METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES FOR OTHER TYPES OF CARE

Payment for Rural Health Clinic Services and Other Ambulatory Services furnished by Rural Health Clinics

~~Effective January 1, 2001 payments to Rural Health Clinics (RHCs) for Medicaid covered services during RHC fiscal year 2001 will be paid on a per visit basis. The methodology described below is in accordance with the provisions of the Benefits Improvement and Protection Act (BIPA) of 2000.~~

~~A per visit rate for each facility will be determined based on 100 percent of the average facility's reasonable costs for providing all Medicaid covered services (including other ambulatory services) during RHC fiscal year 1999 and RHC fiscal year 2000. RHC fiscal year means cost reports ending in 1999 and 2000. The averaging methodology is as follows: total costs for 1999 and 2000 will be added together and divided by the number of visits.~~

~~The per visit rate will be adjusted to account for any increase or decrease in the scope of services furnished during RHC fiscal year 2001. This adjustment will be calculated based on a review of available financial or statistical information, including data submitted on cost reports and special surveys to calculate any base rate adjustment. Each facility will be responsible for supplying the needed documentation to the OHCA~~

~~Beginning with RHC fiscal year 2002 and each RHC fiscal year thereafter, each facility's per visit rate will be inflated by the percentage increase in the Medicare Economic Index (MEI) for primary care services. Each facility's per visit rate will also be adjusted to account for any increase or decrease in the scope of services using the methodology described in paragraph 3 above.~~

~~Rural Health Clinics that enroll in Medicaid after RHC fiscal year 2000 will have their initial per visit rate established either by reference to payments to other Rural Health Clinics in the same or adjacent areas, or in the absence of such other clinics, through cost reporting methods. After the initial year, the per visit rate shall be established using the facility's reasonable costs inflated by the increase in the MEI.~~

~~Supplemental payments will be made to Rural Health Clinics that subcontract directly or indirectly with managed care entities. Payments will represent the difference paid by the entities and the payment to which the Rural Health Clinics would be entitled under a prospective pay per visit rate. Payments will be made quarterly.~~

Hospital-based rural health clinic services are paid at the provider's encounter rate established by Medicare that is in effect for the date of service. When a hospital-based rural health clinic receives their periodic rate notification from CMS for a full cost reporting year, the provider must forward a copy of that notice to the state agency. In the event the provider does not submit the rate notification from CMS, the lesser of the statewide average or the current rate will be used. There is no retroactive cost settlement. The effective date of this change is July 1, 2019.

Independent rural health clinics are paid at the rural health clinic payment limit established by CMS that is in effect for the date of service. If the rural health clinic rate exceeds the CMS rate, the rate will be frozen until the CMS rate exceeds the current rate. There is no retroactive cost settlement. The effective date of this change is July 1, 2019.