



Announcement of Medicare Rural Health Clinics (RHCs) and Federally Qualified Health Centers (FQHCs) Payment Rate Increases – JA6605

Note: JA6605 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.

Related CR Release Date: November 6, 2009 **Revised**

Date Job Aid Revised: December 22, 2010

Effective Date: January 1, 2010

Implementation Date: January 4, 2010

Key Words MM6605, CR6605, R1845CP, Rural, Clinics, RHC, FQHC, Payment

Contractors Affected

- Fiscal Intermediaries (FIs)
- Part A/B Medicare Administrative Contractors (A/B MACs)

Provider Types Affected The provider types affected are RHCs and FQHCs submitting claims to Medicare FIs and/or A/B MACs for services provided to Medicare beneficiaries.



Change Request (CR) 6605 provides instructions for the calendar year (CY) 2010 payment rate increases for RHCs and FQHCs services.

RHCs

Provider Needs to Know...

- The **RHC upper payment limit** per visit is increased from \$76.84 to \$77.76 effective January 1, 2010, through December 31, 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)).
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FQHCs

- 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. 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.
- 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.

Background

In accordance with the Social Security Act (Section 1833(f), http://www.ssa.gov/OP_Home/ssact/title18/1833.htm), the Centers for Medicare & Medicaid Services (CMS) is increasing the CY payment rates for RHCs and FQHCs effective for services on or after January 1, 2010, through December 31, 2010.

Operational
Impact

- 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.

Reference
Materials

The related MLN Matters® article can be found at <http://www.cms.gov/MLNMattersArticles/downloads/MM6605.pdf> on the CMS website.

The official instruction (CR6605) issued regarding this change may be found at <http://www.cms.gov/Transmittals/downloads/R1845CP.pdf> on the CMS website.
