

## FACT SHEET RURAL HEALTH CLINIC

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Rural Health Clinics (RHC) are located in areas designated by the Bureau of the Census as rural **AND** by the Secretary of the Department of Health and Human Services or the State as medically underserved. Section 410 of the Medicare Prescription Drug, Improvement and Modernization Act of 2003 states that for services furnished on or after January 1, 2005, professional services provided by physicians, physician assistants, nurse practitioners, and clinical psychologists who are affiliated with RHCs are excluded from the skilled nursing facility prospective payment system, in the same manner as such services would be excluded if they were provided by individuals not affiliated with RHCs.

To qualify as a Rural Health Clinic, a clinic must be located in:

- ✚ A non-urbanized area **AND ONE OF THE FOLLOWING**:
  - ✚ A medically underserved area;
  - ✚ A geographic Health Professional Shortage Area (HPSA); or
  - ✚ A population group HPSA.

Any area that is not defined as urbanized is considered non-urbanized. The U.S. Census Bureau defines an urbanized area as a central city of 50,000 or more and its adjacent suburbs.

A RHC must also:

- ✚ Employ a midlevel practitioner 50 percent of the time the clinic is open;
- ✚ Provide routine diagnostic and laboratory services;
- ✚ Establish arrangements with providers and suppliers to furnish medically necessary services not available at the clinic; and
- ✚ Provide first response emergency care.

RHCs provide the following:

- ✚ Physicians' services;
- ✚ Services and supplies incident to the services of physicians;
- ✚ Services of nurse practitioners, physician assistants, certified nurse midwives, clinical psychologists, and clinical social workers;
- ✚ Services and supplies incident to the services of nurse practitioners, physician assistants, certified nurse midwives, clinical psychologists, and clinical social workers;
- ✚ Visiting nurse services to the homebound;
- ✚ Services of registered dietitians or nutritional professionals for diabetes training services and medical nutrition therapy; and
- ✚ Otherwise covered drugs that are furnished by, and incident to, services of physicians and nonphysician practitioners of the RHC.

Payment for RHC services furnished to Medicare beneficiaries are made on the basis of an all-inclusive rate per covered visit with the exception of pneumococcal and influenza vaccines and their administration, which are paid at 100 percent of reasonable cost. A visit is defined as a face-to-face encounter between the patient and a physician, physician assistant, nurse practitioner, certified nurse midwife, visiting nurse, clinical psychologist, or clinical social worker during which a RHC service is rendered. Encounters at a single location on the same day with more than one health professional and multiple encounters with the same health professional constitute a single visit, except when the patient suffers an illness or injury requiring additional diagnosis or treatment subsequent to the first encounter. Payment is made directly to RHCs for covered services furnished to a patient at the clinic or center, the patient's place of residence, or elsewhere (e.g., the scene of an accident). Laboratory tests are paid separately.

A RHC cannot be concurrently approved for Medicare as both a Federally Qualified Health Center and a RHC.

### ***[Helpful Rural Health Resources](#)***

Administration on Aging

<http://www.aoa.gov>

Agency for Healthcare Research and Quality

<http://www.ahrq.gov>

Health Resources and Services Administration

<http://www.hrsa.gov>

Indian Health Service

<http://www.ihs.gov>

National Association of Community Health Centers

<http://www.nachc.org>

National Association of Rural Health Clinics

<http://www.narhc.org>

National Rural Health Association

<http://www.nrharural.org>

United States Department of Agriculture

<http://www.usda.gov>

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