

RURAL HEALTH CLINIC TERMS OF REIMBURSEMENT

Rural Health Clinic (RHC) services are defined as the services described in the Rural Health Clinic Act and any other ambulatory service included in a state's Medicaid plan that are provided to Medicaid members. The Wisconsin Department of Health Services will establish an encounter-specific reimbursement rate for all "RHC-covered services" provided to Medicaid members eligible on the date of service. The encounter rate will reimburse RHCs 100 percent of their allowable costs, to a maximum limit determined by the federal government. Such costs cannot exceed the reasonable costs as determined by applicable Medicare cost reimbursement principles set forth in 42 C.F.R. Part 413, Health Insurance Manual 15, and any additional mandated regulations published as final rule in the Federal Register.

Initial fee-for-service reimbursement to RHCs will be made per the terms of reimbursement for the certified performing provider. Providers are required to bill their usual and customary charges for services provided. The usual and customary charge is the amount charged by the provider for the same service when provided to non-Medicaid patients, as defined by Wis. Admin. Code § [DHS 101.03\(181\)](#). For providers who have not established usual and customary charges, the charge should be reasonably related to the provider's cost for providing the service.

Wisconsin Medicaid may provide additional quarterly reimbursement based on the provider's encounter rate as established via the RHC cost report. An RHC encounter is a face-to-face encounter between a clinic patient and any Wisconsin Medicaid physician, physician assistant, nurse practitioner, certified nurse midwife, clinical psychologist, clinical social worker, or visiting nurse. Encounters with more than one health professional and multiple encounters with the same health professional, which take place on the same day and at a single location, constitute a single visit (except for cases in which the patient, subsequent to the first encounter, suffer an illness or injury requiring additional diagnosis or treatment).

Wisconsin Medicaid will provide the RHC a final reconciliation payment reimbursing the RHC for 100 percent of their reasonable costs, to a maximum limit determined by the federal government, which are in excess of those amounts paid or payable by Medicare, Wisconsin Medicaid through fee-for-service, quarterly payments, the HMO(s), third-party payers, and the member copayment, based on the acceptance by Wisconsin Medicaid of the annual cost report.

Only "RHC services" are eligible for reasonable cost reimbursement. Medicaid-covered services that are not considered RHC services, including Wisconsin Medicaid services in which the cost and the liability for the services is not assumed by the RHC, may be eligible for fee-for-service or HMO reimbursement.

Wisconsin Medicaid reimbursement, less appropriate copays and payments by other insurers, will be considered payment in full.

The Department of Health Services will adjust payments made to providers to reflect the amounts of any allowable Medicaid copays that the providers are required to collect pursuant to Wis. Stat. ch. 49.

Payments for deductible and coinsurance payable on an assigned Medicare claim shall be made in accordance with Wis. Stat. § 49.46(2)(c).

In accordance with federal regulations contained in 42 C.F.R. § 447.205, the Department of Health Services will provide public notice in advance of the effective date of any significant proposed change in its methods and standards for setting encounter rates for services.

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Wisconsin
Department of Health Services