

Expanding Medicaid Will Benefit Both Low-Income Women and Their Babies

April 17, 2013

Nearly 6 million women between the ages of 19 and 44 who do not have insurance could gain health coverage if all states expand their Medicaid programs in 2014 under health reform.

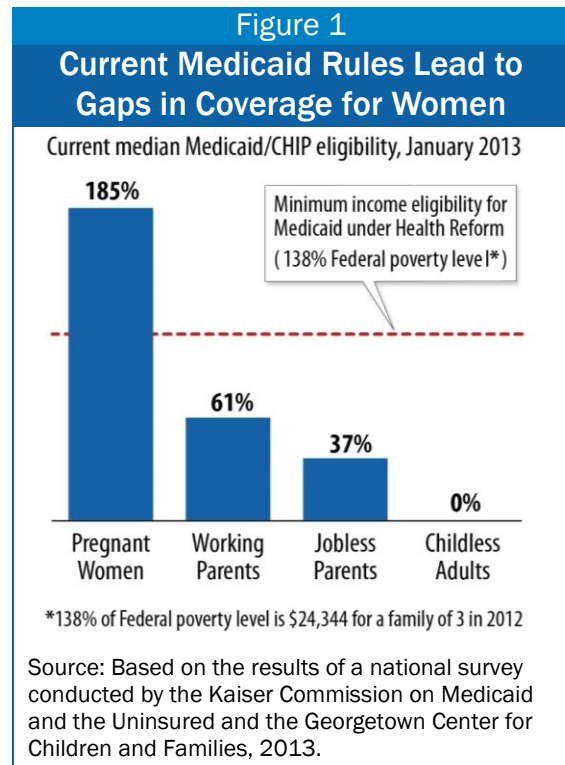
When women have health coverage before becoming pregnant as well as between pregnancies, they are healthier during pregnancy and their babies are more likely to be healthy at birth, research shows. Yet today, millions of low-income women do not have access to continuous health coverage. Instead, under current eligibility rules, many women become eligible for Medicaid only when they become pregnant, and then lose that coverage soon after giving birth.

Current Medicaid Rules Do Not Ensure Continuous Care for Women

Medicaid plays a central role in maternity services, covering more than 40 percent of births nationwide and more than 60 percent of births in Arkansas, Louisiana, Mississippi, South Carolina, Texas, and West Virginia.¹ Medicaid also covers 53 percent of hospital stays for infants born prematurely or with a low birth weight, and 45 percent of hospital stays due to birth defects.²

However, many low-income women are only eligible for Medicaid *while* they are pregnant and for a short period of time afterwards under current Medicaid eligibility rules. In the typical state, women with family incomes up to 185 percent of the poverty line (about \$21,000 a year for an individual and \$36,000 for a family of three) are eligible for Medicaid when they are pregnant and for 60 days after giving birth.

Eligibility levels are much lower for women who are not pregnant: in the typical state, working parents are only eligible for Medicaid if their incomes are below 61 percent of the poverty line (about \$11,900 for a family of three), and jobless parents must have incomes below 37 percent of the poverty line (about \$7,200 a year for a family of three). In most states, Medicaid coverage is not available at all to adults without children (see Figure 1).



¹ Adam Sonfield, et al., "The Public Costs of Births Resulting from Unintended Pregnancies: National and State-Level Estimates," *Perspectives on Sexual and Reproductive Health*, June 2011.

² Cynthia Pellegrini and Nicole Garro, "Medicaid Expansion: Benefits for Women of Childbearing Age And Their Children," *Health Affairs Blog*, February 22, 2013. Accessed at <http://healthaffairs.org/blog/2013/02/22/medicaid-expansion-benefits-for-women-of-childbearing-age-and-their-children/>.

Medicaid Coverage for Women Leads to Better Outcomes and Saves States Money

The Affordable Care Act (ACA) allows states to expand Medicaid to cover most low-income adults with family incomes below 138 percent of the poverty line.³

Expanding Medicaid would provide health coverage to low-income women irrespective of whether they are pregnant, resulting in better outcomes for both the women who gain coverage *and* the children they have in the future. Health coverage during the period before pregnancy allows women to receive preventive care like regular doctor visits, birth control, information about making healthy food choices, tobacco cessation programs, and substance abuse services that decreases their own health risks and makes it more likely that their babies will be born healthy if and when they become pregnant. For example, research shows that prenatal care for high-risk pregnant women reduces the incidence of costly premature births.⁴

During the period between the birth of one child and the conception of another, health insurance coverage gives women access to care that can improve the outcomes of subsequent pregnancies. This can include treatment for diabetes and hypertension, clinical interventions focused on combating family violence, depression, and stress, and other forms of parental support.⁵

Because Medicaid already covers the costs of delivery for many of these low-income women – and for the care of their babies if they are born prematurely or with health problems – giving them access to care before and between pregnancies can lower Medicaid costs. Studies have found that states that cover family planning services have saved tens of millions of Medicaid dollars by giving women access to services that allow them to better space out and plan the timing of their pregnancies.⁶ In addition, eliminating gaps in coverage could also reduce state administrative costs because they would no longer have to process enrollment and disenrollment for women who move on and off Medicaid coverage based on pregnancy.

The Medicaid expansion is therefore a vital opportunity for states to close gaps in the health coverage of low-income women, many of whom can only gain coverage when they are pregnant under current eligibility rules. Ensuring continuous coverage would improve the health of women and their babies, which would lower Medicaid costs related to delivery and postnatal care.

³ The ACA raises Medicaid eligibility for most adults to 133 percent of the federal poverty line, but since states must apply a standard income disregard equal to 5 percent of the poverty line, the effective income eligibility level is 138 percent of the poverty line.

⁴ E. Albert Reece, et al., “Intensive Interventional Maternity Care Reduces Infant Morbidity and Hospital Costs,” *Journal of Maternal-Fetal and Neonatal Medicine*, 2002, Volume 11.

⁵ Michael C. Lu, et al., “Preconception Care Between Pregnancies: The Content of Internatal Care,” *Maternal and Child Health Journal*, July 2006.

⁶ Jennifer Edwards, Janet Bronstein, and Kathleen Adams, “Evaluation of Medicaid Family Planning Demonstrations,” CNA Corporation, 2003.