

MLN Matters Number: MM3487

Related Change Request (CR) #: 3487

Related CR Release Date: November 19, 2004

Effective Date: April 1, 2005

Related CR Transmittal #: 371

Implementation Date: April 4, 2005

Updated Billing Instructions for Rural Health Clinics and Federally Qualified Health Centers

Note: This article was updated on April 6, 2013, to reflect current Web addresses. All other information remains unchanged.

Provider Types Affected

Rural Health Clinics (RHCs) and Federally Qualified Health Centers (FQHCs)

Provider Action Needed



STOP – Impact to You

CR 3487 states that, effective April 1, 2005, you will no longer have to report additional line items when RHCs/FQHCs bill Medicare for preventive and screening services on Types of Bills (TOBs) 71x and 73x. Also, the Centers for Medicare & Medicaid Services (CMS) is eliminating the special HCPCS coding for independent and hospital-based FQHCs billed on TOB 73x. Finally, except for telehealth originating site facility fees reported using revenue code 0780, all charges for RHC/FQHC services must be reported on the revenue code line for the encounter, 052x, or 0900/0910.



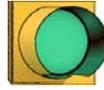
CAUTION – What You Need to Know

This article relates to CR 3487, which updates Medicare Claims Processing Manual (100-04), Chapter 9 (Rural Health Clinics/Federally Qualified Health Centers), Chapter 18 (Preventive and Screening Services), and Chapter 32 (Billing Requirements for Special Services). These updates provide more detailed

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instructions and eliminate the additional line-item reporting for preventive and screening services for RHCs and FQHCs, and the special HCPCS coding for independent and hospital-based FQHCs and require all charges be reported on the encounter line when billed on TOBs 71x and 73x with the exception of the telehealth originating site facility fees.



GO – What You Need to Do

Make sure that your billing staffs are aware of these billing policy changes.

Background

The RHC/FQHC benefit provides professional medical services to Medicare beneficiaries in underserved or specially designated areas according to the following policy:

- All services in the benefit are reimbursed by the Medicare Part B trust fund through a single, all-inclusive rate that is paid for each patient encounter or visit. That rate includes covered professional services provided by an RHC/FQHC physician, physician assistant, nurse practitioner, clinical nurse midwife, clinical psychologist, clinical social worker or visiting nurse (in very limited cases), and related services and supplies. The rate does **not** include services not defined as RHC/FQHC services.
- In accordance with general Medicare institutional claims processing requirements, RHCs and FQHCs must bill institutional claims (either claims on UB-92/CMS Form 1450, or 837 institutional claims) to their fiscal intermediaries (FIs), using TOB 71x, and TOB 73x, respectively.

This is the focus of CR 3487. It addresses changes in RHC/FQHC institutional claims using TOBs 71x and 73x **only**, not any other provider or claim types.

Changes in RHC/FQHC Institutional Claims

According to CR 3487, you will no longer have to report additional line items when billing for preventive and screening services on TOBs 71x and 73x. In addition, if you are an independent or hospital-based FQHC, you will no longer be required to report designated HCPCS for each line item on the bill. Finally, except for telehealth originating site facility fees reported using revenue code 0780, all charges for RHC/FQHC services must be reported on the revenue code line for the encounter, 052x, or 0900/0910.

Remember that only three types of services are billed on TOBs 71x and 73x:

- Professional or primary services, not subject to the psychiatric limit, bundled into one line per encounter under revenue code 052x;

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- Services subject to the psychiatric limit, bundled into one line per encounter under revenue code 0900 (except revenue code 0910 is used for dates of service before October 16, 2003 and for claims received by Medicare before October 1, 2004); and
- Telehealth originating site facility fees under revenue code 0780.

Additional Information

You can find more information about billing instructions for rural health clinics (RHCs) and federally qualified health centers (FQHCs) by going to <http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/downloads/R371CP.pdf> on the CMS website.

You might also want to look at the revised manual material in the *Medicare Claims Processing Manual* (100-04 - Medicare Claims Processing), Chapter 9 (Rural Health Clinics/Federally Qualified Health Centers), Chapter 18 (Preventive and Screening Services), and Chapter 32 (Billing Requirements for Special Services). You can find the revised portions of the manual attached to CR3487.

Finally, if you have any questions, please contact your intermediary at their toll-free number, which may be found at <http://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/provider-compliance-interactive-map/index.html> on the CMS website.

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