

# Essential Elements for a Maternal Health Initiative Business Case

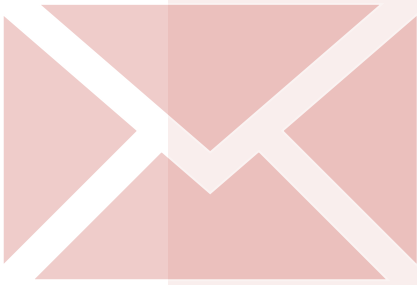
Developing a maternal health initiative business case in Medicaid is a complex but achievable task. In an effort to learn from Medicaid MCOs who have successfully contracted with CNMs practicing in hospitals and freestanding birth centers, the Institute for Medicaid Innovation conducted in-depth interviews to glean the lessons learned, challenges, and tips for success. The culmination of information obtained from the interviews resulted in the identification of essential elements for developing a business case specific to the midwifery-led model of care. A checklist for developing a business case that includes these essential elements is provided below. The full report, including additional details about the checklist, can be downloaded at the Institute for Medicaid Innovation website <https://www.medicaidinnovation.org/>.

Description of the Initiative	In Place	Actively Planning <i>(Implementation Target Date)</i>	Future Priority <i>(Target Date to Begin Planning)</i>
Include a description of the initiative and target population.			
Include quantitative analysis of people of childbearing years' population and fertility rates.			
Identify the clinical needs.			
Identify opportunities for improvement.			
Demand Analysis	In Place	Actively Planning <i>(Implementation Target Date)</i>	Future Priority <i>(Target Date to Begin Planning)</i>
Complete a competitive analysis.			
Identify market share trends.			
Identify consumer preferences.			
Marketing	In Place	Actively Planning <i>(Implementation Target Date)</i>	Future Priority <i>(Target Date to Begin Planning)</i>
Identify opportunities to overcome current role confusion.			
Assess ability to attract patients to the new service.			

<b>Personnel Resource Allocation</b>	<b>In Place</b>	<b>Actively Planning</b> <i>(Implementation Target Date)</i>	<b>Future Priority</b> <i>(Target Date to Begin Planning)</i>
Include direct care requirements.			
Identify CNM travel time between inpatient and outpatient care settings as well as other non-direct care requirements.			
If applicable, identify the time of nonclinical administrative support and management such as supervising physicians.			
If applicable, identify the proportion of time allocated between the CNM and physician.			
Include vacation coverage.			
<b>Medicaid Market Enrollment Eligibility</b>	<b>In Place</b>	<b>Actively Planning</b> <i>(Implementation Target Date)</i>	<b>Future Priority</b> <i>(Target Date to Begin Planning)</i>
Identify the estimated covered population for expansion vs. non-expansion states.			
Identify potential coverage for fourth trimester care (i.e., 12 months postpartum).			
<b>Regulatory, Professional Organization, and Community Support</b>	<b>In Place</b>	<b>Actively Planning</b> <i>(Implementation Target Date)</i>	<b>Future Priority</b> <i>(Target Date to Begin Planning)</i>
Identify the CNM scope of practice in each state that the initiative is being considered.			
Identify the licensing requirements for freestanding births centers in each state that the initiative is being considered.			
Identify Medicaid provider requirements in each state that the initiative is being considered.			
Assess hospital support and admitting privileges for CNMs.			
Assess community alignment and support.			
Assess professional organization alignment and support.			
<b>Payer Mix</b>	<b>In Place</b>	<b>Actively Planning</b> <i>(Implementation Target Date)</i>	<b>Future Priority</b> <i>(Target Date to Begin Planning)</i>
Identify and compare available reimbursement rates offered by Medicaid, MCO and commercial payers.			
Identify the optimal ratio of Medicaid members to employer-sponsored commercial insurance.			
Identify opportunities to enhance reimbursement through participation in emerging value-based payment models; such as bundled maternity payments.			

<b>Financial Analysis - Implementation and 5-year Projection</b>	<b>In Place</b>	<b>Actively Planning</b> <i>(Implementation Target Date)</i>	<b>Future Priority</b> <i>(Target Date to Begin Planning)</i>
<i>Income</i>			
Identify volume in units.			
Identify income for each unit.			
Identify other income (e.g., grants and potential for quality-based bonus payments).			
Identify any off-setting savings from medical expenses (e.g., reduction in non-delivery hospital admissions, cesarean section rates, NICU admissions, outpatient visits associated with complications).			
<i>Expenses</i>			
Identify one-time implementation expenses, including: <ul style="list-style-type: none"> <li>• Capital equipment, IT, marketing, legal, consultation services, etc.</li> </ul>			
Salary, including: <ul style="list-style-type: none"> <li>• Annual hours multiplied by mean range for each position.</li> <li>• Fringe benefits and vacation coverage.</li> <li>• Expected salary increases over the 5-year period.</li> </ul>			
Operating expenses, including: <ul style="list-style-type: none"> <li>• Services - marketing, IT, licenses, legal, and communication.</li> <li>• Supplies - medical and office.</li> <li>• Space - lease and other maintenance.</li> </ul>			
<b>Implementation Plan</b>	<b>In Place</b>	<b>Actively Planning</b> <i>(Implementation Target Date)</i>	<b>Future Priority</b> <i>(Target Date to Begin Planning)</i>
Identify key milestones leading to the launch date.			
Identify expected dates to reach each milestone.			
Identify the goal launch date.			
Identify the tracking measures to assess success.			
<b>Risk Assessment</b>	<b>In Place</b>	<b>Actively Planning</b> <i>(Implementation Target Date)</i>	<b>Future Priority</b> <i>(Target Date to Begin Planning)</i>
Identify risks to reaching the stated goals.			
Identify plans to mitigate each risk.			

Program Evaluation	In Place	Actively Planning <i>(Implementation Target Date)</i>	Future Priority <i>(Target Date to Begin Planning)</i>
Identify financial and quality improvement tracking measures to confirm a successful launch.			
Develop plans for publication and dissemination of the results.			



### NEED ASSISTANCE?

Would your state Medicaid agency, health plan, or provider group benefit from expert assistance and consultation in developing a maternal health initiative and business case that is based on the midwifery-led model of care? The Institute for Medicaid Innovation offers a range of in-depth, confidential consultation and technical assistance to support your efforts. Please contact Dr. Jennifer Moore at [JMoore@MedicaidInnovation.org](mailto:JMoore@MedicaidInnovation.org).