

Florida Perinatal Quality Collaborative



Partnering to Improve Health Care Quality
for Mothers and Babies

ACCESS LARC

INCREASING ACCESS TO IMMEDIATE POSTPARTUM LONG-ACTING REVERSIBLE CONTRACEPTION

Chapter Three: Hospital/Managed Care Organization Collaboration

Overview

Implementing immediate postpartum LARC insertion requires a variety of changes, both on the hospital side and on the managed care reimbursement side. It is critical to have the hospital managed care liaison on the planning team. At a minimum, billing and pharmacy benefits must be addressed and contract amendments may be necessary. Each Medicaid managed care plan may have a different and complex set of coverage rules and requirements. Billing methodologies may include billing for the device and services separately or might involve using a specific billing code which denotes LARC insertion associated with delivery to increase the global delivery fee. Therefore, it is important for provider hospitals to understand the details of each managed care plan and not assume all reimbursement policies, coding and billing steps are the same among the plans.



Medicaid Managed Care Organizations (MCOs)

The managed care plan's role is pivotal in the successful implementation of the Access LARC quality initiative in clarifying and collaborating on policy, billing, and reimbursement barriers at the hospital level. There are several steps that health plans must implement to begin reimbursing for this inpatient service which include:

- ✓ Determining the adequacy of payment
- ✓ Engaging internal stakeholders/champions (administration, medical director, contracting and billing experts, quality representation)
- ✓ Promoting provider and member education and awareness of the program
- ✓ Assessing baseline utilization and improvement
- ✓ Negotiating contracts with hospitals
- ✓ Establishing/implementing internal systems to support billing methodologies of contracted hospitals
- ✓ Addressing programmatic edits that would impede reinsertion or removal of device

Contract Amendments

Plans may have multiple contracts given their flexibility to negotiate with various hospitals and given their individual policies, procedures, and framework. Content to be addressed in contract negotiations includes:

- Formulary Drug/Device for Reimbursement in the hospital
- Hospital Billing & Reimbursement Process and Agreement for Drug/Device
- Physician Billing & Reimbursement Process and Agreement for Service Rendered
- Enhancement of the communication and follow-up process between the health plan and physician to the hospital labor and delivery department to convey consent for immediate postpartum LARC insertion.

Refer to the Medicaid Health Plan LARC Access Guide for additional information

Billing & Reimbursement Methodology

Claims submitted for inpatient LARCs must include the exact billing codes specified by each MCO's policy, involving varying levels of customization to claims processes depending on the hospital's system. Hospitals also should identify a mechanism to reconcile the Medicaid reimbursements with patient accounts and monitor and resolve denials.

There may be a need to create order sets or add to billing forms for physicians to use when inserting a LARC to ensure that the supplies, device, and procedure are appropriately billed. Order sets should include the contraceptive device, local anesthetic, and steps for printing the consent form, garnering final consent, and performing the procedure before discharge.

LESSONS LEARNED FROM OTHER STATES IMPLEMENTING POSTPARTUM LARC

- Determine whether the billing system is adaptable to allow for line items outside the DRG and when possible altering the program to streamline billing for LARCs.
- Submit all required information exactly according to the policy to avoid claims being denied.
- Identify a mechanism to reconcile reimbursements with patient accounts and monitor and resolve denials.
- Test all elements of the claims process and resolve any system glitches prior to implementation.

Billing and Reimbursement

In the fee for service (FFS) delivery system, Florida Medicaid reimburses for immediate postpartum placement of long acting reversible contraceptives separate from the inpatient hospital labor and delivery Diagnosis Related (DRG) payments. This system change was implemented to support the Agency for Healthcare Administration's goal of improving birth outcomes.

Providers rendering services through the fee-for-service delivery system can seek reimbursement for LARC by utilizing the codes listed in the tables below.

Device Insertion and Removal Procedure Codes

CPT CODE	DESCRIPTION
11981	Insertion, non-biodegradable drug delivery implants
11982	Removal, non-biodegradable drug delivery implants
11983	Removal with reinsertion, non-biodegradable drug delivery implant
58300	Insertion of IUD
58301	Removal of IUD

LARC Device Codes

HCPCS CODE	DESCRIPTION	NDC
J7297	LEVONORGESTREL-RELEASING INTRAUTERINE CONTRACEPTIVE SYSTEM (LILETTA), 52 MG	52544003554; 00023585801
J7298	LEVONORGESTREL-RELEASING INTRAUTERINE CONTRACEPTIVE SYSTEM (MIRENA), 52 MG	50419042101; 50419042301; 50419042308
J7300	INTRAUTERINE COPPER CONTRACEPTIVE (Paragard)	51285020401
J7301	LEVONORGESTREL-RELEASING INTRAUTERINE CONTRACEPTIVE SYSTEM (SKYLA), 13.5 MG	50419042201
*Q9984	LEVONORGESTREL-RELEASING INTRAUTERINE CONTRACEPTIVE (KyleEna), 19.5 MG	50419042401
J7307	ETONOGESTREL (CONTRACEPTIVE) IMPLANT SYSTEM, INCLUDING IMPLANT AND SUPPLIES (Nexplanon)	00052433001
* systems are currently being updated to include this temporary code		
Note: National Drug Codes (NDC) should be included. The only limit on these products is 1 unit per claim, up to 3 claims per year.		

The complete Florida Medicaid Health Alert clarifying immediate postpartum LARC payment can be found in Appendix B. This alert outlined Medicaid's fee-for-service billing and reimbursement methodology. Each plan can follow this example or use other payment methods.

Hospitals may want to review different payment methodologies used by other states in the following documents:

- **Alabama Medicaid** (March 2014) [published a provider alert](#) to their hospitals and physicians. Please note that ICD-9 codes are used given the timing of when they issued their alert.

- **Connecticut Medical Assistance Program** (April 2016): [issued a policy transmittal](#) (PT) to providers and managed care plans.
- **Illinois Department of Healthcare and Family Services (June 2015)**: [published a hospital and reimbursement provider notice](#) to enrolled hospitals, physicians, advanced nurse practitioners, Federally Qualified Centers, and Rural Health Clinics.

Pharmacy

The hospital pharmacy's role in providing postpartum LARCs involves changing institutional procedures to support practitioners providing immediate postpartum LARCs. Hospital pharmacies should make sure the devices are included in their order system then determine initial inventory levels. Because IUDs must be inserted within ten minutes after delivery of the placenta, it is critical to stock the devices near the delivery site (labor and delivery or obstetric operating room) rather than in the central pharmacy to avoid potential delays.

Hospital pharmacies should make sure the devices are included in their order system then determine initial inventory levels.

Because it can take six months or longer to add a medication or device to the hospital formulary, it is helpful to inventory what data will be needed to pass the formulary committee and present the answers in advance. Typically, a physician submits the request to the formulary committee. Information often requested in the application, and suggested responses, are included below.

1. Delineate the clinical ADVANTAGES and DISADVANTAGES of the requested product compared to existing formulary product(s). Please be thorough and specific.

Sample Response:

Beyond preventing unplanned pregnancies, research indicates that effective contraception helps prevent poor birth spacing, thereby reducing the risk of low-birthweight and/or premature birth. It is also beneficial for a woman's physical and emotional health to be able to follow a reproductive life plan. LARCs (Long Acting Reversible Contraceptives), including intrauterine devices (IUD) and contraceptive implants, are safe and highly effective in preventing unintended pregnancies. LARCs have been endorsed by the American Congress of Obstetricians and Gynecologists (ACOG), the American Academy of Pediatrics (AAP), the American Academy of Family Physicians (AAFP), and the Centers for Disease Control and Prevention (CDC) as among the most effective family planning methods.

LARC methods are effective for between three and 12 years (depending on the method) and do not require any upkeep or user effort. Immediate postpartum LARC placement, insertion of the IUD or implant after a delivery and prior to discharge, has the additional benefit of eliminating access barriers, since the provider and patient are both available during the hospitalization and insurance has not lapsed. This is a time when it is known that the woman is not pregnant and may be highly motivated to avoid short-interval pregnancy. Offering women the option to choose a contraceptive method and providing LARC methods directly reimbursed by their health care coverage before hospital discharge is critical for increasing contraceptive access and reducing the number of repeat, unintended pregnancies.

2. Provide published literature which demonstrates in controlled, comparative studies a superior therapeutic advantage of this product versus comparable products currently on the formulary. If such studies are unavailable, please furnish the literature which has convinced you to prescribe this product and request it for addition to the formulary.

Sample Response:

LARCs are clearly the most effective form of reversible contraception. Fewer than 1 in 100 women using a LARC will get pregnant within one year. Compared to typical use of birth control pills and male condoms, 9 out of 100 and 18 out of 100 women will get pregnant within one year, respectively. The number is higher if not used correctly and consistently (Guttmacher Institute, 2016).

The American College of Obstetricians and Gynecologists endorses immediate postpartum LARCs as noted in Committee Opinion Number 670 (2016). ACOG's general endorsement of LARCs is described in ACOG Practice Bulletin #186 - Long Acting Reversible Contraception: Implants and Intrauterine Devices.

The Intrauterine Devices and Implants: A Guide [to Reimbursement \(2015\)](#) describes public and commercial coverage of LARCs and provides resources for stocking, reimbursement, and other issues related to LARC. The Guide was developed by the American College of Obstetricians and Gynecologists, the National Family Planning & Reproductive Health Association, the National Health Law Program, the National Women's Law Center, and the University of California, San Francisco Bixby Center for Global Reproductive Health.

References

ACOG Committee Opinion Number 670. Immediate Postpartum Long-Acting Reversible Contraception August 2016. <https://www.acog.org/Resources-And-Publications/Committee-Opinions/Committee-on-Obstetric-Practice/Immediate-Postpartum-Long-Acting-Reversible-Contraception>

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The Regents of the University of California; American College of Obstetricians and Gynecologists; National Family Planning & Reproductive Health Association; National Health Law Program; and National Women's Law Center (2015) Intrauterine Devices and Implants: A Guide to Reimbursement. 2nd edition. Retrieved from: http://www.nationalfamilyplanning.org/file/documents---reports/LARC_Report_2014_R5_forWeb.pdf

US Department of Health and Human Services/Centers for Disease Control and Prevention's 2010 Medical Eligibility Criteria Classifications for Postpartum Long-Acting Reversible Contraception MMWR Recomm Rep 2016;65