



ADMINISTRATIVE RULES OF MONTANA



37.86.4413 RURAL HEALTH CLINICS AND FEDERALLY QUALIFIED HEALTH CENTERS, ESTABLISHMENT OF INTERIM PAYMENT FOR NEW RHC OR FQHC

- (1) The interim Medicaid prospective payment system (PPS) base per-visit rate for a newly qualified RHC or FQHC or an FQHC shifting from non-state government operated to privately operated shall be equal to 100% of the average PPS rate for other RHCs or FQHCs located in the same or adjacent area with a similar caseload. In the event that there is no such RHC or FQHC, payment shall be made in accordance with the methodology provided in (2).
- (2) If there is no RHC or FQHC located in the same or adjacent area with a similar caseload, the interim PPS rate shall be equal to the RHC's or FQHC's total projected allowable costs divided by the RHC's or FQHC's total projected allowable visits. The provider must submit to the department or its agent an estimate of budgeted costs and visits for the RHC or FQHC for the reporting period in the form and detail required by the department and such other information as the department may require to establish a rate. The projected allowable cost and allowable visit information is subject to a reasonableness review by the department.
- (3) At the end of the RHC's or FQHC's first two complete fiscal years, the department will establish the facility specific baseline PPS rate.
- (4) The department must receive the RHC's or FQHC's as-filed Medicare cost reports for the first two complete fiscal years no later than six months after the end of the RHC's or FQHC's first two complete fiscal years, or otherwise the request is deemed untimely.
 - (a) The department may request additional information from the RHC or FQHC, and the facility is required to submit the requested information within 30 days of the department's request. If the requested information is not received within that timeframe, the request is deemed untimely. The request for additional information will include a notice that failure to submit the materials within the requested 30 calendar days will result in suspension of payments for Medicaid services billed to the department until such time as the supplemental materials are received by the department.
 - (b) If the department has not received the materials in (4)(a) thirty days prior to the expiration of the six month deadline, the department shall send a notice to the RHC or FQHC and inform it that failure to submit the materials in a timely manner will result in suspension of payments for Medicaid services billed to the department until such time as the materials are received by the department.
- (5) Upon receiving the RHC's or FQHC's as-filed Medicare cost reports and any additional information requested pursuant to (4)(a), the department will establish the RHC's and FQHC's baseline PPS rate by calculating the total allowable cost of RHC or FQHC services for the first two complete fiscal years divided by the total allowable visits for the first two complete fiscal years. The baseline PPS

rate may be adjusted to take into account any increase or decrease in the scope of service as provided in ARM 37.86.4412.

- (6) The department will provide written notification of the calculated baseline PPS rate to the RHC or FQHC within 90 days of receiving all information related to the request.
- (7) The department shall reimburse the RHC or FQHC the baseline PPS rate for requests submitted within the timeframe specified in (4)(a) and (b) effective the date of the RHC or FQHC enrollment.
- (8) If an RHC or FQHC fails to timely submit the materials in (4)(a), or if applicable (2)(b), the department shall suspend all payments to the RHC or FQHC for Medicaid services billed to the department until such time as the supplemental materials are received. Once all required materials are received the effective date of the baseline PPS rate is the effective date of the RHC or FQHC enrollment.
- (9) Reimbursement after the baseline PPS rate is only modified through the processes outlined in ARM 37.86.4406, 37.86.4408, 37.86.4409, 37.86.4410, and 37.86.4412.

Authorizing statute(s): 53-2-201, 53-6-113, MCA

Implementing statute(s): 53-2-201, 53-6-101, 53-6-111, 53-6-113, MCA

History: NEW, 1998 MAR p. 2045, Eff. 7/31/98; TRANS, from SRS, 2000 MAR p. 481; AMD, 2001 MAR p. 1476, Eff. 8/10/01; AMD, 2001 MAR p. 2043, Eff. 10/12/01; AMD, 2001 MAR p. 2156, Eff. 10/26/01; AMD, 2005 MAR p. 1402, Eff. 6/17/05; AMD, 2019 MAR p. 1866, Eff. 10/19/19.