MLN Matters®
Information for Medicare Fee-for-Service Health Care Professionals

News Flash – A revised Medicare Learning Network® publication titled "Rural Health Clinic" (September 2010), which provides information about Rural Health Clinic (RHC) services, Medicare certification as a RHC, RHC visits, RHC payments, cost reports, and annual reconciliation, is now available in print format. To place your order, visit http://www.cms.gov/MLNGenInfo, scroll down to "Related Links Inside CMS" and select "MLN Product Ordering Page".

MLN Matters® Number: MM7101 Revised

Related Change Request (CR) #: 7101

Related CR Release Date: December 21, 2010

Effective Date: January 1, 2011

Related CR Transmittal #: R2123CP

Implementation Date: January 3, 2011

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

Note: This article was revised on December 22, 2010, to reflect a revision to CR 7101 that was made on December 21, 2010. The CR was revised to reflect the correct 2011 RHC and FQHC payment rates. This article was amended accordingly. Also, the transmittal number and the Web address for accessing CR 7101 were revised in this article.

Provider Types Affected

This article is for physicians, providers, and suppliers submitting claims to Medicare contractors (Fiscal Intermediaries (FIs), and/or A/B Medicare Administrative Contractors (A/B MACs)) for RHC and FQHC services provided to Medicare beneficiaries.

What You Need to Know

This article is based on Change Request (CR) 7101 which provides instructions for the calendar year (CY) 2011 Payment Rate Increases for Rural Health Clinic (RHC) and Federally Qualified Health Center (FQHC) services.

Background

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.

In accordance with the Social Security Act (Section 1833(f) at 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 3, 2011, through December 31, 2011 (i.e., CY 2011) as follows:

- The Rural Health Clinic (RHC) upper payment limit per visit is increased from $77.76 to $78.07 effective January 3, 2011, through December 31, 2011 (i.e., CY 2011). The 2011 rate reflects a 0.4 percent increase over the 2010 payment limit in accordance with the rate of increase in the Medicare Economic Index (MEI).
- The Federally Qualified Health Center (FQHC) upper payment limit per visit for urban FQHCs is increased from $125.72 to $126.22 effective January 3, 2011, through December 31, 2011 (i.e., CY 2011); and the maximum Medicare payment limit per visit for rural FQHCs is increased from $108.81 to $109.24 effective January 3, 2011, through December 31, 2011. The 2011 FQHC rates reflect a 0.4 percent increase over the 2010 rates in accordance with the rate of increase in the MEI.

Medicare contractors will not retroactively adjust individual RHC/FQHC bills paid at previous upper payment limits. However, they have 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 7101, issued to your FI or MAC regarding this change may be viewed at http://www.cms.gov/Transmittals/downloads/R2123CP.pdf on the CMS website. If you have any questions, please contact your FI or MAC at their toll-free number, which may be found at http://www.cms.gov/MLNProducts/downloads/CallCenterTollNumDirectory.zip on the CMS website.

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