A Note on Gender

While we generally use the term “pregnant people,” we note that this fact sheet occasionally uses the term “pregnant women.” This is not intended to be exclusionary. We recognize that different categories of people, including cisgender women, transgender men, and gender non-conforming and non-binary individuals, are able to become pregnant. Accordingly, we have tried to limit the use of the term “pregnant women” to conform to statutory and regulatory language, cited research and data, or quoted statements and material.

Introduction

Medicaid helps people live healthier and more economically secure lives. It increases the diagnosis and early treatment of chronic conditions, enhances educational achievement and future earnings for covered children, reduces health care inequities, and provides comprehensive, high-quality, and cost-effective care. Medicaid coverage is tailored to the unique needs of individuals and families with low incomes, but still costs less per beneficiary than private insurance. Medicaid’s core beneficiary protections make the program work for enrolled populations, including children, parents, pregnant people, low-income workers, older adults, and people with disabilities. Despite Medicaid’s proven success and efficient use of funds, detractors repeatedly seek to cut or cap funding for the program. These proposals seriously jeopardize the health and financial security of the 91.8 million people who benefit from Medicaid and CHIP.

This fact sheet explains why Medicaid is so critical for pregnant people and how they would be harmed by Medicaid funding caps.
Why Medicaid is Important for Pregnant People

Medicaid provides coverage to 19.8 million women of reproductive age. Women ages nineteen and older make up over a third of all Medicaid beneficiaries, and of these, sixty-four percent are of reproductive age. Medicaid law encourages states to be generous in their coverage for pregnancy, and more than half provide full-scope coverage for pregnant women with incomes at least twice the federal poverty level. As of March 2023, thirty-five states and DC have also adopted or are planning to adopt Medicaid twelve-month postpartum coverage extensions, many through a state plan amendment option in the American Rescue Plan Act of 2021.

Medicaid helps ensure positive maternal health outcomes. Medicaid ensures that women of reproductive age have access to preconception care to help them become healthy before they become pregnant, through services such as 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. As of March 2023, ten states and DC actively provide Medicaid coverage for doula care, and four states are in the process of implementation. Medicaid coverage for doula care can help improve maternal and infant health outcomes and address racial inequities in health. Additionally, Medicaid covers abortion in some limited circumstances, which is also critical to ensuring positive maternal health outcomes. For women who do become pregnant and continue their pregnancies, Medicaid provides comprehensive care, including prenatal care, labor and delivery, and prenatal screenings to help detect chromosome abnormalities, genetic disorders, and birth defects. Acknowledging that women whose pregnancies have ended may continue to have ongoing health needs related to their pregnancies, Medicaid pregnancy coverage continues through a postpartum period of at least sixty days, and in over half of states, postpartum coverage is or in the process of being extended up to twelve months. Finally, by providing seventy-five percent of all publicly funded family planning services, Medicaid provides valuable interconception care which allows women to appropriately plan for and space out their pregnancies.

Medicaid helps ensure positive child health outcomes. Medicaid finances almost half of all births in the United States, including more than half of births in six states. In particular, Medicaid covers a greater share of births in rural areas, among young women under age nineteen, and among women with lower levels of educational attainment. Medicaid also finances more than half of Black, American Indian and Alaska Native, Native Hawaiian or Pacific Islander, and Hispanic women’s births. Medicaid provides immediate coverage for infants born to Medicaid beneficiaries by automatically deeming those infants eligible, enrolling them in the program, and maintaining their eligibility until the infant’s first birthday.
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. Medicaid also provides pregnant people with access to regular prenatal care during pregnancy, which can help reduce the risk of future health complications for infants, such as fetal alcohol spectrum disorders and neural tube defects. Increased health coverage of parents, including Medicaid coverage, corresponds to increased rates of health coverage for their children.

How Funding Caps Would Harm Pregnant People

Funding caps threaten the coverage of millions of pregnant people and infants. Block grants and per capita cap proposals reduce the amount of federal funding available to states to provide essential health care for pregnant people and infants. With less funding, states might reduce eligibility for their Medicaid programs, including scaling back what are currently more generous income eligibility limits for pregnant people or the requirement that infants born to Medicaid beneficiaries be automatically enrolled in Medicaid.

Funding caps might lead states to reduce critical services for pregnant people. States struggling to fund their Medicaid budgets could reduce the services available to pregnant people. For example, states could eliminate services such as oral health care, which are currently provided to pregnant Medicaid beneficiaries in many states, but only by state option. Poor oral health has been associated with preterm birth. Additionally, states that have opted to extend Medicaid postpartum coverage to twelve months might try to roll back those extensions.
ENDNOTES


2 Hannah Katch et al., Ctr. on Budget & Pol’y Priorities, *Frequently Asked Questions About Medicaid* (Nov. 22, 2019), [https://www.cbpp.org/research/health/frequently-asked-questions-about-medicaid](https://www.cbpp.org/research/health/frequently-asked-questions-about-medicaid) (Private insurance costs twenty-two percent more than covering the same low-income individual with Medicaid).


5 *Id.*


Protect Medicaid Funding Issue #8: Pregnant People

- CMS, *STATE MEDICAID MANUAL* § 4421. See also Usha Ranji et al., *supra* note 8.
- *Id.*, at 5.