

# Baby+Co.



February 5, 2016

## **Baby+Company**

*Overview & Payment Structure*

Innovative model of care delivery

# WHO WE ARE

# Consumer demand and cost trends are driving interest in 'out of hospital birth'

## 1 *U.S. maternity care is high cost*

- ❖ One of the largest contributors to health bill (\$100bn/year)
- ❖ Among the top 5 hospital costs to payers

## 2 *Women are increasingly interested in out of hospital birth*

- ❖ 25% of women said that they would prefer a birth center birth if one were available; another 39% would consider it
- ❖ 30% increase in out of hospital birth since 2010

## 3 *Lowering the Cesarean Section rate in the US is a high priority and maternity centers can play a role*

- ❖ National average rate of 33% versus 6% average in birth centers in the US.
- ❖ W.H.O recommends rates of between 5% and 10%.
- ❖ ACOG has made lowering the rate a top strategic priority and suggested that expanding access to birth centers could play an important role in improving outcomes

*Increasing access to safe, out of hospital birthing options can:*

- 1) Lower cost
- 2) Improve customer satisfaction
- 3) Improve clinical outcomes for low-risk moms and babies

Source: Agency for Healthcare Research and Policy; Childbirth Connection: Listening to Mothers III: Pregnancy and Birth, 2013; American Association of Birth Centers Press Kit; American College of Obstetricians and Gynecologists (ACOG) and Society for Maternal-Fetal Medicine (SMFM), "Obstetric Care Consensus Statement #2-, Levels of Maternity Care.", Obstetrics & Gynecology, Feb 2015.

# Enter Baby+Company: a full service maternity care solution

*Our Goal: bring the birth center model into the mainstream*

## *“One-Stop-Shop” for Maternity Services*

- ❖ Enhanced prenatal care – personalized & education-intensive
- ❖ Customized birth planning, with a focus on low-risk outpatient birth
- ❖ Classes, discussion groups and wellness services integrated into model
- ❖ Post partum care, including home visit; annual wellness exams

## *Focus on Risk Appropriate Care*

- ❖ 85% of pregnancies are low risk
- ❖ Higher-risk pregnancies transferred to medical director at hospital

## *Hospital & Physician Partner*

- ❖ Located adjacent to Hospital with seamless transfer protocol
- ❖ Medical Direction from local physician group
- ❖ Shared quality plan

(1) Source: Federation of Health Plans Comparative Price Report, 2013; OECD StatExtracts; Childbirth Connection: Listening to Mothers III: Pregnancy and Birth, 2013; CDC Data brief.

# Outcomes that are as good or better than hospital based care

## 1. Lower cesarean rates

- C-section rates of 6%<sup>1</sup> vs. 26.9% for women with low-risk pregnancies in the United States<sup>2</sup>

## 2. Outcomes that are as good or better<sup>1</sup>

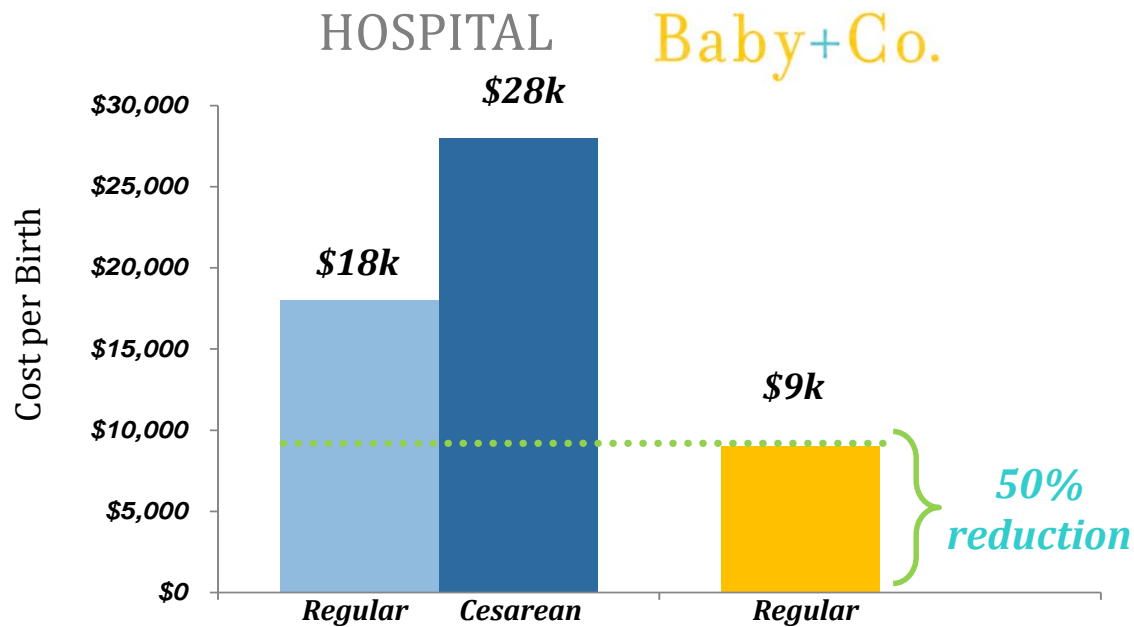
- Morbidity or mortality rates that are as good or better than hospital based care
- Higher breastfeeding rates
- Lower NICU Admissions rates

## 3. Wellness benefits that extend beyond the maternal episode

Source: (1) Stapleton et al.: "Outcomes of care in birth centers: demonstration of a durable model," JMWJ, 2013; Begley et al., 2011; Janssen et al., 2012; (2) National Vital Statistics Reports, Vol. 63, No. 6, November 5, 2014 "Trends in low-risk Cesarean Delivery in the United States 2009-2013"

## Significant savings

Savings come both from a reduction in the number of cesarean sections and a reduction in the cost of vaginal birth.



	United States Average (low-risk pregnancies)	Baby+Co. Average
Cesarean Rate	26.9%	6%

Source: Truven Health Analytics, *The Cost of Having a Baby in the United States*, 2013; National Center For Health Statistics; Vital Statistics Report: Volume 63, No 6, November 4, 2015

# Enhanced Experience

## Highly personalized, high-quality prenatal and postpartum care

- ❖ Personalized and evidence-based care with a focus on wellness
- ❖ Delivered by Certified Nurse Midwives, in partnership with physicians, nurses, and educators

## Focus on learning, wellness and community

- ❖ Education integrated into care model
- ❖ Prenatal yoga, nutrition and stress management workshops, new mom's groups, and lactation counseling also available
- ❖ Opportunities for social interaction throughout

## Customized birth planning with a focus on low-intervention birth in the birth center

- ❖ Individual care planning sessions
- ❖ Low-intervention, out patient birth in the birth center
- ❖ Option to transfer care during pregnancy or labor

## A welcoming, home-like environment



Innovative model of care delivery

# **RISK APPROPRIATE CARE AT THE LOW END OF RISK**



## Underlying principles of care

**We believe that by providing families with the right information and support we can empower women to have the confidence they need to have a successful physiologic birth, thereby lowering cost and improving outcomes.**

### **Core principles:**

1. Deliver personalized, family-centered care
2. Support shared decision making, informed by evidence and rooted in the preferences and values of each client
3. Foster social interaction so clients/couples can build up a community they will be connected to through early parenthood and beyond
4. Deliver care that is convenient for clients, uses resources wisely, and is joyful both for clients/families and Baby + Company colleagues

## We offer education intensive, participatory care and we have a high level of engagement with clients across the episode.

WHAT?	WHY?
Group visits	Foster engagement and social connection
One-on-one visits	Enable clinical procedures; support privacy; enable personal relationship
Care Planning Visits	Enable individual coaching and development of customized wellness plan; foster self-care and behavior change within a framework of accountability
Optional Telemedicine visits	Improve accuracy of phone triage; improve convenience (potential to reduce problem visits & improve client satisfaction)
Classes, workshops, and support groups	<p><u>Classes</u>: convey important information women need to have a healthy pregnancy and make decisions.</p> <p><u>Workshops</u>: Learn or practice skills/techniques</p> <p><u>Support groups</u>: Foster social connection and information sharing</p>
Continuous midwife-led care in labor and birth	Promote physiologic birth, family connection, and safety within a coordinated system of care.
Early discharge with home based follow-up	Promote rest, recovery, and family bonding; contextualize care to the home environment

# Prenatal Care

up to 12 wks

16-18 wks

22-24 wks

26-28 wks

30-32 wks

34-36 wks

by 37 wks

39+ wks

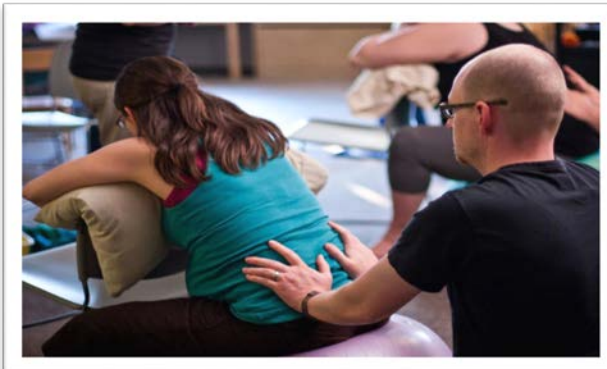


Individual Visits PRN

Classes, Workshops, and Support Groups

TouchCare/Phone Consultations PRN

Interactive EHR with curated content library & Client Handbook



## Care Planning Visits

- ❖ Identify priority self-care activities
- ❖ Select classes, workshops, support groups
- ❖ Make necessary community referrals
- ❖ Encourage multi-directional accountability
- ❖ Trimester-specific focus
  - First Trimester: Pregnancy wellness
  - Second Trimester: Learning and preparing for labor + birth
  - Third Trimester: Late-term/post-term pregnancy plan of care; postpartum support

## Group Visits

- ❖ Engagement in self-care (weigh self, do own vital signs, take self-assessments)
- ❖ Brief (<5 min) individual belly checks, ideally in the group space
- ❖ Facilitated discussion guided by clients' interests and concerns
- ❖ Structured education/anticipatory guidance on selected topics
  - First Trimester: How and when to contact the team, including how to use Maternity Neighborhood and Touchcare; Fetal testing options; Warning Signs
  - Second Trimester: GDM Screening; Fetal Movement Counts; Warning Signs
  - Third Trimester: GBS Testing; PP/Newborn Plan of Care; Transfer Scenarios

# Labor + Birth Care

Early Labor

Active Labor

Birth +  
Postpartum/  
Newborn Recovery

Until 4-12 hrs.  
Postpartum

TouchCare/Phone  
Consultations

Continuous Midwifery Presence

Preparation for Early  
Discharge

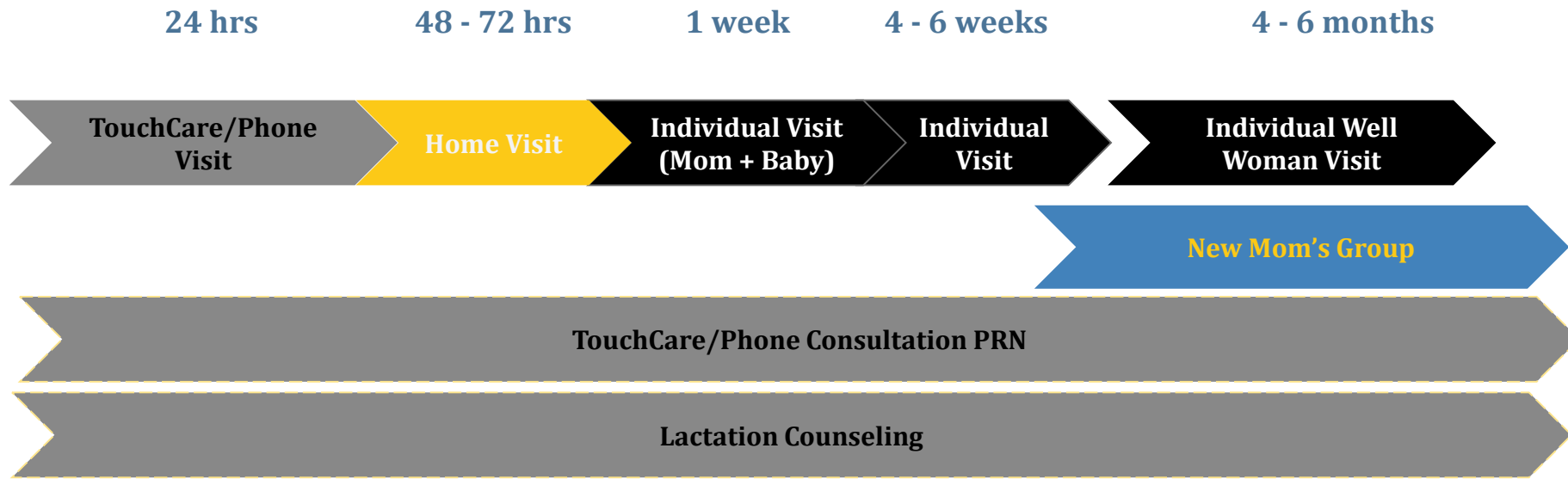
Additional Skilled  
Support

**Range of Comfort Measures-** Self-directed movement;  
nitrous oxide; water birth

**Fetal Monitoring-** intermittent auscultation of fetal heart  
tones using dopplers



# Postpartum and Newborn Care



Innovative model of care delivery

# **PARTNERSHIPS WITH PAYERS**



## Summary of Work With Payers

1. We are working with payers to set pricing based on the outcomes we deliver (healthy mom and baby) rather than the inputs we are using
1. With most payers we are establishing a single episodic case rate for our birth clients that covers both the facility and professional fees (and a set of other services). With this structure, we are incentivized to deliver a healthy mom and baby and a happy family at the lowest possible cost.
2. With some of our partners we earn an incremental percentage at the end of the year if we hit certain quality markers
3. Our pricing structure has limitations in that it is set up for birth center care and if a patient transfers to the hospital, payers will pay an incremental cost to the receiving providers.
4. However, our current rate structure sets a price benchmark for the episodic cost of low-risk uncomplicated birth as it demonstrates that it is possible to deliver high outcomes and a high touch service at a low cost.
5. We are currently working with our health system and physician partners to more closely integrate our services and could ultimately negotiate a single birth price for any patient that initiates care at the birth center (even those that ultimately transfers), thereby adding a true risk sharing element to our pricing structure.

## We have set episodic case rates for birth and transfer clients

Timeline	Mo. 1	2	3	4	5	6	7	8	9	Labor & delivery	6 weeks postpartum
<b>Key touchpoints</b>	Initial OB visit / orientation to care, routine prenatal visits, tele-med visits & other forms of remote communication w/ CNMs, childbirth classes, breastfeeding & nutritional counseling									Labor & delivery	Post-partum care & lactation support
<b>1 Complete episode</b>	Bundled rate for all birth center services as part of the complete pregnancy episode (including follow up at 6wks postpartum)										
<b>2 IP transfers episode</b>	Bundled rate for all prenatal services at birth center and labor support for patients who transfer during labor										
<b>3 AP transfers episode</b>	Bundled rate of patients who transfer out prior to labor										
<b>4 Well woman care</b>	Ongoing well woman care: annual exams, birth control counseling, contraceptive provision, fertility counseling										

# 1 The case rate for birth clients includes everything that happens to a mom at Baby+Company during the maternal episode

Phase	Included in bundled payment	Not included (done off-site)
<b>Initial OB visits (typically 1 hour)</b>	<ul style="list-style-type: none"> <li>History &amp; physical</li> <li>Pelvic exam</li> <li>Blood draws &amp; other sample handling</li> <li>Doppler Heart Beat</li> </ul>	<ul style="list-style-type: none"> <li>Labs               <ul style="list-style-type: none"> <li>Prenatal Panel*</li> <li>First Trimester Screen @ 1<sup>st</sup> appointment or 11-13 wk</li> <li>Gonorrhea/ Chlamydia test</li> <li>Urinalysis</li> </ul> </li> <li>Pap Smear</li> </ul>
<b>Prenatal visits (typically 30 mins.)</b>	<ul style="list-style-type: none"> <li>10-14 routine visits</li> <li>Blood draws for laboratory testing</li> <li>Breastfeeding counseling &amp; nutritional support</li> <li>Tele-med visits, if any, phone calls &amp; other other patient/CNM communication b/w visits</li> <li>Group visits at each trimester</li> </ul>	<ul style="list-style-type: none"> <li>Ultrasounds               <ul style="list-style-type: none"> <li>1<sup>st</sup> trimester screen (optional, 33-50% of cases)</li> <li>Fetal anatomy scan @ 18 weeks</li> </ul> </li> <li>Labs               <ul style="list-style-type: none"> <li>Quad Screen Test @ 16-18 weeks</li> <li>Complete Blood Count (CBC) @ 28 weeks</li> <li>Glucose tolerance test @ 28 weeks</li> </ul> </li> </ul>
<b>Prenatal care &gt; 40 weeks</b>	<ul style="list-style-type: none"> <li>Weekly exams by CNMs</li> <li>Fetal Non-stress Test @ 40 weeks</li> </ul>	<ul style="list-style-type: none"> <li>Biophysical profile (ultrasound only- we do the fetal non-stress test internally)</li> </ul>
<b>Birth</b>	<ul style="list-style-type: none"> <li>Continuous labor support with CNM &amp; nurse care</li> <li>Access to newborn &amp; maternal meds and emergency equipment/ supplies**</li> <li>Pain management options** (Aquatherapy, Nitrous Oxide, TENS Units, Sterile water papules)</li> <li>Newborn exam &amp; newborn metabolic screen</li> </ul>	
<b>Postpartum</b>	<ul style="list-style-type: none"> <li>24 hour telehealth consult</li> <li>48 hour home visit, including PKU for newborn</li> <li>Follow-up visit 6wks postpartum</li> <li>Lactation consults</li> </ul>	<ul style="list-style-type: none"> <li>Labs in the case of complications</li> </ul>

\* **Note:** Prenatal panel includes: Blood type, Rh Factor & antibody testing, CBC, rubella, Hep-B, Syphilis, Cystic fibrosis screen)

\*\* **Note:** Please reference constituent items in Appendix



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## For IP transfers, the following services will be included in the case rate:

Phase	Fees billed @ BC	Fees billed by Hospital & Relevant Providers*
<b>Prenatal Care</b>	<ul style="list-style-type: none"> <li>Prenatal care               <ul style="list-style-type: none"> <li>Initial visit (99203)</li> <li>Bundled AP rate for 4+ or 7+ visits (59425 or 59426)</li> <li>Blood draws for laboratory tests (36415)</li> <li>Fetal non-stress tests (59025)</li> </ul> </li> </ul> <p><i>NOTE: Bundled AP rate includes prenatal care,, nutritional support &amp; lactation counseling (as described on previous slide)</i></p>	<ul style="list-style-type: none"> <li>Labs               <ul style="list-style-type: none"> <li>Prenatal Panel</li> <li>First Trimester Screen @ 1<sup>st</sup> appointment or 11-13 wk</li> <li>Gonorrhea/ Chlamydia test</li> <li>Urinalysis</li> <li>Triple or Quad Screen Test @ 16-18 weeks</li> <li>Complete Blood Count (CBC) @ 28 weeks</li> <li>Glucose tolerance test @ 28 week</li> </ul> </li> <li>Pap Smear</li> <li>Ultrasounds               <ul style="list-style-type: none"> <li>1<sup>st</sup> trimester screen (optional, ~X% of cases)</li> <li>Fetal anatomy scan @ 18 weeks</li> </ul> </li> <li>Biophysical profile (including ultrasound)</li> </ul>
<b>Birth</b>	<ul style="list-style-type: none"> <li>Labor Management               <ul style="list-style-type: none"> <li>Includes continuous labor support from CNM &amp; nurse</li> <li>Pain management support (Aquatherapy, Nitrous Oxide, TENS Units, Sterile water papules)</li> <li>Access to meds, emergency supplies/equipment, as needed</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Ambulance Transfer, if necessary</li> <li>Facility costs once at hospital</li> <li>Physician costs if patients need more acute care</li> </ul>
<b>Postpartum</b>	<ul style="list-style-type: none"> <li>6 week postpartum visit (if patient stays in practice)</li> </ul>	<ul style="list-style-type: none"> <li>Labs in the case of complications</li> </ul>

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## For AP transfers, all pre-natal services will be billed as above. All services provided post-transfer will be billed seperately.

\* Note: Exact fees and procedure codes dependent on individual hospital protocols