

REPRODUCTIVE AND EARLY CHILDHOOD HEALTH

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Healthcare reform provides new opportunities to prevent unwanted pregnancies and support pregnant women and families in the care and development of their young children. These changes may affect a wide swath of Arizonans, including teenagers, women of childbearing age and their partners and at-risk families.

FAMILY PLANNING

Family planning services are a critical element of basic health care and allow women and men to thoughtfully plan the size and spacing of their families. Unfortunately, many Arizona women lack access to family planning services. In 2006, 53 percent of fertile non-Native American, low-income women (144,000 women ages 15 - 44) were unable to access family planning options, up from 51 percent in 2004.¹

Healthcare reform *may* require family planning services to be available free of charge by many health insurers beginning September 23rd, 2010, allowing greater access to such services. While final regulations have not been determined by the federal Health Resources and Services Administration, family planning services may be included in the list of preventive services that must be offered without a co-pay or out-of-pocket costs.

While changes to insurance coverage for family planning are still uncertain, healthcare reform *will* change the availability of family planning for low-income Arizonans. Beginning in 2014, eligibility for AHCCCS (Arizona's Medicaid program) will increase to 133 percent of the Federal Poverty Level, allowing family planning (a covered service) to be available to many more low-income men and women in our state.

The new healthcare reform law also provides an *additional* state option to expand the availability of publicly funded family planning services even further. Currently, Medicaid-paid family planning is available to those earning at or below 100 percent of the Federal Poverty Level. In addition, women earning up to 150 percent of the Federal Poverty Level can obtain family planning services through Medicaid – *if* they have had a pregnancy paid for by AHCCCS previously and they don't have any private health insurance currently.² These family planning services are limited in duration. Women can only receive AHCCCS-covered family planning services for a two-year period.

KEY REFORM CHANGES

- **Increases access to family planning through Medicaid expansion in 2014.**
- **Makes it easier for Arizona to obtain federal approval to expand AHCCCS planning services to women and men earning up to 150 percent of the federal poverty level.**
- **Provides new monies for comprehensive sex education programs and abstinence education programs.**
- **Requires insurers to cover maternity and childbirth services.**
- **Provides new monies to expand evidence-based home visitation programs.**
- **Requires businesses with 50 or more employees to provide break time (and space) for nursing mothers.**

Under healthcare reform, states can further expand Medicaid coverage for family planning services *immediately* through a simple state Medicaid plan amendment, bypassing the previous, cumbersome state waiver process. Under the state plan amendment process, states can expand the availability of family planning to *all* Medicaid eligible women *and men* whose incomes are at or below the income level set for pregnant women receiving Medicaid in a state.³ (In Arizona, pregnant women whose household incomes are up to 150 percent of the Federal Poverty Level qualify.)

Expansion of family planning may be cost-beneficial for the state. The federal government pays 90 cents of every dollar spent by state Medicaid programs on family planning. The cost savings achieved by preventing a pregnancy and birth by a woman may be considerable. Over half of the births in Arizona are currently paid for by AHCCCS, at a cost of approximately \$6,629 for each covered birth. Conversely, the cost of paying for family planning services for a Medicaid recipient is approximately \$17 annually.⁴

Cost Savings and Better Outcomes

States with more expansive family planning coverage have demonstrated cost savings. One recent study concluded that states save \$4.02 for every dollar they spend on family planning waivers.⁵ The Centers for Medicare and Medicaid Services (CMS) have also found evidence that family planning services avert births resulting in state savings. The table below highlights CMS's 2003 study findings:

STATE	YEAR	BIRTHS AVERTED	NET SAVINGS (\$ IN THOUSANDS)	TOTAL BIRTHS	BIRTHS AVERTED AS % OF TOTAL BIRTHS
Alabama	2000-2001	3,612	\$19,029	61,877	5.84%
Arkansas	1997-1998	2,748	15,524	36,672	7.49%
	1998-1999	4,486	29,748	36,797	12.19%
California	1999-2000	21,335	76,183	525,234	4.06%
New Mexico	1998-1999	507	1,334	27,255	1.86%
	1999-2000	1,358	5,009	27,207	4.99%
	2000-2001	1,528	6,511	27,176	5.62%
Oregon	2000	5,414	19,756	45,804	11.82%
South Carolina	1994-1995	2,228	13,364	51,485	4.33%
	1995-1996	3,151	19,616	51,022	6.18%
	1996-1997	3,769	23,067	51,666	7.29%
Average		4,558	\$20,831	85,654	5.32%

Source: Edwards, J., Bronstein, J., & Adams, K. (2003, November). Evaluation of Medicaid family planning demonstrations. The CNA Corporation, CMS Contract No. 752-2-415921.

Note: Births averted as a % of total births calculated based on Census data for the research year.

There are additional benefits to expanding family planning services and preventing unwanted pregnancies. Births that are spaced by three to five years are more likely to result in healthy babies. By averting unintended pregnancies, children born by mothers with AHCCCS coverage may have better health outcomes. One study suggests that unintended pregnancies result in a 30 percent greater likelihood that an infant's health will be compromised.⁶

If Arizona does expand family planning services through Medicaid, money currently devoted to family planning may be "freed up" for other purposes benefiting maternal and child health. Each year, Arizona receives over \$7 million from the federal government as part of Title V, or the Maternal Child Health Block Grant. Approximately 12 percent of these monies are devoted to family planning.⁷ If family planning were to be expanded under AHCCCS, some or all of these federal dollars could potentially be devoted to other maternal or child health needs such as Children's Rehabilitative Services.

KEY TAKEAWAY:

- Healthcare reform makes family planning more affordable and accessible for low-income women and men. Arizona can take steps now to expand the number of people receiving such services even further, saving the state money in the long run.

SEX EDUCATION

Arizona has one of the highest teen birth rates in the country.⁸ In addition, the prevalence of some sexually transmitted diseases among teenagers has been increasing in recent years. For example, during 2003-2008, the rate of chlamydia increased 45 percent among 10-19 year olds.⁹

Healthcare reform may provide new opportunities for our state to curb these trends through the expansion of sex education. Beginning in FY 2010, the state of Arizona can apply for and receive approximately \$1.2 million per year for five years for evidence-based, comprehensive teen pregnancy prevention. Such monies are likely to be awarded to community organizations or schools through an RFP process. If the state does not apply or use its allotment of dollars, community organizations may apply.

The Arizona Department of Health Services will also likely receive about \$1.1 million for abstinence education. However, to be eligible for such money, Arizona must put up a match of \$4 for every \$3 that the federal government provides. To meet this match, the state could require abstinence providers to make available in-kind matching dollars. Such an in-kind match could further leverage the use of Lottery dollars for pregnancy prevention efforts. (Statute restricts the use of these dollars for pregnancy prevention.)

The new law will also provide up to \$10 million in grants to entities to implement innovative youth pregnancy prevention strategies to target services to high-risk, vulnerable and culturally under-represented youth populations, including youth in foster care, homeless youth, youth with HIV/AIDS, teenagers and youth residing in areas with high birth rates.

Challenges to Address

While new funding presents fresh opportunities, several challenges and obstacles may need to be addressed for Arizona to most effectively use new federal dollars.

First, more data may be needed. Little is known about the myriad of existing sex education efforts occurring in schools. Unlike 40 other states, Arizona does not require the schools to provide sex education or information on sexually transmitted infection prevention.¹⁰ Instead, each school district decides whether sex education is provided or not and what such programs look like. Accordingly, little information is currently collected by the Arizona Department of Health Services or the Arizona Department of Education on the status of current sex education efforts in school districts. Lack of information may make it challenging for community-based organizations to target efforts aimed at attracting federal funds.

Coordination across programs and funding streams may also be an issue. Both public and private organizations may seek to implement programs in various geographic areas, creating the potential for duplication and inefficiency in program delivery. To address this challenge, the Governor's Office, the Department of Health Services or an organization such as the Arizona Public Health Association could convene organizations engaged in sex education efforts (e.g., schools, abstinence providers, Planned Parenthood and other comprehensive sex education providers) to share information and coordinate efforts. Similar coalitions have existed in the past.

Finally, statutory barriers may also prevent effective implementation. A recently passed law requires parents to give permission for their children to attend sex education classes (opt-in versus opt-out), making it challenging to administer sex education in the schools.¹¹

KEY TAKEAWAY:

- Healthcare reform brings new opportunities for Arizona to implement evidence-based, comprehensive teen pregnancy prevention programs in addition to abstinence education, potentially allowing the state to effectively ameliorate high teen pregnancy rates and reduce the prevalence of sexually transmitted diseases.

MATERNITY BENEFITS

Beginning in 2014, many health plans will be required to cover maternity and childbirth services as part of the benefit package. Insurers won't be allowed to charge higher rates to women who are pregnant or refuse to cover them or their childbirth costs.

These new requirements may make maternity and childbirth services vastly more accessible and affordable for women – particularly those who have health insurance through the individual or small group health insurance markets. Federal law currently requires employers with 15 or more employees to provide coverage for maternity care if they also cover other temporary disabilities.¹² However, Arizona is one of 32 states that currently does not have a law that extends the requirement to offer or cover maternity benefits to small group and/or individual policies.¹³

KEY TAKEAWAY:

- Healthcare reform may make maternity benefits more readily available to women who have private coverage purchased through the individual or small group markets.

EARLY CHILDHOOD AND FAMILY SUPPORT

Healthcare reform provides new opportunities for states to strengthen early childhood home visiting programs. Early childhood home visiting programs provide voluntary, in-home services to families with children beginning prenatally up to kindergarten entry age. Trained home visitors – nurses, social workers, early childhood education specialists or other trained paraprofessionals – meet with families in their homes to help advise them on their children's health and development and build skills to help their children grow and thrive. Research studies have found that quality, evidence-based home visitation services produce positive measurable outcomes for children and families that are real and lasting: better health, greater school readiness, academic achievement, parental involvement, economic self-sufficiency, reduced child maltreatment and injuries and less juvenile delinquency.¹⁴

Over the next five years, \$1.5 billion in grants will be provided to states and tribes to expand home visiting programs. Recently, the Arizona Department of Health Services (ADHS) applied for and received \$1.7 million for Arizona. ADHS is now working with other agencies including First Things First and the Arizona Department of Economic Security to develop Arizona's plan for how those monies will be spent in our state, including choosing the evidence-based model(s) that will be implemented.

As a condition of receiving these new monies, the state is required to supplement and not supplant resources currently directed to home visiting in the state. While these maintenance of effort requirements still need to be clarified by the federal government, it is important to note that Arizona may *potentially* jeopardize its ability to receive these grant monies if further reductions are made to state-funded home visitation programs, such as those currently funded through First Things First or the Arizona Department of Economic Security. (In recent years, home visitation programs such as Healthy Families have been cut dramatically.)

Arizona is Well-Positioned

Arizona is well-positioned to administer these new grant monies. First Things First and the Arizona Department of Economic Security currently fund a number of home visitation programs (e.g., Healthy Families, Nurse Family Partnership, Parents as Teachers) that meet the evidence-based standards contained in the new healthcare reform law. Arizona has already started the groundwork for implementation, due to creation of an interagency, public/private taskforce comprised of members that include representatives from the Arizona Department of Health Services, the Department of Economic Security, First Things First and community providers. This group began assessing the need for (and gaps in) home visitation in our state well before the new law was signed.

As a result of the new infusion of money for home visitation, the state may be able to “free up” lottery dollars currently committed to non-evidence-based programs (such as the Health Start program), allowing those dollars to be used for other maternal and child health purposes. Those monies could also be used to fill in “system gaps” that are identified through the statewide needs assessment of home visitation that is being performed as a requirement of healthcare reform, or to further expand evidence-based home visitation programs. Such changes may depend on final guidance from the federal government on maintenance of effort requirements and would require changes in state law.

Finally, the new law requires employers with 50 or more employees to provide break time for nursing mothers to express milk in a private space other than a bathroom. The Arizona Department of Health Services developed and implemented a similar policy some years ago among its employees. The policy could be used as a model for implementation among employers.



KEY TAKEAWAY:

- Arizona is well-positioned to receive new federal moneies to expand evidence-based home visitation programs. However, their availability may be tied to a continued commitment by state agencies to maintain current funding levels for home visitation programs. Such funding may be in jeopardy due to potential budget cuts and a 2010 ballot measure (which could eliminate First Things First).

ABOUT THE AUTHOR

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