



## Equity and Insurance in Colorado

### ***The maternity care liability insurance system prioritizes MDs.***

- COPIC provides physicians with group rates for liability insurance that are nearly 1/10<sup>th</sup> the cost of rates available outside COPIC for CNMs.
- There are no insurance pools like COPIC for independent CNMs or CPMs because there are less of them and, as a group, they have less financial resources.
- Physicians' bigger market share and higher rates allow them to acquire liability insurance at a much lower annual cost than insurance that can be accessed by midwives.
- Through COPIC, Colorado birth centers owned by physicians have easy access to liability insurance rates that are much lower than rates available to CNM-owned birth centers.
  - A CNM-owned center pays 9 times more for a year of liability insurance than a center owned by a physician.
- As a result, some independently practicing CNMs at Colorado birth centers choose to use COPIC liability insurance, but this comes with significant, clinical limitations imposed by the insurance policy and hospitals (see below for more details).

### ***In Colorado, Medicaid (and many private insurance companies):***

- does not reimburse for home birth
- does not reimburse Certified Professional Midwives
- does not consider place of practice nor model of care, in decisions about network adequacy (ie, having CNM providers in hospital is considered adequate even without a single community CNM).
  - A community could have no models that support physiologic birth and yet the network could be "adequate."
  - This forces people into intervention-oriented models that increase costs and potential for negligence.

### ***Liability insurance dramatically decreases access to TOLAC (trial of labor after cesarean) and, therefore, VBAC (vaginal birth after cesarean).***

- The science is clear: for the majority of people with a prior cesarean birth, access to TOLAC and VBAC is the safest, least interventive, least expensive option.
- Access to vaginal birth is a critical component of long-term, intergenerational health.
- Exact numbers are difficult to ascertain, but experts estimate only 10-40% of hospitals provide ("allow") access to TOLAC and VBAC nationally.
- In 2017, the CO birth center facility regulations were updated to allow TOLAC and VBAC, a big win for families with Medicaid seeking community birth in Colorado.
- The only liability insurance available to CNMs outside of COPIC creates extreme financial barriers to providing access to TOLAC and VBAC (\$90,000 annual fee plus \$1500 for each VBAC).

- Birth center CNMs can access COPIC for much less than \$90,000 annually, but the policy requires that all VBACs take place in the hospital.
- This requires that a CNM be granted hospital privileges; some hospitals require physician supervision for a CNM to have hospital privileges, despite the fact that CNMs are independent providers in Colorado. Hospital privileges and physician supervision can be hard to get and can be easy to lose.
- Colorado's lack of midwifery integration means that most hospitals do not grant privileges to community CNMs.

***Current reimbursement schedules prioritize birth in large facilities.***

- The facility fee is a majority (50-60%) of reimbursement for birth.
- The birth center facility fee is less than a hospital facility fee, even for a comparable uncomplicated, vaginal, birth.
- To date, HCPF refuses to provide a facility contract for Colorado birth centers, requiring them to bill code 59899 (unlisted maternity service). This dramatically undermines data collection for birth center facilities, nearly eliminating the ability to evaluate their services in the Colorado landscape in the many research questions that asked and answered through HCPF billing codes.
- The costs for equipment are spread over fewer births/procedures than in a hospital (ie hearing screening equipment).
- The facility fee is designed to reimburse facilities for supplies. In Colorado, home birth midwives cannot bill for the facility fee and do not have an alternate way to bill for supplies.

***The current reimbursement scheme disincentivizes robust postpartum care.***

- Medicaid currently only covers the first 60 days after birth.
- Maternal mortality in Colorado is driven by mental health care issues in months 7-12.
- There is a single reimbursement cost for postpartum care after vaginal birth.
- Community birth providers provide 2-8 times more care for postpartum people at a lower reimbursement rate than their obstetric colleagues.
- Community birth providers see the newborn 2-6 times more than the pediatric model of care in the first two weeks of life.
- There is no additional reimbursement for these well-child visits, despite their long-term contribution to successful lactation, health, and well-being.

***Midwifery Integration Impacts Families: El Paso County***

- In contrast to the improvement seen in most of Colorado's counties, El Paso county's preterm birth rate is worsening<sup>1</sup>.
- There is a significant lack of integration of community birth and hospital birth.
- This results in hospitals refusing privileges to CNMs *and also* refusing to accept care of families requiring a higher level of care from those same community CNMs.
- CPMs also face barriers to seeking a higher level of care for a client who can no longer, per Colorado's regulations, be cared for by this CPM. This is currently affecting families with Medicaid in both the second and third trimesters.
- Families receive substandard care and experience worse outcomes as a result of this lack of integration.

1. *March of Dimes. 2019 March of Dimes Report Card.*

