



News Release

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Indiana Medicaid to stop paying for early, elective childbirths

Births prior to 39 weeks linked to increased chance of death or serious health issues in newborns

Indianapolis (May 5, 2014) – As part of an ongoing statewide effort to improve Indiana’s infant mortality rate as well as the overall health of newborns, the Indiana Family and Social Services Administration (FSSA) today announced a new non-payment policy for early elective deliveries. The new policy means that starting July 1, 2014, Indiana Medicaid will not pay a hospital or physician for the delivery of a child prior to 39 weeks gestation that is not medically indicated or occurs naturally.

“Babies born too small or too early are at greater risk for death in their first year of life,” said State Health Commissioner William VanNess, M.D. “Babies’ brains develop significantly during the last two weeks of gestation, which is why it’s critically important to carry pregnancies full-term, unless medically necessary to induce sooner. This policy supports providing infants with the best chance to grow into healthy children.”

In January 2013, the Indiana State Department of Health formed the Indiana Perinatal Quality Improvement Collaborative (IPQIC) to address ongoing issues related to perinatal care. IPQIC recommended that Medicaid adopt a non-payment policy. FSSA’s Office of Medicaid Policy and Planning (OMPP) evaluated the request and agreed the policy change would help improve the health of mothers and babies. OMPP also aligned its policy with initiatives by the March of Dimes, the American Congress of Obstetricians and Gynecologists (ACOG), the Indiana Hospital Association, the state’s Medicaid managed care entities and many Indiana hospitals and their medical staffs.

FSSA is in the process this week of communicating the details of the policy – including a list of approved medical indications for a necessary early delivery – to medical providers statewide. With this policy change, Indiana will become the fourth state to eliminate Medicaid payment for early elective deliveries. About half of all births in Indiana are covered by Medicaid. The Indiana Hospital Association reports that early elective deliveries now make up less than 3 percent of deliveries in Indiana, compared to 11 percent in 2012.

“This action sends a strong and clear message that we will not tolerate dangerous and unnecessary early childbirths, which puts our newborns at risk and increases costs in Medicaid,” said Joe Moser, Indiana Medicaid Director. “We are proud to make this contribution to the state’s efforts to reduce infant mortality.”

Reducing infant mortality is the state’s top health priority. In 2011, the Indiana infant mortality rate was 7.7 deaths per 1,000 live births, making the Hoosier state 6th highest in the nation for infant mortality. For more information about how Indiana is working to reduce infant mortality, visit the Indiana State Department of Health website at www.StateHealth.in.gov.

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Media Contacts:

Jim Gavin, Indiana Family and Social Services Administration
317.234.0197
Jim.Gavin@fssa.IN.gov

Amy Reel, Indiana State Department of Health
317.223.7315
areel@isdh.in.gov

Twitter: @FSSAIndiana