

# **New parents risk financial burden because of the costs of pregnancy and delivery, study finds**

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Birthing parents risk being financially burdened by the out-of-pocket medical costs of pregnancy and delivery, which cost some low-income parents close to 20 percent of their annual income, according to a Mount Sinai-led study published in the journal *Obstetrics and Gynecology* on March 10.

The study found that birthing parents were at a higher risk of medical spending that would create a financial burden than similarly situated people who were not pregnant. Birthing parents also reported higher rates of unemployment and high rates of gaining and losing Medicaid in the delivery year. Low-income birthing parents had the highest risk of catastrophic health expenditures, or out-of-pocket payments for health care that exceeded 10 percent of [family income](#) in a given year. These families spent as much as about 19 percent of household income on [health care expenses](#), or nearly 30 percent when health insurance premiums were included in spending.

Public health insurance, including Medicaid, was associated with starkly lower risks of burdensome health costs than private insurance—particularly when health insurance premiums were included in spending—for birthing parents with low incomes. Implementation of the Affordable Care Act did not significantly change the risk of catastrophic spending for parents.

"Pregnancy and delivery are critical periods of time with high health care utilization. Our study demonstrates that this health care utilization

can be a [financial burden](#) for expectant parents," said corresponding author Jessica A. Peterson, MD, Maternal Fetal Medicine Fellow in Obstetrics, Gynecology, and Reproductive Science at the Icahn School of Medicine at Mount Sinai. "This burden primarily affects those at lower incomes, especially if they have [private insurance](#)."

The retrospective, cross-sectional study of the Medical Expenditure Panel Survey from 2008 to 2016 examined the prevalence, trends, and risk factors for catastrophic health expenditures in the year of delivery among birthing parents. The team of researchers identified more than 4,000 birthing parents of newborns and a 2:1 matched cohort of nearly 8,000 women who were reproductive age but not pregnant. Researchers then assessed for health care spending that was more than 10 percent of the family income during the year.

The study findings will be used to further discussions about significant reform to public health policies and safety net [health care](#). "Given the association between pregnancy, delivery and catastrophic health expenditure—as well as the protective effects of public insurance—it is imperative that we create policies that not only ensure insurance coverage for pregnant people, but also make it affordable," Dr. Peterson said. "Possible avenues to improve access to affordable health insurance include Medicaid expansion, as well as regulation of [insurance](#) cost-sharing and benefit designs."

Benjamin B. Albright, MD, MS, and Haley A. Moss, MD, MBA, from the Department of Obstetrics and Gynecology at Duke University Medical Center also contributed to this research.

**More information:** Catastrophic Health Expenditures With Pregnancy and Delivery in the United States, *Obstetrics and Gynecology* (2022).

Provided by The Mount Sinai Hospital

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