

Rural Health Clinic Engagement Meeting

Thursday, September 4, 2025
1:00 PM - 2:00 PM

Location
Online Only

Rural Health Clinic Zoom Meeting
Conference Line: 1-877-853-5257
Meeting ID: 870 4490 0719
Passcode: 245046



COLORADO
Department of Health Care
Policy & Financing

Our Mission

Improving health care equity, access and outcomes for the people we serve while saving Coloradans money on health care and driving value for Colorado.



Bi-Monthly Rural Health Clinic Meetings

Today's Meeting: 1:00 - 2:00 P.M.

Next Meeting: November 6, 2025, 1:00 - 2:00 PM

Webinar Link:

<https://us06web.zoom.us/j/86828883009?pwd=ZmpsNWRUcG40ZGNVU0hKUmtOcnI4UT09>

Conference Line: 833-548-0282

Meeting ID: 868 2888 3009

Passcode: 848558



AGENDA

September 2025 Rural Health Clinic Engagement Meeting Topics - mm:ss

Staffing Update - 2:42

Rate Methodology Overview: Freestanding Rural Health Clinics - 3:48

Rate Methodology Overview: Hospital-based Rural Health Clinics - 5:48

RHC Rates Posting - 10:06

Hospital-based RHC Reconciliation Status - 8:21

Scope of Service Rate Adjustments - 11:56

Managed Care Accuracy Audits - 12:40

RHC Accreditation Question - 13:58

Future Meeting Topics - 15:16

Questions, Comments, Solutions - 16:55

Contact Info - 1:00:50



Staffing Update

- Susan Green no longer with HCPF as of August 1, 2025
- FQHC/RHC Rates Analyst position posted before hiring freeze on August 27, 2025 through December 31, 2025
- Please send all inquiries related to RHC rates to Andrew Abalos
- Attend future meetings for status of position, updated contact information



Rate Methodology Overview: Freestanding (Part 1)

- Defined in Code of Colorado Regulations: 8.740.7.B
- Encounter rates are the higher of:
 - The **Prospective Payment System (PPS)** as defined by Section 702 of the Medicare, Medicaid and SCHIP Benefits Improvement and Protection Act (BIPA) included in the Consolidated Appropriations Act of 2000, Public Law 106-554.
 - The **Alternative Payment Methodology (APM)** rate, which is the Medicare upper payment limit for Rural Health Clinics



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Rate Methodology Overview: Freestanding (Part 2)

- Defined in Code of Colorado Regulations: 8.740.7.C-D
- **New** freestanding RHCs will receive an interim rate that is the average of other freestanding RHC's rates in the new RHC's Regional Accountable Entity
- **New** freestanding RHCs will have a PPS rate calculated as the average of other freestanding RHC's PPS rates in the new RHC's RAE



Medicare RHC UPL Rates

Year	RHC Payment Limit
2021	\$100
2022	\$113
2023	\$126
2024	\$139
2025	\$152
2026	\$165
2027	\$178
2028	\$190



Rate Methodology Overview: Hospital-based (Part 1)

- Defined in Code of Colorado Regulations: 8.740.7.B
- Encounter rates are the higher of:
 - The Prospective Payment System (PPS) (see previous slide)
 - The Alternative Payment Methodology (APM) rate, based on actual costs
 - Interim rate is the higher of the current year PPS rate and the most recent audited and finalized cost per visit from the Medicare Cost Report
 - After an RHC's Medicare cost report has been audited and finalized, the Department shall perform a reconciliation for the services provided by the RHC during the year the cost report covers



Rate Methodology Overview: Hospital-based (Part 2)

- Defined in Code of Colorado Regulations: 8.740.7.C-D
- **New** hospital-based RHC rates will have interim rates calculated based on either the per visit encounter rate established by a Medicare rate letter, or a sister clinic's per visit encounter rate (in that order)
- **New** hospital-based RHCs will have their PPS rate calculated based on the average of two year's audited cost and visit data from the RHC's Medicare cost report

Hospital-based RHC Reconciliation Schedules

- HCPF receives Medicare cost per visit rates from auditor at beginning of each Calendar Year
 - Based on most recent cost report data from Medicare near end of Calendar Year
- Reconciliations calculated based on historic claims data - letters sent describing one-time payments
 - 2024 RHC Reconciliation payments sent **this week or next**
 - 2025 RHC Reconciliations being calculated



RHC Rates Posting

- Online posting of RHC rates by January 2026 for both freestanding and hospital-based RHCs
 - Transparency
 - Additional step to ensure RAEs are using updated rates
- Information publicly available (HCRIS cost report data, CMS RHC Medicaid UPLs)
- If there are any objections to posting, please notify us by October 31, 2025



Scope of Service Rate Adjustments

- Complies with section 702(b) of Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act (BIPA), which allows for an adjustment to the Prospective Payment (PPS) rate whenever an RHC experiences a valid change in scope of service.
- More information available on Rural Health Clinic Forms site:
- <https://hcpf.colorado.gov/rural-health-clinic-forms>

Managed Care Accuracy Audits

- Managed Care Entities are required to reimburse RHCs at an amount no less than the encounter rate set by Department of Health Care Policy & Financing
- Facilities can participate by:
 - Not submitting data (after which HCPF determines facility has been paid in full)
 - Submitting data indicating they have been paid in full
 - By submitting data which indicate that payment is still due
 - Recommended to reconcile data with relevant MCEs prior to submission
- More information on Rural Health Clinic forms site
<https://hcpf.colorado.gov/rural-health-clinic-forms>
- Contact Kennedy Vance (kennedy.vance@state.co.us)

RHC Accreditation Question

- Question in July meeting regarding education sessions for clinics seeking RHC status
- No planned educational sessions
- Please send questions and may be able to help connect



Future Meeting Topics

- Next meeting in November - what other topics to be discussed?
- Considerations around payment methodology, reconciliations, MCAAR, others?
- Email Andrew Abalos (andrew.abalos@state.co.us) and allow a couple week's notice prior to next meeting for preparation





Questions, Comments, Solutions?



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Contact Info

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Thank you!

