OFFICE FOR OREGON HEALTH POLICY & RESEARCH
Health Evidence Review Commission
Kate Brown, Governor

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Dear Medical Directors:

In developing our Coverage Guidance on Timing of Long-Acting Reversible Contraceptive (LARC) Placement, we have become aware that administrative issues, rather than coverage policy per se, are discouraging the use of highly effective LARC devices (intrauterine devices and subdermal implants). While placement of LARC devices is already covered for most plans, administrative issues are preventing patients from receiving these devices at the point when they are most likely to achieve the objective of preventing unintended pregnancy. The LARC devices are safe and effective, and are more cost-effective than any other contraceptive method. For example, one cost-effectiveness analysis found that over 2 years, placement of a postpartum IUD was associated with a savings of $282,540 per 1,000 women. They cannot be effective or cost-saving, however, unless they are placed.

In order for placement to occur, an appropriate device must be offered and placed at a time convenient to the woman desiring contraception, preferably when she is already receiving care for another condition. Best practices for timing of insertion include placement immediately following birth or abortion, as well as same-day placement in the outpatient setting. Currently, due to administrative barriers, women are often required to return for one or more visits in order to receive a LARC device. Many women do not return for follow up visits, including postpartum visits. Others may become pregnant before such a visit can occur. In order to offer immediate placement, providers must be confident that they and the facilities in which they work will be appropriately compensated for the devices and related care. We have heard reports of major hospital systems halting placement of these devices in the postpartum setting due to reimbursement issues and are aware of others that simply do not offer postpartum LARC placement unless funded through a grant for a very limited population.

As you implement the changes related to this coverage guidance, we urge you to address the following administrative barriers, if they are present in your plans and provider networks.

- Lack of reimbursement for the cost of these devices when provided after an in-hospital birth due to global DRG-based payment for delivery services
- Lack of reimbursement to professionals and facilities for the service of placing these devices in the inpatient setting
- Inadequate inventory of these devices to allow for their placement on a timely basis in all settings of care
- Lack of health system support for the uptake of policies and procedures supporting the immediate placement of LARC.
- Reimbursement rates to providers which are lower than the provider's cost of the devices
- Lack of providers able to perform postpartum placement of IUDs

- For devices provided through a pharmacy benefit, lack of a mechanism for providers to recoup the cost of the device if a device assigned to a particular woman is not placed
- Lack of provider reimbursement when LARC removal, replacement or re-insertion is required
- Any prior authorization requirements, which can delay or block placement of these devices
- Payer refusal to pay for two distinct services on the same day (e.g., a birth or the termination of pregnancy followed by LARC placement)

We have attached two documents to the coverage guidance from the Center for Medicaid and CHIP Services. The first (Appendix F) is an Informational Bulletin from April, 2016 which outlines these issues as well as options other states have implemented to resolve them. Appendix G is a State Health Official's Letter outlining implementations option for same day LARC placement as well as other coverage requirements for state Medicaid programs, including limitations on prior authorization and applicability to managed care plans.

We hope that this information will help you as you work with your plan and contracted providers to ensure effective access to these important devices.

Sincerely,

Somnath Saha, MD, Chair, Health Evidence Review Commission

Wiley Chan, MD, Chair, Evidence-based Guidelines Subcommittee