

2011 Fact Sheet:

Rates reset for induced abortion

BACKGROUND

For the past several years, the rates for CPT codes 59840 (induced abortion by dilation and curettage) and 59841 (induced abortion by dilation and evacuation) have been considered “flat fees.” Thus, the annual changes in the national relative value units (set by the federal government) and state-specific conversion factor have not been taken into consideration.

Recently, however, the department became aware of a significant disparity in the rates for similar procedures. Although valued higher by the federal Centers for Medicare and Medicaid Services (CMS), these procedures had rates that were lower than either 59840 and 59841.

THE ISSUE

The rates for these two procedure codes have now been re-evaluated and reset to use their current relative values and the state-specific conversion factor that is used for all surgical procedures. As of July 1, 2011, the beginning of the new state fiscal year, this conversion factor is 20.13.

When setting rates for professional fees, the department uses the values in the current Medicare Physician Fee Schedule Data Base and applies blended, state-specific values (also set by CMS and called geographic practice cost indices) to establish the facility and non-facility relative value units for the code. Each facility and non-facility value is then multiplied by the conversion factor to establish the rate.

Below are the values and corresponding rates for 59840, 59841, and similar procedures, effective for dates of service on and after July 1, 2011:

CODE	NON-FACILITY VALUE	FACILITY VALUE	NON-FACILITY RATE	FACILITY RATE
59840	6.30	6.07	126.82	122.19
59841	11.16	10.53	224.65	211.97
59850	10.27	10.27	206.74	206.74
59851	11.68	11.68	235.12	235.12
59852	14.88	14.88	299.53	299.53
59855	12.15	12.15	244.58	244.58
59856	14.27	14.27	287.26	287.26
59857	15.38	15.38	309.60	309.60



The facility fees for contracted abortion providers currently are being evaluated, and the department is considering restructuring of these fees to more clearly resemble existing, established rate methodologies (e.g., ambulatory surgery center payment methodology). This evaluation is part of a larger project of revising ambulatory surgery center reimbursement and is expected to be completed in the next several months.

Any updates to the facility fees will be accompanied with a contract amendment, and adjustments will be made to paid claims with dates of service on and after July 1, 2011.

All of these changes ensure transparency in rate-setting methodology and corresponding facility fee payments, as well as consistency with existing rate-setting methodology in WAC.