NATIONAL ASSOCIATION OF RURAL HEALTH CLINICS

August 31, 2022

The Honorable Chiquita Brooks-LaSure
Centers for Medicare & Medicaid Services
Attention: CMS-4203-NC
P.O. Box 8013
Baltimore, MD 21244-8013

RE: Medicare Advantage Request for Information

Dear Administrator Brooks-LaSure,

On behalf of the National Association of Rural Health Clinics (NARHC) and the over 5,200 federally certified Rural Health Clinics (RHC), we are pleased to provide the following comments in response to the Request for Information on various aspects of the Medicare Advantage program issued by the Centers for Medicare and Medicaid Services (CMS).

Since 1977, the rural health clinic program has provided quality, outpatient care to rural, underserved communities across the country. CMS certified RHCs receive cost-based Medicare and Medicaid reimbursement subject to certain caps, an enhanced payment model that is essential to provider viability in the communities they serve.

However, over the last decade, the distribution of Medicare beneficiaries has shifted dramatically with an increasing number of Medicare Advantage beneficiaries as compared to traditional Medicare patients. It is soon predicted that MA beneficiaries will exceed that of traditional Medicare, and in many areas of the country this has already occurred. The growth rate in nonmetropolitan counties between 2020 and 2021 was over two times the growth rate in nonmetropolitan counties (RUPRI Center for Rural Health Policy Analysis).

While certain MA plan features may be particularly attractive to beneficiaries, and/or heavily marketed as so, NARHC is appreciative of CMS issuing this RFI to better understand the impacts of MA plan growth on access and quality of care. Throughout our response, we raise several specific concerns including limited provider networks, prior authorization challenges, and most critically to the sustainability of the RHC program, provider reimbursement.

Supporting Affordability and Sustainability

CMS requests comment on the ways in which MA plans increase or hinder access to care for specific beneficiaries, including those in rural areas. Due to the enhanced reimbursement provided to RHCs through Medicaid and traditional Medicare, these are the most critical components of a RHC's payer mix when determining the value of a RHC designation, and in the continued viability of its operations. This reimbursement structure was set in place in 1977 to ensure sustainable access to primary care for patients in rural, underserved communities across the country.

NARHC continues to hear from its members that Medicare Advantage plans, with significant diffusion in rural markets, reimburse RHC providers at rates lower than those received for traditional Medicare patients, i.e. do not pay them as RHCs. This is already having impacts on business stability and as MA beneficiaries will soon exceed traditional Medicare enrollment numbers, RHCs share great concern as to their ability to remain safety net providers while not receiving critical reimbursement benefits created to support safety net provider viability.

Based on this 2015 CMS document, it seems there are certain protections granted to out of network providers, and that these non-contracting providers must be paid "at least the original Medicare rate for Medicare covered services." However, the document is outdated and unclear. In the section specific to RHCs, beginning on page 25, it is unclear what types of MA plans "must pay 80% of the allowed charge, plus 20% of the actual charge.." The following section for FQHCs provides a breakdown of what different plan types are required to pay these safety net providers, however no similar detail is included in the RHC setting. Furthermore, a 2007 letter from the CMS Center for Beneficiary Choices directs MA organizations operating PFFS plans exclusively through deemed providers to pay providers "not less than the payment rates established under Medicare when they reimburse deemed and non-contracting providers." Again, this document does not specify if the standard is applied broadly or only to specific types of MA products.

NARHC asks for an updated, revised for clarity "MA Payment Guide for Out of Network Payments" document, as well as issue additional guidance on RHC reimbursement protections.

The expansion of MA plans presents significant impacts to RHCs and the communities and patients they serve. NARHC would be happy to work with CMS to provide additional insight in order to protect the sustainability of the RHC program.

Your consideration of these comments is appreciated. Should you have any questions or need any additional information, please do not hesitate to contact Nathan Baugh or Sarah Hohman at (202) 544-1880.

Sincerely,

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