



# VERMONT LEGISLATIVE Joint Fiscal Office

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## Fiscal Note

May 13, 2025

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### **S.53 – An act relating to certification of community-based perinatal doulas and Medicaid coverage for doula services**

As recommended by the House Committee on Health Care<sup>1,i</sup>

#### Bill Summary

The bill proposes to establish a process of voluntary certification for community-based perinatal doulas. It would also require Medicaid coverage for doula services during labor and birth and for the prenatal and postpartum periods. While the bill as recommended by the House Committee on Health Care does not include an appropriation, the Office of Professional Regulation (OPR) would need \$25,000 in fiscal year 2026 to cover the costs of establishing the certification program such as staff time, IT, stakeholder outreach, and rulemaking. There is an appropriation for this purpose in the Committee of Conference report for H.493, the fiscal year 2026 appropriations act. The bill would also have other fiscal implications beginning as early as fiscal year 2027, summarized in the table below.

**Table 1: Estimated Fiscal Impacts of S.53**

Section	Description	Date Effective	Revenues	Expenditures	Fund Source
1	Per Diems	FY 27		Nominal	OPR Special Fund
4	Licensure Fees	FY 27	\$4,500 – \$7,500		OPR Special Fund
5	Medicaid Reimbursements	FY 27 <sup>1</sup>		\$176,000 [\$426,930 Gross]	Global Commitment
N/A	OPR Appropriation	FY 26		\$25,000	General Fund

<sup>1</sup> Timing will depend on approval of a state plan amendment by the Center for Medicare and Medicaid Services (CMS)

#### Background and Details

Act 97 of 2024 directed OPR to undertake a review of doulas to determine the appropriate form of regulation for the profession, often referred to as a “sunrise study.” The study determined that certification of community-based doulas was the appropriate form of regulation.<sup>2</sup>

<sup>1</sup> The Joint Fiscal Office (JFO) is a nonpartisan legislative office dedicated to producing unbiased fiscal analysis – this fiscal note is meant to provide information for legislative consideration, not to provide policy recommendations.

<sup>2</sup> Doula Sunrise Report, OPR, January 2025

The act also required the Department of Vermont Health Access (DVHA) to develop a reimbursement methodology and examine the potential impacts of adding coverage of doula services to the Medicaid state plan. According to the report, the estimated cost of providing doula services to Medicaid beneficiaries would be between \$426,000 and \$1,280,000 (gross). This was based on the average number of Medicaid births from 2021 to 2023 (2,033) and assumed an uptake of between 10% and 30%. The report also determined that a Medicaid state plan amendment would be necessary for Vermont Medicaid to have the authority to reimburse for doula services.<sup>3</sup>

## Fiscal Impacts

### Section 1 – Per Diems

Section 1 would require the Director of OPR to appoint two certified community-based perinatal doulas to serve as advisors in matters relating to community-based perinatal doulas. These advisors would be entitled to per diem compensation and reimbursement of expenses permitted under 32 V.S.A. § 1010 for attendance at any meeting called by the Director. This section would not take effect until July 1, 2026 (fiscal year 2027). Per diem costs are estimated to be nominal and could be paid for with revenues from licensure fees established in Section 4.

### Section 4 – Licensure Fees

Section 4 would establish an application fee of \$75 and a biennial renewal fee of \$120 for community-based perinatal doulas. It is estimated that there are approximately 70 to 100 practicing doulas in Vermont. Estimated application revenues could range from \$4,500 to \$7,500 in fiscal year 2027, when the new licensure takes effect.

### Sections 5 - 7 – Medicaid Coverage

Section 5 would require DVHA to provide reimbursement to a certified community-based perinatal doula for providing direct emotional and physical support and educational and informational services to birthing individuals covered by Medicaid during pregnancy, labor and delivery, and the postpartum period, regardless of the outcome of the delivery. It specifically excludes reimbursement for travel time or mileage expenses. As recommended by the House Committee on Health Care, this section would not take effect until July 1, 2026 or the approval of the state plan amendment by CMS, whichever is later.

Section 6 provides intent language for DVHA to reimburse qualified doulas in amounts that are reasonable and adequate for the services provided and that are consistent with the reimbursement rates set by other states' Medicaid programs.

Section 7 would require DVHA to seek a state plan amendment from the Centers for Medicaid and Medicare services (CMS) to allow Vermont's Medicaid program to provide coverage for doula services. It should be noted that applying for and receiving a state plan amendment from CMS can be a lengthy process. Further, the bill as recommended by the House Committee on Health Care would allow DVHA to wait until July 1, 2026 to seek the state plan amendment to give the State time to respond to potential federal cuts to Medicaid.

Fiscal impacts in fiscal year 2027 and beyond will depend on the timing of approval for the state plan amendment and utilization rates by Medicaid beneficiaries once it's in effect. It is assumed utilization in the first year (as early as fiscal year 2027) would be low; costs would likely not exceed \$426,930 (approximately \$176,000 from the General Fund).<sup>4</sup> The out-years could range between \$500,000 to \$1.3 million gross depending on the availability and awareness of certified community-based perinatal doulas and utilization by beneficiaries.

<sup>3</sup> Pages 54-55. DVHA Annual Report 2024 and Budget Book Fiscal Year 2026

<sup>4</sup> The General Fund impact will depend on the Federal Medical Assistance Percent (FMAP) rate in fiscal year 2027. The FMAP for fiscal year 2026 is \$58.8% federal share, 41.2% state share.

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 (JFO) is unable to calculate potential cost savings or offsets at this time. Beneficiary awareness and availability of and access to participating doulas will drive program costs, savings, or offsets down the road.

## More information on Doulas

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>5</sup> The usage of doulas has been found to reduce the frequency of cesarean 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>6</sup>

As of January 2024, at least 13 states and the District of Columbia provided Medicaid coverage for doula services.<sup>7</sup> However, utilization of doulas by Medicaid beneficiaries appeared to be low despite 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 difficulty of enrolling as a Medicaid provider, billing codes that don't fully reflect scope of work, and the administrative burdens of getting paid also may have affected doula participation.<sup>8</sup>

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<sup>i</sup> The bill as introduced is available here:

<https://legislature.vermont.gov/Documents/2026/Workgroups/Senate%20Health%20and%20Welfare/Bills/S.53/Draft%20Amendments,%20and%20Legal%20Documents/S.53~Jennifer%20Carbee~As%20Introduced~3-14-2025.pdf>

*The full fiscal note history is available on the fiscal tab of the bill page on the General Assembly website and can be pulled up through a bill number search on the JFO page.*

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<sup>5</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>6</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/>

<sup>7</sup> Doula Medicaid Project. National Health Law Program. Available from: <https://healthlaw.org/doulamedicaidproject/>

<sup>8</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>