



STATE OF MICHIGAN
DEPARTMENT OF COMMUNITY HEALTH
LANSING

RICK SNYDER
GOVERNOR

OLGA DAZZO
DIRECTOR

July 2011

Dear Medicaid Provider:

Re: Allowable Places of Service for Clinics

This letter is issued as a reminder to Medicaid-enrolled clinics (e.g., Federally Qualified Health Centers [FQHCs], Local Health Departments, Rural Health Clinics, and Tribal Health Centers) that services billed under the clinic National Provider Identifier (NPI) number should be performed only within the clinic setting. Certain off-site services provided by employed practitioners of the clinic are also permitted for reimbursement under the clinic NPI. These instances are limited to situations in which a patient is temporarily homebound and unable to visit the clinic for care, or when they reside in a nursing facility. Hospitals are not permissible places of service for direct reimbursement under the clinic NPI number. The only exception to this rule is for FQHCs, which are permitted to render limited services in this setting under a Memorandum of Agreement held with the Medicaid program.

In order for a clinic provider to render and receive payment for services in an off-site location other than the clinic, beneficiary's home, or a nursing facility, they must enroll separately from the clinic in the Community Health Automated Medicaid Processing System (CHAMPS) with a different NPI number. These providers must enroll as either a sole proprietor using their Type 1 (Individual) NPI or affiliate their NPI to a medical group. Any claims billed using the clinic NPI number for sites that are not eligible to receive the clinic's prospective payment system (PPS) rate will be rejected for payment effective on and after **August 1, 2011**.

For services previously billed and denied using the clinic NPI, Medicaid Provider Support and Claims Processing will submit new claims to CHAMPS to assure that payment is made for services rendered.

Any questions regarding this letter can be directed to: Provider Inquiry, Department of Community Health, P.O. Box 30731, Lansing, Michigan 48909-8231, or e-mailed to ProviderSupport@michigan.gov. When you submit an e-mail, be sure to include your name, affiliation, and phone number so you may be contacted if necessary. Providers may phone toll-free 1-800-292-2550.

Sincerely,

A handwritten signature in black ink that reads 'Stephen Fitton'.

Stephen Fitton, Director
Medical Services Administration