



BEST START BIRTH CENTER

March 27, 2015

Jennifer Kent
Director
California Department of Health Care Services
PO Box 997413
Sacramento, CA 95899-7413

Via email to: Jennifer.Kent@dhcs.ca.gov

RE: 1115 Medi-Cal Waiver Maternity Care Provider Incentive Program

Dear Director Kent,

On behalf of the California Birth Center Association, (CBCA), representing California's licensed birth centers, we are writing to draw your attention to California's DHCS licensed free standing birth centers, (alternative birthing centers). There is no mention of Birth Centers in the DHCS section on Maternity Care. Birth centers are recognized by Medi-Cal as a basic service for beneficiaries, and have already proven their value in providing access, improving outcomes, and saving Medi-Cal dollars.

Currently birth centers collectively only attend a very small proportion of California's births. If birth centers were utilized effectively by the state as the first point of care, the monetary savings and lowered rates of cesarean sections would be substantial.¹ The national average of cesarean section rate for low-risk women who chose to give birth at a birth center is only 6%. Cesarean rates continue to be high at ²32%, for women giving birth in a hospital. This overuse of cesarean sections, is a serious problem for cost of care and poor outcomes for mothers and babies.

According to the Center for Disease Control and Prevention, there were 494,705 total births in California in 2013 of which 1,365 were in free-standing birth centers serviced by CNMs. At a savings of \$1163 per birth³, CNMs providing care in birth centers save \$1.6 million dollars annually in California. Consumer interest in birth centers are rising.⁴ When 1% of births take place in a birth center, it is projected that \$5.8 million will be saved in California alone. As an innovation in health care delivery to low-risk childbearing women and families, nurse-midwives practicing in birth centers ensure core principles of prevention, sensitivity, safety, appropriate intervention, and cost effectiveness.

Effective 2010 the Medicaid Birth Center Reimbursement Act was passed into law, as part of the Patient Protection and Affordable Care Act reform. The provision requires coverage of care in freestanding birth centers that meet state regulatory requirements.

Effective 2014 federal law now guarantees Medicaid enrolled pregnant women access to midwifery services in a freestanding birth center. The law reimburses states for the birth center "Facility service fee" (overhead not covered by professional fees or diagnostic fees) and the professional services of a licensed midwife. The federal

¹HealthyPeople.gov. Healthy people 2020: Maternal, infant and child health. Accessed January 21, 2013. Available at: <http://healthypeople.gov/2020/topics/objectives2020/objectiveslist.aspx?topicId=26>. Scroll down to MICH 7.1 and click on the link that says "Reduce cesarean births."

²Menacker F, Hamilton BE. Recent trends in cesarean delivery in the United States. National Center for Health Statistics Data Brief. 2010;35. Available at: <http://www.cdc.gov/nchs/data/databriefs/db35.pdf>.

³Howell, E., Palmer, A., Benatar, S., Bowen, G. Potential Medicaid cost savings from maternity care based in a freestanding birth center. *Medicare and Medicaid Research Review*. 2014; 4(3).

⁴MacDorman, MF., Mathews, MS., and Declercq, E. Trends in Out-of-Hospital Births in the United States, 1990-2012. NCHS Data Brief, Number 144, March 2014

law added freestanding birth center services, and the professional services of "birth attendants" in birth centers, as a new category of "medical assistance" under section 1905(a) of the Social Security Act [42 U.S.C. section 1396d(a)(28)]. This new section also included free-standing birth center services as one of the mandated services by section 1902(a)(10)(a) for Medicaid-enrolled pregnant women {42 U.S.C. section 139a(a)(10)A)}. These requirements do not contain any language that would exempt MCOs from compliance with the mandated services. States are required to file a State Plan Amendment (SPA) with the Regional CMS office, which California filed September 15, 2014.

⁴ACOG "Levels of Maternal Care" was released in January 2015. The consensus statement defines five levels of maternity care, each with guidelines establishing the appropriate staff and capabilities for that level of care:

- Birth Centers
- Basic Care (Level I)
- Specialty Care (Level II)
- Subspecialty Care (Level III)
- Regional Perinatal Health Care Centers (Level IV)

We ask that California's free standing birth centers be incorporated into the pilot incentive projects along with hospitals seeking to improve maternity care in California. As this is an incentive program, birth centers already meeting or exceeding the incentive criteria need to be included.

BJ Snell, PhD, CNM, FACNM, CABCA Legislative Chair, requested a meeting with you to discuss our concerns on 2/20/15. On 3/13/15 she received a response from Patti Henderson, that you would like to meet with your staff first. The email also stated we would have a response by Monday the 16th but we have not heard back yet. Please know we look forward to the opportunity to speak to you about the valuable services licensed CA freestanding birth centers offer to mothers, babies, and their families.

We appreciate the opportunity to provide this information and have the suggestions incorporated into the 1115 Medi-Cal Waiver report. We hope to participate with the Department to increase the participation of Birth Centers. Thank you for your consideration.

Sincerely,



Karen Roslie, Executive Director, Best Start Birth Center
BJ Snell, PhD, CNM, FACNM, Legislative Chair
Rosanne Gephart, CNM, President, CABCA
Roberta Frank, CNM, Clinical Facility Director, Best Start Birth Center

CC: Agnes Lee, Office of Assembly Speaker Atkins
Diana Dooley, Secretary, California Health and Human Services Agency
Mari Cantwell, Chief Deputy Director of Health Care Programs, California Department of Health Care Services

⁴<http://www.acog.org/Resources-And-Publications/Obstetric-Care-Consensus-Series/Levels-of-Maternal-Care>