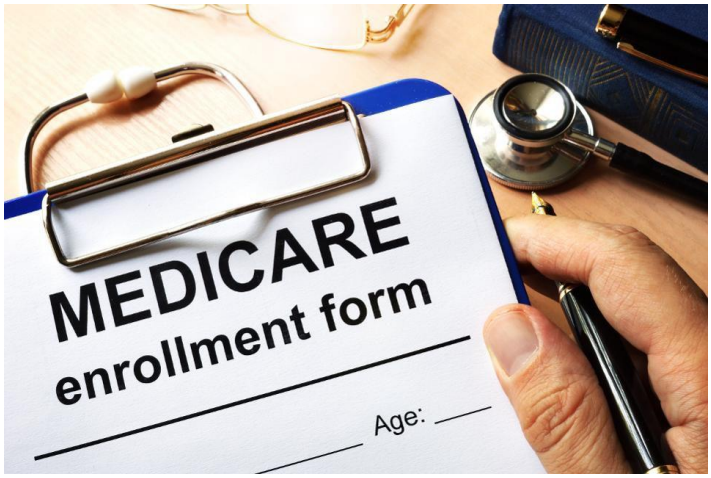
RuralHealthClinic.com
Experienced Knowledge

RURAL HEALTH CLINIC

MEDICARE & MEDICAID ENROLLMENT

West Virgina



502 SHADOW PARKWAY, SUITE 214
CHATTANOOGA, TENNESSEE 37421
TELEPHONE: (423)243-6185
marklynnrhc@gmail.com

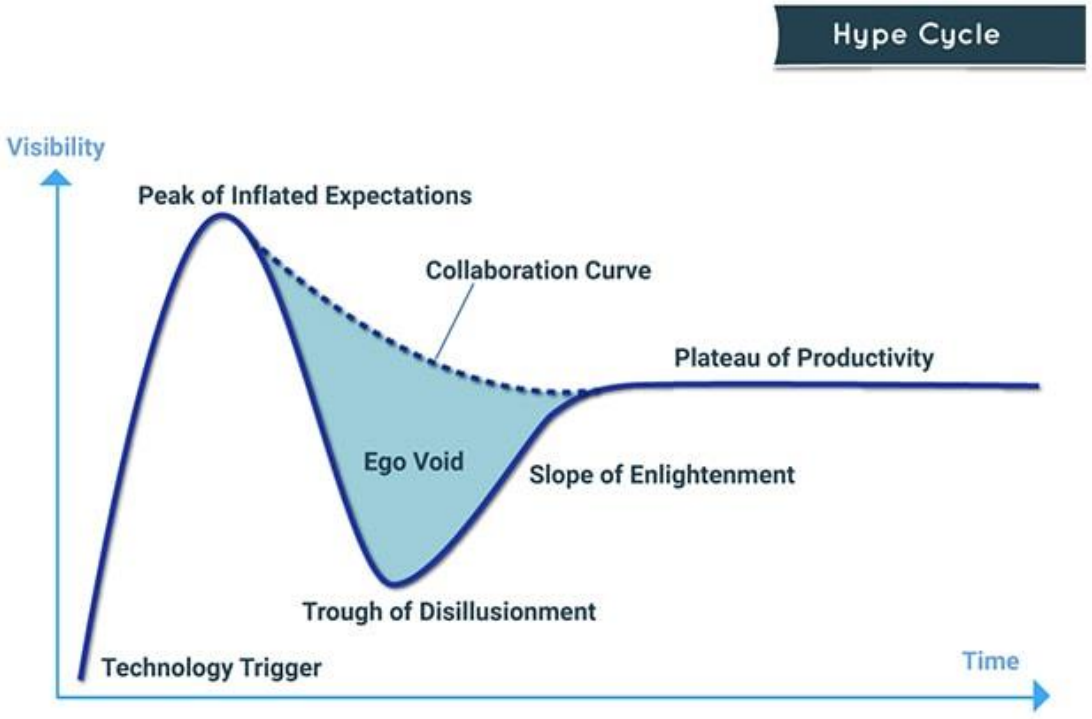
To Find this report on our website go to
http://www.ruralhealthclinic.com/rhc-billing

RuralHealthClinic.com
Experienced Knowledge

Next Steps – After the RHC Survey

Introduction

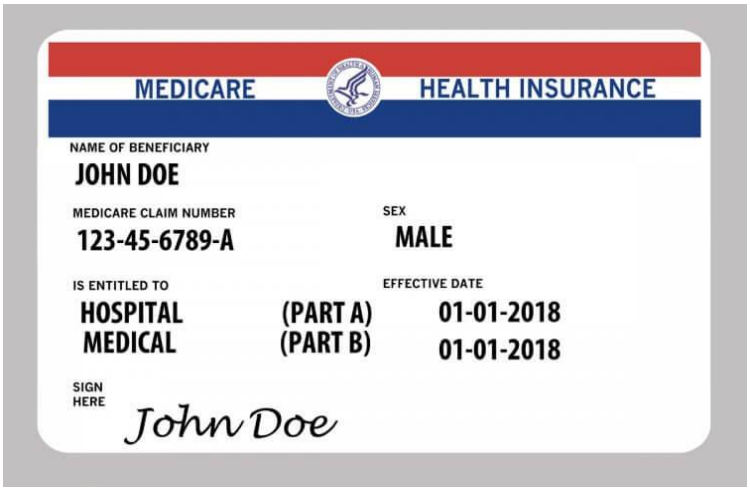
Whew, we passed the RHC inspection with flying colors (hopefully). Now what. Unfortunately, we are entering probably the most frustrating aspect of becoming of an RHC because you are expecting those buckets of RHC money flowing like manna from heaven. Unfortunately, the experience is more like the carrot being placed just out of reach of the mule. If you are familiar with Gartner Hype Cycle for new technology and RHCs face a similar cycle. Once the RHC passes the RHC inspection you are typically at the peak of inflated expectations, but the longer we wait for Medicaid enrollment to be complete the more we face the trough of disillusionment. For this reason, we recommend that RHCs have a line of credit to fund the lack of Medicaid cash flow during this long waiting period.



RuralHealthClinic.com
Experienced Knowledge

Medicare

For independent RHCs the process of transitioning to RHC billing is typically less stressful than the Medicaid piece. This is because the Medicare Part B fee for service schedule and the Independent RHC reimbursement from Medicare are relatively close or the RHC rate may be even lower than Medicare Part B fee for service. In fact, 388 RHCs have dropped out of the RHC program from 2012 to 2017 due to the low Medicare reimbursement rates. Hopefully, the RHC Modernization Act will be passed in 2019 or 2020 and it will increase the Medicare reimbursement cap eventually to $115 per visit.

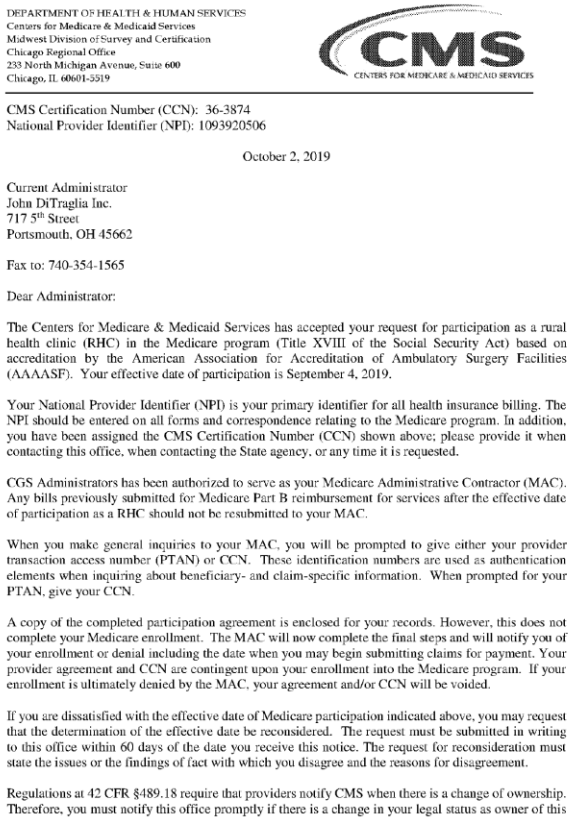


One of the first decisions an RHC needs to make is whether to hold Medicare claims after the survey date. Almost all independent RHCs elect to continue billing Medicare Part B fee for service until the clinic is ready to start billing as an RHC (We explain what that means shortly) while all provider-based (typically owned by a hospital) RHCs will hold Medicare claims on the survey date as the provider-based Medicare RHC. So to summarize:

- Independent RHCs should continue billing Medicare fee for service
- Provider-based RHCs should hold claims as of the RHC survey date

To start billing Medicare as a rural health clinic you need a billing system that can produce a UB-04 (ANSI-837I) (Institutional). You should discuss this with your software vendor very early in the process to become a rural health clinic. We recommend Azalea Health (https://www.azaleahealth.com/) if you need to change vendors as they sponsor our seminars and are very good to work with the RHC community. **So the first thing the RHC needs to do before even considering becoming a rural health clinic if they are billing Medicare patients (this is not important for pediatric clinics) is to ensure their billing system can produce a UB-04.**

There are certain things that must be obtained from Medicare before the RHC can bill Medicare as a rural health clinic. The CMS regional office will email a letter assigning your clinic a CCN number. This letter is typically one page and it indicates the effective date of participation in the RHC and the six-digit CCN number that will be used with cost report filings and ties to a specific organizational or group NPI number. The RHC will use the group NPI number to bill Medicare. Typically, it takes 4 to 6 weeks to get this one-page letter after the survey has been completed. That will be 4 to 6 weeks of holding Medicare claims for provider based RHCs. Again, most independent RHCs will be billing Part B fee for service during this period of time. Some CMS Regional offices can take up to 6 months getting this letter out to you, so follow-up is imperative. There is a listing of CMS Regional rural health coordinators that can be called to ask for an update. Before calling please contact Mark Lynn or Dani Gilbert as we may have a contact that can speed the process. Here is the link to Regional Coordinators:



DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Midwest Division of Survey and Certification
Chicago Regional Office
233 North Michigan Avenue, Suite 600
Chicago, IL 60601-5519

CMS
CENTERS FOR MEDICARE & MEDICAID SERVICES

CMS Certification Number (CCN): 36-3874
National Provider Identifier (NPI): 1093920506

October 2, 2019

Current Administrator
John DiTraglia Inc.
717 5th Street
Portsmouth, OH 45662

Fax to: 740-354-1565

Dear Administrator:

The Centers for Medicare & Medicaid Services has accepted your request for participation as a rural health clinic (RHC) in the Medicare program (Title XVIII of the Social Security Act) based on accreditation by the American Association for Accreditation of Ambulatory Surgery Facilities (AAAASF). Your effective date of participation is September 4, 2019.

Your National Provider Identifier (NPI) is your primary identifier for all health insurance billing. The NPI should be entered on all forms and correspondence relating to the Medicare program. In addition, you have been assigned the CMS Certification Number (CCN) shown above; please provide it when contacting this office, when contacting the State agency, or any time it is requested.

CGS Administrators has been authorized to serve as your Medicare Administrative Contractor (MAC). Any bills previously submitted for Medicare Part B reimbursement for services after the effective date of participation as a RHC should not be resubmitted to your MAC.

When you make general inquiries to your MAC, you will be prompted to give either your provider transaction access number (PTAN) or CCN. These identification numbers are used as authentication elements when inquiring about beneficiary- and claim-specific information. When prompted for your PTAN, give your CCN.

A copy of the completed participation agreement is enclosed for your records. However, this does not complete your Medicare enrollment. The MAC will now complete the final steps and will notify you of your enrollment or denial including the date when you may begin submitting claims for payment. Your provider agreement and CCN are contingent upon your enrollment into the Medicare program. If your enrollment is ultimately denied by the MAC, your agreement and/or CCN will be voided.

If you are dissatisfied with the effective date of Medicare participation indicated above, you may request that the determination of the effective date be reconsidered. The request must be submitted in writing to this office within 60 days of the date you receive this notice. The request for reconsideration must state the issues or the findings of fact with which you disagree and the reasons for disagreement.

Regulations at 42 CFR §489.18 require that providers notify CMS when there is a change of ownership. Therefore, you must notify this office promptly if there is a change in your legal status as owner of this

https://www.cms.gov/Outreach-and-Education/Outreach/OpenDoorForums/Downloads/CMSRuralHealthCoordinators.pdf

RuralHealthClinic.com
Experienced Knowledge

West Virginia CMS Region

CMS Regional Office Rural Health Coordinators
October 2019

Contact information for CMS Regional Office Rural Health Coordinators who provide technical, policy, and operational assistance on rural health issues.

Region III – Philadelphia
Thomas Robinson
Email: thomas.robinson@cms.hhs.gov
Telephone: (215) 861-4270
States: Delaware, Maryland, Pennsylvania, Virginia, West Virginia, and the District of Columbia

West Virginia Medicare Administrative Contractor

The West Virginia Medicare Administrative Contractor is Palmetto GBA, Jurisdiction M.

A/B MAC Jurisdiction M - Part A and Part B Facts

- JM processes FFS Medicare Part A and Part B claims for North Carolina, South Carolina, Virginia, and West Virginia
- Total Number of Fee-for-Service Beneficiaries: 3,468,895 (as of 09/30/2018)
- Total Number of Physicians: 63,630 (as of 09/30/2018)
- Total Number of Medicare Hospitals: 324 (as of 09/30/2018)
- Total Annual Claims Volume: 8.4% of national Part A/Part B workload

RuralHealthClinic.com
Experienced Knowledge

Medicare Rate Setting

Once the CCN letter has been obtained by the RHC needs a reimbursement rate to bill Medicare. This rate is obtained from the Medicare Administrative Contractor (MAC). The most common MACs are CGS, **Palmetto**, Novitas, and Noridian. Each MAC has a different way of doing things.

The Medicare rates are set as follows:

1. Independent RHCs will in most cases receive the RHC cap for independent RHCs which is currently $84.70 (2019). If the MAC sets the rate at below this, please let us know immediately and we will work to get the rate to $84.70 before you start billing. Novitas, **the MAC for West Virginia will set your rate at $84.70 which is the maximum for an independent RHC.**
2. For Provider-based RHCs, the MAC will typically set the rate at the same $84.70 rate, but do not use that rate. The average cost per visit for a provider-based RHC is $216.56 in 2019. HBS will prepare a projected M-Series of the Hospital Cost Report asking for very close to the $216 rate. We need some basic information including a department expense report and a visit report for the same period of time. We will then submit an annualized projected cost report to the MAC to help you establish your rate.

Once an RHC gets a CCN number and a rate set, there is one more step. Submitter ID.

Submitter ID

Additionally, an RHC will need a Submitter ID to submit electronic claims to the MAC. You will need help from your clearinghouse for your billing software or your outside billing company. If Palmetto is your MAC, the following is a link to their submitter ID information:

https://www.palmettogba.com/Palmetto/Providers.Nsf/files/EDI_Enroll_AB_Pack.pdf/$File/EDI_Enroll_AB_Pack.pdf

While an RHC has to have a submitter ID to electronically submit claims, they also need access to the Common Working File to verify eligibility and correct rejected claims. Many of our clients use Ability to connect to Direct Data Entry. The entire process takes about 2 to 3 months to get all three of these things: **CCN Number, Rate, and Submitter ID.** Once you have those three things, you need just one more thing. **Knowledge.**

RuralHealthClinic.com
Experienced Knowledge

RHC Medicare Billing Knowledge

Healthcare Business Specialists does not do RHC billing, but we have educational seminars on the basics of Medicare RHC billing. We have recorded the last three sessions and provided the slide presentations below. Please listen to the recordings closely. Then listen to them again. After that, please contact Mark Lynn at Healthcare Business Specialists and provide us with a list of questions that you do not understand or need more clarification.

Here are the links to the recordings of the webinars.

- RHC Billing Recording of Webinar Session 1 on 12/4/2018
- RHC Billing Recording of Webinar Session 2 on 12/5/2018
- RHC Billing Recording of Webinar Session 3 on 12/6/2018

Here are the PDFs we used at each of the webinars if you want to follow along:

- RHC Billing Webinar Session 1 Presentation (PDF)
- RHC Billing Webinar Session 2 Presentation (PDF)
- RHC Billing Webinar Session 3 Presentation (PDF)

We also have a lot of resources to help you with billing including our Facebook Group, website, webinars, YouTube channel, and seminars on RHCs. We highly recommend joining our Facebook Group as we use this to notify the 850 members about our free webinars and educational offerings by other consultants or the NARHC.

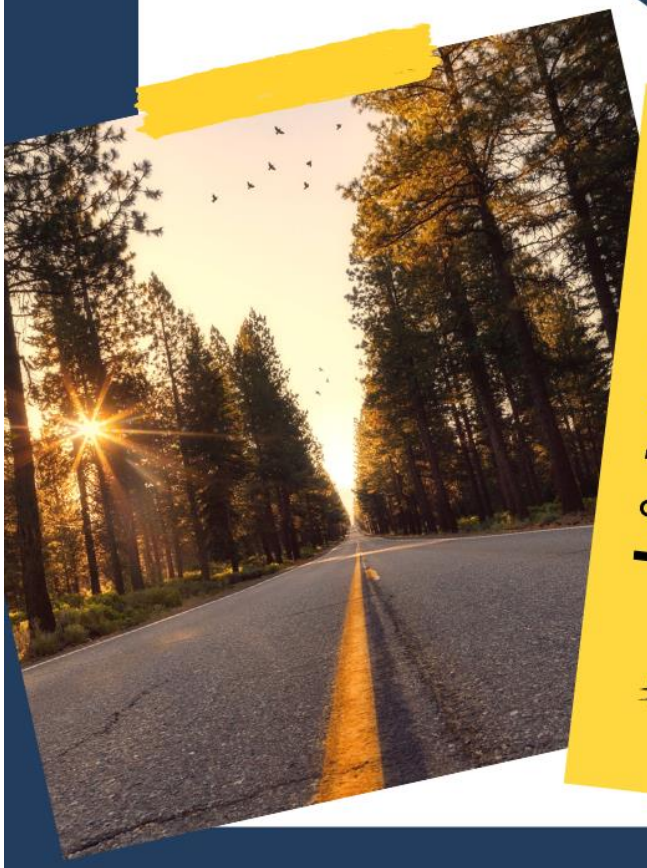
- Facebook Group (https://www.facebook.com/groups/1503414633296362/
- Our website which is http://www.ruralhealthclinic.com/
- Youtube: https://www.youtube.com/channel/UCXW4pkwNzDXVTMFrFwMy2_A
- RHC Billing: http://www.ruralhealthclinic.com/rhc-billing/

Recommendation: Do not start billing as a RHC in the first quarter of the year because Medicare has something called negative reimbursement in rural health clinics.

RuralHealthClinic.com
Experienced Knowledge

Save the Date!

FREE RHC UPDATE SEMINARS



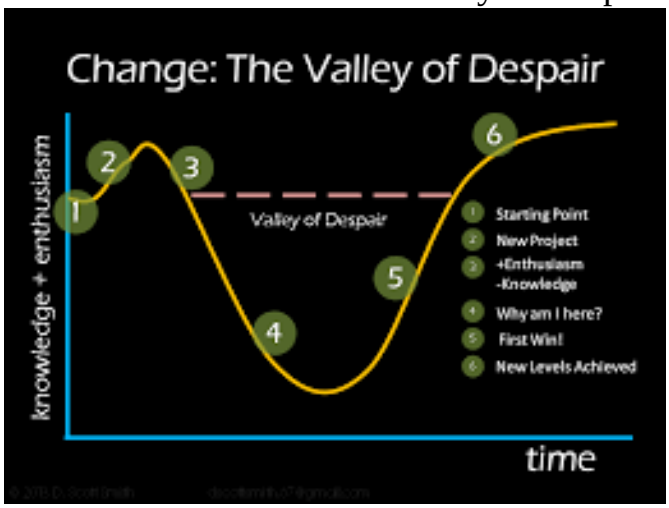
LOCATIONS & REGISTRATION

Nashville, TN	10/30/19	http://bit.ly/rhc-nashville
Somerset, KY	11/06/19	http://bit.ly/rhc-somerset
Clanton, AL	01/16/20	http://bit.ly/rhc-clanton

RURALHEALTHCLINIC.COM
EXPERIENCED KNOWLEDGE

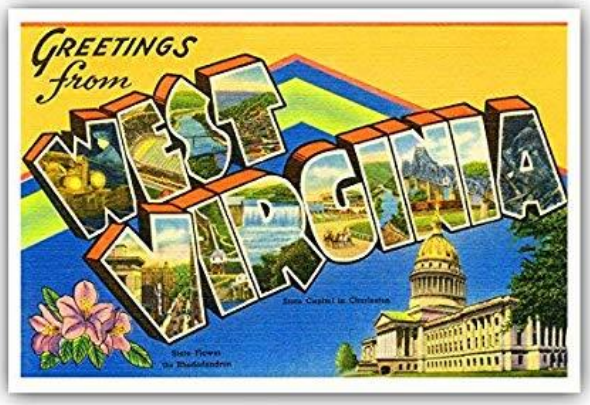
Medicaid – The Valley of Despair

Remember the trough of dissolution. Well, Medicaid is more like the Valley of Despair. It is extremely difficult for us as RHC consultants due to each state having different rules and regulations and one reason we tend to limit the states we work in. A lot of states make it difficult for you to enroll in the Medicaid program as an RHC due to the much higher rates paid to RHCs. Also, since you are holding claims on a large portion of your patient population, money becomes an issue. We will try to use local and state resources to help you the best we can.



West Virginia

West Virginia enrollment as a rural health clinic can take a long time. Like Medicare, Medicaid will require the RHC to enroll with Medicaid and establish a rate. West Virginia uses Myers and Stauffer?? out of Indianapolis to set the interim Medicaid rate. They use an average of similar clinics that are close to the RHC. Cost Reports are submitted to Debra Cook, Division of Audit & Rate Setting, West Virginia Department of Health and Human Resources Capital Complex, Building 3, Room 550 Charleston, West Virginia 25305



The final Medicaid rate will be established by filing the Medicare Cost Report cost report for the first full fiscal year the clinic is a rural health clinic. West Virginia Base Year cost reporting and other cost reporting resources on our website. We have provided some resources from our website on the next page.

RuralHealthClinic.com
Experienced Knowledge

BASE YEAR COST REPORTING

Many State Medical Programs have a PPS Rate for Medicaid RHC visits and that PPS rate is based upon a Base Year Cost Report. It is important that all costs are captured during the base year and the accounting follows Medicare and Medicaid regulations. We have prepared several reports regarding cost reporting and base year reporting and you can find this information by clicking on the links below:

- Cost Reporting - Accrual Basis Accounting (6-page PDF)
- Slides from NARHC and HRSA Presentation by Mark Lynn on July 30, 2019
- Cost Reporting Rules for Depreciation, Startup costs, Physician Compensation, Accruals, and Organization Costs

West Virginia Medicaid Enrollment and Billing Information

Please find below several files provided by West Virginia Medicaid on the enrollment process for RHCs. These forms will walk you through the Medicaid enrollment process and answers many of the questions RHCs typically have when enrolling in West Virginia Medicaid.

- 2019 West Virginia Chapter 300 Finance Cost Report Final Approved (PDF)
- 2019 West Virginia Provider Enrollment General FAQ V 3.0 (PDF)
- 2019 West Virginia WV Provider Enrollment and Re-validation General FAQ (PDF)
- 2019 West Virginia FQHC and RHC Services (PDF)
- 2019 West Virginia Chapter 300 - Provider Participation Final (PDF)

RuralHealthClinic.com
Experienced Knowledge

West Virginia Licensure Contact

B Beard, Correy D

Contact details

RHC Coordinator, West Virginia Licensure

Correy.D.Beard@wv.gov