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August 2, 2024

The Honorable Ron Wyden
Chairman
Committee on Finance
United States Senate

RE: Feedback on the Keeping Obstetrics Local Act

Chairman Wyden,

Thank you for the opportunity to provide feedback on the Keeping Obstetrics Local Act that aims to address closures of maternity centers in rural and underserved areas. We appreciate your leadership on this issue.

The Commonwealth Fund is a nonprofit, nonpartisan foundation dedicated to affordable, quality health care for everyone. We support independent research on health care issues and make grants to promote better access, improved quality, and greater efficiency in health care, particularly for society's most underserved communities. The comments offered below draw from Fund-supported research and expertise across a number of program areas including the Advancing Health Equity program which has been working to identify effective Medicaid policies that advance health equity in maternal health.[1]

Title I—Enhancing Financial Support for Rural and Safety Net Hospitals that Provide Obstetric Services

Sec. 102. Requiring adequate payment rates under Medicaid for maternity, labor, and delivery services at eligible hospitals.

Insufficient Medicaid payment rates for obstetric services are cited as a key reason for obstetric unit closures by providers, researchers, federal agencies, and other experts.[2] The high operating costs of hospital-based obstetric services, coupled with the need for continuous staffing by nurses and physicians, are especially difficult for rural hospitals to maintain.[3] According to the American College of Obstetricians and Gynecologists, Medicaid payments are on average 82% of Medicare rates.[4] Increases above this rate for labor and delivery services—as well as prenatal and postpartum services—would help improve the financial viability of these practices.

[1] The views presented here are those of the authors and not necessarily those of the Commonwealth Fund or its directors, officers, or staff.
[2] United States Government Accountability Office, *Availability of Hospital-Based Obstetric Care in Rural Areas* (October 2022). https://www.gao.gov/assets/gao-23-105515.pdf
[3] GAO, *Availability of Hospital-Based Obstetric Care.*
[4] The American College of Obstetricians and Gynecologists. "Equitable Payment Rates for Maternity and Surgical Care." (2024). https://www.acog.org/advocacy/policy-priorities/equitable-payment-rates-for-maternity-and-surgical-care

Recently finalized rulemaking by the Centers for Medicare and Medicaid Services (CMS) will require states to publish comparative analyses of their Medicaid fee-for-service provider payment rates beginning in 2026—including for obstetrics and gynecology services.[5] These steps to improve payment transparency will help policymakers in their assessments of rate adequacy.

Title II—Expand Coverage of Maternal Health Care

Sec. 201. Requiring 12-month continuous coverage of full benefits for pregnant and postpartum individuals under Medicaid and CHIP.

Requiring 12-month continuous coverage in all states would help ensure that pregnant and postpartum individuals have access to the spectrum of services and providers needed to ensure optimal health.[6] The Urban Institute held focus groups with a racially diverse group of women to understand their experiences and preferences. Women with Medicaid shared that having 12 months of postpartum coverage could enable access to care, including contraception, over a longer period with reduced stress.[7]

Sec. 202. Health homes for pregnant and postpartum women.

This health home policy option acknowledges the importance of whole-person care that meets a patient's physical, mental, and social needs in a coordinated and culturally competent way. Evidence suggests that this kind of approach can be effective in reducing unnecessary care, improving outcomes, and reducing racial disparities in maternity outcomes.[8] For example, the pregnancy medical home (PMH) model uses integrated care teams to address patients' behavioral health and social needs and deliver comprehensive perinatal care.[9] In Texas, a PMH pilot demonstrated fewer emergency department visits and C-sections, accompanied by annual emergency department and inpatient savings.[10] In Wisconsin, the PMH increased evidence-based postpartum care visits among enrolled women, along with greater receipt of timely postpartum and behavioral health care.[11]

Sec. 203. Guidance on supporting and improving access to Medicaid and CHIP coverage of services provided by doulas and certain maternal health professionals.

Requiring CMS guidance on ways to improve coverage of services by doulas and other maternal health professionals could help address the wide variation in how states approach the maternal health

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[5] Cindy Mann, Julian Polaris, and Nina Punukollu, "How New Rules Can Improve Access, Quality, and Transparency in Medicaid and CHIP," *To the Point* (blog), Commonwealth Fund, June 26, 2024. https://doi.org/10.26099/5rme-nv97

[6] Morenike Ayo-Vaughan et al., "Integrating Birthing Preferences and Experiences in Maternal Health Policies," *To the Point* (blog), Commonwealth Fund, Nov. 15, 2023. https://doi.org/10.26099/jfba-j189.

[7] Zara Porter et al., *Aligning Maternal Health Policies with Birthing People's Preferences and Experiences* (Urban Institute, Oct. 2023). https://www.urban.org/research/publication/aligning-maternal-health-policies-birthing-peoples-preferences-and-experiences.

[8] Jodie G. Katon et al., *Policies for Reducing Maternal Morbidity and Mortality and Enhancing Equity in Maternal Health: A Review of the Evidence* (Commonwealth Fund, Nov. 2021). https://doi.org/10.26099/ecxf-a664.

[9] Laurie Zephyrin et al., *Community-Based Models to Improve Maternal Health Outcomes and Promote Health Equity* (Commonwealth Fund, Mar. 2021). https://doi.org/10.26099/6s6k-5330.

[10] Katie Green and Clare Pierce-Wrobel, *Expanding Access to Outcomes-Driven Maternity Care through Value-Based Payment* (Health Care Transformation Task Force, Jul. 2019). https://hcttf.org/outcomes-driven-maternity-care-vbp.

[11] Katie Green and Clare Pierce-Wrobel, *Expanding Access.*

continuum.[12] Such guidance should be driven by a comprehensive maternal health care guideline that encompasses the full continuum of care, drawn from the vast literature on what's demonstrated to work in improving outcomes.[13] While professional societies produce guidelines on specific aspects of maternal care, these guidelines haven't been integrated to reflect all services and disciplines.[14]

Community-based doula services can help drive more equitable perinatal and postpartum care, particularly for those at high risk of adverse birth outcomes.[15] Doula care is associated with lower rates of preterm and low-birthweight births, as well as unnecessary emergency Cesarean-sections and obstetric interventions.[16] However, a 2023 state-by-state assessment of Medicaid managed care contracts found that only nine states specified doula services.[17] Barriers to entry include low reimbursement rates as well as time-consuming, expensive licensure processes.[18]

Similarly, midwifery care for prenatal, birth, and postpartum care has been shown to improve pregnancy outcomes and contain costs.[19] However, payment rates vary widely across states, partly due to differing scope of practice laws that may limit the services midwives may independently provide.[20] Absent national standards, states have created their own patchwork approach to licensing and regulating midwives.[21]

Title IV—Requiring Public Communication of Obstetrics Data and Unit Closures

Sec. 401. Timely notifications of impending hospital obstetric unit closures.
According to a 2022 March of Dimes report, a third of U.S. counties are maternity care deserts (i.e., counties that have no hospitals providing obstetric care, no birth centers, no OB/GYN, and no certified nurse midwives).[22] In advance of obstetric unit closures, requiring hospitals to report data to HHS and relevant state and local agencies could help inform policymakers' responses in alleviating workforce and access needs. Creating a standardized data source on closures would also be valuable for policy researchers, who have noted the difficulties in reliably tracking obstetric unit status and service provision.[23] Requiring the inclusion of data on adverse outcomes and cost increases related to obstetric services in each community would help shed light on the equity-related effects of these closures, but

[12] Sara Rosenbaum et al., "The Road to Maternal Health Runs Through Medicaid Managed Care," *To the Point* (blog), Commonwealth Fund, May 22, 2023. https://doi.org/10.26099/HA71-FC21.
[13] Sara Rosenbaum et al., "The Road to Maternal Health."
[14] Sara Rosenbaum et al., "The Road to Maternal Health."
[15] Laurie Zephyrin et al., *Community-Based Models*.
[16] Laurie Zephyrin et al., *Community-Based Models*.
[17] Sara Rosenbaum et al., "The Road to Maternal Health."
[18] Laurie Zephyrin et al., *Community-Based Models*.
[19] Laurie Zephyrin et al., *Community-Based Models*.
[20] Laurie Zephyrin et al., *Community-Based Models*.
[21] Jefferson, Karen, Mary Ellen Bouchard, and Lisa Summers. "The regulation of professional midwifery in the United States." *Journal of Nursing Regulation* 11, no. 4 (2021): 26-38. https://www.midwife.org/acnm/files/cclibraryfiles/filename/000000008271/Jefferson%202021%20Regulation%20Professional%20Midwifery.pdf
[22] March of Dimes, *Nowhere to Go: Maternity Care Deserts Across the U.S. 2022 Report,* (2022). https://www.marchofdimes.org/maternity-care-deserts-report
[23] Interrante, Julia D., Caitlin Carroll, S. C. Handley, and Katy Kozhimannil. "An Enhanced Method for Identifying Hospital-Based Obstetric Unit Status." University of Minnesota Rural Health Research Center (2022). https://rhrc.umn.edu/wp-content/uploads/2022/01/UMN-OB-Unit-Identification-Methods_7.pdf

there is the question of whether individual hospitals have the right teams to conduct these kinds of analyses.

Thank you again for the opportunity to review and offer feedback. We are happy to discuss our comments with you at your convenience.

Sincerely,

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