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RESEARCH SUMMARY

Midwifery Licensing: Medicalization of Birth and Special Interests

State licensing laws that prohibit midwives from practicing independently are escalating costs and reducing access to care—and may actually make women and infants less safe. In "Midwifery Licensing: Medicalization of Birth and Special Interests," Lauren K. Hall and Steven Horwitz make the case for reforms that can provide greater levels of freedom, more appropriate care, and reduced disparities for the most vulnerable birthing people.

PRICING OUT THE COMPETITION

The United States has a relatively expensive and medicalized maternity care service industry, but while there are alternatives to hospital births, the regulation of midwives has raised the costs of these alternatives and thereby artificially reduced their supply. Such regulations can

- exacerbate inappropriate medicalization of birth,
- eliminate low-cost options for populations who are underinsured or uncomfortable with hospital birth generally,
- create maternity deserts in rural and urban areas, and
- contribute to inequality by pricing out of the market providers with limited incomes and those willing to work in low-income communities.

More troubling still, these regulations do little to increase the safety of maternity care. Indeed, they may even make birth less safe by stymying integration and cooperation and preventing women from finding providers who can address their unique needs, resulting in medical errors and racial disparities in maternity care outcomes.

REFORMING MATERNITY-PROVIDER REGULATIONS

The lack of birthing alternatives is not a failure of traditional market supply and demand. Rather, it is the consequence of a regulatory structure that protects incumbent providers (including hospitals and physicians) against competition from midwives and others who can provide similar-quality care at lower cost. Here are five steps states can take to initiate regulatory reform:

1. Eliminate regulations that require supervision by or formal agreements with physicians or require standing agreements (such as transfer agreements) with hospitals. Such requirements place midwives entirely at the mercy of their direct competitors for entry into the marketplace.
2. Encourage integration of homebirth and birth-center midwives into the existing healthcare system, allowing them to accompany clients upon transfer, regardless of licensure status.

3. Work to eliminate the perverse incentives within Medicaid that reimburse midwives at rates that are unsustainable or close them out of reimbursement altogether upon patient transfer.
4. Work to identify and eliminate extraneous state regulations. For example, those that treat birth centers as ambulatory surgery centers are a gross distortion of the birth center model.
5. Eliminate the certificate of need for birth centers where it exists.