



# Maximizing the Rural Health Clinic Designation



September 2020

# Introduction

---

- ▶ Mikaela Gehring, Chief Operational Officer



- ▶ Julie York, Clinic Billing Supervisor



- ▶ Jillissa Chvala, Family Medical Clinics Manager



**COMPASS MEMORIAL**  
HEALTHCARE

*Discover the difference*

# About Compass Memorial Healthcare

---

- ▶ We have three provider-based RHCs.
- ▶ We achieved RHC status initially in 2015 for two of our clinics.
- ▶ We recently opened a third clinic and have achieved RHC status there.
- ▶ Our RHCs are provider based under our critical access hospital. Having critical access designation means we are capped at 25 inpatient beds.



There are many different ways that Rural Health Clinics can maximize their designation and increase access to services in rural populations. Increasing access to rural populations will improve patient health outcomes as well as improve financial and quality outcomes and goals of the Rural Health Clinic.



**COMPASS MEMORIAL**  
HEALTHCARE

*Discover the difference*

# Objectives: At the end of this session...

---

- ▶ Attendees will be able to describe how the RHC can utilize specialists to improve access to care and quality outcomes.
- ▶ Attendees will be able to understand the use of RHC designated space.
- ▶ Attendees will be able to explain how billing for specialists works in the RHC.

# Improving Access to Care

---

- ▶ **Community health needs assessment has identified clear needs within our service area**
  - ▶ Goals identified include:
    - ▶ Decrease incidence of cancer within our county
    - ▶ Decrease incidence of chronic disease within our county
- ▶ **Next closest place to receive specialty care is at least 35 miles away**
  - ▶ This creates gaps in access to care for patients in our service area
    - ▶ Age related disparity
    - ▶ Travel and financial disparities

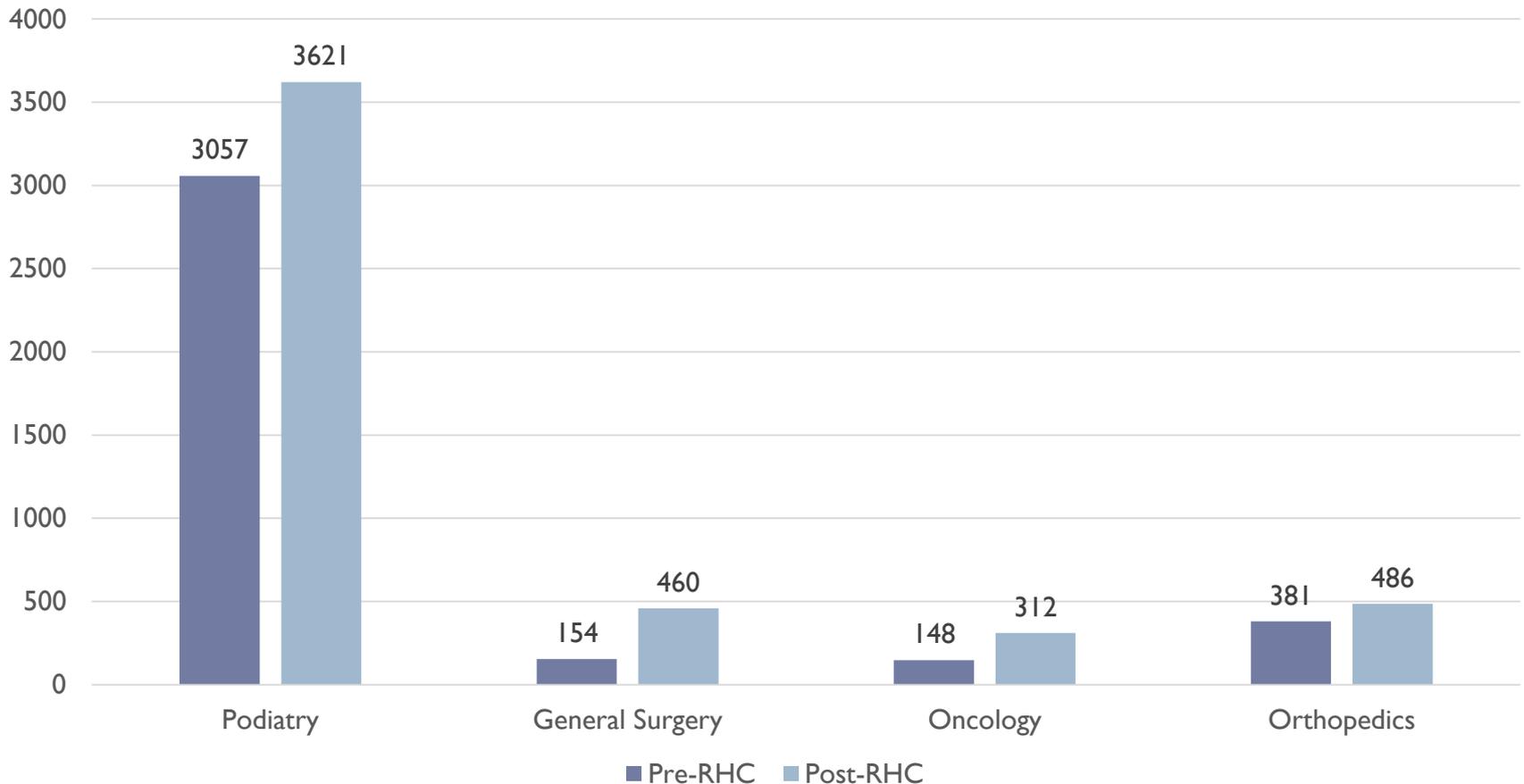
# Improving Access to Care

---

- ▶ We realized that we could increase specialist availability by moving some of them into the RHC under a different model.
- ▶ The following specialty types operate out of our RHC:
  - ▶ Podiatry
  - ▶ General Surgery
  - ▶ Oncology
  - ▶ Orthopedics
  - ▶ Wound Clinic
  - ▶ Plastics & Reconstruction
- ▶ In addition, family medicine practitioners make rounds on nursing home patients.

# Improving Access to Care

Pre versus Post RHC transition (3-year averages)



**COMPASS MEMORIAL**  
HEALTHCARE

*Discover the difference*

# Improving Access to Care

---

- ▶ Patients have shortened wait to see specialist – often next day availability
- ▶ Seamless care transitions when the referring provider can speak face-to-face with the specialist
- ▶ Specialty care is easily accessible close to home
- ▶ Expansion of hospital-outpatient services to serve our patient population close to home.
- ▶ Increased number of screening colon cancer procedures, easily accessible with minimal wait time

# Improving Quality Outcomes

---

- ▶ Fast access to care/treatment has improved patient outcomes
- ▶ Cancer screening processes are quick and efficient
  - ▶ Colonoscopy recall process improvement
- ▶ Patients have comprehensive wound care close to home, easy to access which contributes to both increased compliance and patient engagement. These directly impact improved patient outcomes.

# Utilizing RHC Designated Space

---

- ▶ RHC Space includes the square footage designated as part of the RHC
- ▶ Leased space must be separate from RHC space if operating during the same operating hours as the RHC
- ▶ Leased space that is separate can not ever be used as RHC space

# RHC Staffing

---

- ▶ To be considered RHC staff for cost reporting purposes, staff need to be working out of the RHC designated space only
- ▶ Examples:
  - ▶ Wound RN
  - ▶ General surgeon
- ▶ RHCs are required to primarily provide primary health care. Since specialists aren't considered primary care physicians, they do not meet the requirements to be the physician or non-physician practitioner that must be available at all times the clinic is open

# RHC Staffing (cont.)

---



RHCs must have a NP, PA, or CNM working in the clinic at least 50% of the time the clinic is operating as an RHC.



When considering bringing specialists into the RHC, productivity standards must be evaluated.



**COMPASS MEMORIAL**  
HEALTHCARE

*Discover the difference*

# Can we provide Hospital Outpatient Services in the RHC?

---

- ▶ Hospital outpatient services can not be charged for in the RHC
- ▶ If the RHC is located within the hospital, the patient must leave the RHC and register a second time for the hospital outpatient service that they are going to receive and then go to that hospital outpatient department for services

# RHC visits are....

---

- ▶ The term “visit” is defined as a face-to-face encounter between the patient and a physician, physician assistant, nurse practitioner, nurse midwife, visiting nurse, clinical psychologist, or clinical social worker during which an RHC service is rendered.
- ▶ Encounters with more than one health professional and multiple encounters with the same health professionals which take place on the same day and at a single location constitute a single visit.

# RHC visits are not....

Medically unnecessary services

Non “visit” services (no face-to-face encounter)

- Administration of injection only (not seen by practitioner)
- Dressing change (not seen by practitioner)
- Refill of prescriptions (not seen by practitioner)
- Specimen collection for lab testing only (not seen by practitioner)
- Lab test only/results only (not seen by practitioner)



**COMPASS MEMORIAL**  
HEALTHCARE

*Discover the difference*

# Annual Reconciliation

---

- ▶ At the end of the annual cost reporting period, the RHC submits a report to the Medicare Administrative Contractor (MAC) that includes actual allowable costs and actual visits for RHC services for the reporting period, and any other information that may be required. After reviewing the report, the MAC divides allowable costs by the number of actual visits to determine a final rate for the period.
- ▶ The MAC determines the total payment due and the amount necessary to reconcile payments made during the period with the total payment due. Both the final rate and the interim rate are subject to screening guidelines for evaluating the reasonableness of the productivity, payment limit and mental health treatment limit.

# How does annual reconciliation affect our RHC?

---

- ▶ Anytime the cost of a visit exceeds the AIR, the operating budget will be negatively impacted
  - ▶ IUDs
- ▶ This negative amount will be captured on the Cost Report as an actual allowable cost
- ▶ “Costs” are then used to calculate the AIR for the next year
- ▶ Provider-based RHCs that are part of a hospital with fewer than 50 beds have an uncapped AIR versus others whose AIR is capped.

# Billing for specialists

---

A qualifying visit with a specialist must be a face-to-face visit between the patient and specialist provider

Billing occurs on UB-04 with appropriate HCPCS for each service line accompanied by the revenue code

Charges must be rolled into a single line item with applicable revenue codes

All claims must have a qualifying visit denoted with a CG modifier



**COMPASS MEMORIAL**  
HEALTHCARE

*Discover the difference*

# Providing services during RHC hours

---

- ▶ If an RHC practitioner furnishes an RHC service at the RHC during RHC hours:
  - ▶ The service must be billed as an RHC service
  - ▶ The service cannot be carved out and billed separately to Medicare Part B

# Medicare's 3-day payment window

---

- ▶ The 3-day payment window applies to outpatient services furnished by a hospital or entity wholly owned or operated by a hospital.
- ▶ RHC services are NOT subject to Medicare's 3-day window

# Incident-To Services

---

- ▶ Refers to services and supplies that are integral to the practitioner's services
- ▶ These do not generate a billable visit, but may be included on the cost report
- ▶ These must be reported on the claim, but bundled with the qualifying visit
- ▶ Incident-to services provided on a different day may be included in charges for the visit if furnished in a medically appropriate timeframe.
- ▶ Most of these services, we offer as hospital outpatient as a service to patient.

# Same-day services

---

- ▶ Same-day services, regardless of specialty, will only count as a single visit and will only receive one AIR payment
- ▶ It is important to schedule appointments for different specialties on different days
  - ▶ Example: family medicine and general surgery
- ▶ Exceptions to this rule:
  - ▶ Mental health and medical visits on same day
  - ▶ Initial Preventative Physical Examination (IPPE) and medical visit
  - ▶ IPPE and mental health visit
  - ▶ IPPE, medical, and mental health visit
  - ▶ 2 Medical visits with unrelated injury or an illness at later time

# Modifier 59

---

- ▶ Signifies that the two (or more) **visits that occur on the same day** are unrelated and provided at separate times of the day
  - ▶ Example: Patient is seen for a medical visit and then suffers an injury due to a fall (two separate diagnoses).
  
- ▶ This is not used when there is a separate diagnoses but no illness or injury
  - ▶ Example: Medical visit with family practitioner and then a podiatrist visit for routine foot care

# Global billing

---

- ▶ Medicare global billing requirements do not apply to RHCs and global billing codes are not billable or reimbursed
- ▶ Each qualifying visit is a billable visit
- ▶ All medically necessary procedures and surgeries that are performed in the RHC are billed as part of the overall RHC encounter
- ▶ The charges are rolled up and paid at the normal encounter rate

# Global billing (cont.)

---

- ▶ Follow up visits, such as dressing changes and suture removals, can only be billed if there is a medically necessary reason and are performed by a RHC provider
- ▶ The *Medicare Physician Fee Schedule (MPFS)* look-up tool can provide information on each procedure code, including the global surgery indicator.
  - ▶ Note: you must select 'Show All Columns' to display the 'Global column'

# Modifier -54

---

- ▶ Indicates surgical procedure only
- ▶ Hospital surgeries with modifier 54 added indicate that any and all visits outside of the surgery are billed separately. Pre- and post-operative appointments are then billed as RHC visits.

---

Questions?



**COMPASS MEMORIAL**  
HEALTHCARE

*Discover the difference*

# Contact Information

---

- ▶ Mikaela Gehring, COO

[mgehring@compassmemorial.org](mailto:mgehring@compassmemorial.org)

- ▶ Jillissa Chvala, Family Medical Clinics Manager

[jchvala@compassmemorial.org](mailto:jchvala@compassmemorial.org)

- ▶ Julie York, Clinic Billing Supervisor

[lyork@compassmemorial.org](mailto:lyork@compassmemorial.org)