



News Flash – The revised Rural Health Bookmark (April 2009), which provides information about educational resources that are available to the rural health community, is available in downloadable and print formats. The Rural Health Fact Sheet Series (Summer 2009), which provides information about rural facility types and coverage and payment policies, is available in CD-Rom format. To access the downloadable version of the Rural Health Bookmark, visit <http://www.cms.hhs.gov/MLNProducts/downloads/Ruralbookmark.pdf> and to place your order for the print version of the Rural Health Bookmark or the Rural Health Fact Sheet Series CD-Rom, visit <http://www.cms.hhs.gov/MLNGenInfo/>, scroll down to “Related Links Inside CMS” and select “MLN Product Ordering Page.”

MLN Matters® Number: MM6605 **Revised**

Related Change Request (CR) #: 6605

Related CR Release Date: November 6, 2009

Effective Date: January 1, 2010

Related CR Transmittal #: R1845CP

Implementation Date: January 4, 2010

Announcement of Medicare Rural Health Clinics (RHCs) and Federally Qualified Health Centers (FQHCs) Payment Rate Increases

Note: MLN Matters® article MM6605 was revised to add a reference to MM7038, which is available at <http://www.cms.gov/MLN MattersArticles/downloads/MM7038.pdf>, to alert FQHCs to the information that FQHCs are required to submit, beginning January 1, 2011, in order for CMS to develop and implement a Prospective Payment System for Medicare FQHCs.

Provider Types Affected

This article is for RHCs and FQHCs submitting claims to Medicare contractors (Fiscal Intermediaries (FIs) and/or Part A/B Medicare Administrative Contractors (A/B MACs)) for services provided to Medicare beneficiaries.

Provider Action Needed

This article is based on Change Request (CR) 6605 which provides instructions for the calendar year (CY) 2010 Payment Rate Increases for Rural Health Clinics (RHC) and Federally Qualified Health Centers (FQHC) services. Be sure to inform billing staff of these changes.

Disclaimer

This article was prepared as a service to the public and is not intended to grant rights or impose obligations. This article may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. It is not intended to take the place of either the written law or regulations. We encourage readers to review the specific statutes, regulations and other interpretive materials for a full and accurate statement of their contents.

Background

In accordance with the Social Security Act (Section 1833(f)); (see http://www.ssa.gov/OP_Home/ssact/title18/1833.htm on the Internet) the Centers for Medicare & Medicaid Services (CMS) is increasing the calendar year (CY) payment rates for Rural Health Clinics (RHCs) and Federally Qualified Health Centers (FQHCs) effective for services on or after January 1, 2010, through December 31, 2010 (i.e., CY 2010), as follows:

- The RHC upper payment limit per visit is increased from \$76.84 to \$77.76 effective January 1, 2010, through December 31, 2010 (i.e., CY 2010). The 2010 rate reflects a 1.2 percent increase over the 2009 payment limit in accordance with the rate of increase in the Medicare Economic Index (MEI) as authorized by the Social Security Act (Section 1833(f)).
- The FQHC **upper payment limit per visit for urban FQHCs** is increased from \$119.29 to \$125.72 effective January 1, 2010, through December 31, 2010 (i.e., CY 2010), and **the maximum Medicare payment limit per visit for rural FQHCs** is increased from \$102.58 to \$108.81 effective January 1, 2010, through December 31, 2010 (i.e. CY 2010). The 2010 FQHC rates reflect a 1.2 percent increase over the 2009 rates, in accordance with the rate of increase in the MEI, plus an additional \$5.00 increase mandated by Section 151 of the Medicare Improvements for Patients and Providers Act of 2008.

To avoid any unnecessary administrative burden, Medicare contractors will **not** retroactively adjust individual RHC/FQHC bills paid at previous upper payment limits. However, they retain the discretion to make adjustments to the interim payment rate or a lump sum adjustment to total payments already made to take into account any excess or deficiency in payments to date.

Additional Information

The official instruction, CR 6605, issued to your FI and A/B MAC regarding this change may be viewed at <http://www.cms.hhs.gov/Transmittals/downloads/R1845CP.pdf> on the CMS website.

If you have any questions, please contact your FI or A/B MAC at their toll-free number, which may be found at <http://www.cms.hhs.gov/MLNProducts/downloads/CallCenterTollNumDirectory.zip> on the CMS website.

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