

Reward program reduces costs by \$128 PMPM

Analysis shows better outcomes and 3:1 ROI on incentivized Medicaid program

The Challenge: Prove quality and cost improvements in maternity care management program

Babies born to mothers who do not receive prenatal care are three times more likely to have a low birth weight¹ and five times more likely to die than the infants of mothers who do get care. On average, 11 percent of infants born to mothers insured by Medicaid were preterm and about 10 percent had low birthweight. More than half of these mothers are overweight or obese and nearly 15 percent smoked cigarettes before becoming pregnant, increasing the likelihood of poor maternal outcomes.²

That's one of the primary reasons Medicaid insurers create programs to encourage mothers to receive prenatal care. Another is quality measures³ such as the timeliness of prenatal care and the number of live births typically are monitored by government regulators, and plan performance influences whether a Medicaid contract is renewed.

Maternity care management programs incentivize enrolled members to complete recommended prenatal, postpartum and well-baby visits. Members who achieve the program requirements receive gift cards or baby equipment such as strollers.

A national health plan chose NextHealth Technologies to independently evaluate the performance of its incentivized Medicaid maternity care management program.



43% of all live births are paid for by Medicaid.



Babies born to mothers insured by Medicaid:

- 11% are preterm
- 10% have low birth weight

Propensity Score Matching perfects cohort comparisons

NextHealth performed a retrospective cohort analysis, comparing eligible members who enrolled in the first trimester and completed the program and eligible members who never enrolled.

The 4,000-member comparison group was chosen using propensity score matching, an analytic technique that evaluated 169 covariates to create a control group that is nearly identical on all measurable dimensions except participation in the maternity care management program.

NextHealth analyzed the health plan claims during the pregnancy period as well as up to nine months pre-delivery and three months post-delivery.

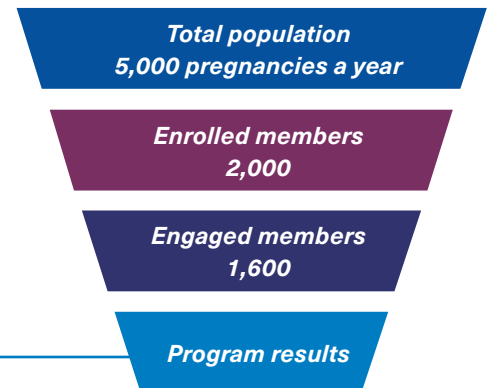
The Results

Improved health outcomes for mothers and babies

The NextHealth analysis demonstrated better health outcomes and costs for the plan's incentivized maternity care management program.

The trial group cost \$128 PMPM less than the control group, driven by:

Lower pre-term deliveries	↓ NICU admissions	-39 PKPY (per thousand per year)
	↓ Total maternity costs	-\$207 PMPM
Appropriate ER utilization	↓ Avoidable ER visits	-20 PKPY
Routine care utilization	↑ Prescription costs	+\$49 PMPM
	↑ Well visits	+28 PKPY



The return on investment was 3:1. For every dollar spent on the program, the plan realized three dollars in cost savings. The NextHealth analysis led the plan to renew the program and to use the analytic insights to encourage more mothers to participate.

1. <https://www.womenshealth.gov/a-z-topics/prenatal-care>

2. <https://www.macpac.gov/wp-content/uploads/2020/01/Medicaid%E2%80%99s-Role-in-Financing-Maternity-Care.pdf>

3. <https://www.medicaid.gov/medicaid/quality-of-care/downloads/2020-maternity-chart-pack.pdf>

“Better health outcomes are important to mothers and Medicaid regulators.”

