



ISSUE DATE November 15, 2010	EFFECTIVE DATE November 1, 2010	NUMBER 08-10-50
SUBJECT Dental Encounter Payment for Dental Services Rendered by Rural Health Clinics and Federally Qualified Health Centers		BY  Izanne Leonard-Haak, Acting Deputy Secretary Office of Medical Assistance Programs

PURPOSE:

The purpose of this Medical Assistance (MA) Bulletin is to:

1. Notify Rural Health Clinics (RHC) and Federally Qualified Health Centers (FQHC) that the MA Program will pay RHCs and FQHCs a prospective payment system (PPS) encounter rate for all dental services, including the services rendered by a dentist, dental hygienist and Public Health Dental Hygiene Practitioner (PHDHP), provided in the RHC or FQHC settings, effective with dates of service on and after November 1, 2010; and,
2. Issue updates to Appendix E of the FQHC/RHC Provider Handbook and the Billing Guide for FQHC/RHC providers.

SCOPE:

This bulletin applies to MA enrolled RHCs and FQHCs providing dental services to MA recipients in the RHC and FQHC settings under the Fee-for-Service (FFS) delivery system, including ACCESS Plus. MA enrolled RHCs and FQHCs providing dental services to MA recipients under the managed care delivery system should address any coding or billing questions to the appropriate managed care organization.

BACKGROUND:

The core services provided by an FQHC or RHC under the MA Program include services provided by physicians (including inpatient physician services and visits), physician assistants, nurse practitioners, clinical psychologists, clinical social workers, and services and supplies incident to those services. FQHCs and RHCs may also provide other ambulatory services, which include dental services. See 42 CFR § 440.20(c).

<p>COMMENTS AND QUESTIONS REGARDING THIS BULLETIN SHOULD BE DIRECTED TO:</p> <p>The appropriate toll free number for your provider type</p> <p>Visit the Office of Medical Assistance Programs Web site at http://www.dpw.state.pa.us/provider/healthcaremedicalassistance/index.htm</p>

On July 20, 2007, Act 51 (P.L. 327, No. 51) amended the act of May 1, 1933 (P.L. 216, No. 76) known as the Dental Law. Among other things, this amendment allows PHDHPs to perform, in certain settings including the RHC and FQHC settings, educational, preventive, therapeutic and intra-oral procedures for which the hygienist is educated and which requires the hygienist's professional competence and skill, but does not require the dentist's professional competence and skill or examination of the patient. As such, PHDHPs may provide dental hygiene services in the RHC and FQHC settings, without the supervision of a dentist or examination of the MA recipient by the dentist.

DISCUSSION:

The MA Program currently covers RHC and FQHC dental services rendered to MA-eligible recipients. Prior to November 1, 2010, under the MA Program's FFS delivery system, dentists who were contracted with or employed by an RHC or FQHC and provided dental services to MA recipients typically submitted the American Dental Association (ADA) Claim Form-Version 2006 using dental procedure codes listed on the MA Program Dental Fee Schedule and assigned their MA Program payment to the RHC or FQHC.

In order to help ensure that the RHC or FQHC is appropriately paid for dental services, including PHDHP services that are performed independent of a dentist, the Department of Public Welfare (Department) is changing its payment method for all RHC and FQHC dental services to a dental PPS encounter rate. The Department established provider specific PPS dental encounter rates for those RHCs and FQHCs enrolled in the MA Program that provide dental services based on each RHC's Centers for Medicare and Medicaid Services (CMS) Designation letter or each FQHC's Health Resources and Services Administration (HRSA) approved Scope of Service letter and the RHC's or FQHC's submitted MA Program Cost Report (cost report). The Department will no longer pay dentists who provide dental services in the RHC or FQHC and assign their fees to the RHC or FQHC, for RHC and FQHC dental services. Since the Department does not require prior authorization of any RHC and FQHC service, effective with dates of service on and after November 1, 2010, RHC and FQHC dental services will not be subject to prior authorization requirements.

PROCEDURE:

Effective with dates of service on and after November 1, 2010:

- The MA Program will pay RHCs and FQHCs a PPS dental encounter rate for all RHC and FQHC dental services rendered by dentists, dental hygienists and PHDHPs.
- RHC's and FQHC's final cost settlements will include settlement of claims submitted in accordance with their specific dental PPS encounter rate.
- The MA Program will only pay RHCs and FQHCs for one dental encounter per day for an MA recipient.
- Prior authorization approval is not required for RHC and FQHC dental services.
- The MA Program will end-date the dentist's Fee-for-Service Provider Eligibility Program (PEP) at the RHC or FQHC service location when they provide dental services in the RHC or FQHC and assign their fees to the RHC or FQHC; all other dentist's PEPs will

remain open. This means the dentist will remain enrolled; however, the dentist will not be paid directly by the MA Program for dental services provided at the RHC or FQHC service location.

In order for an RHC to be paid a PPS dental encounter rate, the RHC must:

- receive a CMS Designation letter that accounts for the provision of dental services in the RHC setting; and
- submit a copy of the CMS Designation letter and an MA Cost Report to the Department by following the directions in Appendix E of the MA Program FQHC/RHC Handbook.

In order for an FQHC to be paid a PPS dental encounter rate, the FQHC must:

- receive a HRSA approved Scope of Service letter that accounts for the provision of dental services in the FQHC setting; and
- submit a copy of the HRSA approved Scope of Service letter and an MA Cost Report to the Department by following the directions in Appendix E of the MA Program FQHC/RHC Provider Handbook.

Upon receipt of the RHC's CMS Designation letter or the FQHC's HRSA approved Scope of Service letter and MA Cost Report, the Department will establish an interim PPS dental encounter rate for the RHC or FQHC. The Department will later convert this rate to a final PPS dental encounter rate based on either the Department's review and/or audit of the FQHC's or RHC's cost report of the first full fiscal year after the establishment of the interim dental encounter rate.

RHCs and FQHCs currently providing dental services under the MA Program that have a CMS Designation letter or HRSA approved Scope of Service letter for dental service provision, as applicable, and a dental encounter rate already established by the Department will be paid a PPS dental encounter rate as described in the above procedures.

RHCs and FQHCs are to submit claims to the MA Program for a dental service encounter payment using the CMS-1500 Claim Form, 837 Professional (837P) Electronic Claim or via Internet Claim and procedure code T1015 defined as "clinic visit/encounter, all inclusive" with the U9 pricing modifier. The U9 pricing modifier designates that a dental service was provided and the Department will determine payment based on the RHC's or FQHC's provider specific PPS dental encounter rate. A dental diagnosis code is required on the CMS-1500 Claim Form, the 837P or Internet Claim.

The Department updated the MA Program's Appendix E - FQHC/RHC Provider Handbook to reflect information regarding dental encounters. Additionally, the Department updated the MA Program's Billing Guide for PROMISe™ RHC and FQHC providers to reflect dental encounter information and also developed billing instructions titled "FQHC/RHC Medicare Part B/Medicare Advantage/Private Third Party Billing Instructions for Dental Encounters" to follow when the MA recipient has private dental insurance, Medicare Part B

only, and/or a Medicare Advantage Plan. RHC and FQHC providers should replace their current version of Appendix E with the updated version. RHC and FQHC providers may view and print the updated Appendix E - FQHC/RHC Provider Handbook, CMS-1500 Billing Guide and the “FQHC/RHC Medicare Part B/Medicare Advantage/Private Third Party Billing Instructions for Dental Encounters” on-line by accessing the following website link: <http://www.dpw.state.pa.us/publications/forproviders/promiseproviderhandbooksandbillingguides/index.htm>.

In addition, although Appendix E has always applied to both FQHCs and RHCs, some sections of the FQHC/RHC Provider Handbook were missing references to RHCs. These have been added.

Attachments:

- Appendix E - FQHC/RHC Provider Handbook, CMS-1500 Billing Guide
- FQHC/RHC Medicare Part B/Medicare Advantage/Private Third Party Billing Instructions for Dental Encounters