Rural Health Clinics and Federally Qualified Health Centers
Frequently Asked Questions (FAQ)

1. What is a Rural Health Clinic?

A Rural Health Clinic (RHC) is a clinic located in a rural area that has been designated as Medically Underserved or as a Health Professional Shortage Area. It provides primary care services ("core services") that receive enhanced reimbursement from Medicare and Medicaid.

RHCs are required to be staffed by a team that includes one mid-level provider, such as a nurse practitioner (NP), physician assistant (PA), or certified nurse midwife (CNM), that must be on-site to see patients at least 50 percent of the time the clinic is open, and a physician (MD or DO) to supervise the mid-level practitioner in a manner consistent with state and federal law. While federally qualified health centers (FQHCs) provide dental, mental health, substance abuse, and transportation services, RHCs are only required to provide outpatient primary care services and basic laboratory services. RHCs must be located within non-urban rural areas that have health care shortage designations.

2. What is a Federally Qualified Health Center?

A Federally Qualified Health Center (FQHC) is a "safety net provider" which provides essential medical services to the most disadvantaged and vulnerable populations. FQHCs must serve an underserved area or population, offer a sliding fee scale, provide comprehensive services, have an ongoing quality assurance program, and have a governing board of directors. Certain tribal organizations and FQHC Look-Alikes (an organization that meets PHS Section 330 eligibility requirements, but does not receive grant funding) also may receive special Medicare and Medicaid reimbursement.

It must meet program requirements for clinical management, governance and financial management. FQHCs may be located in urban or rural communities. They are required by federal law to provide low cost health care to patients regardless of the patients' ability to pay. Like RHCs, they receive enhanced reimbursement from Medicare and Medicaid for FQHC "core" services.

3. What is a Rural Health Clinic Core Service?

Rural Health Clinic Core Services are:

- Professional (including physician, nurse practitioner, physician's assistant, midwife, and nursing care) and other services and supplies provided during a clinic visit
- Visiting nurse services to the homebound
- Clinical psychologist and social worker services including services and supplies incident to those services

Core Services are evaluated and may periodically be redefined by the Office of Rural Health.

4. What services does an FQHC provide?

An FQHC must provide all of the RHC services described above as well as preventive primary services.

FQHCs also furnish preventive primary health services when furnished by or under the direct supervision of a physician, NP, PA, CNM, CP, or CSW. The following preventive primary health services are covered when furnished by FQHCs to a Medicare patient:

- Medical social services
- Nutritional assessment and referral
- Preventive health education
- Children's eye and ear examinations
- Well child care, including periodic screening
- Immunizations, including tetanus-diphtheria booster and influenza vaccine
- Voluntary family planning services
- Taking patient history
- Blood pressure measurement
- Weight measurement
- Physical examination targeted to risk
- Visual acuity screening
- Hearing screening
- Cholesterol screening
- Stool testing for occult blood
- Tuberculosis testing for high risk patients
- Dipstick urinalysis
- Risk assessment and initial counseling regarding risks

For women only:

- Prenatal and post-partum care
- Prenatal services
- Clinical breast examination
- Referral for mammography
- Thyroid function test

FQHC preventive primary services that are *not* covered include:

- Group or mass information programs, health education classes, or group education activities, including media productions and publications
- Eyeglasses, hearing aids and preventive dental services

Items or services that are covered under Part B, but are *not* FQHC services, include:

Certain laboratory services;

- Durable medical equipment (whether rented or sold), including crutches, hospital beds, and wheelchairs used in the patient's place of residence
- Ambulance services
- The technical component of diagnostic tests such as X-rays and electrocardiograms

  The technical component of the following preventive services:
  - Screening pap smears
  - Prostate cancer screening
  - Colorectal cancer screening tests
  - Screening mammography
  - Bone mass measurements

- Prosthetic devices that replace all or part of an internal body organ, including colostomy bags, supplies directly related to colostomy care, and the replacement of such devices
- Leg, arm, back, and neck braces and artificial legs, arms, and eyes, including replacements (if required because of a change in the patient's physical condition)

5. How are claims for a Rural Health Clinic and Federally Qualified Health Centers submitted?

Clinics which are RHCs or FQHCs bill Medicare for RHC and FQHC services on a UB-04 facility claim form, or the 837 Institutional electronic claim using revenue code 52X for the RHC or FQHC clinic visit.

When clinics which are RHCs or FQHCs bill Medicare for non-RHC or non-FQHC services or when they bill Medica as the primary payer, they bill on a CMS-1500 claim form or the 837 Professional electronic claim in accordance with billing requirements for professional services.

6. How are RHC or FQHC's reimbursed?

Medica cannot disproportionally reimburse a RHC or FQHC from any other business. RHC/FQHC 0051 provider records are set up to pay at 100% since Medica is a secondary payer to the Centers for Medicare and Medicaid Services (CMS) for RHC/FQHC "core" services; providers bill CMS on a facility (UB-04) claim form. If it is not a core service, then the provider bills Medica as primary on a CMS-1500 and the claim pays off the clinic agreement at the Medica standard fee schedule.

7. How does the RHC or FQHC status of a clinic impact Medica?

There are several ways in which Medica is impacted by a clinic's status as an RHC or FQHC:

- When Medica is secondary to Medicare for RHC or FQHC claims, Medica recognizes and accepts the UB-04 claim form or the 837 Institutional electronic claim for professional services. The Medica liability as secondary payer to Medicare is the Part B coinsurance and deductible for RHC claims and just the Part B coinsurance for FQHC claims. (The Part B deductible does not apply to FQHC services.) Depending on the product, Medica may also pay for some services not covered by Medicare.
- RHCs and FQHCs bill Medicare as primary payer for Part B services under the Medica Prime Solution® product. The Medica liability as secondary payer is as described above.
- RHCs and FQHCs bill Medica as primary payer for part B services under the Medica's Advantage product. The Medica liability as primary payer is the allowed amount minus member liability**.**

8. Do RHC or FQHC claims for which Medica is secondary to Medicare cross over electronically?

Claims for which Medica is secondary to Medicare should cross electronically to Medica from the RHC's or FQHC's Fiscal Intermediary (FI) for the products listed below. If claims for an individual member covered under one of these products are not crossing over electronically, the RHC or FQHC should contact the Medica Provider Service Center at 1-800-458-5512. If an RHC or FQHC believes its FI is not crossing any of its claims for one or more of these products to Medica, the RHC or FQHC should contact its FI.

- Medica Choice Care℠ MSC+
- Medica Prime Solution®
- Medica Select Solution®
- Medica AccessAbility Solution®

Please note that commercial claims for which Medica has secondary liability to Medicare do *not* cross electronically. The RHC or FQHC must submit to Medica the UB-04 or the 837 Institutional electronic claim including the clinic's "0051-xxxxxxx" Medica RHC or FQHC provider number if possible and the specifics of Medicare's reimbursement.

9. Which Medica products are impacted by a clinic's status as a Rural Health Clinic or Federally Qualified Health Clinic when Medicare is the primary carrier?

All of the following commercial products* (secondary to Medicare) for which the clinic is participating:

- All Medica commercial products including Medica Choice®, Medica Elect®/Medica Essential℠ and Medica Focus®

All of the following Government Products* (secondary to Medicare) for which the clinic is participating:

- Medica Choice Care℠ MSC+
- Medica Choice Care℠ PMAP (Prepaid Medical Assistance Program)
- Medica Prime Solution®
- Medica Select Solution®
- Medica AccessAbility Solution®

Note that Medica DUAL Solution®, Medica AccessAbility Solution® Enhanced and Medica Advantage plans are not impacted as Medica is the primary payer for these products.

*****Please note that the RHCs and FQHCs follow normal clinic billing and claim procedures when Medica is the primary payer.

10. The Medica Prime Solution product has member copayments for some services. When Medicare is the primary payer for core services and Medica is secondary, do the copayments still apply?

Yes, member copayments are still applicable. They are an integral part of the plan design and should be collected by the clinic. Payments by Medica as secondary payer will be exclusive of any member copayments payable.

11. What's the Federally Qualified Health Clinic carve-out process for Medica's MHCP products?

Federally Qualified Health Clinic services provided on or after July 1, 2019, are billed directly to the Minnesota Department of Human Services (DHS) for the following Minnesota Health Care Programs (MHCP) products:

- Medica Choice Care℠ MSC+
- Medica Choice Care℠ PMAP (Prepaid Medical Assistance Program)
- Medica AccessAbility Solution®
- Medica DUAL Solution®
- Medica AccessAbility Solution® Enhanced

FQHC carve-out exclusions:

- Medicare claims follow standard Medicare billing practice
- Claims in which a third-party liability (TPL) insurer paid the claim in full
- Behavioral and Medical Health Care Home claim procedure codes S0280 and S0281. Medica will continue to pay these claims directly to the provider.
- All Medica MinnesotaCare claims (Medica is the primary payer)

ADDITIONAL INFORMATION:

	Prime Solution	Select Solution	DUAL Solution	MN Senior Care	Commercial	Advantage Solution (HMO, HMO-POS, PPO, I-SNP)
Member Group number	70xxx	71xxx	07xxx	59xxx	Varies	73xxx (through 2020) A0061 (starting 1/1/2021)
Primary carrier	Medicare for core services; Medica for non-core services	Medicare	Medica	Medicare	Medicare	Medica
Secondary carrier	Medica for core services for which Medicare is primary.	Medica	N/A	Medica	Medica	N/A
Billing format	UB-04 for core services. CMS-1500 for non-core services.	UB-04	CMS-1500	UB-04	UB-04	CMS-1500

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