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FOR IMMEDIATE RELEASE

Contact: Colleen Mullis  
803) 898-2452  
(803) 605-4848 (cell)  
Colleen.Mullis@scdhhs.gov

## **South Carolina Birth Outcomes Initiative Dramatically Improves Infant Health, Saves Millions of Dollars**

*New Case Study Provides Insights to Other States, Advice on Payment Reform*

**Columbia, SC** - A new [case study](#) released today details how the South Carolina Birth Outcomes Initiative (BOI), a multi-stakeholder collaborative aimed at improving birth outcomes, has successfully reduced unwarranted early-elective inductions by 50 percent, reduced neonatal intensive care unit admissions and saved the South Carolina Department of Health and Human Services (SCDHHS) more than \$6 million in the first quarter of 2013.

The case study, authored by the independent, nonprofit Catalyst for Payment Reform (CPR), with financial and editorial support from the Milbank Fund, examines how BOI came to be and what has led to its success. Based on written documents and policies, as well as interviews with almost a dozen participating stakeholders and health care experts, the CPR case study highlights the role of payment reform and what other state and private-sector leaders can learn from South Carolina's experience.

"The Birth Outcomes Initiative is a wonderful example of leaders in the health community working together as a team in South Carolina's fight against premature birth," said South Carolina Governor Nikki Haley. "Using these strategies allows us to make great strides in improving the health of moms and babies in South Carolina, ultimately driving down infant mortality and saving lives."

"Early-elective deliveries result in worse health outcomes for infants and higher health care costs; in 2011, South Carolina had a statewide early-elective delivery rate of about 10 percent, compared to The Leapfrog Group's recommended rate of 5 percent," said Anthony Keck, SCDHHS Director. "With the Birth Outcomes Initiative, we were able to reduce early-elective inductions by 50 percent, which also means we have fewer babies spending time in the neonatal intensive care unit."

While other states have pursued voluntary, collaborative approaches to reducing early-elective deliveries, and a handful of state Medicaid agencies have ceased paying for them, South Carolina is the first state in the nation in which the Medicaid agency and the largest commercial insurers have collaborated to establish a policy of nonpayment. Together, BlueCross BlueShield South Carolina (BCBSSC) and Healthy Connections Medicaid pay for 85 percent of births in the Palmetto state.

"I have been so impressed with the progress being made in South Carolina as a direct result of the innovative programs created through the Birth Outcomes Initiative," said Dr. Amy Picklesimer, an obstetrician with the Greenville Health System and the Clinical Lead of BOI. "That it has already garnered national attention and is being used as a model for other states to follow in tackling two of nation's greatest health problems – infant mortality and low birth weight babies – is telling of the success of the program."

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“The case study illustrates how South Carolina’s success at reducing early-elective deliveries stems from constructive collaboration among state agencies, BCBSSC, the South Carolina Hospital Association, March of Dimes and others. Together they used a variety of approaches to improve maternal and infant care, including efforts to improve quality and reform payment,” said Suzanne Delbanco, Executive Director, CPR.

“There are a variety of ways states and employers can create incentives for evidence-based delivery of health care, including labor and delivery services,” said Delbanco. “South Carolina’s many health care stakeholders across the public and private sectors came together to pay providers to deliver care that is best for babies, and not pay them to deliver care that can be harmful. Other states can follow in their footsteps, using a collaborative approach and public-private sector alignment on payment to providers. There is an enormous benefit-to-cost ratio when it comes to implementing policies to reduce early births.”

SCDHHS through BOI is also working on other initiatives to improve the health and health care for pregnant women and infants in South Carolina. In 2012, the agency began incentivizing doctors to screen pregnant women for risk factors such as substance abuse, domestic violence and depression. This year, SCDHHS implemented CenteringPregnancy, a group model of prenatal care shown to decrease rates of pre-term birth by 40 percent, and “Race to the Date,” a program providing incentive payments to hospitals who achieved the certification of “Baby Friendly” by the end of September. The second annual SC BOI Symposium highlighting these innovative programs, quality improvement and additional evidence-based, best practices in perinatal health care in South Carolina will be held Nov. 14 from 9 a.m. – 4 p.m. at the South Carolina Hospital Association in Columbia.

For more information on South Carolina’s Birth Outcomes Initiative, visit [www.scdhhs.gov/organizations/boi](http://www.scdhhs.gov/organizations/boi).

#### **About the South Carolina Department of Health and Human Services**

*The South Carolina Department of Health and Human Services provides health care benefits to more than one million South Carolinians. Its mission is to purchase the most health for our citizens in need at the least possible cost to the taxpayer.*

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#### **About Catalyst for Payment Reform and the Milbank Fund**

*Catalyst for Payment Reform (CPR) is a nationwide nonprofit organization focused on changing how we pay for health care. CPR produced this case study. The Milbank Fund supports the identification and dissemination of evidence to support public and private decision makers in adopting policies to improve population health, and provided financial and editorial support.*

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