

PROVIDER BULLETIN

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Clinic Bulletin

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MHD Reimbursement for Federally Qualified Health Centers (FQHCs)

For dates of service beginning January 1, 2016, FQHC services will be reimbursed on an interim basis at 92% of charges for covered services billed to the MO HealthNet program. This is applicable to both fee-for-service claims billed directly to the MO HealthNet Division (MHD) and the Supplemental Managed Care Interim Payments (also known as wrap-around payments) submitted to the Institutional Reimbursement Unit for payment of the difference between a Managed Care Health Plan's payment and the MO HealthNet interim payment percentage. MHD is changing the interim payment percentage from 97% to 92% to lessen the impact of final cost settlements on FQHCs. MHD will continue to complete annual desk reviews of an FQHC's Medicaid cost report and determine the final payment based on a facility's allowable MO HealthNet cost. MHD will make an additional payment to an FQHC when the allowable MO HealthNet costs exceed interim payments for the cost reporting period. Likewise, the FQHC must reimburse MHD when its allowable MO HealthNet costs for the reporting period are less than interim payments.

The new interim percentage rate will be implemented in the state's system by December 31, 2015 so claims submitted after that date with dates of service on or after January 1, 2016 will be reimbursed at 92%. Claims submitted with dates of service prior to January 1, 2016 will continue to be paid at 97%.

Supplemental Managed Care Interim Payments for Federally Qualified Health Centers (FQHCs) and Rural Health Clinics (RHCs)

Due to the change in the Managed Care contract effective July 1, 2015, the MO HealthNet Division (MHD) has changed its payment policy for Supplemental Managed Care Interim Payments (also known as wrap-around payments) for FQHCs, Provider Based RHCs (PBRHC), and Independent RHCs (IRHCs). Beginning January 2016, MHD will process the Supplemental MC Interim Payment Requests on a **quarterly basis** and MHD will only accept one request each quarter for each applicable fiscal year. Facilities should continue to submit separate requests for each fiscal year and should not co-mingle dates of service for different fiscal years on one request. For example, for the January 2 submittal, a facility with a 9/30 Fiscal Year End (FYE) may submit 1 request for the 9/30/2015 FYE and another request for

the 9/30/16 FYE for dates of service that have been paid by the health plan by the January 2 submittal date. The Supplemental MC Interim Payment Request will be due to MHD by the 1st day of each quarter for prior dates of service for which the facility has received a Health Plan payment. MHD will process the payment on the 1st financial cycle (or Remittance Advice (RA)) of the 2nd month in the quarter which will be reflected on the 2nd check of the month. These processing and payment dates are subject to change based upon staff's review of the Supplemental MC Interim Payment Requests and any additional information needed regarding the requests. Please see chart below for the schedule.

Due Date for MC Interim Payment Request to be Submitted to MHD	Financial Cycle/RA on which the MC Interim Payment Request will be Processed *	Check on which the MC Interim Payment Request will be Reflected *
January 2	1 st Cycle/RA in February	2 nd Check in February
April 1	1 st Cycle/RA in May	2 nd Check in May
July 1	1 st Cycle/RA in August	2 nd Check in August
October 1	1 st Cycle/RA in November	2 nd Check in November

* These processing and payment dates are subject to change based upon staff's review of the MC Interim Payment Requests and any additional information needed regarding the requests.

The following table shows how much the Health Plans are required to pay FQHCs and RHCs under the new contract effective for dates of service beginning July 1, 2015. The table also shows the additional amount that MHD will reimburse the clinic for covered services rendered to MO HealthNet Managed Care members during the reporting period (i.e., the supplemental reimbursement is the difference between the MHD Interim Payment amount and the Health Plan Payment).

Clinic Type	Health Plan Payment (Dates of Service Beginning 07/01/2015)	MC Interim Payment (Dates of Service Through 12/31/2015)	MC Interim Payment (Dates of Service Beginning 01/01/2016)
FQHC	90% of billed charges	97% of billed charges *	92% of billed charges *
PBRHC	90% of billed charges	100% of billed charges **	100% of billed charges **
IRHC	90% of the MO HealthNet/Medicare rate	100% of the MO HealthNet/Medicare rate	100% of the MO HealthNet/Medicare rate

* The interim payment percent for FQHCs will change from 97% to 92% effective for dates of service beginning January 1, 2016, as discussed in the first section of this Bulletin.

** A PBRHC's interim payment may be less than 100% if the cost-to-charge ratio from its most recent cost report is less than 100% and the Supplemental MC Interim Payment will be based on that percent.

The quarterly Supplemental MC Interim Payment Requests may be submitted to MHD on the forms that are currently used to process such requests. Please submit the quarterly Supplemental MC Interim Payment Request to IRU.Clinic@dss.mo.gov by the due date noted above.

If you need a copy of the MC Interim Payment Request form or have any other questions regarding this issue you may send your inquiries to the email noted above or you may contact the Clinic Policy & Reimbursement Manager with the Institutional Reimbursement Unit, at (573) 751-5663.

Provider Bulletins are available on the MO HealthNet Division (MHD) (Formerly the Division of Medical Services) Web site at <http://dss.mo.gov/mhd/providers/pages/bulletins.htm>. Bulletins will remain on the Provider Bulletins page only until incorporated into the [provider manuals](#) as appropriate, then moved to the Archived Bulletin page.

MO HealthNet News: Providers and other interested parties are urged to go to the MHD Web site at <http://dss.mo.gov/mhd/global/pages/mednewssubscribe.htm> to subscribe to the electronic mailing list to receive automatic notifications of provider bulletins, provider manual updates, and other official MO HealthNet communications via E-mail.

MO HealthNet Managed Care: The information contained in this bulletin applies to coverage for:

- MO HealthNet Fee-for-Service
- Services not included in MO HealthNet Managed Care

Questions regarding MO HealthNet Managed Care benefits should be directed to the patient's MO HealthNet Managed Care health plan. Before delivering a service, please check the patient's eligibility status by swiping the MO HealthNet card or by calling the Provider Communications Interactive Voice Response (IVR) System at 573-751-2896 and using Option One for the red or white card.

**Provider Communications Hotline
573-751-2896**