# Aligning for Action LAN SUMMIT Health Care Payment Learning & Action Network

Advancing the Adoption of Value-based Payment Models in Maternity Care

# Welcome



### **Moderator**

Elaine Daniels U.S. Women's Health Alliance



# Why Focus on Maternity Care When Talking About Payment Reform?



# MATERNITY CARE is a population health matter

It impacts everyone in the early development stages and 85% of women at least once. The associated costs affect patients, their families, employers, and payers.<sup>1</sup>





Labor and birth account for almost a quarter of all hospital discharges in the U.S.<sup>2</sup>



Between 2010 and 2013, Medicaid paid for about 45% of births.<sup>3</sup>

#### THE CURRENT STATE OF MATERNITY CARE



The U.S. maternal mortality rate is

1 in 3,800

Making it

48

out of 183

countries⁴



<sup>2)</sup> Truven Health Analytics. (2013). The Cost of Having a Baby in the United States

<sup>3)</sup> National Governors Association Center for Best Practices, 2015

#### 2015 CLINICAL OUTCOMES<sup>5</sup>



Birth by cesarean section increased by 55% between 1996 and 2015.



Almost 26% of low risk pregnancies were delivered by cesarean section, resulting in higher costs of care.

9.63%

of babies were preterm (<37 weeks).

8.07%

of newborns weighed less than 2,500 grams (low birth weight).

#### THE COST OF MATERNITY CARE



There is significant variation in maternity care costs that is not attributable to the informed preferences or needs of women and newborns.



Low cost birth settings, such as birthing centers, are used less frequently because they are not always reimbursable.

#### THE QUALITY OF MATERNITY CARE



Rising maternity care costs do not directly correlate to quality improvements.



Communication and coordination of care often fall short for low-risk women as well as those with chronic conditions and pregnancy complications.



#### ISSUES WITH OUR CURRENT MATERNITY CARE DELIVERY MODEL INCLUDE:



Increased use of unnecessary high-cost interventions



Reliance on use of highcost settings when lowercost settings (e.g. birth centers) are shown to lead to successful outcomes



Fragmentation of care across the prenatal, labor and birth, and postpartum settings and providers



Traditional fee-for-service payments for maternity care, as well as higher rates for cesarean births may lead to unnecessary medical interventions

#### PATIENT EDUCATION, ENGAGEMENT, & SUPPORT

Commercial health plans and Medicaid do not often reimburse for services such as patient education, community health workers or navigators, breast feeding support, or doula care, even though these services are critical to the health and well-being of the baby and family.<sup>6</sup> Communication and coordination of care for women with chronic conditions prior to pregnancy – and patient engagement in general – is infrequent and does not provide adequate support.

6) National Partnership for Women & Families. (2016). Overdue: Medicaid and Private Insurance Coverage of Doula Care to Strengthen Maternal and Infant Health.



#### VALUE OF EPISODE PAYMENT IN MATERNITY CARE



In an episode payment model, providers accept accountability for patients over a set period of time and across multiple care settings, creating the following improvements for patients:

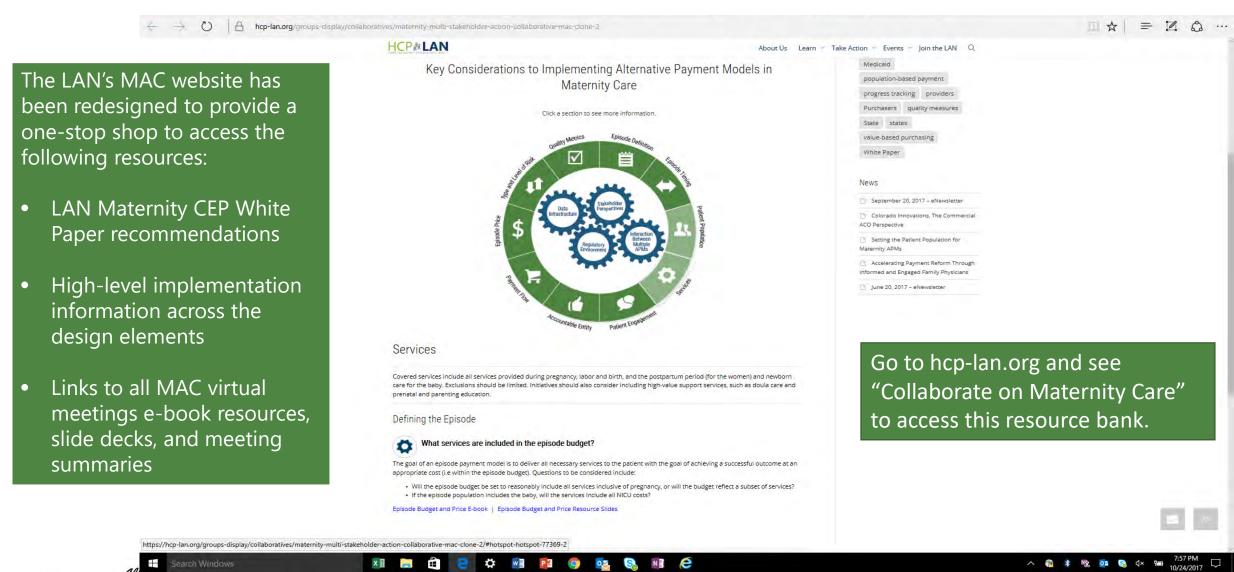
- ✓ Encourage greater coordination across the continuum of care
- ✓ Provide incentives for the use of lower cost services that may support better outcomes for the woman and baby (e.g. doula care, midwives, birth centers, group prenatal care, parenting education)
- ✓ Allow for greater flexibility in choice of provider and care settings



Episode payment will require a strong commitment and leadership from States (both Medicaid and public employee insurance agencies), Medicaid Managed Care Organizations, and Commercial Payers. A growing number of commercial and Medicaid pioneers are showing that episode payment programs and other alternative payment models are feasible and offer great potential for advancing high-value maternity care.



## LAN Maternity Action Collaborative (MAC) Online Resource Bank





# Session Objectives

- Understand the business case for designing and implementing episode payment models in maternity care
- Learn about efforts at the state and regional levels to advance maternity episode payment and APMs
- Hear about best practices and challenges related to implementing value-based payment for maternity care from partner organizations
- Create opportunity for shared problem solving between the audience and the members of the panel



## **Panelists**



Lili Brillstein
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Aza Nedhari
Co-Founder and
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Dr. Jack Feltz
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Brynne Potter
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Maternity
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# LAN Resources

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