

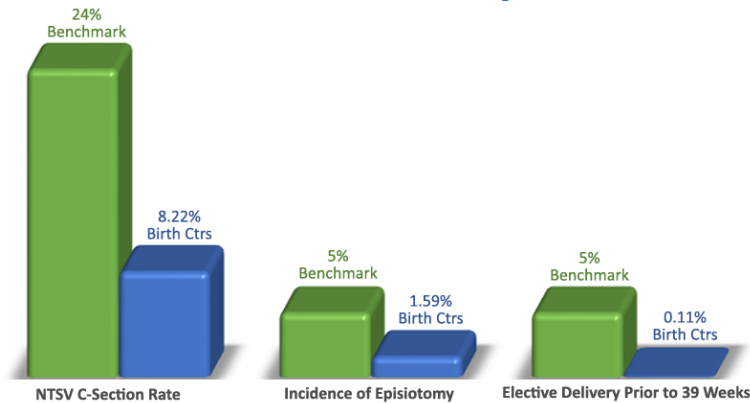
# Supporting Midwife-led Independent Birth Centers Makes Sense

## Independent Birth Centers offer “Low Hanging Fruit” to Increase Value for Employers

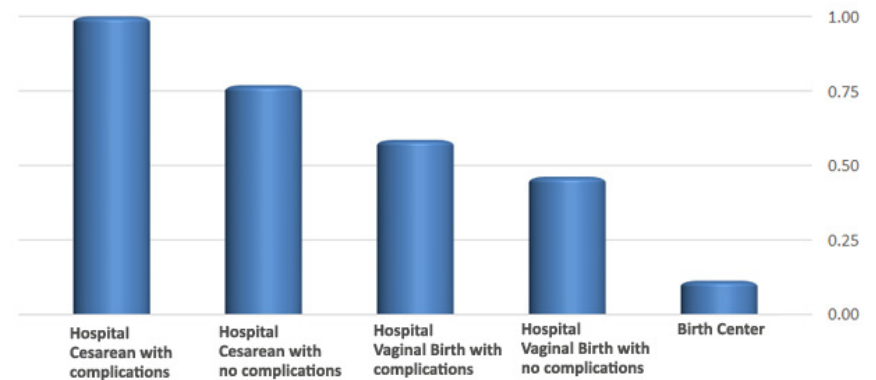
- ✓ Childbirth is the single largest hospital expense for employers<sup>1</sup>
- ✓ Hospitals report tremendous variation in maternal cost, quality and outcomes<sup>2</sup>
- ✓ Maternity outcomes worsen with more interventions<sup>3</sup>
- ✓ Midwife-led, independent birth centers produced better outcomes than hospitals on all quality measures for low risk moms in 2015 (see chart below)

- ✓ One in three women still deliver by c-section in the hospital. Rates rose from 21% in 1996 to 33% in 2011 with no decrease in maternal or neonatal morbidity or mortality<sup>4</sup>
- ✓ Birth centers’ average c-section rate is 6% vs. the U.S. average of 24% for the same low-risk moms in the hospital setting<sup>5,6</sup>
- ✓ The World Health Organization recommends a c-section rate of 15%<sup>7</sup>
- ✓ National average charges are \$9,248 lower per birth at birth centers<sup>8,9</sup>

## Birth Centers Exceed Quality Benchmarks<sup>6,10,11</sup>



## Birth Center Facility Fees are Less<sup>12,13</sup>



## The Birth Center Business is Maturing

- ✓ Independent birth centers offer a safe, alternative choice, “in-between” home and hospital; a facility designed to support natural labor and delivery, supported by highly trained midwives and skilled staff, offering a family-centered, relaxed, calm, non-institutional experience
- ✓ Birth centers are recognized as a basic level of maternity care in the newly defined (2015) Levels of Maternal Care by the American College of Obstetrician & Gynecologists (ACOG) and the Society for Maternal-Fetal Medicine (SMFM)<sup>14</sup>
- ✓ The number of independent birth centers has grown 62% since 2010 due to increased demand from more informed and connected Millennials<sup>15</sup>
- ✓ The number of midwife-attended births is increasing steadily and in 2013 was 9% of all births in the U.S.<sup>16,17</sup>
- ✓ 82% of states license birth centers.<sup>18</sup> State and federal policymakers show a growing interest in the birth center model to improve maternity care outcomes<sup>19</sup>
- ✓ The Affordable Care Act (ACA) includes several provisions supporting midwives and birth centers<sup>20</sup>
- ✓ The number of birth centers seeking and obtaining accreditation by the Commission for the Accreditation of Birth Centers (CABC) has grown from 45, five years ago, to 105 today<sup>21</sup>
- ✓ Private equity firms, physicians and midwives are investing in birth centers and see it as a growth industry

# Payers and Employers Can Realize the Benefits of Increasing the Use of Birth Centers

By increasing the number of births at independent, midwife-led birth centers, payers and employers can realize cost savings from 1) reducing the number of c-sections, 2) reducing costs of normal deliveries, and 3) reducing complications after delivery for both the mom and baby. To realize this opportunity, payers should:

1. Establish uniform national policies and procedures for birth center contracting, benefit plan design, wellness programs and member communications
2. Assure access for members, nationally and regionally, by contracting with licensed, accredited, independent birth centers
3. Reimburse birth centers at sustainable rates that both support their costs and provide capital to grow, innovate, and enhance services
4. Offer benefit packages with enhanced coverage for birth centers
5. Include information about birth centers as a choice in wellness programs, maternity, and childbirth education
6. Report birth center costs and quality on member transparency tools and websites
7. Publicize the addition of birth centers to employers with high maternity costs, who in turn can promote them to their members

## For more information contact:

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<sup>1</sup> "The Cost of Having a Baby in the United States," *Truven Health Analytics*, January 2013. Available at: <http://transform.childbirthconnection.org/reports/cost/>

<sup>2</sup> Kozhimannil KB, Arcaya MC, Subramanian SV (2014) Maternal Clinical Diagnoses and Hospital Variation in the Risk of Cesarean Delivery: Analyses of a National US Hospital Discharge Database. *PLoS Med* 11(10): e1001745. doi:10.1371/journal.pmed.1001745

<sup>3</sup> Shah, N. (2015). A NICE Delivery — The Cross-Atlantic Divide over Treatment Intensity in Childbirth. *New England Journal of Medicine*, 372, 2181-2183. Available at <http://www.nejm.org/doi/full/10.1056/NEJMp1501461#t=article>

<sup>4</sup> American College of Obstetricians and Gynecologists (2014) "Obstetric Care Consensus: Safe Prevention of the Primary Cesarean Delivery," *Obstet Gynecol* 123:693-711. Available at <http://www.acog.org/-/media/Obstetric-Care-Consensus-Series/oc001.pdf?dmc=1&ts=20151106T1552375369>

<sup>5</sup> Menacker F. (2005) Trends in cesarean rates for first births and repeat cesarean rates for low-risk women: United States, 1990–2003. National vital statistics reports; vol 54 no 4. Hyattsville, MD: National Center for Health Statistics. Available at [http://www.cdc.gov/nchs/data/nvsr/nvsr54/nvsr54\\_04.pdf](http://www.cdc.gov/nchs/data/nvsr/nvsr54/nvsr54_04.pdf)

<sup>6</sup> Stapleton, S., Osborne, C., & Illuzzi, J. (2013). Outcomes of Care in Birth Centers: Demonstration of a Durable Model. *Journal of Midwifery & Women's Health*, 58(1), 3-14. Available at <http://onlinelibrary.wiley.com/doi/10.1111/jmwh.12003/full>

<sup>7</sup> World Health Organization. (2015) WHO Statement on Caesarean Section Rates. Available at [http://apps.who.int/iris/bitstream/10665/161442/1/WHO\\_RHR\\_15.02\\_eng.pdf?ua=1](http://apps.who.int/iris/bitstream/10665/161442/1/WHO_RHR_15.02_eng.pdf?ua=1)

<sup>8</sup> U.S. Agency for Healthcare Research and Quality, HCUPnet, Healthcare Cost and Utilization Project. Rockville, MD: AHRQ. Available at: <http://hcupnet.ahrq.gov/>

<sup>9</sup> American Association of Birth Centers, Practice Profile Data from AABC Perinatal Data Registry, Perkiomenville, PA. Unpublished data. Retrieved October 15, 2015.

<sup>10</sup> Fact Sheet: Maternity Care. (2015, April 1). Retrieved November 11, 2015, from <https://leapfroghospitalsurvey.org/web/wp-content/uploads/FSmaternity.pdf>

<sup>11</sup> American Association of Birth Centers, Birth Center Outcome Data from AABC Perinatal Data Registry, Perkiomenville, PA. Unpublished data. Retrieved November 8, 2015.

<sup>12</sup> U.S. Agency for Healthcare Research and Quality, HCUPnet, Healthcare Cost and Utilization Project. Rockville, MD: AHRQ. Available at: <http://hcupnet.ahrq.gov/>

<sup>13</sup> American Association of Birth Centers, Practice Profile Data from AABC Perinatal Data Registry, Perkiomenville, PA. Unpublished data. Retrieved October 15, 2015.

<sup>14</sup> Levels of maternal care. Obstetric Care Consensus No. 2. (2015) American College of Obstetricians and Gynecologists. *Obstet Gynecol* 2015;125:502–15

<sup>15</sup> American Association of Birth Centers. (n.d.). Retrieved November 11, 2015, from <http://www.birthcenters.org>

<sup>16</sup> Joyce A. Martin. Natl Vital Stat Rep. 2015;64:1. Available at [http://www.cdc.gov/nchs/data/nvsr/nvsr64/nvsr64\\_01.pdf](http://www.cdc.gov/nchs/data/nvsr/nvsr64/nvsr64_01.pdf)

<sup>17</sup> Joyce A. Martin. Natl Vital Stat Rep. 2012;61:1. [http://www.cdc.gov/nchs/data/nvsr/nvsr61/nvsr61\\_01.pdf](http://www.cdc.gov/nchs/data/nvsr/nvsr61/nvsr61_01.pdf)

<sup>18</sup> Birth Centers Regulations. (n.d.). Retrieved November 11, 2015, from [http://www.birthcenters.org/?page=bc\\_regulations](http://www.birthcenters.org/?page=bc_regulations)

<sup>19</sup> Conway, P. (2015, May 5). Strong Start for Mothers and Newborns II First Annual Evaluation Report. Retrieved November 11, 2015, from <http://blog.cms.gov/2015/05/05/strong-start-for-mothers-and-newborns-ii-first-annual-evaluation-report/>

<sup>20</sup> United States Government. Social Security Act. 42 USC § 1396a(a)(10)(A)

<sup>21</sup> The Commission for the Accreditation of Birth Centers. <http://www.birthcenteraccreditation.org>.