Mary Lawlor, President
National Association of Certified Professional Midwives
234 Banning Road
Putney, Vermont 05346

Dear Ms. Lawlor:

I understand that Congress is considering a proposal to ensure Medicaid coverage for Certified Professional Midwives. As the Chief Medical Officer for Medicaid in Washington State, I am writing to express support for access to these high-value services. I also wish to share with you Washington State’s very positive experience with these providers, including substantial cost savings and quality improvement. This program will not achieve a successful end without access improvements to Midwife services.

In 2007, the Washington State Legislature commissioned a cost-benefit analysis from the Department of Health on licensed midwifery care. This independent analysis found that licensed midwives directly save the State of Washington at least $473,000 per biennium in cost-offsets to Medicaid when women give birth at home or in free-standing birth centers. It should be noted that this was a very conservative estimate, one that reflects only avoided costs associated with licensed midwives’ lower cesarean-section rates. When facility fees and other medical procedures -- such as epidurals and continuous electronic fetal monitoring -- are factored into the equation, the actual savings to Medicaid jumps to approximately $3.1 million a biennium. These savings occur with licensed midwives attending just under two percent of the births in the state.

Maternity care as currently practiced in the United States is procedure-intensive and costly hospital charges associated with pregnancy, delivery, and newborn care are higher than charges for any other condition for both Medicaid and private insurers. An alternative option for women is to receive prenatal care with certified professional midwives and choose to deliver their babies at home or in licensed, free-standing birth centers. Evidence shows that, for women with low-risk pregnancies, this type of care results in fewer c-sections and better maternal and neonatal outcomes. The four-year Homebirth Pilot Program conducted in Washington State supports these findings.
Finally, Medicaid’s single largest expense is in hospital births. Nationally, the c-section rate is at an all-time high of over 30 percent. On average, the costs associated with a c-section are 50 percent higher than the costs of an uncomplicated vaginal birth. In Washington State, a collaborative effort is currently underway to reduce the c-section rate as a way to control healthcare costs and improve maternal and infant health. Since the summer of 2008, the Department of Social and Health Services, the Department of Health, Washington State Hospital Association, the Midwives’ Association of Washington State, the American College of Obstetricians and Gynecologists, and others have been working together to address this issue. This project is part of our Governor’s budget planning with an estimated savings of $4-5 million. A rate change in hospital payments is setting the stage for even larger savings through lowered c-section rates and increasing vaginal rates—a substantially less costly and less risky service. Increasing access to licensed midwives for the provision of maternity care for women with low-risk pregnancies will be another part of the solution toward increasing vaginal delivery rates.

I would be happy to speak with you if you would like further input regarding this proposed legislation.

Sincerely,

[Signature]

Jeffery Thompson, MD, MPH
Chief Medical Officer
Health and Recovery Services Administration