

Executive Summary

Obstetric (OB) services in southeast Pennsylvania are under mounting pressure, due in part to the closing of 13 obstetric units and a net loss of six neonatal intensive care units (NICUs) in the last decade. In June 2006, The Hospital & Healthsystem Association of Pennsylvania's Delaware Valley Healthcare Council convened an OB Services Task Force to review access to obstetrical services in the region, address identified issues and concerns, and document these findings. Participating organizations included health care and health insurance providers, state and local health departments, consumer advocacy groups, schools of public health and professional societies.

Key Findings: Some women— particularly in large urban and more rural communities — are experiencing problems accessing crucial obstetrical services.

- During the past 10 years, 33 hospital obstetrical units, as well as many neonatal intensive care units, have closed across the Commonwealth.
- The number of licensed OB and obstetrical/gynecological (OB/GYN) beds in southeast Pennsylvania has decreased 28 percent, or one in four beds, since 1997.
- Although the Pennsylvania birth rate has remained stable in recent years, the percentage of low birth weight (2500 grams or less) babies needing more specialized care increased 15 percent from 1996 to 2004. In the southeast in 2006, NICU babies had an average hospital stay of nearly 15 days as compared to 2.8 days for babies not requiring intensive care.
- In all five southeast Pennsylvania counties the percentage of infants born at very low birth weight (less than 1500 grams) has risen (depending on the county, a 10-to-60-percent increase since 1998).
- Capacity and access issues affect the full continuum of maternity care, including the prenatal and postpartum services essential to assuring the best possible health outcomes for mothers and infants.

Factors Contributing to the Crisis: Low reimbursement, medical liability issues, workforce shortages, infrastructure limitations, and a culturally diverse patient population contribute to obstetrical capacity shortages and access issues.

- The disparity between reimbursements for obstetric services and the cost to provide them creates an ongoing challenge for hospitals. Medical Assistance (also called Medicaid), Pennsylvania's government-funded insurance for low-income residents, pays for one of every three births in the state and 40 percent of

all births in the southeast. Unfortunately, Medical Assistance on average reimburses hospitals only 80 percent of their actual inpatient costs and 54 percent of their outpatient costs. While OB reimbursement rates from commercial payors are better than Medical Assistance payments, they still fall far short of the level of reimbursement necessary to maintain financial viability. Inadequate insurance coverage for undocumented-immigrant, expectant mothers is also resulting in access and payment issues.

- The total cost of professional liability coverage for Pennsylvania hospitals has doubled since 2000, with obstetricians/gynecologists experiencing some of the largest increases. Since January 2003, nearly 70 percent of OB/GYNs have limited their practices or increased their use of “defensive medicine” (such as performing more cesareans) because of the lack of affordability or availability of professional liability insurance.
- Nearly a third of southeast Pennsylvania’s obstetricians/gynecologists have left the region or stopped practicing obstetrics since 2001.
- Based on their own monitoring of expectant mothers’ wait times for appointments and late entry into prenatal care, managed care companies share concerns regarding the adequacy of their provider networks for obstetrical services.

The Impact on Patients: The percentage of mothers beginning prenatal care in their first trimester has been dropping throughout the state and region, with Philadelphia having especially low rates. Because low-income, undocumented-immigrant expectant mothers become eligible for Medical Assistance only when they present for delivery, these women face greater challenges accessing the prenatal care essential to promoting healthy families. The rate of low and very low birth-weight infants is rising. The infant mortality rate in Philadelphia County is more than twice Pennsylvania’s Healthy People 2010 goal and approximately twice the rate of Montgomery County.

Recommended Actions: The OB Services Task Force’s 10-point action plan to maintain and improve access to OB services includes the following legislative, regulatory, operational and workforce recommendations.

- **Legislation to protect OB and maternity services** – To provide adequate hospital reimbursement for providers of obstetrical and neonatal services, legislation is needed to establish a disproportionate share payment for hospitals with a high proportion of Medical Assistance obstetrics patients.
- **Liability reform** – Reform is needed at the state and federal levels, including Mcare reform and continued abatement, joint and several liability reform, an administrative medical liability system demonstration (health courts), and the federal Healthy Mothers and Babies Act.
- **Regulatory flexibility for OB and NICU surge capacity** – The Pennsylvania Department of Health, which has regulatory oversight of obstetrical and neonatal intensive care units, should work with hospitals so they can develop the surge capacity needed to address increases in volume.

- **Elimination of duplicative city and state reporting requirements** –The development of a new module for the existing Pennsylvania Department of Health electronic birth certificate system will allow direct, electronic data transfer to the Philadelphia Department of Public Health, eliminating a duplicative reporting system.
- **Workforce development** – Qualifying communities may be able to improve their access to OB health professionals if they can achieve designation as Health Professional Shortage Areas (HPSAs) or Medically Underserved Areas/Populations (MUA/Ps). In addition, encouraging workforce development organizations to increase their focus on obstetrical health care in existing regional career development initiatives will help ensure an adequate future workforce of OB health care professionals.
- **Promotion of cultural competency and workforce diversity** – The creation of a forum will encourage health care providers to share best practices related to building cultural competency in obstetric services and increasing diversity within the obstetric workforce.
- **Improved access to prenatal and postpartum care** – A model of care that uses midwives and nurse practitioners for normal pregnancy care and obstetricians for high-risk pregnancies will increase access to obstetric services.
- **Increased continuity between prenatal and delivery care** – Patient education, coordination with regional emergency medical services, and electronic medical records are needed to increase the percentage of expectant mothers receiving prenatal and labor/delivery care from the same physician/provider. Increasing delivering OBs' access to mother/infant medical histories will reduce the need for duplicative testing.
- **NICU capacity tracking** – A plan should be developed to create a real-time, NICU available-capacity website that would make use of the information technology infrastructure currently being developed as part of HAP/DVHC disaster preparedness activities.
- **Considerations for obstetric unit closures** – The development and implementation of best practices for the transition of patient populations when obstetrical units close will optimize continuity of care and minimize access issues.

Conclusions: Obstetrical services in the region and state are approaching a crisis situation. Since January 2007, four more hospitals (Excelsa Health's Latrobe Hospital, Monongahela Valley Hospital, Temple University Health System's Jeanes Hospital and University of Pittsburgh Medical Center's Greenville Hospital) have announced plans to close obstetrical units. Providing adequate access to appropriate prenatal, obstetrical, and postpartum care is essential to the health of mothers, their newborns, and the future of the Pennsylvania.