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# **RHC Billing – Introduction**

## **Session 1**

**Spring, 2018**



# **H B S**

**Healthcare Business Specialists**



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**[Like Healthcare Business Specialists on Facebook  
for more RHC information](#)**



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**[RHC Information Exchange Group on Facebook](#)**

***• "A place to share and find information on RHCs."***



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## **Rural Health Clinic Information Exchange Group on Facebook**

**Join this group to post or ask questions regarding RHCs. Anyone is welcome to post about meetings, seminars, or things of interest to RHCs**

**<https://www.facebook.com/groups/1503414633296362/>**



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## Questions or Comments?

**Raise your hand button and I will call on you to ask your question or comment.**





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## **Disclaimer**

- 1. Information is current as of 2/21/2018.**
- 2. Medicaid is different in each state. We will not be able to answer state specific questions in many states.**
- 3. I am not young enough to know everything, nor am I an expert in all areas of RHCs.**





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## **Appendix G Update -January, 2018**

**[https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/downloads/som107ap\\_g\\_rhc.pdf](https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/downloads/som107ap_g_rhc.pdf)**





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## RHC Billing





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# Reference Materials





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## **Upcoming Webinars**

### **RHC Billing**

Thursday, February 22, 2018

11:00am Pacific, 12:00pm Mountain,  
1:00pm Central, 2:00pm Eastern

### **Webinar**

**Link:** [https://hrsa.connectsolutions.com/rhc\\_ta\\_webinar\\_2\\_22/](https://hrsa.connectsolutions.com/rhc_ta_webinar_2_22/)

**Conference Number:** 888.769.9033

**Participant passcode:** 7898911



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# **HRSA/NARHC Technical Assistance Webinar on June 29, 2017**

## **RHC Common Claim Errors**

June 29, 2017

[Slides](#) (PDF - 808 KB)

[Webinar Recording](#)

[Audio](#) (MP3 - 12.5 MB)

[Transcript](#) (PDF - 280 KB)



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## **HRSA/NARHC Technical Assistance Webinar on December 22, 2016**

<https://www.hrsa.gov/ruralhealth/resources/conferencecall/>

### **RHC HCPCS Reporting**

December 22, 2016

[Slides](#) (PPT - 240KB)

[Webinar Recording](#)

[Audio](#) (MP3 - 15MB)

[Transcript](#) (PDF - 475 KB)



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## **HRSA/NARHC Technical Assistance Webinar on March 29, 2016**

### **Healthcare Common Procedure Coding System (HCPCS) Requirements for RHCs - March 29, 2016**

[Slides - CMS Presentation](#) (PDF - 379 KB)

[Slides - BKD Presentation](#) (PDF - 749 KB)

[Slides - FORHP Overview](#) (PDF - 966 KB)

[Webinar Recording](#)

[Audio](#) (PDF - 19 MB)

[Transcript](#) (PDF - 199 KB)



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## Links to the Transmittals

<u>Description</u>	<u>Links</u>
<p><b>Medlearn Matters Revised Transmittal on HCPCs Billing with <b>changes on February 29, 2016.</b> MM9269.</b></p>	<p><a href="https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/Downloads/MM9269.pdf">https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/Downloads/MM9269.pdf</a></p>
<p><b>MedLearn Matters Revised Transmittal on Chapter 13 changes on January 16, 2016 MM9442</b></p>	<p><a href="https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/Downloads/MM9442.pdf">https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/Downloads/MM9442.pdf</a></p>



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- 2018 Update - Medicare Benefit Policy Manual, [Chapter 13 - Rural Health Clinic \(RHC\) and Federally Qualified Health Center \(FQHC\) Services \[PDF, 581KB\]](#) and [MM10350 \[PDF, 181KB\]](#).





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## Other Useful Links

<u><b>Description</b></u>	<u><b>Link</b></u>
<b>Revised Chapter 13 Manual</b>	<b>See Previous Slide</b>
<b>CMS Rural Health Clinics Center (Google rural health clinic.asp)</b>	<a href="http://www.cms.gov/Center/Provider-Type/Rural-Health-Clinics-Center.html"><u>http://www.cms.gov/Center/Provider-Type/Rural-Health-Clinics-Center.html</u></a>
<b>Qualified Visit List from the Rural Health Clinic Center website. (4 pages in your handouts – Updated Quarterly)</b>	<a href="https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/FQHCPPS/Downloads/RHC-Qualifying-Visit-List.pdf"><u>https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/FQHCPPS/Downloads/RHC-Qualifying-Visit-List.pdf</u></a>



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## Other Useful Links (2)

<u><b>Description</b></u>	<u><b>Link</b></u>
<b>RHC Benefits Manual Chapter 9</b>	<a href="https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/clm104c09.pdf">https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/clm104c09.pdf</a>



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## Definitions of Common Acronyms

<b>Term</b>	<b>Definition</b>
<b>AIR</b>	All Inclusive Rate (the amount the RHC is paid on an interim basis capped at \$83.45 for Independent RHC)
<b>CMS</b>	Centers for Medicare and Medicaid Services
<b>RHC</b>	Rural Health Clinic (PL-95210)
<b>MAC</b>	Medicare Administrative Contractor
<b>MLN</b>	Medlearn Matters



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## Definitions of Common Acronyms (2)

<b>Term</b>	<b>Definition</b>
<b>QVL</b>	Qualified Visit List
<b>DDE</b>	Direct Data Entry
<b>CWF</b>	Common Working File
<b>FISS</b>	Fiscal Intermediary Standard System
<b>MSP</b>	Medicare Secondary Payor



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## Definitions of common Acronyms (3)

<b>CMS</b>	<b>Centers for Medicare and Medicaid Services</b>
PTAN	A six Digit Number that is assigned to the RHC by Medicare. It is not used on the UB-04.
NPI	The Nine Digit Number assigned in PECOS and it is used on the UB-04
UB-04	The Electronic Claim formatting used to bill Medicare RHC Claims
1500	The Electronic Claim formatting used to bill hospital claims in a provider-based clinic.



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**RHC Status only affects reimbursement from:**

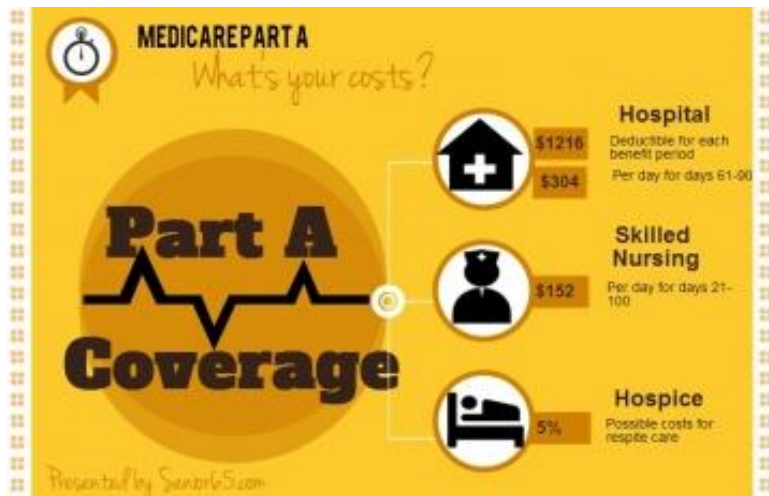




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# Are RHC Services Part A or B



**Claims are paid through Part A UB-04**



**The money comes from the Part B Trust Fund. Patients receive all Part B benefits. Typically HCFA-1500**



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# Payment Differences for RHCs

1. They are paid on a cost per visit basis.
2. They file Medicare Cost Reports
3. **Medicaid Rates are based upon cost.**
4. The cost per visit is not all-inclusive.
5. Some services are still paid fee for service
  - A. Lab (minus CPT 36415)
  - B. Radiology
  - C. Hospital





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## **RHCs – The Original Bundled Payment**

**RHCs are paid a bundled payment. Independent RHCs are paid a maximum of \$65.42 per visit (AIR). Provider-based RHCs will get more.**



**BUNDLED  
PAYMENT**



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## What are the Medicare RHC Payment Rates?

<u>Type</u>	<u>Cap</u>	<u>Payment</u>
Independent RHC	83.45	\$65.42
Provider-based < 50 beds (2016)	None Mean Cost=\$160	Mean Payment = \$125.44 *if meeting productivity standards

**Medicare pays 80% minus 2% sequestration**



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## Comparison of Total Medicare Payments

<u>Type</u>	<u>Charge</u> <u>99213</u>	<u>Copayment</u>	<u>Medicare</u>	<u>Total</u> <u>Payment</u>
Independent	\$125	\$25* *No Par limits	\$65.42	\$90.42
Provider-based (less than 50 beds)	\$125	\$25* *No Par limits	\$125.44	\$150.44 NO LCC



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# Strange new rules

1. **Must bill Medicare on a UB-04**
2. **No limiting charges - collect 20% of charges**
2. **Collecting more than you charge.**
3. **Remittance Advices are strange. How to record contractual adjustments correctly.**
4. **What services to bill Part A? Part B???**
5. **How is Medicaid affected by this?**
6. **We get Negative Reimbursement?????**
7. **HCPCS Billing changed on April 1, 2016.**
8. **CG Modifier Added October 1, 2016**





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# Some things remain the Same

- 1. The \$183 Deductible is the same.**
- 2. Continue Coding and charging the appropriate level of service.**
- 3. Charges must be consistent across the board.**
- 4. Continue using either the 95 or 97 CPT Documentation guidelines.**
- 5. Preventive Services are the same.**

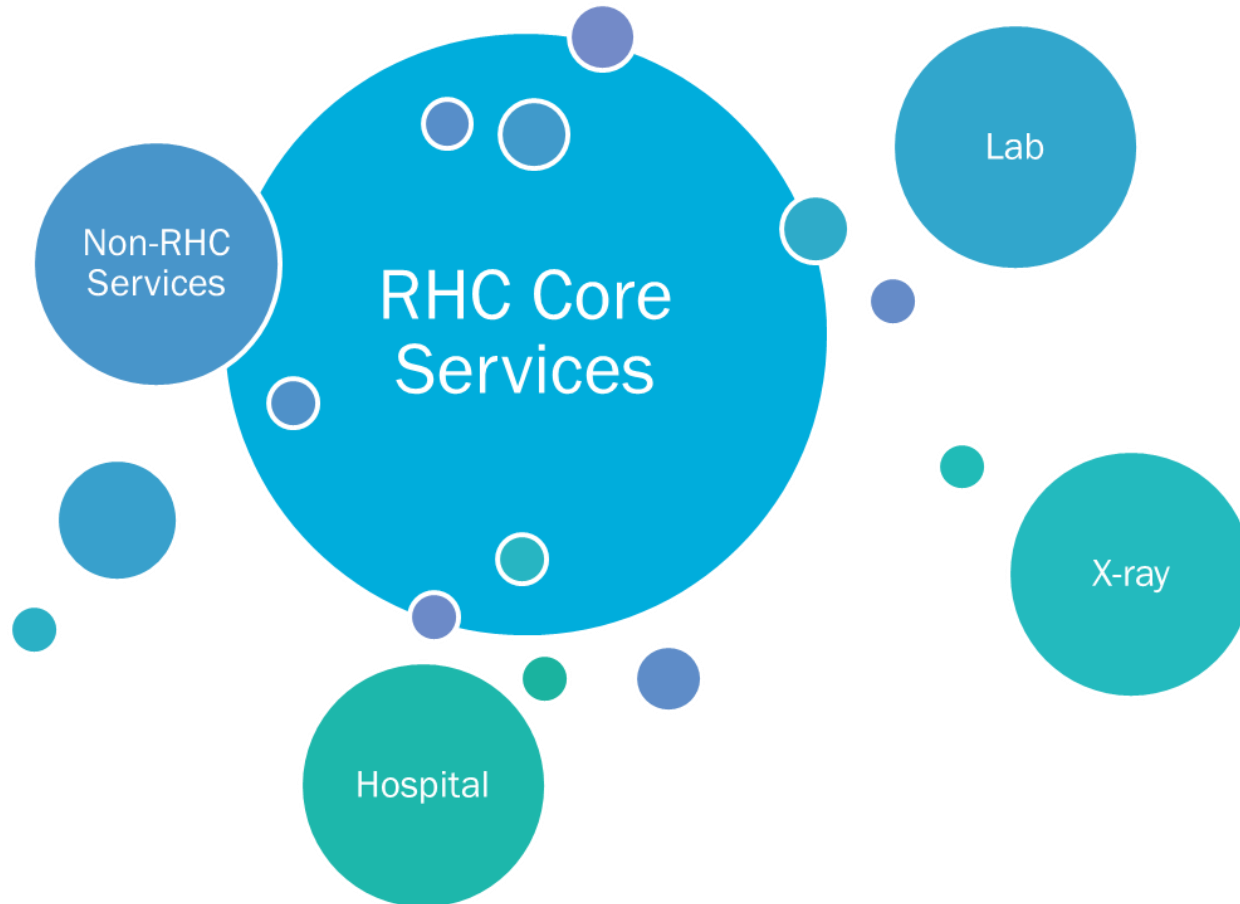




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# Billing for RHC and Non-RHC services

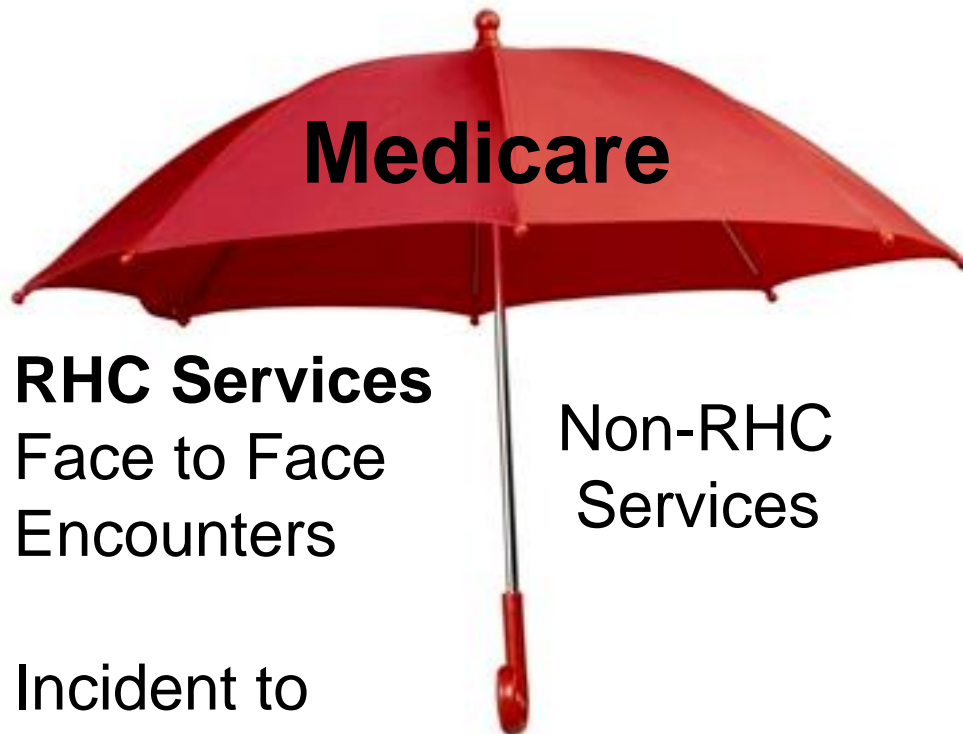




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# Four Categories of Services



**Medicare**

**RHC Services**

Face to Face  
Encounters

Incident to  
services

Non-RHC  
Services



**Medicare  
Non-covered  
services**



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# Medicare

**Part A**

**Part B**

**Professional  
Services**

**Technical  
Components**

**Lab  
Diagnostic**

**Hospital**







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# What is a Rural Health Clinic Visit?

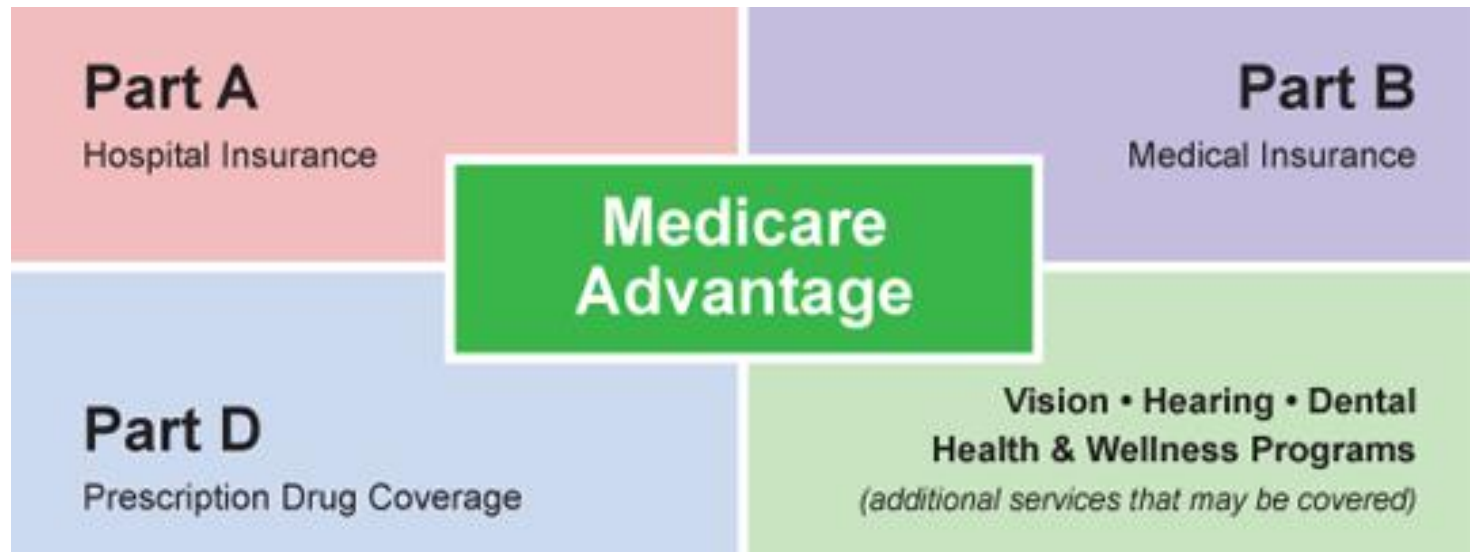




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# Medicare Advantage Plans





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# Medicare Advantage Plans

**When a beneficiary enrolls in a Medicare Advantage (MA) plan, they are no longer classified as a Medicare patient for cost reporting purposes. These individuals are effectively treated as privately insured individuals.**

**MA plans must show that they have an "adequate" provider network in each market they serve. In an underserved area, it may be difficult for the MA plan to meet the market adequacy requirement if an existing RHC is not part of the network.**

**If an RHC is a contracted provider within a MA network, the RHC is obligated to follow whatever is established in the contract. Payment could be cost-based, fee-for-service, or even capitation.**

**plan.**

<https://www.cms.gov/Medicare/Health-Plans/MedicareAdvtgSpecRateStats/downloads/oon-payments.pdf> (see page 25)



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# **There are Two Types of Medicare Advantage Plans**

## **Private Fee for Service (PFFS)**

**Bill using the UB04 and send the Medicare Rate Letter/can be a negotiated rate**

## **Regional/PPO Plans (RPPO)**

**Bill a rate negotiated with the Medicare Advantage Plan.**



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# Medicare Advantage Plans

Non-network providers are able to see patients enrolled in MA plans, but the terms and conditions for payment vary by type of plan (fee schedule, capitation, enhanced fee-for-service, etc.). The most common MA plan in rural communities is private fee-for-service (PFFS). Under this type of arrangement, the MA plan is required to pay the RHC its all-inclusive rate. However, the billing format is up to the plan.

Flu and pneumonia vaccines administered to MA patients are not captured on the RHC cost report. Reimbursement should come through the MA



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## **RHCs without a contract with the Medicare Advantage Plan**

**Medicare Advantage Private Fee-for-Service plan for which the RHC does not have a contract.**

**For non-contracted MA PFFS plans, the rate letter should be sufficient and this is what CMS requires. This is a minimum payment.**

**The Plan can pay more than the RHC specific rate but is not required to do so. They are only obligated to pay the RHCs Medicare rate – which is set via the rate letter.**



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## **PFFS Rates**

**“In the PFFS (Private Fee-for-Service) option, the Plans are REQUIRED to pay RHCs their encounter rate if they are a non-contracted provider. If the RHC opts to be a contracted provider, then the payment is based upon whatever the RHC and Plan agree to. In this instance, I think it would be highly unlikely that a Plan would offer the RHC anything less than their RHC rate otherwise, why would the RHC sign a contract that would pay you less than what you could get as a non-contracted provider.” Bill Finerfrock**



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## **RHCs with a contract with the Medicare Advantage Plan**

**If the RHC has signed a contract with the MA plan, then the RHC is held to the terms and conditions of that contract.**

**CMS Guidance on Medicare Advantage Plans**

**Here's a link to a CMS Medicare Advantage document updated earlier this year. It's about 26 pages long and covers a wide range of MA issues, including guidance on RHC payments.**

**<https://www.cms.gov/MedicareAdvvtgSpecRateStats/downloads/oon-payments.pdf>**





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# The History of the RHC Visit

<b>Date Began</b>	<b>Definition</b>	<b>Date Changed</b>
3/1/1978	Face to Face, Med necessary, Physician, NP, PA	12/31/2015
1/1/2016	Added Chronic Care Management - No face to Face	3/31/2016
4/1/2016	Must Be on QVL to Bill. Procedures held until 10/1/2016	9/30/2016
10/1/2016	No more QVL. Now add CG modifier	Present



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## **Definition of a Visit per Chapter 13 of the RHC Manual**

**40 - RHC and FQHC Visits (Rev. 230, Issued: 12-09-16, Effective: 03-09-17, Implementation: 03-09-17) A RHC visit is defined as a medically-necessary medical or mental health visit, or a qualified preventive health visit. The visit must be a **face-to-face (one-on-one) encounter between the patient and a physician, NP, PA, CNM, CP, or a CSW** during which time one or more RHC services are rendered. A Transitional Care Management (TCM) service can also be a RHC visit. Services furnished must be within the practitioner's state scope of practice.**



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## What is a visit in a rural health clinic?

Has  
Three  
Components

1. Is a face to face encounter with a physician, nurse practitioner, PA, NP, or CNM, CP, or CSW.
2. There is a medically necessary service provided (should reach the level of a 99212)
3. Is provided by the appropriately trained provider within their scope of practice.



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# **Paid RHC Encounters are very limited**

**The definition of a rural health clinic encounter does not include:**

- 1. Nurses**
- 2. Physical Therapists**
- 3. Dietitians**
- 4. Nutritionists**





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# **99211 Visits (Nurse Only) are not Medicare RHC Visits**

- Brief Established visits (99211's) do not meet the RHC guidelines. No history or judgment involved with this level of service. Do not bill Medicare a visit for these services.





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# Where can you have an RHC Visit?

**40.1 - Location (Rev. 220, Issued: 01-15-16, Effective: 02-01-16, Implementation: 02-01-16) A RHC visit may take place:**

- 1. in the RHC,**
- 2. the patient's residence,**
- 3. an assisted living facility,**
- 4. a Medicare-covered Part A SNF (see Pub. 100-04, Medicare Claims Processing Manual, chapter 6, section 20.1.1) or the scene of an accident.**

**RHC visits may not take place in either of the following:**

- an inpatient or outpatient department of a hospital, including a CAH, or**
- a facility which has specific requirements that preclude RHC visits (e.g., a Medicare comprehensive outpatient rehabilitation facility, a hospice facility, etc.).**



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## Where can a RHC visit occur?

In  
Three  
Locations

1. In the certified rural health clinic (0521)
2. In the patient's home
  - A. home (0522)
  - B. SNF (Part A) (0524)
  - C. ICF/NF (Not Part A) (0525)
  - D. Assisted Living Facility (0522)
3. Scene of an accident (0528)
4. Telehealth (0780) Originating site only
5. Behavioral Health (0900)

Note: Do not use POS 72 on any Medicare Claim<sup>47</sup>



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## RHC Revenue Codes

<u>Code</u>	<u>Description</u>
0521	Clinic visit by member to RHC
0522	Home visit by RHC practitioner
0524	Visit by RHC practitioner to a member in a covered Part A stay at the Skilled Nursing Facility (SNF)
0525	Visit by RHC practitioner to a member in a SNF (not in a covered Part A stay) or Nursing Facility (NF) or Intermediate Care Facility for Mental Retardation (ICF MR) or other residential facility
0780	Telemedicine origination
0900	Behavioral Health





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# RHC Bill Types

<u>Type</u>	<u>Description</u>
711	Admit to discharge
717	Adjustment
718	Cancel
710	No payment



# Questions, Comments, Thank You



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