Ibis Reproductive Health

State-Level Research Brief

Public Funding for Abortion in Maryland

Background

The Hyde Amendment, first approved by Congress in 1976, limits women's access to comprehensive reproductive health care by prohibiting federal Medicaid funding for abortion except when a woman is pregnant as a result of rape or incest, or when her pregnancy endangers her life. States have the option of using state funds to cover abortion care in broader circumstances, but only 17 (including Maryland) currently do. Maryland voluntarily provides state funds for Medicaid coverage of abortion. According to the most recent reports from the Guttmacher Institute, state funds were used to cover over 2,500 abortions in Maryland in 2006, a number which has remained relatively steady over the last 35 years.[1-7]

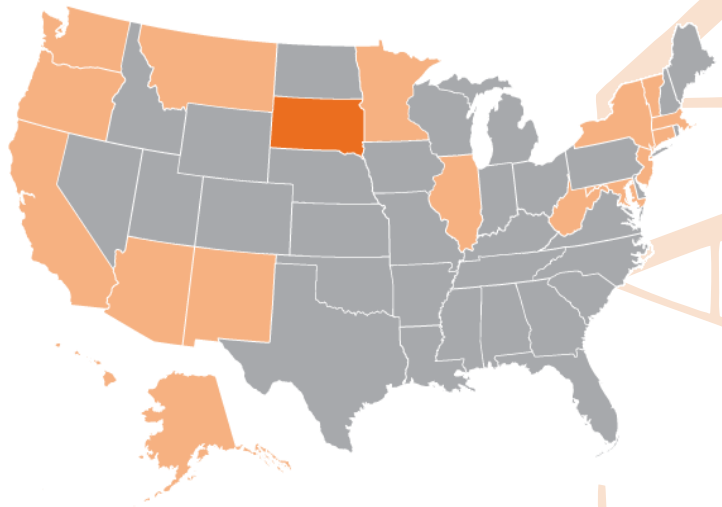
Study Description

Ibis Reproductive Health documented the experiences of abortion providers seeking Medicaid reimbursement for abortions provided in cases of rape, incest, or life endangerment of the woman, circumstances that should qualify for Medicaid coverage under the Hyde Amendment.[8-11] From 2007 to 2010, we conducted over 60 in-depth telephone interviews with abortion providers in 15 states (Arizona, Florida, Idaho, Illinois, Iowa, Kansas, Kentucky, Maine, Maryland, New York, Oregon, Pennsylvania, Rhode Island, Wisconsin, and Wyoming). At each facility, we spoke with the person most knowledgeable about Medicaid coverage for abortion in cases of rape, incest, and life endangerment. Because all of the Medicaid programs in the 15 states where we conducted interviews indicate that they cover abortion in these limited circumstances, our focus on cases of rape, incest, or life endangerment allowed for comparisons of Medicaid functioning across states.

Findings

Between November 2009 and March 2010, we conducted six interviews with participants working in practices that provide abortions in Maryland. Participants had an average of 10 years of experience in abortion care. Four participants held administrative roles at their facilities and two worked in financial management. Participants said their practices provided an average of 2,159 abortions annually. Five practices were specialized abortion clinics and one was a non-specialized health care facility.

Medicaid Coverage of Abortion



32 states ban state Medicaid coverage of abortion. They are legally required to provide coverage in the cases of rape, incest, and life endangerment, but usually fail to do so.

17 states provide state Medicaid coverage of abortion for low-income women in most cases.

One state provides Medicaid coverage only in cases of life endangerment.

Though state policy indicates that Maryland Medicaid, known as Maryland Medical Assistance, broadly covers abortion, the providers we interviewed reported they commonly encounter problems securing abortion funding in almost all circumstances, including those that are federally required to be covered (rape, incest, and life endangerment). Providers reported that the challenges they experience working with Maryland Medical Assistance—lack of information about when abortions qualify for coverage, a complex and time-consuming billing process, and inadequate financial compensation—often lead them to give up working with the program. Providers also said the fact that they commonly work with women and Medicaid programs from outside of Maryland increases their billing challenges. Despite these obstacles, a small number of participants reported finding ways to ensure that Maryland Medical Assistance covers abortion claims.

Finding 1: Providers encounter challenges working with Maryland Medical Assistance

Providers said they rarely sought Medicaid coverage of abortion because of the numerous challenges that they encounter when working with the program.

Information barriers A small number of providers faced challenges accessing accurate information about when Maryland Medicaid is supposed to cover abortion. Two providers thought Medicaid only covered abortion care in limited circumstances, and were unaware of the state's policy of broadly covering abortion. One provider explained, "I believe that Maryland Medical Assistance requires…in order to pay, that there has to have been a rape or incest or fetal anomaly, and that the rape or incest has to have been reported." This same provider speculated that it would not be worth their time to work with Medicaid because so few abortions would be covered.

Burdensome billing processes Providers who were aware of the state's policy of broad Medicaid coverage, and who sought Medicaid reimbursement for abortion, reported that the billing process was unnecessarily complex, and that they received inadequate assistance from Medicaid staff about how to file claims. One provider said, "We started billing them and…we had so many problems just getting paid…. [Medicaid staff said] 'Oh, well we didn't get them, they're not on file, please send them back.'" Other providers shared similar stories of claims being lost once they were sent to Medicaid.

Rejected claims Many providers who followed through with the billing process were disappointed that the end result was usually a rejected claim without an explanation for the denial. One provider explained, "For some reason they deny coverage for a lot of those people that we bill for. I don't know if it's our fault in how we bill, or if that's just what they do…. I'm not sure of the reasons why we're not paid."

Low reimbursement rates Providers reported that when claims are paid, low reimbursement rates discourage providers from continuing to work with Medicaid. One provider explained the significant difference between the cost of a procedure and what Medicaid reimburses: "Medical Assistance pays $300 dollars for an abortion no matter how far they are, and if we were doing an abortion for like 18 weeks…that was about $1,200 dollars."

> ***"She might get better care if Medicaid wasn't such a barrel of red tape and more providers were willing to accept it."***

Slow reimbursement process Providers commonly reported experiencing extreme delays in reimbursement, as Medicaid staff report they have a backlog of claims. In one extreme case, a provider reported Medicaid owed them $90,000. In order to account for the money, the clinic had to close one day a week and employees took a significant cut in pay.

Giving up on Medicaid The combined burden of these challenges with Medicaid led three of six interviewees to discontinue contracting with the program. One of these providers said about Medicaid, "It's like there was no way to win with them. It was just a big bureaucracy."

Finding 2: Maryland providers commonly offer care to women from out of state

Providers reported that an average of 17% of their abortion clients are from outside of Maryland. Providers explained that women from out of state seek out Maryland clinics because there are few abortion restrictions in Maryland, many Maryland clinics are in close physical proximity to neighboring states, and some clinics even accept out-of-state Medicaid. However, providers reported that it was difficult to work with Medicaid offices from other states because billing protocols differ state to state, placing an extra burden upon providers. Therefore, some providers elected not to accept out-of-state Medicaid. One interviewee explained, "We charge a relatively small fee and we don't have the staff or bureaucracy in place to fight with insurance companies, which is what happens."

Finding 3: Providers have developed strategies to reduce service delivery challenges

Most of the providers we interviewed were pessimistic about their ability to mitigate the challenges they encounter working with Maryland Medical Assistance. However, two providers reported that they found, through trial and error, ways to ensure claims for abortion care are covered. When working with Medicaid, these providers said that it was important to establish relationships with staff, identify when staff are available to answer billings questions, seek out senior Medicaid staff when billing problems emerge, keep copies of submitted claims, and closely follow the billing procedures outlined in the Medicaid manual.

> ***"For some reason they deny coverage for a lot of those people that we bill for. I don't know if it's our fault in how we bill, or if that's just what they do…. I'm not sure of the reasons why we're not paid."***

These providers explained that they, like other providers, often encounter challenges when filing claims, but that they feel empowered to resolve them. For example, when one interviewee encountered billing problems, she involved a local pro-choice politician. She explained, "I finally sent a letter to the governor of Maryland complaining about these claims, and then at that point I finally got some resolved."

Summary

These findings suggest that the current public funding system for abortion care does not meet the needs of women in Maryland. Though women enrolled in Maryland Medical Assistance should be able to readily access abortion coverage, the frequent challenges experienced by abortion providers when working with Medicaid can contribute to fewer providers contracting with the program and reduced access to Medicaid-covered abortion care. Women from out of state also appeared to face challenges using their Medicaid in Maryland due to the additional difficulties that providers face working with out-of-state Medicaid programs.

It should be noted that because we interviewed only a sample of the 34 abortion providers working in Maryland,[12] the experiences of all providers may not be represented in these findings. Regardless, our data provides a starting point for understanding the on-the-ground experiences of providers in Maryland. More research is needed to determine if these barriers are commonly experienced throughout the state.

Next Steps

Evidence of the challenges faced by Maryland providers, and their responses to those challenges, can be used to improve the funding system in the state. Our results suggest a number of next steps that can be taken to improve abortion access.

Educate stakeholders about Maryland's policy of covering abortion Given that some interviewees and Medicaid staff appeared to be unaware of Maryland's policy for covering abortion care, there is a need to educate abortion providers, Medicaid staff, women, and other stakeholders that abortion coverage in Maryland Medical Assistance is not limited to cases of rape, incest, and life endangerment.

Raise reimbursement rates Many providers strongly recommended that Maryland Medical Assistance increase reimbursement rates for abortion care in order to encourage more facilities to contract with Medicaid, which providers speculate would increase women's access to abortion services.

Increase providers' billing capacities To ensure that claims are successfully reimbursed, providers might consider increasing billing staff. Without dedicated and knowledgeable billing staff, it appears challenging for providers to successfully navigate the Medicaid program both in Maryland and in surrounding states. Indeed, the two providers who had successful experiences with Medicaid had the time and ability to pursue claims because they were part of large billing departments with the resources to follow up with Medicaid on any unpaid or rejected claims. These providers also brought considerable experience to the table, increasing their competence with resolving billing issues.

Advocate for change Future efforts to ensure women can readily access abortion coverage should be informed by the experiences of providers who have identified strategies to work with unresponsive Medicaid systems. Successful strategies include building relationships with Medicaid, keeping detailed billing records, and involving friendly politicians in efforts to resolve claims.

Policies that stipulate states' funds can be utilized for Medicaid coverage of abortion are essential, but alone are insufficient for ensuring low-income women can obtain timely access to care. Creative strategies to expand and protect Medicaid coverage of abortion, such as those described above or found in our Take Action series,[13] are needed to ensure equitable and just access to abortion services for all women in the US.

Ibis Reproductive Health

Ibis Reproductive Health aims to improve women's reproductive autonomy, choices, and health worldwide.

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