CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-04 Medicare Claims Processing	Centers for Medicare & Medicaid Services (CMS)
Transmittal 11994	Date: May 9, 2023
	Change Request 13174

Transmittal 11942 issued April 05, 2023, is being rescinded and replaced by Transmittal 11994, dated, May 9, 2023, to remove the Part A MAC responsibility from BR 13174.1 and assign responsibility to the API FQHC Pricer team. All other information remains the same.

SUBJECT: Update to the Payment for Grandfathered Tribal Federally Qualified Health Centers (FQHCs) for Calendar Year (CY) 2023

I. SUMMARY OF CHANGES: The purpose of this Change Request (CR) is to update the grandfathered Tribal FQHC PPS rate.

EFFECTIVE DATE: January 1, 2023

*Unless otherwise specified, the effective date is the date of service.

IMPLEMENTATION DATE: July 3, 2023

Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. 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 is not updated) R=REVISED, N=NEW, D=DELETED-*Only One Per Row*.

R/N/D	CHAPTER / SECTION / SUBSECTION / TITLE	
N/A	N/A	

III. FUNDING:

For Medicare Administrative Contractors (MACs):

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

IV. ATTACHMENTS:

Recurring Update Notification

Attachment - Recurring Update Notification

Transmittal 11942 issued April 05, 2023, is being rescinded and replaced by Transmittal 11994, dated, May 9, 2023, to remove the Part A MAC responsibility from BR 13174.1 and assign responsibility to the API FOHC Pricer team. All other information remains the same.

SUBJECT: Update to the Payment for Grandfathered Tribal Federally Qualified Health Centers (FQHCs) for Calendar Year (CY) 2023

EFFECTIVE DATE: January 1, 2023

*Unless otherwise specified, the effective date is the date of service.

IMPLEMENTATION DATE: July 3, 2023

I. GENERAL INFORMATION

- **A. Background:** The purpose of this Change Request (CR) is to establish payment for FQHCs under the Prospective Payment System (PPS). Section 10501(i)(3)(A) of the Affordable Care Act (Pub. L. 111–148 and Pub. L. 111–152) added section 1834(o) of the Act to establish a payment system for the costs of FQHC services under Medicare Part B based on prospectively set rates. In the PPS for FQHC Final Rule published in the May 2, 2014 Federal Register (79 FR 25436), CMS implemented a methodology and payment rates for FQHCs under the PPS beginning on October 1, 2014.
- **B.** Policy: Grandfathered tribal FQHCs are paid the lesser of their charges or a grandfathered tribal FQHC PPS rate for all FQHC services furnished to a beneficiary during a medically-necessary, face-to-face FQHC visit. From January 1, 2023 through December 31, 2023, the grandfathered tribal FQHC PPS rate is \$620.00. FQHC claims (TOB 77X) for grandfathered tribal FQHCs submitted with dates of service on or after January 1, 2023 through June 30, 2023 paid at the CY 2022 rate of \$541.00 must be adjusted and paid at the CY 2023 rate of \$620.00. Grandfathered tribal FQHC claims with dates of service on or after January 1, 2024 through December 31, 2024, should be paid at the CY 2023 rate of \$620.00 until CMS provides an updated payment rate for CY 2024. The grandfathered tribal FQHC PPS rate will not be adjusted by the FQHC GAFs or be eligible for the special payment adjustments under the FQHC PPS for new patients, patients receiving an IPPE or an AWV. The rate is also ineligible for exceptions to the single per diem payment that is available to FQHCs paid under the FQHC PPS. In addition, the FQHC market basket adjustment that is applied annually to the FQHC PPS base rate will not apply to the grandfathered tribal FQHC PPS rate.

II. BUSINESS REQUIREMENTS TABLE

"Shall" denotes a mandatory requirement, and "should" denotes an optional requirement.

Number	Requirement	Responsibility										
			A/B		D	Shared-				Other		
		N	MAC		MAC I			M System				
					Е	Maintainers						
		A	В	Н		F	M	V	C			
				Н	M	I	C	M	W			
				Н	A	S	S	S	F			
					C	S						
13174.1	Contractors shall install the FQHC PPS Pricer which									FQHC Pricer		
	reflects CY 2023 rate change for Tribal FQHCs.											

Number	Requirement	Responsibility								
			A/B		D	Shared-				Other
		MAC			M E	System Maintainers				
		A	В	H H H	M A	F I S	M C S	V M S	_	
				П	C	S	3	3	Г	
13174.2	Contractors shall adjust all FQHC claims (TOB 77X) for grandfathered tribal FQHCs submitted with dates of service on or after January 1, 2023 through June 30, 2023 that were paid at the previous rate. These adjustments shall be completed 90 days after the implementation of this CR.	X								

III. PROVIDER EDUCATION TABLE

Number	Requirement		Responsibi				
		A/B MAC			D M E	C E D	
		A	В	H H H	M A C	I	
13174.3	Medicare Learning Network® (MLN): CMS will market provider education content through the MLN Connects® newsletter shortly after CMS releases the CR. MACs shall follow IOM Pub. No. 100-09 Chapter 6, Section 50.2.4.1 instructions for distributing the MLN Connects newsletter information to providers and link to relevant information on your website. You may supplement MLN content with your local information after we release the MLN Connects newsletter. Subscribe to the "MLN Connects" listserv to get MLN content notifications. You don't need to separately track and report MLN content releases when you distribute MLN Connects newsletter content per the manual section referenced above.	X					

IV. SUPPORTING INFORMATION

Section A: Recommendations and supporting information associated with listed requirements: N/A

[&]quot;Should" denotes a recommendation.

X-Ref	Recommendations or other supporting information:
Requirement	
Number	

Section B: All other recommendations and supporting information: N/A

V. CONTACTS

 $\label{eq:contact} \textbf{Pre-Implementation Contact(s):} \ Glenn\ McGuirk, 410-786-5723\ or\ Glenn. McGuirk@cms.hhs.gov\ ,\ Lisa\ Parker,\ 410-786-4949\ or\ Lisa. Parkerl@cms.hhs.gov\ .$

Post-Implementation Contact(s): Contact your Contracting Officer's Representative (COR).

VI. FUNDING

Section A: For Medicare Administrative Contractors (MACs):

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

ATTACHMENTS: 0