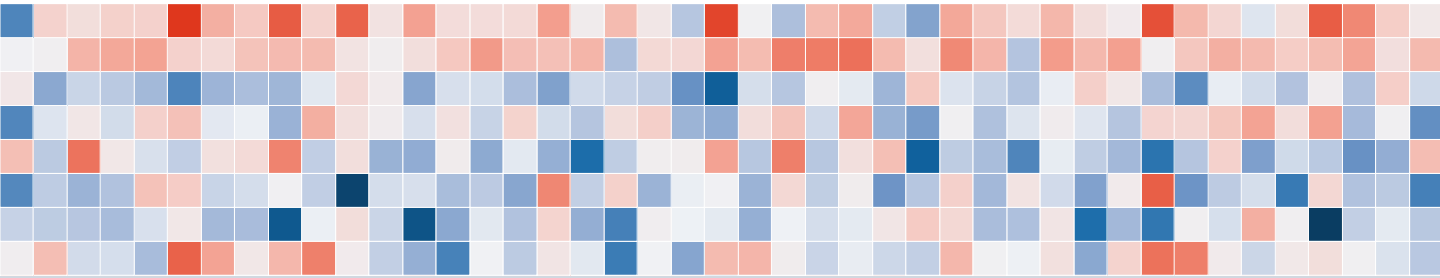




HEALTH CARE COST INSTITUTE



Most Postpartum Spending Occurs Beyond 60 Days After Delivery



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Introduction

The postpartum period is a vulnerable time for both birthing parent and newborn and is [critically important to their health and well-being](#). The American College of Obstetricians and Gynecologists (ACOG) [recommends ongoing, comprehensive care](#), including physical, social, and psychological services, during the postpartum period. In large part because of an increasing maternal mortality rate in the US – one that is 3 to 4 times higher for African-American and Native American pregnant people – public and private decision makers have increased their focus on care in the postpartum period.

We use HCCI's unique dataset to characterize spending on care used by birthing parents with employer-sponsored insurance during the postpartum period. Because the postpartum period is defined differently depending on the entity and purpose, our analysis of postpartum utilization and spending covers a full year after birth.

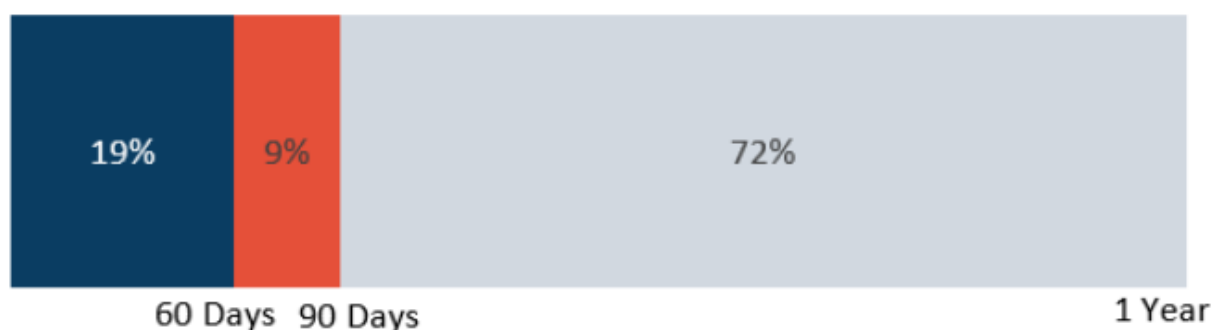
We also include estimates for shorter periods, specifically 60 and 90 days, since those may be of particular interest to public and private decision makers. For example, while [newborns born with Medicaid coverage](#) are eligible for up to a full year, Medicaid programs are only required to cover most [pregnant people with incomes below 133 percent](#) of the federal poverty level through 60 days postpartum (though 36 states and the District of Columbia extend eligibility beyond that).

Some members of Congress have proposed [extending Medicaid eligibility for pregnant people](#) to one year postpartum to align with the coverage that children receive. To assess the potential need for health care services among birthing parents in the year after delivering a baby we analyzed the spending of health care services among the commercially insured population across a full year, focusing on birthing parents, not newborns.

More Than 70 Percent of Postpartum Spending Occurs After 90 Days

Spending on behalf of birthing parents spans the full year following childbirth among our sample. Although nearly 20 percent of overall postpartum spending was in the first 60 days, and almost 30 percent of spending was in the first 90 days, approximately 70 percent of spending occurred over the rest of the year (Figure 1). Per person spending for the 60 days after delivery was \$580, and \$870 for the first 90 days postpartum. Over the course of the full postpartum year, per person spending was just above \$3,100.

Figure 1: Spending Across the Postpartum Year



Our data in (Table 1 below) show differences in postpartum spending per person by age. For example, birthing parents ages 25-34, about 60 percent of our sample, had the lowest average per person spending (\$2,904). Average spending per birthing parent age 45-54 was 50 percent higher (\$4,634), though those parents accounted for less than 0.5 percent of our sample.

Table 1: Full-Year Postpartum Spending by Age Group (2016)

Age Band	Average Spending per Person (2016)	Proportion of Sample (2016)
18-24	\$3,667	9.9%
25-34	\$2,904	61.4%
35-44	\$3,373	28.2%
45-54	\$4,634	0.4%

Low-Frequency, High-Cost Service Account for More than 40 Percent of Postpartum Spending

Among our sample, surgery accounted for the largest percentage of postpartum health care spending. Over the year following birth, 26 percent of total spending was on surgery, with emergency room and ambulance services, and evaluation and management services rounding out the top 3. As shown in Table 2, we observe a similar pattern in the 60-day and 90-day postpartum periods.

Table 2: Percent of Spending by Detailed Service Category

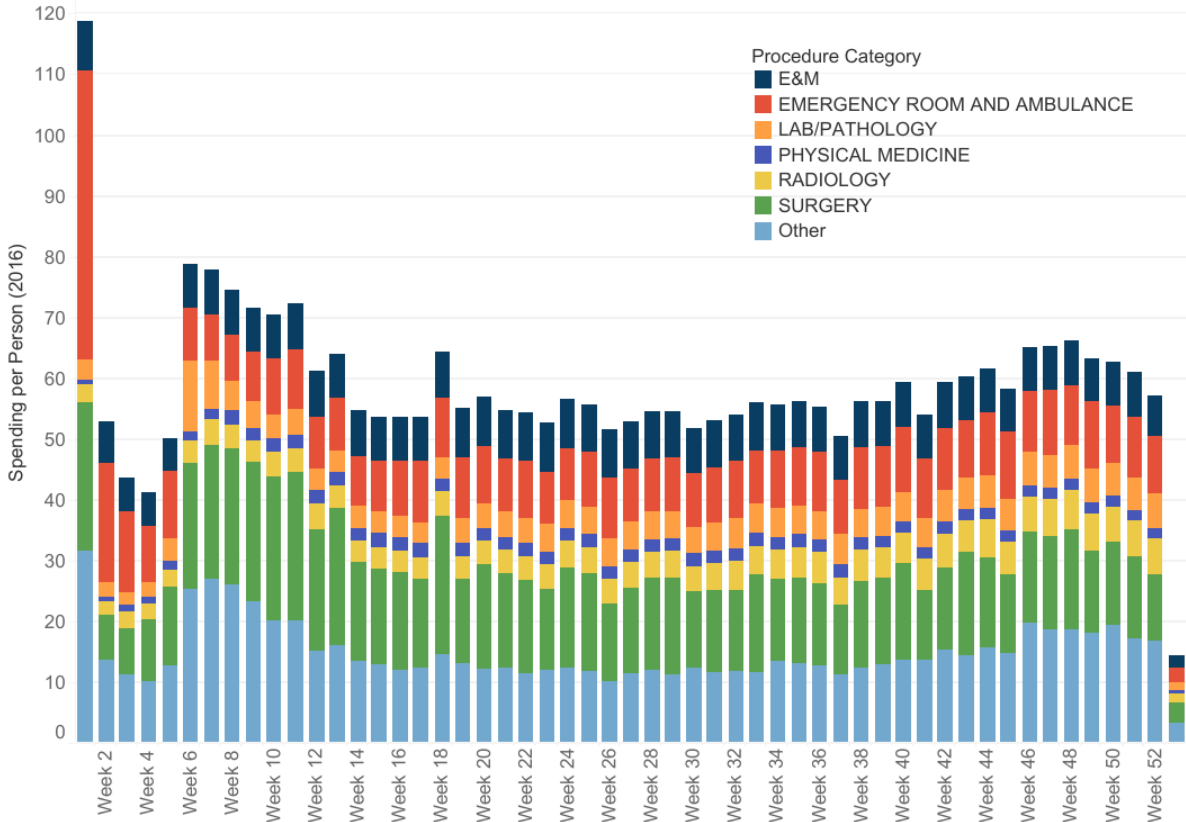
Detailed Service Category	Percentage of Spending (60 Days)	Percentage of Spending (90 Days)	Percentage of Spending (Full Year)
Surgery	24%	27%	26%
Emergency Room and Ambulance	22%	19%	17%
Evaluation and Management (E&M)	10%	10%	12%
Lab/Pathology	7%	7%	8%
Radiology	5%	5%	7%
Physical Medicine	2%	2%	3%
Durable Medical Equipment (DME)	5%	4%	2%
Psychiatry and Biofeedback	1%	1%	2%
Immunizations/ Injections	0%	0%	0%
Other	23%	24%	22%

Low-Frequency, High-Cost Service Account for More than 40 Percent of Postpartum Spending

Figure 2 illustrates how spending was distributed across detailed service categories in each week following delivery. While the first week following delivery had the highest average weekly spending per person (about \$120), we also find that our sample averaged fairly consistent spending across weeks for the remainder of the year following delivery. Per person spending ranged from \$71 to \$79 in weeks 6 through 11 and from \$51 to \$66 in weeks 12 through 52. Over the course of the year, we find that spending on low-frequency, but high-cost events, like surgery and emergency room and ambulance service, account for the plurality of spending in every week.

Figure 2: Spending per Procedure for the Postpartum Year by Week (2016)

Figure 2: Spending per Procedure for the Postpartum Year by Week (2016)



Conclusion

Recent [reporting](#) about the US's troubling maternal mortality rate has [illustrated](#) the importance of health care in the postpartum period. Indeed, more than half of pregnancy-related deaths occur in the postpartum period with nearly 12 percent of those (for which timing was known) occurring between six weeks and the year after delivery. Data from the Pregnancy Mortality Surveillance System suggest that infection, cardiomyopathy, other cardiovascular conditions, hypertensive disorders of pregnancy, and cerebrovascular accidents account for the majority of postpartum deaths. Cardiomyopathy, other non-cardiovascular conditions, and other cardiovascular conditions are reported as the [three most frequent causes of pregnancy-related deaths](#) between six weeks postpartum and the rest of the postpartum year.

This study illustrates that spending on behalf of birthing parents with employer-sponsored insurance spans the full year following childbirth; that it did not meaningfully decrease after the first several weeks postpartum. Among this population, most spending occurs after 60 days postpartum, and we observe fairly consistent spending across weeks throughout the year. Unusual and costly services appear to account for most of that spending, highlighting the critical role that insurance coverage plays in people's ability to access and afford care in the year after childbirth. Yet, in many states, birthing parents' access to Medicaid coverage ends after 60 days. Private and public policymakers looking to improve maternal health may find this analysis informative as they consider the role of postpartum care in that improvement.

The Health Care Cost Institute's dataset of 2.5 billion medical and prescription drug claims for approximately 40 million individuals enrolled in employer-sponsored health insurance across the country offers a unique perspective on what maternal health care costs and the drivers of those costs among the ESI population. In each year, the HCCI dataset contains between 250,000-350,000 people who had a claim for a delivery. Please note that our dataset does not include data on Medicaid, which finances 43% of births in the US. [See MACPAC's Fact Sheet: Medicaid's Role in Financing Maternity Care](#) for more information on births through the Medicaid program.

Our population was defined by individuals with employer-sponsored insurance between the ages of 18-44. The pregnancy cohort was defined by the presence of a diagnosis related group (DRG) related to vaginal birth or C-section within 2016 and a full year of coverage following the date of delivery. The cohort included over 160,000 pregnant people with discharge dates associated with a delivery in 2016. All spending during the postpartum period included the day after the discharge date for delivery and a full year following that date (with portions split into 60-day and 90-day intervals for illustration purposes). Any spending that resulted in zero or negative allowed amounts were eliminated from the analysis along with null diagnostic related group and current procedural terminology (CPT) codes. All detailed categories were defined by a modified version of HCCI's health care cost and utilization report methodology, combining services received in inpatient, outpatient, and professional settings. Categories that did not fall into a specific category were classified as 'Other'.