



Legislation Text

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Res. No. 1368

Resolution calling upon the New York State Legislature to pass and the Governor to sign legislation that would ease the burden on women's health care providers by increasing Medicaid reimbursement rates.

By Council Members Crowley, Chin, Gentile, James, Koo, Koppell, Koslowitz, Palma, Rose, Vann, Williams, Wills and Eugene

Whereas, According to the Kaiser Foundation, in 2008, New York had the 47<sup>th</sup> lowest Medicaid obstetrical care fees relative to the national average; and

Whereas, While there have been some modest increases in Medicaid obstetrical fees over the last few years, they are significantly below the real costs of providing obstetrical services; and

Whereas, The American Congress of Obstetricians and Gynecologists (ACOG) indicated that both public and private insurance reimbursement rates for delivering a child are less than the price of office equipment; and

Whereas, In a survey of its members, ACOG reported that 41 percent of those surveyed received between \$1,500 and \$2,500 for a delivery, and 11 percent reported receiving less than \$1,500 per delivery, significantly less than the actual cost of a delivery; and

Whereas, In New York State, fifty-one percent of all deliveries are covered by Medicaid and the reimbursement rate for a Medicaid delivery is a mere \$1,440; and

Whereas, At the current reimbursement rates, a practitioner would need to perform 123 deliveries annually, one every three days, just to cover medical malpractice insurance costs which can be as high as \$177,000 in New York City; and

Whereas, This does not factor in any other costs that practitioners endure such as administrative and

overhead costs; and

Whereas, As a result of these figures, ACOG has referred to obstetrical care as a “dangerously undervalued service and unsustainable profession in New York State”; and

Whereas, Low reimbursement rates put health care practitioners in a dilemma, namely, whether to have an abundance of patients and perform a significant number of deliveries to cover costs, or to limit the scope of their practice; and

Whereas, However, when practitioners limit the scope of their practice, women have less access to health care services; and

Whereas, Reimbursement rates must be increased to more realistically represent the cost of providing obstetrical services; and

Whereas, Without such action, countless women may be negatively affected; now, therefore, be it

Resolved, That the Council of the City of New York calls upon the New York State Legislature to pass and the Governor to sign legislation that would ease the burden on women’s health care providers by increasing Medicaid reimbursement rates.

LS# 3335  
JM  
3/28/12