The Investment of Prenatal Care

Approximately 6 million women become pregnant each year. Medical costs for a healthy baby are fairly low, costing $4,551 from birth (including labor & delivery) through the first year. But, for a preterm baby who needs intensive care, the costs average $49,033. Health care payers—employers, health plans, federal and state Medicaid programs, and individuals—all share the cost of caring for premature babies.

Preterm births cost the U.S. economy $26.2 billion annually in medical, educational and lost productivity. This Brief outlines the importance of prenatal care at every stage, and presents ideas for businesses and communities to improve healthy pregnancies and lower health care costs.

Preconceptual Care

As 50% of pregnancies in the U.S. are planned, many women do not have the opportunity to get recommended preconceptual care before they conceive. The preconceptual period is the one-year period before a woman becomes pregnant. Preconceptual health is important because a woman’s health before pregnancy affects the possibility of getting pregnant and the health of the future infant. A recent study on preconceptual care found that for every $1 spent on preconceptual care, $1.60 is saved in maternal and fetal care costs.

Prenatal Care

Evidence shows that comprehensive prenatal care can lower the incidence of low birth weight babies and infant mortality. Yet, in 2008, one in five infants (19.3% of live births) was born to a woman receiving inadequate prenatal care in Florida.

Prenatal care includes counseling, preventive screening, like blood sugar monitoring; diagnostic testing and procedures; and growth and weight monitoring. For women at high risk of pregnancy complications, prenatal care is both life saving and cost-saving. For every dollar spent on prenatal care, employers can expect a savings of $3.33 for postnatal care and $4.63 in long-term morbidity costs.

63% of women of childbearing years in the United States are covered through employer-sponsored insurance. Another 10% are covered by Medicaid and 18% are uninsured (and often become eligible for Medicaid when they are pregnant).
Preterm Births

An unhealthy pregnancy affected by complications or risk behaviors may lead to preterm birth and/or low birth weight (5 lbs., 8 ounces or less). By definition, birth before 37 weeks is preterm. Depending on how early the baby is born he or she may be:

- Late preterm, born between 34-37 weeks
- Very preterm, born at or before 32 weeks
- Extremely preterm, born before 25 weeks.

Preterm birth is dangerous for newborns. Infants born prematurely can suffer from a host of medical problems, including respiratory and cardiac distress, jaundice, feeding difficulties, hypoglycemia, temperature instability, and sepsis. Problems can also result from injury to the infant’s immature central nervous system (e.g., intrauterine growth retardation, cerebral hemorrhage and infarction, hypoglycemia, septicemia, asphyxia) during gestation, labor or delivery.

Premature babies are at considerable risk for long-term physical disability, cerebral palsy, mental retardation, and attention-deficit and hyperactivity disorder (ADHD). Medical experts estimate that a quarter of infants leaving neonatal intensive care units (NICUs) have chronic health problems. These chronic problems, including developmental delays and disabilities, put premature babies at risk for a variety of poor social outcomes as they age — including the inability to hold employment, extended residence in a parent’s household, lowered socio-economic status, lower cognitive test scores, and behavioral problems.

A 2008 study from Boston University’s School of Medicine did show that very low birth-weight babies born to low-income women failed to get critical follow-up care within their first two years of life. While the study only looked at low-income women, follow-up care is vital for premature and low birth babies.

Improving health while reducing costs

A pregnancy with complications costs employers more than a healthy pregnancy; sick mothers and newborns are also more costly. Facilitating healthy pregnancies is in the best interest of employers, employees and the community.

There are several ways employers and the community can improve beneficiaries’ odds of having a healthy pregnancy and a healthy birth:
- Provide comprehensive preconception, prenatal, and postpartum care benefits
- Remove financial barriers to essential care by providing first-dollar coverage (zero cost sharing) for preventive services, including preconception, prenatal, and postpartum care.
- Offer pregnancy-related health promotion programs
- Select and incentivize high-quality healthcare providers in plan provider and facility networks
- Include ethnically diverse providers, as well as providers with language competencies, in plan provider and facility networks
- Increase Healthy Start screening rates
- Increase Medicaid enrollment
- Include follow-up care as part of benefits package.

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