

Frequently Asked Questions for Federally Qualified Health Center and Rural Health Clinic Final Rate Setting

The purpose of this guidance is to address frequently asked questions from Rural Health Clinics and Federally Qualified Health Centers (RHC/FQHC) regarding the rate setting process.

1. Is the moratorium on registration of new RHCs being lifted?

Yes, effective October 1, 2019.

2. How do I register as a Medicaid RHC once the moratorium is lifted?

You may use the TennCare provider portal to register as an RHC. If your clinic is not yet registered with TennCare, you can begin the process and select “RHC” as the provider type. For clinics that are already registered with TennCare as another provider type but have received RHC status from the federal government, you may contact Provider.Registration@tn.gov in order to initiate the process of switching your clinic type to “RHC.”

3. What happened to the rules and new state plan amendment proposed by TennCare?

Both the proposed rules and proposed state plan amendment have been withdrawn by TennCare and will not take effect.

4. I received an interim rate prior to the moratorium. When will I get a final rate and how will my final rate be set?

The Comptroller will begin the process of issuing final rates immediately. Your final rate will be based on your costs as determined by the Comptroller. You are required to respond to data requests from the Comptroller in a timely fashion.

5. I received an interim rate after the issuance of the moratorium. How will my final rate be set?

Per federal law and the existing TennCare State Plan, a clinic’s PPS rate will be set using the average PPS rate for neighboring clinics with similar caseloads. This means that a clinic will receive a final PPS that is equal to the average rate of clinics of the same type (FQHCs for FQHCs, RHCs for RHCs), in the same grand division, and with similar caseloads (or visit counts).

If there are no such similar clinics, then the final PPS rate will be based on facility-specific costs. You will receive an interim rate until your final PPS rate is calculated. You must cooperate with the Comptroller to have your facility-specific costs calculated.

If your clinic received an interim rate during the moratorium and qualifies to receive a regional caseload-adjusted PPS, you will have the option of an alternative payment methodology (APM) based on your facility-specific costs. The APM can only be offered if it is at least as high or higher than the regional caseload-adjusted PPS. Clinics wishing to pursue this APM option should contact the Comptroller at Karen.Degges@cot.tn.gov.

6. What if my final rate is lower than my interim rate?

In order to recognize the unique risks posed to facilities who are currently on interim rates established prior to the moratorium, TennCare will not execute a reconciliation of the final rate if the final rate is lower than the interim rate. This means there will be no recoupment in applying your final rate--your final rate will only be applied prospectively.

Clinics impacted by the moratorium (those receiving interim rates after the issuance of the moratorium) and in the future will experience full reconciliations. It is important to note that clinics must still respond to data requests from the Comptroller in a timely fashion so that the Comptroller can set the final rates.

7. What if my final rate is higher than my interim rate?

If you are currently on an interim rate, including those impacted by the moratorium, then TennCare will reconcile the final rate retroactively if the final rate is higher than the interim rate. For clinics that are already registered with TennCare as an RHC, the reconciliation will cover all services on or after the date of your registration with TennCare as an RHC. For clinics that are impacted by the moratorium and are therefore not currently registered as an RHC, this reconciliation will cover all services on or after the date of receiving RHC status from the federal government (these clinics must still register with TennCare as an RHC as part of this process). This reconciliation means you will receive additional back payments from TennCare for the above described periods. It is important to note that clinics must still respond to data requests from the Comptroller in a timely fashion so that the Comptroller can set the final rates.

8. I am a new clinic entering the program after the Moratorium is lifted. Will I get an interim rate?

If there is an average PPS rate for neighboring clinics of the same type (FQHCs for FQHCs, RHCs for RHCs) with similar caseloads, then you will immediately receive that rate as your final PPS rate. If there are not adequate neighboring clinics with similar caseloads, then you will receive an average PPS rate on an interim basis until you receive a final rate based on your costs.

9. I have questions about my rate. Who can I call?

If you have questions about your rate, you can contact the Comptroller at Karen.Degges@cot.tn.gov. If you have questions about the related memo or this document, you can contact Rebekah Stephens with TennCare at Rebekah.stephens@tn.gov or 615-687-4739.