



Rural Health Clinic & Intensive Outpatient Program Payment Rates: CY 2026 Update

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Implementation Date: January 5, 2026	Related CR Transmittal Number: R13505CP
Related CR Title: Calendar Year (CY) 2026 Update to Rural Health Clinic (RHC) All Inclusive Rate (AIR) Payment Limit for CY 2026 and Payment Rates for Intensive Outpatient Program (IOP) Services for RHCs	

Affected Providers

- Rural health clinics (RHCs)
- Physicians

Action Needed

Make sure your billing staff knows about these payment rates for CY 2026:

- All-inclusive rate (AIR) payment limit
- Specified provider-based payment limit
- Intensive outpatient program (IOP) services rates

Background

Per section 1833(f) of the [Social Security Act](#), Medicare Part B pays RHCs 80% of the AIR for qualified, preventive face-to-face services an RHC practitioner provides. We subject the AIR to a payment limit per visit.

Starting April 1, 2021, we increase RHC's payment limit per visit over an 8-year period with a prescribed amount for each year from 2021–2028. After 2028, we'll update the limit by the percentage increase in the Medicare Economic Index (MEI).

Provider-based RHCs that meet the qualifications in section 1833(f)(3)(B) of the Social Security Act get special payment rules that establish a payment limit based on the specified provider-based RHC's per-visit payment amount (or AIR) instead of the national statutory limit. A specified provider-based RHC is an RHC that, as of December 31, 2020, is in a hospital with less than 50 beds and is enrolled in Medicare or submitted an application for Medicare enrollment before December 31, 2020.

We implemented the increase in the RHC statutory payment limit per visit and the specified provider-based RHC payment limits per visit in [CR 12185](#).

Section 4124 of the [Consolidated Appropriations Act, 2023](#) established coverage and payment for the IOP benefit under Medicare. We pay RHCs for IOP services at the same payment rate as hospitals. We don't use the costs associated with providing IOP services at an RHC to determine payment amounts under the RHC AIR methodology. We base the IOP payment rates on the amount of IOP services you provide per day.

Key Updates

For CY 2026:

- The payment limit per visit for independent and provider-based RHC's in hospitals with 50 or more beds is \$165
- The specified provider-based RHC payment limit is the greater of:
 - The CY 2025 payment limit per visit increased by an MEI of 2.7%
 - The RHC payment limit per visit of \$165
- The IOP payment rate for 3 or fewer services per day is \$319.38
- The IOP payment rate for 4 or more services per day is \$418.45

More Information

We issued CR 14303 to your MAC as the official instruction for this change. For more information, find your [MAC's website](#).

Document History

Date of Change	Description
December 8, 2025	Initial article released.

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