ADMINISTRATIVE BILLING GUIDE

For Medical Abortion at Facilities that Receive Title X, Section 330, and other Federal Funding

INTRODUCTION

When the FDA approved Mifepristone for early medical abortion in September 2000, it created an important opportunity to increase access to abortion care in the United States. Many clinicians would like to integrate medical abortion care into their practices in order to meet the reproductive health care needs of their patients. The inclusion of medical abortion in primary health care could help alleviate the growing problem of access to abortion care in the United States.

For medical settings that are not currently offering abortion services, adding medical abortion raises clinical and administrative issues. The clinical issues around medical abortion are straight forward, and there are excellent resources available with protocols and other information to educate and guide practitioners seeking to offer medical abortion to their patients. However, the administrative issues around medical abortion care can be complex. Administrative issues requiring attention include staff development (including values clarification), review of malpractice insurance coverage, back-up for suction procedures, after hours on-call coverage, and compliance with legal and regulatory issues.

There are particular administrative and billing issues for healthcare organizations that receive certain kinds of state or federal funding such as Title X or Section 330. Since these government funds restrict abortion care while permitting pre-abortion counseling and contraceptive services, special attention needs to be paid to diagnostic and procedure codes and billing for facilities that receive these funds and wish to add medical abortion to their services. This Guide is designed to assist both private and public medical organizations with these administrative issues to facilitate the introduction of medical abortion services.

Restricted Federal Funding and Abortion Services

In 1970, the United States Congress established Title X of the Public Health Service Act. Administered by the Department of Health and Human Services, the goal of Title X is to make comprehensive voluntary family planning services readily available to all persons desiring such services. Another source of federal funding for health care services is section 330 of the Public Health Services Act. Section 330 funds are directed to Federally Qualified Health Centers (FQHC) to cover specific services outlined in the FQHC 330 grant application. Federal 330 funds may be expended only for the FQHC's specific scope of project, which may or may not include reproductive health care services. Title X funds and Section 330 funds cannot be used to perform abortions. There are not any rules offering guidance for section 330 FQHC's that want to incorporate abortion services, but

the U.S. Department of Health and Human Services has developed rules governing Title X projects and abortion services. These rules also offer guidance to FQHC's that want to include abortion services in their program. (See Section I)

Private healthcare organizations that do not receive any type of restricted funding do not need to follow the guidelines established for Title X or 330 recipients. Private health insurance coverage for abortion services varies widely and is generally based on the preference of the specific sponsoring employer group. (See Section III).

However, both private and public healthcare organizations that accept Medicaid need to be aware of the rules governing Medicaid insurance coverage for abortion services. Since 1977, the Hyde amendment has restricted the use of **federal** Medicaid funds for abortion services. There are, however, 18 states that allow **state** Medicaid funds to cover abortion services for a wider variety of reasons. The Hyde amendment has had various modifications since its inception. Currently, **federal** Medicaid dollars for abortion services are restricted to a pregnancy that is the result of rape or incest, or if the woman's life is threatened by a physical disorder, physical injury, or physical illness, caused or rising from the pregnancy itself. Even the 32 states that restrict Medicaid funding for abortion services will provide coverage for some healthcare services related to abortion care. (See Section II).

Section I - Federal Funding Restrictions: Frequently Asked Questions

Can we provide abortion services if we receive federal funding such as Title X or 330?

Medical organizations that receive any kind of federal funding CAN offer abortion services to their patients if they comply with various restrictions and regulations.

Does my agency need to lease a separate facility for the provision of abortion services, or can we co-locate abortion services in our healthcare facility?

Complete physical separation between abortion services and the federally funded program is not necessary to satisfy the regulations. Clinics may have a common waiting room and a single filing system for the different programs. Clinics must, however, demonstrate that the costs of these shared facilities are properly pro-rated and properly allocated.

Does my facility need to create a separate organizational framework?

The regulations do not require this, but some organizations choose to create separate corporations for the provision of abortion services. Those organizations feel that they are better able to track and document the separation of their services if they are provided under a separately incorporated organizational framework. However, if your facility will be providing a relatively small number of abortions, it may not be worth the effort to create a separate corporation.

How will providing abortion services affect our accounting procedures?

Whether you create a separate organizational framework or not, you must establish sound accounting practices and apply them consistently. Solid accounting practices provide excellent evidence in the event of a federal audit of your program. Even so, healthcare organizations around the country report a variety of experiences with federal audits. Regulators from the 10 regions that oversee federal programs have interpreted the regulations differently. Some program administrators report their regional regulators are "common sense folks," other program administrators feel their regional regulators "are on a witch hunt." The political climate, both nationally and regionally, can influence your approach to the administrative issues involved with establishing abortion services in your program.

Revenues received and expenses incurred in delivering abortion services at Title X and 330 sites need to be tracked in separate accounts in the general ledger. Sites need to show that monies from their Title X and 330 grants are not paying for these expenses. In fact, the Bureau of Primary Care states that "there must be sufficient revenue from other activities that are not part of the scope of project to support all direct costs of these services and a proportionate share of overhead so as to ensure that section 330 funds are not inappropriately used to support costs outside the approved scope of Project".

Can staff involved in Title X / Section 330 funded programs also work in the program providing abortion services?

Although there are no definite standards on this issue, most organizations do share a common staff. It is important to be meticulous in your documentation of when staff time is spent on federally funded programs and when staff time is spent providing abortion care.

Can our abortion services program share supplies with our federally funded services?

The regulations require you to maintain separate supplies for the different programs. Some organizations feel comfortable doing this via accounting practices; i.e. supplies are properly pro-rated and allocated. Other organizations feel more comfortable ordering, storing, and using supplies that are kept totally separate, in separate cabinets or offices.

How should we address issues related to insurance and billing?

Like the use of shared physical space, staff time spent accounting, billing, and filing insurance claims in facilities that receive restricted Federal funds must be pro-rated and properly allocated. (There are several good computer software programs that can make this a manageable task. Check with your accountant or financial advisor.) How you file insurance claims depends on the insurance market in your region and if your state restricts the use of Medicaid for abortion services. (See Sections II and III). For an

example of how one healthcare organization that receives federally restricted funds approached this problem, see Section IV.

Section II - Medicaid Funding for Abortion Care

You may be fortunate enough to live in one of the 18 states that allow Medicaid coverage for abortion services. They are Vermont, Massachusetts, Connecticut, New Jersey, New York, Maryland, West Virginia, Indiana, Illinois, Montana, Minnesota, Idaho, New Mexico, California, Oregon Washington, Alaska, and Hawaii. Even if you do not live in one of these states, all states will provide Medicaid funding for some of the healthcare services related to abortion care such as pregnancy testing, ultra sound for pregnancy dating, family planning/contraception, and follow-up care.

In some States, "emergency" or "temporary" Medicaid is available within a few days for pregnant women. This means that the patient can be sent to the local Medicaid office with a letter confirming her pregnancy and that she is eligible to receive a temporary Medicaid card. In some states this card covers all health care services; in others it only covers pregnancy-related services (including abortion). With this temporary card the patient does not have to wait the normal 4-6 weeks to process her application. In several states, there are special financial eligibility guidelines for pregnant women that may be more generous than for non-pregnant women.

Section III - Billing Private Insurance for Abortion Services

The information below is available from Danco Laboratories. Their website (www.earlyoptionpill.com) also has state-by-state specific information on private insurance reimbursement policies. Danco's website recommends the mifepristone (Mifeprex™) regimen approved by the FDA. Many clinicians are using an alternative regimen informed by more recent evidence-based studies.

Most of the commercial payers and the State Medicaid programs across the country have developed a reimbursement policy for mifepristone. In general, if surgical abortions are covered, the payer will probably cover mifepristone/medical abortions as well . Since no single CPT code has been established for the mifepristone regimen, most payers will reimburse for each component separately using the relevant CPT code. There is, however, a temporary HCPCS code ("S code") that was established for the medical abortion procedure that some payers are using. The most common billing codes for each of the services are outlined below. You should check with your local third party payer before submitting the claim.

For most payers, the charge for the three office visits should be submitted using the appropriate Evaluation & Management (E/M) code (e.g. 99204 or 99214 for the 1st visit, 99213 or 99214 for the 2nd and 3rd visits) as supported by documentation in the medical record.

- The temporary S code is being used by some payers that want to pay a bundled rate for the office visits and the ultrasound. S0199 is the code for a "medically induced abortion by oral ingestion of medication including all associated services and supplies (e.g. patient counseling, office visits, confirmation of pregnancy by HCG, ultrasound to confirm duration of pregnancy, ultrasound to confirm completion of abortion) except drugs.
- Most payers are planning to reimburse the cost of the drug using either a J code (e.g., J8499 or J3490) or a cost of materials code (99070). Payment will generally be a pass through based on the actual invoice cost of the drug. The name of the drug (Mifeprex), the dosage (200mg or 600 mg), and the 11-digit national drug code (NDC) from the drug package must accompany the claim along with a copy of the drug invoice to show the cost of the drug. The S codes, which are being used by payers, are S0190 for mifepristone, oral, 200 mg., and S0191 for misoprostol, oral, 200mg.

- While ultrasound is not required, one or more ultrasounds may be useful to verify the date of pregnancy and to determine if the pregnancy has ended. Most payers have indicated that they will reimburse for ultrasounds in accordance with their normal fee schedule. This varies payer by payer as to the type of specialist they will reimburse for ultrasound. The appropriate code for an abdominal ultrasound is either 76805 or 76815; the appropriate code for a transvaginal ultrasound is 76830.

Billing: Frequently Asked Questions

How do I bill for the two-three office visits associated with the administration of Mifeprex?

Reimbursement policies vary by payer. Most payers, however, are reimbursing based on the submission of Evaluation and Management (E/M) codes. Each office visit billed must be supported by documentation in the medical record.

Do I receive any reimbursement for the administration of the drug?

The reimbursement is for the office visit only. The cost of the drug is billed and reimbursed separately.

Should I submit each office visit claim at the time of service or should I submit them as a batch when the course of treatment is concluded?

Since it is not being reimbursed as a global procedure, you can submit each bill separately as the service occurs.

Can I order and bill for misoprostol in the same way that I do for Mifeprex?

Misoprostol is widely available, and can be ordered directly from Danco's authorized distributor at the same time you place an order for Mifeprex or from another distributor.

Generally, you can bill for misoprostol using a J code. The cost of misoprostol is around 60 cents per pill, and many providers do not bill the patient separately for this cost. (For example, the cost in NYC is $1/pill.)

Section IV - Suggested Billing Model

There are several models of billing that can be used by clinics that receive restricted funding and offer abortion services. Outlined below is one model developed at a clinic that receives these funds.

This facility designed a simple 3" x 3" sticker in a bright color to go on the top sheet of the encounter forms (also known as super bill or billing sheet). The sticker has a box to be checked with an internal code number printed on it that indicates that the procedure done was a medical abortion. The bottom sheet of the encounter from goes to the patient for labs and as a receipt of her visit; the top sheet goes to the billing department. When a patient comes in for a medical abortion, the clinician places the sticker on the encounter form.

Once the form goes to billing with this bright sticker, the billing staff are alerted, and bill as appropriate to each patient's insurance. As noted above, different insurance plans cover medical abortion in a variety of ways. Some cover the entire procedure with one billing code; others cover each part of each visit as a separate entity.

The key elements for making this system work are training the billing staff to bill appropriately, as they must do with any procedure that different insurers treat differently. It has been easiest to designate a single person in billing to receive all the forms with stickers, so that she/he can be sure it's done right. Again, because of the relatively low volume, it doesn't overwhelm anyone.

Another advantage of using the stickers is that the form the patient carries around to the lab, to the front desk for a return appointment, etc, doesn't say "abortion" on it anywhere; that is only visible on the top page which goes to billing. Therefore, the patient's confidentiality is protected.

RESOURCES

Many organizations have developed resources addressing the clinical and administrative issues involved in adding abortion care to your healthcare services.

The Reproductive Health Access Project
www.reproductiveaccess.org

Center for Reproductive Health Research and Policy, UCSF
www.reprohealth.ucsf.edu

Danco Laboratories
www.earlyoptionpill.com

National Abortion Federation
www.earlyoptions.org

Physicians for Reproductive Choice and Health (PRCH)
www.prch.org

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We wish to acknowledge and thank the New York Civil Liberties Union Reproductive Rights Project for their research into Title X guidelines, which contributed to this Guide.