



Barriers to Medicaid Reimbursement for CPMs and Freestanding Birth Centers in Colorado

Midwifery care, community birth, doulas, and hybrid community-led perinatal health groups are four evidence-based models that improve maternal and infant health and should be implemented.¹ Yet, there are barriers to implementation of these best-practices in Colorado.

For example, in 2021, as part of the DEM sunset, SB21-101, Direct Entry Midwives are now included as clinical staff at Colorado community birth centers² but these midwives are not reimbursed by Colorado Medicaid. This negatively impacts access to home and birth center care for Colorado Medicaid families.

Currently, in Colorado, Medicaid:

- does reimburse Certified Nurse Midwives
- does reimburse for birth center care
- **does not enroll or reimburse community birth centers as licensed facilities**
- has plans to reimburse Direct Entry Midwives (DEMs) also known as/or Certified Professional Midwives (CPMs)
 - has plans to reimburse for CPM-attended births in birth centers
 - has plans to reimburse for home birth (primarily attended by CPMs)
- has plans to reimburse doulas³
- does not consider place of practice nor model of care, in decisions about network adequacy (ie, having CNM providers in hospital is considered adequate even without a single community CNM).

Access to community midwives and the birth center model of care is an equity issue

- Hospital birth in the US has produced the highest maternal mortality rate in the developed world. Maternal mortality disproportionately impacts Black and Indigenous people.

¹ National Partnership for Women and Families, [Improving Our Care Now: Four Care Models Decisionmakers Must Implement for Healthier Moms and Babies](https://www.nationalpartnership.org/our-work/resources/health-care/maternity/improving-our-maternity-care-now.pdf), September 2020.

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² Also called “FSBC” for “Free Standing Birth Centers”

³ Doula reimbursement by Medicaid has been proposed for 2023-2024, see our statement on that budget proposal for more information, <https://www.elephantcircle.net/circle/2022/11/12/payment-and-equity-for-birthworkers>.

- Hospital birth is associated with higher rates of interventions⁴ and mistreatment^{5,6}.
- Hospital birth results in trauma symptoms in 1/3 of people who birth in a hospital facility⁷.
- Interventions, mistreatment², and trauma³ are experienced by BIPOC people and people on public insurance more often than white and/or privately insured families.
- Coloradans have given birth outside the hospital in increasing numbers over the last decade⁸.
 - The number of births at Colorado birth centers have increased 350% from 2010-2021 (2010 = 261, 2021 = 889)
 - Births attended by Colorado DEMs increased 200% (2010 = 765, 2021 = 1622)
- In 2019-2020 alone, the number of people choosing to birth outside the hospital in Colorado increased by 30% (as compared to a decrease of -16% in 2018-2019)⁹.
 - Black and Latinx folks were the largest contributors to this dramatic indication of a desire for birth outside the hospital.
 - This is the largest efflux from hospital care reported in the past 50 years.
- Recently published data report that, “Our study confirms previous findings suggesting that giving birth at a community birth center is protective against experiences of discrimination when compared to care in the dominant, hospital-based system¹⁰.”
- For Medicaid families seeking alternatives to hospital care options are limited. Not all birth centers accept Medicaid, and not all home birth providers are reimbursed by Medicaid.
- Some Medicaid families opt to self-pay because it is that important to them. Some providers and birth centers have flexible payment plans for such families, but this means these under-resourced families and providers absorb a cost that the state should pay.
- Culturally concordant care is essential to reduce inequitable maternal mortality. In Colorado, 2 of the 4 Black midwives currently practicing in the state are not reimbursed by Medicaid.

Barriers to Birth Center reimbursement

- Despite being licensed by CDPHE and sharing identical regulatory codes as nursing homes and ambulatory surgical centers, Birth Centers are not enrolled or reimbursed as facilities (see below).
 - Instead, they are required to register as a group and are not able to use facility codes/claim forms.

⁴ National Academies of Sciences, Engineering, and Medicine; Health and Medicine Division; Division of Behavioral and Social Sciences and Education; Board on Children, Youth, and Families; *Committee on Assessing Health Outcomes by Birth Settings*; Backes EP, Scrimshaw SC, editors., Washington (DC): [National Academies Press \(US\)](#); 2020 Feb 6.

⁵ Lothian, J. The Continued Mistreatment of Women during Pregnancy and Childbirth. *J Perinat Educ* **28(4)**, 183 (2019). doi: [10.1891/1058-1243.28.4.183](#)

⁶ Vedam, S., Stoll, K., Taiwo, T.K. *et al.* The Giving Voice to Mothers study: inequity and mistreatment during pregnancy and childbirth in the United States. *Reprod Health* **16**, 77 (2019). <https://doi.org/10.1186/s12978-019-0729-2>

⁷ Reed, R., Sharman, R. & Inglis, C. Women’s descriptions of childbirth trauma relating to care provider actions and interactions. *BMC Pregnancy Childbirth* **17**, 21 (2017). <https://doi.org/10.1186/s12884-016-1197-0>

⁸ CDPHE Vital Statistics Program

⁹ Gregory ECW, Osterman MJK, Valenzuela CP. Changes in home births by race and Hispanic origin and state of residence of mother: United States, 2018–2019 and 2019–2020. *National Vital Statistics Reports*; vol 70 no 15. Hyattsville, MD: National Center for Health Statistics. 2021. DOI: <https://dx.doi.org/10.15620/cdc:110853>

¹⁰ Almanza, J.I., Karbeah, J., Tessier, K.M. *et al.* The Impact of Culturally-Centered Care on Peripartum Experiences of Autonomy and Respect in Community Birth Centers: A Comparative Study. *Matern Child Health J* **26**, 895–904 (2022). <https://doi.org/10.1007/s10995-021-03245-w>

- They must bill “other maternity services” to be reimbursed for the facility fee. This reimbursement is less robust than the Global Facility fee billed at other locations for the same service codes.
- Prior to the new build for the HCPF billing platform around 2017, Birth Centers were able to bill for the facility fee. They were left out of the new build and have been excluded since. In 2018, birth centers were provided with a miscellaneous code and modifier. This has not been corrected.
- These same Birth Centers are able to bill private insurance companies using facility codes and facility claim forms.
- When applying to be a reimbursable facility with Colorado Medicaid in 2019, one Birth Center’s application was terminated and they were told that Medicaid did not reimburse Birth Centers as facilities and they must register as a provider group instead.
- Being forced to bill as providers rather than facilities has additional implications.
 - Colorado Birth Centers are not reimbursed for newborn circumcision. In some areas of Colorado, community birth center midwives are the only access to circumcision for babies born outside the hospital.
 - Certain medications that are standard of care (such as methergine for postpartum hemorrhage) are not reimbursed as they are not a part of their provider type.
 - This leads to a lack of consideration for place of birth or model of care in evaluation of network adequacy.
 - A community could have no models that support physiologic birth, meaning that a person experiencing the biological course of labor could be forced to have medical interventions altering that course *just because of insurance reimbursement policies*.
 - A network where no one can labor or birth physiologically could be and is often considered “adequate.” This forces people into models that increase costs and potential for negligence. This means that people could be forced to have a cesarean surgery because that is what the available provider offers, where a midwife or birth center could attend that same person in a trial of labor and potentially a vaginal birth.
- Very low reimbursement rates for provider and facility fees.
 - In the past 10 years, only birth centers owned by hospitals or physician groups have been able to sustain caring for a substantial (20-40%) Medicaid population due at least in part to variations in what different groups can get reimbursed through Medicaid.

The consequences of these barriers impact Colorado families:

- Home birth in Colorado is not accessible to families who use Medicaid.
- Currently, birth Centers who choose to employ CPMs are not reimbursed by Medicaid for provider costs, or choose not to take Medicaid altogether.
- Currently, birth Centers who seek full Medicaid reimbursement cannot employ CPMs as clinical staff, which increases costs and reduces access.
- The second biggest FSBC in Colorado was recently closed - this is due, in part, to the financial instability that came with them serving 40% Medicaid clients. As one of the only FSBC in the state to take Medicaid - its closing has been devastating to Medicaid families who desire a midwifery-led, birth center model of care.
- One of Colorado’s 2 Black community midwives is planning to leave the state - in part because of a lack of Medicaid reimbursement for her type of provider.

- The statutory change of SB21-101 was intended to increase access but instead has restricted access to birth center care for Colorado families who use Medicaid.
 - This is also contrary to SB21-194 which requires Medicaid to reimburse in a manner that promotes: high-quality, cost-effective care; evidence-based care; high-value evidence-based payment models; and prevents risk in subsequent pregnancies.
 - For example, it is well documented that Cesarean surgeries increase risks in subsequent pregnancies. In Colorado FSBCs less than 10% of pregnant folks give birth via abdominal surgery.

Context and previously articulated barriers to DEM reimbursement:

- The vast majority (all but one) of Colorado's registered midwives are Certified Professional Midwives (CPMs). "Direct-entry midwife" is the term used in Colorado law because the "Certified Professional Midwife" credential did not yet exist when the law was written but Colorado law has since been updated to require the CPM credential.
- The CPM is the only midwifery credential that requires out-of-hospital knowledge and experience. Community birth is their expertise.
- Passing a skills evaluation and a standardized written 8-hour exam (the NARM exam) is the final step to becoming a CPM. The CPM credential and the NARM exam are accredited by the National Commission on Certifying Agencies (NCCA), the same body that accredits the CNM credential.
- CPMs are reimbursed by Medicaid in other states in our region (NM, UT, WY, CA, WA) and even more across the country.
- Statute refers to DEMs as "registered" providers, not licensed providers, which, like the term "direct-entry midwife" is a remnant of the history of this provider-type.
 - This type of midwife is considered licensed in the District of Columbia and 29/36 states that recognize this type of provider¹¹.
 - Colorado is the only state that calls these providers registered.
 - Colorado DEMs meet the Colorado definition of licensed providers.
 - DORA recommended in their 2000 sunset report that the statutory term be changed from registered to licensed.
 - CPMs are called licensed providers in 34 states and the District of Columbia.
 - Licensing is the gold-standard, the standard recommended by the International Confederation of Midwives and affirmed to by the American College of Obstetricians and Gynecologists, and the standard recommended by the National Academies of Science, Engineering, and Medicine in their 2020 report on Birth Settings.

Potential solutions to these barriers:

- Bring Colorado into compliance with Sec. 1905 of the Social Security Act (42 U.S.C.), direct-entry midwives are already recognized by the state as birth attendants within the definition of the section and Medicaid must provide separate payments to this provider type

¹¹ Jefferson, K., Bouchard, ME., Summers, L. The Regulation of Professional Midwifery in the United States, *J of Nursing Edu*, **11(4)**, 26-38 (2021). [https://doi.org/10.1016/S2155-8256\(20\)30174-5](https://doi.org/10.1016/S2155-8256(20)30174-5)

- HCPF should reimburse CPMs in Colorado as registered providers given that they complete an accredited education and take a board-certified exam.
- HCPF should allow Birth Centers to enroll and be reimbursed as facilities like nursing homes and ambulatory surgical centers.
- HCPF should increase reimbursement rates to CNMs and birth centers and align reimbursement rates for CPMs with these increased levels.