

**WAC 182-549-1450 Rural health clinics—General payment information.** (1) The medicaid agency limits RHC encounter rate reimbursement to one per client, per day except in the following circumstances:

(a) There is a subsequent visit in the same cost center that requires separate evaluation and treatment on the same day for unrelated diagnoses; or

(b) There are separate visits in different types of cost centers that occur with different health care professionals. (For example, a client with a separate medical and dental visit on the same day.)

(2) All services provided within the same cost center performed on the same day must be included in the same encounter, except for in the circumstances outlined in subsection (1)(a) of this section.

(3) Services and supplies incidental to an encounter are included in the encounter rate payment and must be billed on the same claim.

(4) RHCs must provide services in a single encounter that are typically rendered in a single visit based on clinical guidance and standards of care.

(a) RHCs must not split services into multiple encounters unless there is clinical justification. (For example, fluoride treatment must be provided on the same day as an encounter-eligible service.)

(b) Clinical justification must be based on medical necessity and documented in the client's record.

(5) Services provided in an RHC that are not encounter-eligible are paid on a fee-for-service basis. These services are paid according to agency rules, billing guides and fee schedules.

(6) Managed care organization (MCO) contracted services provided in an RHC for clients enrolled in an MCO are paid for by the MCO.

(7) For clients enrolled with MCOs, the RHC receives encounter rate reimbursement using either the method described in (a) or (b) of this subsection.

(a) RHCs receive an enhancement payment in addition to the MCO's negotiated payment. The agency makes enhancement payments in amounts necessary to ensure that the RHC receives the full encounter rate to comply with 42 U.S.C. 1396a (bb) (5) (A).

(i) The RHCs receive a monthly enhancement payment for each managed care client assigned to them by an MCO.

(ii) To ensure that the appropriate amounts are paid to each RHC, the agency performs an annual reconciliation of the enhancement payments.

(A) For each RHC, the agency compares the amount paid in enhancement payments to the amount determined by the following formula:

(Managed care encounters x encounter rate) - MCO payments for RHC services.

(B) If the agency determines that the RHC was overpaid, the agency recoups the appropriate amount. If the agency determines that the RHC was underpaid, the agency pays the difference.

(C) The agency may prospectively adjust the RHC's monthly enhancement payments if the agency determines the RHC has been overpaid or underpaid in the annual reconciliation.

(D) The agency uses the RHC's most current reconciliation data, and any supplemental information provided by the RHC to determine if any adjustment to the enhancement rate is necessary.

(E) If the agency determines a prospective adjustment to enhancement payments is necessary, the agency notifies the RHC in writing at least 30 calendar days prior to the enhancement payment adjustment.

(F) For dates of service on and after January 1, 2018, reconciliations are conducted in the calendar year following the calendar year for which the enhancements were paid. Reconciliations are conducted by the agency or the clinic with final review and approval by the agency. The process of settling over or under payments may extend beyond the calendar year in which the reconciliations were conducted.

(b) Effective January 1, 2018, instead of distributing monthly enhancement payments to the RHCs, MCOs pay the full encounter rate directly to participating clinics for encounter-eligible services.

(i) RHC participation is voluntary. The RHC notifies the agency in writing whether it will participate or not by no later than November 1st prior to the year of participation.

(ii) The agency performs a reconciliation or claim review with the MCO as outlined in the MCO contract. Reconciliations or claim reviews make sure appropriate amounts are paid to each RHC and that MCOs are not put at risk for, or have any right to, the enhancement portion of the claim. If an MCO has been overpaid, the agency recoups the appropriate amount. If an MCO has been underpaid, the agency pays the difference.

(iii) RHCs participating in the revised alternative payment method (APM) as described in WAC 182-549-1400(8) are not eligible to receive encounter payments directly from MCOs under this section.

(8) The agency pays the encounter rate and the enhancement payments with respect to services provided to encounter-eligible clients. Services provided to clients who are enrolled in medical programs that are paid only in state funds are not encounter-eligible; these claims are paid on a fee-for-service basis, regardless of the type of service performed.

[Statutory Authority: 42 U.S.C. 1396a(bb), 42 U.S.C. 1396d (2) (A), RCW 41.05.021, and 41.05.160. WSR 22-22-049, § 182-549-1450, filed 10/27/22, effective 1/1/23. Statutory Authority: RCW 41.05.021, 41.05.160; 42 U.S.C. 1396a (bb) (5) (A). WSR 20-24-083, § 182-549-1450, filed 11/25/20, effective 1/1/21. Statutory Authority: RCW 41.05.021 and 41.05.160. WSR 20-02-070, § 182-549-1450, filed 12/26/19, effective 1/26/20. Statutory Authority: RCW 41.05.021, 41.05.160, 2017 3rd sp.s. c 1 § 213(1)(11). WSR 17-22-070, § 182-549-1450, filed 10/27/17, effective 1/1/18. Statutory Authority: RCW 41.05.021 and 41.05.160. WSR 17-12-016, § 182-549-1450, filed 5/30/17, effective 7/1/17.]