

Affected Programs: BadgerCare Plus, Medicaid

To: Federally Qualified Health Centers, HMOs and Other Managed Care Programs

Clarification of New Reimbursement Methodology for Community Health Centers

This *ForwardHealth Update* clarifies upcoming changes to ForwardHealth's reimbursement methodology for non-tribal federally qualified health centers (FQHCs), also known as Community Health Centers (CHCs), that were originally communicated in the February 2018 *ForwardHealth Update* (2018-08), titled "New Reimbursement Methodology for Community Health Centers." Additionally, ForwardHealth will delay implementation of enrollment requirements for off-site clinics and claims submission changes to May 1, 2018.

Overview

ForwardHealth previously reimbursed CHCs under either a cost-settlement process or a prospective payment system (PPS). Under the cost-settlement process, ForwardHealth calculated a cost-based encounter rate for each CHC that reflected the CHC's actual reasonable costs of providing services as reported by the CHC on an annual cost report. Under the PPS, ForwardHealth established a prospective encounter rate for each CHC that reflected the CHC's estimated reasonable costs of providing care.

Effective July 1, 2017, ForwardHealth reimburses all CHCs under the PPS and no longer reimburses CHCs under the cost-settlement process. The PPS project is a result of 2015 Wisconsin Act 55. The following dates reflect reimbursement expectations:

- For services rendered from July 1, 2017, through April 30, 2018, CHCs are required to follow existing claims

submission procedures and processes and will be reimbursed the PPS rate through a reconciliation process. ForwardHealth will reconcile with CHCs on an individual basis for this time period.

- Effective for dates of service on and after May 1, 2018, CHCs are required to submit claims for services per guidelines provided in this *Update* and in *Update* 2018-08 and will automatically be reimbursed the PPS rate through the claims processing system for each allowable encounter.
- For services rendered prior to July 1, 2017, CHCs will be reimbursed under the previous reimbursement process in place prior to PPS implementation.

Tribal FQHCs are not affected by the changes detailed in this *Update*.

Note: For the dates indicated, this *Update* supersedes any previous ForwardHealth communication that may conflict with information included in this *Update*.

Provider Enrollment Changes and Requirements

ForwardHealth will automatically update the provider specialty of each CHC's Medicaid provider enrollment to the new provider specialty of FQHC Non-Tribal (CHC) effective May 1, 2018.

Effective on and after May 1, 2018, ForwardHealth will require each off-site CHC clinic to be separately enrolled for billing and reimbursement purposes. Non-Medicaid-enrolled CHC off-site clinics may begin the CHC provider enrollment process effective immediately. ForwardHealth has delayed this effective date from April 1, 2018.

Providers are encouraged to begin the CHC provider enrollment process as soon as possible. During the provider enrollment process, each new CHC off-site clinic will be associated with the CHC's main service location.

Refer to *Update* 2018-08 for details on provider enrollment changes and requirements for CHC main service locations, Medicaid-enrolled CHC off-site clinics, and CHC retail pharmacies.

CHC Claim Submission Requirements

To clarify claim submission information published in *Update* 2018-08, when submitting claims to ForwardHealth for CHC encounters, the billed amount for HealthCare Common Procedure Coding System procedure code T1015 is not required to be the assigned PPS rate for each CHC. CHC providers may bill procedure code T1015 at any amount that they deem appropriate, including zero. The reimbursed amount for procedure code T1015 will be the CHC's assigned PPS rate. Refer to *Update* 2018-08 for additional claim submission requirements.

The *ForwardHealth Update* is the first source of program policy and billing information for providers.

Wisconsin Medicaid, BadgerCare Plus, SeniorCare, and Wisconsin Chronic Disease Program are administered by the Division of Medicaid Services, the Wisconsin Department of Health Services (DHS). The Wisconsin AIDS Drug Assistance Program and the Wisconsin Well Woman Program are administered by the Division of Public Health, DHS.

For questions, call Provider Services at 800-947-9627 or visit our website at www.forwardhealth.wi.gov/.

P-1250