

North Carolina Medicaid Special Bulletin

An Information Service of the Division of
Medical Assistance

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**Attention
Hospitals, Physicians, Midwives,
FQHCs/RHCs, Local Health Departments**

**Reimbursement of Long Acting
Reversible Contraceptives (LARCs)**

*Providers are responsible for informing their billing agency of information in this bulletin.
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The North Carolina Medicaid program covers the insertion/implanting of Long Acting Reversible Contraceptives (LARCs) under [Clinical Policy 1E – 7 Family Planning Services](#).

Because there is considerable discussion, both within and outside of North Carolina, about the use of LARCs immediately after delivery, the Division of Medical Assistance (DMA) is issuing this special bulletin to clarify the current reimbursement of LARCs for the providers listed above.

Hospital Providers

- **Inpatient Hospital Services:**

The payment of LARCs is included in the DRG payment of the delivery. Since this is a covered service, the cost of the LARC is an allowable cost on the cost report, which is used in the calculation of the MRI/GAP supplemental payments.

- **Outpatient Hospital Services:**

If the LARC is inserted/implanted during an outpatient encounter, the LARC is billed on the claim, along with the appropriate HCPCS, NDC codes. If the LARC is billed under 340B pricing, the UD modifier must be used. DMA will reimburse the hospital claim at 70 percent of cost. Similar to inpatient services, the cost is allowable and will be considered in the calculation of the MIR/GAP supplemental payments.

Physicians and Midwives

- **Hospital place of service:**

If the LARC is inserted/implanted immediately after delivery, providers are allowed to bill their normal fee for the delivery. In addition, providers are allowed to bill either “58300 – Insert Intrauterine Device” or “11981 – Insertion, Non-Biodegradable Drug Delivery,” depending on the type of LARC. Providers would be paid the facility rate for the insertion/implantation, in addition to the rate for delivery services.

- **Office place of service:**

Providers would bill as they normally would for office procedures. Medicaid reimbursement rates for the LARCs are on the DMA website under “[Fee Schedules](#)” – “[Physician Drug Program](#).”

Federally Qualified Health Centers/Rural Health Clinics (FQHCs/RHCs)

- The FQHCs/RHCs would bill as they normally would for office procedures. If the LARC is purchased under a 340b contract, the FQHCs/RHCs must bill Medicaid at the acquisition price with a UD modifier.

Local Health Departments

- LHDs would bill Medicaid as they normally would for office procedures. If the LARC is purchased under a 340b contract, the LHD must bill Medicaid at the acquisition price with a UD modifier.

Provider Reimbursement DMA, 919-814-0060

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