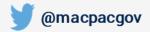


Postpartum Coverage Extension

Draft chapter and recommendations

Medicaid and CHIP Payment and Access Commission

Martha Heberlein



January 28, 2021

Overview

- Chapter review
- Outstanding issues
 - mandatory extension for some; optional for others
 - level of enhanced federal funding
- Draft recommendations
 - rationale
 - implications



Chapter Review

- Medicaid and State Children's Health Insurance Program (CHIP) coverage for pregnant women
- Coverage disruptions
- Postpartum health issues
- State and federal action
- Considerations in extending the postpartum period



Outstanding Issues

Should the mandatory extension apply to all postpartum individuals or should the extension of coverage be mandatory up to 133 percent of the federal poverty level (FPL) and optional above that threshold?

- Current eligibility levels for pregnant women are mostly above 133 percent FPL
- While a tiered extension of postpartum coverage would fill in a coverage gap in non-expansion states, it would affect relatively fewer individuals
- A tiered approach would also have implications for requiring the postpartum coverage extension in CHIP



Outstanding Issues

What level of enhanced federal funding (90 percent or 100 percent match) should be provided to states?

- Ninety percent would mirror the matching rate for the new adult group, while 100 percent would fully fund the extension
- There are several existing FMAP exceptions for certain populations, providers, and services
- States will need to make administrative changes to track and claim enhanced federal match



Draft Recommendation 1

Congress should extend the postpartum coverage period for individuals who were eligible and enrolled in Medicaid while pregnant to a full year of coverage, regardless of changes in income. Services provided to individuals during the extended postpartum coverage period will receive an enhanced [insert 90 or 100 percent] federal matching rate.



Recommendation 1: Rationale

- Address poor maternal and infant health outcomes by helping ensure coverage for ongoing medical care during a critical clinical period
- Given disparities in outcomes, may lead to improvements in health equity
- Enhanced federal funding would help offset costs for states



Recommendation 1: Implications

Federal spending: Between \$30 billion and \$40 billion over 10 years (includes CHIP extension)

- **States:** Potential coverage costs (depending on match); adjust administrative procedures
- **Beneficiaries:** 123,000 uninsured new mothers, including one-third of Black, non-Hispanic, one-third of white, non-Hispanic, and one-quarter of Hispanic uninsured new mothers, would become newly eligible **Providers and Plans:** Provide and receive payment for services during the extended postpartum period

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Draft Recommendation 2

Congress should extend the postpartum coverage period for individuals who were eligible and enrolled in the State Children's Health Insurance Program while pregnant (if the state provides such coverage) to a full year of coverage, regardless of changes in income.



Recommendation 2: Rationale

- Similar rationale for extending the postpartum coverage period in Medicaid in terms of maternal and infant health outcomes and health equity
- Provide consistency across programs



Recommendation 2: Implications

- Federal spending: Costs included in recommendation 1
- **States:** Six states would face additional costs and need to just administrative procedures
- **Beneficiaries:** Estimates of coverage included in recommendation 1
- **Providers and Plans:** Provide and receive payment for services during the extended postpartum period



Draft Recommendation 3

Congress should require states to provide full Medicaid benefits to individuals enrolled in all pregnancy-related pathways.

Recommendation 3: Rationale

- All pregnant and postpartum individuals should be provided comprehensive coverage and states should not have the option to limit coverage to pregnancy-only services
- May help to ensure the best possible birth and maternal health outcomes



Recommendation 3: Implications

- Federal spending: Less than \$1 billion over 10 years
- **States:** Four states may face increased expenditures if they must cover additional medically necessary (but not pregnancy-related) services may increase expenditures
- **Beneficiaries:** Pregnant and postpartum individuals in those four states would become eligible for additional, non-pregnancy-related services
- **Providers and Plans:** Eliminate the need for providers to determine whether specific services are pregnancy-related; plans would not need to differentiate services or provide separate benefit packages for pregnancy-only services



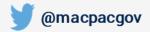


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