



an independent voice for
all Nebraska's children

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Voices
FOR AMERICA'S CHILDREN

To: Members of the Health and Human Services Committee

From: Tiffany Seibert, Policy Coordinator

RE: LB 1110 – Protecting Prenatal Care to Ensure Babies are Born Healthy

Voices for Children in Nebraska would like to express our appreciation to Senator Campbell and the Health and Human Services Committee for working to protect prenatal care in Nebraska. We believe there is no greater priority for this Committee than ensuring that babies have every opportunity to be born healthy.

Rarely are solutions so simple to such important issues as promoting healthy pregnancies and healthy babies. The Centers for Medicare and Medicaid Services laid out this simple solution in a letter to Nebraska DHHS on November 30th, 2009. The letter stated, “**Title XIX [Medicaid] does not allow coverage of an unborn child. However, Nebraska may provide prenatal care to pregnant women who do not qualify for Medicaid by covering unborn children under the Children’s Health Insurance Program. This would have to be submitted as a State plan amendment for a separate CHIP program.**”¹ With such a simple solution having been presented, it is unfortunate, to say the least, that at least a thousand soon-to-be Nebraska babies in our state are on the brink of losing access to the critically important care needed to ensure that they are born as healthy as possible.

We must take advantage of this simple solution to ensuring that Nebraska babies are born healthy for the following reasons:

- 1) Prenatal care protects the lives and health of babies born in Nebraska.
- 2) Prenatal care saves the state money.
- 3) It is simply the right thing to do.

Prenatal Care Protects the Lives and Health of Babies

Nebraska has had a long-standing policy of protecting and prioritizing access to prenatal care, recognizing that our obligation to ensuring a child has an opportunity to live a healthy life begins long before the baby is born. Medical care during pregnancy not only helps make sure a baby is born healthy but also ensures the best opportunities for a healthy childhood and adulthood. Babies in Nebraska are facing a growing risk of being born too small and too soon, as well as growing barriers to quality prenatal care. **In 2007, seven out of every 1,000 babies born did not make it to their first birthday. Eliminating prenatal care for more unborn children in our state will only guarantee that these troubling statistics will rise.** By reversing Nebraska’s long-standing policy and denying prenatal care to babies who need it, we will be diminishing the opportunity for babies to have the opportunity for a healthy life before they are even born.

¹ James G. Scott, Associate Regional Administrator for Medicaid and Children’s Health Operations, Centers for Medicare and Medicaid Services, Letter to Kerry Winterer, November 30, 2009.

Prenatal care Saves Money

By taking advantage of this simple solution and taking up the unborn child option, the state of Nebraska will immediately realize a General Fund savings. As Medicaid services have been provided to the unborn children of undocumented women for 20 to 30 years and a change in this policy was not dictated or foreseen by the Legislature, “the costs of providing these services are included in the FY 10 and FY 11 appropriations for Medicaid.”² By taking the unborn child option available under SCHIP and moving some pregnant women from Medicaid to SCHIP, the state will realize a General Fund savings, as the federal match under SCHIP is higher than the Medicaid match rate.

- By moving coverage of unborn children from Medicaid to SCHIP, we will generate **\$54,095 GF savings in FY 2010** and a **\$435,394 GF savings in FY 2011** as a result of the higher SCHIP federal match rate.³

Denying prenatal care will lead to more babies born too small and too soon and also more costly medical expenditures at birth and potentially throughout a child’s life. Regardless of whether LB 1110 passes, the state will be required to pay for hospital delivery costs for undocumented women, considered to be “emergency services” and paid by Medicaid. Regardless of whether or not a mother is eligible for Medicaid, all low-income babies born in Nebraska are Nebraska citizens and will be immediately eligible for Kids Connection. So, the state will be potentially responsible for costs of care once the child is born. For this reason, it is fiscally and morally responsible to invest in prevention and in the health of unborn children to prevent more costly, complicated births and unhealthy babies.

In FY 2009, “pre-delivery, pregnancy-related costs excluding dental services for 2,846 unborn children of undocumented women” was \$6.2 million or \$2,181 per unborn child.⁴ The cost of one day in the neonatal intensive care unit (NICU) at St. Elizabeth Regional Medical Center in Lincoln – just room and board, no physician ancillary, or specialty costs – is \$2,191 per day.⁵ A severely ill newborn may spend weeks or months in the NICU. **One day in the NICU costs more than providing an entire course of prenatal care to an unborn child.** We can pay for the cost of prevention or we pay for the high economic and human costs of poor birth outcomes and health problems that may persist throughout a child’s lifetime.

Nebraska’s long-standing policy of protecting and prioritizing prenatal care reflects the value we place on the health of the children born in our state and our recognition that providing care early on saves state money by reducing the likelihood of birth complications. There are few opportunities in life and in your careers as state leaders and policymakers when doing the right thing is so simple. Protecting prenatal care will protect the lives and future life opportunities of babies born in our state. It will save the state money in both the near and long terms. And protecting the health of Nebraska’s children and babies, ensuring babies are born healthy, is always the right thing to do. We would encourage you to work to take up this simple solution and protect the health of babies born in Nebraska. Healthy babies are worth the investment.

Please see our attached fact sheets, and please contact us for any additional information about prenatal care and infant health. Thank you for your consideration.

² Liz Hruska, Legislative Fiscal Analyst Estimate, “LB 1110 Revision: 00,” February 24, 2010.

³ Liz Hruska, Legislative Fiscal Analyst Estimate, “LB 1110 Revision: 00,” February 24, 2010.

⁴ Liz Hruska, Legislative Fiscal Analyst Estimate, “LB 1110 Revision: 00,” February 24, 2010.

⁵ Data provided by St. Elizabeth Regional Medical Center and is the average room and board charge per day in the neonatal intensive care for the first six months of FY 2010.

