

**Comparison of Certain Provisions of the
Rural Health Clinic and
Federally Qualified Health Center Programs**

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Medicare RHC Eligibility

Location: Non-urbanized area

Shortage Area: Currently designated MUA, HPSA or Governor Designated Shortage Area (no MUP)

Corporate Structure: Unincorporated, public, nonprofit or for profit

Board of Directors: Not required

Clinical Staffing: Mid-level practitioner required at least 50% of the time the clinic is open

Medicare RHC Required Services

Primary Health Care Services: Required

Primary Care for All Life-Cycle Ages: Not Required

Basic Lab: Six waived lab tests required onsite, others onsite or under arrangement

Emergency Care: First response capabilities required

Radiological and other diagnostic tests: Required onsite or under arrangement

Pharmacy, Preventive Health, Preventive Dental, Transportation, Case Management, Dental Screening for Children: Not required

After Hours Care: Not required

Hospital/Specialty Care: Req. by clinic staff or under arrangement

Medicare FQHC Eligibility

Rural or urban area

MUA or MUP

Tax-exempt nonprofit or public

Required; a majority of directors must be clinic users

No specific requirements

Medicare FQHC Required Services

Required

Required onsite or under arrangement

Required onsite or under arrangement

Required onsite or under arrangement

Required onsite or under arrangement

Required onsite or under arrangement

Required

Required by clinic staff or under arrangement

RHC Medicare Covered Services

Core Services: Physician, nurse practitioner, physician assistant, certified nurse midwife, clinical psychologist, clinical social worker services, including visits, procedures, and interpretations of diagnostic tests, services and supplies rendered incident to the professional services of a physician or practitioner, visiting nurse home health services in areas with a shortage of HHAs

Medical Nutrition Therapy/Diabetic Self Management: covered as incident to, but not as a stand-alone encounter

Non-RHC Services: Lab, technical components of diagnostic tests (freestanding bill to Part B carrier, hospital-based bill using hospital provider number)

Care to patients in hospitals: billed to Part B carrier

Care in other settings: billed as RHC encounter or to Part B carrier, depending upon contract

Preventive Services: statutorily authorized preventive/screening benefits billed as part of encounter (if similar to cognitive service) or to Part B carrier or using parent hospital provider number if hospital based (if similar to diagnostic test), flu and pneumococcal vaccine & administration paid as part of cost report and not submitted on bill

RHC Medicare Reimbursement

Clinic specific rate capped at \$76.84 in 2009 for freestanding clinics and hospital-based to hospitals of 50 beds or more; clinics based to hospitals less than 50 beds get the clinic's own cost per visit rate without the cap

FQHC Medicare Covered Services

Same as RHC

Individual MNT covered as a stand-alone encounter

Non-FQHC Services: Same as non-RHC

Same as RHC

Same as RHC

Same as RHC for Medicare statutory preventive/screening services except FQHCs are also required to provide additional preventive services as part of the HRSA grant fulfillment and these are included in the encounter rate

FQHC Medicare Reimbursement

Clinic specific rate capped at \$119.29 (urban clinics) and \$102.58 (rural clinics) for 2009;

RHC Medicare Cost Report

Freestanding clinics submit CMS -222 and hospital-based use M Worksheets in hospital cost report

Medicare RHC Patient Cost Sharing

RHC collects annual Medicare Part B deductible (\$135 for 2009), and coinsurance of 20% of billed charges

RHC Medicare Application Process

RHC files 855A enrollment application to FI/MAC, and contacts State Survey Agency for any additional state and local compliance; if funding permits, when FI/MAC approves the enrollment application, the State Survey Agency conducts an unannounced onsite inspection to determine compliance and Regional Office sends tie-in notice to FI/MAC (usually TrailBlazer unless hospital-based to another FI/MAC jurisdiction)

RHC Medicaid

Every State Medicaid program is different and should be contacted for information regarding covered RHC and non-RHC services, enrollment procedures, billing and reimbursement.

FQHC Medicare Cost Report

Clinics submit CMS-222 each year. Very few hospital-based FQHCs due to governance requirements

Medicare FQHC Patient Cost Sharing

FQHC does not collect annual Medicare Part B deductible on FQHC services but does collect applicable deductible on non-FQHC services; FQHCs are required to offer a sliding fee scale for collecting coinsurance of 20% of billed charges

FQHC Medicare Application Process

FQHC files 855A enrollment application to FI/MAC including attestation form; when FI/MAC approves application, package sent to CMS Regional Office. RO reviews HRSA notice of grant award, signs attestation and issues tie-in notice to FI/MAC (TrailBlazer for Texas). No onsite inspection is required.

Most FQHCs apply to the Health Resources Services Administration for a Community Health Center Grant award and then apply to Medicare to become a Federally Qualified Health Center when they are awarded a grant. Sometimes the clinics meet the grant requirements but grant money is no longer available. These clinics can apply to be “look alike” FQHCs and they meet the same requirements and are paid by Medicare the same as grant funded FQHCs. The Dallas Regional Office can be contacted for more information about the “look alike” process.

FQHC Medicaid

Same as RHC

RESOURCES

“Comparison of the Rural Health Clinic and Federally Qualified Health Center Programs – Revised June 2006” published by HRSA and available on the www.raconline.org website under either RHCs or FQHCs

www.cms.hhs.gov website:

CMS Internet Only Manuals: 100-02 Ch. 13 Rural Health Clinic and Federally Qualified Health Center Services - coverage
100-04 Ch. 9 Rural Health Clinic and Federally Qualified Health Center Services - claims
100-07 Ch. 2 & RHC Appendix – certification
100-08 Ch. 10 Enrollment

From the CMS Home Page, open Medicare, scroll to “Browse by Provider Type”, open Federally Qualified Health Centers Center and Rural Health Clinics Center for additional information