

FEDERALLY QUALIFIED HEALTH CENTER TERMS OF REIMBURSEMENT

The Wisconsin Department of Health Services (DHS) will establish an encounter-specific reimbursement rate for all “Federally Qualified Health Center (FQHC) covered services” provided to Wisconsin Medicaid members eligible on the date of service. The encounter rate will reimburse 100 percent of the costs that are reasonable and related to the cost of furnishing FQHC services. FQHC services are defined as the services described in the Rural Health Clinic Act and any other ambulatory service included in a state's Medicaid plan that are provided to Medicaid members. Such costs cannot exceed the reasonable costs as determined by applicable Medicare cost reimbursement principles set forth in 42 C.F.R. Part 413 and Health Insurance Manual (HIM) 15 and any additional mandated regulations when published as final rule in the Federal Register.

Initial fee-for-service reimbursement to FQHCs will be made per the terms of reimbursement for the certified performing provider. DHS may provide additional quarterly reimbursement based on the provider's encounter rate as established through the FQHC Cost Report or if the FQHC elects not to complete a cost report, DHS-established FQHC rate. An encounter is defined as a face-to-face contact for the provision of medical service between a clinic patient and any Medicaid certified professional whose services are covered under this benefit. Contacts with more than one health professional and multiple contacts with the same health professional that take place on the same day at a single location, constitute a single encounter unless the patient, subsequent to the first encounter, suffers illness or injury requiring additional diagnosis or treatment. The Medicare allowable costs of administration, laboratory, X-ray, and pharmacy services, and services provided by the health professionals not eligible for Medicaid certification but covered under this benefit are included in the encounter rate. Upon final annual reconciliation, DHS will reimburse the provider 100 percent of the provider's allowed maximum encounter rate, based on DHS's FQHC reimbursement policy.

Only “FQHC services” are eligible for reasonable cost reimbursement. Medicaid-covered services that are not considered FQHC services, including Medicaid services in which the cost and the liability for the services is not assumed by the FQHC and other services defined in the FQHC section of the ForwardHealth Online Handbook, may be eligible for Medicaid fee-for-service or HMO reimbursement.

FQHC reimbursement for services shall not be made in the absence of a signed Medicaid provider agreement for the FQHC and shall be determined by DHS pursuant to the State Plan for Title XIX Reimbursement, effective April 1, 1990, for FQHCs identified by the Department of Health and Human Services as eligible on that date or as may be amended. Medicaid reimbursement, less appropriate copayment and payments by other insurers, will be considered to be payment in full.

DHS will adjust payments made to providers to reflect the amounts of any allowable copayments that the providers are required to collect pursuant to Wis. Stat. ch. 49. Payments for deductible and coinsurance payable on an assigned Medicare claim shall be made in accordance with Wis. Stat. § 49.46(2)(c).

In accordance with federal regulations contained in 42 C.F.R. § 447.205, DHS will provide public notice in advance of the effective date of any significant proposed change in its methods and standards for setting encounter rates for services.

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Wisconsin
Department of Health Services