



**Center for Clinical Standards and Quality/Survey & Certification Group**

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**Ref: S&C: 15-09-RHC**

**DATE:** November 14, 2014

**TO:** State Survey Agency Directors

**FROM:** Director  
Survey and Certification Group

**SUBJECT:** Rural Health Clinic (RHC) Location Determination Guidance Updated

**Memorandum Summary**

***RHC Eligibility Determinations:***

- The Centers for Medicare & Medicaid Services (CMS) Regional Office (RO) Survey and Certification staff are responsible for making RHC applicant eligibility determinations related to the RHC rural location and shortage area criteria. Although State Survey Agencies (SAs) make preliminary assessments of eligibility when planning their survey schedule, the authority to make a determination may not be delegated to the SA or other non-CMS entities. The SA must not communicate a finding on the eligibility of the applicant's location to the applicant. In making a determination, ROs rely upon publicly available information from the U.S. Census Bureau and the U.S. Department of Health and Human Services Health Resources and Services Administration (HRSA).
  - S&C-13-30, issued May 10, 2013, provided instructions to guide ROs on using the U.S. Census Bureau's *American Fact Finder* with respect to rural location. This memo provides instructions on using HRSA's Data Warehouse with respect to shortage areas, including when it is necessary to contact HRSA for additional information. Although the instructions are meant primarily for ROs making RHC location determinations, they may be of interest to others as well.
- ROs must not provide any advance determinations on location eligibility, whether labeled preliminary or not, to any initial applicant seeking to enroll in Medicare as an RHC or to any existing RHC considering relocating.
  - A determination whether an initial applicant meets the rural and shortage area eligibility criteria may not be made by the RO before it receives a recommendation for enrollment approval by the Medicare Administrative Contractor (MAC), based on the MAC's review of the applicant's completed Form CMS-855A. The clinic must already be open and operating before the RO may make a determination.
- Existing RHCs that relocate must submit a CMS-855A updating their location information to the appropriate MAC within 90 days after the relocation occurs. The RHC must also submit a Form CMS-29 reflecting its new location to the SA at the same time, and the SA then forwards it to the RO. After receiving notice of the relocation the RO will determine whether the RHC continues to meet the location requirements at the new location and will take action to terminate the RHC's Medicare agreement if it does not. In addition, the RO has the discretion to require an on-site survey to confirm compliance with the other RHC Conditions for Certification at the new location.

## **Responsibility for RHC Location Determinations**

Section 1861(aa)(2) of the Social Security Act (the “Act”) requires a RHC, among other things, to be located in an area that is not an urbanized area, as defined by the U.S. Census Bureau, and which is a shortage area, as determined by HRSA.

The CMS RO Survey and Certification staff are responsible for making RHC eligibility determinations related to the RHC rural and shortage area location criteria. The SA reviews the Form CMS-29, *Verification of Clinic Data – Rural Health Clinic Program*, submitted by the applicant to make a preliminary assessment of whether the location is eligible, prior to conducting a survey. Likewise SA’s conduct a preliminary assessment of the information contained on the Form CMS-29 prior to forwarding a certification packet to the RO when the RHC applicant is seeking to participate via deemed status accreditation. However, although SAs make preliminary assessments of eligibility when planning their on-site survey schedules (or compiling the certification packet) of the applicant clinic, the authority to make a Medicare certification determination may not be delegated to the SA or other non-CMS entities. *Under no circumstance is the SA to issue to the applicant any written finding that the applicant’s location is or is not eligible for RHC status, regardless of whether the finding is labelled provisional, or preliminary, etc.* Further, the fact that the SA, or an accrediting organization (AO) with a CMS-approved Medicare RHC accreditation program, conducts a survey of the RHC applicant does not constitute a determination by CMS that the applicant’s location satisfies the Federal regulatory criteria. Only CMS has the authority to make a determination about whether all Federal requirements for Medicare certification have been met, including satisfying the RHC location criteria.

If the SA’s preliminary review of the Form CMS-29 suggests that the applicant’s location does not satisfy the RHC eligibility requirements, the SA must notify the RO of this, forwarding to the RO the Form CMS-29. The RO will independently assess the location requirements and if it concurs with the SA, the RO will issue a denial of certification to the applicant based on its determination regarding the applicant’s location.

## **No Advance Determinations by CMS**

The CMS also does not provide advance/preliminary determinations on whether a location meets the RHC location requirements. For an applicant seeking initial certification as an RHC, a determination is made only after the MAC has reviewed its application to enroll in the Medicare program, which is the Form CMS 855A, and has recommended approval of the application to the RO. After receiving that recommendation, the RO reviews the information forwarded by the SA, including the information submitted by the applicant clinic on the Form CMS 29, along with all other certification materials, such as the SA’s or AO’s survey report, and makes the determination on whether all Federal requirements have been met.

The ROs rely upon the Census Bureau’s American FactFinder tool, <http://factfinder2.census.gov/faces/nav/jsf/pages/index.xhtml> when making rural area determinations and HRSA information, primarily through HRSA’s Data Warehouse, <http://www.hrsa.gov/shortage/find.html> when making shortage area determinations.

Entities contemplating developing a health care facility and seeking to enroll it in Medicare as a RHC are free to use the Census Bureau's *American Factfinder* and HRSA's Data Warehouse on their own to assist with their planning, but CMS will not make a determination until it processes an actual application for initial RHC enrollment and certification in the Medicare program.

### **Relocating an Existing RHC**

An existing Medicare certified RHC that has relocated must submit a CMS-855A updating the location information to the appropriate MAC within 90 days after it relocates. (See section 15.10.1 of the Medicare Program Integrity Manual, CMS Pub. 100-08). CMS also does not provide advance determinations on the location eligibility of a potential relocation site. Rural and shortage area location determinations are only made after the relocation has occurred and the CMS-855A has been submitted to the appropriate MAC. The RHC must also submit to the SA a Form CMS-29 reflecting its new location at the same time that it submits the CMS-855A update to the MAC. The SA forwards the Form CMS-29 to the RO, which reviews it to determine whether the RHC at the new location continues to meet the location requirements. If it does not, the RO will issue a termination notice to the RHC. If the new location does continue to meet the RHC requirements, the RO does not need to take any further action, beyond documenting its determination in the RHC's certification file. However, based on the information on the Form CMS-29, the RO also has the discretion to require an on-site survey of the RHC at the new location.

If the RHC is only changing suites within the same building, CMS would not consider this a relocation requiring a determination whether the RHC continues to meet the location requirements. However, the RHC must still report the change of information to the MAC using the CMS-855A.

### **Determining if RHC Location Requirements are Met**

In order to meet the RHC location requirements, a clinic must satisfy each of two criteria requiring them to be located in an area that:

1. Is not urbanized; and
2. Is a shortage area, i.e., an area which has been designated by HRSA, within the previous 4-year period, as one of the following:
  - Geographic Primary Care Health Professional Shortage Area (HPSA);
  - Population-group Primary Care HPSA;
  - Medically Underserved Area (MUA); or
  - Governor-designated shortage area certified by HRSA.

#### ***Non-urbanized***

See S&C 13-30, issued May 10, 2013, for instructions on using *American Factfinder* to establish if a location is urbanized or not.

If an applicant does not meet the non-urbanized criterion, the RO must deny the application for RHC certification and must notify the MAC accordingly.

### *Shortage Area*

Attached to this memorandum are instructions on using HRSA's Data Warehouse to determine whether a RHC applicant's **address** falls within a shortage area. As the first step the RO should determine whether the address is located in a Primary Care HPSA. However, please note that the RO must contact HRSA directly for additional information when the Data Warehouse either:

- No results generated when searching based on the applicant's address. Although it is possible to search the Data Warehouse for HPSAs and MUAs by State and County, this will not produce a definitive result that can be used for a RHC eligibility determination. This is because it is not readily apparent whether the facility's **address** falls within a listed MUA, or within a listed HPSA, which may be based on geographic area, population group, or even specific health care facilities. The RO cannot make a definitive determination without HRSA assistance.
  - **Note:** If the Data Warehouse indicates that the address in which the applicant is located has no listed HPSAs or MUAs, the RO must still contact HRSA, but in this instance the RO would ask whether the applicant is located in a Governor-designated shortage area – (see below).
- Results indicate an address does **not** fall into any of the following: a Geographic HPSA, **or** a Population group HPSA **or** a MUA shortage area. In this case, it is still possible that the address has been certified as a Governor-designated shortage area. The Data Warehouse does not include certified Governor-designated shortage areas at this time, so HRSA must be contacted directly to obtain this information.

To contact HRSA: send an e-mail to [SDB@hrsa.gov](mailto:SDB@hrsa.gov) or call 1-888-275-4772. Press option 1, then option 2.

#### ***1. Shortage Area - HPSAs***

For HPSAs, the Data Warehouse provides the date an area was originally designated and, when applicable, the date the designation was last updated. The RO must use the most recent designation date shown in making its determination. The RO must count back four calendar years from the date of the MAC's recommendation letter to the RO and determine whether the most recent designation date indicated in the Data Warehouse falls within this timeframe. The calculation is based on the calendar year only, so, for example, an application for which the RO received the MAC's recommendation dated October 10, 2014, would meet the HPSA standard if the designation date or last designation update occurred any time during or after calendar year 2010. The Data Warehouse may also indicate that the designation has been proposed for withdrawal; the RO must disregard this, since it refers to a proposed action only.

If the RO determines the applicant is in fact located in a HPSA which has been designated or updated within the previous four years, the applicant has met the shortage area requirement. There is no need for the RO to examine any of the other shortage criteria.

However, if the applicant is not located in a HPSA designated or updated within the previous four years, the RO must then determine if its location satisfies one of the other shortage area criteria.

## ***2. Shortage Area – MUAs***

When searching by address, the HRSA Data Warehouse at this time makes no distinction between a MUA and a Medically Underserved Population (MUP). However, the RHC criteria are not satisfied by location in a MUP. Therefore, if the Data Warehouse indicates the location is in a MUA/MUP, the RO must contact HRSA to determine whether the location is a MUA.

HRSA will be able to advise whether an applicant is located in a MUA versus a MUP and when the MUA designation was made, but it will not be able to address the issue of whether an MUA designation that was made or last updated more than four years ago is still valid. If a location has been designated as an MUA, the RO must count back four calendar years from the date of the MAC's recommendation letter to the RO and determine whether the MUA designation date is within the previous four-year timeframe.

If the RO determines the applicant is located in a MUA which has been designated within the previous four years, the applicant has met the shortage area requirement. There is no need for the RO to examine any of the other shortage area criteria.

If applicant is not located in a MUA, or is located in a MUA but the MUA designation date is more than four years old, the applicant has **not** met the shortage area requirement. In this case, the RO must determine whether the applicant is located in a Governor-designated shortage area.

## ***3. Shortage Area – Governor Designated***

Governor-designated shortage areas are designated by HRSA in response to a request from a State Governor based on documented unusual local conditions and barriers to accessing personal health services. The Governor of a State may submit a request to the HRSA Office of Shortage Designation for designation of a particular area(s) as a shortage area(s). HRSA reviews the Governor's designation request and, when appropriate, certifies the designation. The RO must contact HRSA directly to ascertain whether or not an applicant is located in a certified Governor-designated shortage area and the date of HRSA's designation. If the applicant is located within a Governor-designated shortage area designated by HRSA within the previous four years, the applicant has met the shortage area requirement.

## ***4. No Shortage Area Applies***

If an applicant does not meet the shortage area criterion under any of the above categories, the RO must deny the application for RHC certification and must notify the MAC accordingly.

If the applicant is located in a MUA, but the HRSA designation date was more than four years old, the RO may also inform the applicant that it has the option to contact the responsible State office to request an update to establish whether or not its location still qualifies as an MUA.

Upon request from the State, HRSA will review the location and provide an update to the MUA status. If HRSA updates its MUA designation and the updated area includes the applicant's address, the applicant may reapply for RHC enrollment and certification.

Questions about this memorandum should be addressed to [RHC-FQHC SCG@cms.hhs.gov](mailto:RHC-FQHC SCG@cms.hhs.gov).

**Effective Date:** Immediately. This policy should be communicated with all survey and certification staff, their managers and the State/Regional Office training coordinators within 30 days of this memorandum.

/s/

Thomas E. Hamilton

Attachments – (2)

Advance Copy SOM Chapter 2 Revisions - Rural Health Clinic Certification  
Instructions for Using HRSA's Data Warehouse

cc: Survey and Certification Regional Office Management

Attachment 1

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# CMS Manual System

Department of Health &  
Human Services (DHHS)

## Pub. 100-07 State Operations

Centers for Medicare &  
Medicaid Services (CMS)

### Provider Certification

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Transmittal

(Advance Copy)

Date:

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**SUBJECT: Rural Health Clinic Certification**

**I. SUMMARY OF CHANGES:** Provisions in Chapter 2 of the State Operations Manual concerning certification of a rural health clinic are being clarified, and an associated Exhibit is being revised accordingly.

**NEW/REVISED MATERIAL - EFFECTIVE DATE\*: Upon Issuance**  
**IMPLEMENTATION DATE: Upon Issuance**

*The revision date and transmittal number apply to the red italicized material only. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.*

**II. CHANGES IN MANUAL INSTRUCTIONS: (N/A if manual not updated.)**

**(R = REVISED, N = NEW, D = DELETED) – (Only One Per Row.)**

<b>R/N/D</b>	<b>CHAPTER/SECTION/SUBSECTION/TITLE</b>
<b>R</b>	<b>Chapter 2, Section 2242A - General</b>
<b>R</b>	<b>Chapter 2, Section 2242A1 - Location of Clinic</b>
<b>R</b>	<b>Chapter 2, Section 2242A3 - Physician Assistant, Nurse Practitioner, and/or Certified Nurse Midwife Staff</b>
<b>R</b>	<b>Chapter 2, Section 2242B – Clinic is Determined Ineligible</b>
<b>D</b>	<b>Chapter 2, Section 2242C – Basic Requirements are Met</b>
<b>R</b>	<b>Chapter 2, Section 2242D - Identifying Clinic as Provider-Based</b>

<b>R</b>	<b>Chapter 2, Section 2249 - RO Notification of RHC Initial Certification Approval</b>
<b>R</b>	<b>Exhibit 26: Model Letter to Rural Health Clinic Ineligible to Participate</b>

**III. FUNDING:** No additional funding will be provided by CMS; contractor activities are to be carried out within their FY 2014 operating budgets.

**IV. ATTACHMENTS:**

	<b>Business Requirements</b>
<b>X</b>	<b>Manual Instruction</b>
	<b>Confidential Requirements</b>
	<b>One-Time Notification</b>
	<b>Recurring Update Notification</b>

## **2242A - General**

**(Rev.)**

*Applicants seeking initial certification as an RHC must, among other requirements, satisfy certain location and staffing requirements in order to participate in Medicare. In order to facilitate an efficient survey and certification process for applicants, State Survey Agencies and CMS, CMS requires an RHC applicant to complete and submit Form CMS-29, Verification of Clinic Data – Rural Health Clinic Program, as part of its application for certification. To make efficient use of survey resources, State Survey Agencies (SAs) make a preliminary assessment of the information contained on the Form CMS-29 prior to conducting a survey, to avoid conducting a survey of an ineligible location. Likewise SAs conduct a preliminary assessment of the information contained on the Form CMS-29 prior to forwarding a certification packet to the RO when the RHC applicant is seeking to participate via deemed status accreditation. However, since only the CMS RO may make a determination whether the RHC applicant has satisfied all Federal requirements, including the location and staffing requirements, the SA must not notify the applicant of the results of the SA’s preliminary assessment of the Form CMS-29.*

*The SA or an accrediting organization (AO) may not conduct a survey before receiving a positive recommendation from the Medicare Administrative Contractor (MAC), issued after the MAC has completed its review of the RHC applicant’s Form CMS-855A application to enroll in Medicare. An AO must receive a copy of the MAC’s notice to the applicant that it has concluded its review before conducting an accreditation survey.*

*CMS makes RHC location determinations only after an RHC applicant has submitted an application to enroll in Medicare and is open and operating at the site identified in the application. CMS does not provide advance or preliminary determinations about whether a location satisfies the RHC criteria, even if interested parties request one. SAs also may not issue any preliminary or final assessments about a location’s potential eligibility for RHC status.*

## **2242A1 - Location of Clinic**

**(Rev.)**

Subpart A of 42 CFR Part 491 sets forth the conditions that RHCs must meet in order to qualify for certification under Medicare. *Question 1 on Form CMS-29 identifies the location of the clinic and defines location as “the location at which health services are furnished.”*

*In accordance with 42 CFR 491.5, the clinic must be located in a rural area that is designated as a shortage area.*

- *A rural area is defined in 42 CFR 491.2 as an area that is not delineated as an “urbanized area” by the US Census Bureau. An “urban cluster” is not considered an urbanized area. CMS relies upon the information in the US Census Bureau’s American FactFinder tool, <http://factfinder2.census.gov/faces/nav/jsf/pages/index.xhtml>, when determining whether a location falls within a rural area. Note that once a RHC is certified for Medicare participation, it may continue to participate as an RHC even if the*

*US Census Bureau subsequently changes the classification of its location to an urbanized area.*

- *A shortage area is a defined geographic area designated by the Health Resources and Services Administration (HRSA) on behalf of the Secretary as having either a shortage of personal health services or an area or population group with a shortage of primary medical care manpower. HRSA may also designate at the request of a State governor specified areas of a State as having a shortage of personal health services. CMS uses data from HRSA's Data Warehouse, <http://www.hrsa.gov/shortage/find.html>, supplemented as needed by information obtained via telephone or e-mail from HRSA, when determining whether a location falls within a shortage area.*

*SAs may use these same on-line tools when conducting their preliminary assessments of an RHC applicant's location prior to conducting a survey, but the results of their assessments are not considered determinations by CMS. AOs may also use these tools when deciding whether to accept an application for RHC accreditation and conduct an accreditation survey. However, SAs and AOs are not authorized to provide notice to the RHC applicant of the results of their assessments. Further, the fact that the SA, or an AO with a CMS-approved Medicare RHC accreditation program, conducts a survey of the RHC applicant does not constitute a determination by CMS that the applicant's location satisfies the regulatory criteria. Only the CMS RO may make such a determination and notify the applicant whether or not it has been determined to meet participation requirements.*

### ***Relocating an Existing RHC***

*An existing Medicare-certified RHC that has relocated must submit a CMS-855A updating the location information to the appropriate MAC within 90 days after it relocates. (See section 15.10.1 of the Medicare Program Integrity Manual, CMS Pub. 100-08). CMS also does not provide advance determinations on the location eligibility of a potential relocation site. Rural and shortage area location determinations are only made after the relocation has occurred and the CMS-855A has been submitted to the appropriate MAC. The RHC must also submit to the SA a Form CMS-29 reflecting its new location at the same time that it submits the CMS-855A update to the MAC. The SA forwards this information to the RO, which reviews it to determine whether the RHC at the new location continues to meet the location requirements. If it does not, the RO will issue a termination notice to the RHC. If the new location does continue to meet the RHC requirements, the RO does not need to take any further action, beyond documenting its determination in the RHC's certification file. However, based on the information on the Form CMS-29, the RO also has the discretion to require an on-site survey of the RHC at the new location.*

*If the RHC is only changing suites within the same building, CMS would not consider this a relocation. However, the RHC must still report the change of information to the MAC using the CMS-855A.*

## 2242A3 - Physician Assistant, Nurse Practitioner, and/or Certified Nurse Midwife Staff

*(Rev.)*

Question III.B. and/or III.C. on Form CMS-29 *indicates* whether the clinic's staff includes a physician assistant, nurse practitioner, and/or certified nurse-midwife. A nurse practitioner, a physician assistant, or certified nurse-midwife must be available to furnish patient care services at least 50 percent of the time the clinic operates. (See Appendix G.) The SA contacts the clinic for clarification if the combined full-time equivalent entries in question III.B. and C. (and/or D., if D. is used to indicate a nurse-midwife) do not equal 50 percent of the clinic's scheduled hours of operation. In computing the full-time equivalents, *the SA uses* only the time personnel are present in the clinic or are providing RHC services away from the clinic site. *The results of the SA's preliminary assessment of the staffing information on the Form CMS- 29 do not constitute a determination by CMS, and the SA may not provide notice to the applicant of the results of its assessment. Likewise, any information or advice provided by an AO to the applicant about meeting the basic staffing eligibility requirements does not constitute a determination by CMS.*

*The SA (or AO) may proceed to conduct a survey of the RHC applicant based on the results of its preliminary assessment of the applicant's staffing information, but the fact that the SA or AO conducted a survey does not constitute a determination by CMS that the RHC applicant meets the basic staffing requirements.*

*An RHC which is already certified and participating in Medicare may request a temporary waiver of these staffing requirements for a one-year period, if it demonstrates that it has been unable to hire a physician assistant, nurse-practitioner, or a certified nurse-midwife in the previous 90-day period. However, staffing waivers are not available to RHC applicants seeking initial enrollment in the Medicare program.*

A subsequent request for a waiver cannot be made less than 6 months after the expiration date of any previous waiver of staffing requirements for the facility.

## **2242B – Clinic is Determined Ineligible**

**(Rev.)**

*If the SA’s preliminary assessment of the Form CMS-29 suggests that the RHC applicant’s location does not satisfy the RHC eligibility requirements, the SA must notify the RO of this, forwarding the Form CMS-29. The RO will independently assess the location requirements, and if it concurs with the SA, the RO will issue a denial of initial certification to the applicant based on its determination regarding the applicant’s location.*

*Likewise, if the SA’s preliminary assessment of the Form CMS-29 suggests that the applicant does not have the minimum required physician assistant, nurse practitioner and/or certified nurse/midwife staff, the SA must notify the RO of this, forwarding the Form CMS-29. The RO will independently assess the staffing information contained on the Form CMS- 29, and if it concurs with the SA, the RO will issue a denial of initial certification to the applicant based on its determination regarding the applicant’s self-reported staffing information.*

## **2242D - Identifying Clinic as Provider-Based**

**(Rev.)**

*If the RHC applicant submits a Form CMS-29 indicating that it is a provider-based entity of a critical access hospital (CAH) or eligible hospital, the SA confirms the accuracy of the CAH’s or hospital’s CMS Certification Number (CCN) entered on the form. After conducting a survey and/or receiving notice of an AO’s recommendation of RHC deemed status for the applicant, the SA forwards the Form CMS-29 and other certification documentation to the RO for review and a certification determination. If the RHC meets all Federal requirements for certification, and has indicated on its Form CMS-29 that it is provider-based to a hospital or CAH, the RO will issue a Medicare RHC agreement with a provider-based RHC CCN.*

***Issuance of a Medicare provider agreement with a provider-based CCN to a RHC does not constitute a CMS provider-based determination as provided for in §413.65(b).** Seeking such a provider-based determination is voluntary, and neither the SA nor the RO may require RHC applicants and their affiliated hospitals/CAHs to seek such a determination as a condition to being issued a provider-based RHC CCN.*

*However, when CMS issues a provider-based RHC CCN, the letter approving the RHC’s provider agreement and issuing the CCN must contain the following disclaimer language: “Issuance of a provider-based RHC CCN does **not** constitute a CMS provider-based determination.”*

## 2249 - RO Notification of RHC Approval

*(Rev.)*

The SA *forwards to the RO its survey report or the AO's notice of accreditation and recommendation of deemed status, along with any other supporting documents required in the RHC certification packet. The RO reviews all documentation to determine whether the applicant is or is not in compliance with all RHC requirements. The RO notifies an applicant of its approval or denial of certification in writing. If the applicant is approved, the RO countersigns, dates and issues the Form 1561A, Health Insurance Benefits Agreement, Rural Health Clinic, along with a cover letter indicating the RHC's CCN and the effective date of the Agreement. See §2784 which governs how the RO determines the effective date of participation.*

- The RO sends a copy of Form CMS-2007 to the Medicare *Administrative Contractor (MAC)* and another to the *State Medicaid Agency (SMA)* that has billing jurisdiction for RHCs.
- The RO sends a copy of the letter *issuing* the clinic's agreement to the Regional Health Administrator, HRSA, so that appropriate notification may be given to components of the PHS engaged in program support for rural health service activity.

The RO adds the following paragraph to the letter accepting the RHC's agreement:

Your participation as an RHC under the Medicare program will also be accepted as certification as an RHC under the Medicaid program. If you need information about payment for RHC services under the State plan for medical assistance, contact (name, address, and telephone number of appropriate SMA).

*If a provider-based CCN is being issued, the approval letter must contain the following explicit language: "Issuance of a provider-based RHC CCN does **not** constitute a CMS provider-based determination."*

EXHIBIT 26

MODEL LETTER TO RURAL HEALTH CLINIC INELIGIBLE TO PARTICIPATE  
(Rev.)

(Date)

*Administrator*

*Applicant* Clinic Name

Address

City, State, ZIP Code

Dear \_\_\_\_\_:

This is to inform you that, on the basis of information submitted *by your clinic* to *the Centers for Medicare & Medicaid Services (CMS)*, the (**name of health clinic**) located at (*clinic's address*) has been identified as not meeting eligibility requirements *to participate in the Medicare program as a rural health clinic. As a result, your request for certification as a rural health clinic is denied.*

*This determination is* based on the following:

- A.  The clinic is not located in an area that is designated as a non-urbanized area.
- B.  The clinic is not located in an area designated either as a primary medical shortage area or an area with a shortage of personal health services.
- C.  The clinic does not employ either a nurse practitioner or a physician assistant.
- D.  The clinic does not have a physician providing medical direction.

If you *believe this initial determination is not correct, you may request that it be reconsidered. The request must be submitted in writing within sixty days of the date you receive this notice, in accordance with 42 CFR 498.22, to:*

***(ARA name, title and address)***

*The date of receipt of this letter will be presumed to be five (5) days after the date of the notice unless there is a showing that it was, in fact, received earlier or later. The request should state the legal and factual reasons why you consider the decision to be incorrect and should include any documentation supporting these legal and factual conclusions.*

Sincerely,

*Regional Office DSC*

*cc: (State Agency)*  
*(if applicable, Accrediting Organization)*

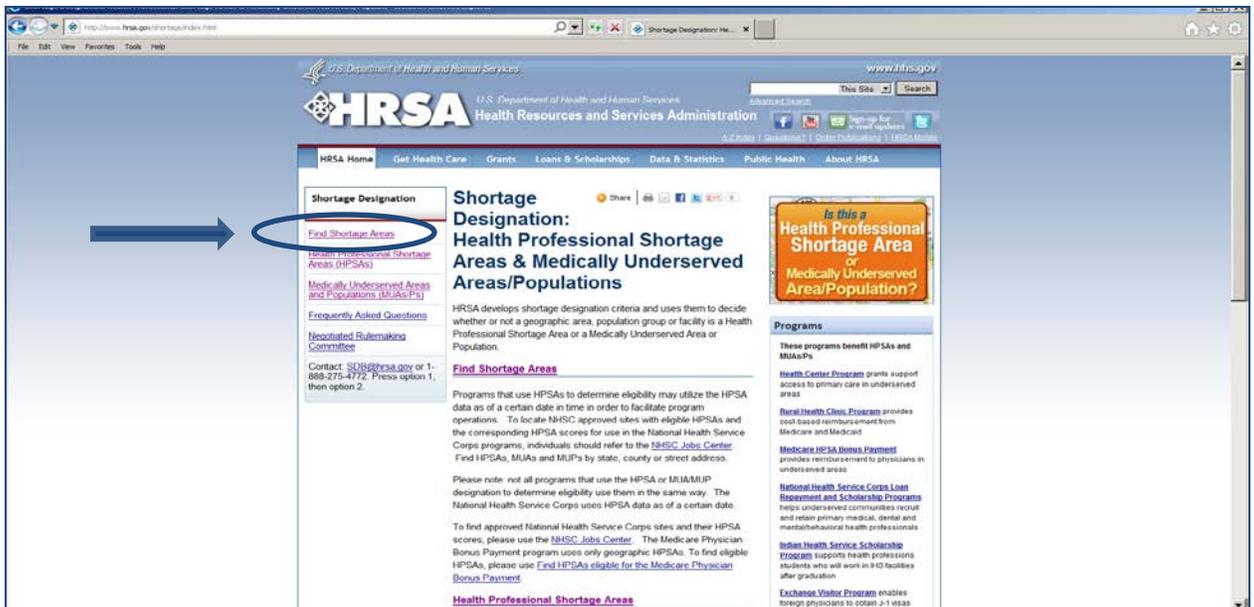
Attachment 2

Instructions for Using HRSA’s Data Warehouse to Identify whether an RHC Applicant is Located in a “Shortage” Area

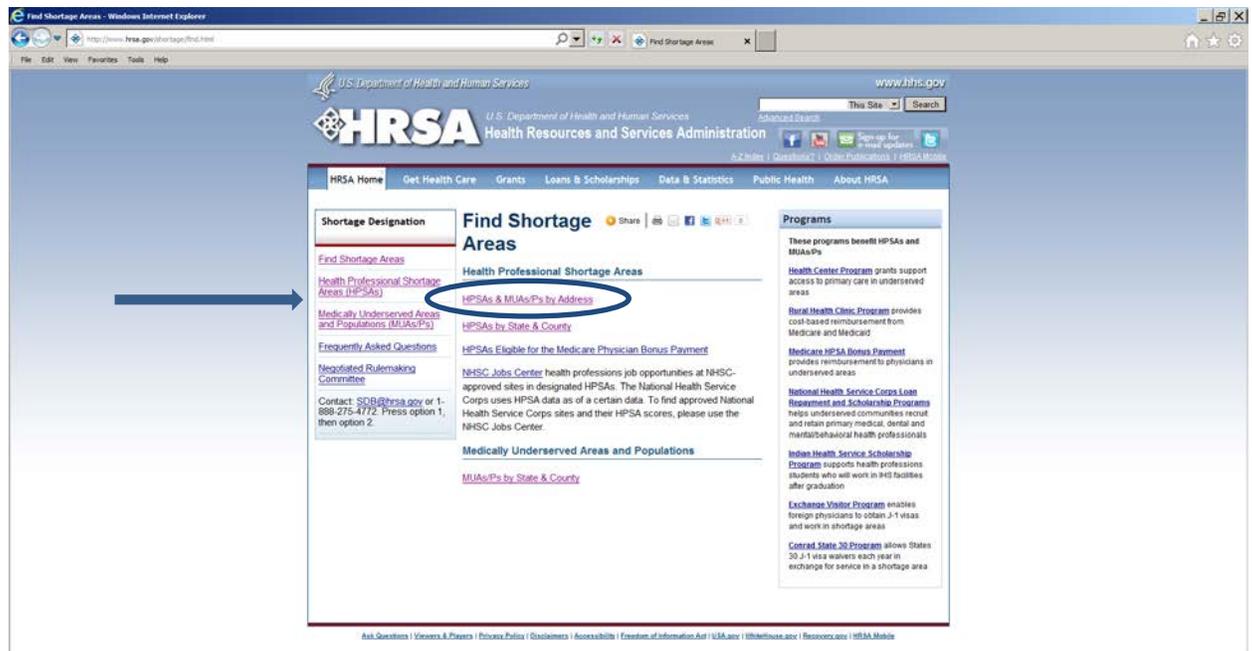
1. Go to <http://www.hrsa.gov> and select the “Health Professional Shortage Areas” option. This link is circled in the center of the screen shot shown below:



2. Select “Find Shortage Areas” from the list, as shown below:

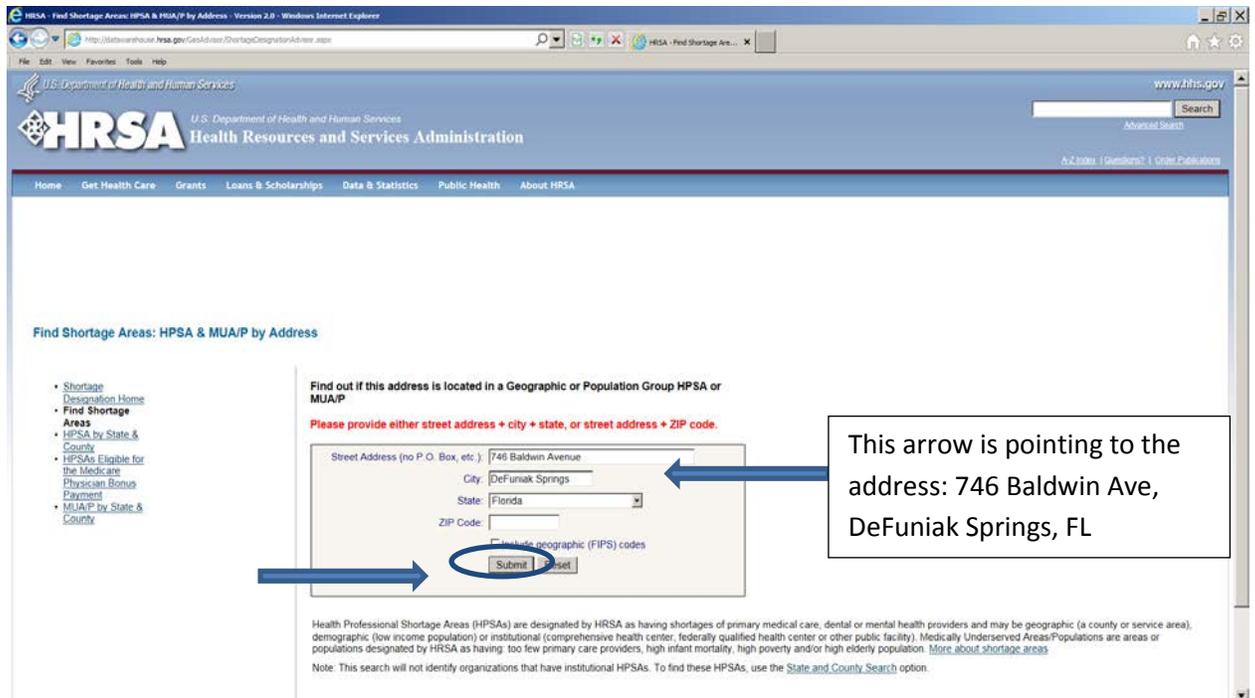


- The next screen provides the option of searching HPSAs & MUAs/Ps by Address, HPSAs by State & County or MUAs/Ps by State & County. Search by Address, as shown below:

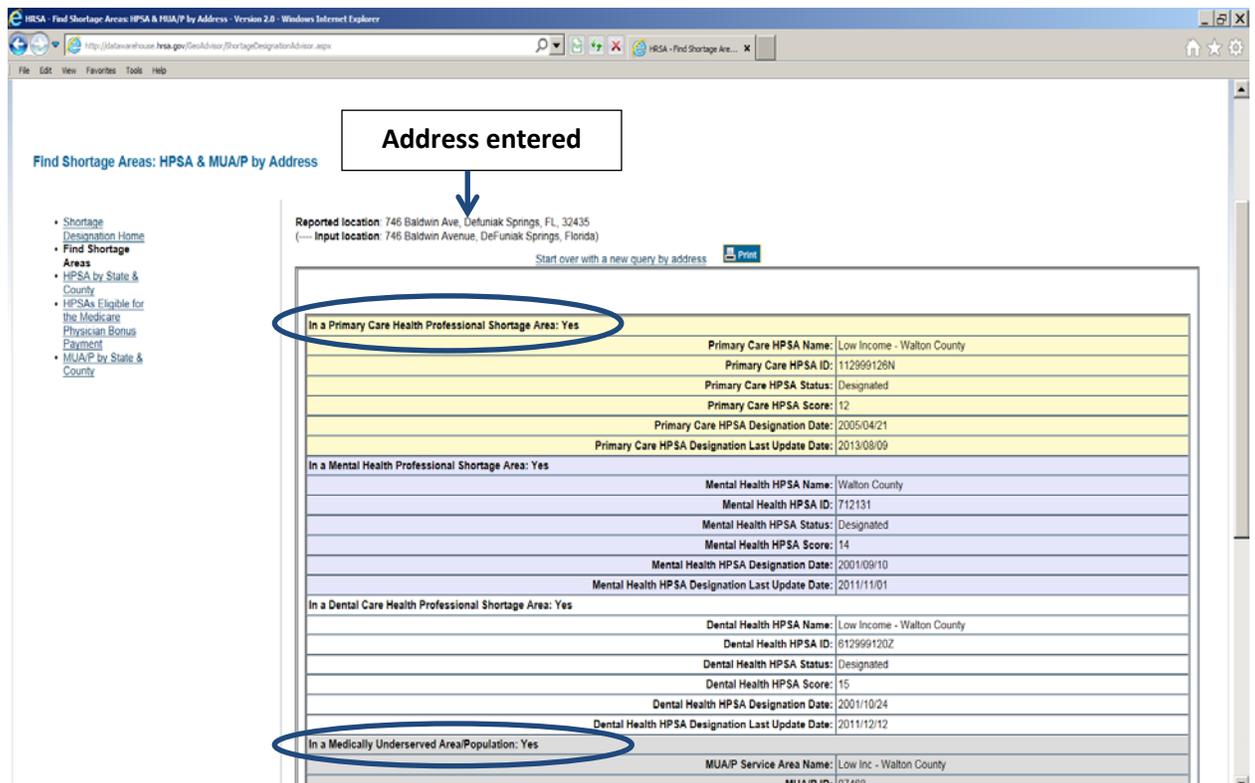


- Select the “HPSA & MUAs/Ps by Address” tab, enter the address of the applicant. It is preferable to include the zip code, but the system can search based on street address, town and State. It is not necessary to check the box labeled “Include geographic (FIPS) codes.” Click “Submit.”

*If the Data Warehouse cannot find the address, contact HRSA. Although it is possible to search the Data Warehouse for HPSAs and MUA/Ps by State and County, this will not produce a definitive result that can be used for an RHC eligibility determination. This is because it is not readily apparent whether the applicant’s location falls within a listed MUA/P, or within a listed HPSA, which may be based on geographic area, population group, or even specific health care facilities. To contact HRSA: send an e-mail to [SDB@hrsa.gov](mailto:SDB@hrsa.gov) or call 1-888-275-4772. Press option 1, then option 2.*



- Once the Data Warehouse processes the address, an information box is generated indicating the results. The results are provided for four shortage area types; Primary Care HPSA, Mental HPSA, Dental Care HPSA and Medically Underserved Area/Population. For RHC shortage determinations, **only the Primary Care HPSA and the MUAs/Ps results are reviewed**, as shown below:



In order to meet the HPSA shortage area location requirement, a RHC applicant must be located at an address which shows a “yes” for “**In a Primary Care Health Professional Shortage Area**” **and** the latest update for the designation must have occurred within the previous four years. Note that the date of the latest designation is reported on the Data Warehouse results for HPSAs. When determining whether the designation was updated in the previous four years, the RO compares the calendar year of the Medicare Administrative Contractor recommendation letter with the year shown in the field for the last update date.

**If the applicant is located in a HPSA updated in the previous four years, it meets the shortage area requirement. The RO stops its review at this point.**

If the applicant is not located in a HPSA, or the HPSA where it is located was last updated more than four years ago, then the RO must determine whether another shortage criterion can be met. The RO starts by reviewing whether the results for the applicant’s address show a “Yes” for “In a Medically Underserved Area/Population.”

- If the answer is “Yes,” this is not a definitive result since the Data Warehouse does not currently distinguish between MUAs and MUPs, but only location in a MUA qualifies an applicant to be a RHC. The RO must contact HRSA to ask whether the applicant is located in a MUA, and if so, what the MUA’s most recent designation date is. If HRSA confirms the applicant is located in an area designated as a MUA, the RO must count back four calendar years from the date of the MAC’s recommendation letter to the RO to the date of HRSA’s most recent designation and determine whether the most recent MUA designation date is within the previous four year timeframe. If the RO determines that the applicant is located in a MUA which has been designated within the previous four year period, the applicant meets the shortage area requirement. **The RO stops its review at this point.**
- If the answer is “No” the RO must also contact HRSA to determine whether the applicant’s location is in a Governor-designated shortage area and whether the HRSA designation of the Governor-designated shortage area was made in the previous four years.

6. Examples of potential results are displayed below. (NOTE: These examples were chosen strictly for educational purposes. When checking multiple addresses, it is not necessary to return to the home page. Instead, click on the [“Start over with a new query by address”](#) link to begin a new search.

A. Primary Care HPSA designation.

In this example, the address entered, **746 Baldwin Ave., Defuniak Springs, Florida**, is located in a designated Primary Care HPSA. The designation first occurred on 4/21/2005

and was last updated on 8/9/2013. To determine if the “within the previous four year period” requirement is met, review the date on which the application and recommendation letter was received by the RO; count back four calendar years. Assume an RO received from the MAC an applicant’s Form CMS-855A and recommendation letter dated October 10, 2014. If the last update occurred during or after 2010, the location would meet the RHC requirement.

(Note: It is recommended the RO print a screen shot of its findings to maintain with the applicant’s application package.)

Find Shortage Areas: HPSA & MUA/P by Address

Reported location: 746 Baldwin Ave, Defuniak Springs, FL 32435  
 (---input location: 746 Baldwin Avenue, DeFuniak Springs, Florida)

Primary Care HPSA: "Yes"

Last updated: 8/9/2013

Designated: 4/21/2005

In a Primary Care Health Professional Shortage Area: Yes	
Primary Care HPSA Name:	Low Income - Walton County
Primary Care HPSA ID:	112969126N
Primary Care HPSA Status:	Designated
Primary Care HPSA Score:	12
Primary Care HPSA Designation Date:	2005/04/21
Primary Care HPSA Designation Last Update Date:	2013/08/09
In a Mental Health Professional Shortage Area: Yes	
Mental Health HPSA Name:	Walton County
Mental Health HPSA ID:	712131
Mental Health HPSA Status:	Designated
Mental Health HPSA Score:	14
Mental Health HPSA Designation Date:	2001/09/10
Mental Health HPSA Designation Last Update Date:	2011/11/01
In a Dental Care Health Professional Shortage Area: Yes	
Dental Health HPSA Name:	Low Income - Walton County
Dental Health HPSA ID:	612999120Z
Dental Health HPSA Status:	Designated
Dental Health HPSA Score:	15
Dental Health HPSA Designation Date:	2001/10/24
Dental Health HPSA Designation Last Update Date:	2011/12/12
In a Medically Underserved Area/Population: Yes	
MUA/P Service Area Name:	Low Inc - Walton County
MUA/P ID:	07468

## B. Medically Underserved Area

In this example, the address entered, **304 E. San Patricio Ave., Mathis, Texas** is NOT located in a Primary Care HPSA but is located in an MUA.

HRSA’s Data Warehouse makes no distinction between MUAs and MUPs. Therefore, when the result of your search shows a “Yes,” you must contact HRSA to clarify whether the applicant is located in a MUA. If HRSA confirms the applicant is located in a MUA and provides the most recent designation date, the RO determines whether or not the applicant’s MUA has been designated within the previous four-year timeframe.

(Note: It is recommended the RO maintain with the applicant’s application package: a screen shot of its findings; and an email from HRSA stating whether or not the address is

located in a Governor designated shortage area or a MUA and the date of the most recent MUA designation.)

The screenshot shows the HRSA website interface. At the top, there is a navigation bar with the HRSA logo and the text "U.S. Department of Health and Human Services Health Resources and Services Administration". Below this is a search bar with the text "Find Shortage Areas: HPSA & MUA/P by Address".

A box labeled "Addressed entered" has a blue arrow pointing to the input field in the search bar. The search results show a "Reported location" of "304 E San Patricio Ave, Mathis, TX, 78368" and an "Input location" of "304 E. San Patricio avue, Mathis, Texas".

Below the search results, there is a table with the following data:

In a Primary Care Health Professional Shortage Area:	No
In a Mental Health Professional Shortage Area:	Yes
Mental Health HPSA Name:	San Patricio County
Mental Health HPSA ID:	748409
Mental Health HPSA Status:	Designated
Mental Health HPSA Score:	4
Mental Health HPSA Designation Date:	2010/09/14
Mental Health HPSA Designation Last Update Date:	---
In a Dental Care Health Professional Shortage Area:	No
In a Medically Underserved Area/Population:	Yes
MUA/P Service Area Name:	San Patricio Service Area
MUA/P ID:	03515

A box labeled "MUA/P, 'Yes'" has a blue arrow pointing to the "In a Medically Underserved Area/Population: Yes" field in the table.