UNITED STATES GENERAL ACCOUNTING OFFICE
WASHINGTON, D.C. 20548

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HUMAN RESOURCES
DIVISION

B-207636

JUNE 4, 1982

The Honorable Daniel K. Inouye
United States Senate

Dear Senator Inouye:

Subject: Availability of Nurse-Midwife Services Under Federal Health Care Programs (GAO/HRD-82-79)

At your request, we have reviewed the availability of the services of nurse-midwives under various Federal health care programs. As agreed with your office, we performed limited followup work on a prior GAO report 1/ which discussed several obstacles that impeded greater use of nurse-midwives. That report contained a recommendation to the Department of Health and Human Services to encourage greater use of nurse-midwives by helping to eliminate barriers to their practice and giving them additional training opportunities. Through discussions with officials of various agencies, we also obtained information on the availability and use of nurse-midwives in the health care programs they administer.

Generally, officials of each agency we contacted supported the use of nurse-midwives in these programs. However, there is a general lack of utilization data, making it difficult to verify the use or to evaluate Federal efforts encouraging the use of nurse-midwives. More detailed information is contained in enclosure I.

1/"Better Management and More Resources Needed to Strengthen Federal Efforts to Improve Pregnancy Outcome" (HRD-80-24, Jan. 21, 1980).

(101054)

As arranged with your office, we are sending copies of this report to the Director of the Office of Management and Budget, the Director of the Office of Personnel Management, the Secretary of Health and Human Services, and the Secretaries of the Army, Navy, and Air Force. Copies will also be available to other interested parties who request them.

Sincerely yours,

Gregory J. Ahart
Director

Enclosure

ENCLOSURE I

THE AVAILABILITY OF NURSE-MIDWIFE SERVICES UNDER VARIOUS FEDERAL HEALTH CARE PROGRAMS

By letter dated December 17, 1981, Senator Daniel K. Inouye requested that we review the availability of the services of nurse-midwives under various Federal health care programs. Senator Inouye cited his concern that, although evidence indicates that nurse-midwives are effective and provide quality care at substantial savings, there does not appear to be appropriate responsiveness to their expertise within various Federal agencies. As agreed in a subsequent meeting with his office, we performed limited followup work on our January 1980 report 1/ which discussed several obstacles that impeded greater use of nurse-midwives. That report contained a recommendation to the Department of Health and Human Services (HHS) to encourage greater use of nurse-midwives by helping to eliminate the barriers to their practice and giving them additional training opportunities. Through discussions with officials of various agencies, we also obtained information on the availability and use of nurse-midwives in the health care programs they administer.

Generally, officials of each agency we contacted supported the use of nurse-midwives in these programs. However, there is a general lack of utilization data, making it difficult to verify the use or to evaluate Federal efforts encouraging the use of nurse-midwives.

The following sections provide the results of our followup work and, to the extent that data were available, descriptions of nurse-midwife availability and use within

--the Department of Defense (DOD), which provides health care directly in its hospitals and indirectly through the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS);

--HHS, which has responsibility for Medicaid, the Indian Health Service (IHS), and other programs which either use nurse-midwives or support their training; and

--the Office of Personnel Management (OPM), which administers the Federal Employees Health Benefits Program (FEHBP).

Additional information on the status of nurse-midwives was obtained from the American College of Nurse-Midwives (ACNM).

1/"Better Management and More Resources Needed to Strengthen Federal Efforts to Improve Pregnancy Outcome" (HRD-80-24, Jan. 21, 1980).

ENCLOSURE I

BACKGROUND

A nurse-midwife is a registered nurse who has obtained additional education, training, and clinical experience in managing the care of essentially healthy and normal mothers and infants throughout the maternity cycle. Most clinical nurse-midwives work in association with a physician, usually an obstetrician. They provide prenatal and post-partum care, oversee labor and delivery, care for newborns immediately after birth, and assist in family planning.

Although there are no current estimates on the total number of practicing nurse-midwives, a former official of ACNM said that the number of nurse-midwives in the United States has been doubling about every 5 years. In 1976 ACNM estimated that there were approximately 1,000 nurse-midwives practicing in the United States in positions where their nurse-midwife experience and training contribute to their job. An official of ACNM informed us that ACNM is currently preparing to initiate a study which will include a determination of the number of nurse-midwives currently practicing in the United States.

OBJECTIVES, SCOPE, AND METHODOLOGY

Our objectives were to determine (1) the availability and use of nurse-midwives in programs administered by various Federal agencies and (2) whether HHS implemented a previous GAO recommendation that HHS encourage greater use of nurse-midwives.

To accomplish these objectives, we spoke with officials in DOD, HHS, and OPM. Officials in the Offices of the Surgeons General of the Army, Navy, and Air Force provided information on the number of nurse-midwives qualified to practice in DOD medical facilities.

Officials in IHS, the National Health Scholarship Corps, and the Division of Nursing supplied information on nurse-midwife availability in HHS-sponsored programs. We also spoke with HHS officials concerning the status of Medicaid regulations on reimbursement for nurse-midwife services. A member of the HHS working group, formed to encourage greater use of nurse-midwives, provided information on the status of the GAO recommendation.

We contacted officials of OPM and the two insurance companies with the largest FEHBP enrollment to obtain information on the number of FEHBP plans offering nurse-midwife benefits and determine what utilization data were available. We also spoke with an official of ACNM to obtain data on the number of nurse-midwives nationwide and to discuss progress or problems in reducing barriers that have impeded greater use of nurse-midwives.

As stated above, most information was obtained through discussions with agency officials without our verification. Because there is a general lack of utilization data on nurse-midwives, it is difficult to verify their use or to evaluate Federal efforts encouraging their use.

PRIOR GAO WORK

In our January 1980 report, we listed several obstacles that impeded greater use of nurse-midwives: (1) a limited supply, (2) few training programs, (3) physician resistance, (4) nonavailability of obstetricians with whom to work, (5) reluctance of some nurse-midwives to practice in rural or other undesirable areas, and (6) restrictive State licensing or third-party reimbursement practices.

Our report contained the following recommendation to HHS:

"Encourage greater use of nurse-midwife/obstetrician teams, help eliminate barriers which preclude nurse-midwives from practicing in hospitals, and provide additional training funds for nurse-midwives by giving such training higher priority for use of existing funds and/or seeking additional funds from the Congress. Also, consider doing more to encourage and assist in efforts to use obstetrical, pediatric, or other types of nurse practitioners who can help increase access to or improve the quality of Maternal and Child Health (MCH) care."

In its response to a draft of this report, HHS stated:

"We concur. Better training and practice opportunities are needed for nurse-midwives. Title V training funds are currently used to support schools of nurse-midwifery, as noted in the GAO report.

"Consideration will be given to increased support for obstetrical and pediatric nurse practitioners, who may meet certain ambulatory care needs without needing to achieve physician acceptance for hospital practice.

"The Assistant Secretary for Health will request the Deputy Assistant Secretary for Population Affairs to convene a working group of HHS operating agencies to develop by March 1980 a plan to promote greater use of nurse-midwives."

An HHS working group was formed with representatives from various HHS operating agencies and nongovernment organizations, including representatives from ACNM. The working group, which met several times between October 1980 and early 1981, began developing a plan for promoting greater use of nurse-midwives within HHS-funded programs. However, the working group decided to postpone further development of the plan pending the outcome of the administration's block grant proposal--a shift of several specific grant programs to the States. According to one HHS official who participated in the working group, HHS programs that support nurse-midwives and nurse-midwife training, such as IHS, the National Health Scholarship Corps (NHSC), and the Division of Nursing, are not involved in the block grant issue. However, these programs have experienced budget cuts. Other HHS programs, such as the Maternal and Child Health program, have been included in a block grant and others are subject to possible inclusion in a block grant. Considering the status of the programs supporting nurse-midwives, the HHS official said it would be a "futile exercise" to continue working on a plan to encourage their use.

This HHS official said that the working group plans to reconvene after it is decided which programs will be included in block grants. At that time, they will probably concentrate on how to encourage the greater use of nurse-midwives in programs not included in the block grants, if any, and how to best encourage nurse-midwife use in programs administered by the States.

AVAILABILITY OF THE SERVICES OF NURSE-MIDWIVES VARIES AMONG FEDERAL PROGRAMS

DOD programs

Nurse-midwives are available to a limited extent in Army, Navy, and Air Force hospitals and through the CHAMPUS 1/ program. However, no utilization data are maintained; therefore, it is not possible to determine the impact that nurse-midwives have had in any of the Services or DOD as a whole.

As of January 1982, the Army had 21 officers and 2 civilian nurse-midwives. The nurse-midwives serve in 6 of the Army's 36 hospitals in the United States and are stationed in areas with large troop concentrations. An Army official told us that the Army currently has no plans to expand the program, but will replace the current nurse-midwives if they leave the Service.

1/CHAMPUS helps pay for medical care provided by civilian hospitals, physicians, and other civilian providers to dependents of active duty members, military retirees and their dependents, and dependents of deceased members of the uniformed services.

The Navy began a nurse-midwife program in fiscal year 1973 when it had difficulty recruiting obstetricians and gynecologists. As of February 1982, the Navy had 12 active duty officers who were certified nurse-midwives serving in 7 of the Navy's 23 hospitals in the United States. However, only 7 of the 12 were serving in nurse-midwife positions; the other 5 were serving in positions that did not require nurse-midwife training, and the Navy did not see a need at that time to create additional nurse-midwife positions. According to an official in the Navy's Bureau of Medicine and Surgery, the Navy is no longer experiencing a shortage of obstetricians and gynecologists, and it has no plans to train additional nurse-midwives.

As of February 1982, the Air Force had approximately 50 officer nurse-midwives serving in 20 of the Air Force's 65 hospitals in the United States. An Air Force Nursing Corps officer told us that the Air Force selects about four officers a year to receive nurse-midwife training. This Nursing Corps officer stated that by 1990 the Air Force plans to have approximately 81 nurse-midwives.

Air Force nurse-midwives are primarily stationed at hospitals with high birth rates. We were told that they are not used in any hospital with a physician residency program because the residents need the delivery experience. The Air Force considers adding nurse-midwife services at a facility when the number of births exceeds 31 per month. An Air Force officer from the Surgeon General's office said that a nurse-midwife augments obstetrical and gynecological services with 10 deliveries and approximately 240 outpatient visits per month.

Officials of the Army, Navy, and Air Force told us that, as a general rule, patients have a choice of seeing a nurse-midwife or a physician to the extent that both are available. These officials commented that nurse-midwife programs augment their regular obstetric and gynecological service and generally were well received by both patients and medical staff.

Before 1979, a nurse-midwife needed a physician referral to be reimbursed by CHAMPUS. Since that time, the CHAMPUS program has considered nurse-midwives to be independent providers, and thus nurse-midwives can bill CHAMPUS directly for services rendered. No utilization data are available, however, because CHAMPUS nurse-midwife claims are coded in the same manner as those of obstetricians and gynecologists.

We were told that the use of nurse-midwives under CHAMPUS is inhibited to some extent because none of the Services as a rule

will issue certificates of nonavailability 1/ to patients wishing to see a nurse-midwife, if the DOD hospital provides obstetric and gynecological services. In other words, as long as there are obstetricians and gynecologists at a DOD hospital, the services which a nurse-midwife can provide are considered available, and CHAMPUS reimbursement may not be received.

Programs administered by HHS

Several programs administered by HHS either use nurse-midwife services or support nurse-midwife training programs. For example, NHSC, administered by HHS' Health Services Administration, is designed to improve the delivery of health services to people living in areas with medical personnel shortages. NHSC awards scholarships to train medical personnel, including nurse-midwives, who, as part of their scholarship agreement, then serve in medically underserved areas for a designated period.

As of January 1982, the NHSC program had 28 certified nurse-midwives providing services in underserved areas. An additional 21 will complete their training during 1982. According to an NHSC official, no scholarships were given for nurse-midwife training since the beginning of fiscal year 1981 because no funds were available. Before then, 25 scholarships were awarded to nurse-midwife students each year. An HHS official said that the fiscal year 1983 budget contains substantial reductions in funding for NHSC, and therefore, no nurse-midwife scholarships are expected to be available.

NHSC helps place nurse-midwives in either Federal or non-Federal positions within designated medical personnel shortage areas, where they can fulfill their service obligations. An NHSC official told us that one problem with placing certified nurse-midwives in non-Federal positions is how various States define the scope of practice of nurse-midwives. Although it is legal in all States for nurse-midwives to practice, some States restrict where nurse-midwives may work and what tasks they may perform. In addition, nurse-midwife practice is sometimes restricted by such problems as difficulties in obtaining hospital privileges or the level of supervision required.

The Division of Nursing within HHS' Health Resources Administration supports nurse-midwife training programs through grants and traineeships for both program and student support. In fiscal year 1982, the Division of Nursing estimates that it will award grants for program support for 16 nurse-midwife programs with about 165 students enrolled in the Advanced Nurse Training and Nurse

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1/A certificate of nonavailability can be issued to a beneficiary so that she may receive CHAMPUS reimbursement for medical services when those services cannot be provided by the DOD medical facility.

Practitioner Training programs. Traineeship support is available for registered nurses pursuing master's and post-master's-degree programs. In fiscal year 1982, 13 of the 130 schools competing for traineeship grants had nurse-midwife programs. Public Law 97-35, approved in August 1981, requires schools receiving grants and having nurse-midwife programs to give priority to nurse-midwife students when awarding traineeships.

IHS, a component of the Public Health Service, currently employs 21 nurse-midwives. Fourteen additional nurse-midwives have been financially supported through three HHS Maternal and Child Health program grants to supplement IHS gynecological and obstetric care. These grants expire June 30, 1982, and the program has been included in a block grant. There are no plans to cut any of the 21 nurse-midwives employed by IHS. However, there are no funds to hire any additional nurse-midwives, and an IHS nursing consultant said IHS may fill part of the need for additional nurse-midwives through contract care.

Decisions to use nurse-midwives are made at the IHS local level. The nursing consultant told us that the IHS headquarters office has encouraged the use of nurse-midwives for the last few years. An IHS survey completed 2 years ago identified the need for 92 nurse-midwives; however, we were told that there are not enough positions or funds to meet these needs.

Utilization data obtained from IHS show the following statistics for fiscal year 1981.

--71,956 women resided in 15 areas where nurse-midwives provided care.

--38,924 patient visits were made to nurse-midwives.

--Of the 8,133 babies born in these areas, 2,173 or 26.7 percent were delivered by nurse-midwives.

Under Medicare, payments are authorized to nurse-midwives under Public Law 95-210, Rural Health Clinic Services Act. However, because of the eligibility requirements for Medicare (such as having reached the age of 65), it is unlikely that nurse-midwife services are often utilized.

The Omnibus Reconciliation Act of 1980 provides for mandatory Medicaid payments for nurse-midwife services to categorically needy recipients, 1/ and the option for States to provide these services

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1/Categorically needy persons are those persons who are eligible for Medicaid, and who meet the financial eligibility requirements of a related cash assistance program, such as Aid to Families with Dependent Children, Supplemental Security Income, or a State Supplemental Program.

to medically needy recipients. 1/ This act requires States to provide this coverage to the extent that nurse-midwives are authorized to practice under State law. HHS' Health Care Financing Administration (HCFA) prepared regulations specifying Federal requirements under Medicaid for the provision of nurse-midwife services. These regulations were published in final in the Federal Register on May 17, 1982, and will become effective July 16, 1982, except where State legislation may be required. HCFA estimates that these regulations will result in a savings in Federal dollars ranging from $2.2 million for fiscal year 1983 to $2.8 million for fiscal year 1985.

OPM's Federal Employees Health Benefits Program

We contacted officials of OPM and the two insurance companies with the largest FEHBP enrollment to obtain information on the availablilty and use of nurse-midwife benefits. As shown on the following page, about 91 percent of all Federal employees are enrolled in health insurance plans offering these benefits even though only about 31 percent of the FEHBP plans provide nurse-midwife coverage.

1/Medically needy persons are those persons whose income exceeds the categorically needy level but is within limits set by the State.

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FEHBP Plans and Enrollees Having Nurse-Midwife Benefits (as of January 1, 1982)

Type of plan	Total No. of FEHBP plans	No. of plans with midwife benefits	Percent of plans with midwife benefits	Total No. of enrollees	No. of enrollees in plans with midwife benefits	Percent of enrollees in plans with midwife benefits
Government wide a/	2	2	100.0	2,271,139	2,271,139	100.0
Employee organization b/	17	16	94.1	1,015,626	995,327	98.0
Comprehensive c/	100	19	19.0	380,537	88,327	23.2
Total	119	37	31.1	3,667,302	3,354,793	91.5

a/Consists of the Service Benefit Plan, administered by Blue Cross and Blue Shield, and the Idemnity Benefit Plan, administered by Aetna Life Insurance Company. Both plans are available to every employee eligible to participate in FEHBP.

b/Plans sponsored by employee organizations and available only to employees who are, or who become, members of the sponsoring organization.

c/Consists of Group and Individual Practice Plans which generally offer health services on a prepaid basis (such as Health Maintenance Organizations). These plans are available only to those who reside in the particular geographic area served by the plan.

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OPM officials informed us that it neither accumulates nor requires plans to maintain nurse-midwife utilization data, and therefore, no such information is readily available from OPM. We contacted the insurance companies with the largest FEHBP enrollment (Blue Cross and Blue Shield and Aetna, which together make up about 62 percent of the total FEHBP enrollment) and found that both plans collect data on the use of nurse-midwives. However, neither plan was readily able to generate the information. In Blue Cross and Blue Shield's case, nurse-midwife services were added as a covered benefit beginning January 1, 1982. An official of Blue Cross and Blue Shield told us that utilization data are now being collected and will be summarized annually--with the utilization statistics being available in early 1983.

An Aetna official explained that, although nurse-midwife services have been a covered benefit for several years and utilization data have been accumulated, no regular or periodic statistics are generated because of the small number of claims received for these services. We requested a special summary depicting the 1980 and 1981 use of nurse-midwife benefits under the Aetna health plan and are currently awaiting the results.

Comments by ACNM

An ACNM official told us that many of the barriers to nurse-midwife usage described in our January 1980 report still exist. This official said that physician resistance to nurse-midwives may have worsened since our January 1980 report because of the increasing competition they create for obstetricians. Also, according to this official, obstetricians are not always aware of the extent of knowledge of nurse-midwives, and therefore, are hesitant to depend on them. To overcome this problem, the ACNM official said that there is a need to train nurse-midwives and obstetricians together, so that the latter are aware that the former have received the same training and information.

The ACNM official told us that some improvements have been made in State licensing and third-party reimbursements. As mentioned earlier, use of nurse-midwives is legal in all States although various States restrict where nurse-midwives may work and what tasks they may perform. This official said that third-party reimbursement for nurse-midwife services by private insurance companies is now mandatory in seven States.