



Center for
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RURAL HEALTH UPDATE

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Medicare Rural Physician Bonus Payments and RHC Changes

Medicare Rural Physician Bonus:

The Center for Rural Health recently received the attached article that addresses issues associated with the Medicare physician bonus payment system (published in the American Medical News) Physicians practicing in health professional shortage areas are eligible for an adjustment of 10 percent on services provided. Not all providers are aware of this program and we wanted to make sure you were informed. For more information on this payment program contact Noridian.

The site **containing the article is as follows:**

http://www.ama-assn.org/sci-pubs/amnews/pick_03/qvsb0804.htm

We hope you explore this option.

RHC Changes:

The following is from an e-mail we received from Bill Finerfrock, director, National Association of Rural Health Clinics (NARHC)

"I wanted to provide you with an update on where things stand on a number of different issues.

- 1 **Rural Health Clinic Regulation:** As you know, the Centers for Medicare and Medicaid Services (CMS) has proposed major changes in the RHC programs rules and regulations. Most of these changes are being recommended specifically in response to legislative changes Congress has mandated over the past 5 years.

All of the proposed changes were first published in 2000 as proposed rules and are moving



closer to being finalized. The regulations are now under review by the Office of Management and Budget (OMB). OMB has until early September to complete their review. So far, there is no reason to believe that OMB will delay the process beyond their 90 review.

If the OMB review is completed by early September, CMS has made plans to publish the Final Rule in late September. NARHC will devote a considerable amount of time at the annual meeting to these new rules, the requirements and implications for the RHC community. If you would like to review the original PROPOSED RULE go to:

http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=2000_register&docid=00-4389-filed

Once the FINAL rule has been released and made publicly available, we will share the document with you.

2. **The Health Resources and Services Administration (HRSA)** has approved the new mechanism for designating Rural Health Clinics as shortage area facilities. HRSA Administrator Betty Duke has approved a letter that will be sent to all Rural Health Clinics outlining the process for having your RHC designated as a shortage area facility. We are not sure when the letter will be sent but it should get out in the next few weeks.
3. **The House and Senate** are currently engaged in a Conference Committee to work on differences between the House and Senate versions of the Medicare reform legislation. The Senate, as you know, has approved language authorizing an increase in the RHC cap to \$80 per visit and fixing the SNF billing problem RHCs have been experiencing for the past few years. They have only chose to include the SNF fix language in their bill. This means that the House must accept the Senate's position on the RHC cap in order for it to remain in the final version of the bill."

Mr. Finerfrock can be contacted at (202) 543-0348 or info@narhc.org

