

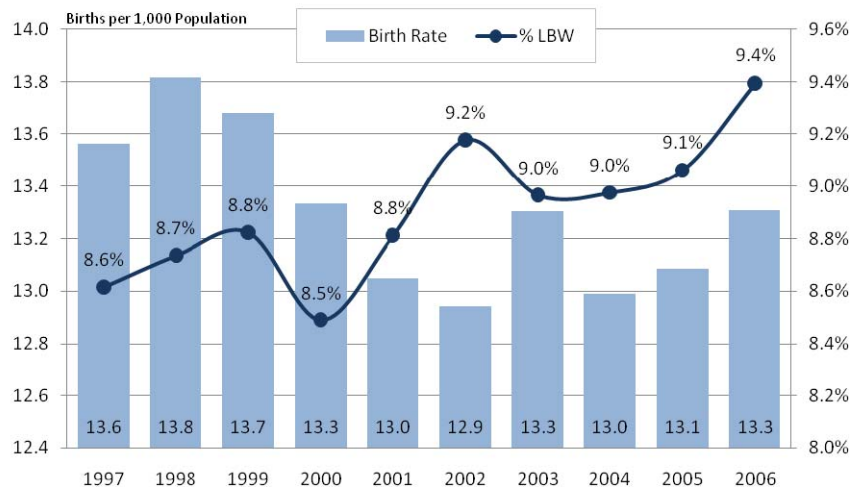
Facts About the Obstetrical Crisis in Southeastern Pennsylvania

A crucial aspect in health care delivery is the identification of community health care needs and providers' ability to meet those health care needs. **The challenges that affect obstetrical services in the state and region demonstrate a growing trend of diminished access to care for pregnant women, and signal the need for statewide strategic solutions to address the problem.**

The mounting pressure on access to obstetrical services in many areas of southeastern Pennsylvania is due in part to the closing, since 1997, of 17 hospital obstetrical units. With an additional closure set for later this year, southeastern Pennsylvania will have seen 18 obstetrical units close since 1997.

Each year, more than 53,000 babies are born in southeastern Pennsylvania hospitals. The birth rate has remained stable during recent years, while the percentage of low birth weight (2500 g or less) babies, who need more specialized care, has increased.

Trend in Southeastern Pennsylvania Birth Rate & Percentage of Low Birth Weight Births



These data were provided by the Bureau of Health Statistics and Research, Pennsylvania Department of Health. The Department specifically disclaims responsibility for any analyses, interpretations or conclusions.

Ensuring access to appropriate prenatal, obstetrics, and post-partum services is an essential investment in the region's future. There are serious problems with access to services for some populations and in some communities in our state and region.

Factors Causing Crisis

- Lack of timely access (prenatal, obstetrics, and postpartum) for certain populations, such as southeastern Pennsylvania's large undocumented immigrant population.
- Inadequate reimbursement for obstetrical services, including unfunded testing and screening requirements.
- Inadequate insurance coverage, making meeting the needs of uninsured mothers more difficult.
- Inadequate insurer/managed care provider networks for obstetrical services.
- Continuing impact of medical liability coverage crisis.
- Growing workforce shortages (obstetricians, family practitioners, midwives, other allied health professionals).
- Challenges of meeting the unique needs of a diverse population.
- Aging obstetrical service facilities and high capital costs to increase capacity, including neonatal intensive care unit capacity.



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OB Occupancy Guidelines

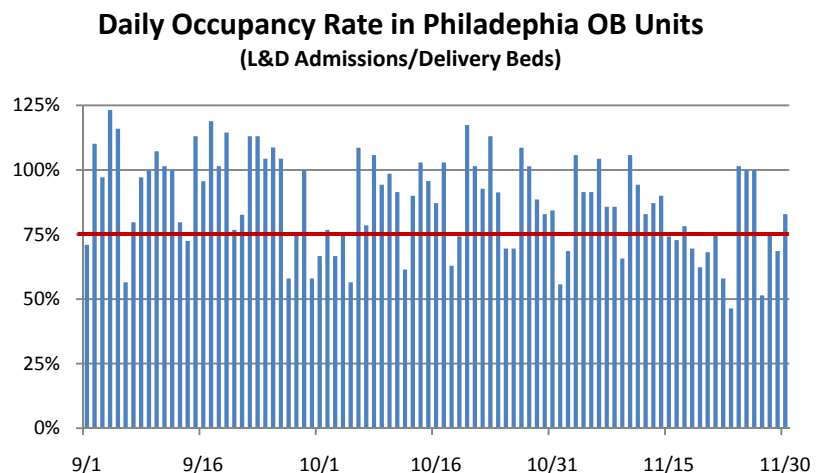
Because babies do not arrive according to schedule, hospital obstetrical units must operate at capacities that allow for surges in patient volume. According to a report from the School of Public Health at Drexel University, *Obstetric Care for Philadelphia Residents: 1997-2004*, individual hospitals must decide what occupancy level is appropriate, taking into account financial pressures, risk, and caregivers' workloads. Several states and organizations have published suggested target occupancy rates; these sometimes vary according to whether the area is urban or rural area, or whether the hospital is small or large. For example, the New York State Department of Health recommends a 75-percent occupancy rate for obstetrical units in urban areas.

OB Services in Philadelphia

With the recent announcement of another planned closure, 13 OB units in Philadelphia will have closed since 1997, leaving just six hospitals to deliver the approximately 22,000 babies born each year in Philadelphia. In fiscal year 2007, average annual occupancy rates in three city OB units were above 90-percent.

To assess how surges in births were impacting Philadelphia hospitals' OB capacity, DVHC collected daily OB unit utilization information for a three-month period in the fall of 2008. Survey data showed that:

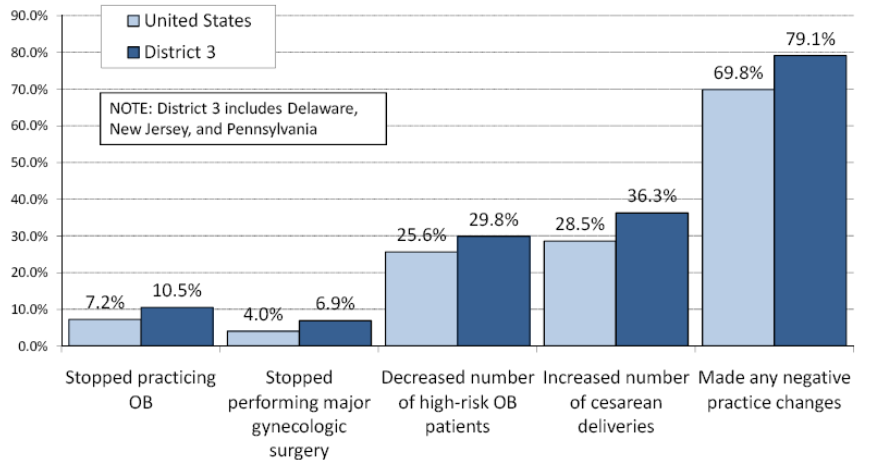
- Nearly 75 percent of the time (three out of every four days in the survey period), the number of labor and delivery patients admitted exceeded 75 percent occupancy.
- More than half the time (two out of every three days), the number of deliveries exceeded 75 percent occupancy.
- Seven percent of labor and delivery patients received no prenatal care or only emergency room care during their pregnancies.
- For 10 percent of patients in active labor, prenatal charts were unavailable (because the patient received no prenatal care or records were not transferred in time from prenatal providers).



Professional Liability Environment

The total cost of professional liability coverage for Pennsylvania hospitals is 93 percent higher today than in 2000. Obstetrics is an area that has been impacted significantly by the liability crisis. To assure access to obstetrical services and minimize professional liability costs for physicians, hospitals are employing obstetricians directly, and providing assistance to help independent physicians with liability coverage.

Practice Changes Resulting From The Affordability or Availability of Professional Liability Insurance



Source: ACOG Clinical Review, Editorial: Overview of the 2006 Survey on Professional Liability, March-April 2007

What Needs to be Done:

- Recognize that since Medical Assistance funds one of every three births each year in Pennsylvania, and is the most important source of financing for cost of care for premature infants, Medicaid funding must increase to assure continued access to obstetrics services for expectant mothers and neonatal intensive care services for babies.
- Enact medical liability reforms. Medical liability costs contribute to the difficulty in maintaining the financial viability of OB units and to recruitment and retention of practitioners, both obstetricians and midwives.
- Allow neonatal intensive care units (NICUs) greater flexibility to address increased volumes and surge capacity issues.
- Ensure adequate workforce of obstetricians, family practitioners, nurse midwives, and physician assistants.