Reimbursement for Abortion Services Under Medicaid

NASEM Webinar Series: Shaping Access to Reproductive Health Care Through Financing

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June 7, 2024

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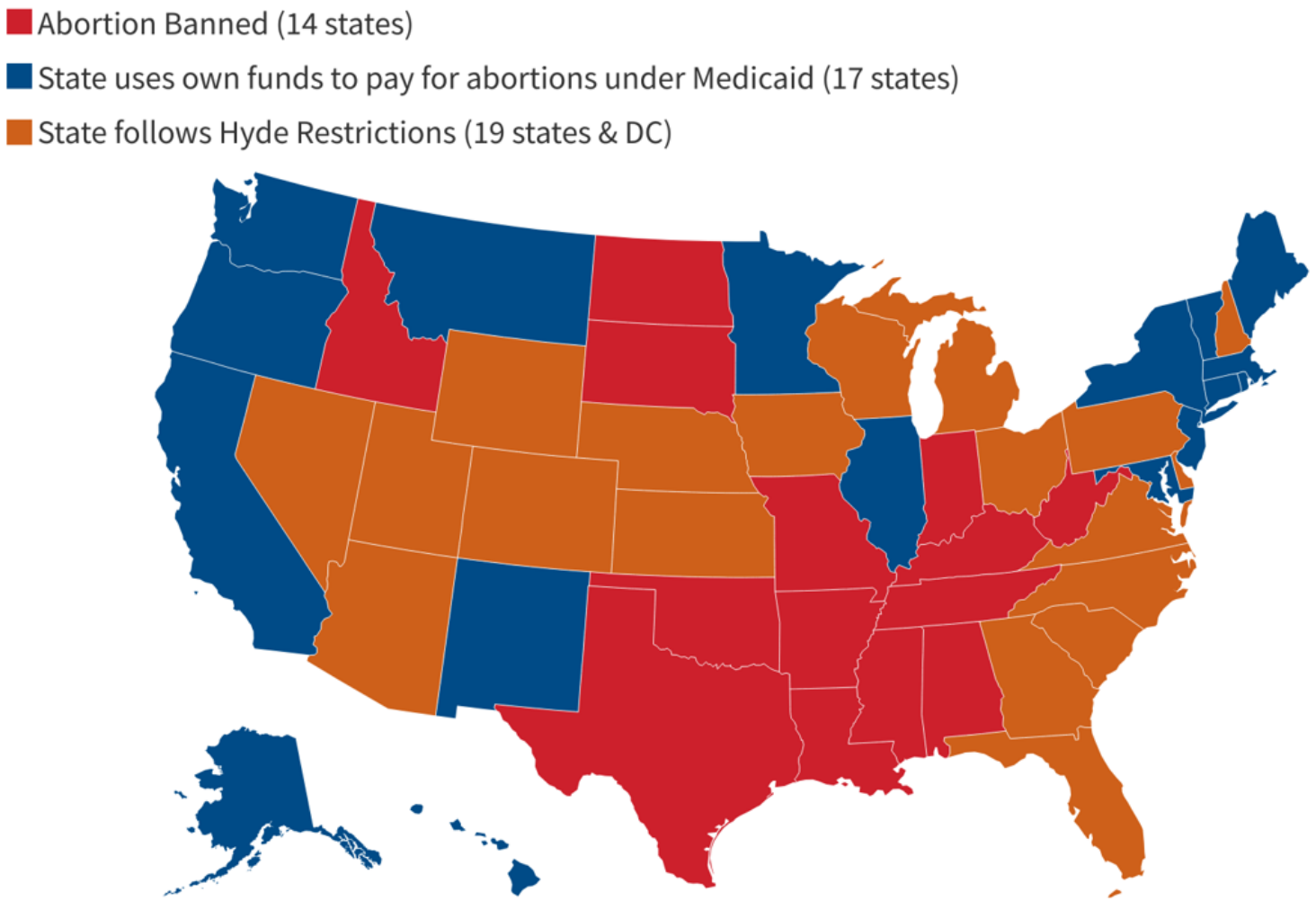
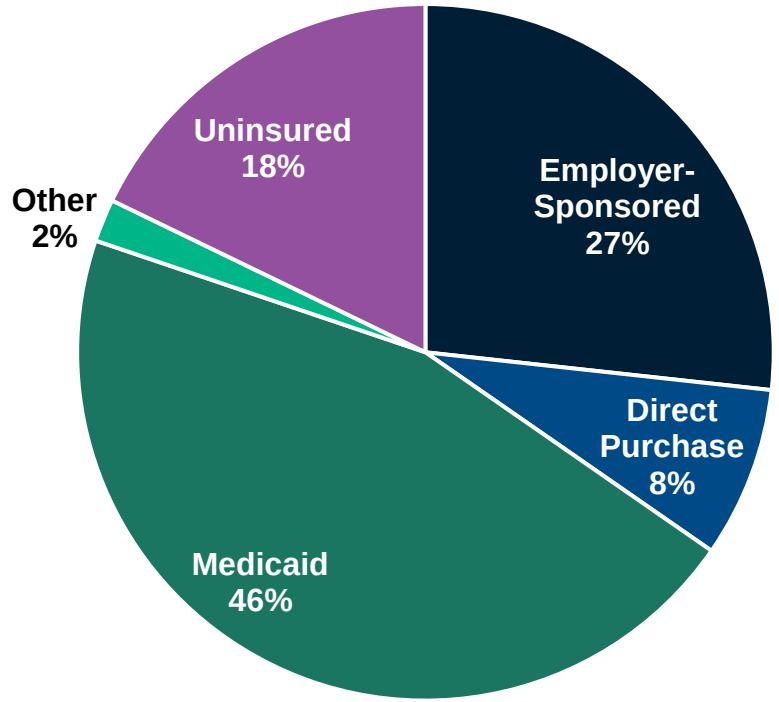
Abortion Coverage in Medicaid in 19 States & DC Where Abortion Is Not Banned is Extremely Limited Due to Hyde Amendment



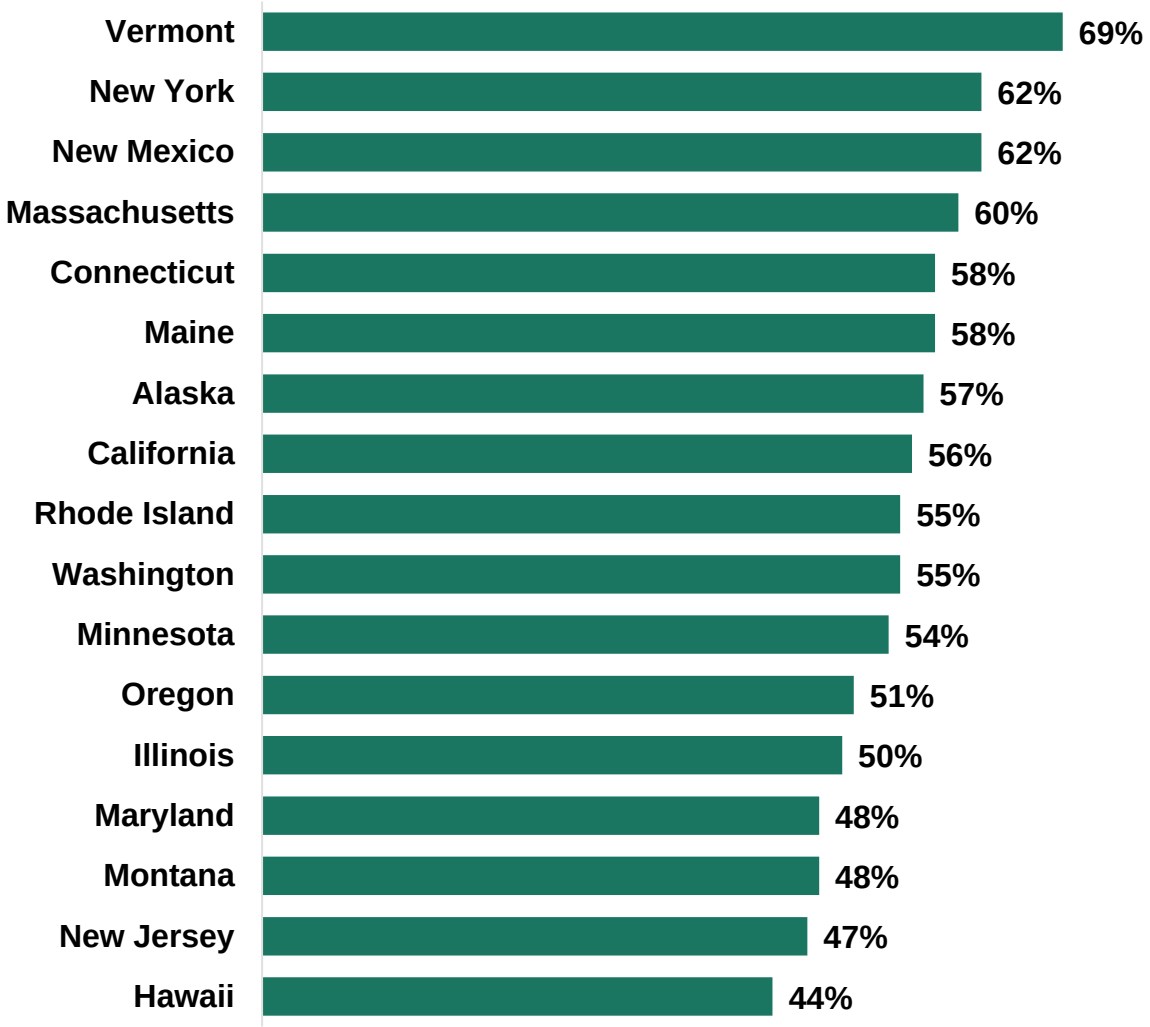
Source: KFF. State Funding of Abortions Under Medicaid. As of March 5, 2024.

Medicaid Plays an Outsized Role for Women with Low Incomes

Insurance Coverage for Women Ages 15-49 With Incomes < 200% FPL, 2022

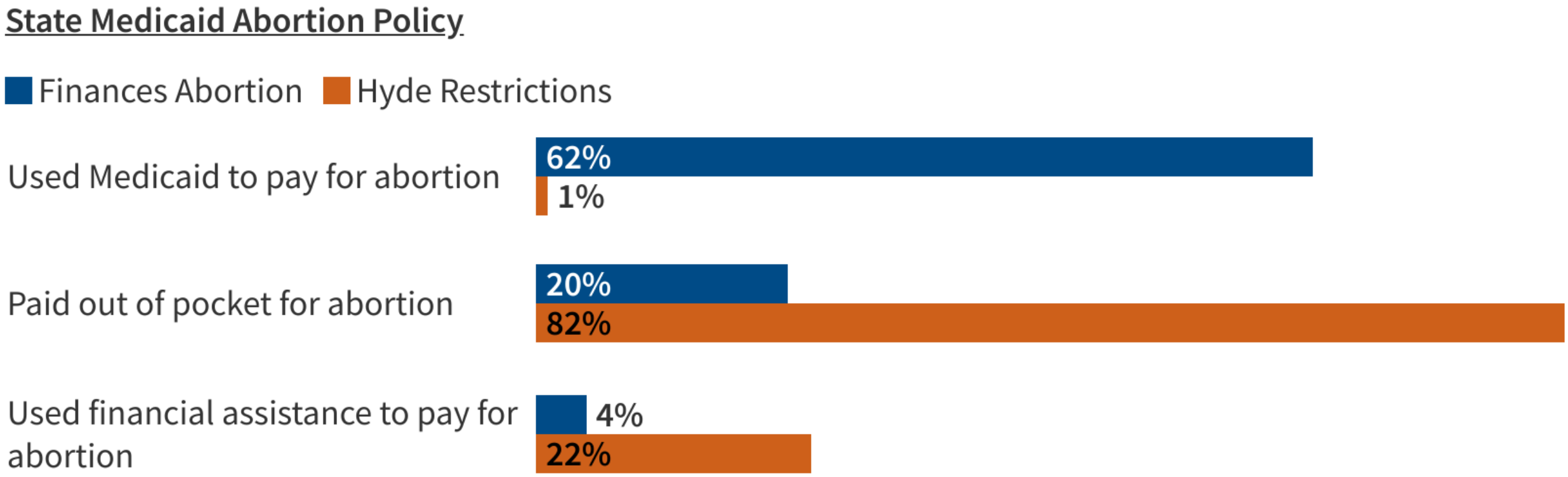


Share of Women < 200% FPL with Medicaid Coverage



Note: “Other” includes those covered under the military or Veteran’s Administration, as well as non-elderly Medicare enrollees
Source: KFF estimates based on 2022 American Community Survey, 1-Year estimates

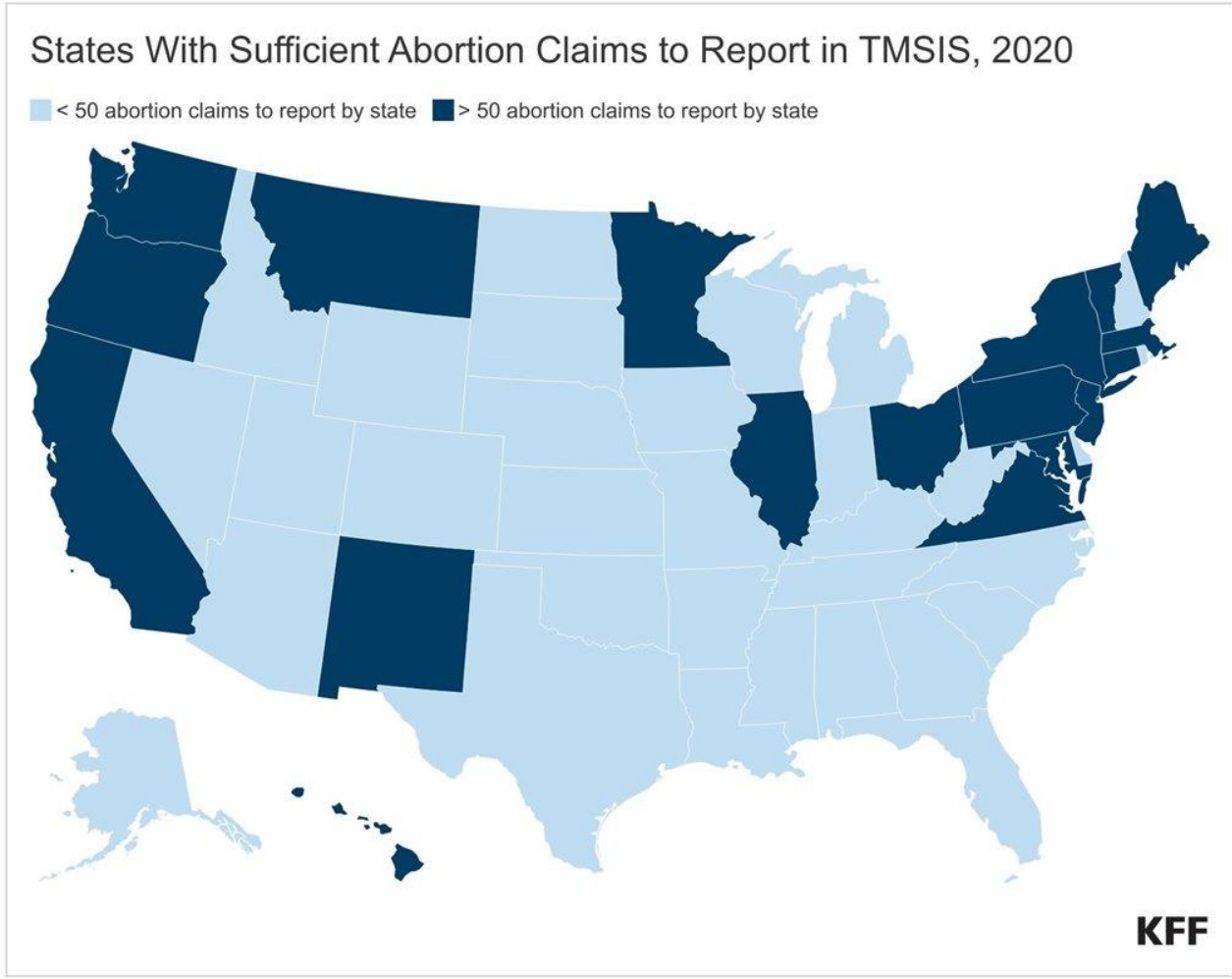
Medicaid Coverage of Abortion Helps Alleviate Financial Burden of Abortion



Source: Jones R. (2024). Medicaid's role in alleviating some of the financial burden of abortion: Findings from the 2021-2022 Abortion Patient Survey.

Medicaid Claims Data (T-MSIS) of Limited Value in Analyzing Abortion Use and Payment

- The only national Medicaid claims database, the Transformed Medicaid Statistical Information System (T-MSIS) Analytic Files (TAF) **does not consistently include claims financed solely with state dollars**
- The T-MSIS/TAF data also **only include reimbursement data for fee-for-service claims** and not managed care claims
- As a result, only state or plan level claims provide a reliable picture of utilization and payment for abortion under Medicaid



Medicaid Fee-for-Service Fee Schedules Tell Part of the Reimbursement Story

We collected 2024 reimbursement rates for abortion services and other services commonly billed on the day of an abortion in states that use state funds to cover abortion services for Medicaid enrollees

We measured changes in Medicaid reimbursement for D&C and D&E procedures since 2017 (Young et al.), as well as what Medicaid reimburses for medication abortion

Source: Frederiksen and Salganicoff. KFF (2024). Variability in Payment Rates for Abortion Services Under Medicaid

Services Commonly Billed for Medication Abortion

Medication abortion is the most common form of abortion, can be provided up to 70 days since last menstrual period, and can be billed using a bundled code with the medications or the medication plus all associated services

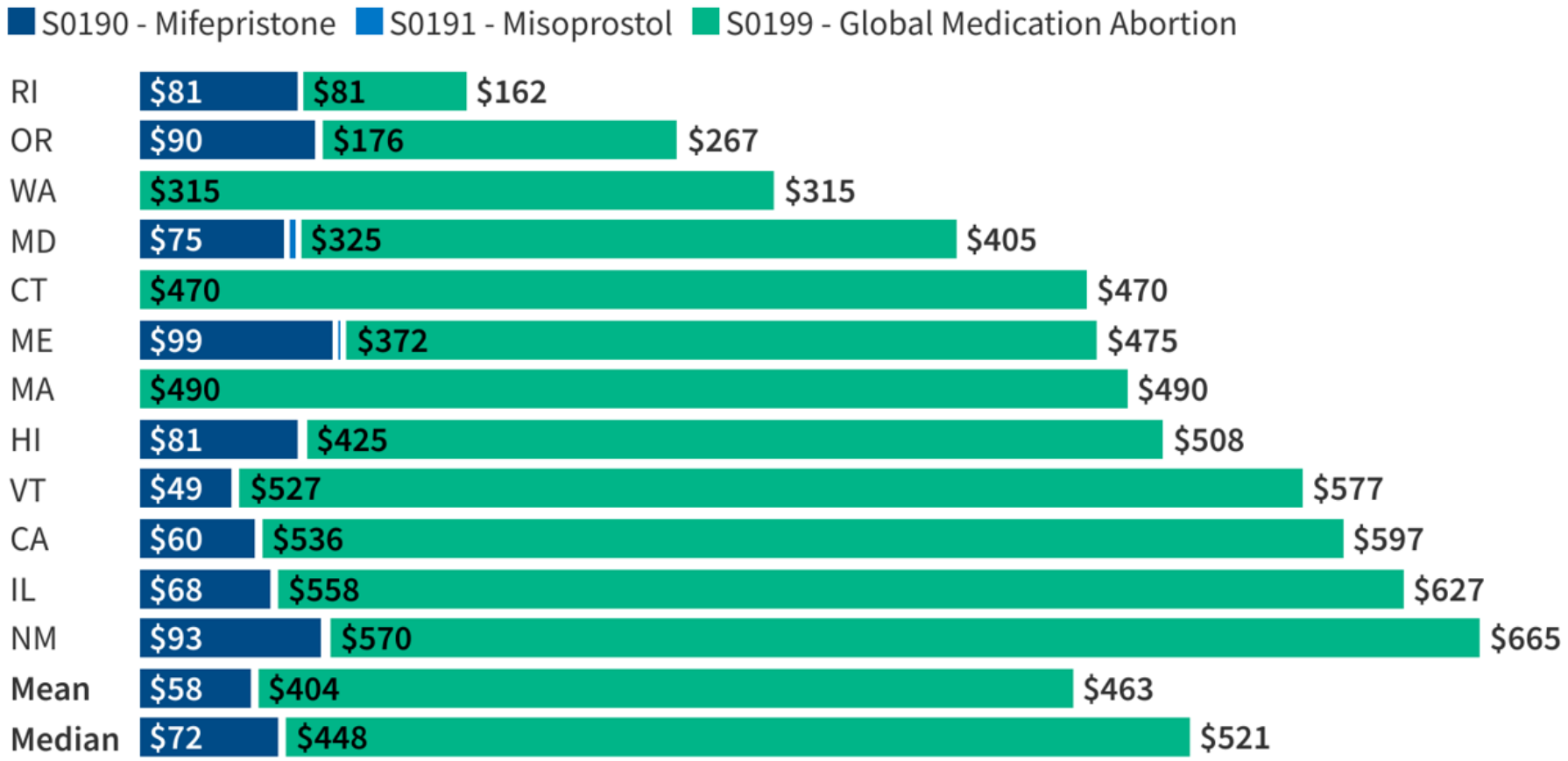
Medication Abortion

- **Mifepristone**, oral, 200 mg (Mifeprex®)
- **Misoprostol**, oral, 800 mcg (4 pills)
- **Global Medication Abortion Visit Code**, includes all associated services and supplies (e.g., patient counseling, office visits [initial and follow-up], confirmation of pregnancy by hCG or ultrasound to confirm duration of pregnancy, ultrasound to confirm completion of abortion)

Associated Services

- Transvaginal ultrasound, pregnant uterus
- Limited ultrasound, pregnant uterus
- Transabdominal ultrasound, pregnant uterus
- Micro Rhogam 50 mcg
- Evaluation and Management (E/M) Codes for new and established clients

Reimbursement for Medication Abortion Often Uses a Bundled Payment in Addition to Reimbursement for the Medications



Note: AK, MN, MT, NJ, and NY do not list reimbursement for S0199 that includes other services provided with the medications. Other services may be billed in these states in addition to the medications. AK, CT, and NY reimburse cost or NDC pricing for medication abortion, which is not listed and can vary based on the current price of the drug. Totals at the end of the bars are the total reimbursement for mifepristone, misoprostol, and the global medication abortion code.

Source: Frederiksen and Salganicoff. KFF (2024). Variability in Payment Rates for Abortion Services Under Medicaid

Services Commonly Billed with Abortion Procedures that are Sometimes Reimbursed as “Bundled Payments"

Dilation and Curettage (D&C)

Most common form of procedural abortion and can be used up to approximately 16 weeks of gestation

Dilation and Evacuation (D&E)

Usually performed after the 14th week of pregnancy; the cervix is dilated, and the pregnancy tissue is evacuated using forceps or suction

Common Associated Services

Cervical Dilation

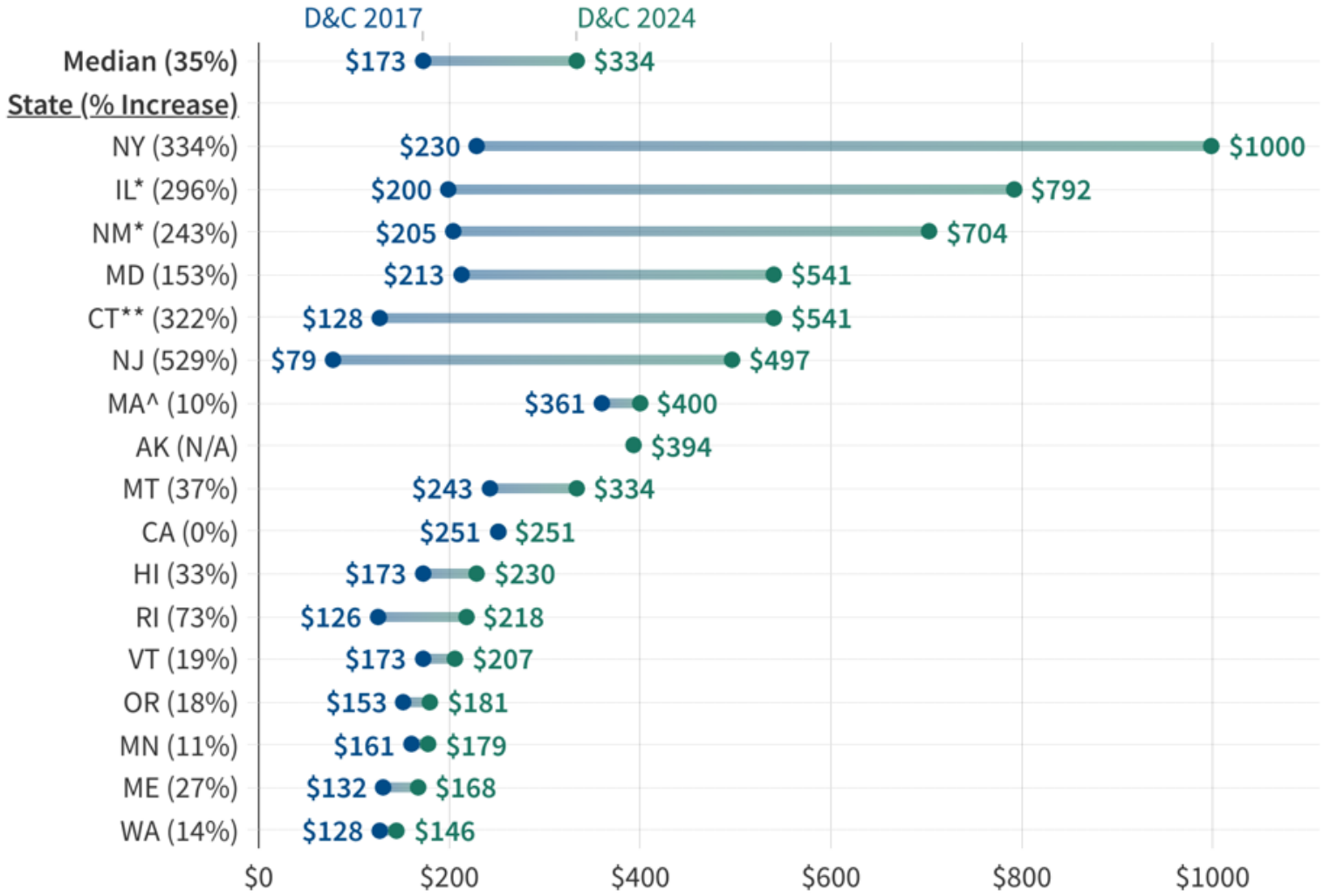
Ultrasound

Medication Administration (e.g., Lidocaine, Methergine)

Nerve Block

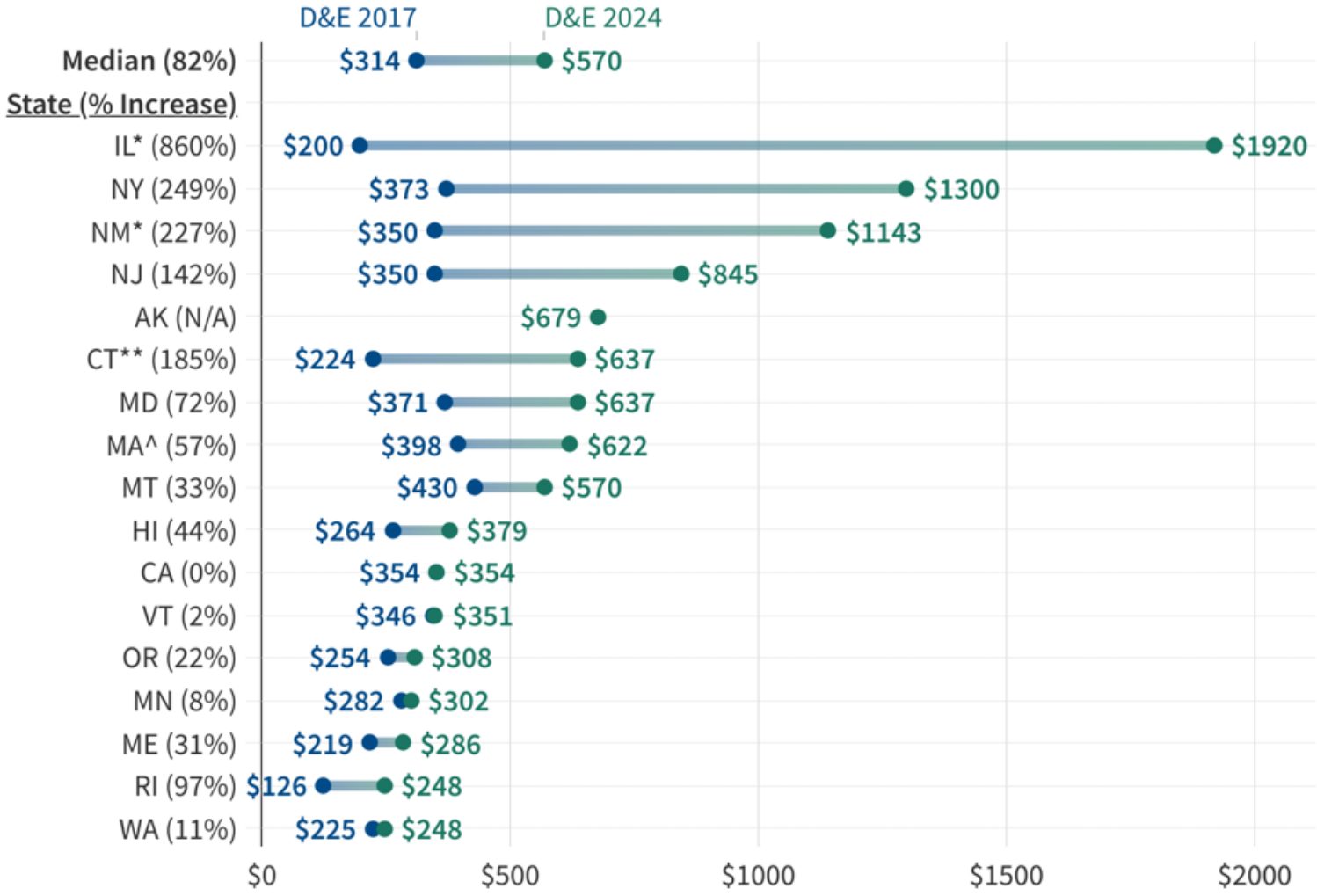
Micro Rhogam

Fee-For-Service Reimbursement for D&C Procedures in States That Cover Abortion Services for Medicaid Enrollees



Note: *Illinois and New Mexico use a bundled code that includes other services provided with the D&C procedure.
Source: Young et al. (2020) Contextualizing Medicaid reimbursement rates for abortion procedures. Contraception, 102, 195-200.
Frederiksen and Salganicoff. KFF (2024). Variability in Payment Rates for Abortion Services Under Medicaid.

Reimbursement for D&E Procedures Does Not Reflect the Increased Complexity of Care



Note: *Illinois and New Mexico use a bundled code that includes other services provided with the D&E procedure.
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Other Strategies for Increasing Payment for Abortion Services

- **Oregon** established a $1,045.37 **facility fee** for outpatient abortion clinics including family planning clinics that do not currently receive a facility payment, which makes brings reimbursement to:
    - Medication abortion = $1,312.37
    - D&C reimbursement = $1,226.37
    - D&E reimbursement = $1,353.37
- **California** created a **limited term Abortion Supplemental Payment Program** for qualifying non-hospital community clinics who provide abortion services to Medi-Cal beneficiaries
    - Almost $30 million was appropriated for calendar years 2023 and 2024 with approximately $3.7 million each quarter divided among the fee-for-service abortions provided in that quarter
- **California** also proposed increasing Medi-Cal reimbursement rates for both abortion procedures and medication abortion to $1,150 regardless of method, but these were recently eliminated from the budget
- **Colorado** increased reimbursement for D&C to $1,000, D&E to $1,600, and medication abortion to $800 and has ballot initiative to repeal state funding ban

Key Considerations

- While some states have increased reimbursement for abortion services considerably over the last several years, payment rates have barely increased in many other states
- Medicaid reimbursement rates continue to be lower than those paid by Medicare and are even lower relative to private insurance rates
- Reimbursement for the procedures does not consider extra costs associated with providing abortion services, including extra security, background checks, higher insurance, bulletproof windows, etc.
- Bundled codes have increased reimbursement for providers, but can take away their ability to bill for additional services and is sometimes used to constrain payments
- State increases in funding to promote and support reproductive health access to Medicaid enrollees may be time limited and dependent on state budgets. Revenue shortfalls may result in future funding reductions.

THANK YOU

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