Informational Notice

Date: February 26, 2013

To: Federally Qualified Health Centers (FQHC) and Rural Health Clinics (RHC)

Re: Fee-for-Service Billing for Intrauterine Devices (IUDs) and Implantable Contraceptives

The department proposed emergency rulemaking on January 4, 2013, to allow FQHCs and RHCs to bill fee-for-service for IUDs and implantable contraceptives. This rulemaking sets forth the requirements that must be met for IUDs and implantable contraceptives to be eligible for reimbursement from HFS when administered in an FQHC or RHC.

The department is currently developing the claims processing system changes to allow payment to an FQHC or RHC. That system change is expected to be complete by July 1, 2013. Until that programming is complete, for dates of service July 1, 2012 through June 30, 2013, a physician or APN may submit fee-for-service billings for IUDs and implantable contraceptives, administered in an FQHC or RHC. Reimbursement for IUDs and implantable contraceptives shall be made in accordance with the following:

- To the extent that the IUDs or implantable contraceptives were purchased under the 340B Drug Pricing Program, the device must be billed at the FQHC or RHC’s actual acquisition cost;
- The FQHC or RHC must be listed as the payee on the claim;
- Reimbursement shall be made at the FQHC or RHC’s actual acquisition cost or the rate on the Department’s practitioner fee schedule, whichever is applicable;
- This reimbursement shall be separate from any encounter payment the FQHC may receive for the insertion procedure.

Effective July 1, 2013, an FQHC or RHC may submit fee-for-service billings for IUDs and implantable contraceptives. Reimbursement for IUDs and implantable contraceptives shall be made in accordance with the following:

- To the extent that the IUDs and implantable contraceptives were purchased under the 340B Drug Pricing Program, the device must be billed at the FQHC or RHC’s actual acquisition cost;
- Reimbursement shall be made at the FQHC or RHC’s actual acquisition cost or the rate on the Department’s practitioner fee schedule, whichever is applicable;
- This reimbursement shall be separate from any encounter payment the FQHC or RHC may receive for the insertion procedure.

Any questions regarding this notice may be directed to the Bureau of Comprehensive Health Services at 1-877-782-5565.

Theresa A. Eagleson, Administrator
Division of Medical Programs