

TO: Physicians, Certified Nurse Midwives, Certified Nurse Practitioners/
Clinical Nurse Specialists, Independent Clinics, Health Maintenance Organizations (HMOs) and Hospitals - Chief Executive Officer

SUBJECT: Abortion Services Under a Managed Care Program

EFFECTIVE: Claims with Service Dates on or after May 18, 1996

BACKGROUND Abortions are a covered New Jersey Medicaid service and are reimbursed on a fee-for-service basis. Abortions for Medicaid patients are not reimbursed through the Health Maintenance Organization (HMO) contract.

DEFINITION: Abortions are defined as elected abortions and are not related to spontaneous abortions (miscarriages).

ACTION: This newsletter describes the procedures to be followed when a Medicaid participating provider is performing an elected abortion for a Medicaid beneficiary enrolled in a managed care program.

1. The abortion procedure, anesthesia, and related facility fee (for those providers who are approved for a facility fee) are paid fee-for-service by the regular Medicaid program without need for referral.
2. Other services such as laboratory services or ultrasound which may be related to the abortion procedure are under the financial and case management purview of the HMO. These related services:

- a. must be performed by the HMO with the results sent to the provider of the abortion service, **OR**
 - b. can be negotiated within a contractual reimbursement process between the provider of abortion services and the HMO whereby the provider performing the abortion can perform agreed upon related services and receive payment from the HMO.
3. Related services usually mean medical clearance for the surgery and may include, for example: history and physical exam on the day of surgery; CBC, blood type and cross match; pregnancy test; and/or ultrasound, when medically indicated. All related testing and services must be agreed to by the HMO and the provider of abortion services in their negotiations. A provider performing the abortion must follow the policies and procedures of the HMO in which the Medicaid recipient is enrolled, and may not bill the Medicaid fee-for-service program for abortion-related services.

For further information and questions, please contact the Office of Managed Health Care at (609) 588-2705.

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