



VERMONT LEGISLATIVE  
**Joint Fiscal Office**

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## Fiscal Note

March 17, 2024

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### **S.109 – An act relating to Medicaid coverage for doula services**

#### **As Passed by the Senate**

#### **Bill Summary**

The bill would require the Office of Professional Regulation (OPR), in consultation with interested stakeholders, to undertake a review of doulas to determine the appropriate form of regulation for the profession, often referred to as a “sunrise review.” OPR would report its findings to legislative committees of jurisdiction on or before January 8, 2025. The report would include a recommendation regarding whether doulas would be regulated most appropriately through a registration, certification, or licensure process, and a proposal for legislative action to establish that process. In fiscal year 2025, there would be costs to OPR to conduct the sunrise review. There is no appropriation for this in the bill but OPR estimates it would cost \$15,000.

The bill would also require the Vermont Department of Vermont Health Access (DVHA), as part of its fiscal year 2026 budget proposal, to develop a proposed reimbursement methodology and determine the estimated costs if Vermont Medicaid were to provide reimbursement to qualified doulas for providing childbirth education and support services, including physical and emotional support, to individuals covered by Medicaid during pregnancy, labor and delivery, and the postpartum period, regardless of the outcome of the pregnancy. The bill would also require DVHA to make a recommendation for whether doulas should be covered by Vermont Medicaid.

#### **Background and Details**

A doula is a trained professional who provides nonmedical emotional, physical, and educational support to pregnant women and their families before, during, and immediately after childbirth. Studies have shown the use of doulas appears to be an effective strategy for improving maternal health, especially among socioeconomically vulnerable and marginalized minority populations.<sup>1</sup> The usage of doulas have been found to reduce the frequency of cesareans sections, low birth weight, and premature labor. Doula intervention has also been correlated with a decrease in epidural use during delivery, increased rates of breastfeeding, and the use of safety precautions for the child.<sup>2</sup> There are an estimated 70 to 100 practicing doulas in Vermont.

<sup>1</sup> Falconi, A., Bromfield, S., Tang, T., Malloy D., Blanco, D., Disciglio, S., et. al. “Doula Care Across the Maternity Care Continuum and Impact on Maternal Health: Evaluation of Doula Programs Across Three States Using Propensity Score Matching.” July 2022. *eClinicalMedicine*. July 2022; 50: 101531. Available from: [https://www.thelancet.com/journals/eclinm/article/PIIS2589-5370\(22\)00261-9/fulltext](https://www.thelancet.com/journals/eclinm/article/PIIS2589-5370(22)00261-9/fulltext)

<sup>2</sup> Sobczak, A., Taylor, L., Solomon, S., Ho, J., Kemper, S., et al. The Effect of Doulas on Maternal and Birth Outcomes: A Scoping Review. *Cureus*. May 2023; 15(5): e39451. Available from: <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC10292163/>

At least 13 states and the District of Columbia currently provide Medicaid coverage for doula services.<sup>3</sup> However, utilization of doulas by Medicaid beneficiaries appears to be low despite apparent demand. A 2023 case study of five states found that factors contributing to low utilization among Medicaid beneficiaries include lack of awareness of the benefit and workforce issues.

Low reimbursement rates, the ease of enrolling as a Medicaid provider, billing codes that don't fully reflect scope of work, and the administrative burdens to getting paid may all affect doula participation as a Medicaid provider.<sup>4</sup> Further, to qualify for Medicaid reimbursement, doula services must be recommended by a physician or other licensed medical practitioner acting within the scope of their practice under state law.

From 2021 to 2022, DVHA paid for 2,137 births per year. The fiscal impacts of the bill to Vermont's Medicaid program will depend on the reimbursement rate set by DVHA, as well as the the level of utilization. Data on the utilization of doulas appear to be scarce. Most recent studies still cite a 2013 study that claimed only 6% of U.S. births involved doula services. Take-up will likely be low in the early years of the program as it rolls out. Beneficiary awareness and availability of and access to doulas participating in the Medicaid program will drive both the costs of the program and any potential savings or offsets down the road. While studies have shown that doula services during pregnancy, birth, and postpartum are an effective strategy in improving maternal and infant health outcomes, the Joint Fiscal Office is unable to calculate potential cost savings or offsets at this time.

## Fiscal Impact

In fiscal year 2025, there would be costs to OPR to conduct the sunrise review in Sec. 1. While there is no appropriation in the bill, OPR estimates this would cost \$15,000 to conduct.

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<sup>3</sup> As of January 2024. Doula Medicaid Project. National Health Law Program. Available from: <https://healthlaw.org/doulamedicaidproject/>

<sup>4</sup> *Doulas in Medicaid: Case Study Findings*. Medicaid and CHIP Payment and Access Commission (MACPAC). Issue Brief, November 2023. Available from: <https://www.macpac.gov/wp-content/uploads/2023/11/Doulas-in-Medicaid-Case-Study-Findings.pdf>