

State of Mississippi

**DESCRIPTIONS OF LIMITATIONS AS TO AMOUNT, DURATION AND SCOPE OF
MEDICAL CARE AND SERVICES PROVIDED**

2b. Rural Health Clinic Services:

Rural Health Clinic (RHC) services are limited to those services provided in rural health clinics as described in the Social Security Act, Section 1861 (aa). RHC encounters with physicians are included in the physician visit limit.

In order to participate in a Rural Health Clinic Program, a clinic must meet the certification requirements of 42 CFR 491 Subpart A and have an approved agreement to participate in the Medicaid program.

Scope of Services

A. Staffing Requirements

1. The RHC staff must include one or more physicians and one or more physician assistants or nurse practitioners.
2. The physician, physician assistant, nurse practitioner, nurse-midwife, clinical social worker, or clinical psychologist may be an owner or an employee of the clinic, or may furnish services under contract to the clinic.
3. The staff may also include ancillary personnel who are supervised by the professional staff. The staff must be sufficient to provide the services essential to the operation of the clinic.
4. The RHC must have a physician, nurse practitioner, physician assistant, nurse-midwife, clinical social worker, or clinical psychologist available at all times to furnish patient care services during the clinic's hours of operation. The RHC must also have a nurse practitioner, physician assistant, or certified nurse midwife available to furnish patient care services at least 60 percent of the time the RHC operates.
5. The physician must provide medical direction for the clinic's health care activities and consultation for, and medical supervision of, the health care staff.

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RURAL HEALTH CLINICS (RHC)

I. Introduction

The purpose of this State Plan is to set forth policies and guidelines to be administered by the Mississippi Division of Medicaid (DOM) for Rural Health Clinics (RHCs) operating in the State of Mississippi. All RHCs shall be reimbursed in accordance with section 1902 of the Social Security Act as amended by section 702 of the Medicare, Medicaid, and SCHIP Benefits Improvement Act of 2000 (BIPA) and the principles and procedures specified in this plan.

II. Payment Methodology

A. Alternative Payment Methodology

This state plan provides for reimbursement to RHC providers following an alternative payment methodology. The alternative payment methodology provides for payment for RHC services at a prospective payment rate per encounter and an additional fee for certain services.

1. Prospective Payment System

In accordance with Section 702 of the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act (BIPA) of 2000, effective January 1, 2001, the state plan shall provide for payment for core services and other ambulatory services provided by rural health clinics at a prospective payment rate per encounter. The rate shall be calculated (on a per visit basis) in an amount equal to 100 % of the average of the clinic's reasonable costs of providing Medicaid covered services provided during fiscal years 1999 and 2000, adjusted to take into account any increase or decrease in the scope of services furnished during fiscal year 2001. For clinics that qualified for Medicaid participation during fiscal year 2000, their prospective payment rate for fiscal year 2001 shall be calculated (on a per visit basis) in an amount equal to 100% of the average of the clinic's reasonable costs of Medicaid covered services provided during fiscal year 2000.

For services furnished during calendar year 2002 and each subsequent calendar year, the payment rate shall be equal to the rate established in the preceding calendar year increased by the Medicare Economic Index (MEI) for primary care services that is published in the Federal Register in the 4th quarter of the preceding calendar year. Adjustments to the PPS rate for the increase or decrease in scope of services are reflected in the PPS rate for services provided in the calendar year following the calendar year in which the change in scope of services took place.

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2. Fee-for-Service

In addition to the PPS rate, RHCs will receive an additional fee for certain services. A listing of these services may be viewed at www.medicaid.ms.gov/FeeScheduleLists.aspx.

B. New Clinics

For new clinics that qualify for the RHC program after January 1, 2001, the initial prospective payment (PPS) rate shall be based on the rates established for other clinics located in the same or adjacent area with a similar caseload. In the absence of such clinics, the rate assigned by the provider's Medicare intermediary will be used as an interim rate (on a per visit basis).

If the Medicare rate is used to set an interim rate, then the clinic's Medicare final settlement cost report for the initial cost report period year will be used to calculate a PPS base rate that is equal to 100% of the clinic's reasonable costs of providing Medicaid covered services. If the initial rate represents a full year of RHC services, this final settlement rate will be considered the base rate. If the initial RHC cost report period does not represent a full year then the rate from the first full year cost report will be used as the clinic's base rate.