

## Medi-Cal Reimbursement for Second Trimester Abortion

### Facts about Medi-Cal and Abortion

Although abortion is a legal medical procedure covered by Medi-Cal, many women experience difficulty accessing abortion care, particularly in the second trimester of pregnancy.

- In 2004, Medi-cal funded approximately 39% of all abortions in California, an estimated 90,946<sup>i</sup> induced abortions out of the total 236,000 performed.<sup>ii</sup>
- Between 1996 and 2000, the number of abortion providers in California decreased by 19%, leaving 41% of California counties with no abortion provider.<sup>iii</sup>
- If current Medi-Cal reimbursement rates were increased to adequately cover the cost of second trimester abortions, providers who perform these procedures but do not currently accept Medi-Cal would change their policies to begin or resume accepting Medi-Cal.

### **Provider Acceptance of Medi-Cal for Second Trimester Abortion**

The shortage of abortion providers, and those who accept Medi-Cal specifically, is particularly a problem for women seeking abortions from 21 to 24 weeks, when the number of Medi-Cal providers dramatically decreases.

- Of the 148 publicly advertised California abortion providers -defined as those listed under ‘Abortion Services’ in the Yellow Pages – 53% accept Medi-Cal through the first trimester and 20% accept Medi-Cal up to 20 weeks gestation.
- Only 4% of publicly advertised abortion providers accept Medi-Cal past 21 weeks.
- Of the 23 providers in the state who provide abortion past 20 weeks, only three accept Medi-Cal through 24 weeks.

### **Medi-Cal Reimbursement Rates for Second Trimester Abortion**

A survey of abortion providers who perform procedures through 24 weeks but no longer accept Medi-Cal revealed that reimbursement rates for second trimester abortions are too low to cover the expenses associated with procedure – making acceptance of Medi-Cal financially infeasible for many clinics and hospitals. As noted in the table below, private insurers reimburse for the same procedures at a rate almost double that of Medi-Cal after 20 weeks gestation.

**Medi-Cal vs. Private Sector Reimbursement<sup>iv</sup>**

<b>Weeks Gestation</b>	12.1-14.0	14.1-16.0	16.1-18.0	18.1-20.0	20.1-22.0	22.1-24.0
<b>Medi-Cal Reimbursement for All Services<sup>v</sup></b>	474-575	474-575	474-575	474-575	474-575	474-575
<b>Medi-Cal Reimbursement for Procedure only</b>	253-265	253-265	253-265	253-265	253-265	253-265
<b>Private Reimbursement<sup>vi</sup></b>	400-714	475-714	600-925	650-925	900-1788	1250-1900

The Medi-Cal reimbursement rates reflected in the table also do not take into account the difference between early and later second trimester procedures. The reimbursement rate for the D&E procedure (CPT 59841) is the same for a procedure performed at 15 weeks or 24 weeks gestation. However, as gestation progresses, the procedure is likely to be more complicated and time-consuming, and thus more costly to the clinic or hospital. *Because of the high*

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demand at 24 weeks, providers often postpone the procedures of women who seek care at 20 weeks – unnecessarily increasing the risk, time and cost to the provider and, ultimately, to Medi-Cal.

### **Women Seeking Second Trimester Abortion in California**

According to the Guttmacher Institute, 3% of all abortions performed in California annually occur in the second trimester (7,000 of 236,000).<sup>vii</sup>

- Women seeking second trimester abortions often have missed the opportunity to obtain a first trimester procedure because of delays in all steps of the process – from suspecting they were pregnant to locating and visiting a clinic.
- Young women are more likely than older women to obtain abortions later in pregnancy.<sup>viii</sup>
- One study found that two-thirds of women seeking second trimester abortion reported difficulties finding a provider, obtaining transportation to a provider out of the area, or finding an appropriate clinic (i.e. one that accepts Medi-Cal at their gestation) after first being referred elsewhere.<sup>ix</sup>

### **The Case for Increased Medi-Cal Reimbursement Rates for Second Trimester Abortion**

Under current reimbursement rates, an inadequate number of providers accept Medi-Cal for second trimester procedures, even though many are already providing abortions past 20 weeks for privately insured women or those who can afford to pay for the procedure in cash.

Increasing the reimbursement rates for second trimester abortions makes *fiscal* and *social* sense:

- Only 3% of women seek second trimester abortion, and Medi-Cal pays for an estimated 40% of *all* abortions in California.
- If a woman who is insured by Medi-Cal cannot locate a second trimester abortion provider, she will be forced to carry the pregnancy to term. Whether she chooses adoption or parenting, Medi-Cal will pay for subsequent pregnancy-related costs. Moreover, women with late-entry or no prenatal care are more likely to have complications during pregnancy and delivery, yielding higher costs to Medi-Cal.
- In addition to the costs for providers, the cost and psychological distress for women must not go unnoticed. These women, predominately low-income and young, will be forced to travel hundreds of miles to find a provider, raise thousands of dollars to pay for care or carry an unwanted pregnancy to term.

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<sup>i</sup> State of California. Medical Care Statistics Section. *Medi-Cal funded induced abortions: 2003-2004*. April 2006. Accessed July 15, 2006. Available at: <http://www.dhs.ca.gov/MCSS/Published%20Reports/abortion/0304/Abortion%200304%20FINAL.pdf>.

<sup>ii</sup> Guttmacher Institute. *State facts about abortion: California*. Accessed July 7, 2006. Available at: <http://www.guttmacher.org/pubs/sfaa/california.html>.

<sup>iii</sup> Ibid.

<sup>iv</sup> ACCESS/Women's Health Rights Coalition. *2006 Survey of Second Trimester Abortion Providers in California*; Planned Parenthood Affiliates of California. *Private Sector vs. Medi-Cal Reimbursement*.

<sup>v</sup> Includes laboratory studies, routine ultrasound, laminaria for second trimester procedures, medication and supplies, pre-op and follow-up exam. Oral contraceptives and Plan B dispensed, but billed to either Family PACT or Medi-Cal.

<sup>vi</sup> Sampling of rates paid by private third party payers. These rates are generally bundled rates. Aspiration through late term abortion procedures include pregnancy testing and counseling, all customary medication, laboratory studies and supplies, pre-op exam, routine ultrasound, laminaria and laminaria insertion, physician charges, post-op visit, and 1 cycle of oral contraceptives. Rates vary by contracted gestational ranges.

<sup>vii</sup> Guttmacher Institute. *State facts about abortion: California*. Accessed July 7, 2006. Available at: <http://www.guttmacher.org/pubs/sfaa/california.html>.

<sup>viii</sup> Doskoch P. Guttmacher Institute. Second-trimester abortion: Logistics and lack of symptoms are factors. *Perspectives on Sexual and Reproductive Health*, June 2006, 38(2). Accessed July 10, 2006. Available at: <http://www.guttmacher.org/pubs/journals/3811806b.html>.

<sup>ix</sup> Drey EA et al., Risk factors associated with presenting for abortion in the second trimester, *Obstetrics & Gynecology*, 2006, 107(1):128–135.