Children's Hospital of Philadelphia
PolicyLab

Cost Estimate Tool: Calculating the State Cost of Extending Postpartum Medicaid

Download the Tool

In March 2021, President Biden signed into law the American Rescue Plan, giving states the option to extend pregnancy-related Medicaid eligibility to one year after delivery. Specifically, states will have the option to extend postpartum Medicaid coverage through a State Plan Amendment (SPA) starting in spring 2022. PolicyLab supports federal efforts to extend postpartum Medicaid coverage and, going forward, will support state-level actors interested in taking advantage of the federal opportunity to extend coverage, knowing that greater access to care improves health and well-being for birthing individuals and their children. As providers, advocates, and government officials pursue extending postpartum Medicaid coverage at the state level, the question at the forefront of these efforts is how much the extension will cost.

As part of Thriving PA, a campaign of the Pritzker Children's Initiative in Pennsylvania, PolicyLab led the creation of a cost estimate for Pennsylvania's postpartum Medicaid extension. PolicyLab and Thriving PA partners have solicited and been responsive to feedback on this estimate from stakeholders and experts in the commonwealth and across the country. What has emerged from this process is a tool that we hope can be used by policymakers or advocates in other states to estimate the cost of extending postpartum Medicaid coverage in their state*.

To use the tool, plug your state's assumptions into the spreadsheet's yellow boxes and the cost summary will automatically update. Rather than producing a single number, the tool offers a range, reflecting incomplete guidance from the Centers for Medicare & Medicaid Services (CMS). This remains a work in progress; we welcome continued feedback and plan to update the tool as CMS guidance is released.

Spanning PolicyLab's research portfolios on Intergenerational Family Services, Health Equity, and Health Care Coverage, Access, and Quality, the development and dissemination of this tool continues our commitment to supporting and advancing evidence-based policymaking and to improving access to care in the postpartum period.

*The tool as designed is for states that have expanded Medicaid as optioned in the Affordable Care Act and does not include any potential cost impact related to the Children's Health Insurance Program (CHIP).

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