NATIONAL HEALTH LAW PROGRAM

Protect Medi-Cal Funding Series
Pregnant Women's Health Care in California
Issue Brief #11 in a 12-Part Series

Medi-Cal provides a long-term investment in the health of Californians. Medi-Cal coverage and services are tailored to meet the unique needs of low-income Californians and families, but still costs less per enrollee than employer-based insurance.[1] While the Senate GOP efforts to repeal the Affordable Care Act (ACA) were defeated in the early morning hours last Friday, July 28, advocates should remain on alert for continuing efforts to erode the ACA and scale back Medicaid funding through other means, such as budget proposals and even additional proposed legislation. The various health care related and Affordable Care Act (ACA) repeal bills that had been under consideration by Congress would have seriously jeopardized the health and financial security of more than 13 million Californians—one third of the state's residents—who rely on Medi-Cal each year.[2] For example, California estimated the Senate's Better Care Reconciliation Act (BCRA) if passed, would have cost the state more than $30 billion over the next ten years.[3] Meanwhile, the proposed federal budget released by the administration further eviscerates funding for Medicaid. This issue brief explains why Medi-Cal is critical for pregnant women and how they would be harmed by Medicaid funding cuts.

Why Medi-Cal is important for pregnant women:

- **Medi-Cal provides coverage to 2.2 million women of reproductive age.**[4] Women ages 15 and older make up over a third of all Medi-Cal enrollees, and of these 63 percent are of reproductive age.[5] Federal Medicaid law encourages states to be generous in their coverage for pregnant women. Accordingly, California provides comprehensive coverage for pregnant women, including pregnant women who are undocumented immigrants, with incomes up to 213 percent of the federal poverty level.[6] Through Medi-Cal's presumptive eligibility program, pregnant women are able to start receiving immediate, same-day coverage at registered clinics and hospitals.[7] Medi-Cal also provides comprehensive abortion care for women who want to end their pregnancies.

- **Medi-Cal helps ensure positive maternal health outcomes.** Medi-Cal ensures that women of reproductive age have access to preconception care to help those who plan to become pregnant become healthy before their pregnancies. Such services include screening and treatment for sexually transmitted infections; counseling and treatment for smoking, alcohol, and substance use; and treatment for chronic diseases such as diabetes, heart disease, obesity, and oral health problems.[8] For women who become pregnant and choose to continue

their pregnancies, Medi-Cal provides comprehensive care, including prenatal care, labor and delivery, and prenatal screenings to help detect chromosome abnormalities, genetic disorders, and birth defects.[9] Acknowledging that women whose pregnancies have ended may still need health care related to their pregnancies, Medi-Cal pregnancy coverage continues through a postpartum period of at least 60 days.[10] Finally, Medi-Cal also provides interconception care through access to family planning services that allow women to space out their pregnancies, which leads to improved outcomes for women who later choose to become pregnant.[11]

- **Medi-Cal helps ensure positive child health outcomes.** Medi-Cal finances half of all births in California.[12] Medi-Cal provides immediate coverage for infants born to women who are active on Medi-Cal by automatically deeming those infants eligible, enrolling them in the program, and maintaining their eligibility until the infant's first birthday.[13] Nationally, research has shown that early access to Medicaid coverage during childhood results in better long term health and achievement for children as they grow into adulthood.[14] Medi-Cal also provides pregnant women with an enhanced range of nutrition, health education, and psychosocial services through the state's Comprehensive Perinatal Services Program.[15] Access to these services and other prenatal care during pregnancy can help reduce the risk of future health complications for infants, such as low birth weight, fetal alcohol spectrum disorders, and neural tube defects.[16] Increased health coverage of parents, including Medi-Cal coverage, corresponds to increased rates of health coverage for their children.[17]

How funding cuts would harm pregnant women:

- **Funding cuts threaten the coverage of millions of pregnant women.** Both the bill passed earlier by the House and the Senate's failed BCRA would have decimated Medicaid funding. BCRA would have cut federal Medicaid spending by $772 billion over ten years and radically restructured Medicaid into a per capita cap program.[18] This restructuring would shift the costs to California to the tune of nearly $3 billion in 2020, rising to an annual shift of $30.3 billion by 2027.[19] The cost shift would have worsened over time because under per capita caps, the per-person federal funding allocation will likely increase more slowly than actual health care costs. Faced with an ever-widening resource gap, the state may have been forced to scale back its more generous income eligibility limits for pregnant women, or discontinue coverage for pregnant women who are undocumented immigrants.

- **Funding cuts might lead California to reduce critical services for pregnant women.** Faced with an underfunded Medi-Cal budget, California may have

reduced the services available to pregnant women. For example, the state could have tried to roll back the enhanced services it currently provides through the Comprehensive Perinatal Services Program.

- **Cutting off Planned Parenthood as a Medi-Cal provider.** In addition to proposed funding cuts to Medicaid, BCRA also contained a specific provision that prevented Planned Parenthood from participating in the Medicaid program for one year. Without additional state funds, this provision would have prevented pregnant Medi-Cal enrollees from seeing their provider of choice for essential pregnancy-related care including prenatal visits, tests and treatment for sexually transmitted infections, and abortion care. In California, Planned Parenthood serves an estimated 850,000 men and women each year at 110 health clinics throughout the state.[20] While the Senate Parliamentarian ruled on July 21 that this provision violated the so-called Byrd Rule – meaning that if the Senate proceeds with a vote the provision would be struck absent 60 votes – the provision was subsequently rewritten and added to the new Senate "Skinny Bill" on July 27, 2017 so as to survive a Byrd challenge.[21] While congressional repeal efforts have been temporarily stymied, health advocates must remain vigilant against the continued threats that appear likely from the federal administration and congressional leadership.

ENDNOTES

[1] *See* TERESA COUGHLIN ET AL., KAISER COMM'N ON MEDICAID & THE UNINSURED, WHAT DIFFERENCE DOES MEDICAID MAKE? 4, 7 (2013), http://kaiserfamilyfoundation.files.wordpress.com/2013/05/8440-what-difference-does-medicaid-make2.pdf (Nationally, employer-based coverage would cost 28% more than covering the same individual with Medicaid).
[2] CAL. DEP'T HEALTH CARE SERVS., MEDI-CAL MONTHLY ENROLLMENT FAST FACTS 1 (2017) (enrollment as of January, 2017 at nearly 13.5 Million), http://www.dhcs.ca.gov/dataandstats/statistics/Documents/Fast_Facts_January_2017_ADA.pdf.
[3] Letter from Jennifer Kent, Cal. Dep't Health Care Servs., to Diana Dooley, Cal. Dep't Health & Hum. Servs. (June 27, 2017), http://www.dhcs.ca.gov/formsandpubs/publications/opa/Pages/Better-Care-Reconciliation-Act-(BCRA)-Analysis.aspx.
[4] GUTTMACHER INSTITUTE, UNINSURED RATE AMONG WOMEN OF REPRODUCTIVE AGE HAS FALLEN MORE THAN ONE-THIRD UNDER THE AFFORDABLE CARE ACT (Nov. 2016), https://www.guttmacher.org/article/2016/11/uninsured-rate-among-women-reproductive-age-has-fallen-more-one-third-under.
[5] USHA RANJI ET AL., KAISER FAMILY FOUNDATION, MEDICAID AND FAMILY PLANNING: BACKGROUND AND IMPLICATIONS OF THE ACA, Appendix 1 (Feb. 2016), http://kff.org/report-section/medicaid-and-family-planning-appendix-1-women-with-full-medicaid-benefits-and-share-that-are-reproductive-age-by-state; KAISER COMMISSION ON MEDICAID FACTS, MEDICAID ENROLLMENT: JUNE 2011 DATA SNAPSHOT (Jun. 2012), http://kff.org/medicaid/issue-brief/medicaid-enrollment-june-2011-data-snapshot.
[6] KAISER FAMILY FOUNDATION, MEDICAID AND CHIP INCOME ELIGIBILITY LIMITS FOR PREGNANT WOMEN AS A PERCENT OF THE FEDERAL POVERTY LEVEL (Jan. 2017), http://kff.org/health-reform/state-indicator/medicaid-and-chip-income-eligibility-limits-for-pregnant-women-as-a-percent-of-the-federal-poverty-level.
[7] 42 C.F.R. § 435.1110; CAL. WELF. & INST. CODE § 14011.66; DHCS, MEDI-CAL PROVIDER MANUAL, PRESUMPTIVE ELIGIBILITY CH. at 1, http://files.medi-cal.ca.gov/pubsdoco/publications/masters-

mtp/part2/presum_m00o03p00.doc; DHCS, MEDI-CAL PROVIDER MANUAL, HOSPITAL PRESUMPTIVE ELIGIBILITY PROGRAM PROCESS CH. at 1, http://files.medi-cal.ca.gov/pubsdoco/publications/masters-mtp/part2/hospitalpresum_i00.doc.

[8] ALEXANDRA GATES ET AL.; KAISER FAMILY FOUNDATION, COVERAGE OF PREVENTIVE SERVICES FOR ADULTS IN MEDICAID (Nov. 2014), http://files.kff.org/attachment/coverage-of-preventive-services-for-adults-in-medicaid-issue-brief.

[9] CENTERS FOR MEDICARE AND MEDICAID SERVICES, STATE MEDICAID MANUAL, § 4421. See also USHA RANJ, *supra* note 4.

[10] The postpartum period extends to the end of the month in which the 60th day after the end of the pregnancy falls. 42 U.S.C. § 1396a(e)(5-6); 42 CFR §§ 435.170, 440.210(a)(3).

[11] *See, e.g.,* Maria I. Rodriguez,*et al., The Impact of Postpartum Contraception on Reducing Preterm Birth: Findings from California* 213 AM. J. OB. & GYN. 703 (2015), http://www.ajog.org/article/S0002-9378(15)00783-8/abstract; Sarah Isquick, *et al., Postpartum Contraception and Interpregnancy Intervals Among Adolescent Mothers Accessing Public Services in California*, 10 MATERN. CHILD HEALTH J. 1007 (2016), https://link.springer.com/article/10.1007/s10995-016-2164-0.

[12] KAISER FAMILY FOUNDATION, BIRTHS FINANCED BY MEDICAID (2013), http://kff.org/medicaid/state-indicator/births-financed-by-medicaid.

[13] 42 U.S.C. § 1396a(e)(4); 42 C.F.R. § 435.117.

[14] *See, e.g.,* Michel H. Boudreaux et al., *The Long-Term Impacts of Medicaid Exposure in Early Childhood: Evidence from the Program's Origin*, 45 J. HEALTH ECON. 161 (2016); SARAH MILLER ET AL., THE LONG-TERM HEALTH EFFECTS OF EARLY LIFE MEDICAID COVERAGE (2016), https://ssrn.com/abstract=2466691.

[15] CALIFORNIA DEPARTMENT OF PUBLIC HEALTH, COMPREHENSIVE PERINATAL SERVICES PROGRAM, http://www.cdph.ca.gov/programs/CPSP/Documents/Profile.CPSP.pdf.

[16] *Id.;* NATIONAL INSTITUTE OF CHILD HEALTH AND HUMAN DEVELOPMENT, WHAT IS PRENATAL CARE AND WHY IS IT IMPORTANT?, https://www.nichd.nih.gov/health/topics/pregnancy/conditioninfo/pages/prenatal-care.aspx.

[17] MARTHA HEBERLEIN ET AL., GEORGETOWN UNIV. CENTER FOR CHILDREN AND FAMILIES, MEDICAID COVERAGE FOR PARENTS UNDER THE AFFORDABLE CARE ACT (Jun. 2012), http://ccf.georgetown.edu/wp-content/uploads/2012/08/Medicaid-Coverage-for-Parents.pdf.

[18] CONG. BUDGET OFF., H.R. 1628, BETTER CARE RECONCILIATION ACT OF 2017 (June 26, 2017), https://www.cbo.gov/publication/52849.

[19] CAL. DEP'T HEALTH CARE SERVS., SUMMARY AND PRELIMINARY FISCAL ANALYSIS OF THE MEDICAID PROVISIONS IN THE BETTER CARE RECONCILIATION ACT 4 (June 27, 2017), http://www.dhcs.ca.gov/Documents/BCRA_Impact_Memo_062717.pdf.

[20] PLANNED PARENTHOOD, PLANNED PARENTHOOD STATEMENT ON GOV. BROWN'S NAMING OF REP. BECERRA TO AG POST (Dec. 2, 2016), https://www.plannedparenthood.org/about-us/newsroom/press-releases/planned-parenthood-statement-on-gov-browns-naming-of-rep-becerra-to-ag-post; PLANNED PARENTHOOD, HEALTH CENTERS IN CALIFORNIA, https://www.plannedparenthood.org/health-center/CA.

[21] Background on the Byrd Rule Decisions From the Senate Budget Committee Minority Staff (July 2017), https://www.budget.senate.gov/imo/media/doc/Background%20on%20Byrd%20Rule%20decisions_7.21%5B1%5D.pdf.