding for the program. These proposals seriously jeopardize the health and financial security of the 97 million people who benefit from Medicaid each year.<sup>3</sup> Medicaid’s core consumer protections make the program work for enrolled populations, including children, parents, pregnant women, low-income workers, older adults, and people with disabilities. This fact sheet explains why Medicaid is so critical for pregnant women and how they would be harmed by Medicaid funding caps.

### ***Why Medicaid is important for pregnant women:***

- **Medicaid provides coverage to nearly 13 million women of reproductive age.**<sup>4</sup> Women ages 15 and older make up a third of all Medicaid enrollees, and of these some 70 percent are of reproductive age.<sup>5</sup> Medicaid law encourages states to be generous in their coverage for pregnant women; more than half provide full scope coverage for pregnant women with incomes at least twice the federal poverty level.<sup>6</sup>
- **Medicaid helps ensure positive maternal health outcomes.** Medicaid ensures that women of reproductive age have access to preconception care to help them become healthy before they become pregnant, through services such as screening and treatment for sexually transmitted infections; counseling and treatment for smoking, alcohol, and substance use; and treatment for chronic diseases such as diabetes, heart disease, obesity, and oral health problems.<sup>7</sup> For women who do become pregnant and continue their pregnancies, Medicaid provides comprehensive care, including prenatal care, labor and delivery, and prenatal screenings to help detect chromosome abnormalities, genetic disorders, and birth defects.<sup>8</sup> Acknowledging that women whose pregnancies have ended may continue to have ongoing health needs related to their pregnancies, Medicaid pregnancy coverage continues through a postpartum period of at least 60 days.<sup>9</sup> Finally, by providing 75 percent of all publicly funded family planning

services, Medicaid provides valuable interconception care which allows women to appropriately plan for and space out their pregnancies.<sup>10</sup>

- **Medicaid helps ensure positive child health outcomes.** Medicaid finances almost half of all births in the United States, and in eight states funds 60 percent or more of all births.<sup>11</sup> Medicaid provides immediate coverage for infants born to women who are active on Medicaid by automatically deeming those infants eligible, enrolling them in the program, and maintaining their eligibility until the infant's first birthday.<sup>12</sup> Research has shown that early access to Medicaid coverage during childhood results in better long term health and achievement for children as they grow into adulthood.<sup>13</sup> Medicaid also provides pregnant women with access to regular prenatal care during pregnancy, which can help reduce the risk of future health complications for infants, such as fetal alcohol spectrum disorders and neural tube defects.<sup>14</sup> Increased health coverage of parents, including Medicaid coverage, corresponds to increased rates of health coverage for their children.<sup>15</sup>

#### ***How funding caps would harm pregnant women:***

- **Funding caps threaten the coverage of millions of pregnant women.** Block grants and per capita cap proposals reduce the amount of federal funding available to states to provide essential health care for pregnant women. With less funding, states might reduce eligibility for their Medicaid programs, including scaling back what are currently more generous income eligibility limits for pregnant women.
- **Funding caps might lead states to reduce critical services for pregnant women.** States struggling to fund their Medicaid budgets could reduce the services available to pregnant women. For example, states could eliminate services such as oral health care, which are currently provided to pregnant women on Medicaid in many states, but by state option.<sup>16</sup> Poor oral health has been associated with preterm birth.<sup>17</sup>
- **Funding caps might lead to weakened protections for pregnant women.** Caps on federal funding could be accompanied by a weakening of important federal protections for pregnant women. For example, changes to federal law could eliminate the requirement that states maintain pregnancy coverage for women through the postpartum period, or that infants born to mothers receiving Medicaid be automatically enrolled in Medicaid and remain eligible until their first birthday.

## ENDNOTES

<sup>1</sup> Harvey W. Kaufman et al., *Surge in Newly Identified Diabetes Among Medicaid Patients in 2015 Within Medicaid Expansion States Under the Affordable Care Act*, 38 DIABETES CARE 833 (2015) (Medicaid coverage improves diabetes screening and treatment initiation) <http://care.diabetesjournals.org/content/38/5/833>; DAVID W. BROWN ET AL., NAT'L BUREAU OF ECON. RESEARCH, MEDICAID AS AN INVESTMENT IN CHILDREN: WHAT IS THE LONG-TERM IMPACT ON TAX RECEIPTS? 20 (2015), <http://www.nber.org/papers/w20835> (Medicaid improves long-term outcomes for children); Thomas C. Buchmeuller et al., *Effect of the Affordable Care Act on Racial and Ethnic Disparities in Health Insurance Coverage*, 106 AM. J. PUB. HEALTH 1416, 1420 (2016) (Medicaid expansion reduced health care disparities) <http://ajph.aphapublications.org/doi/pdf/10.2105/AJPH.2016.303155>.

<sup>2</sup> TERESA COUGHLIN ET AL., KAISER COMM'N ON MEDICAID & THE UNINSURED, WHAT DIFFERENCE DOES MEDICAID MAKE? 4, 7 (2013), <http://kaiserfamilyfoundation.files.wordpress.com/2013/05/8440-what-difference-does-medicaid-make2.pdf> (Employer-based coverage would cost 28% more than covering the same individual with Medicaid).

<sup>3</sup> CONG. BUDGET OFFICE, DETAIL OF SPENDING AND ENROLLMENT FOR MEDICAID FOR CBO'S MARCH 2016 BASELINE (2016), <https://www.cbo.gov/sites/default/files/51301-2016-03-Medicaid.pdf>.

<sup>4</sup> GUTTMACHER INSTITUTE, UNINSURED RATE AMONG WOMEN OF REPRODUCTIVE AGE HAS FALLEN MORE THAN ONE-THIRD UNDER THE AFFORDABLE CARE ACT (Nov. 2016), <https://www.guttmacher.org/article/2016/11/uninsured-rate-among-women-reproductive-age-has-fallen-more-one-third-under>.

<sup>5</sup> USHA RANJ ET AL., KAISER FAMILY FOUNDATION, MEDICAID AND FAMILY PLANNING: BACKGROUND AND IMPLICATIONS OF THE ACA (Feb. 2016), <http://kff.org/womens-health-policy/issue-brief/medicaid-and-family-planning-background-and-implications-of-the-aca>.

<sup>6</sup> KAISER FAMILY FOUNDATION, MEDICAID AND CHIP INCOME ELIGIBILITY LIMITS FOR PREGNANT WOMEN AS A PERCENT OF THE FEDERAL POVERTY LEVEL (Jan. 2017), <http://kff.org/health-reform/state-indicator/medicaid-and-chip-income-eligibility-limits-for-pregnant-women-as-a-percent-of-the-federal-poverty-level>.

<sup>7</sup> ALEXANDRA GATES ET AL.; KAISER FAMILY FOUNDATION, COVERAGE OF PREVENTIVE SERVICES FOR ADULTS IN MEDICAID (Nov. 2014), <http://files.kff.org/attachment/coverage-of-preventive-services-for-adults-in-medicaid-issue-brief>.

<sup>8</sup> Centers for Medicare and Medicaid Services, State Medicaid Manual, § 4421. See also USHA RANJ ET AL., KAISER FAMILY FOUNDATION, STATE MEDICAID COVERAGE OF PERINATAL SERVICES: SUMMARY OF STATE SURVEY FINDINGS (Nov. 2009), <https://kaiserfamilyfoundation.files.wordpress.com/2013/01/8014.pdf>.

<sup>9</sup> The postpartum period extends to the end of the month in which the 60th day after the end of the pregnancy falls. 42 U.S.C. § 1396a(e)(5-6); 42 CFR §§ 435.170, 440.210(a)(3).

<sup>10</sup> 42 U.S.C. § 1396d(a)(4)(C), 42 C.F.R. § 441.20; KAISER FAMILY FOUNDATION, WOMEN'S HEALTH INSURANCE COVERAGE (Oct. 2016), <http://kff.org/womens-health-policy/fact-sheet/womens-health-insurance-coverage-fact-sheet>.

<sup>11</sup> Anne Rossier Markus et al., *Medicaid Covered Births, 2008 Through 2010, in the Context of the Implementation of Health Reform*, 23-5 WOMEN'S HEALTH ISSUES e273, e275 (2013), <http://www.whijournal.com/article/S1049-3867%2813%2900055-8/pdf>; KAISER FAMILY FOUNDATION, BIRTHS FINANCED BY MEDICAID (Oct. 2016), <http://kff.org/medicaid/state-indicator/births-financed-by-medicaid>.

<sup>12</sup> 42 U.S.C. § 1396a(e)(4); 42 C.F.R. § 435.117.

<sup>13</sup> See, e.g., Michel H. Boudreaux et al., *The Long-Term Impacts of Medicaid Exposure in Early Childhood: Evidence from the Program's Origin*, 45 J. HEALTH ECON. 161 (2016); SARAH MILLER ET AL., THE LONG-TERM HEALTH EFFECTS OF EARLY LIFE MEDICAID COVERAGE (2016), <https://ssrn.com/abstract=2466691>.

<sup>14</sup> NATIONAL INSTITUTE OF CHILD HEALTH AND HUMAN DEVELOPMENT, WHAT IS PRENATAL CARE AND WHY IS IT IMPORTANT?, <https://www.nichd.nih.gov/health/topics/pregnancy/conditioninfo/pages/prenatal-care.aspx>.

<sup>15</sup> MARTHA HEBERLEIN ET AL., GEORGETOWN UNIV. CENTER FOR CHILDREN AND FAMILIES, MEDICAID COVERAGE FOR PARENTS UNDER THE AFFORDABLE CARE ACT (June 2012), <http://ccf.georgetown.edu/wp-content/uploads/2012/08/Medicaid-Coverage-for-Parents.pdf>.

<sup>16</sup> MEDICAID AND CHIP PAYMENT AND ACCESS COMMISSION, REPORT TO CONGRESS: COVERAGE OF MEDICAID DENTAL BENEFITS FOR ADULTS, APPENDIX 2A: STATE DENTAL BENEFITS POLICIES (June 2015), <https://www.macpac.gov/wp-content/uploads/2015/06/Medicaid-Coverage-of-Dental-Benefits-for-Adults.pdf>.

<sup>17</sup> COMMITTEE ON HEALTH CARE FOR UNDERSERVED WOMEN, AM. COLL. OF OBSTET. GYNECOL., COMMITTEE OPINION: ORAL HEALTH CARE DURING PREGNANCY AND THROUGH THE LIFESPAN (2013), <http://www.acog.org/Resources-And-Publications/Committee-Opinions/Committee-on-Health-Care-for-Underserved-Women/Oral-Health-Care-During-Pregnancy-and-Through-the-Lifespan>.