

# PQRS

## RHC Services vs Non-RHC Services

**QUESTION:** I received a letter recently from CMS that states we did not perform the PQRS and will now be receiving a 2% reduction for all future Medicare Part B payments. I understood I didn't have to participate, and was somewhat shocked to receive that letter.

We are an independent RHC and only perform as a Rural Health Clinic. I was very sure that for the past couple of years we were told that as a RHC we did not need to participate in this program. I was informed that there was no exception for RHC and that we would be receiving the reduction. My consultant believes that, while we are not exempt from the penalty, the work/expense in keeping up with PQRS was worse than the 2% cut.

**ANSWER:** Rural Health Clinic claims (**those submitted on the UB-04 claim form**) are NOT subject to PQRS adjustments. This program applies to claims submitted using a 1500 claim form. Here is a link to a CMS document that specifically addresses RHCs and PQRS.

<https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/downloads/SE1508.pdf>

In this document, it states:

**Question:** If I furnish professional Medicare Part B services only at an RHC or an FQHC, are the services eligible for PQRS?

**Answer:** No, if you furnish Medicare Part B professional services only at an RHC or an FQHC, such services are not eligible for either the PQRS incentive payment or for the PQRS negative payment adjustment

**NOTE:** *If an RHC Eligible Professional provides Part B services (billed on a 1500) outside the RHC, then those non-RHC services could be subject to PQRS! The FAQ provides guidance on that issue as well.*

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