Medicaid and CHIP
Prenatal and Perinatal Services
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Medicaid and CHIP

- Medicaid/CHIP’s Role – programs, caseload and demographics
- Program costs and trends
Medicaid

- Texas Medicaid covers 3 million Texans - primarily low-income families with children, pregnant women, the elderly and people with disabilities.
- Pregnant women covered up to 185% FPL; TANF parents covered up to about 14% FPL
- Undocumented individuals not eligible for Medicaid (except emergency Medicaid).
Medicaid Program Coverage and Family of 4 Incomes

185% FPL = $40,800 annual; $3,400/month
14% FPL = 2010: $3,300 annual; $275/month

* In SFY 2008, for a parent with TANF children, the maximum monthly income eligibility limit is $188, which is the equivalent of 13% of FPL for a family of three.

** For medically needy pregnant women and children, the maximum monthly income limit in SFY 2008 is $275, which is the equivalent of 19% of FPL for a family of three.
Medicaid and CHIP – Programs, Caseload, Demographics

- Medicaid is the primary public coverage program providing prenatal and perinatal care in Texas.
- Texas currently spends over $2.2 billion per year in birth and delivery related services ($22 billion total program services costs in 2010).
- More than 55% of all births in Texas are paid by Medicaid.
Percent of Births Paid by Medicaid

Births to Texas Residents

Medicaid Paid Births

47.5% 48.7% 51.7% 53.6% 55.8% 56.5% 56.3% 55.4%
Medicaid Demographics

• In 2008, Medicaid paid for about 225,000 live births. Of these:
  – 31% white
  – 17% Black
  – 50% Hispanic
  – 1% other
• 63,000 or about 28% are births to undocumented mothers.
• Medicaid undocumented births represent about 16% of all TX births.
Texas Fertility Data

• The fertility rate for Texas residents ranged from a low of 74.8 live births per 1,000 females aged 15 to 44 in 1996 to a high of 77.6 live births per 1,000 females aged 15 to 44 in 2006.
  – In Texas, the fertility rate increased 3.8% from 74.8 in 1996 to 77.6 in 2006.
  – Nationally, the fertility rate increased 6.9% from 64.1 in 1996 to 68.5 in 2006. The fertility rate for Texas was 13.3% higher than the fertility rate for the US in 2006.
• Hispanic women had the highest fertility rates off all races/ethnicities.
  – In 2006, the Hispanic fertility rate was 1.6 and 1.4 times as high as the fertility rate for Whites and Blacks, respectively.
  – However, the biggest decrease in fertility rates from 1996 to 2006 was among Hispanics (14.4%). The biggest increase in fertility rates from 1996 to 2006 was among Whites (11.2%).
• Women 20 to 24 years of age had the highest fertility rates, followed closely by women 25 to 29 years of age.
  – The biggest decrease in fertility rates from 1996 to 2006 was among adolescents 10 to 14 years old (42.1%).
  – The biggest increase in fertility rates from 1996 to 2006 was among women 35 and older 26.9%).
# Texas Resident Fertility Rates by Race/Ethnicity and Mother's Age, 1996-2006

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<tbody>
<tr>
<td><strong>Total</strong></td>
<td>74.8</td>
<td>74.9</td>
<td>76.1</td>
<td>77.3</td>
<td>76.6</td>
<td>75.9</td>
<td>76.3</td>
<td>76.7</td>
<td>76.7</td>
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<tr>
<td>White</td>
<td>55.8</td>
<td>55.0</td>
<td>55.7</td>
<td>55.7</td>
<td>60.6</td>
<td>59.6</td>
<td>59.5</td>
<td>60.4</td>
<td>60.3</td>
<td>61.3</td>
<td>62.0</td>
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<tr>
<td>Black</td>
<td>69.7</td>
<td>70.3</td>
<td>71.0</td>
<td>70.6</td>
<td>68.6</td>
<td>66.9</td>
<td>67.6</td>
<td>67.6</td>
<td>68.0</td>
<td>67.9</td>
<td>69.8</td>
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<tr>
<td>Hispanic</td>
<td>114.2</td>
<td>115.1</td>
<td>116.9</td>
<td>120.2</td>
<td>103.7</td>
<td>102.7</td>
<td>102.3</td>
<td>100.9</td>
<td>100.1</td>
<td>98.5</td>
<td>97.8</td>
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<tr>
<td>Other</td>
<td>83.9</td>
<td>87.5</td>
<td>87.4</td>
<td>93.2</td>
<td>72.4</td>
<td>70.5</td>
<td>72.3</td>
<td>71.9</td>
<td>70.3</td>
<td>66.4</td>
<td>73.7</td>
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<tr>
<td><strong>Mother's Age</strong></td>
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<td>10 to 14</td>
<td>1.9</td>
<td>1.6</td>
<td>1.6</td>
<td>1.6</td>
<td>1.4</td>
<td>1.3</td>
<td>1.2</td>
<td>1.1</td>
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<td>1.1</td>
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<td>15 to 19</td>
<td>72.0</td>
<td>71.4</td>
<td>71.5</td>
<td>71.3</td>
<td>68.8</td>
<td>65.6</td>
<td>63.8</td>
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<td>59.9</td>
<td>60.2</td>
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<tr>
<td>20 to 24</td>
<td>129.0</td>
<td>128.0</td>
<td>130.3</td>
<td>131.7</td>
<td>137.4</td>
<td>135.3</td>
<td>135.3</td>
<td>132.3</td>
<td>130.4</td>
<td>128.8</td>
<td>131.4</td>
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<td>25 to 29</td>
<td>128.4</td>
<td>129.8</td>
<td>129.8</td>
<td>131.3</td>
<td>124.8</td>
<td>124.7</td>
<td>126.0</td>
<td>126.7</td>
<td>126.7</td>
<td>126.8</td>
<td>127.4</td>
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<tr>
<td>30 to 34</td>
<td>83.0</td>
<td>84.1</td>
<td>87.9</td>
<td>92.1</td>
<td>91.2</td>
<td>91.1</td>
<td>91.1</td>
<td>93.5</td>
<td>93.4</td>
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<td>93.6</td>
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<tr>
<td>35+</td>
<td>20.9</td>
<td>21.5</td>
<td>22.1</td>
<td>22.3</td>
<td>22.8</td>
<td>22.8</td>
<td>23.4</td>
<td>24.3</td>
<td>24.9</td>
<td>26.0</td>
<td>26.5</td>
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</tbody>
</table>
Projected Ethnic Change in the State of Texas, 2000-2040

Source: Texas State Data Center 2008 Population Projections, 0.5 Migration Scenario
Service Initiatives

- **Women’s Health Program in Medicaid**
  - The Texas Women’s Health Program (WHP), implemented January 2007, is a Section 1115(a) demonstration waiver that expanded the Medicaid family planning program to cover low income women.
  - Program benefits include an annual family planning exam, contraceptives, related health screenings, and follow-up contraceptive management visits.
  - The target population is uninsured women ages 18 to 44 whose net family income is at or below 185% FPL and who are not otherwise eligible for Medicaid.
  - 97,468 women were enrolled in WHP at the end of the fourth quarter of 2009, and an unduplicated total of 151,989 women were enrolled at some point during 2009.
  - Since WHP was implemented on January 1, 2007, an unduplicated total of 217,377 women have been enrolled in the program at some point.
CHIP Perinatal Program

- Implemented in January 2007 to provide prenatal care to unborn children of pregnant women whose income is up to 200% FPL and who are not eligible for Medicaid.

- Approximately 70,000 women are served monthly.

- Once born, the children receive services under either CHIP or Medicaid.
Medicaid
Birth-Related Costs and Trends

• Texas currently spends over $2.2 billion per year in birth and delivery related services ($22 billion total program services costs in 2010).
• More than 55% of all births in Texas are paid by Medicaid.
• Costs related to infant care are growing almost 10% per year.
• NICU utilization is growing faster than expected.
• Over 50% of costs are attributable to extremely premature infants, who account for about 2% of births.
Medicaid Expenditures - Births

Millions of Dollars

- Total Cost
- Infant Care
- Maternity Care
Medicaid Expenditures - Births

Millions of Dollars

Infant Care/Total

- 2001: 66.0%
- 2002: 67.0%
- 2003: 68.0%
- 2004: 69.0%
- 2005: 70.0%
- 2006: 71.0%
- 2007: 72.0%
- 2008: 74.0%
Number of NICU and Neonatal Intermediate Care Beds
Number of Hospitals with NICU or Neonatal Intermediate Care Beds
# Medicaid Delivery DRG Cost

<table>
<thead>
<tr>
<th>DRG</th>
<th>% Claims</th>
<th>Avg $ / Claim</th>
<th>% of Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>370 - Cesarean Section w CC</td>
<td>7.0%</td>
<td>$3,671</td>
<td>12.5%</td>
</tr>
<tr>
<td>371 - Cesarean Section wo CC</td>
<td>27.0%</td>
<td>$2,590</td>
<td>33.7%</td>
</tr>
<tr>
<td>372 - Vaginal Delivery w CDx</td>
<td>5.0%</td>
<td>$2,576</td>
<td>6.3%</td>
</tr>
<tr>
<td>373 - Vaginal Delivery wo CDx</td>
<td>53.7%</td>
<td>$1,655</td>
<td>42.9%</td>
</tr>
<tr>
<td>374 - Vaginal Del w Steril &amp;/or D&amp;C</td>
<td>7.3%</td>
<td>$1,297</td>
<td>4.5%</td>
</tr>
<tr>
<td>375 - Vaginal Del w OR Proc exc Steril &amp;/or D&amp;C</td>
<td>0.0%</td>
<td>$3,372</td>
<td>0.0%</td>
</tr>
</tbody>
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# Medicaid Newborn DRG Cost

<table>
<thead>
<tr>
<th>DRG</th>
<th>% Claims</th>
<th>Avg $ / Claim</th>
<th>% of Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>385 – Neonate Died or Trans</td>
<td>2.1%</td>
<td>$9,272</td>
<td>7.9%</td>
</tr>
<tr>
<td>386 – Extreme Immaturity</td>
<td>2.0%</td>
<td>$63,124</td>
<td>51.3%</td>
</tr>
<tr>
<td>387 – Prematurity w Major Problems</td>
<td>1.5%</td>
<td>$17,270</td>
<td>10.8%</td>
</tr>
<tr>
<td>388 – Prematurity wo Major Prob</td>
<td>3.4%</td>
<td>$3,368</td>
<td>4.8%</td>
</tr>
<tr>
<td>389 – Full Term Neonate w Major Problems</td>
<td>3.4%</td>
<td>$5,176</td>
<td>7.3%</td>
</tr>
<tr>
<td>390 – Neonate w Other Significant Problems</td>
<td>11.0%</td>
<td>$1,166</td>
<td>5.3%</td>
</tr>
<tr>
<td>391 – Normal Newborn</td>
<td>76.5%</td>
<td>$404</td>
<td>12.7%</td>
</tr>
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</table>
Medicaid Outcome Improvement Initiatives

• Case Management for Children and Pregnant Women (CPW)
  – Provides services to children with a health condition/health risk, birth through 20 years of age and to high-risk pregnant women of all ages, to encourage the use of cost-effective health and health-related care
  – Together, the case manager and family assess the medical, social, educational and other medically necessary service needs of the eligible recipient
  – Medicaid eligible pregnant women with a high-risk condition during pregnancy qualify for CPW case management, and there must be a need for services to prevent illnesses or medical conditions and to maintain function or to slow deterioration of the condition.
Medicaid Outcome Improvement Initiatives

- **Nurse-Family Partnership (NFP)**
  - The Texas Legislature passed Senate Bill 156 in 2007 to provide an evidence-based nurse home visitation program designed to improve the health and well-being of low-income, first-time parents.
  - Texas is providing grant funding and support for Nurse Family Partnership sites throughout the state to serve close to 2,000 first-time mothers and their children.
  - The program’s goal is to improve pregnancy outcomes, child health and development, and self-sufficiency for eligible, first-time parents – for the creation of healthy families and the benefit of future generations.
Quality

• According to the most recent Healthcare Effectiveness Data and Information Set (HEDIS) data available for September 2007 to August 2008 for the STAR program:
  – 83% of live births received prenatal care compared to 81% nationally.
  – The STAR program performed slightly lower than the national average for Medicaid managed care plans reporting on the post-partum care measure, with 57% of live births receiving postpartum care compared to 59% nationally.
Performance and Services

- Texas Medicaid/CHIP HMOs can Offer Value Added Services (additional services). Those designed to improve birth outcomes include:
  - Debit cards issued for the completion of prenatal health programs (to use for over-the-counter drugs, diapers, etc.), and other gift incentive programs.
  - Limited dental benefits for pregnant women 21 or older.
  - Temporary pre-programmed cell phones to provide quick access to medical care.
  - Residential treatment for chemical dependency abuse for pregnant members 21 or older.
  - Childbirth education/preparation classes.
Resources

- Texas Health and Human Services Commission:
  http://www.hhsc.state.tx.us/index.shtml