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Advocacy Update

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MARCH OF DIMES STUDY UNVEILS NEW DATA ON THE COST OF HAVING A BABY

On June 12, at a forum co-sponsored with the Kaiser Family Foundation, the March of Dimes Foundation released a study that found for women insured through large employer private plans the average cost of having a baby in the United States in 2004 was more than \$8,000. The study, “The Healthcare Costs of Having a Baby,” was commissioned by the Foundation to estimate expenditures for maternity care by large employer private plans and was conducted by Thomson Healthcare.

Speaking at the forum, Dr. Jennifer L. Howse, president of the March of Dimes, explained the value of the study, “This in-depth analysis of health claims from more than 10 million employees, spouses and dependents is an important contribution and demonstrates the value of access to comprehensive, affordable health insurance for women of childbearing age. Having a baby is the most costly health event families are likely to experience during their childbearing years and health insurance is central to obtaining maternity care services critical to the health of the woman and that of her newborn. An uninsured healthy pregnancy can be a financial strain on young families, and a catastrophe in the case of a high-risk birth.”

In its analysis, Thomson combined the costs of prenatal care, labor and delivery as well as post-partum care provided during the three months following delivery and found that employer based insurance covered approximately 95 percent of the costs of maternity care.

Significant findings include:

- Average expenditures for maternity care were \$7,737 for vaginal delivery, of which about \$7,205 was paid by private health plans and \$463 in out of pocket costs was paid by the family.
- Average expenditures for maternity care were \$10,958 for cesarean-section delivery, of which about \$10,324 was paid by private health plans and \$523 in out-of-pocket costs paid by the family.
- Vaginal delivery costs were distributed in the following way: 48% facility fees; 36% professional service fees; 8% radiology and imaging; 5% outpatient drug; and 4% laboratory.
- Cesarean-section delivery costs were distributed in the following way: 53% facility fees; 32% professional service fees; 7% radiology and imaging; 4% outpatient drug; and 3% laboratory.
- It is most expensive to have a baby in the Northeast, least expensive in the

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South and the same pattern holds for cesarean-section and vaginal deliveries. Average expenditures for vaginal delivery by geographical region were \$8,718 in the Northeast, \$7,455 in the South, \$7,501 in the North Central, and \$7,880 in the West.

- Average expenditures for cesarean-section delivery were \$12,175 in the Northeast, \$10,317 in the South, \$10,969 in the North Central, and \$11,581 in the West.

Another study, released by the Henry J. Kaiser Family Foundation at the joint briefing, found that in its relatively small sample of consumer directed health plans, unlike well-child care or mammography, prenatal care was generally not considered a preventive service. As a result, these health plans impose cost sharing and high deductibles on plan members who use prenatal care services.

Dr. Howse commented on the Kaiser study, “It is well documented that lack of adequate, regular prenatal care is associated with poor birth outcomes, including prematurity and low birthweight and such out of pocket expenditures for cost sharing may well discourage women from obtaining the care they need to prevent these and other high risk and costly conditions. The study finding is troubling and signals the need for additional research to determine whether the practice of excluding prenatal care from the list of preventive benefits is widespread among consumer directed health plans.”

The policy forum at which both studies were released was held in Washington, D.C. and included Dr. Howse; Diane Rowland, ScD, Kaiser Family Foundation executive vice president, Alina Salganicoff, PhD, Kaiser Family Foundation vice president and director of Women’s Health Policy; Stella Chang, associate director for MarketScan, Thomson Healthcare; Karen Pollitz, project director at the Georgetown Health Policy Institute; Tom Wilder, senior regulatory counsel at America’s Health Insurance Plans; and Lisa Potetz, principal at Health Policy Alternatives, Inc.

Materials from the forum, including a webcast are available at <http://www.kaisernetwork.org/healthcast/kff/12jun07>

The Thomson study and support materials are also available at www.marchofdimes.com/advocacy in the Public Policy Studies section.



After her introductory remarks at the Kaiser Family Foundation, Dr. Howse (front row, left) joined the audience to listen to the presentations

FEDERAL UPDATES

SCHIP Reauthorization

Representative Diana DeGette (D-CO) reintroduced the “Prevent Prematurity and Improve Child Health Act,” H.R. 2746 on June 15, 2007. This bill contains the March of Dimes issue priorities for reauthorization of the State Children’s Health Insurance Program (SCHIP). House committee markup and floor action on SCHIP reauthorization bill is expected after the July 4th Congressional recess.

The companion bill was reintroduced in the Senate on March 7, 2007, by Senators Blanche Lincoln (D-AR), Richard Lugar (R-IN), Olympia Snowe (R-ME), and Jeff Bingaman (D-NM). Additionally, Senators Lincoln, Lugar, Bingaman, and Snowe are circulating a “Dear Colleague” letter in which they ask that other Senators support their efforts to amend SCHIP to allow for state coverage of income eligible pregnant women age 19 and older. The letter, which 17 Senators have signed, is addressed to Finance Committee Chair Max Baucus (D-MT) and Ranking Member Charles Grassley (R-IA). The Senate Finance Committee is expected to mark up its SCHIP reauthorization bill when Congress returns from its July 4th recess.

Appropriations

The House and Senate Appropriations Committees have begun the process of moving the fiscal year 2008 Labor, Health and Human Services (LHHS)

Appropriations bills, which fund health programs. Many of the details are not yet public, but Appropriations Committee Members and staff have assured the March of Dimes that the agencies and initiatives listed below will receive funding increases:

The National Children's Study (NCS) is fully funded in both the House and Senate bills (\$110.9 million, an increase of nearly \$42 million). (See February and March issues of Advocacy Update for detailed information on the NCS.)

The House Appropriations Subcommittee has approved a proposal to increase funding for the Health Resources and Services Administration's newborn screening activities by \$2m and the Centers for Disease Control and Prevention's Folic Acid Education Campaign by \$500,000.

Secretary's Advisory Committee on Infant Mortality (SACIM)

On June 14, 2007, March of Dimes President Dr. Jennifer L. Howse spoke to members of the SACIM about the Foundation's Prematurity Campaign and the PREEMIE Act. SACIM's role is to advise the Secretary of the Department of Health and Human Services (HHS) on strategies for reducing infant mortality and improving the health status of pregnant women and infants. Dr. Howse asked that SACIM members become involved in the planning for the Surgeon General's Conference on prematurity and that the Committee make a special effort to keep abreast of the activities of the HHS Interagency Coordinating Council on Prematurity and Low Birthweight. The Committee voted to draft a letter to the Surgeon General requesting a role in the Conference and asking for an update from HHS staff on the work of the Interagency Coordinating Council.

REGION REPORTS

NORTH

Indiana Governor Mitch Daniels (R) recently signed into law several bills for which the March of Dimes had advocated. The bills enacted raise the threshold of eligibility for pregnant women in Medicaid from 150% to 200% of the federal poverty level (\$34,340 a year for a family of 3) which is projected to enable about 17 thousand pregnant women per year to obtain health insurance through the program. In addition, the bill adds presumptive eligibility to Medicaid for pregnant women, meaning that their access to reimbursable services is immediate although the administrative process of enrollment may be delayed. The Chapter also secured legislation authorizing continuation of the birth defects surveillance system to 2017; without approval of this measure, the program would have expired at the end of this year. Other successful initiatives included working within a coalition to obtain a 44-cent tobacco tax increase to support health programs, and leading the effort to establish a commission to oversee the expansion of perinatal substance (alcohol, tobacco, and other drugs) abuse treatment services for pregnant women.



Indiana volunteers Dymisha Adamson (left) and Public Affairs Committee Chair Celisse Morris-Miller (right) met with State Representative Greg Porter of Indianapolis.

Iowa Governor Chet Culver (D) recently signed into law a bill that increases the excise tax on cigarettes to \$1.36 per pack. The increase will be used to offset the cost of several health program improvements, including smoking prevention and cessation. The Iowa Chapter's Lobby Day at the Capitol were effective in convincing policymakers that tobacco use by pregnant women is detrimental to the health of the woman and her baby.



Iowa March of Dimes sponsored Motherhood and Apple Pie Day at the Capitol advocate for the Iowa cigarette tax increase. Pregnant volunteers wore t-shirts with the March of Dimes advocacy message.

Minnesota Governor Tim Pawlenty (R) signed the “Freedom to Breathe Act” which bans smoking at work sites and in public places, including restaurants and bars. Throughout the deliberations over the initiative, March of Dimes volunteers and staff focused their advocacy materials and messages on the detrimental effects of secondhand smoke on women of childbearing age, especially pregnant women, infants, and children. The law will take effect on October 1, 2007.

SOUTH

The Florida Chapter recently held its Lobby Day at the State Capitol in Tallahassee. Chapter volunteers and staff met with legislators, Florida Surgeon General Dr. Viamonte Ros, and Deputy Secretary Clint Fuhrman of the Agency for HealthCare Administration to advocate for increased funding for community based outreach in the KidCare program (S-CHIP). As a result, \$1 million in new funding was approved as part of the general appropriations bill.

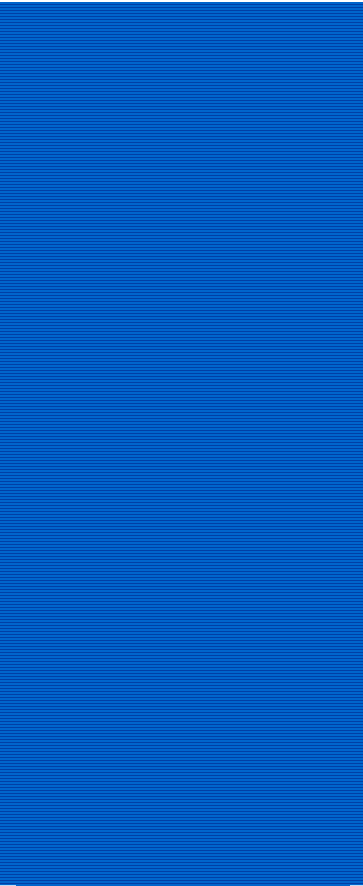


Lieutenant Governor Jeff Kottkamp (center, red tie) with officials, March of Dimes volunteers, and March of Dimes staff. From left to right Evie Fox, Healthy Start Coalition of Okaloosa-Walton Counties, Arrie Battle, Gadsden Woman-to-Woman Program, Ann Davis, Capital Area Healthy Start Coalition, Catherine Lee, United Healthcare, Kelly Parker, Gadsden Community Healthy Start Coalition, Vivian Booth, Agency for Health Care Administration, Edward Dixon, Commissioner, Gadsden County Commission, Carol Brady, Northeast Healthy Start Coalition, Kendria Strong, student at FAMU, Kevin McCarty, Insurance Commissioner, State of Florida, Dee Jay Hellrung, March of Dimes National Office of Volunteers, Michelle Robleto, March of Dimes State Board Member/Big Bend Division board chair, Louise Ritchie, Big Bend Division board member, Emily Jones, student at the Univ. of Florida, Megan Gallo, student at FSU, Danny Lucas, student at FSU Annika Lorentzon, student at the Univ. of Florida, Tiffany Somersville, student at FSU Sarah Bitner, student at Deerlake Middle School, Laura Wallace, student at Univ. of Florida, Robbie Parrish, Bank of America, and Paul Hunt, State Public Affairs Committee Chair

WEST

Montana Governor Brian Schweitzer (D) recently signed into law two newborn screening bills. The first requires all newborns be screened for hearing loss and the second expands the state screening panel to include all 29 treatable disorders recommended by the American College of Medical Genetics and endorsed by the March of Dimes and the American Academy of Pediatrics. The Montana Chapter led this initiative by testifying at hearings, generating letters, activating its grassroots network, and advocating for the bills during lobby day.

Texas Governor Rick Perry (R) signed a bill into law that requires tobacco retailers to post signs warning that smoking is associated with an increased risk for preterm birth. The March of Dimes secured the bill sponsors, drafted the legislation, recruited co-sponsors, testified at hearings, advocated for the bill during lobby day, communicated with key legislators, and activated their Advocacy Network to advance the initiative.



Kansas Governor Kathleen Sebelius (D) recently signed into law a bill that authorizes the Kansas Department of Health and Environment (DHE) to expand from 7 to 29 the number of disorders for which newborns are screened, as recommended by the March of Dimes and the American Academy of Pediatrics. In addition, the law establishes a newborn screening advisory committee. Funding for the expansion is included in the state's budget bill. The Kansas Chapter worked on the initiative for over two years with legislators and the DHE. The Chapter used its Advocacy Network to reach key legislators when the issue was pending before the legislature.

Washington State Governor Christine Gregoire (D) signed into law a bill which allows the state's specialty clinic fee to be used to support follow-up and treatment for children born with disorders detected through the newborn screening program. Now that support for treatment is in place, the Chapter is working with the Health Department to expand the state's newborn screening panel to include all 29 treatable disorders as recommended by the March of Dimes and the American Academy of Pediatrics. In addition, the Chapter worked to double the appropriation for follow-up and treatment. The Chapter testified at hearings, activated its Advocacy Network, advocated for the bill at lobby day, and met with key legislators to move the authorizing and appropriations bills forward.