



Value-Based Payment for Maternity Care in Medicaid

Medicaid and CHIP Payment and Access Commission

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Overview

- Prior MACPAC work
- Value-based payment (VBP) models
- Case studies
 - project overview
 - design features of selected states
 - key findings

Prior MACPAC Work

- Recent review of Medicaid programs found:
 - 14 states implemented pay-for-performance programs
 - 10 states have implemented a single payment for the perinatal episode of care
 - 4 states have implemented pregnancy medical homes
- Study of VBP in managed care examined two states (New York and Ohio) using episode-based payment models for maternity care

Sources: Mathematica. 2020. *Inventory of State-Level Medicaid Policies, Programs, and Initiatives to Improve Maternity Care and Outcomes*; Bailit Health. 2020. *Final Report on State Strategies to Promote Value-Based Payment through Medicaid Managed Care*.

Value-Based Payment Models

- An episode of care payment is a single, fixed payment for a group of services that takes into account quality and cost thresholds
- Under pay-for-performance models, providers are given financial incentives to meet certain quality goals
- A pregnancy medical home is a delivery model that aims to improve maternal health outcomes by addressing clinical, behavioral, and social aspects of care

Case Studies: Overview

- Contracted with RTI International to review documents, conduct semi-structured telephone interviews, and draft case studies
- Study examined VBP models for maternity care used in five states: Arkansas, Connecticut, Colorado, North Carolina, and Tennessee

Case Studies: States

	Arkansas	Colorado		Connecticut	North Carolina	Tennessee
		Episode Payment	Hospital			
Model type	Episode of Care	Episode of Care	Pay-for-Performance	Pay-for-Performance	Pregnancy Medical Home	Episode of Care
Year established	2012 (sunsetting in 2021)	2020	2018	2013	2011	2014
Provider participation	Delivering provider/mandatory	Principal accountable provider/voluntary	Hospital/voluntary	Obstetric care provider/voluntary	Obstetric care provider/voluntary	Delivering provider/mandatory
Eligible Medicaid beneficiaries	Non-high-risk beneficiaries who deliver a live birth	Pregnant beneficiary, including high-risk, seeing a participating provider	All pregnant beneficiaries delivering at participating hospitals	All pregnant beneficiaries seeing a participating provider	All pregnant beneficiaries and women 60-days postpartum seeing a participating provider	Low- to moderate-risk pregnant beneficiaries
Provider risk	Upside and downside	Upside and downside	Upside only	Upside only	Upside only	Upside and downside

Key Findings

- Study models are not designed to fundamentally alter the approach for providing maternity care.
- The models use payment to incentivize targeted quality improvements and, in some cases, aim to reduce spending.
- Payment incentives are not directly tied to reductions in maternal mortality, morbidity, or racial disparities; instead, incentive payments are often tied to standard clinical care practices.

Key Findings, continued

- Evidence is mixed on whether the models improve quality on targeted measures.
- Sharing information through performance reports engages practices and providers in quality improvement efforts.



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