

Ohio Legislative Service Commission

Office of Research and Drafting Legislative Budget Office



Version: In House Insurance

Primary Sponsors: Reps. Hicks-Hudson and Crawley

Local Impact Statement Procedure Required: No

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Highlights

- The bill requires Medicaid to cover doula services for women during pregnancy and childbirth, with a maximum Medicaid payment per pregnancy of \$2,500 for doula services at an estimated total cost of \$14.0 million all funds. In addition, it is possible that the utilization of doula services could result in better birth outcomes, which could lead to savings.
- The bill establishes the Ohio Doula Advisory Board and requires the Ohio Department of Medicaid (ODM) to provide any necessary staff or technical assistance to the Board and to adopt rules to implement the bill. This could result in administrative costs to ODM.

Detailed Analysis

The bill requires the Medicaid Program to cover doula services when provided by a doula that has a valid provider agreement and meets specified requirements. The bill specifies that Medicaid payments for doula services are to be determined on the basis of each pregnancy. However, the total of all Medicaid payments for doula services for each pregnancy cannot exceed \$2,500, regardless of whether the pregnancy involves multiple births. In addition, the bill establishes within the Ohio Department of Medicaid (ODM), the Ohio Doula Advisory Board consisting of 13 to 15 members. The bill specifies that members are not to receive compensation or reimbursements for their duties. In addition, the bill specifies the duties of the Board, which includes establishing a state doula registry. ODM is to provide any necessary meeting space, staff services, and other technical assistance to the Board.

With approximately 70,000 Medicaid births per year, costs would amount to approximately \$14.0 million per year, all funds. Other states have submitted Medicaid state plan amendments to the U.S. Centers for Medicare and Medicaid Services and received approval to allow for reimbursements for doula services.¹ Assuming Ohio also received approval, the federal government would likely reimburse about 63% (\$8.8 million) of these costs. In addition, some studies have indicated that the use of a doula could result in better birth outcomes, such as fewer preterm and low birth weight infants, and reductions in cesarean sections. If this occurs, the state would realize a savings in associated costs.² Lastly, ODM will realize an increase in administrative costs to promulgate rules and to possibly provide staff services and technical assistance to the Ohio Doula Advisory Board.

Synopsis of Fiscal Effect Changes

The substitute bill (I_133_2248-1) changes the maximum Medicaid payment amount for doula services to \$2,500 for each pregnancy. Under the As Introduced version of the bill, the cap was \$1,500. This will increase Medicaid costs. The Ohio Department of Medicaid (ODM) had anticipated a cost of \$8.4 million all funds for the As Introduced version. LBO staff anticipates costs of \$14.0 million all funds under the substitute bill (using ODM's original estimate and the raised cap of \$2,500).

In addition, the substitute bill established within ODM the Ohio Doula Advisory Board and requires ODM to provide technical assistance, staff services, and meeting space required by the Board. The substitute bill specifies that members will not be compensated or reimbursed for services and specifies the Board's duties. One of the duties is to create the doula registry. Under the As Introduced version of the bill, the Medicaid Director created the registry as the Ohio Doula Advisory Board was not established in this version. The fiscal impact will likely be a minimal increase in administrative costs under both versions of the bill. Under the substitute bill, the costs would be to provide technical assistance and staff services for the Board. Under the As Introduced version, the cost would have been to create the registry.

The substitute bill makes other changes, including changes to doula certification and training. These are anticipated to have no discernable fiscal impact.

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¹ According to a January 2020 article from the Maternal Health Task Force at the Harvard Chan School, three states currently have passed legislation allowing for Medicaid reimbursement for doula services: Indiana, Oregon, and Minnesota. Oregon and Minnesota have submitted Medicaid state plan amendments to the U.S. Centers for Medicare and Medicaid Services and been granted approval. In addition, while New York has not yet passed legislation, the state has launched a pilot program for Medicaid enrollees to access doula services in certain areas https://www.mhtf.org/2020/01/08/expanding-access-to-doula-care/.

² https://www.astho.org/StatePublicHealth/State-Policy-Approaches-to-Incorporating-Doula-Servicesinto-Maternal-Care/08-09-18/.