

1st Sub. HB 415, DOULA SERVICES COVERAGE AMENDMENTS, (Matthews, A)

Anticipated Fiscal Impact: \$0 Savings Should Offset Costs

Summary

1st Sub HB 415 adds coverage for Birthing Centers to the State Health Insurance Plan for the next three years. This is in addition to Doula services referenced in the original bill. These services would be available for the next three plan years. As previously noted, we anticipate that the annual average cost of adding coverage for Doulas would be \$100,751. We also anticipate a savings of \$163,381 a year for births that occur at a birth center instead of a hospital. As such, we'd expect savings of about \$62,630 a year.

Assumptions and Analysis

1. On average, 1,690 members are eligible for Doula services each year. If passed, covered services and rates will include:

Service	Number Covered	Allowed per Visit
Prenatal Visits	4	\$91.44
Labor Support	1	\$457.20
Post-partum Visits	2	\$91.44

Currently, Doulas are used for 6% of births. We expect the utilization will grow as benefits are added and assume 6% in year one, 9% in year two, and 12% in year three. The costs to cover Doula services for eligible members of the State Risk Pool include:

	Number Using	Cost
Year 1	102	\$65,661.24
Year 2	152	\$97,848.12
Year 3	203	\$130,678.70
Total	457	\$294,188.08

2. Doulas are not currently covered or contracted. Adding these services and creating a network of providers will require additional expense including 120 hours to credential and contract qualified Doulas at a cost of \$8,065.
3. Birth centers account for about 2.1% of births in Utah. The average cost of pregnancy and delivery related services from a birth center is \$5,200 compared with \$10,531 at a hospital. The savings generated from covering these births at a birth center instead of the home would be \$163,381 per year.