

FACT SHEET

Medicaid Coverage for Pregnant Women Remains Critical for Women's Health

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Medicaid is an important source of health coverage for millions of Americans and is particularly vital for pregnant women. Medicaid covers prenatal care, labor and delivery and post-partum care for women who qualify for Medicaid coverage through a variety of avenues, including expanded eligibility for pregnant women. And even after full implementation of the Affordable Care Act, pregnant women could be uninsured during pregnancy without the coverage backstop Medicaid provides.

Medicaid Is an Important Source of Coverage for Pregnant Women

Medicaid is a critically important source of pregnancy coverage, paying for 40 percent of all births in the United States.¹

Pregnant women may hold Medicaid coverage in a number of ways – as parents in low-income families, through other traditional eligibility groups, through spend-down programs, as women eligible for the Affordable Care Act's (ACA) Medicaid expansion (in states that have implemented the expansion) and most notably as low-income pregnant women. States must cover pregnant women with incomes up to 138 percent of the federal poverty level (FPL), or approximately \$16,000 for a family of two, and may choose to use higher eligibility thresholds.² Many states have gone beyond this threshold, with 29 states, including the District of Columbia, raising income eligibility to 200 FPL or higher.³

Women who qualify for coverage through traditional eligibility categories, or through the ACA's Medicaid expansion, receive full Medicaid benefits. States have more flexibility to design benefit packages for pregnant women, yet thirty-seven states still provide the full Medicaid benefit package to pregnant women, thus ensuring women have comprehensive health insurance during their pregnancy. Other states limit coverage for women who qualify through this category to pregnancy-related services and conditions that may complicate pregnancy, which means that women may not have coverage for all health problems they could encounter while pregnant.⁴

States may charge premiums for pregnant women with incomes above 150 FPL, but cannot require women to make copayments or face other cost-sharing for pregnancy-related services, and many offer special benefits for pregnant women, such as nutrition classes.

Medicaid Coverage of Pregnant Women is Critically Important to Women and Families

Ensuring women have access to health coverage during their pregnancy is essential to the health of mothers and babies. Prenatal services, which are a significant part of pregnancy services, improve health outcomes for mothers and children. Newborns of mothers who do not receive prenatal care are three times more likely to have a low birth weight and five times more likely to die than children born to mothers who do receive prenatal care.⁵ But, cost is a major barrier to prenatal care for many pregnant women. Nearly 40 percent of mothers reported that they delayed prenatal care because they lacked the money or insurance to pay for their care.⁶ Medicaid coverage for pregnant women increases women's access to the care they need and supports efforts to improve maternal and child health.

Medicaid Coverage of Pregnancy Fills Gaps that Remain Despite the Affordable Care Act

The ACA protects women from discriminatory health insurance practices, makes health coverage more affordable and easier to obtain, and improves access to many of the health services women need, including maternity coverage. However, significant gaps remain and many women continue to rely on Medicaid for coverage when they are pregnant.

Uninsured women

First, because of a provision known as the “family glitch,” some women may be uninsured because they cannot afford coverage offered through a family member’s employer, but are also ineligible for insurance through the Marketplace. If an employee’s share of their health insurance premium for worker-only coverage is affordable, all family members are ineligible for financial assistance in Marketplace—even if family coverage through the employer costs far more. Approximately 3.9 million individuals—including many low-income women—are caught in this “glitch” and are ineligible for tax credits to help them buy coverage in the Marketplace.⁷ Medicaid coverage for pregnant women is an important safety-net for low and moderate-income women who are caught in this glitch and are therefore uninsured.

Second, nearly 3 million low-income women would be eligible for Medicaid through the ACA, but remain uninsured because their state has not accepted federal funding to expand eligibility under the law. States may cover all residents with incomes below 138 FPL through Medicaid – even if they do not qualify under traditional Medicaid eligibility categories – but a number of states have chosen not to expand coverage. Because premium tax credit eligibility begins at 100 FPL, many of these women fall into a coverage gap because they cannot get help with Marketplace premiums. In these states, Medicaid coverage for pregnancy ensures that low-income women have coverage while they are pregnant, even if they do not qualify for Medicaid at other times.

Even women who are likely eligible for Marketplace coverage may remain uninsured – either because they are not aware of their coverage options under the ACA or because they cannot cover their share of their Marketplace premiums. For these women, Medicaid provides a particularly important safety-net, since eligible women may enroll in Medicaid at any time. In contrast, women may enroll in Marketplace plans during open enrollment or if they qualify for a special enrollment period (SEP) – but current ACA regulations do not permit a special enrollment period for pregnancy.⁸ This means that uninsured women who become pregnant cannot enroll in a Marketplace plan, and without Medicaid, many would not have a pathway to coverage and might forgo needed prenatal care because of the high cost of services.

Women with other coverage who may rely on Medicaid

In addition, women who have health insurance may also rely on Medicaid for pregnancy-related coverage. In particular, women with coverage through an employer may face high out-of-pocket costs for maternity services, particularly through annual deductibles or inpatient co-insurance. For example, 62 percent of covered workers face a co-insurance charge for an inpatient admission in addition to their general deductible.⁹ High cost-sharing is particularly burdensome for low-income women who may have to choose between needed health care and other essential expenses. Women who meet income-eligibility standards may still enroll in Medicaid for pregnancy-related coverage, and Medicaid can then supplement their employer coverage to provide needed cost-sharing protections as well as improved benefits.

Women with coverage through the health insurance Marketplaces may also be eligible for pregnancy-related Medicaid coverage.¹⁰ Some pregnant women in Marketplace plans may find it advantageous to switch to Medicaid coverage during their pregnancy. Medicaid has no cost-sharing for pregnancy-related services, so women do not have to worry about co-payments for prenatal services or high deductibles for a hospital stay. Many states also cover additional services that private insurers do not typically offer, such as nutrition classes, childbirth education, infant care education, genetic counseling, pre- and postnatal home visits, non-emergency transportation, and tobacco cessation.¹¹ However, some women may prefer to stay with their Marketplace plan to maintain continuity of care for pregnancy or other conditions with ongoing treatment.

Conclusion

The ACA significantly improved women’s access to health insurance, but Medicaid coverage for pregnant women remains vital to ensuring that low-income women have coverage for their pregnancy. However, a few states are considering rolling back this critical protection for women’s health by reducing their eligibility standards. Rather than preserving women’s coverage options, rolling back coverage leaves women without access to health coverage when they need it most. The ACA has created new opportunities for coverage of maternity services, but states should be extremely cautious about reducing eligibility because Medicaid coverage is still critical for women’s health, particularly where large gaps in insurance coverage remain.

1. Centers for Medicare & Medicaid Services, “Pregnant Women” available at <http://www.medicaid.gov/medicaid-chip-program-information/by-population/pregnant-women/pregnant-women.html>.
2. Medicaid definition of family size requires states to count a pregnant woman as herself plus the number of children she is expected to deliver. A single pregnant woman expecting a singleton birth would therefore count as a household of two. See 42 CFR 435.603(b).
3. Kaiser Commission on Medicaid and the Uninsured, Kaiser Family Foundation, “Modern Era Medicaid: Findings from a 50-State Survey of Eligibility, Enrollment, Renewal, and Cost-Sharing Policies in Medicaid and CHIP as of January 2015,” (January 2015) available at <http://files.kff.org/attachment/report-modern-era-medicaid-findings-from-a-50-state-survey-of-eligibility-enrollment-renewal-and-cost-sharing-policies-in-medicaid-and-chip-as-of-january-2015>.
4. Ibid.
5. U.S. Department of Health and Human Services, Health Resources and Services Administration, “Prenatal Services,” available from <http://mchb.hrsa.gov/programs/womeninfants/prenatal.html>.
6. U.S. Department of Health and Human Services, Health Resources and Services Administration, “Barriers to Prenatal Care, Child Health USA” (October 2013) available at <http://mchb.hrsa.gov/chusa13/health-services-utilization/p/barriers-to-prenatal-care.html>.
7. Levitt, Larry and Gary Claxton, “Measuring the Affordability of Employer Health Coverage,” Kaiser Family Foundation, August 24, 2011, available at <http://kff.org/health-costs/perspective/measuring-the-affordability-of-employer-health-coverage/>.
8. State-based Marketplaces can determine their own special enrollment periods, which could include an enrollment period for pregnancy.
9. Kaiser Family Foundation and Health Research and Education Trust, 2014 Employer Health Benefit Survey, (September 10, 2014) available at <http://kff.org/health-costs/report/2014-employer-health-benefits-survey/>.
10. There are specific rules regarding pregnant women’s choice between pregnancy-related Medicaid and Marketplace plans. In states where pregnancy-related Medicaid is considered comprehensive, and therefore qualifies as minimum essential coverage, women cannot be enrolled in both Medicaid and Marketplace coverage at the same time. Federal guidance is available here: <http://www.medicaid.gov/federal-policy-guidance/downloads/sho-14-002.pdf>.
11. Kaiser Family Foundation, “State Medicaid Coverage of Perinatal Services: Summary of State Findings,” (January 2009) available at <https://kaiserfamilyfoundation.files.wordpress.com/2013/01/8014.pdf>