

Minnesota Birth Center and the BirthBundle®

Dr. Steve Calvin, Founder and Medical Director



Background

2010

- A Maternal-Fetal Medicine Specialist with 30+ years of experience envisions better maternity and newborn care for low-risk mothers

2012

- Opens midwife-led birth center in Minneapolis, MN

2015

- Based on demand, opens 2nd birth center in St. Paul, MN

Present

- Designed the BirthBundle®, a maternity and newborn care product that provides coordinated care with better clinical outcomes for a single price.

Why Maternity Care?

- ◆ **Transparent Costs:** Maternity care is unnecessarily expensive with very little cost transparency.
- ◆ **Improved Outcomes:** The CDC reported a 32.7% C/S rate in 2013 in the US, nearly double the WHO recommendation
- ◆ **Time limited and defined:** The bundle includes pre-natal, intra-partum and post-partum care. From 270 days prior and up to 56 days after the delivery
- ◆ **Price Sensitive:** Many mothers choose to “shop” maternity care, creating the potential for competition in the market.
- ◆ **Unmet Need:** Births in birth centers are much lower cost, safe in most cases, and preferred by many mothers but are not widely available.

Maternity Care & Payment Model: Redesigned

HIGHER QUALITY CARE FOR A LOWER, MORE PREDICTABLE COST

- 💧 **Minnesota Birth Center:** To demonstrate that an independent-integrated midwife-led birth center can provide low-risk mothers with excellent primary maternity care that is safe, satisfying and lower in cost.
- 💧 **BirthBundle®:** To show that a comprehensive bundle of maternity and newborn care can be provided for a single price using the foundation of midwife-led primary maternity care teams in independent-integrated birth centers.

Minnesota Birth Center

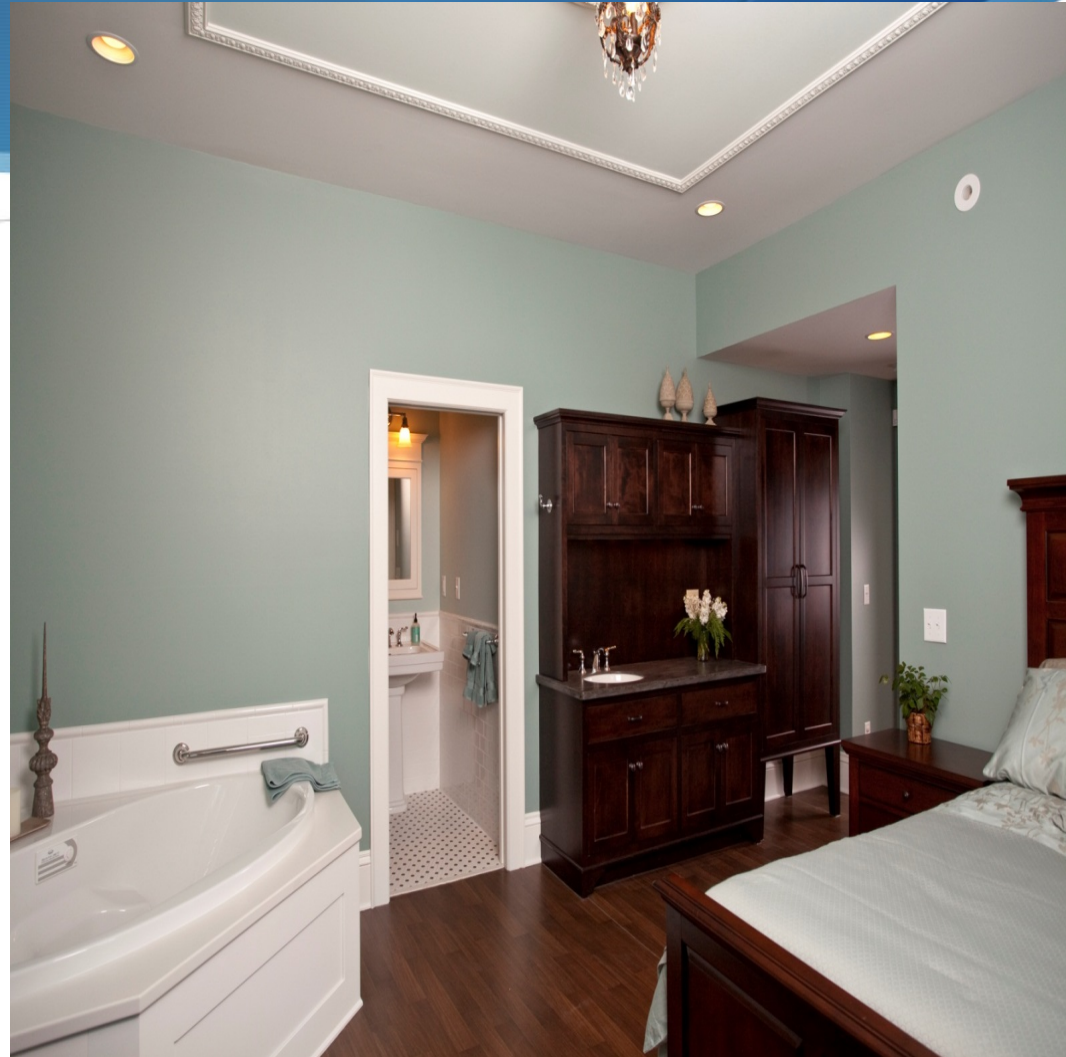


- At the Minnesota Birth Center pregnancy and childbirth are treated as a normal physiologic process.
- Certified Nurse-Midwives provide mothers with compassionate, evidence-based care to achieve a satisfying childbirth experience.
- An integrated medical safety-net is in place for healthy mothers that experience complications during pregnancy and birth.

Birth Suite



- Comfortable, home-like environment
- Medical supplies are out of sight
- Tub available for labor and birth
- Nitrous oxide available for pain management



Payment Landscape

- 💧 Maternity and Newborn billing is very confusing
- 💧 Current billing/coding structure is misleading. The “global” only covers professional fees, 20-23% of total paid claims for the maternity episode

% of Total Costs		
Charge Type	Vag	C/S
Facility	54%	60%
Professional	23%	20%
Prof Anesth.	8%	7%
Radiology	7%	7%
Lab	4%	3%
Pharm.	4%	3%

* Data based on Truven Study

BirthBundle® Design

- ◆ The BirthBundle® is designed to be truly “global”, including 50+ procedure codes.
- ◆ To provide each mother in the BirthBundle® the safest care, there are two routes for payment and delivery: birth center & hospital.
- ◆ This care and payment model demonstrate savings not only by offering a lower price but also through improved outcomes

BirthBundle® Vs. Traditional Hospital

Savings on 100 Births	
100 Traditional Hospital Deliveries	\$ 2,119,010
100 BirthBundle Deliveries	\$ 1,533,945
Savings Using BirthBundle®	\$ 585,065

- Patients that go through BirthBundle® offer 28% savings over FFS payment model

Barriers

- ◆ Poor understanding of midwives, out-of-hospital facilities and their philosophy of maternity care
- ◆ Low/unsustainable reimbursement by payers and lack of understanding of the value of adding to networks
- ◆ Hospital's fear of competition
- ◆ Responding to the charge of “cherry-picking” low-risk moms

QUESTIONS



Resources

- **Minnesota Birth Center: theminnesotabirthcenter.com**
- **AABC: birthcenters.org**
- **Blog: pregnant-pauses.org**
- **Dr. Calvin's Email: Steve@theminnesotabirthcenter.com**