NACPM national association of certified professional midwives

CPMs: Midwifery Landscape and Future Directions

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Reimbursement and Employment

Public and private payer reimbursement for Certified Professional Midwife services is essential to building a viable role for CPMs and our capacity to serve the critical needs of the childbearing population in the United States. True access to midwifery care in all settings for all childbearing people requires that CPM services are covered in publicly-funded and private health care plans. Adequate compensation for the care provided and opportunities for employment are critical to the growth of the profession. This paper provides an overview of the changing landscape for health care payment in the U.S., the value CPMs add to the maternity care system, as well as the challenges and opportunities to expand coverage of CPM services.

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Paying for Health Care in the U.S.

Health care in the U.S. is paid for by individuals, employers, and tax dollars within an extremely complex framework of private insurers and public entities. In 2015, 33% of care was paid for by private insurance and 41% by public payers including Medicare, Medicaid, and the Children's Health Insurance Program (CHIP). Nearly one-half of all births in the U.S. are covered by Medicaid. Although our maternity care system is the most expensive in the world, it produces relatively poor outcomes: our perinatal, infant, and maternal mortality rates are worse than almost all other wealthy nations and even worse than many poorer nations who spend far less than we do. Worse yet, the outcomes of mothers and babies of color are shockingly disparate.

With every segment of our healthcare system struggling with rising costs and uneven quality, fundamental new strategies for delivering and paying for health care are emerging, driven both by government policies and private sector initiatives. Efforts to improve value are changing the ways providers are organized to deliver care, and payment is moving away from fee-for-service toward paying for value, away from volume and toward performance-based reimbursement. The government and the private sector are testing and expanding new health care models

where coordinated teams deliver care, where payment is linked to quality, and where the architecture for payment is based on outcomes for a population of patients.

For example, the Department of Health and Human Services (HHS) launched the Health Care Learning in Action Network (*hcp-lan.org*) to work in concert with partners in the private, public, and non-profit sectors to transform the nation's health system by increasing the adoption of value-based payments and alternative payment models that pay for quality care and improved health. HHS has set an impressive goal of paying for 90% of Medicare services with these emerging models by 2018 with Medicaid and private payers expected to lag far behind. Although many experts expect these reforms need to take place within a somewhat longer time frame, the trend away from fee-for-service to new care-delivery and payment models is rapidly changing the healthcare landscape for providers and patients.

Reimbursement for CPMs: Impact on the Profession and the Public

Currently, all types of midwives in all settings deliver fewer than 10% of babies in the U.S., and CPMs serve only a small fraction of childbearing people. The majority of people who currently have access to CPM services are white and pay out-of-pocket for care. Despite the excellent outcomes and high level of satisfaction with care experienced by those now served by CPMs, the profession will only thrive in coming years if it is truly accessible to all childbearing people and CPM services are reliably reimbursed.

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The demographics of the childbearing population in the U.S are rapidly changing. Those racial and ethnic groups who have been in the minority will soon account for the majority of all people having babies. Importantly, data demonstrate that CPMs could have a critical role to play in efforts to eliminate the unconscionable disparities in birth outcomes. But, this requires growing a larger and more representative workforce capable of providing concordant, community-based care. Concordant care has been shown to improve health, and health care providers from diverse racial and ethnic groups are more likely than their white counterparts to serve underrepresented and medically underserved populations. Reimbursement is a critical component of growing and sustaining a more diverse workforce.

In addition, there is a looming shortage of obstetricians—half of all U.S. counties even now have no obstetrical provider at all. Midwives, including CPMs, are being called upon to address this workforce shortage by growing their numbers and exploring collaborative care models. Reliable reimbursement is essential to attracting students in numbers needed to supply an expanded and representational workforce. Barriers to reimbursement may prevent CPMs from fully participating in the solutions that address this crisis.

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The excellent outcomes achieved by CPMs and the demonstrated cost-savings associated with CPM care point to the important role CPMs must play in improving the health and wellbeing of childbearing people in our country. Addressing workforce shortages and increasing access to care for those who most need and want services is a priority, and ensuring adequate reimbursement is key.

Employment Ultimately Depends on Reimbursement

Both now and in the future, if CPMs are to play a meaningful role in the healthcare system in the U.S., employment opportunities for CPMs must go beyond private solo practice and the entrepreneurial skills of the individual midwife. Reimbursement is foundational to expanded employment opportunities.

Currently, in some localities (especially in states where CPMs are more integrated into the health system than in others), CPMs are often employed in thriving practices and birth centers, and there are examples of CPMs employed in local health clinics. But in too many instances, reimbursement and employment are impeded by lack of state licensure or lack of respect from and opportunities to collaborate with other providers and systems of care. Lacking federal recognition, CPMs are ineligible for reimbursement by federal health plans such as Tricare and the Indian Health Service and for employment in federally qualified health centers and rural health clinics. The ability of the profession to create and expand free-standing birth centers in all states, an important point of access to midwifery care for people having babies and an important source of employment for CPMs, depends in significant part on reliable, nationwide reimbursement.

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Another impediment to reimbursement and employment is the lack of access to and affordability of professional liability insurance for CPMs. The occasional state provides access to liability insurance through state joint underwriting associations, market mechanisms designed to make insurance available where individuals are unable to obtain insurance on the regular market. Currently, only one national insurance provider offers professional liability plans designed to be accessible and affordable for CPMs, leaving the profession vulnerable if somehow that plan should cease to operate. This impediment must be addressed as part of addressing reimbursement.

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Current Landscape of CPM Reimbursement

While specific information on the landscape for CPM reimbursement has yet to be documented, it is known that nationwide there is enormous variability in access to reimbursement and in reliability of reimbursement for CPMs. Some CPMs practicing in states where they are licensed are not reimbursed by their clients' health plans, while some CPMs practicing in states where they are not licensed are reimbursed. This complex landscape also makes accessing CPM care more difficult for childbearing people.

These states currently mandate private payer reimbursement for CPMs/LMs: Alaska, Florida, New Hampshire, Vermont, and Washington State. Thirteen states currently cover CPMs/LMs in their Medicaid programs, though in some of these states restrictions continue to impede reimbursement: Alaska, Arizona, California, Florida, Idaho, New Hampshire, New Mexico, Oregon, South Carolina, Texas, Vermont, Virginia, and Washington State.

In some areas, reimbursement varies from one CPM to another or from one practice to another. In states where there are statutory mandates for reimbursement, some CPMs have contracts with public and private payers and are able to assure their clients that their insurance will pay for services. In other states and localities, CPMs are reimbursed by out-of-network benefits, an option that is rapidly being phased out nation-wide due to its high and variable costs to payers, adding to the lack of reimbursement reliability and to vulnerability for CPMs. Clients are often required to fight for coverage for their midwifery care.

Support for CPM Reimbursement

NACPM is working on several fronts to address the barriers that must be removed to increase the availability and reliability of reimbursement:

- Licensing for CPMs in all 50 states and territories
- Professional and payer recognition of and respect for CPMs through alignment with US MERA and ICM Global Standards for education and regulation
- Discounts on professional liability insurance
- Federal recognition to mandate inclusion of qualified CPMs in federal Medicaid, to gain access to Health Professional Loan Repayment and federal reimbursement and payment programs such as Tricare, Indian Health Services, and employment in Federally Qualified Health Centers.

NACPM is also examining emerging care delivery and care team models and payment systems like those referred to above, and is exploring what conditions will be required for CPM participation. Please see NACPM's *Bundled Payment Proposal to Improve Maternity Care Outcomes and Lower Costs*. (*nacpm.org/wp-content/uploads/2016/01/1.15.16-NACPM-Bundled-Payment-Proposal.pdf)* This concept paper by NACPM was included in briefing and background materials for the Clinical Payment Episode Work Group participants in HHS's Health Care Learning in Action Network initiative to accelerate the uptake of payment reform in the delivery of maternity care. It was cited in their report: *Maternity Care: Draft White Paper* in April of 2016. (*hcp-lan.org/workproducts/maternity-whitepaper-draft.pdf)*