

Long Acting Reversible Contraception

Background

On [October 13, 2015](#), HHSC issued operational guidance to Medicaid managed care organizations (MCOs) to implement changes in order to reimburse hospitals and federally qualified health centers (FQHCs) appropriately for providing Medicaid covered long acting reversible contraception (LARC) devices in the same amount, duration, and scope as the Medicaid benefit requires, including, adopting claim processing procedures to implement add-on FQHC reimbursement for LARC devices and hospital reimbursement for immediate postpartum LARC devices.

Operational Guidance

Effective January 1, 2016, Texas Medicaid benefit changes related to LARC were applied to support the 2016 annual Healthcare Common Procedure Coding System (HCPCS) updates effective for dates of service on or after January 1, 2016. The added 2016 HCPCS procedure codes, J7297 and J7298, may be billed beginning January 1, 2016.

Procedure code J7302 was discontinued on December 31, 2015 and will no longer be reimbursed.

Procedure codes J7297 and J7298 will not require a rate hearing for pricing. Proposed reimbursement rate changes for LARC devices were presented at a public rate hearing on November 12, 2015, for procedure codes J7302 and J7302 with modifier U1. Procedure codes J7297 and J7298 will replace procedure codes J7302 and J7302 with modifier U1. The new rates will be effective for dates of services on or after January 1, 2016.

Medicaid MCOs must update claim processing procedures to include these procedure code changes.

TMHP Bulletins related to LARC

TMHP has posted the following provider notifications related to changes to LARC reimbursement:

- [Reimbursement Methodology to Change for Long-Acting Reversible Contraception \(LARC\) Devices Effective January 1, 2016](#)
- [Reimbursement Rate Changes for Some Procedure Codes to Be Effective November 1, 2015, and January 1, 2016, for Texas Medicaid](#)

If you have questions about MCO implementation, please contact Amanda Woodall at Amanda.woodall@hhsc.state.tx.us and copy your health plan management team.