

**Bulletin Number:** MSA 07-46

**Distribution:** Federally-Qualified Health Centers, and Rural Health Clinics

**Issued:** September 1, 2007

**Subject:** Managed Care Documentation for Full Cost Reimbursement Reconciliation Reports

**Effective:** October 1, 2007

**Programs Affected:** Medicaid

Effective October 1, 2007, the Michigan Department of Community Health (MDCH) changed the reconciliation report requirements for managed care encounters for both Federally-Qualified Health Centers (FQHCs) and Rural Health Clinics (RHCs). When requesting that MDCH include the managed care encounters in the reconciliation report for RHC or FQHC Prospective Payment System (PPS) rate, FQHCs and RHCs must submit the details of the encounters and payments received for services provided to Medicaid beneficiaries who are enrolled in a Medicaid Health Plan.

### **RHC Documenting Encounters**

The RHC must submit the details of the encounters and payments received for services provided to Medicaid beneficiaries who are not in Medicaid fee for service. The information must be in electronic format (database or spreadsheet) and show the following for each service provided:

- Date of service
- Beneficiary Medicaid ID number
- HCPCS or CPT procedure code
- Payment received for the procedure

No individual payment information is needed if payments are made on a capitated basis, however, a separate summary of the monthly payments must be provided.

Upon review and audit, MDCH will reimburse the difference between the RHC PPS rate and the amount received from the Medicaid Health Plans.

### **FQHC Documenting Encounters**

FQHCs must document encounters when services have been provided to beneficiaries through Medicaid Health Plans, **Healthy Kids Dental**, and/or Substance Abuse Coordinating Agencies. The FQHC must submit the details of the encounters and payments received for services provided to Medicaid beneficiaries who are not in Medicaid fee for service. The information must be in electronic format (database or spreadsheet) and show the following for each service provided:

- Date of service
- Beneficiary Medicaid ID number
- HCPCS or CPT procedure code
- Payment received for the procedure

No individual payment information is needed if payments are made on a capitated basis, however, a separate summary of the monthly payments must be provided.

Upon review and audit, MDCH will reimburse the difference between the FQHC PPS rate and the amount received from the Medicaid Health Plans, **Healthy Kids Dental**, and/or the Substance Abuse Coordinating Agencies.

### **Manual Maintenance**

Retain this bulletin until the information has been incorporated into the Michigan Medicaid Provider Manual.

### **Questions**

Any questions regarding this bulletin should be directed to Provider Inquiry, Department of Community Health, P.O. Box 30731, Lansing, Michigan 48909-8231, or e-mail at [ProviderSupport@michigan.gov](mailto: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.

### **Approved**

A handwritten signature in black ink that reads "Paul Reinhart". The signature is written in a cursive, flowing style.

Paul Reinhart, Director  
Medical Services Administration