

Key Messages

Protecting Maternity Services in California Requires Tailored, Community-Centric Approaches That Put Patients First

Approximately 3 million Californians live in areas with either no labor and delivery (L&D) hospital units or units vulnerable to closing. When an L&D hospital unit closes, moms and babies experience worse health outcomes.

- In areas without an L&D unit, an expectant mother traveling as few as 6 additional miles faces an 11% increase in the risk of negative outcomes and a 15% greater likelihood that her baby will be admitted to the neonatal intensive care unit.
- L&D hospital unit closures disproportionately affect California's low-income and Latino populations — in communities where access to maternity care is already limited.
- Black mothers, already suffering worse health outcomes (they deliver just 5% of all babies yet represent 21% of maternal deaths) are particularly at risk.

Maintaining patient access to L&D care in California requires overcoming three primary challenges in delivering these services — low birth volume, workforce shortage issues, and financial instability.

- In 2021, there were 420,000 births in California — the lowest in more than 100 years and a 21% decrease over the past 10 years. This is a contributing factor to closures in low population regions.
- Eight California counties have no licensed OB/GYNs, and 11 other counties have only a handful. The poorest regions in California have the fewest providers.
- Of the hospitals that closed their maternity wards in the past 10 years, 60% cited negative operating margins in the year before closure — driven, in large part, by underfunding from government payers.

Any approach must consider that each community is unique and requires a resolution tailored to its needs — and all potential approaches must prioritize mothers' and babies' safety and high-quality care.

- When developing the state's response to these new trends, policymakers should strive to understand:
 - The projected need for maternity care services, accounting for continued decline in birth rates
 - The cost and recruitment effort required to grow California's workforce to meet patient demand, along with ways to assist communities in closing the gap — including how to encourage OB/GYNs to practice in low-income regions where there are scant providers
 - The potential impact of improving Medi-Cal reimbursement for L&D services, as well as the extent to which bolstering hospitals' overall financial sustainability could support L&D service lines
- Specific programs to examine include:
 - Training programs that allow OB/GYNs at low-volume hospitals to spend time offsite at high-volume facilities to maintain their skills
 - Successful models within California or other states, such as the hub-and-spoke model, the maternal home model, the OB hospitalist model, midwifery-based birth center care, and more