



## Protect Medicaid Funding Issue #8: Pregnant People (Updated September 2024)

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### 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.<sup>1</sup> Medicaid coverage is tailored to the unique needs of individuals and families with low incomes but still costs less per beneficiary than private insurance.<sup>2</sup> 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 more than 80 million people who benefit from Medicaid and CHIP.<sup>3</sup>

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 nearly 24 million women of reproductive age.**<sup>4</sup>

More than 1 out of every 4 Medicaid and CHIP beneficiaries are females in their reproductive years (ages 15-49).<sup>5</sup> 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.<sup>6</sup> As of May 2024, 48 states, DC, and the U.S. Virgin Islands have also adopted or are planning to adopt Medicaid twelve-month postpartum coverage extensions, most through a state plan amendment option in the American Rescue Plan Act of 2021.<sup>7</sup>

**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. This includes 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.<sup>8</sup> As of July 2024, 15 states and DC actively provide Medicaid coverage for doula care, and 13 states are in the process of implementation.<sup>9</sup> Medicaid coverage for doula care can help improve maternal and infant health outcomes and address racial inequities in health.<sup>10</sup> Additionally, Medicaid covers abortion in some limited circumstances, which is also critical to ensuring positive maternal health outcomes.<sup>11</sup> For women who do become pregnant and continue their pregnancies, Medicaid provides comprehensive care including prenatal care, labor and delivery, and prenatal screenings.<sup>12</sup> Finally, by providing 75% of all publicly funded family planning services, Medicaid provides valuable interconception care, which allows women to appropriately plan for and space out their pregnancies.<sup>13</sup>

**Medicaid helps ensure positive child health outcomes.** Medicaid finances 41% of all births in the United States, including nearly half or more births in 13 states and Puerto Rico.<sup>14</sup> 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.<sup>15</sup> 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.<sup>16</sup> 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.<sup>17</sup> Increased health coverage of parents, including Medicaid coverage, corresponds to increased rates of health coverage for their children.<sup>18</sup>

## 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.<sup>19</sup> Poor oral health has been associated with preterm birth.<sup>20</sup> Additionally, states that have opted to extend Medicaid postpartum coverage to 12 months might try to roll back those extensions.

ENDNOTES

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- <sup>1</sup> Robin Rudowitz et al., Kaiser Fam. Found., *10 Things to Know about Medicaid* (Jun. 30, 2023), <https://www.kff.org/mental-health/issue-brief/10-things-to-know-about-medicaid/>; MACPAC, *Access in Brief: Children’s Experience in Accessing Medical Care* (Nov. 2021), <https://www.macpac.gov/wp-content/uploads/2016/06/Access-in-Brief-Childrens-Experiences-in-Accessing-Medical-Care.pdf>.
- <sup>2</sup> Heidi Allen et al., *Comparison of Utilization, Costs and Quality of Medicaid vs. Subsidized Private Health Insurance for Low-Income Adults*, 4 JAMA NETWORK OPEN (2021), <https://jamanetwork.com/journals/jamanetworkopen/fullarticle/2774583> (“ . . .overall health care spending was more than 80% higher among Marketplace-eligible adults than among Medicaid-eligible adults. This difference was no longer significant when claims were adjusted to Medicaid prices, indicating that the cost differences were driven by higher prices for the same services in the Marketplace compared with Medicaid.”). See also Ark. Ctr. for Health Improvement, *Arkansas Health Care Independence Program (“Private Option”) Section 1115 Demonstration waiver Interim Report* (Jun. 16, 2016), <https://achi.net/wp-content/uploads/2018/10/Arkansas-Health-Care-Independence-Program-Section-1115-Demonstration-Waiver-Interim-Report-June-2016.pdf> (noting a 78.3% difference between the commercial and Medicaid per patient per month payments).
- <sup>3</sup> CMS, *February 2024 Medicaid & CHIP Enrollment Data Highlights* (May 31, 2024), <https://www.medicaid.gov/medicaid/program-information/medicaid-and-chip-enrollment-data/report-highlights/index.html>.
- <sup>4</sup> CMS, *2024 Medicaid & CHIP Beneficiaries at a Glance: Maternal Health* (May 2024), <https://www.medicaid.gov/medicaid/benefits/downloads/2024-maternal-health-at-a-glance.pdf>.
- <sup>5</sup> *Id.*
- <sup>6</sup> Kaiser Fam. Found., *Medicaid and CHIP Income Eligibility Limits for Pregnant Women, 2003-2024*, <https://www.kff.org/medicaid/state-indicator/medicaid-and-chip-income-eligibility-limits-for-pregnant-women/>.
- <sup>7</sup> Kaiser Fam. Found., *Medicaid Postpartum Coverage Extension Tracker*, <https://www.kff.org/medicaid/issue-brief/medicaid-postpartum-coverage-extension-tracker/>.
- <sup>8</sup> Usha Ranji et al., Kaiser Fam. Found., *Medicaid Coverage of Pregnancy-Related Services: Findings from a 2021 State Survey* (May 19, 2022), <https://www.kff.org/report-section/medicaid-coverage-of-pregnancy-related-services-findings-from-a-2021-state-survey-report/>; Alexandra Gates et al., Kaiser Fam. Found., *Coverage of Preventive Services for Adults in Medicaid* (Nov. 2014), <https://files.kff.org/attachment/coverage-of-preventive-services-for-adults-in-medicaid-issue-brief>.
- <sup>9</sup> Nat’l Health Law Prog., *NHeLP’s Doula Medicaid Project: Current State Efforts at Expanding Access to Doula Care*, <https://docs.google.com/spreadsheets/d/1vsZTlecerW5t49Gq01pya2fURuZ-L6tDimC2e3QeLeE/edit?usp=sharing>.
- <sup>10</sup> Nat’l Health Law Prog., *Doula Medicaid Project*, <https://healthlaw.org/doulamedicaidproject/>.

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- <sup>11</sup> Fabiola Carrión et al., Nat'l Health Law Prog., *Abortion Coverage Under Medicaid* (April 27, 2022), <https://healthlaw.org/resource/abortion-coverage-under-medicaid-2022/>.
- <sup>12</sup> CMS, STATE MEDICAID MANUAL § 4421. See also Usha Ranji et al., *supra* note 8.
- <sup>13</sup> 42 U.S.C. § 1396d(a)(4)(C), 42 C.F.R. § 441.20; Kaiser Fam. Found., *Women's Health Insurance Coverage* (Dec. 21, 2022), <https://www.kff.org/womens-health-policy/fact-sheet/womens-health-insurance-coverage/>.
- <sup>14</sup> CMS, *supra* note 4.
- <sup>15</sup> 42 U.S.C. § 1396a(e)(4); 42 C.F.R. § 435.117.
- <sup>16</sup> See 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 (Nov. 19, 2015) <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC4785872/>; Sarah Miller et al., *The Long-Term Health Effects of Early Life Medicaid Coverage* (Aug. 26, 2016), [https://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=2466691](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2466691).
- <sup>17</sup> Nat'l Inst. of Child Health & Human Development, *What is Prenatal Care and Why is it Important?*, <https://www.nichd.nih.gov/health/topics/pregnancy/conditioninfo/prenatal-care>.
- <sup>18</sup> Jessica Schubel, Ctr. on Budget & Pol'y Priorities, *Expanding Medicaid for Parents Improves Coverage and Health for Both Parents and Children* (June 14, 2021), <https://www.cbpp.org/research/health/expanding-medicaid-for-parents-improves-coverage-and-health-for-both-parents-and>.
- <sup>19</sup> Medicaid & CHIP Payment & Access Comm'n, *Medicaid Coverage of Adult Dental Services* (Jan. 2021), <https://www.macpac.gov/wp-content/uploads/2021/01/Medicaid-Coverage-of-Adult-Dental-Services.pdf>; Usha Ranji et al., *supra* note 8.
- <sup>20</sup> Am. Coll. of Obstetrics & Gynecologists Comm. on Health Care for Underserved Women, *Committee Opinion 569: Oral Health Care During Pregnancy and Through the Lifespan* (Aug. 2013), <https://www.acog.org/clinical/clinical-guidance/committee-opinion/articles/2013/08/oral-health-care-during-pregnancy-and-through-the-lifespan>.