



# RURAL HEALTH CLINIC

#### MEDICARE & MEDICAID ENROLLMENT

#### Kentucky



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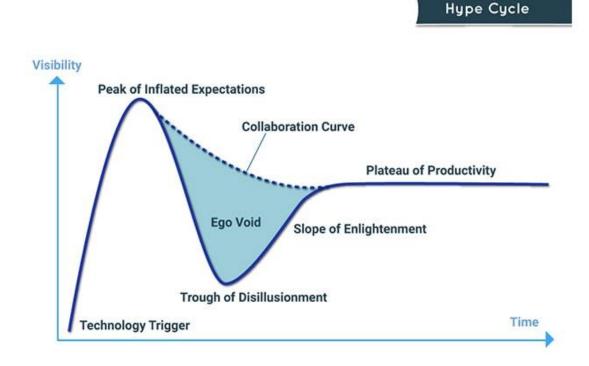




## **Next Steps – After the RHC Survey**

#### 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.

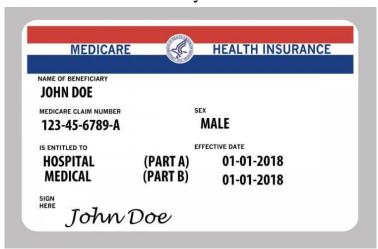




#### **Medicare**

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 (<a href="https://www.azaleahealth.com/">https://www.azaleahealth.com/</a>) 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.



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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 sixdigit CCN number that will be used with cost and ties to a specific report filings 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 23 North Michigan Avenue, Sutie 600 Chicago, IL 0601-5519



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

October 2, 2019

Current Administrator John DiTraglia Inc. 717 5<sup>th</sup> 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-

 $\underline{Education/Outreach/OpenDoorForums/Downloads/CMSRuralHealthCoordinators.pdf}$ 



## **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. CGS, the MAC for Kentucky will set your rate at \$50, so please let us know and we will submit a projected cost report.
- 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 <u>Ability</u> 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.** 



## **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 <a href="http://www.ruralhealthclinic.com/">http://www.ruralhealthclinic.com/</a>
- Youtube: https://www.youtube.com/channel/UCXW4pkwNzDXVTMFrFwMy2\_A
- RHC Billing: <a href="http://www.ruralhealthclinic.com/rhc-billing/">http://www.ruralhealthclinic.com/rhc-billing/</a>

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





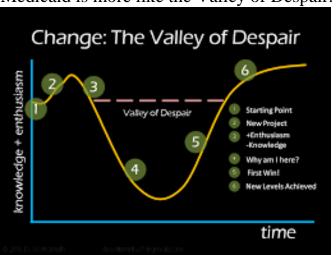




## **Medicaid** – The Valley of Despair

Remember the trough of dissolution. Well, Medicaid is more like the Valley of Despair.

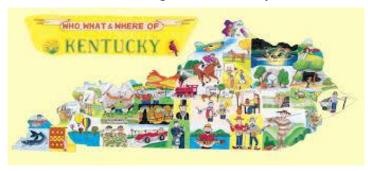
It is extremely difficult for us as RHC consultants due to each state having different rules and regulations and one reason we tend to limit the states we work in. A lot of states make it difficult for you to enroll in the Medicaid program as an RHC due to the much higher rates paid to RHCs. Also, since 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.



## **Kentucky Medicaid**

Kentucky enrollment as a rural health clinic can take a long time. To say it has been

frustrating is an understatement. We recommend finding local help with this process and people with experience enrolling in Kentucky Medicaid. We work with Cammi Jones with Kentucky Medical Billing Associates, Inc. and recommend that RHCs join the Kentucky Primary Care Association.



Like Medicare, Medicaid will require the RHC to enroll with Medicaid and establish a rate. Establishing an interim rate is easy. Just contact Bradford Johnson, HCISPP Manager, Myers and Stauffer,150 Flynn Avenue, Suite 200 | Frankfort, KY 40601 PH: 502.695.6870 | PH: 888.749.5799 <a href="https://www.myersandstauffer.com">www.myersandstauffer.com</a> and Myers and Stauffer will set your rate at the average of the three closest RHCs. The final rate will be established by filing a special Kentucky Medicaid cost report for the first full fiscal year the clinic is a



rural health clinic. The Kentucky Medicaid forms are complicated and daunting so start early and plan for the filing. We have a booklet on Kentucky Base Year cost reporting and other cost reporting resources on our website. Here are the links:

#### 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:

- Kentucky Base Year Cost Reporting Report for RHC Clients
- 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 Medicaid Enrollment and Billing Information**

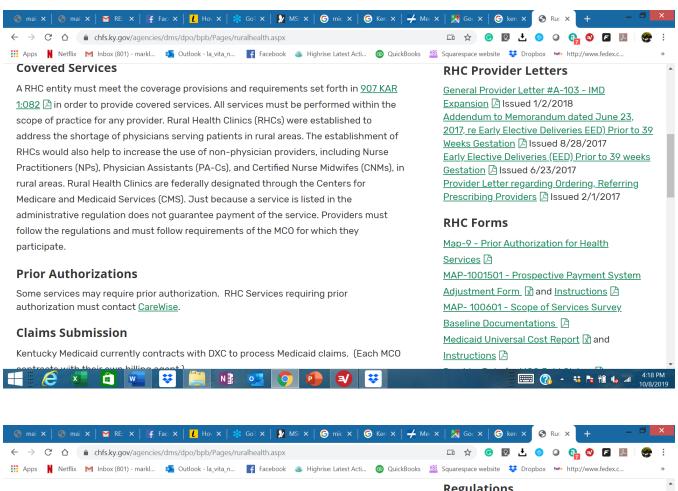
Kentucky has added a lot of information on RHC billing to their website in recent months and you will find a wealth of billing and enrollment resources at the following link. We have included a number of screenshots so you can see the type of information provided:

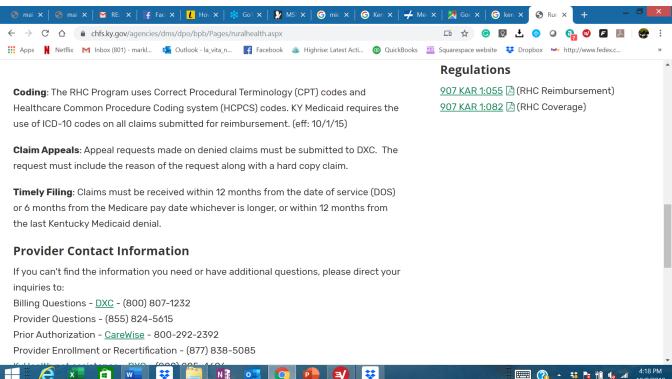
KENTUCKY Cabinet for Health and Family Services Department for Medicaid Services > Division of Policy and Operations > Benefit Policy Branch > Rural Health Clinic (RHC) Services - PT (35) Rural Health Clinic (RHC) Services - PT 35 The RHC program is identified in Kentucky Medicaid as Provider Type (35). An RHC may Report Fraud and Abuse bill as an entity (35). In order for a RHC entity to provide services to a Medicaid (800) 372-2970 beneficiary, it must be **Provider Resources** · enrolled as a Kentucky Medicaid provider RHC Billing Instructions A · enrolled with the Managed Care Organization (MCO) of any beneficiary it wishes to Current Fee and Rate Schedules treat. PT 35 - RHC Provider Summary [A **Covered Services** 🙂 🏥 NB 🥶 🧿 🐠 🜒 🙂

https://chfs.ky.gov/agencies/dms/dpo/bpb/Pages/ruralhealth.aspx

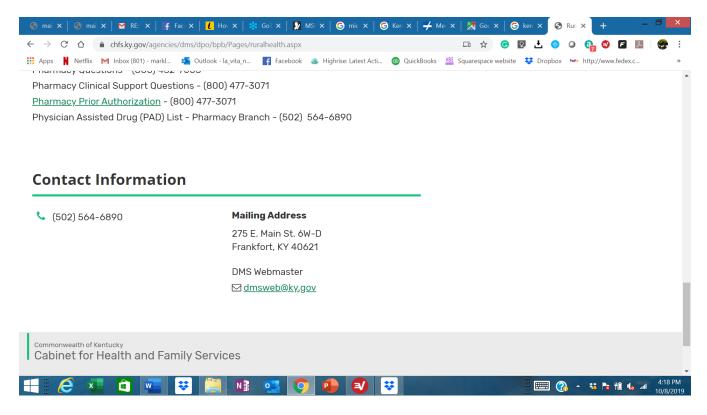


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#### Kentucky Medical Billing Associates, Inc.

We also reached out and received recommendations on excellent billing resources for our Kentucky RHCs and those located on the state lines. Kentucky Medical Billing Associates, Inc. came highly recommended and based upon our conversations has the knowledge to assist with the credentialing process and provide a billing service that is familiar with Kentucky Medicaid.

Kentucky Medical Billing Associates, Inc. 151 N Eagle Creek Drive Suite 310 Lexington, KY 40509 Office: (859) 263-4341

Cammie Jones

Cell: (859) 771-7220

Email: cjones@kymba.net





# Kentucky RHC Resources February 2019

One of the biggest issues in Kentucky is credentialing with the State for RHC services and getting good billing help familiar with the ever-changing rules and complexities of billing RHC services in Kentucky. It is certainly difficult to keep up with the changes and understand why the process takes so long when you submit a paper MAP-811 to the state. With a processing time of 4 to 6 months on average it is maddening to wait with your money being held up that long. As our frustration with the process increased, we reached out and have found some resources to speed up the process.

# Kentucky Primary Care Association IPA for Rural Health Clinics

The Kentucky Primary Care Association (KPCA) is a membership organization, the state delegate for the National Association of Rural Health Clinics and we offer educational programs, group purchasing and other services to help clinics. KPCA also manages a Messenger Model Independent Practice Association that has a variety of contracts with MCOs and commercial payer plans in KY that are available to those practices who are eligible for IPA membership. A clinic must be a member of the Association before being considered for the IPA. The IPA looks for a commitment to quality as well as a commitment to cost savings. Use of EMR is also a determining factor for eligibility.



In a conversation with Noel Harilson, Director of IPA Services, he indicated the KPCA average turnaround for obtaining a KY Medicaid ID is 22 days versus 4 to 6 months submitting directly to the State. They have delegated credentialing agreements with 4 of the 5 MCOs which really speeds up the process of credentialing as well. Here is the website with information on the IPA: <a href="https://kpca.net/ipa-synopsis">https://kpca.net/ipa-synopsis</a>. We have also included a summary of the IPA Benefits at the end of this report. Contact information for Noel is as follows:

Noel A. Harilson, MS
Kentucky Primary Care Association, Inc.
Director, IPA Services
226 West Main Street
Frankfort, KY 40601
PH: 502.545.3867
nharilson@kypca.net
www.kpca.net

# **Independent Practice Association**



Kentucky Primary Care Association Summary of IPA Contracts

Updated for IPA Members September 2018



The Kentucky Primary Care Association (KPCA) operates a messenger-model Independent Practice Association (IPA), which negotiates on behalf of clinic members with Medicaid Managed Care Organizations (MCOs), Medicare Advantage plans, and other commercial payors.

IPA participating clinics can "opt in" (participate) or "opt out" (not participate) of any contract. Contracts KPCA negotiates include a range of incentives for quality, Patient Centered Medical Home (PCMH) recognition, control of medical services spending, as well as delegated credentialing to expedite enrollment with most health plans.

KPCA contracts with Precision Healthcare Delivery (Precision) to manage clinic provider rosters, delegated credentialing, claims resolution issues that cannot be resolved at the Provider Services/Claims Resolution/Provider Representative level with the Managed Care Organization (MCO) or other payers. The IPA also receives claims data from the MCOs and develops reports with actionable data provided to clinics on a secure FTP (File Transfer Protocol) web site. The IPA supports a team of Quality Improvement Specialists who work directly with clinics to help them review HEDIS and incentive quality measures to help you achieve the targeted measures for incentive payments. The IPA provides assistance on achievement of initial recognition and ongoing maintenance of PCMH through the Kentucky REC and through individualized consultation from a KPCA National Committee for Quality Assurance (NCQA) reviewer/expert for clinics. Some MCOs provide additional incentives for PCMH recognition and it is a model that helps transform practices to accommodate the value-based reimbursement system that is wide-spread among insurers and MCOs.

The KPCA IPA and Precision provide weekly communications and updates, more frequent information as needed and a monthly webinar on the 3<sup>rd</sup> Wednesday of each month. All of these communications are essential information meant to help you succeed. It is highly recommended that you participate in the webinar and the many educational offerings through KPCA.

#### **KEYS TO SUCCESS FOR YOUR CLINIC**

- Always check eligibility, preferably on the MCO or Insurance Carriers Web Site. This
  allows the clinic to access the most recent information as we all know patients often
  move between plans and/or eligibility.
- Always check the PCP the patient is assigned to for care. If the patient is not assigned
  to your clinic, ask them to change so you can receive credit for the work you do. If you
  do not move these patients to your panel you may miss PMPM payments and targeted
  incentives.
- Check your NPI, Taxonomy Codes (both the facility and every billable provider), Provider Type with Provider Enrollment DMS.



- Submit all information requested by KPCA in a timely fashion. Credentialing of your providers and facilities is essential for the clinic to be paid timely.
- Watch your coding! The MCOs and all commercial carriers are required to follow NCCI requirements (National Correct Coding Initiative).
- Check and update your patient's problem list routinely. This is ultimately useful in setting
  risk scores. Not paying attention to this could adversely affect your ability to reach
  targeted MLR for incentive payments.
- Know your Clearing House, what it does, if it is submitting up to seven diagnostic codes (used in determining Risk Scores) and notification on front-end edits that may mean your claims are not being submitted, among other things. Most have reporting that is useful in working AR for a clinic.
- As a first step in claims resolution contact the individual MCO if you have
  issues. Always get a reference number and the name of the person from Customer
  Support, or document the contact with the MCO's Provider Representative. If the issue
  is not resolved timely contact the KPCA's contracted IPA management group, Precision,
  and the issues will be addressed by them for resolution directly, in bi-weekly Issues Log
  Discussions, or in a face-to-face meeting held every other month.
- Submit and review your provider roster routinely and let Precision know about any
  changes or additions of providers or facilities. If they are not loaded or the providers are
  not credentialed, you will not get paid. It generally takes up to six weeks from the date
  of submission of a complete provider credentialing packet to review and approve the
  provider. Facilities may also need to be surveyed, depending on the requirements of
  the payor.
- Keep your provider credentialing information updated (review the CAQH, Council for Affordable Quality Healthcare, routinely as required, as an example), and submit your credentialing information timely and in a complete fashion.
- Use the data available to you provided by KPCA/Precision.
- Work with the KPCA/Precision QI Specialists to reach quality targets.
- Read the material that is sent to you and participate in the webinars and other trainings offered by KCPA.

If you are interested in being in the KPCA IPA, you must first become a licensed member of the KPCA. For more information call the office at 502-227-4379

#### **IPA Benefits**

The Kentucky Primary Care Association operates a messenger-style Independent Practice Association (IPA), which contracts with Medicaid Managed Care Organizations, Medicare and commercial payors on behalf of KPCA members. The IPA aims to create a high performing



preferred provider network with financially stable membership providing cost effective, high quality patient centered primary care.

- The benefits of participating in the IPA:
- Contracting with health plans for Medicaid, Medicare Advantage and commercial products
- Negotiated rates and gain share opportunities
- Pay-for-performance and pay-for-quality incentive programs
- Delegated credentialing
- Weekly communications to keep you up-to-date on contracts, incentives and other IPA issues
- Online reporting of claims data for your organization
- Training and technical assistance to help your practice maximize revenue and improve quality
- Assistance with the 340B Rx program

#### **Membership Options**

Membership Package: \*
FQHC/RHC Entity: \$1,000.00

\$2,000,001 or more in operating expenses

FQHC/RHC Entity: \$750.00

\$500,001 to \$2,000,000 in operating expenses

FQHC/RHC Entity: \$500.00

Less than \$500,000 in operating expenses

Organizational Membership: \$480.00

Over 50 Employees

Organizational Membership: \$320.00

26 - 50 Employees

Organizational Membership: \$200.00

0-25 Employees Individual: \$20.00

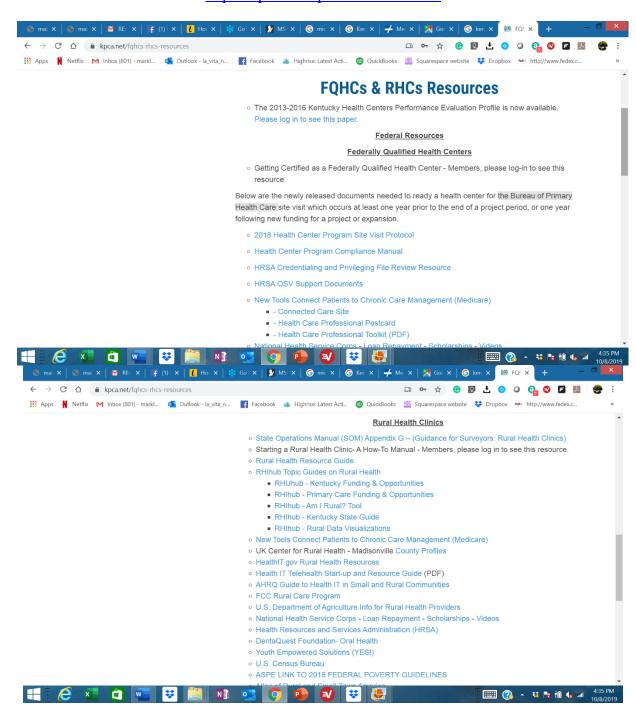




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#### KPCA Resources for RHCs from their website

https://kpca.net/fqhcs-rhcs-resources





#### **KENTUCKY MEDICAID MCOS**

The MCO options and contact information is available below. Please refer questions to the contact listed below:

- Anthem 855-690-7784
- Aetna Better Health of KY (formerly CoventryCares of KY) 855-300-5528
- Humana CareSource 855-852-7005
- Passport Health Plan 800-578-0603
- WellCare of Kentucky 877-389-9457

#### **Conclusion**

Thank you for engaging Healthcare Business Specialists to help you through the RHC process. With a little luck it will be no time and we will be happily out of the valley of despair and residing on the plateau of productivity. If you have any questions, please call Dani Gilbert or Mark Lynn and please join us for our free RHC seminar in Somerset.

