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Rural Health Clinic Startup





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Introductions



Hello,
my name is



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Contact Information

Mark R. Lynn, CPA

RHC Consultant

Healthcare Business Specialists

Suite 214, 502 Shadow Parkway

Chattanooga, Tennessee 37421

Phone: (423) 243-6185

marklynnrhc@gmail.com

www.ruralhealthclinic.com

[Become a fan and Like us on Facebook for more RHC information](#)



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Contact Information

Dani Gilbert, CPA

RHC Consultant

Healthcare Business Specialists

Suite 214, 502 Shadow Parkway

Chattanooga, Tennessee 37421

Phone: (423) 650-7250

dani.gilbert@outlook.com

www.ruralhealthclinic.com

Introduction

We have put together some introductory information in this three-page PDF which will summarize this first Introductory process:

• [Introduction and First Steps \(3-Page PDF with links to Resources and Client Intake Form\)](#)



Rural Health Clinic Conversion Introduction and First Steps

Thank you for engaging Healthcare Business Specialists to help you convert your practice into a Rural Health Clinic under the provisions of Public Law 95-210 and qualify for additional reimbursement from Medicare and Medicaid. Mark R. Lynn, CPA and Dani Gilbert, CPA will be the primary contacts you have with Healthcare Business Specialists, so feel free to contact us at any time. You can find our contact information at the end of this report. We do need to know how to contact you as well and who you would like to be involved in the RHC conversion, so we would like you to complete the following form and we can use that to complete our database of contact information and return it to us.



[HBS Client Intake Form with Contact information from the Clinic \(PDF\)](#)

We do have a lot of resources and information to help you learn more about becoming a rural health clinic including resource pages on our website by topic, a Facebook Group to ask questions, and a YouTube channel with recordings of webinars. Here is a link to a letter with the resources listed and links to find the information:

[Letter to RHC Startup Clinics with information and resources regarding RHCs \(PDF\)](#)

One thing we like to do is have a Kickoff Webinar which is about 30 to 45 minutes and gives you a chance to ask questions about the process and an opportunity for us to introduce ourselves. Please email us to set up a date and time for the Kickoff Webinar.

502 Shadow Parkway, Suite 214, Chattanooga, Tennessee 37421
Telephone: (833) 787-2542, Fax: (800) 268-5055, Email: marklynnrhc@gmail.com
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Introductions

It is important for us to be able to reach out to you with information related to the RHC conversion or RHC status. Please complete the HBS Client Intake Form with clinic contact information so we can update our databases:

• [HBS Client Intake Form with Contact information from the Clinic \(PDF\)](#)

HBS

Healthcare Business Specialists

CLIENT INTAKE FORM – RHC CONTACT INFORMATION

NAME OF CLINIC OR RHC

CLINIC PHYSICAL ADDRESS (FOR FED EX PACKAGES)

POINTS OF CONTACT FOR THIS PROJECT

Please provide your contact information for the RHC management team. We will use this contact information to distribute information about the progress of the RHC Startup. We will only distribute financial information to the Point of Contact and Ownership/CFO.

POSITION	NAME	EMAIL ADDRESS
Point of Contact for RHC		
Physician Medical Director:		
Office Manager:		
Administrator:		
Nurse Practitioner/PA:		
Chief Financial Officer		
Part A Authorized Signer		
Other		
HBS – RHC Consultant	Dani Gilbert, CPA	Dani.gilbert@outlook.com
HBS – RHC Consultant	Mark R. Lynn, CPA	marklynnrhc@gmail.com

Reporting: We will prepare a monthly progress report which will outline the activities that occurred on the project during the month and looks forward to the next month. We can schedule teleconferences and webinars on demand by calling Dani Gilbert at 423.650.7250.

Invoices: We invoice via email and those email invoices may be paid via online or if you prefer we can mail paper invoices. dani.gilbert@outlook.com

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Resources

We do have a lot of resources and information to help you learn more about becoming a rural health clinic including resource pages on our website by topic, a Facebook Group to ask questions, and a YouTube channel with recordings of webinars. Here is a link to a letter with the resources listed and links to find the information:

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HBS

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Thank you for engaging us to assist with the conversion of your physician practice to a rural health clinic. The process is long and will involve pulling together certain documents for various governmental entities which will review the submissions and approve them as we go along. The usual process takes between 6 months to a year to complete all five steps listed below.

1. Preparation and submission of the 855As
2. Preparation for State Inspection including preparing RHC and Emergency Preparedness Policy and Procedure manual.
3. The State or Deeming Authority Inspection.
4. Provider Number (CCN) and Rate Setting.
5. Medicaid Application and Medicaid Rate Setting

Dani Gilbert, CPA will be preparing the 855A for submission to your Medicare Administrative Contractor (usually Palmetto or Novitas) after we receive the signed agreement, retainer, and 855A questionnaire. You will need a group NPI number for the location of the clinic in order for us to complete the 855A. We may use the one you have, if you already have one, but we need to discuss this very important aspect of the process. For this reason, we want to schedule a Kickoff Webinar which lasts about 30 minutes and will go over the following:

1. Introductions and contact information from HBS and the clinic.
2. Definitions of roles and responsibilities for the project and progress reporting.
3. Inform you of our educational resources 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 550 members about our free webinars and educational offerings by other consultants or the NARHC.
 - a. Facebook Group (<https://www.facebook.com/groups/1503414633296362/>)
 - b. Our website which is <http://www.ruralhealthclinic.com/>
 - c. Youtube: https://www.youtube.com/channel/UCXW4pkwNzDXVTMFrFwMy2_A
4. Schedule timing of onsite visit and the policy and procedure manuals.
5. Answer questions about the process or about becoming an RHC.

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Resources

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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The Process to Become a Rural Health Clinic.





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Phase 1

Phase	Description	Status
1.	855A Approval (2 months)	
A.	Complete Agreement to engage HBS and pay retainer.	
B.	Complete 855A Questionnaire. Verify NPI number is correct!!!	
C.	HBS to complete 855A and email to clinic.	
D.	Clinic to sign 855A and mail to MAC (PECOS is an option)	
E.	Receive approval from MAC to go forward.	



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Phase 1

- **Completing the 855A**

- The first hurdle to become a rural health clinic is to submit an 855A and have it approved by the Medicare Administrative Contractor (MAC) for your state and pay the \$586 (2019) Administrative fee charged by the MAC. Dani Gilbert, CPA will complete the 855A using the information provided in the Questionnaire below. Please prepare this information as soon as possible and return it as this will slow down the process if this questionnaire is not completed accurately and completely. Here is the link to either a PDF or Word version of the 855A Questionnaire:
- [855A Questionnaire to begin the 855A process. Return to Dani Gilbert \(Word\)](#)
- [855A Questionnaire to begin the 855A process. Return to Dani Gilbert \(PDF\)](#)



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Phase 2

2.	State Application and Deeming Authority (1 month)	
A.	Complete State Application and submit to the state.	
B.	Determine if the clinic will use a deeming authority or not.	
C.	If using a deeming authority, complete the application.	



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Phase 3

3.	Prepare for State Inspection and Inspection (2 to 3 months)	
A.	Complete the RHC Policy and Procedure Manual Questionnaire.	
B.	HBS will prepare the RHC P & P Manual and Fed Ex to clinic.	
C.	HBS will prepare Emergency Preparedness P & P manual.	
D.	HBS will conduct EP Tabletop Webinar Drills.	
E.	HBS will conduct Mock Inspection and if required an annual evaluation of the RHC.	
F.	Clinic will prepare Evidence Binder for the Inspectors.	
G.	HBS will notify the state or deeming authority the clinic is ready for the inspection.	
H.	The state or deeming authority will conduct the RHC inspection.	



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Phase 3

RHC & EP Policy & Procedure Manuals

- Our next step is to start preparing RHC and Emergency Preparedness Policy and Procedure manuals. We need the following questionnaire to be completed and we will prepare the RHC and Emergency Preparedness Manuals from the responses to the Questionnaire.
- [RHC Policy and Procedure Manual Questionnaire for RHC & EP Policy and Procedure Manual \(PDF\)](#)
- We will work with you to determine your compliance with OSHA, HIPAA, and CLIA and the need for manuals to support or implement procedures for compliance in these regulatory areas.



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Phase 3

Emergency Preparedness Tabletop Exercise Webinar

- After we complete the Emergency Preparedness Policy and Procedure Manual, we will schedule an Emergency Preparedness Tabletop exercise webinar to be conducted during lunch. We would like everyone (as much as possible) to participate in this session. It will last a little over an hour and will include a review of the all hazards risk assessment, EP training, and an Emergency Preparedness Tabletop Drill. Once the Tabletop is completed an After-Action Plan will be submitted to the clinic.



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Phase 3

Preparing for the State Inspection

- About two months before the RHC inspection by the State, AAAASF, or The Compliance Team the clinic should start preparing for the RHC inspection by doing a general cleanup of the clinic and start using forms to document many of the the things the clinic is already doing. We have prepared a checklist with information related to the mock inspection and have included it below. Also, we will come onsite and go over the steps to become a rural health clinic as well as conducting a walk-through of the clinic and going over the listing of items that must be completed for the RHC inspection. Here is the link to booklet on preparing for the RHC survey and a link to a listing of annual requirements for RHC compliance:
- [Preparing for the RHC Survey presentation, Mock Inspection forms, and todo listing by personnel \(PDF\)](#)
- [Listing of Annual Requirements for RHC Compliance](#)



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Phase 4, 5, 6

4.	Rate Setting	
A.	Medicare will send a CCN or tie-in letter to the clinic.	
B.	HBS will prepare rate setting cost reports for MCare and Medicaid	
5.	Medicaid Enrollment	
A.	The clinic will prepare the Medicaid Enrollment Application	
6.	Billing	
A.	RHC billing personnel will watch 3 recorded webinars on RHC billing using the UB-04 Form.	
B.	HBS will schedule a one-hour webinar to cover questions and things billing personnel do not understand about RHC billing.	



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Phase 4

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 is in compliance with 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:
- [Tennessee Medicaid Cost Reporting on August 1, 2019](#)
- [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](#)
- [Kentucky Base Year Cost Reporting Report for RHC Clients](#)



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Planning and Feasibility

<u>Number</u>	<u>Step</u>
1.	Determine if the area is eligible and how long the area is eligible. Can you obtain certification before the eligibility runs out.
2.	Determine if Provider-based based status can be obtained. (less than 50 beds). NA
3.	Financial Feasibility – Payor Mix and Cost Shifting. PPS Hospital versus CAH.
4.	Determine the NPI number to use for the RHC and apply for a new one if required.



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Prepare the 855A

<u>Number</u>	<u>Step</u>
5.	Prepare the 855A and submit to the MAC (Palmetto). PECOS may be used and is normally faster. Allow 60 to 90 days for this process. Complete Section 13 with a Contact Person who will watch for the email.
6.	Pay the \$586 Medicare Administrative Fee through PECOS and attach to the 855A
7.	The MAC will email you a PE Number and a Nastygram with a todo list. Do it fast, or else. ²⁰



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Apply to the State

<u>Number</u>	<u>Step</u>
8.	Once you obtain the 855A approval, you can move to the next step.
9.	State application forms completed. (CMS Form 29, Health Benefits Agreement, Expression of Intermediary Preference, and Civil Rights forms and policies and go to the OCR website if provider-based)
10.	Verify that the State received the application and follow up with them frequently.



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Preparing for the Inspection

<u>Number</u>	<u>Step</u>
11.	Prepare a Rural Health Clinic Policy and Procedure Manual addressing the plan to show compliance with 9 conditions of participation. The hospital policy manual does not work. HIPAA, OSHA, COLA, ETC.
12.	Prepare a State Inspector's file with copies of licenses, drills (conduct them), CPR, protocols, employee listing, schedules, etc - see listing provided by the state.



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Annual Evaluation/Mock Inspection

<u>Number</u>	<u>Step</u>
13.	If the clinic is over one year old prepare an annual evaluation. If the clinic is less than one year old, conduct a Mock Inspection of the clinic ensuring the clinic is doing what is in the Policy and procedure Manual.
14.	Most Deeming authorities will review 20 charts. They will look for MSP, Consent to Treat, HIPAA Privacy forms, etc. Everything must be within one year. MSP is done every visit.



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State Inspection and Provider Number

<u>Number</u>	<u>Step</u>
15.	The State will complete the inspection and in most cases there will be no deficiencies. If there are, respond within 10 days and correct any issues. Stop billing to Medicare and Medicaid once you pass the inspection.
16.	CMS in Atlanta will issue a CCN or provider number very quickly. Renee Harris is amazing and this gets done within two weeks.
17.	Medicare Rate Setting. Prepare Budgeted cost report and Medicaid Cost Report if necessary ₂₄



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Prepare the 855A

<u>Number</u>	<u>Step</u>
18.	Prepare Medicare Cost Report for Rate Setting. Send to Deanna Morton at Cahaba and get the correct rate. (around \$175)
19.	Medicaid Enrollment. Map 851 Form. Is a pain. Takes forever to get approved.
20.	Bill services on a UB-04 for Medicare and determine how to bill Medicaid.



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Annually

<u>Number</u>	<u>Step</u>
21.	Conduct the Annual Evaluation/Program Evaluation.
22.	Quarterly prepare the Credit Balance Report and submit to Medicare.
23.	Prepare Medicare Cost Report. Form 222. Make sure to account for your expenses, flu shots, pneu shots, and bad debts for the RHC.



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What is a rural health clinic?

<http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/downloads/RuralHlthClinfactsht.pdf>

Updated in January, 2017

FACT SHEET



Rural Health Clinic



THE RURAL HEALTH CLINIC Services Act of 1977 (Public Law 95-210) was enacted to address an inadequate supply of physicians serving Medicare beneficiaries and Medicaid recipients in rural areas and to increase the utilization of non-physician practitioners such as nurse practitioners (NP) and physician assistants (PA) in rural areas. There are approximately 3,800 Rural Health Clinics (RHC) nationwide that provide access to primary care services in rural areas.

Rural Health Clinic Services

RHCs furnish:

- Physician services;
- Services and supplies incident to the services of a physician;
- NP, PA, certified nurse midwife (CNM), clinical psychologist (CP), and clinical social worker (CSW) services;
- Services and supplies incident to the services of a NP, PA, CNM, CP, and CSW;
- Medicare Part B covered drugs that are furnished by and incident to services of a RHC provider; and
- Visiting nurse services to the homebound in an area where the Centers for Medicare & Medicaid Services (CMS) has certified that there is a shortage of Home Health Agencies.



one of the following types of Federally designated or certified shortage areas:

- Primary Care Geographic Health Professional Shortage Area (HPSA) under Section 332(a)(1)(A) of the Public Health Service (PHS) Act;
- Primary Care Population-Group HPSA under Section 332(a)(1)(B) of the PHS Act;
- Medically Underserved Area under Section 330(b)(3) of the PHS Act; or
- Governor-designated and Secretary-certified shortage area under Section 6213(c) of the Omnibus Budget Reconciliation Act of 1989.

Medicare Certification as a Rural Health Clinic

To qualify as a RHC, a clinic must be located in:

- A non-urbanized area, as defined by the U.S. Census Bureau; and
- An area currently designated by the Health Resources and Services Administration as



RURAL HEALTH CLINIC FACT SHEET





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Description

Web Address

RHC Regulations from the CFR

<http://narhc.org/resources/rhc-rules-and-guidelines/>

**Appendix G
Guidance to Surveyors:
Rural Health Clinics**

https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/downloads/som107ap_g_rhc.pdf

**CMS-30 Survey For
Rural Health Clinics
(This is a modified
version that is useful)**

<http://www.healthandwelfare.idaho.gov/Portals/0/Health/Rural%20Health/survey-report-tool.pdf>



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RHC Forms to use from Idaho

Description	Link
Bureau of Rural Health & Primary Care (See 2012 Presentations)	http://www.healthandwelfare.idaho.gov/Health/RuralHealthandPrimaryCare/RuralHealthClinic(RHC)Certification/tabid/408/Default.aspx
Medical Record Review Form	http://www.healthandwelfare.idaho.gov/Portals/0/Health/Rural%20Health/PatientRecordQualityCklist.pdf
CDC Temperature Logs	http://www.healthandwelfare.idaho.gov/Portals/0/Health/Rural%20Health/CDCTempLog.pdf
Equipment Maintenance Logs	http://www.healthandwelfare.idaho.gov/Portals/0/Health/Rural%20Health/Equipment%20Name.pdf
Sample Medication Log	http://www.healthandwelfare.idaho.gov/Portals/0/Health/Rural%20Health/SampleMedicationLog.pdf



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There are Nine Conditions of Participation

1.491.4 Comply with Fed, State, & Loc Laws

2.491.5 Must meet location requirements

3.491.6 Physical Plant and Environment

4.491.7 Organizational Structure

5.491.8 Staffing and Staff Responsibilities

6.491.9 Provision of Services

7.491.10 Patient Health Records

8.491.11 Program Evaluation

9.491.12 Emergency Preparedness



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Getting Started

- 1. Study the CMS-30 survey form and the AAAASF standards**
- 2. Prepare an Evidence Binder and copy the items that the surveyor asked for last time and place in an expandable file. Keep a copy for you as well.**
- 3. Conduct a Mock inspection.**





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Tennessee RHC Survey Evidence Binder

Please provide the following information to the RHC Surveyor at the beginning of the RHC survey. Please make a copy of everything provided to the Surveyor for your records.

The clinic will have an Evidence Binder and give that to the surveyor.

Number	Surveyor Requested Item	Reference	Status
1	Form CMS-29	Item 1	Done
2	Copy of approval from CMS-RO for Visting Nurse Services.	NA	No Visiting Nurses.
3	Hours of operation	Item 3	Done
4.	Name and address of Owners	Item 4	Done
5.	Copy of Organizational Chart	Item 5	Done
6.	List of all patients scheduled for today, office visits for past 6 months and any emergency transfers in past year		
7.	List of all staff, title, and date of hire (Including MD)	Item 7	To Do
8.	Staffing for 2 weeks of operation (include all disciplines)	Item 8	Done
9.	Program Evaluation	Item 9	Sign page 3
10.	Copy of Confidentiality policy	Item 10	Done
11.	Policy for maintaining medical records	Item 11	Done
12.	Policy for emergency procedures	Item 12	Done
13.	Patient Care policy	Item 13	Done
14.	Copy of Physician(s), PA(s) and/or NP(s) license		
15.	Protocols for PA and/or NP to follow per physician		
16.	Procedures that PA and/or NP are allowed to perform		
17.	CLIA Certificate		
18.	Routine and Preventive Maintenance of medical equipment records		
19.	List of all services provided through agreement or arrangement	Item 19	Done
20.	Copy of facility floor plan		



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Have an Evidence Binder that is up to date at all times. (a file with copies for the inspector)

The Inspector will hand you a list of what they want to see in most cases. The list will typically have the same things listed:

- A. Physician/NP/PA/CNM/Nurses licenses**
- B. Schedules for NPs/PA/CNMs (50%)**
- C. Preventive maintenance logs and plans**
- D. ALS or CPR updated certificates**
- E. Chart Reviews by the Medical Director**
- F. Emergency, Fire, and Medical Drills**
- G. Fire Department inspection, Invoices for PM.....**



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**The Surveyor
will give you a
document
something like
this.**

AAAASF/RHC Medicare Inspection Checklist

1. Organization Tour with Supporting Policies:
 - a. Safety of General Environment: There will be familiarization walkthrough tour of the organization
 - b. Document Review: Personnel records and Qualifications
 - c. Document Review and Postings : Compliance with Federal, State, and Local laws and Administrative Management
 - d. Plan of Care and Physician Involvement
 - e. Provision of Services
 - f. Document Review: Contracted Services
 - g. Document Review: Patient Health Records
 - h. Physical Environment
 - i. Staffing and Staff Responsibilities
 - j. Disaster Preparedness
 - k. Program Evaluation
 - l. Survey Findings: The surveyor will document the survey findings and complete the survey forms.
 - m. Exit Interview: The surveyor will review the survey process in an exit interview with the organization administrator and key staff with discussion of areas of deficiency and suggestions for improvement.
2. Patient Care Policy and Procedures
 - a. Governing Authority/Ownership
 - b. Advisory Committee Minutes
 - i. Annual review of all policies and procedures (updated as necessary)

The New Emergency Preparedness Plans Must be implemented by 11/15/2017



The Emergency Preparedness Action Plan

1. Read the Regulations, Resources, Templates & watch MLM Videos.

2. Document any and all activities that are spent on EP. (phone calls)

3. Select an Emergency Preparedness Champion to lead the process and an Executive Team of three or more to implement EP.

4. Reach out to the local, CERT, county, state EP officials or coalitions and piggyback off their efforts. Be involved with any drills or tabletops.

5. Conduct the all hazards risk assessment or use the one obtained in 4. if appropriate.

6. Prepare your Emergency Plan to address the most common hazards.

7. Prepare your Emergency Policy and Procedures implementing EP.

8. Prepare your Communication Plan including how to contact people.

The Emergency Preparedness Action Plan (2)

9. Train everyone in the RHC about the EP Plan. Test and document.

10. Train volunteers (spouses or immediate family in smaller RHCs) on HIPAA, OSHA, and the Emergency Plan.

11. Participate in a community-wide drill or a facility-drill if one is not available. Write up any lessons learned from the drill.

12. Participate in another community-wide drill or facility-drill or conduct a table-top exercise instead. (Recommended)

13. Review, Update and authorize changes to the EP, EPP, and CP yearly.

14. Repeat the following year. Document. Document. Document.

<http://www.ruralhealthclinic.com/emergency-preparedness>



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Questions, Comments, Thank You



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