

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS
FISCAL IMPACT STATEMENT**

LS 6035

BILL NUMBER: HB 1049

NOTE PREPARED: Nov 10, 2025

BILL AMENDED:

SUBJECT: Coverage for Doula Services.

FIRST AUTHOR: Rep. Summers

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL
X DEDICATED
X FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill requires a state employee health plan (SEHP), policy of accident and sickness insurance, and health maintenance organization contract to provide coverage for doula services. It also requires Medicaid pregnancy services to include reimbursement for doula services.

Effective Date: July 1, 2026.

Explanation of State Expenditures: *Summary* - Providing doula services for every birth paid by either Medicaid or the SEHP is estimated to increase state expenditures between \$7.2 M and \$12.7 M per year. However, this level of expenditure is based on a sufficient number of certified doulas available to provide services for each birth covered by the SEHP or Medicaid.

The bill's requirements will increase workload for the Family and Social Services Administration (FSSA) to develop the providers and reimbursement rates, and for ongoing claims administration. The additional funds and resources required could be supplied through existing staff and resources currently being used in another program or with new appropriations. Ultimately, the source of funds and resources required to satisfy the requirements of this bill will depend on legislative and administrative actions.

The bill will increase workload for the Department of Insurance (DOI) and the State Personnel Department to ensure compliance with the bill's requirements, but should be able to be implemented using existing staffing and resources. *[The DOI is funded through a dedicated agency fund.]*

Additional Information - Medicaid reimbursement rates for doula services vary by state. Some states offer a maximum reimbursement amount for a doula service package containing delivery and all related visits (prenatal, perinatal, and postpartum). Package rates range from \$859 to \$1,500 per pregnancy. (Other states reimburse delivery and each visit separately with a maximum number of allowed visits per pregnancy.)

In Indiana, Medicaid paid for an average of 39,470 births per year between CY 2021 and 2024, and the SEHP paid for 714 births in 2024. Using the package rate range for doula services, and applying the state share of 10% for births under the Healthy Indiana Plan (HIP) and 35% to other Medicaid births, the bill is estimated

to increase state expenditures between \$7.2 M and \$12.7 M per year. This estimate assumes all pregnant women under Medicaid and the SEHP utilize doula services and all SEHP members have met their annual deductible prior to receiving doula services.

The recommended number of clients per doula per year ranges between 20 to 30. Based on this, it is estimated the state would require between 1,350 and 2,000 certified doulas to meet demand for women covered under Medicaid and the SEHP.

Medicaid: Medicaid is jointly funded between the state and federal governments. The state share of costs for most Medicaid medical services for FFY 2026 is 35% and 10% for the age 19 to 64 expansion population within HIP. The state share of administrative costs is 50%. The state share of most Medicaid expenditures is paid from General Fund appropriations, and state dedicated funds primarily cover HIP costs.

Explanation of State Revenues:

Explanation of Local Expenditures: Local entities providing health insurance through a policy of accident and sickness, or a health maintenance organization may have increased costs if additional services are provided.

Explanation of Local Revenues:

State Agencies Affected: Family and Social Services Administration; State Personnel Department; Department of Insurance.

Local Agencies Affected: Local entities providing health insurance.

Information Sources: Christy Tittle, SPD; Liza Sherman, FSSA; in.gov/fssa/ompp/files/Doula-Project_Recommendations.pdf; nashp.org/state-tracker/state-medicaid-approaches-to-doula-service-benefits; iga.in.gov/publications/agency_report/2024%20Annual%20Report%20-%20Medicaid%20Effectiveness%20Evaluation.pdf.

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