



*Larry Hogan, Governor · Boyd K. Rutherford, Lt. Governor · Dennis R. Schrader, Acting Secretary*

March 30, 2021

The Honorable Shane E. Pendergrass  
Chair, House Health and Government Operations Committee  
241 House Office Building  
Annapolis, MD 21401-1991

**RE: SB 163 – Maryland Medical Assistance Program – Doula Pilot Program – Letter of Information**

Dear Chair Pendergrass and Committee Members:

The Maryland Department of Health (MDH) respectfully submits this letter of information for Senate Bill (SB) 163 – Maryland Medical Assistance Program – Doula Pilot Program. This bill would establish a pilot program implemented by Maryland Medical Assistance Program (Maryland Medicaid) to allow for the reimbursement of certified doula services during pregnancy, labor, birth and postpartum services within Baltimore City, Charles, and Prince George's counties. Doulas who qualify to participate in this pilot will be authorized to receive Medicaid reimbursement. SB 163 would require certain doula services to be covered through the pilot program including providing Medicaid reimbursement for up to four prenatal visits, labor and delivery, and up to four postpartum visits.

The programmatic requirements in SB 163 are similar to those in place in New York, therefore, MDH applied New York's reimbursement rates for estimating fiscal impact. New York offers up to four prenatal visits and postpartum visits at \$30 per visit and a \$360 flat labor and delivery rate, for a maximum \$600 rate. In New York, doulas can submit claims directly through their National Provider Identification number, which they can obtain once certified through the state. In New York, certification requires 24 contact hours or education, and doulas have the option to bill Medicaid directly through fee-for-service (FFS) or submit claims to a managed care organization (MCO) with whom they contract to get reimbursement. Doula services are reimbursed on a FFS schedule.

For FY 2022, MDH estimates that just over 12,000 individuals enrolled in Medicaid would be eligible for doula services under the bill. This estimate is based on an analysis conducted by The Hilltop Institute of Medicaid births delivered by Baltimore City, Charles, and Prince George's counties in FY 2019. MDH assumes a marginal uptake of doula utilization services from four percent in FY22 up to six percent in FY25, as well as additional costs due to population growth and inflation in subsequent FYs. MDH also assumes there would be associated administrative costs to support the infrastructure needed to operate and maintain Medicaid reimbursement for doula services.

MDH estimates a blended match rate of 61 percent across all FYs would finance SB 163 for doula services for Medicaid beneficiaries. The following represents estimated costs based on the assumptions outlined in this letter:

- FY22 \$105,066 TF (\$55,272 FF, \$49,794 GF)
- FY23 \$481,524 TF (\$283,472 FF, \$198,052 GF)
- FY24 \$580,574 TF (\$343,594 FF, \$236,980 GF)
- FY25 \$562,314 TF (\$332,072 FF, \$230,241 GF)

It should be noted SB 163 may lead to decreases in poor birth outcomes, particularly reducing cesarean deliveries, as one study noted a 40.9 percent reduction in doula-supported Medicaid births.<sup>1</sup> This may in turn offset costs; MDH did not include an impact of potential savings in its fiscal analysis.

I hope this information is useful. If you would like to discuss this further, please do not hesitate to contact me at [webster.ye@maryland.gov](mailto:webster.ye@maryland.gov) / (410) 260-3190 or Heather Shek, Director of Governmental Affairs at [heather.shek@maryland.gov](mailto:heather.shek@maryland.gov) or at the same phone number.

Sincerely,



Webster Ye  
Assistant Secretary, Health Policy

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<sup>1</sup> Kozhimannil KB, Hardeman RR, Attanasio LB, Blauer-Peterson C, O'Brien M. Doula care, birth outcomes, and costs among Medicaid beneficiaries. Am J Public Health. 2013 Apr;103(4):e113-21. doi: 10.2105/AJPH.2012.301201. Epub 2013 Feb 14. PMID: 23409910; PMCID: PMC3617571.