



ADMINISTRATIVE RULES OF MONTANA

37.86.4408 RURAL HEALTH CLINICS AND FEDERALLY QUALIFIED HEALTH CENTERS, REQUIREMENTS FOR CHANGE IN SCOPE OF SERVICE REQUEST

- (1) An RHC or FQHC experiences a change in scope of service if it has experienced a change in the type, intensity, duration, or amount of an RHC or FQHC service. A change in scope of service may result in an incremental change to the baseline PPS rate.
- (2) An RHC or FQHC must apply to the department if it experiences a change in scope of service, even if the change in scope of service will not result in an incremental change to the baseline PPS rate. An RHC or FQHC must follow the procedures in ARM 37.86.4409 and ARM 37.86.4410 to apply for a change in scope of service.
- (3) A change in scope of service is limited to the following circumstances, and an RHC or FQHC applying for a change in scope of service must demonstrate at least one of the following:
 - (a) the addition of a new service not incorporated in the baseline PPS rate or deletion of a service incorporated in the baseline PPS rate;
 - (b) the addition or deletion of a covered Medicaid RHC or FQHC service under the State Plan;
 - (c) a change necessary to maintain compliance with amended state or federal regulations or regulatory requirements;
 - (d) a change in service due to a change in applicable technology or medical practices utilized by the RHC or FQHC not otherwise paid for through state or federal funds;
 - (e) a change in the types of patients served, including but not limited to, populations with HIV/AIDS, populations with other chronic diseases, or homeless, elderly, migrant, or other special populations that require more intensive and frequent care, corresponding to a change in the services provided by the RHC or FQHC;
 - (f) a change in operating costs attributable to capital expenditures corresponding to a change in the services provided by the RHC or FQHC; or
 - (g) a change in the provider mix, including, but not limited to:
 - (i) a transition from mid-level providers to physicians with a corresponding change in the services provided by the RHC or FQHC; or
 - (ii) the addition or removal of specialty providers with a corresponding change in the services provided by the RHC or FQHC.
- (4) An RHC or FQHC must demonstrate how one or more of the circumstances in (3) impacts services provided by the RHC or FQHC and must demonstrate an overall change to the RHC or FQHC. For example, the RHC or FQHC may increase services to a high need population; however, this increase

may be offset by growth in the number of lower intensity visits, thereby not warranting an incremental change to the baseline PPS rate.

- (5) The following circumstances alone do not constitute a change in scope of service rate adjustment:
 - (a) a change in ownership, including acquisition by another healthcare entity or RHC or FQHC;
 - (b) a change in the number of staff furnishing an existing service;
 - (c) an increase or decrease in administrative staff;
 - (d) a change in the number of encounters;
 - (e) a change in the cost of supplies for existing services;
 - (f) a change in salaries and benefits not directly related to a change in scope of service;
 - (g) a change in patient type and/or volume without a corresponding change in the services provided;
 - (h) capital expenditures for losses covered by insurance;
 - (i) a change in office location or office space;
 - (j) a change in office hours not directly related to a change in the scope of service as described in (3);
 - (k) expansion or remodel not directly related to a change in the scope of service as described in (3); or
 - (l) the addition of a new site or removal of an existing site, which offers the same RHC or FQHC services.
- (6) The circumstances in (5) may be factors in demonstrating a change in scope of service as long as the RHC or FQHC also demonstrates one or more of the circumstances in (3).
- (7) RHCs or FQHCs that choose to participate in contracted programs to provide services outside of the PPS rate must meet the requirements and adhere to the rules outlined in the applicable contract.
 - (a) Contracts for services outside of RHC or FQHC services will be reimbursed outside the PPS rate and such services will not be included in calculation of the baseline PPS rate or in a request for change in scope of service. Providers who chose to enter contracted programs and meet all related requirements will receive a separate payment as established in the Montana Medicaid State Plan or Centers for Medicare and Medicaid Services approved waiver.
 - (b) If an RHC's or FQHC's existing baseline PPS rate includes costs associated with contracted programs, the RHC or FQHC must submit a change in scope of service to remove the contracted services from the baseline PPS rate.

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, 2019 MAR p. 1866, Eff. 10/19/19.