



Related MLN Matters Article #: MM5896

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

Key Words

MM5896, CR5896, R1426CP, RHC, FQHC, Payment, Rate

Provider Types Affected

Providers and suppliers submitting claims to Medicare Fiscal Intermediaries (FIs), and/or Part A/B Medicare Administrative Contractors (A/B MACs) for services provided to Medicare beneficiaries

Key Points

- The effective date of the instruction is January 1, 2008.
- The implementation date is February 12, 2008.
- 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 RHCs and FQHCs effective for services on or after January 1, 2008, through December 31, 2008 (i.e., CY 2008), as follows:
 - The RHCs upper payment limit per visit is increased from \$74.29 to \$75.63.
 - The 2008 rate reflects a 1.8 percent increase over the 2007 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 FQHCs upper payment limit per visit for urban FQHCs is increased from \$115.33 to \$117.41. The maximum Medicare payment limit per visit for rural FQHCs is increased from \$99.17 to \$100.96.
 - The 2008 FQHC rates reflect a 1.8 percent increase over the 2007 rates, in accordance with the rate of increase in the MEI.

- To avoid any unnecessary administrative burden, Medicare contractors will **not** retroactively adjust individual RHC/FQHC bills paid at previous upper payment limits. Medicare contractors will adjust such claims that providers bring to their attention.
- Also, 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.

Important Links

The related MLN Matters article can be found at

<http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM5896.pdf> on the CMS website.

The official instruction (CR5896) issued regarding this change may be found at

<http://www.cms.hhs.gov/Transmittals/downloads/R1426CP.pdf> on the CMS website.

If providers have any questions, they may contact their Medicare 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.