

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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**FISCAL IMPACT STATEMENT**

**LS 6849**  
**BILL NUMBER: SB 416**

**NOTE PREPARED: Jan 1, 2019**  
**BILL AMENDED:**

**SUBJECT:** Medicaid Coverage for Doula Services.

**FIRST AUTHOR:** Sen. Breaux  
**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:**  **GENERAL**  
 **DEDICATED**  
 **FEDERAL**

**IMPACT:** State

**Summary of Legislation:** This bill requires Medicaid pregnancy services to include reimbursement for doula services.

**Effective Date:** July 1, 2019.

**Explanation of State Expenditures:** The cost of this provision would be dependent on how the Family and Social Services Administration (FSSA) would implement a program to provide doula services within the Medicaid program. Currently there are no state standards in place to determine the education requirements or practice parameters for doulas. If a program similar in size to Oregon's (50 claims x \$350), would be implemented in Indiana, the fiscal impact would be estimated to be about \$17,500 annually (state share would be \$6,000).

Currently FSSA is collaborating with the Indiana State Department of Health to establish an obstetric (OB) navigator program in 13 counties that account for the state's highest risk zip codes, counties, and regions with limited access to obstetrical care. As part of this initiative, FSSA has revised a reimbursement classification for Community Health Workers (CHW) within the Medicaid program. It is assumed at this time that doulas or a similar CHW type position would be included in this classification for reimbursement purposes. The payment rate is not known at this time. However, FSSA identified in the "Notice of Changes in Methods and Standards for Medicaid Payments for Community Health Services Workers", that the fiscal impact of the changes is expected to be an increase of \$30,769 for FFY 2019 (federal share of \$20,295 and state Share of \$10,474).

*Additional Information:* In 2013, Oregon became the first state to designate birth doulas as eligible for Medicaid reimbursement. The state model for birth doula care is at least 2 prenatal visits, intrapartum care, and at least 2 postpartum visits. As part of the model, doulas are required to be certified by the state and are included on the Traditional Health Workers (THW) registry. At the end of September 2018, there were 42 doulas in Oregon with active certifications.

The state prioritizes the Medicaid population for doula services. Priority populations include: women with ethnically or racially diverse background including, African American, Asian, Pacific Islander, Native American, Latino, or multiracial; homeless women; women who speak limited or no English; women with limited to no family support; and women under the age of 21.

Oregon currently reimburses \$350 per birth for doula services - a rate that does not encourage providers to participate in the Medicaid program. Of approximately 50 total Medicaid claims per year for doula activities 76% or 38, were approved and paid.

**Explanation of State Revenues:** Medicaid is jointly funded by the state and federal governments. The effective state share of program expenditures will be approximately 34% in FFY 2019 for most services. Medicaid medical services will be matched by the effective federal match rate (FMAP) in Indiana at approximately 66%. Administrative expenditures with certain exceptions are matched at the federal rate of 50%.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Family and Social Services, Office of Medicaid Policy and Planning.

**Local Agencies Affected:**

**Information Sources:** Agency Overview - Budget Transmittal Letter - FY 20 to 2021, Kristina Box, MD, FACOG, State Health Commissioner, August 20, 2018.

“Advancing Health Equity for Childbearing Families in Oregon: Results of a Statewide Doula Workforce Needs Assessment”, September 30, 2018, Courtney L. Everson, PhD., Courtney Crane, MS, MPH, & Raeben Nolan, at:

<https://www.oregon.gov/oha/OEI/Documents/Doula%20Workforce%20Needs%20Assesment%20Full%20Report%202018.pdf>

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