

STATE OF MATERNITY CARE IN ALBERTA



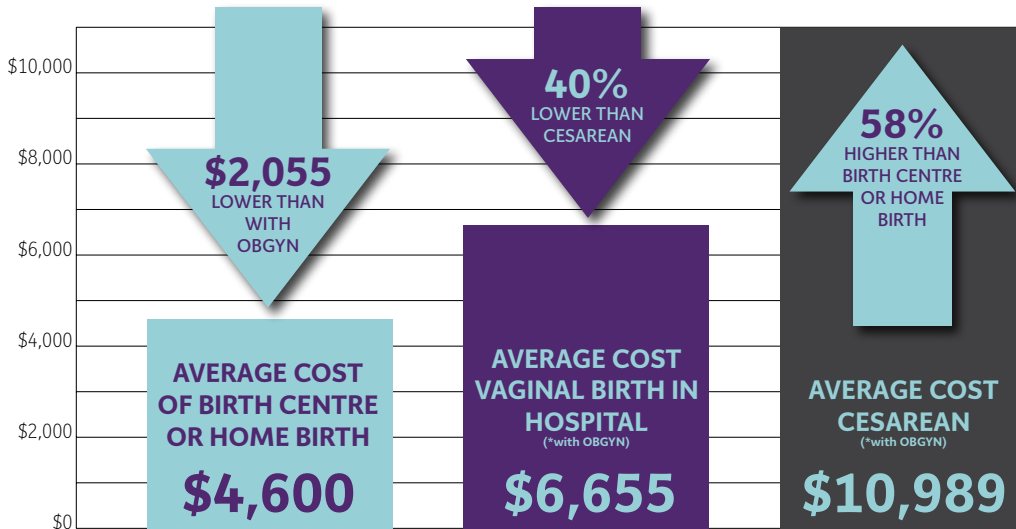
#1 Reason For Hospitalization
CHILDBIRTH



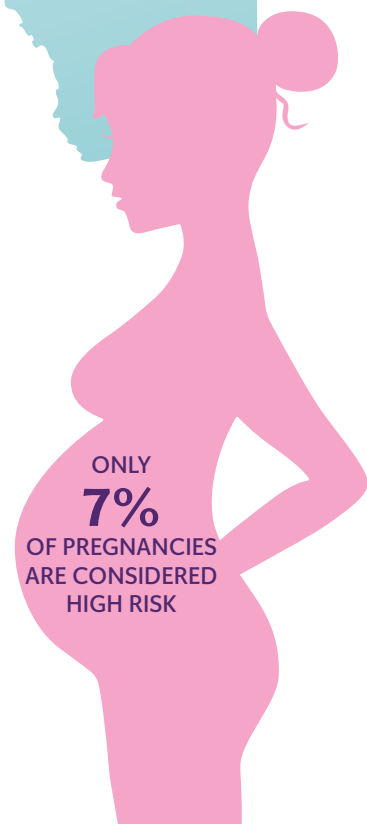
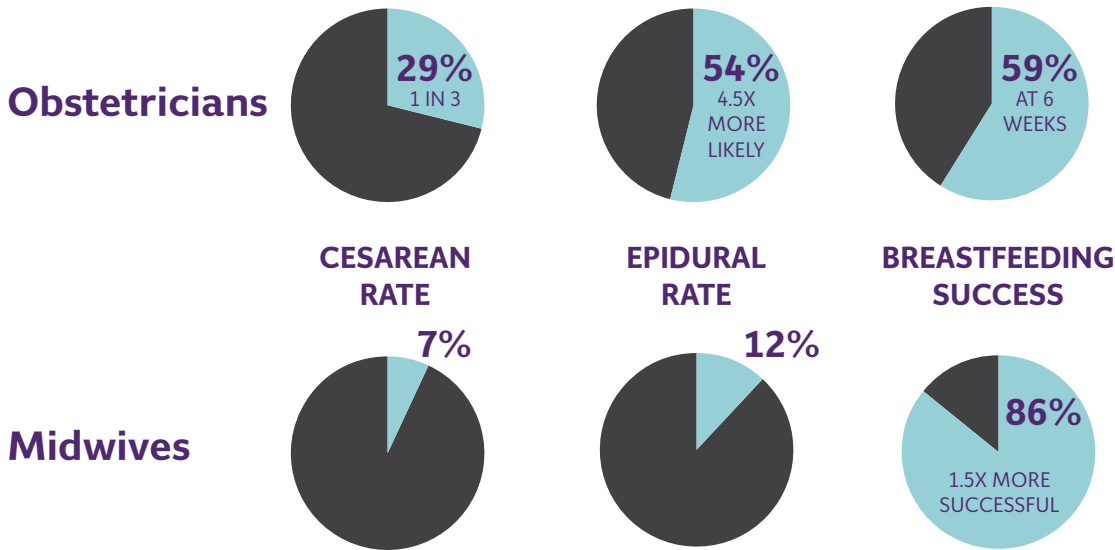
#1 Surgery in Alberta
CESAREANS



81% Rate of
REPEAT CESAREAN



**Cost of birth calculations include all care from prenatal to 6 weeks postpartum



*based on 2013/14 data



From Maternity Care in Alberta Report 2016

Maternity Care in Alberta: an overview and costs comparison of various maternity care providers.

Over the past year ASAC undertook a project to examine the costs of childbirth in our province. Our goal was to provide an overview of how much is spent on childbirth in Alberta annually, with respect to various care providers, (namely: obstetricians, general practitioners and midwives,) including care provider fees, hospital costs and other indirect costs. There had been no analysis of Alberta data since the public funding of midwifery in 2009. This information was needed to allow for a comprehensive comparison of maternity care costs among care providers. Our findings were compiled in a report to be released in the fall of 2016.

The final report pulled together many available resources to show current data for the various care providers so the data could be compared and used to assist in important government policy-making decisions. The primary focus was on healthcare spending analysis to show potential areas for savings and increased quality and continuity of care, among many other benefits. Whenever possible the report included comparative data at the Canadian, provincial/territorial and international levels.

Costing data came from Alberta Health (AH), Alberta Health Services (AHS) and Canadian Institute of Health Information (CIHI). Physician fee data was based on Alberta Health fee-for-service claims for health service codes related to maternity care for the fiscal year 2013-14.

Hospital spending information came from Case Mix Group (CMG+) data held in the Canadian Management Information System (MIS) Database combined with Discharge Abstract Database (DAD) data for fiscal year 2013-14. The data in the report reflects average costs for "typical" patients and does not include cases of multiple births, stillbirth, maternal death or cases with extended hospital stays or a high number of costly interventions and complications.

A variety of research articles and data available from AH, AHS and CIHI were also used in assisting with examining other aspects of maternity care, such as breastfeeding rates, hospital readmissions and rural healthcare.

Report Highlights - How Much Does It Cost to Have a Baby in Alberta?

- ❖ Healthcare spending and the sustainability of the current system has been a key area of focus throughout Canada as of late. In Alberta, healthcare spending has risen to approximately \$20.0 billion; more than 40%, of the government's total \$50.0 billion budget. Hospital, physician and drug costs consume the majority (over 70%) of the budget at \$9.2 billion for hospitals, \$3.8 billion for physicians, and \$1.4 billion for drugs.
- ❖ Of growing concern are the increasing costs currently associated with healthcare, in particular childbirth. The birth rate in Alberta has been steadily climbing and, at the time of this report, is projected to be 56,634, 56,622 and 56,670 in 2016, 2017 and 2018, respectively.
- ❖ The fact that childbirth is the most common reason for hospitalization and cesareans rank as the top surgical procedure across Canadian and Albertan hospitals should cause some serious reflection on the state of maternity care. Lowering cesarean rates and increasing vaginal birth after cesarean (VBAC) rates could represent a significant cost savings, as an estimated \$112 million Alberta healthcare dollars were spent on cesareans in 2013. If the overall cesarean rate had been 20% in 2013-14, the province could have saved \$14.5 million in hospital costs alone.
- ❖ The cesarean section rate in Alberta has been increasing steadily over the years. In 2006, the cesarean rate was 26.7% with a repeat cesarean rate of 38.7%. In 2013, the overall rate was 28.9%, while the repeat cesarean rate has climbed to an alarming 81.3%. At the same time, VBAC attempt rate and occurrence rate have been declining. In 2006, VBACs were successful 76.1% of the time, but were only attempted in 25.5% of women with a history of cesarean. By comparison, in 2013 Alberta Midwives had a cesarean rate of 7.3% and successful VBAC rate of 79.5%. Up to \$45.9 million could be saved by increasing VBAC's.
- ❖ Maternity care providers are not necessarily interchangeable. Midwives, family physicians and obstetricians all deliver babies with different approaches. Obstetricians are skilled in managing high-risk pregnancies and births; this requires vigilance and often intervention. Having obstetricians care

for women with low-risk pregnancies can result in more interventions and cesareans being done on women for whom the interventions are less appropriate, or effective, and no longer evidence-based.

- ❖ Physicians continue to provide most obstetrical services in Alberta, in contrast to midwives who provide care to less than 10% of women in Canada and 5% in Alberta. Midwives and nurse practitioners continue to remain underutilized in Alberta
- ❖ While the majority of pregnancies end with uncomplicated vaginal deliveries, different types of deliveries can have very different costs. For example, according to the Canadian MIS database the average inpatient hospital costs in Alberta for women who had a vaginal delivery with no anesthetic or interventions was about \$2,250 per patient in 2013. The average hospital cost of a primary cesarean section during the same time period was about \$6880 per patient. Hospital costs make up the largest portion of spending on childbirth.
- ❖ By far the biggest cost savings available are related to out of hospital births (OOH). At a total cost of \$4600 per birth, they are on average \$1474 less expensive than hospital birth with a GP and \$2055 less than with an OBGYN.
- ❖ Midwives are skilled in managing low-risk pregnancies and birth and their model of care allows them to spend more time with patients, to offer out of hospital birth and water birth as options and use fewer interventions. Many studies, including several Canadian studies, have confirmed the safety and efficacy of midwifery-led care as an option that should be available to all low-risk women. This difference in approach translates into an average cost savings of just over \$540 per midwifery birth and a savings of \$2,055 for home births when compared to uncomplicated vaginal birth with an obstetrician. Midwives offer high quality and continuity of care, relieving some of the burden on the healthcare system while also offering cost savings.
- ❖ Increases in cesarean and intervention rates are associated with a corresponding increase in suboptimal breastfeeding and adverse health outcomes, as well as rising healthcare costs. Many of which are preventable with proper training and up-to-date, evidence based policies and procedures. The potential cost savings associated with birth and

associated health outcomes equals upwards of \$154.0 million. Consumers and policy makers need to be educated on the impact of various birth practices so informed choices can be made, helping to ensure a healthy Alberta.

- ❖ With increasing health issues such as childhood obesity, early onset diabetes, cancers and rising health care costs, the promotion, protection and support of breastfeeding has become even more critical as research points to relationships between breastfeeding and the onset of disease
- ❖ In addition to the lack of care providers available in rural areas, Indigenous women face other barriers to accessing culturally specific maternity care, as Indigenous practitioners are particularly scarce even within Indigenous communities. Overall, Canadian maternity care is uneven in both quality of care and access to different providers for distinct groups of women.
- ❖ In order to create a sustainable maternity care system in our province, there is a need to increase access to midwives and create a more collaborative care model amongst maternity care providers. These changes will involve costs, but the subsequent savings from lower cesarean rates and interventions, higher breastfeeding rates and the associated improved health outcomes both short and long-term will be significantly higher than the added expenses. The issues around funding models are complex and not an easy fix, especially given the current state of the economy. The cost savings presented could assist in balancing budgets and using taxpayers' money responsibly at a time where fiscal responsibility is imperative.
- ❖ Addressing concerns regarding maternity care in our province will not only have a short-term impact on the financial health and well-being of Albertans, it will have a lasting impact with savings for years to come; all the while creating a healthier Alberta.

The full report "Maternity Care in Alberta: an overview and cost comparison of various maternity care providers" can be found on our website at www.ASAC.ab.ca