



**Medicaid and CHIP
Prenatal and Perinatal Services
April 2010**

Maureen Milligan, Deputy Director
Planning, Evaluation and Support
Medicaid-CHIP Division

Medicaid andCHIP

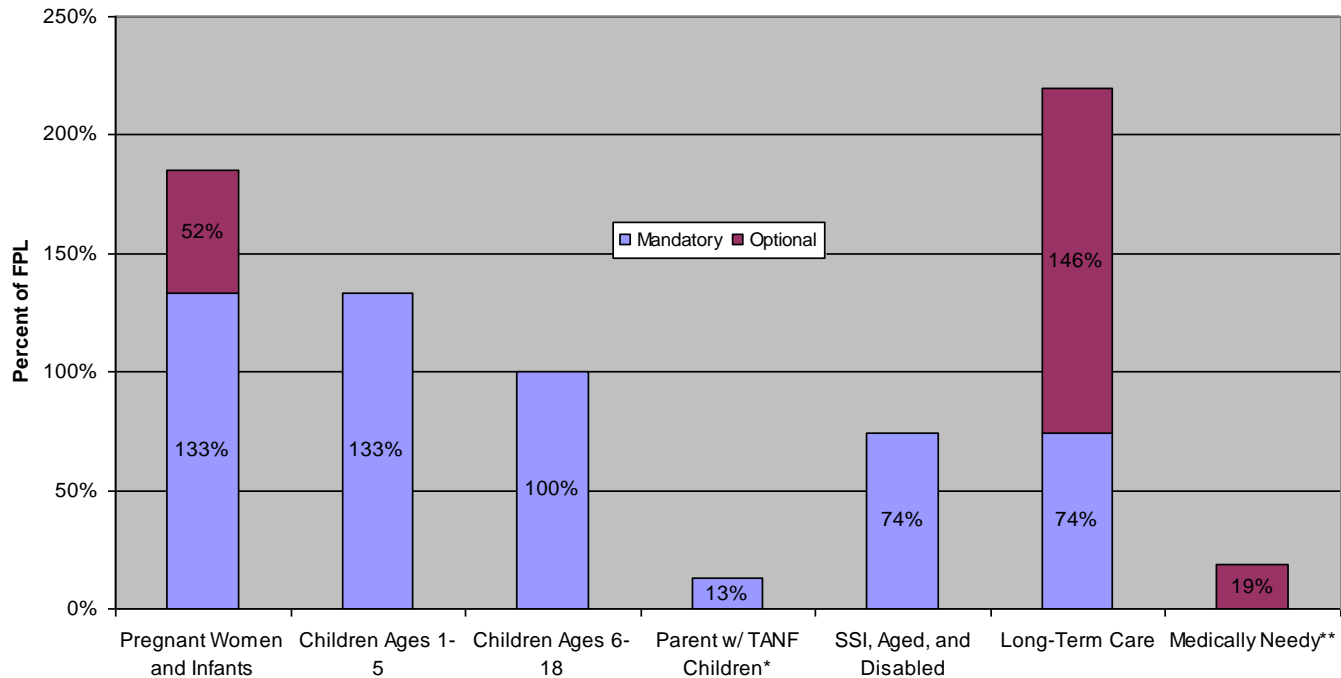
- Medicaid/CHIP's Role – programs, caseload and demographics
- Program costs and trends

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



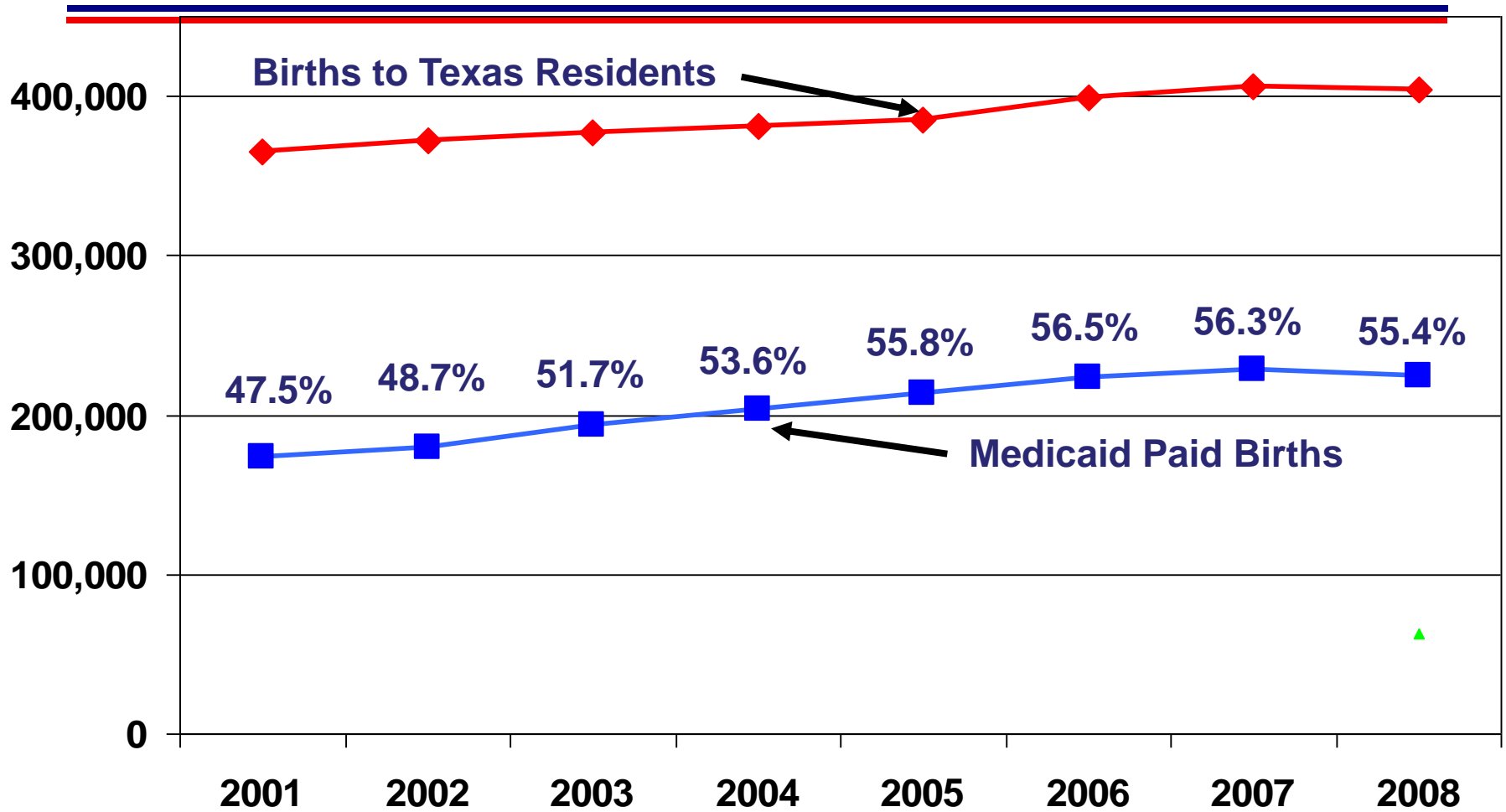
* In SFY 2008, for a parent with TANF children, the maximum monthly income eligibility limit is \$188, which is the equivalent of 13% of FPL for a family of three.

** 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



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

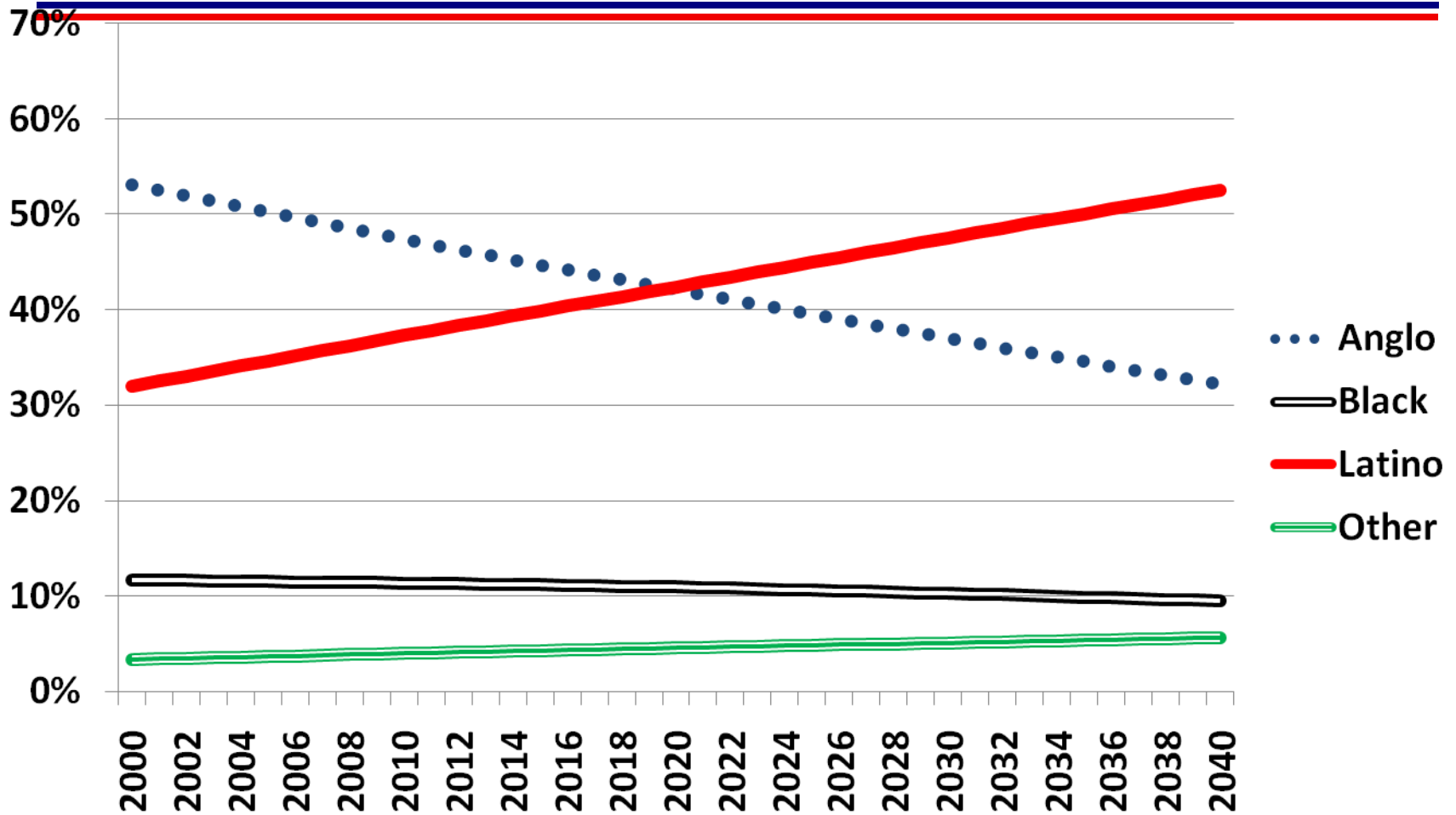
- The fertility rate for Texas residents ranged from a low of 74.8 live births per 1,000 females aged 15 to 44 in 1996 to a high of 77.6 live births per 1,000 females aged 15 to 44 in 2006.
 - In Texas, the fertility rate increased 3.8% from 74.8 in 1996 to 77.6 in 2006.
 - Nationally, the fertility 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

	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Total	74.8	74.9	76.1	77.3	76.6	75.9	76.3	76.7	76.7	76.7	77.6
Race/Ethnicity											
White	55.8	55.0	55.7	55.7	60.6	59.6	59.5	60.4	60.3	61.3	62.0
Black	69.7	70.3	71.0	70.6	68.6	66.9	67.6	67.6	68.0	67.9	69.8
Hispanic	114.2	115.1	116.9	120.2	103.7	102.7	102.3	100.9	100.1	98.5	97.8
Other	83.9	87.5	87.4	93.2	72.4	70.5	72.3	71.9	70.3	66.4	73.7
Mother's Age											
10 to 14	1.9	1.6	1.6	1.6	1.4	1.3	1.2	1.1	1.1	1.1	1.1
15 to 19	72.0	71.4	71.5	71.3	68.8	65.6	63.8	61.8	61.3	59.9	60.2
20 to 24	129.0	128.0	130.3	131.7	137.4	135.3	135.3	132.3	130.4	128.8	131.4
25 to 29	128.4	129.8	129.8	131.3	124.8	124.7	126.0	126.7	126.7	126.8	127.4
30 to 34	83.0	84.1	87.9	92.1	91.2	91.1	91.1	93.5	93.4	93.4	93.6
35+	20.9	21.5	22.1	22.3	22.8	22.8	23.4	24.3	24.9	26.0	26.5

Projected Ethnic Change in the State of Texas, 2000-2040



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.

Service Initiatives

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.

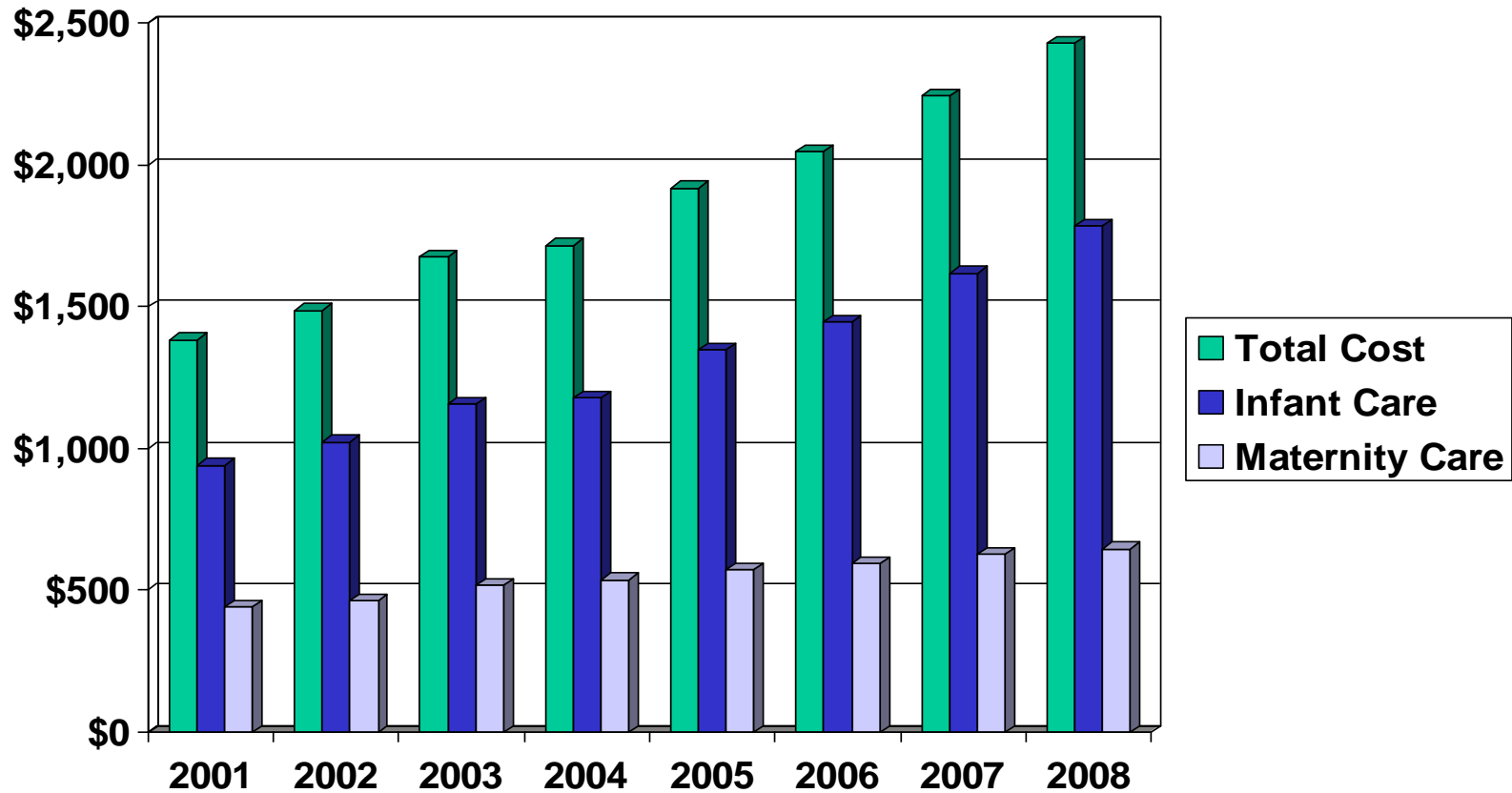
Medicaid

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.

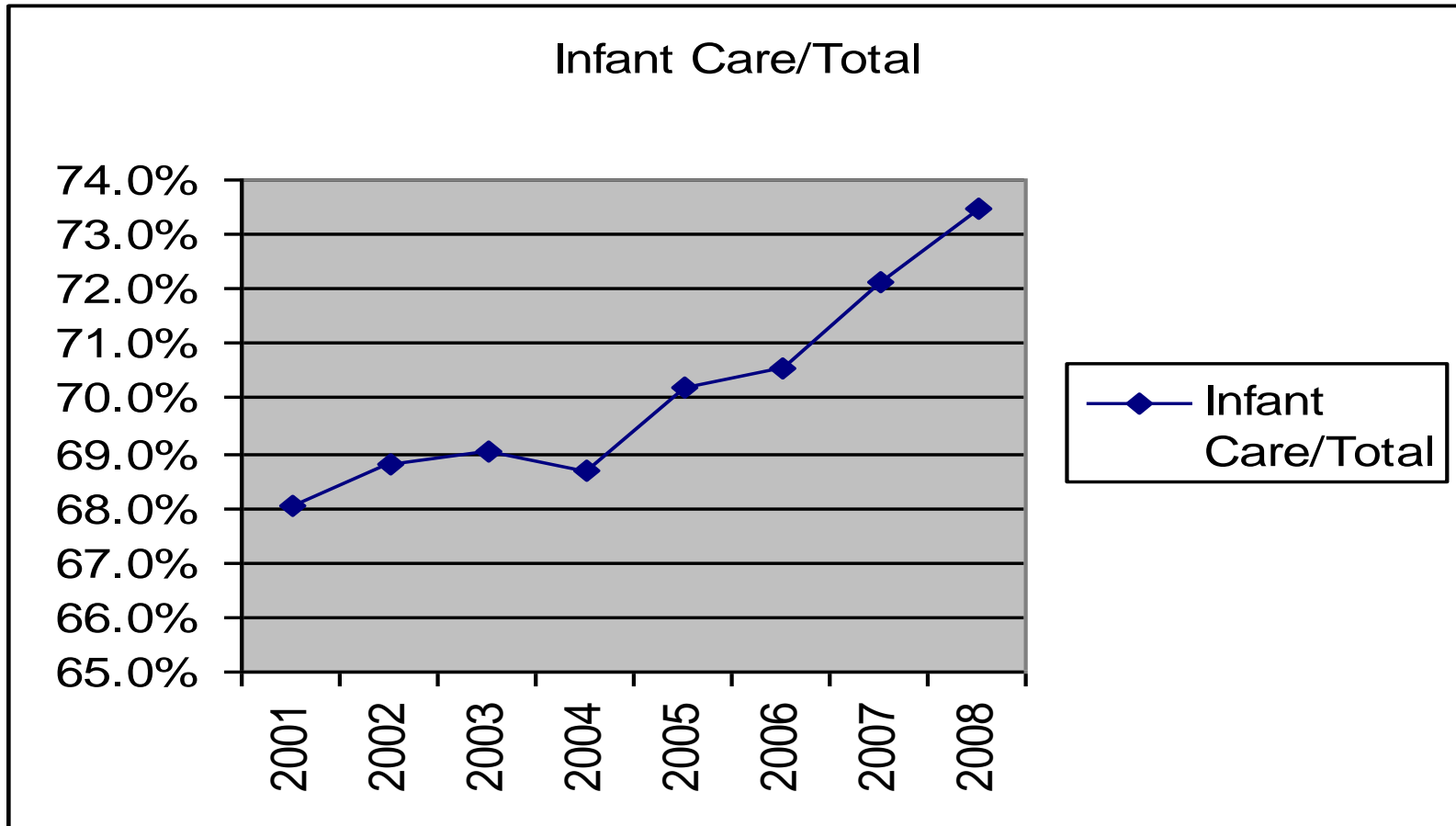
Medicaid Expenditures - Births

Millions of Dollars

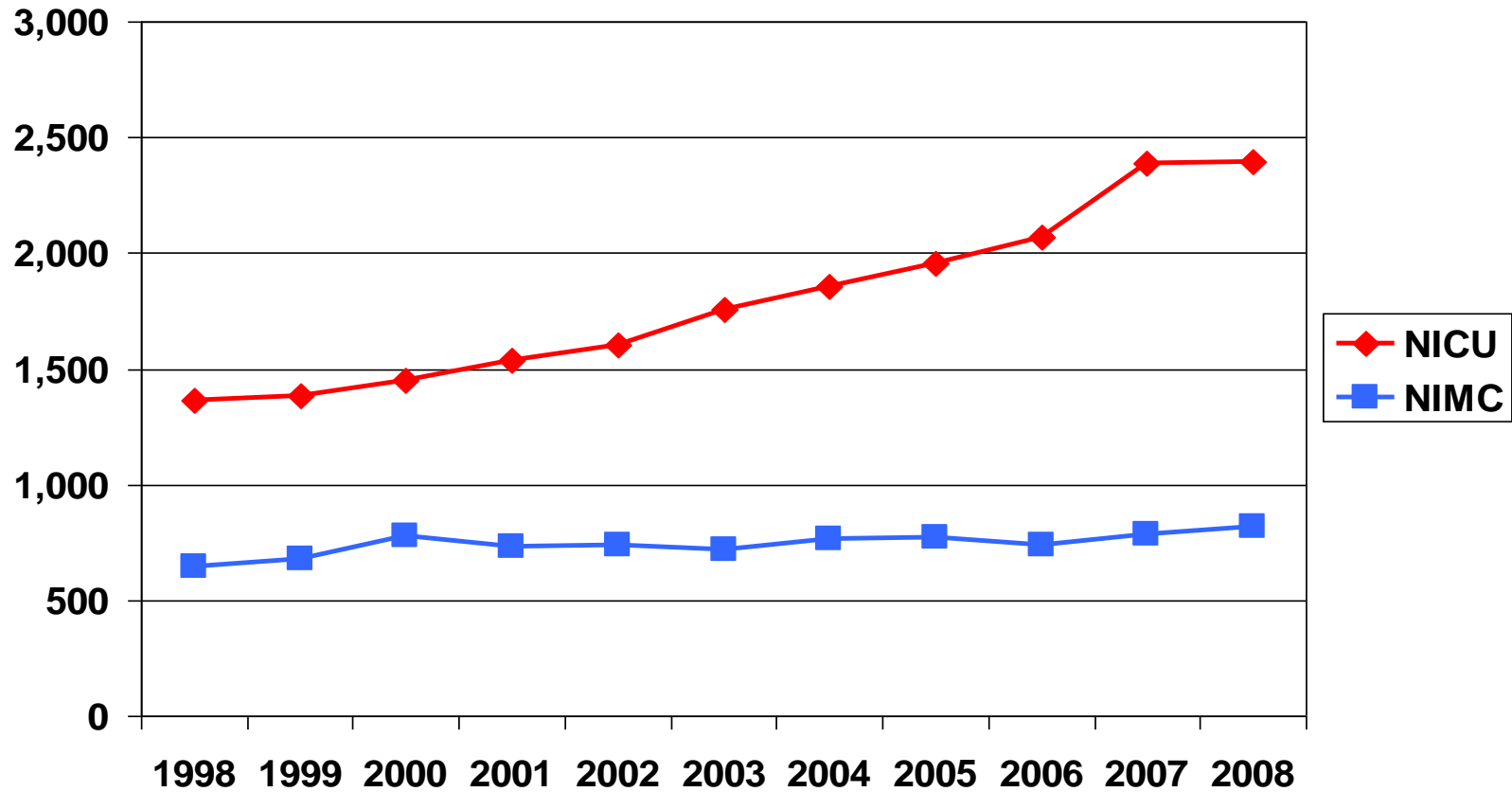


Medicaid Expenditures - Births

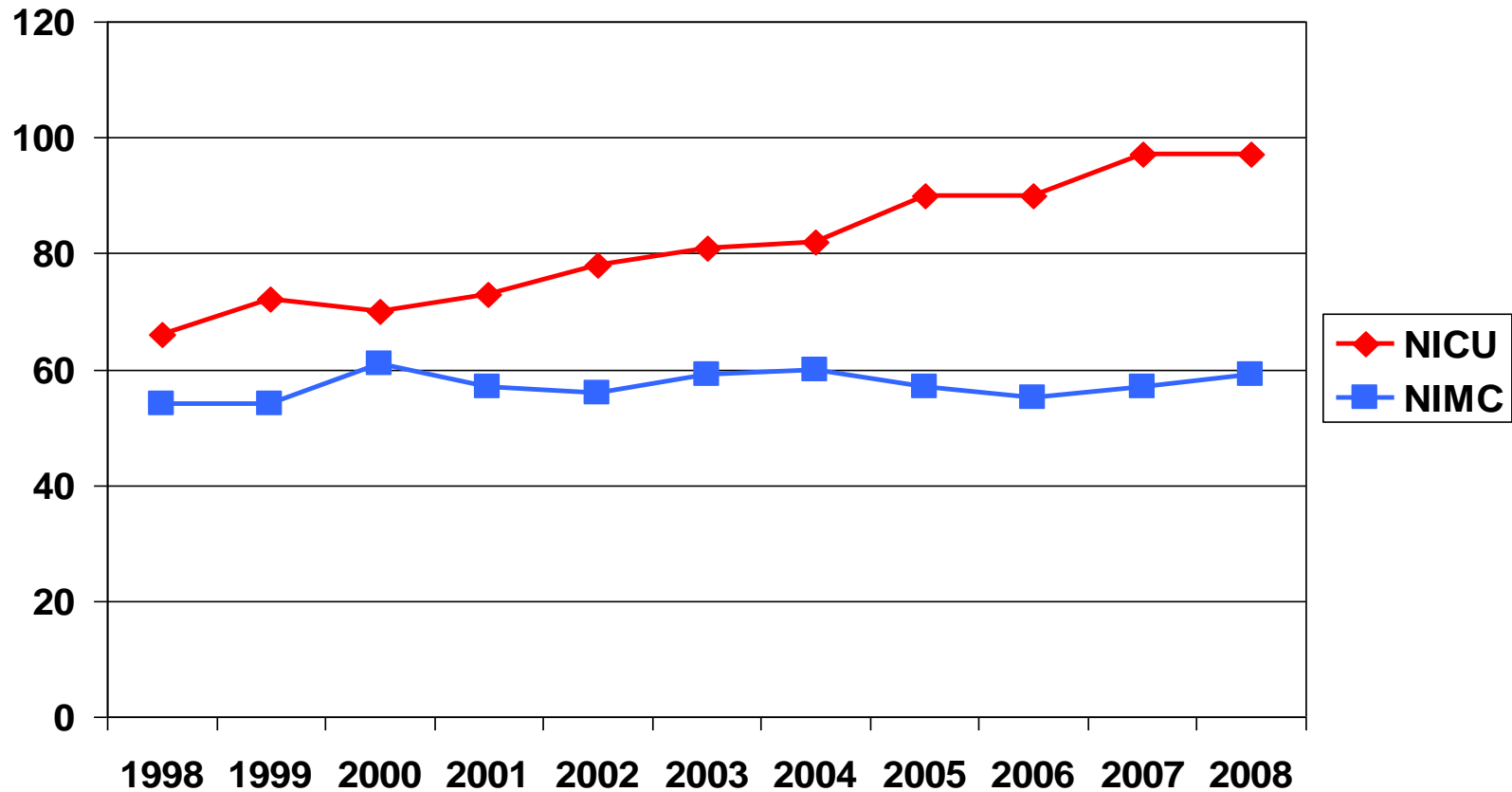
Millions of Dollars



Number of NICU and Neonatal Intermediate Care Beds



Number of Hospitals with NICU or Neonatal Intermediate Care Beds



Medicaid Delivery DRG Cost

DRG	% Claims	Avg \$ / Claim	% of Cost
370 - Cesarean Section w CC	7.0%	\$3,671	12.5%
371 - Cesarean Section wo CC	27.0%	\$2,590	33.7%
372 - Vaginal Delivery w CDx	5.0%	\$2,576	6.3%
373 - Vaginal Delivery wo CDx	53.7%	\$1,655	42.9%
374 - Vaginal Del w Steril &/or D&C	7.3%	\$1,297	4.5%
375 - Vaginal Del w OR Proc exc Steril &/or D&C	0.0%	\$3,372	0.0%

Medicaid Newborn DRG Cost

DRG	% Claims	Avg \$ / Claim	% of Cost
385 – Neonate Died or Trans	2.1%	\$9,272	7.9%
386 – Extreme Immaturity	2.0%	\$63,124	51.3%
387 – Prematurity w Major Problems	1.5%	\$17,270	10.8%
388 – Prematurity wo Major Prob	3.4%	\$3,368	4.8%
389 – Full Term Neonate w Major Problems	3.4%	\$5,176	7.3%
390 – Neonate w Other Significant Problems	11.0%	\$1,166	5.3%
391 – Normal Newborn	76.5%	\$404	12.7% ¹⁹

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.

-
- 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>