

SUBJECT: Establishing a model to prevent early delivery of infants in Medicaid

COMMITTEE: Public Health — committee substitute recommended

VOTE: 10 ayes — Kolkhorst, Naishtat, Alvarado, S. Davis, V. Gonzales, S. King, Laubenberg, Schwertner, Truitt, Zerwas

0 nays

1 absent — Coleman

WITNESSES: For — Ralph Anderson; Ed Berger, Seton Family of Hospitals; (*Registered, but did not testify:* Joel Ballew, Texas Health Resources; Jennifer Banda, Texas Hospital Association; Robert Feather, Cook Children’s Health Care System; Michelle Romero, Texas Medical Association; Rebekah Schroeder, Texas Children’s Hospital; Lynda Woolbert, Coalition for Nurses in Advanced Practice; Chris Yanas, Teaching Hospitals of Texas)

Against — None

On — Eugene Toy, Texas Association of Obstetricians and Gynecologists

DIGEST: CSHB 1983 would authorize the Health and Human Services Commission (HHSC) to develop quality initiatives and implement cost-cutting measures to reduce the number of elective induced deliveries or cesarean sections (C-sections) performed before the 39th week of gestation under the Medicaid program.

HHSC would have to coordinate with physicians, hospitals, managed care organizations, and the Medicaid billing contractor to develop a process for collecting information about the number of preterm elective induced deliveries and C-sections within the program. Under the bill, a hospital that provided obstetrical services would be required to collaborate with the physicians to develop strategies in this area.

HHSC would have to conduct a study to evaluate the effectiveness of the initiatives and their impact on infant health and the frequency of infant admissions to neonatal intensive care units (NICUs) and hospital

readmissions for mothers and infants. HHSC would be required to release its findings and recommendations to the legislative committees that had jurisdiction over public health by December 1, 2012.

If a state agency determined that a federal waiver was necessary to implement the bill's provisions, then the agency would have to request the waiver and could delay implementation until it was granted.

The bill would take effect September 1, 2011.

**SUPPORTERS
SAY:**

CSHB 1983 would improve health outcomes for infants and mothers who received care through the Medicaid program by preventing early inductions of labor or C-sections for nonmedical reasons. There is an overwhelming consensus within the medical community that bringing an infant to full term (a pregnancy lasting 39 weeks or more) is the best course for moms and babies. The infants born before this period generally have lower birth weights and underdeveloped organs, which require longer stints in neonatal units. While medical advances have played a significant role in reducing the infant mortality rate, early preterm babies are still at an increased risk of rehospitalization and are more likely to have special needs.

CSHB 1983 would establish a model for best practices for delivering full-term babies, focusing on providing high-quality health care and lowering Medicaid costs. Advocacy organizations, state and federal agencies, and a growing number of Texas hospitals are working hard to educate physicians and families about the benefits of full-term births. Despite the medical evidence, the number of elective inductions and C-sections has grown dramatically over the last two decades.

CSHB 1983 would help to ensure that elective C-sections or induced deliveries were not scheduled before the pregnancy had reached this critical developmental stage. Medicaid pays for about half of all deliveries in Texas, and the cost of a stay in the NICU is extremely expensive. In light of these facts, it is imperative that we address this issue with sound medical evidence and good common sense to ensure our infants get the best start in life.

**OPPONENTS
SAY:**

While CSHB 1983 would act as a signal to the health care community that reducing preterm births is a priority, the bill as written does not contain explicit language on how to achieve meaningful results. The bill would

require HHSC to develop a model to reduce the number of elective induced deliveries and their related costs, but contains no explicit instructions on what is necessary to make this happen.

Additionally, the bill would require HHSC to coordinate with physicians, hospitals, managed care organizations, and Medicaid billing contractors to develop a system to collect information about the number of deliveries, but contains no provision that would require hospitals to report this information. CSHB 1983 should include more explicit directions on how to establish the model for best practice and how to evaluate the effectiveness of these provisions if it is to have any real meaning.

NOTES:

The original bill as filed contained a provision that would have required HHSC to establish rules to limit reimbursements to health care providers in the Medicaid program for performing an elective C-section or induced delivery of an infant before 39 weeks of pregnancy.