



# Rural Health Clinics – 101

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# Overview Of What This Session Will Provide:

- ▶ What is a Rural Health Clinic?
- ▶ Designation Requirements
- ▶ Conditions of Certification
- ▶ Overview of RHC Visits, Billing & Cost Reporting
- ▶ Collaborating with RHCs
- ▶ ORH TA and Services to RHCs



# RHC Services Act of 1977



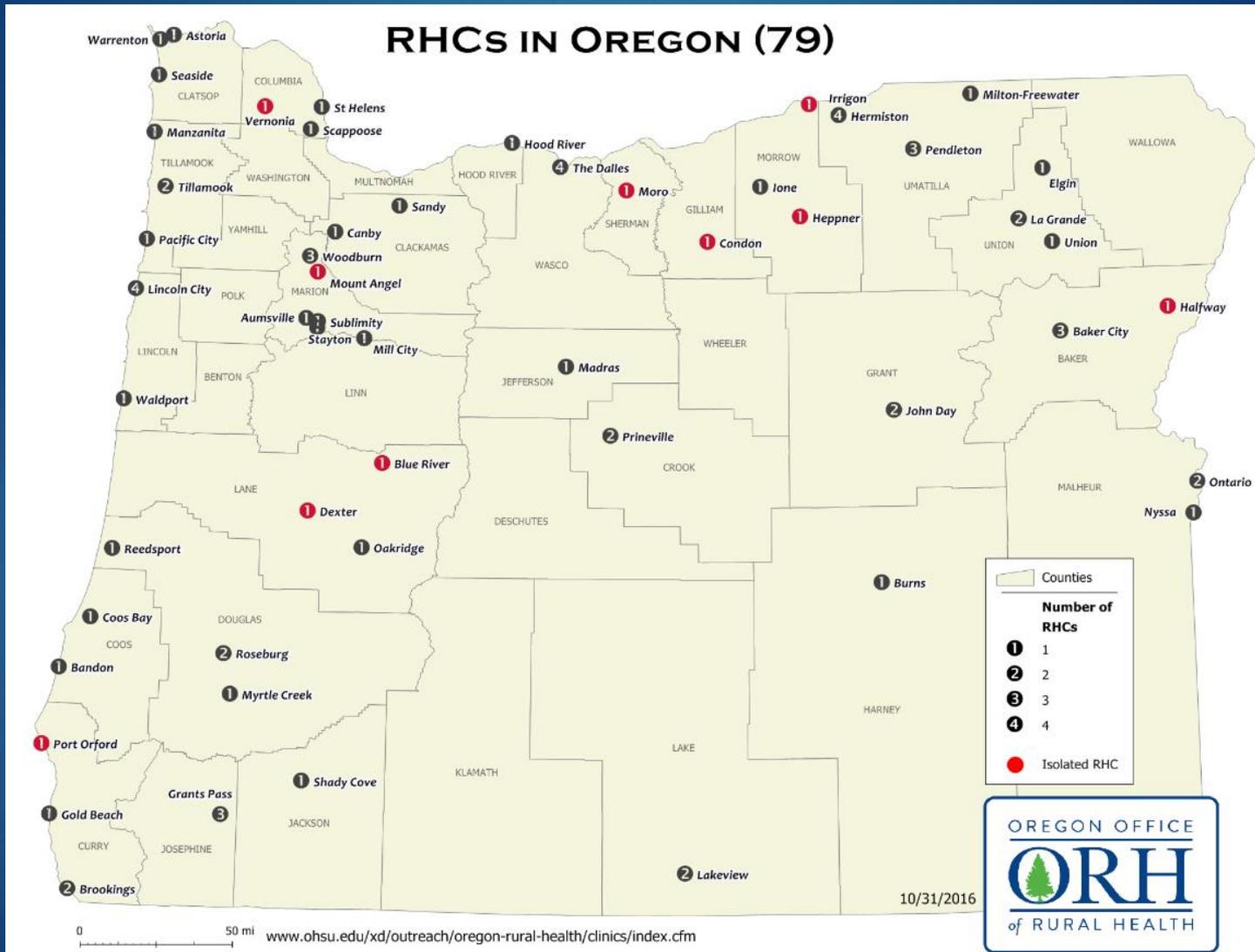
## Enacted to Address:

- ▶ Inadequate supply of physicians services to Medicare patients in rural areas
- ▶ Increase the use of Non-Physician Practitioners (NPP) in rural areas (Nurse Practitioners, Physician Assistants)

Nationwide, there are roughly 4,000 RHC's that furnish primary care and preventative health services in rural and underserved areas



# Oregon Rural Health Clinics





# Why Become a RHC?



- ▶ Enhanced reimbursement for Medicare and Medicaid services:
  - ▶ All inclusive rate for E&M services for Medicare and Medicaid beneficiaries
- ▶ Sustainability of healthcare services in rural communities
  - ▶ Provider recruitment & retention
  - ▶ Added services in your community





# RHC Designation Requirements

- ▶ Must be engaged in providing primary care services 50% or more of the time the clinic operates.
- ▶ Must be designated as Rural as defined by the US Census Bureau.





# RHC Designation Requirements

- ▶ Designated as a federally certified shortage area:
  - Geographic Health Professional Shortage Area
  - Primary Care Population Group Shortage Area
  - Medically Underserved Shortage Area
  - Governor designated and Secretary Certified Shortage Area



# Designation Requirement Resources



## Am I Rural?

[www.ruralhealthinfo.org/am-i-rural](http://www.ruralhealthinfo.org/am-i-rural)



### Am I Rural? – Tool

[Help](#) ?

Enter address

Search

Determine whether your specific location is considered rural based on [various definitions of rural](#), including definitions that are used as eligibility criteria for federal programs.



## Listing of HPSA's available at:

<http://hpsafind.hrsa.gov/>

The screenshot shows the HRSA Data Warehouse website. At the top, it says "U. S. Department of Health & Human Services" and "HRSA Health Resources & Services Administration Data Warehouse". There are navigation tabs for "Topic Areas", "Tools", "Data", "FAQs & Resources", and "About". Below the tabs, there is a breadcrumb trail: "Home > Tools > Analyzers > HPSA Find". The main heading is "HPSA Find". Below this, there is a paragraph explaining that Health Professional Shortage Areas (HPSAs) are designated by HRSA as having shortages of primary care, dental care, or mental health providers and may be geographic (a county or service area), population (e.g., low income or Medicaid eligible) or facilities (e.g., federally qualified health centers, or state or federal prisons). There is a link "More about shortage areas >>". On the right side, it says "Data as of 10/31/2016". Below this is the "HPSA Search" section. It includes a note: "A field with an asterisk (\*) before it is a required field." There are three search options: "Search by HPSA ID:" with a text input field; "Or search by state/county:" with a dropdown menu labeled "Select a State"; and "\* Choose a county or counties:" with a large empty text area.



# RHC Conditions for Certification

- ▶ Compliance with Federal, State and Local Laws (42 CFR 491.4)
- ▶ Location of the clinic (42 CFR 491.5)
- ▶ Physical Plant and environment (42 CFR 491.6)
- ▶ Organizational Structure (42 CFR 491.7)
- ▶ Staffing and Staff Responsibilities (42 CFR 491.8)
- ▶ Provisions of Services (42 CFR 491.9)
- ▶ Patient Health Records (42 CFR 491.10)
- ▶ Program Evaluation (42 CFR 491.11)





# RHC Conditions for Certification

## RHC's Must:

- ▶ Employ at least one NP, PA, CNM, CP or CSW (additional providers can be contracted rather than employed)
- ▶ Have a NP, PA or CNM working at the clinic at least 50% of the time that the RHC operates
- ▶ Have a physician who provides medical direction for healthcare activities, is available for consultation for and the medical supervision of the health care staff
- ▶ Have arrangements with one or more hospitals to furnish medically necessary services that are not available at the RHC
- ▶ Have available drugs and biologicals necessary for the treatment of emergencies





# RHC Conditions for Certification

- ▶ Ability to perform six laboratory tests on site:
  - ▶ Urine (by stick or tablet)
  - ▶ Hemoglobin or hematocrit
  - ▶ Blood sugar
  - ▶ Examination of stool specimens for occult blood
  - ▶ Pregnancy tests
  - ▶ Primary culturing for transmittal to a certified lab
- ▶ Post their days and hours of operation
- ▶ Policies & Procedures in place





# Types of RHC's

## Stand Alone / Independent RHC

- ▶ Privately owned practice
- ▶ Medicare: Paid an all inclusive rate
  - ▶ 2016 Medicare Rate: \$81.32 per encounter
- ▶ Medicaid: State calculates a per visit rate based on the reasonable costs for the RHC.
  - ▶ Ongoing payments to clinic via negotiated contract with CCO or through open card
  - ▶ RHC submits wrap-around reports to reconcile





# Types of RHC's

## Provider Based Rural Health Clinic

- ▶ Hospital owned
- ▶ Paid cost based reimbursement
  - ▶ Rate determined based on initial budget estimates of allowed costs and the number of visits the RHC expects to incur during the reporting period
- ▶ Medicaid: State calculates a per visit rate based on the reasonable costs for the RHC.
  - ▶ Ongoing payments to clinic via negotiated contract with CCO
  - ▶ RHC submits wrap-around reports to reconcile





# RHC Visits

## Must Be:

- ▶ Medically necessary
- ▶ Face-to-face medical, mental health or qualified preventative encounters between the patient and the physician, NP, PA, CNM, CP or CSW

## Take Place:

- ▶ In the RHC
- ▶ At the patients residence (includes assisted living facilities)
- ▶ In a Medicare Part A covered Skilled Nursing Facility
- ▶ At the scene of an accident





# RHC Reimbursement

## What is different about RHC billing & reimbursement?

Rural Health Clinic services are billed and reimbursed by Medicare and Medicaid under an all inclusive payment rate regardless of the type of practitioner (physician, mid-level) or the complexity of the service performed (99212 vs. 99215 vs. surgical procedure)





# RHC Billing

- ▶ 20% Coinsurance of CHARGES (not allowable)
- ▶ Medicare Part B Deductible still applies
- ▶ Influenza and Pneumococcal Vaccines paid separately
- ▶ Medicare services are billed via UB-40 claim format vs. CMS 1500 format





# Cost Reports

Cost reports reconcile payments made by Medicare with the allowable costs for providing services.

- ▶ Reimbursement for Medicare flu & pneumonia injections are made through the cost report.
- ▶ Stand Alone RHC's complete Independent RHC and Freestanding FQHC Cost Report: CMS-222-92
- ▶ Provider Based RHC's complete Hospital and Hospital Healthcare Complex Cost Report: CMS-2552-96



# Can a RHC be a PCPCH?

**YES!** In fact, of the 79 RHC's in Oregon, 64 are PCPCH's

## Standards for Care

- **Accessible:** Care is available when patients need it.
- **Accountable:** Clinics take responsibility for their community and provide quality care.
- **Comprehensive:** Patients get the care, information and services they need to stay healthy.
- **Continuous:** Providers know their patients and work with them to improve their health over time.
- **Coordinated:** Clinics help patients navigate the health care system to get the care they need in a safe and timely way.
- **Patient & Family Centered:** Patients and families are the most important part of health care. Care should draw on a patient's strengths to set goals, and communication should be culturally competent and understandable for all.





# RHC Collaboration

There are many ways to collaborate with RHCs.

Some examples of collaborative efforts:

- ▶ Tobacco Cessation Programs Partnerships
- ▶ Vaccine Clinic Colocation
- ▶ WIC and Family Planning Coordination
- ▶ Babies First / CaCoon
- ▶ Community Health Workers
- ▶ CCO Metric Improvement





# How Can ORH Help?

## Existing RHC's

- ▶ Technical Assistance on various issues, questions, billing, services, annual evaluation process.

## New or Potential RHC's

- ▶ Step-by-step assistance to become a RHC
- ▶ Practice Assessment to allow you to make the decision that's right for your practice
- ▶ Assistance and guidance with policy & procedure manuals
- ▶ Mock site surveys





# Contact Information

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MORE INFORMATION ABOUT ORH, OUR WORK & RESOURCES  
FOR RHCs: [www.ohsu.edu/orh](http://www.ohsu.edu/orh)

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