

MINUTES OF THE HOUSE COMMITTEE ON HEALTH AND HUMAN SERVICES.

The meeting was called to order by Chairperson Carlos Mayans at 1:30 p.m. on January 18, 1996 in Room 423-S of the State Capitol.

All members were present

Committee staff present: Norman Furse, Revision of Statutes  
Bill Wolff, Legislative Research Department  
Francie Marshall, Committee Secretary

Conferees appearing before the committee:

Representative Vincent Snowbarger  
Ron Hein, Mental Health Credentialing Coalition  
Tom Wilder, Kansas Insurance Department  
John Federico, Humana Health Care Plans  
Brad Smoot, Blue Cross Blue Shield  
Teresa Sittenauer, Health Insurance Association of America  
Tom Bell, Kansas Hospital Association  
Jerry Slaughter, Kansas Medical Society

Others attending: See Guest List, Attachment 1.

Chairperson Mayans opened the meeting with bill a introduction from Representative Snowbarger. He requested to introduced a bill allowing audiologists under their licensing to dispense hearing aids or other assisted listening devices. The committee approved the introduction of the bill.

Ron Hein, Mental Health Prevention Coalition, introduced a bill requiring licensing for register mental health groups that provide any scope of practice of scheduling changes occurring in the future to the Board of Behavior Sciences and persons regulated by the Board. It was the consensus of the committee to accept the introduction of the bill.

Chairperson Mayans opened the hearing on **HCR 5030**.

**HCR 5030 - Length of inpatient stay following childbirth**

Dr. Bill Wolff, Legislative Research Department, presented explanations regarding the resolutions. He stated there was a lot of controversy about mothers being discharged in 24 hours after delivery. There were amendments to address the issue. It can be viewed as an alternative to a statutory change. There is a difference in the market as to the length of stay. Some mothers have been required to leave hospitals 24 hours after delivery. The length of stay may affect the health of the mother and the newborn child. Both the American College of Obstetricians and Gynecologists, and the American Academy of Pediatrics have developed guidelines stating 48 hours of stay for vaginal delivery and 96 hours for cesarean delivery, both excluding the actual day of birth. All insurers providing health benefit plans in Kansas that provide coverage for maternity benefits, are urged to provide their insureds who are eligible for obstetrical care for at least 72 hours of inpatient care following delivery of a newborn child, and to provide notice of this in their coverage to the insureds. This is activated by directing the Insurance Commissioner to provide this notice to all insureds. The Commissioner is directed to report to the Legislature by February 1997 any information that is gathered regarding compliance with this approach. The Secretary of State is directed to provide copies of the resolution to the Commissioner of Insurance.

Chairperson Mayans stated if legislation is mandated, it will not affect the people who are self-insured which most people are under this plan. He continued by saying if the insurance companies are urged, not mandated, some problems can be solved. This is an opportunity to gather information, determine if there is a problem,

and report the information to the Insurance Commissioner.

Tom Wilder, Kansas Insurance Department, stated that this does represent a good first step toward addressing this issue with the problems of early discharge. He will support legislation for home health care programs that a number of insurance companies already have, and will give strong consideration for those bills that are introduced. The Kansas Insurance Department conducted a survey of 12 major insurance firms on the average length of stay after delivery (see Attachment 2).

Tom Wilder answered additional questions dealing with the survey. The questions concerned the kind of effects of mandating versus voluntary and health problems that would result in early dismissal. He responded this mandate would increase rates due to the cost difference issues on early dismissal resulting in additional health care problems. Representative Merritt stated that this resolution would encourage provider competition.

John Federico, Human Health Care Plans, testified in support of **HCR 5030**. (see Attachment 3)

Brad Smoot, Blue Cross and Blue Shield of Kansas, presented testimony in support of **HCR 5030**. (see Attachment 4). He stated that this resolution will gather information and give the private sector an opportunity to respond to the public concerns. He also said that legislative mandates interfere with the insurance market place, choices that individual companies have, and take away the choices of the payers that health insurance provides.

Teresa Sittenauer, Health Insurance Association of America, testified in support of **HCR 5030** and opposed any kind of mandatory coverage because it can increase costs up to 60% (see Attachment 5).

Tom Bell, Kansas Hospital Association, presented testimony in support of **HCR 5030** (see Attachment 6).

Jerry Slaughter, Kansas Medical Society provided testimony in support of **HCR 5030** (see Attachment 7).

Several questions were raised from various committee members concerning the issues of mandating legislation of this bill and early dismissal. Statistics were provided which showed how many insureds under Managed Care, Medicare, Medicaid, and uninsureds were affected by the early discharge. Chairperson Mayans commented that we must be realistic referring to the difficulty of passing a mandate versus encouraging insurance firms to revise their policies by extending hospital stays for women after they give birth.

The hearing on **HCR 5030** was closed.

Chairperson Mayans thanked the conferees for attending and testifying.

The meeting was adjourned at 2:50 p.m.

The next meeting is scheduled for January 22, 1996.

# House Health & Human Services COMMITTEE GUEST LIST

DATE January 18, 1996

NAME	REPRESENTING
Steve Zuk	AP
James Menauer	HIPA
KEITH R LANDIS	CHRISTIAN SCIENCE COMMITTEE ON PUBLICATION FOR KANSAS
Rich Guthrie	Health Midwest
Tom Bell	KHA
Margaret Zillinger	SRS/AMS
Loane A. Phillips	KDNZ
Amy Campbell	KSOS
Tom Wilder	Kansas Insurance Dept
Melissa Wangemann	Hein, Ebert & Weir
Ron Heini	" " "
JOHN FEDERICO	PETE MCGILL & Assoc
Alan Hansen	Kansas Medical Society
David Hazlidge	KS Dental Ass'n
Jane Ford	KHA
Lina Beum	Peterson Public Affairs group.
Michelle Peterson	Peterson Public Affairs Group
Kelly Hansen	KSLA

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1-18-96  
Attn #1



Kathleen Sebelius  
Commissioner of Insurance  
**Kansas Insurance Department**

**MEMORANDUM**

To: House Health and Human  
Services Committee

From: Tom Wilder, Director of  
Government and Public Affairs

Re: H.C.R. 5030 (Maternity Benefits)

Date: January 18, 1995

House Concurrent Resolution 5030 represents a good start toward efforts to deal with the issue of shortened maternity stays in hospitals which has occurred in Kansas and other states as a result of managed health care. As noted in the Resolution, data gathered by the National Centers for Disease Control and Prevention indicates the median length of hospital stays for mothers and infants after delivery has decreased. In addition, a survey of insurance companies and health maintenance organizations conducted by the Kansas Insurance Department shows the average reimbursement by insurers and managed care organizations for normal deliveries is between 1.3 and 1.9 days and for cesarean sections is between 3.1 and 3.3 days. Several health maintenance organizations and preferred provider organizations also reported 24 hour stay plans.

The problem with the Resolution is that it does not provide an effective way for the Insurance Department to enforce its provisions on insurers and managed care organizations. The Department has no ability to require health insurance plans to comply with the dictates of H.C.R. 5030 unless those requirements are enacted as part of the Kansas Insurance Code. In addition, the Resolution provides for 72 hours of inpatient

care following delivery of a newborn no matter whether it is a normal delivery or is a cesarean section. The American College of Obstetricians and Gynecologists and the American Academy of Pediatrics have published guidelines which recommend a stay of 48 hours in the hospital for a vaginal delivery and 96 hours for cesarean birth.

The Kansas Insurance Department supports legislation which requires health insurance companies and health maintenance organizations to pay for hospital stays based on the guidelines developed by the American College of Obstetricians and Gynecologists and other physician groups. Legislation of this type has been introduced or approved in at least 15 states. In addition, Senator Nancy Kassebaum has introduced a similar bill in Congress. These bills typically allow for shorter hospitalization if the attending physician approves or if appropriate home health services are available. The better response to this problem would be for the Kansas Legislature to adopt a statutory amendment to the Kansas health insurance laws which require insurers to pay for 48 hours of hospitalization after a normal delivery and 96 hour of hospitalization after a cesarean birth unless the attending physician allows the mother and infant to go home earlier.

# The Kansas Experience with Drive-Through Deliveries

Prepared by:

The Kansas Insurance Department

October 1995

Kathleen Sebelius

Insurance Commissioner

## The Kansas Experience with Drive-Through Deliveries

The recent phenomenon of early discharge of mothers and newborns, prompted Insurance Commissioner Kathleen Sebelius to take action at the Kansas Insurance Department in June, 1995. It is the Commissioner's concern that cost-cutting efforts by insurance companies and managed health care organizations have become the deciding factor in determining how long a mother and her newborn are allowed to stay in the hospital after birth.

The Kansas Insurance Department surveyed 12 major insurance companies of fully insured plans in Kansas. We asked them to tell us their average length of stay for a normal birth or cesarean section, guidelines for determining the length of authorized hospital stay, tracking results, if any, for number of readmissions following an early discharge, and what provisions were being made after early dismissal for follow-up services to mother and baby. (Attached are the survey questions and the list of companies asked to respond.)

Our survey confirmed that mothers and babies in Kansas are being released to go home sooner than in the past. Nationally, hospital maternity stays in 1970 averaged 3.9 days after a normal delivery, and then dropped to 2.1 days by 1992, according to the U.S. Center for Disease Control and Prevention. Our survey shows a pattern in 1995 toward even shorter stays, 24 hours or less. While most of the insurers or HMO's revealed the average reimbursement for a normal delivery is 1.3 to 1.9 days (slightly over 24 hours) and 3.1 to 3.3 days for cesarean section, several HMO's and PPO networks reported 24 hour stay plans. Days in hospital have decreased even though the policies approved in Kansas do not specify a limit on the length of stay.

All surveyed companies report that no financial incentives have been offered to physicians to shorten stays. All companies state that the physician has the final say in how long the mother and baby will stay in hospital. However, the companies reserve the right to review claims for medical necessity and deny excess charges if they do not agree.

When companies have offered early dismissal packages as an alternative to regular benefits, the mother is offered post-natal visits at home and one carrier included limited housekeeping services. Physicians and nursing staff have advised that often home follow-up is forgotten unless the visit is scheduled before the mother leaves the hospital.

Statistics tracking returns to the hospital due to early discharge are available on a limited basis. Tracking usually is only done within the first 30 days and the results show less than 1% readmission for mother or baby. This low return rate statistically shows no significant problem in Kansas.

Our department is not convinced that this survey tells the whole story. Reports from doctors, parents, and family members indicate that more serious problems exist. The Kansas Medical Society and several other obstetric specialists in the state presented guidelines from the major medical organizations, the American College of Obstetricians and Gynecologists and the American Academy of Pediatrics, which indicate the appropriate postpartum stay for a uncomplicated normal delivery should range from 48 hours for vaginal delivery to 96 hours for cesarean birth, excluding the day of delivery. If shorter stays are implemented, the protocol indicates that families need more intensive prenatal education and immediate home health care. While days are being curtailed in Kansas, effective implementation of these additional services is not occurring.

So, if the practice guidelines have not recommended a decrease in days, why have doctors been releasing their patients sooner, especially if the insurance company allows doctors to make the final decision? Physicians report that they are feeling the squeeze from the insurance companies. Physician profiles detailing a doctor's average length of stay for pregnancy are studied by the companies. Physicians have then been asked by the companies to review their practices. If they are not able to conform to the company's average they will be dropped as a contracting provider. One physician reports that he recently entered the delivery room thinking about how soon his patient might have to be released instead of the more critical issue of performing a safe delivery. As mentioned earlier, while companies don't mandate release, they can and do refuse payment for



additional days not regarded as "medically necessary" in spite of the doctor's recommendation.

Our survey reveals that there are instances where medical problems arise with both mother and baby after discharge from the hospital. It is not clear as to what extent this may be attributed to an early discharge. However, we feel the anecdotal information is vital and needs to be considered. We do know that a mother may hemorrhage if she reinjures tissue torn during labor. We also know that more often it is the newborn who bears the real risk. Difficulty sucking is not always apparent at 24 hours. If the mother is nursing, her milk may not even have started to flow within 24 hours creating the possibility of the baby dehydrating. Jaundice doesn't appear until 24 to 36 hours. The chairman of the American College of Obstetricians, Dr. Michael Mennuti, (reported to Newsweek magazine) that physicians hadn't been seeing severe jaundice for 20 years. "Now it's turned up again. That's a red flag."

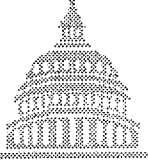
The Kansas Insurance Department will be supporting legislation in 1996 similar to bills passed in 3 other states and introduced by Senator Nancy Kassebaum in Congress, which would require health insurers to provide 48 hours of hospital care to mothers and their babies immediately after a normal delivery and 96 hours after a Cesarean section. We should not put Kansas mothers and babies at risk in an effort to save money. We know that there have to be some reasonable safe solutions. If early discharge programs are going to be successful, development of an accepted protocol with safeguards in place needs to happen before shortened stays are implemented. We are eager to facilitate these discussions, but in the interim urge protections for this vulnerable population.

Companies Surveyed

Kansas Blue Cross and Blue Shield  
Prudential Insurance Company of America  
Principal Mutual Life Insurance Company  
Blue Cross and Blue Shield of Kansas City  
Bankers Life and Casualty Company  
John Alden Life Insurance Company  
Mutual of Omaha  
Humana Kansas City, Inc.  
Kaiser Foundation Health Plan  
Preferred Plus of Kansas, Inc.

HMO

Blue Care, Inc.; Total Healthcare: Healthsource, Inc.



TESTIMONY ON HOUSE CONCURRENT RESOLUTION NO. 5030

John J. Federico/Pete McGill & Associates

On behalf of

Humana Health Care Plans

House Health and Human Services Committee  
January 18, 1966

Mr. Chairman and members of the Committee:

My name is John Federico and I am here on behalf of Humana Health Care Plans to testify in support of House Concurrent Resolution 5030.

HCR 5030 approaches the concern that some mothers and newborn infants might be discharged from hospitals at a risk to their health. As a major health maintenance organization and health care insurer it is a concern that Humana shares wholeheartedly. Our record proves that our procedures, which place decisions in the hands of competent and qualified physicians, are in the best interests of both mothers and infants.

If HCR 5030 is adopted we would hope that under its direction the Commissioner of Insurance would compile information not only on the extent of compliance with the resolution, but also on the change in the state of maternal and infant health, if any, due to the practice. It is our belief that a year long study may allow development of protocols considerably more effective than absolute mandates.

Thank you for your time and I will be happy to respond to any questions.

*H+HS Comm  
1-18-96  
Attn #3*

**BRAD SMOOT**  
ATTORNEY AT LAW

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STATEMENT OF BRAD SMOOT, LEGISLATIVE COUNSEL  
FOR BLUE CROSS BLUE SHIELD OF KANSAS  
REGARDING HCR 5030  
HOUSE HEALTH AND HUMAN SERVICES  
JANUARY 18, 1996

I am Brad Smoot, Legislative Counsel for Blue Cross and Blue Shield of Kansas, a not-for-profit domestic mutual insurance company serving hundreds of thousands of Kansans.

Thank you for this opportunity to comment in favor of HCR 5030. We are aware that there is genuine public interest in the insurance coverage for hospital maternity stays. As of last Fall, four states had enacted some mandated length of stay coverage and ten others were discussing proposed legislation. See attached GHAA chart. However, for a variety of reasons, we very much appreciate the approach taken by this HCR 5030 in raising this issue.

To begin with, the Resolution calls for monitoring of the situation, gathering the facts and encouraging private sector solutions to the perceived problem, rather than enactment of laws based only on anecdotal information, media reports and the actions of states which may have situations quite different from our own. The Kansas Insurance Department has begun the process of gathering information by conducting an insurance industry survey and other state agencies may be gathering length of stay data. Until comprehensive data is available, it is probably ill-advised to jump to conclusions and legislate on important health care details.

Our own data suggests that length of maternity stay is not an issue for our insureds. Blue Cross and Blue Shield of Kansas has no limits in its policies for maternity stays. Instead, it provides coverage for medically necessary hospitalization. As a matter of experience, the average length of stay our insureds for a normal birth is 1.7 days, while the average length of stay for a cesarean section is 3.1 days.

BCBS contracts in advance for hospital services and our reimbursement is based on parameters determined by the previous year's experience. Currently, our length of stay parameter for vaginal deliveries is two days, while the cesarean section parameter

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is five days. Thus, you can see that our normal parameter for length of stay for vaginal deliveries is longer than the average length of stay for such births in our insured population. Likewise, while our parameter for cesarean deliveries is five days, the average impatient stay for our insured population has been 3.1 days.

These figures obviously lead one to the conclusion that the insurer, at least in our case, is not causing short (24-hour) maternity stays.

Consistent with the philosophy of HCR 5030, we have taken steps to educate our contracting hospitals on our coverage and reimbursement for maternity benefits. A copy of the Bulletin recently distributed to hospitals is attached for your review.

We also like the Resolution approach because it acknowledges our concern for health insurance mandates. Mandate laws tend to add additional coverage to insurance policies and with each new benefit a corresponding cost to employers and individuals struggling to control their health care dollars. While each individual mandate may amount to only a few dollars per policyholder, the cumulative effect of several such mandates can drive marginal insureds out of the insurance market. In addition to dropping coverage, many employers, including very small businesses, are taking advantage of ERISA to exempt their health plan from state laws and the costly mandates so that they can design an affordable benefit mix tailored to their employee needs. Already, a large percentage of Kansans are insured through plans that are exempt from state regulation. The corollary of this phenomenon is that statutory mandates do not accomplish their intended objective for all Kansans. Instead, they cause uneven impact, usually felt most by individuals and small employers.

Finally, may I suggest that the Committee amend line 40 to reflect the 48 hour/96 hour language recommended by the professional associations and cited on lines 28 and 29 of this Resolution. This change would make the resolution more internally consistent and better reflect our current benefit parameters than the 72 hour figure.

Thank you for the opportunity to present information. I would be pleased to respond to questions.

# BLUE CROSS *News* BULLETIN

PUBLISHED BY BLUE CROSS AND BLUE SHIELD OF KANSAS, INC.

An Independent Licensee of the Blue Cross and Blue Shield Association

November 7, 1995

1995  
BLUE CROSS  
NEWSLETTER  
BC-95-23

**TO:** ALL BLUE CROSS CONTRACTING HOSPITALS  
**FROM:** Donna Bartee, Communications Coordinator  
Provider Relations Department  
**SUBJECT:** OBSTETRICAL ADMISSIONS

All of you have probably either read or heard about the "drive-through delivery policies" of some insurers and HMOs. These policies limit a new mother's hospital stay to 24 hours (or less) for a normal delivery and to 48 hours or less for a cesarean delivery.

U.S. Senator Nancy Kassebaum has introduced federal legislation calling for minimum coverage of 48 hours for normal deliveries and 96 hours for cesarean sections. It is also anticipated that drive-through delivery policies will be a Kansas legislative issue in 1996.

All Blue Cross and Blue Shield of Kansas product lines, including affiliated HMOs, support dismissal and lengths of stay as determined by physicians (subject to medical necessity) or case managers on a case-by-case basis. No Blue Cross and Blue Shield of Kansas products have predetermined limitation of obstetrical days.

Also, allowances set by Blue Cross and Blue Shield of Kansas for obstetrical admissions are based on two days for normal delivery and five days for C-sections. We intend to support the legislative proposals (assuming they do not mandate additional benefits not currently part of our insured's contract) since they seem to agree with our own philosophy.

If you have any questions regarding this issue, contact your provider consultant:

Nancy Landrith Hier, Northern Kansas (913) 291-8862  
Angie Martin, Southern Kansas (316) 269-1602

jw



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# GHAA LEGAL AFFAIRS DEPARTMENT

REVISED DRAFT 11/08

## MATERNITY LENGTH OF STAY LEGISLATION AND REGULATION

H-4

STATE	BILL/REG PROVISIONS				CURRENT STATUS
	MINIMUM LOS <sup>1</sup> COVERAGE	USE OF ACOG/AAP GUIDELINES	EXEMPTION FOR HOME VISITS	"AT MOTHER'S DISCRETION"	
CALIFORNIA A.B. 1978/1841	NVD <sup>2</sup> : 48 hrs	yes	yes, 1 visit	only for location of postpartum visits	Introduced 6/26/95. Failed to pass - will be carried over.
DELAWARE H.B. 357	48 hrs. if prescribed by a medical care provider.	no	no	n/a <sup>3</sup>	Introduced; carried over for 1996.
KENTUCKY H.Res. 6  Pre-filed Bills B.R. 441/B.R. 458/ B.R. 934	72 hours inpatient care  Requires between 48 and 72 hrs of inpatient care.	n/a	n/a	n/a	Resolution requesting the Department of Insurance to prepare report for next legislature on current policies and complaints. Three pre-filed bills - does not provide specifics.
MARYLAND S.B. 677	per ACOG Guidelines	yes	yes, 1 visit	no	Enacted 5/95. Effective Oct. 1, 1995. Rulemaking anticipated.
MASSACHUSETTS S. 2057	NVD: 48 hrs CS <sup>4</sup> : 96 hrs	directs dept. of health to promulgate rules c/w ACOG/AAP Guidelines	c/w dept. of public health rules	"Any decision to shorten minimum coverage shall be made in consultation with the mother."	Passed legislature; awaiting signature by governor.
MICHIGAN H.B. 5109	NVD: 48 hrs CS: 96 hours	no	yes, 3 visits	yes, up to 48 /96 hours	Introduced. Hearing held. Further action delayed 2-3 months. Only applies to HMOs.
NEW JERSEY A.B. 2224 S.B. 1963	NVD: 48 hrs CS: 96 hours	no	unclear, exempt for "post-delivery care"	yes	Enacted 6/95; effective immediately.

STATE	BILL/REG PROVISIONS				CURRENT STATUS
	MINIMUM LOS <sup>1</sup> COVERAGE	USE OF ACOG/AAP GUIDELINES	EXEMPTION FOR HOME VISITS	"AT MOTHER'S DISCRETION"	
NEW MEXICO Proposed Regulation	According to current "Guidelines for Perinatal Care".	Yes, required.	Yes, 3 minimum by an RN w/in 24, 48 and 120 hours after discharge.		Proposed regulations, hearing held on 10/6/95.
NEW YORK S.B. 5322A	NVD: 48 hrs CS: 120 hrs	no	yes, "adequate home care services"	yes	Possible action in special session.
NYSHMOC bill	NVD: 48 hrs CS: 96 hrs	yes	yes, 1 w/in 48 hrs after discharge	no	Pre-filed.
NORTH CAROLINA SB 345	NVD: 48 hrs CS: 96 hrs	no	no	no	Enacted 7/95.
OHIO H.B. 458	NVD: 48 hrs CS: 96 hrs	no	no	no	Introduced 8/95.
PENNSYLVANIA H.B. 1747/1977 S.B.1237	NVD: 48 hrs* CS: 96 hrs (*HB 1977 excludes day of delivery)	yes, H.B. 1977	yes, 3 visits	no	Introduced 6/15/95. Second public hearing 11/95.
RHODE ISLAND HJR 5858, sub A	n/a	n/a	n/a	n/a	Law as enacted calls for a commission to study medical outcomes and discharges.
WISCONSIN AB 573	NVD: 48 hrs CS: 96 hrs (for in-patient or home care, or combination)	n/a	requires rulemaking regarding home visits	yes	Assembly Health Committee took no action after 10/31 public hearing. No further legislative action anticipated.
ANTICIPATED LEGISLATION					
COLORADO	n/a	n/a	n/a	n/a	Discussion level - no draft language.
CONNECTICUT	n/a	n/a	n/a	n/a	Preparing bills - awaiting draft language.



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STATE	BILL/REG PROVISIONS				CURRENT STATUS
	MINIMUM LOS <sup>1</sup> COVERAGE	USE OF ACOG/AAP GUIDELINES	EXEMPTION FOR HOME VISITS	"AT MOTHER'S DISCRETION"	
KANSAS	n/a	n/a	n/a	n/a	Conducting survey on current policies.
MINNESOTA Bill to be introduced 1/96	n/a	n/a	Yes, but must be performed by R.N.s.	n/a	November 8, 1995 hearing scheduled. Committee wants compromise w/o legislation.
VIRGINIA Press release - intent to introduce, no language	n/a	n/a	n/a	n/a	
WASHINGTON Pre-filed bill introduced, awaiting language	n/a	n/a	n/a		Hearings to be scheduled.

1. Length of stay; 2. Normal vaginal delivery; 3. Not addressed; 4. Caesarean section

## MEMORANDUM

TO: The Honorable Carlos Mayans, Chairman  
House Health and Human Services Committee

FROM: Teresa L. Sittenauer, Legislative Counsel  
Health Insurance Association of America

DATE: January 18, 1996

RE: H.C.R. 5030

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Mr. Chairman, Members of the Committee: My name is Teresa Sittenauer and I represent the Health Insurance Association of America ("HIAA"). H.C.R. 5030 urges all health insurers providing coverage for maternity benefits to provide their insureds who are eligible for obstetrical care with at least 72 hours of inpatient care following delivery of a newborn child.

We recognize that this resolution simply urges health insurers to provide 72 hours of inpatient obstetrical care following delivery of a newborn; it is not a requirement. HIAA would like to emphasize, however, that we are opposed to any form of mandatory coverage for maternity stays. We oppose such mandatory coverage because doctors and patients, in conjunction with the patient's health plan, can best determine when a mother and newborn may safely leave the hospital. Government should not become involved in decisions which require medical judgment, since such decisions vary according to individual circumstance.

Further, state-mandated benefits drive up costs, ultimately limiting access to quality care. Inasmuch as 60% of the insured public is covered by ERISA plans not affected by state law,

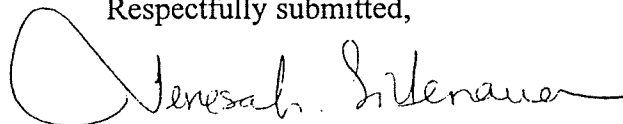
this resolution applies to only 40% of insureds. This same 40% will shoulder the higher costs resulting from mandated 72-hour maternity stays.

Finally, any length of coverage for maternity stays is currently available to consumers. Employers--not health insurance companies--choose which plans cover their employees. We are not aware of a void of health insurance product choices available to meet employer needs in this area.

Health insurers are not the key players at this stage of the game. Employers, hospitals, and doctors must come together now to provide information on the issue, determine whether a problem exists, and if necessary, suggest concrete, non-legislative solutions to that problem. We stand ready to work with the Kansas Insurance Department and this Committee on this issue if indeed you find that permanent solutions are necessary.

In sum, government intervention in such an individualistic, judgment-prone area must be approached with caution and avoided if at all possible. We thank you for the opportunity to present our testimony. Please contact me if you have any questions.

Respectfully submitted,

A handwritten signature in cursive script that reads "Teresa L. Sittenauer". The signature is written in black ink and is positioned below the typed name.

Teresa L. Sittenauer



**Donald A. Wilson**  
President

To: House Health and Human Services Committee  
From: Kansas Hospital Association  
Re: HCR 5030  
Date: January 18, 1996

*Tom Bell*

The Kansas Hospital Association appreciates the opportunity to comment regarding the provisions of HCR 5030. This resolution encourages health insurers in Kansas to provide policy provisions allowing for a 72 hour hospital stay after a normal newborn delivery. It also suggests the collection of more data to help analyze the extent of the problem in Kansas.

In recent months, several states have taken action to discourage what is commonly called "drive through deliveries." This term refers to the practice of insurance companies putting pressure on health care providers to discharge a mother and newborn baby shortly after delivery, specifically within 24 hours of delivery. These states have generally enacted laws to require insurers to pay for at least 48 hours hospitalization following delivery.

Data released by the Centers for Disease Control and Prevention in May 1995 disclosed that the average length of stay for all hospital deliveries in 1970 was 4.1 days; by 1992 the average had decreased to 2.6 days. (These figures include births with complications.) The following chart depicts a similar trend in Kansas.

#### Trends in Average Length of Stay (Kansas)

	1990	1994
All Hospitalizations	6.0 Days	5.1 Days
Hospitalizations for Patients < 65 Yrs of Age	5.2 Days	4.2 Days
Normal Deliveries (DRG 373)	2.0 Days	1.6 Days

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Some attribute the decrease in obstetric and newborn length of stay to intensified efforts by insurers, particularly health maintenance organizations (HMOs) and managed care plans, to reduce health care costs by imposing strict limits on childbirth payment or by offering incentives to patients to leave early. Others credit the steady decline in maternity stays to improved hospital efficiency and appropriate outpatient management. Still others point to consumer demand for increased family participation in the birth process, increased involvement of fathers in caring for their newborns, and better prenatal education. Finally, as the previous chart indicates, a general overall trend has had at least some impact. Obviously the forces behind the trend toward early discharge are complex and various-- economic, social, medical and psychological.

The point is not that all mothers should stay 48 or 72 hours in the hospital after giving birth. The point is, rather, that the tug-of-war between what is medically appropriate for each patient and what is financially feasible should be predicated upon sound clinical guidelines applied by a physician and informed patients who understand the conditions of both their body and their insurance policy. In other words, the discharge decision is one to be made between the informed patient and her physician; not by the insurer or, for that matter, the legislature.

We are supportive of HCR 5030 because it calls attention to the potential in some managed care arrangements for sacrificing quality to cost. In addition it suggests that more information regarding insurance company practices be gathered in order to better understand the extent of this problem in Kansas. We would, however, suggest that language be added recognizing the fundamental principle that this is an issue best resolved between an informed patient and her physician based on appropriate medical standards.



**KANSAS MEDICAL SOCIETY**

623 SW 10th Ave. • Topeka, Kansas 66612 • (913) 235-2383  
WATS 800-332-0156 FAX 913-235-5114

January 18, 1996

TO: House Health and Human Services Committee

FROM: Jerry Slaughter  
Executive Director

SUBJECT: HCR 5030; concerning maternity benefits

The Kansas Medical Society appreciates the opportunity to submit the following comments on HCR 5030, which urges all health insurers to provide a minimum of 72 hours of inpatient maternity benefits.

We support the intent of this resolution, which is to encourage all insurers to provide for an adequate maternity benefit. As with all services, coverage limitations should not compromise the safety and welfare of the mother and child. We believe that health insurance plans should cover all *medically necessary* services for the mother and child, as determined by the attending physician.

Thank you for the opportunity to offer these comments.

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