Informational Notice

Date: June 30, 2015

To: Enrolled Hospitals: Chief Executive Officers, Chief Financial Officers, and Patient Accounts Managers; Physicians; Advanced Practice Nurses (APNs); Federally Qualified Health Centers (FQHC); Encounter Rate Clinics (ERC); and Rural Health Clinics (RHC)

Re: Hospital Billing and Reimbursement for Immediate Postpartum Long-Acting Reversible Contraceptives Effective July 1, 2015

This notice provides information and fee-for-service (FFS) billing guidance on hospital billing and reimbursement for immediate postpartum long-acting reversible contraceptives (LARCs), effective with dates of service on and after July 1, 2015.

According to an investigative article published by the Guttmacher Institute (pdf), public expenditures for the United States family planning program not only prevented unintended pregnancies but also reduced the incidence and impact of preterm and low birth weight births, sexually transmitted infections, infertility, and cervical cancer. This investment saved the government billions of public dollars, equivalent to an estimated taxpayer savings of $7.09 for every public dollar spent.

LARCs, specifically the intrauterine devices (IUDs) and the contraceptive implant, are the most effective reversible forms of female contraception according to a Bulletin with the American College of Obstetricians and Gynecologists (pdf), with high rates of continuation and client satisfaction. The immediate postpartum period is a perfect opportunity to offer the use of LARCs among women for whom a rapid repeat and unplanned pregnancy carries serious ramifications. Supporting immediate postpartum LARC insertion contributes to optimal pregnancy spacing, thereby improving maternal and infant health and averting potentially substantial financial and social risks.

Insertion of an IUD immediately after delivery of the placenta or placement of an implant prior to discharge has few restrictions and the advantages outweigh the risks according to CDC: the patient is definitely not pregnant; the patient is conveniently situated at the hospital already; and LARCs are compatible with breastfeeding. Education and consent for voluntary LARC immediately postpartum should occur in the ante-partum period along with prenatal care and should also be confirmed upon admission for delivery.

Effective with dates of service on and after July 1, 2015, the Illinois Department of Healthcare and Family Services (HFS) will allow hospitals separate reimbursement for the LARC device provided immediately postpartum in the inpatient hospital setting. The payment will be made in addition to the Diagnostic Related Group (DRG) reimbursement for labor and delivery. Reimbursement for the device is based on the current practitioner fee schedule.

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<thead>
<tr>
<th>Device (HCPCS)</th>
<th>NDC Number</th>
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<tbody>
<tr>
<td>Copper IUD - J7300</td>
<td>51285020401</td>
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<tr>
<td>13.5 mg levonorgestrel IUD - J7301</td>
<td>50419042201</td>
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<tr>
<td>52 mg levonorgestrel IUD - J7302</td>
<td>50419042301, 50419042101, 52544003554</td>
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<tr>
<td>68 mg etonogestrel implant - J7307</td>
<td>00052027401</td>
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<td>00052027201</td>
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<td>00052433001</td>
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Billing Instructions
In order for the hospital to receive reimbursement for the LARC device:

- A practitioner must order the device and document the insertion procedure in the hospital’s medical record as well as the practitioner’s medical record.
- The hospital must use its fee-for-service NPI to bill the appropriate device or implant on the HFS 2360 paper claim form or electronically via the 837P claim transaction.
- The hospital must identify the NDC for the specific device or implant following the guidelines posted in Chapter A-200, Handbook for Practitioners Rendering Medical Services, Appendix A-6.
- The hospital must use the appropriate family planning ICD-9-CM diagnosis code (or upon implementation, ICD-10-CM) on this claim.
- The Place of Service should be designated as Inpatient on the claim.

Practitioners not salaried by the hospital may bill the appropriate Current Procedural Terminology (CPT) code for the LARC insertion in addition to their delivery charges.

Note: The billing instructions in this notice apply to patients enrolled in traditional fee-for-service, Accountable Care Entities (ACEs), and Care Coordination Entities (CCEs). They may not apply to patients enrolled in Managed Care Organizations (MCOs) and Managed Care Community Networks (MCCNs) although those entities will reimburse for the device if inserted immediately postpartum.

It is imperative that providers check HFS’ electronic eligibility systems regularly to determine beneficiaries' enrollment in a plan. Electronic Data Interchange vendors (formerly the Recipient Eligibility Verification (REV) System), the Automated Voice Response System (AVRS) at 1-800-842-1461, and the Medical Electronic Data Interchange (MEDI) system will identify any care coordination plan in which the beneficiary is enrolled. Plan contact information for questions related to coverage and billing requirements, as well as information regarding the way each plan is displayed in the department’s electronic eligibility systems may be located in the June 24, 2014 Care Coordination Enrollment for Children, Families and ACA Adults informational notice (pdf).

Questions regarding this notice may be directed to the Bureau of Professional and Ancillary Services at 1-877-782-5565.

Felicia F. Norwood
Director