Washington RHC Policy Issues

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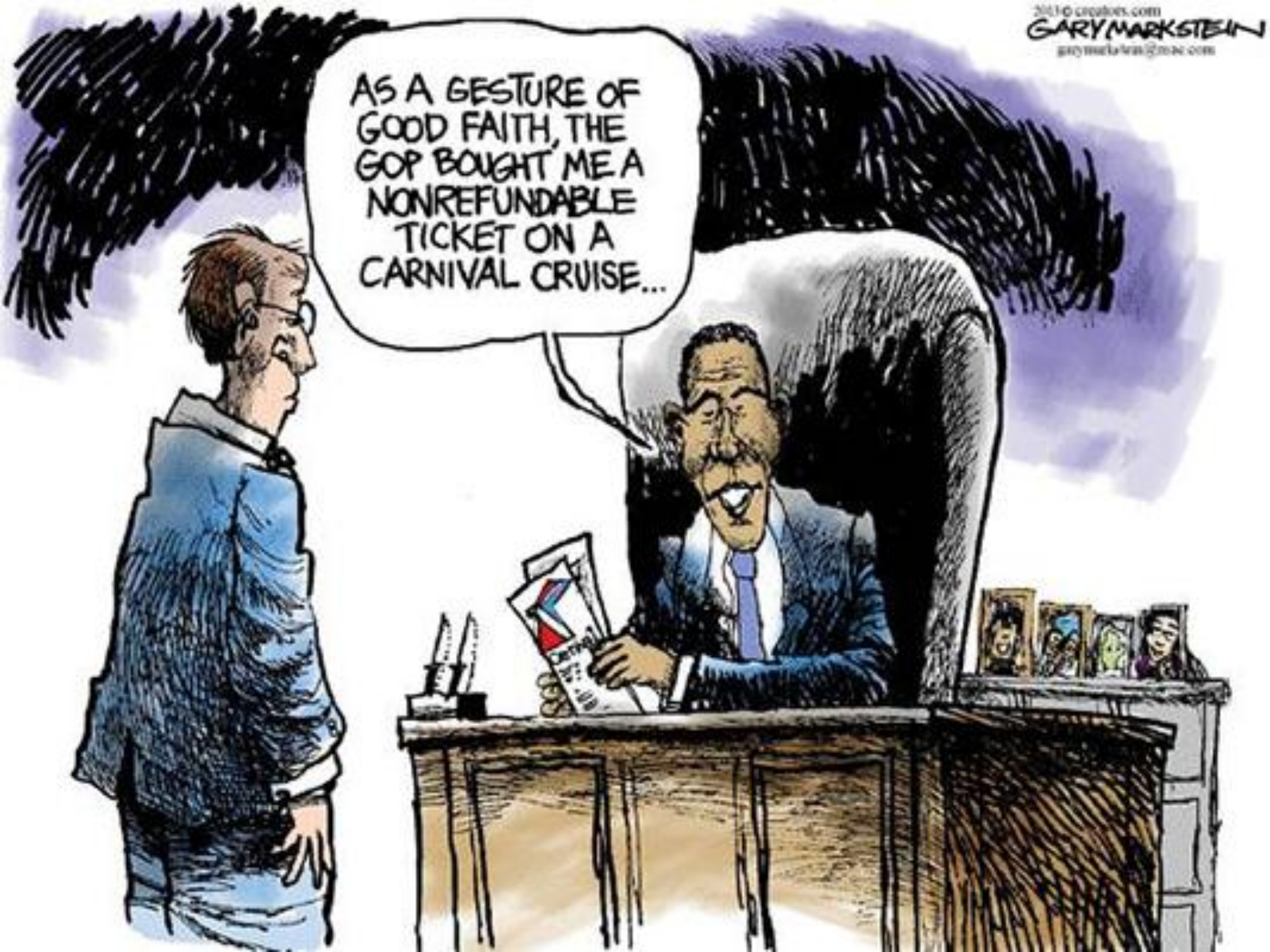
AS A GESTURE OF GOOD FAITH, THE GOP BOUGHT ME A NONREFUNDABLE TICKET ON A CARNIVAL CRUISE...
GARY MARKSTEIN

Who are We?

RHCs - 2013

*Total Number of RHCs – 4,059
*Total Number of Georgia RHCs – 100
*Total Number of Alabama RHCs – 83

*As of Aprli, 2013

RHCs Per State – Top 10

Missouri	374
Texas	313
California	293
Illinois	221
Kansas	179
Michigan	172
Mississippi	163
Kentucky	147
Florida	143
Iowa	142

RHCs per 100,000 population

North Dakota	8
Montana	7.5
South Dakota	7
Kansas	6
Minnesota	6
Mississippi	6
Missouri	5.5
Iowa	5
Ohio	5
Kentucky	3.5
Alabama	**2.0**
Georgia	**1.0**

RHC cost - Medicare

RHCs Medicare	Total Claims	Total Patients
2008	7,492,863	1,634,413
2009	8,083,575	1,700,113
2010	8,430,256	1,789,806

RHCs and Medicare

	Average Charge per Claim	Average Payment Per Claim	Average Payment Per Patient
2008	$101	$65	$300
2009	$106	$69	$329
2010	$112	$72	$338

Benchmarking your RHC

NARHC in conjunction with the Wipfli consulting firm, has created the only RHC specific database capturing data from the RHC cost report.

NARHC will arrange to have an individualized benchmarking cost report prepared for any MEMBER of NARHC that requests such a report – FREE OF CHARGE.

RHC Benchmarking

If you are a MEMBER of NARHC, contact Rhondi Davis at the National Office and once your membership status has been verified, we will have a benchmarking cost report prepared exclusively for your clinic.

Rhondi Davis – 866-306-1961 or rdavis@narhc.org

Georgia Provider-Based RHC Data – Cost Per Encounter (FTE)

	2010 Georgia	2010 National		2011 Georgia	2011 National
Physician	63.94	52.91		64.27	57.30
Physician ssistant	33.43	35.71		37.51	38.78
Nurse Practitioner	32.59	32.64		40.09	35.13

Georgia Independent RHC Data – Cost per Encounter (FTE)

	2010 Georgia	2010 National		2011 Georgia	2011 National
Physician	50.03	49.34		50.46	51.17
Physician Assistant	25.85	29.97		25.20	29.90
Nurse Practitioner	42.27	29.58		37.08	31.07

Alabama Provider-Based RHC Data – Cost Per Encounter (FTE)

	2010 Alabama	2010 National		2011 Alabama	2011 National
Physician	36.09	52.91		39.71	57.30
Physician Assistant	29.79	35.71		14.19	38.78
Nurse Practitioner	26.64	32.64		34.21	35.13

Alabama Independent RHC Data – Cost per Encounter (FTE)

	2010 Alabama	2010 National		2011 Alabama	2011 National
Physician	50.40	49.34		46.54	51.17
Physician Assistant	38.08	29.97		34.27	29.90
Nurse Practitioner	34.74	29.58		34.29	31.07

RHCs and Medicaid

Year	Total RHC Payments	Total RHC Beneficiaries	RHC Cost Per Beneficiary
2010*	$748,312,113	1,970,305	$379.80

2010 RHCs and Medicaid

State	2010 Medicaid Beneficiaries Seen in RHCs	2011 Medicaid Beneficiaries Seen in RHCs
Alabama	68,313	72,894
Georgia	8,651	9,792

RHCs and Medicaid

State	Total 2010 RHC Medicaid Payments	Total 2011 RHC Medicaid Payments
Alabama	$20,517,099	$21,854,522
Georgia	$1,897,174	$2,013,402

RHCs and Medicaid

State	2010 Cost Per Beneficiary	2011 Cost Per Beneficiary
Alabama	$290.92	$299.81
Georgia	$219.30	$205.61

2011 Georgia/Alabama RHC-FQHC Medicaid Comparison

State	RHC Medicaid Beneficiaries	FQHC Medicaid Beneficiaries		Average Medicaid cost per visit RHCs	Average Medicaid cost per Visit FQHCs
Alabama	72,894	85,593		$299.81	$421.64
Georgia	9,792	29,559		$205.61	$223.00

RHC Issues

Sequestration

RHC Issues for 2013 and beyond

- Raise the RHC Cap
- Increase flexibility for RHCs
- Remove unnecessary regulatory burdens on RHCs
- Establish a long-term payment methodology that allows All RHCs to recoup costs for care provided to Medicare and Medicaid patients
- Improve EHR incentive payments for RHCs

Raise RHC Cap

- NARHC has been working with key Members of Congress to raise the RHC cap to $92.00 per visit. We expect legislation will be introduced in the 113th Congress to achieve this goal.

AND…

- Allow RHC to be the "providers of care" in telemedicine arrangements rather than just the originating site.

And…

- Allow services, such as therapy, diabetes and medical nutrition therapy, to be billable RHC visits rather than just allowable costs.

AND…

- Allow RHCs to conduct “group” visits and bill for group visits

And…

- Provide expanded flexibility in the definition of “rural” for purposes of maintaining RHC certification

AND…

- Allow RHCs to contract with PAs and NPs rather than being required to employ PAs and NPs.

Other Legislation

Extend MEDICARE EHR incentive payments to physicians working in RHCs.

Good or Bad for RHCs?

Improve Medicaid EHR incentive Payment Program

- Modify “Needy” Threshold
- Open to ALL PAs, not just those who “lead” RHCs.

Good

Physicians Working in RHCs could obtain up to approximately $27,000 in EHR Incentive payments for meaningful use of EHR.

Physicians working in RHCs are not currently eligible for Medicare EHR incentive Payments.

Bad

Beginning in 2015, **All** Physicians working in RHCs would be subject to penalties for failure to meaningfully use and EHR.

Presently physicians working in RHCs are exempt from Medicare EHR penalties.

Concerns

NARHC is concerned that many RHCs, particularly those that utilize PAs and NPs to a higher degree than physicians in their RHC, could be seriously harmed by this well-intended effort.

Establish a long-term payment methodology that allows All RHCs to recoup costs for care provided to Medicare and Medicaid patients and incorporates RHC specific quality measures

Regulatory Proposals

- Eliminate the regulatory requirement for physician on-site availability and instead, defer to applicable state law/state regulatory mechanism.

And…

- Change the RHC rule from 60% PA/NP staffing to mirror the law – 50%.

ACA Implementation

Medicaid Expansion

Due to the Supreme Court ruling last year, Medicaid expansion is voluntary rather than mandatory. Each state must determine whether they wish to expand Medicaid coverage to the levels identified in the ACA (133% of poverty for all).

It appears that MOST states are agreeing to expand Medicaid eligibility. This should be good for RHCs.

Establishing the Health Insurance Marketplace

Beginning in 2014, if an employer doesn't offer insurance, employees will be able to buy it directly in the Health Insurance Marketplace. Individuals and small businesses can also buy affordable and qualified health benefit plans in this insurance marketplace.

The problems in Washington

Originate in the States…

The root cause for the hyper partisanship we are seeing in Washington stems directly for 3 decades of effort by each party to create safe seats.

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