

Department of Legislative Services
Maryland General Assembly
2022 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

Senate Bill 166

(Senators Ellis and Lam)

Finance

Health and Government Operations

Maryland Medical Assistance Program - Doula Services - Coverage

This bill requires the Maryland Department of Health (MDH) to (1) ensure that doulas providing care under Medicaid are participating doulas; (2) review participation in Medicaid of participating doulas and program recipients; and (3) evaluate the effectiveness of doula services covered by Medicaid. The bill establishes requirements for participating doulas and specifications for covered doula services. The bill may not be construed to limit the authority of the Health Services Cost Review Commission (HSCRC) to set the appropriate rates for hospital services.

Fiscal Summary

State Effect: The bill generally codifies Medicaid regulations regarding doula services; thus, there is no fiscal impact resulting from the services specified under the bill. Medicaid can evaluate program effectiveness using existing budgeted resources.

Local Effect: None.

Small Business Effect: None as a result of the bill. A meaningful impact has already been accounted for as a result of the regulations.

Analysis

Bill Summary:

Participating Doulas

A provider must be certified by an organization approved by MDH and present proof to MDH of completion of the associated certification before providing doula services through Medicaid. To participate, a provider must (1) meet specified regulatory requirements to

participate in Medicaid; (2) maintain up-to-date certification; and (3) hold adequate liability insurance.

Doula Services

Medicaid must cover doula services that (1) are medically indicated; (2) are provided during the prenatal, labor and delivery, or postpartum period of a birthing parent; and (3) if provided remotely, comply with Medicaid telehealth regulations and other relevant State and federal law. Doula services covered by Medicaid are subject to any limitations adopted by MDH.

Reimbursement for Doula Services

A provider must submit a request for payment in the format designated by Medicaid. Medicaid may return to the provider, before payment, improperly completed or incomplete invoices. Medicaid must pay for covered services at a rate equal to the lesser of either the customary charge of the provider or the Medicaid fee schedule.

Current Law: Medicaid covers individuals, including pregnant women, with incomes up to 138% of federal poverty guidelines (FPG). Pregnant women with incomes between 138% and 264% FPG may also qualify for Medicaid based on their pregnancy under the “SOBRA” category.

With the inclusion of maternal and child health as a population health priority area under Maryland’s Statewide Integrated Health Improvement Strategy, HSCRC recently committed \$8.0 million in annual funding to support Medicaid initiatives to address severe maternal morbidity and pediatric asthma. Reimbursement for doula services is one of a suite of programs MDH is supporting with this funding, with an expected annual cost of \$1.4 million in combined federal and State funds.

Maryland regulations (COMAR 10.09.39.01-.11), effective February 21, 2022, provide for Medicaid coverage of doula services statewide to both HealthChoice managed care organizations and fee-for-service Medicaid enrollees. MDH submitted a State Plan Amendment (SPA) to the Centers for Medicare and Medicaid Services to allow for a federal matching rate for all direct services provided under this program. Once approved, doula services will be eligible for a 50% federal match, while provider enrollment costs will be eligible for a 75% federal match. Federal matching funds are retroactive to the beginning of the fiscal year quarter in which the SPA is submitted.

State Fiscal Effect: The bill generally codifies key components of MDH’s existing regulations for doula services and, therefore, is cost neutral with respect to coverage of

Medicaid doula services. Medicaid can evaluate the effectiveness of the doula program using existing budgeted resources.

Additional Information

Prior Introductions: Legislation in recent sessions would have required provision of doula services through Medicaid. SB 163 of 2021 passed in the Senate with amendments and received a hearing in the House Health and Government Operations Committee, but no further action was taken. SB 110 of 2020 received a hearing in the Senate Finance Committee, but no further action was taken.

Designated Cross File: HB 765 (Delegate Bridges, *et al.*) - Health and Government Operations.

Information Source(s): Maryland Department of Health; Department of Legislative Services

Fiscal Note History: First Reader - February 6, 2022
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