April 8, 2024

SUMMARY - REQUESTED AMENDMENTS to the Fiscal Year (FY) 24-25 Department of Health and Human Services (DHHS) Budget

- Require Michigan Medicaid reimburse Licensed Midwives (LMs) and Certified Nurse-Midwives (CNMs)
- Require Michigan Medicaid reimburse birth centers**,** with the provision that funding take place if policy pieces are signed into law
- Urge DHHS to apply to the CMS/HHS "Transforming Maternal Health (TMaH) Model" grant and increase access to midwifery care

Chair Morse, and Members, House Appropriations Subcommittee on Health and Human Services, thank you for the opportunity to present the following suggested amendments to the Fiscal Year 2024-25 DHHS budget.

My name is Nicole White, and I am joined today by Leseliey Welch and Cassy Jones-Mcbryde We represent MI State of Birth Justice and Birth Detroit. MI State of Birth Justice is a community coalition of Birth Justice advocates across the state working to address structural inequities, improve perinatal health and increase access to midwives in Michigan. Birth Detroit is building a first of its kind Black-led birth center and was founded with a profound commitment to addressing the disparities in maternal healthcare access and outcomes, particularly affecting Black mothers and families.

We all want healthy outcomes for birthing families. BUT Michigan is experiencing a crisis in access to maternal health care and a crisis in perinatal health outcomes for people of color.

In Michigan, 30% of counties are considered “maternal health deserts” that lack access to obstetric care.The United States has the highest maternal mortality rate of any developed country and the maternal mortality rate is higher than it has been in decades.The United States is also the only developed country to see maternal mortality rates rising.

Michigan has invested millions of dollars on this issue in recent years with little improvement in racial disparities in outcomes. Black Women are still 4- 5 times more likely to die than their white counterparts and Black infants are 3-4 times more likely to die than their white counterparts. The good news is that midwives are proven to reduce racial disparities.

Midwives also save money. On average, the cost of low-risk childbirth with midwives is $2,262 less than low-risk childbirth managed by obstetricians. Cost differences derive from lower rates of medical intervention, including cesarean section, and lower rates of low birth weight and preterm birth. . Financial feasibility studies show that if midwives led care for 20% of births,savings would reach $4 billion by 2027.

Midwives are safe. The World Health Organization (WHO) says midwives are the answer, and recommends midwives as the number one worldwide solution to reducing maternal mortality.

Unfortunately, Michigan has implemented policies that block women’s access to midwifery care.

Quote: “Michigan is a state that has worked hard not to incorporate midwifery care into its healthcare landscape. Not only has it failed to extend Medicaid coverage to birth center and home birth midwives, but it has excluded birth centers and home births from its ACA benchmark plan so that private insurance cannot be forced to cover those births.”

In Michigan, midwives are explicitly excluded from:

- Our Medicaid State Plan.
  Detail: Michigan is one of only nine states that do not license birth centers. 20 states reimburse credentialed midwives in every setting: home birth, birth center birth and hospital birth.

- Our ACA-required Benchmark Plan.
  Detail: Michigan's benchmark plan reveals our state is:
  - One of six states that explicitly excludes mandatory coverage of home birth
  - The only state that explicitly excludes mandatory coverage of birth centers

Our 3 asks of the House and Senate Appropriations Subcommittees on DHHS:
- Require reimbursement of Licensed Midwives (LMs) and Certified Nurse-Midwives (CNMs) in Michigan's Medicaid program
- Require Michigan Medicaid reimburse birth centers**,** with the provision that funding take place if policy pieces are signed into law
- Urge DHHS to apply to the CMS/HHS "Transforming Maternal Health (TMaH) Model" grant

Thank you so much for allowing us to speak to you today. Leseliey, Cassy, and I would be happy to answer any questions you might have at this time.

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Attached please find:
- Birth Center FAQ, Birth Detroit
- Midwife FAQ, MI State of Birth Justice
- Map Birth Center, MI State of Birth Justice
- Midwife Medicaid Reimbursement Policies by State, NASHP
- More midwife-led care could generate cost savings and health improvements, Policy Brief, School of Public Health, University of Minnesota

Boilerplate additions

#1 *Requirement for Medicaid to cover LMs and CNMs*

Ensure that enrollees described in subdivision (a), who require perinatal or newborn care, have access to a perinatal or newborn care practitioner who is licensed, registered, or otherwise authorized to engage in his or her health care profession in this state and to offer perinatal and newborn care. These providers include physicians, Certified NurseMidwives, and Licensed Midwives, whether care is provided in hospital, birth center or home settings. The department shall monitor and track contracted health plans for compliance in this area and consider that compliance in any health plan incentive programs. An eligible individual may receive gynecological or perinatal care services in a hospital, a medical care facility, a midwifery care facility, birthing center, or the individual's home, performed by a physician, Certified Nurse-Midwife, or Licensed Midwife acting within the scope of their license or specialty certification.

A Certified Nurse-Midwife or Licensed Midwife who provides gynecological or perinatal services shall receive the same rate as a physician licensed under article 15 of the public health code, 1978 PA 368, MCL 333.17001 to 333.17097 and 333.17501 to 333.17556 for performing the same health care service or procedure. The director shall seek federal approval to amend the Medicaid State Plan, if necessary to adjust rates of reimbursement in accordance with this section.

The department shall reimburse all eligible providers that provide perinatal or gynecological health care services within the scope of the provider's practice in a manner that:

- Promotes high-quality, cost-effective, and evidence-based care;
- Promotes high-value, evidence-based payment models; and
- Prevents risk in subsequent pregnancies.

The director shall seek federal approval to amend the Medicaid State Plan to add midwives to the list of medical assistance services and providers under§ 1905(a) of the Social Security Act (42 USC 1396d(a)). Once such an amendment has been approved, § 1932(b)(7) of the Social Security Act forbids managed care organizations participating in Medicaid from discriminating against any Medicaid provider authorized by the state.

#2 Birth Center coverage, provisional upon the policy being signed into law.

Provide for a mandatory licensing regime for freestanding birth centers (FBCs), defined as a facility under the Public Health Code that provides midwifery care for normal deliveries, well-person reproductive and sexual health care, extended postpartum care, and newborn care. FBCs are required to promote physiologic birth, defined as labor and birth that are powered by innate human capacity, including the endogenous hormone systems of pregnant people and their fetuses.

Note: A birth center affiliated or owned by a hospital or freestanding surgical outpatient facility is not included in this definition, regardless of the location of the birth center. Such a facility may continue to be referred to as a "birth center," but not a "freestanding birth center" and continues to be authorized to operate under its current licensing regime.

DHHS, in consultation with FBC operators, midwifery professional boards and associations, and an organization representing consumers, must promulgate rules to establish the following:

1. A professionally recognized standard of practice based on standards issued by two national midwifery associations and one national birth center association, and
2. Limiting factors in a patient that would preclude a delivery at an FBC.

The Department is permitted to promulgate additional rules on matters required for the implementation of the licensing regime, including the following:

- Requirement that an FBC develop a plan to identify needs caused by patients' social determinants of health and appropriate referral of patients to support services,
- Requirement that an FBC develop a written policies and procedures for the FBC's operations,
- Requirement that an FBC ensures that services are provided in a community setting with adequate space for furnishings, equipment, supplies, and accommodations for patients and their families,
- Requirement that patients be notified whether each provider in the FBC carries or does not carry a malpractice liability insurance policy.

The Department is responsible for providing customer service, pre-licensure support, and application processing, as well as maintaining licensing records. The annual licensing fee for an FBC is $500.

Once FBC licensing is in place, the Social Security Act requires Medicaid reimbursement of both professional fees and facility fees for care given in FBCs.

An FBC is not subject to Certificate of Need approval.

DHHS must alter the birth certificate to include designations for births that take place in homes or FBCs.