

**WAC 182-548-1100 Federally qualified health centers—Definitions.** This section contains definitions of words or phrases that apply to this chapter. Unless defined in this chapter, the definitions found in chapter 182-500 WAC apply.

**"APM index"** - The agency uses the alternative payment methodology (APM) to update APM encounter payment rates on an annual basis. The APM index is a measure of input price changes experienced by Washington's federally qualified health center (FQHC) and rural health clinic (RHC) providers. The index is derived from the federal medicare economic index (MEI) and Washington-specific variable measures.

**"Base year"** - The year that is used as the benchmark in measuring an FQHC's total reasonable costs for establishing base encounter rates.

**"Cost center"** - A category of service approved to be provided by the FQHC under WAC 182-548-1200 and reported in the medicaid cost report. The categories of services provided by the FQHC may include medical, mental health, dental, maternity support services, and substance use disorder.

**"Cost report"** - A statement of costs and provider utilization that occurred during the time period covered by the cost report. FQHCs complete a cost report when there is a request for a change in scope rate adjustment, there is a rebasing of the encounter rate, or the agency sets a base rate.

**"Encounter"** - A face-to-face or telemedicine (including audio-only telemedicine) visit between an encounter-eligible client and an FQHC provider who exercises independent judgment when providing services that qualify for encounter rate reimbursement.

**"Encounter-eligible client"** - A client who receives benefits under Title XIX (medicaid) or Title XXI (CHIP).

**"Encounter rate"** - A cost-based, facility-specific rate for covered FQHC services.

**"Enhancements (also called managed care enhancements)"** - A monthly amount the agency pays to FQHCs for each client enrolled with a managed care organization (MCO). FQHCs may contract with MCOs to provide services under managed care programs. FQHCs receive enhancements from the agency in addition to the negotiated payments they receive from the MCOs for services provided to enrollees.

**"Federally qualified health center (FQHC)"** - An entity that has entered into an agreement with the Centers for Medicare and Medicaid Services (CMS) to meet medicare program requirements under 42 C.F.R. 405.2434 and:

(a) Is receiving a grant under section 329, 330, or 340 of the federal Public Health Service (PHS) Act, or is receiving funding from such a grant under a contract with the recipient of such a grant and meets the requirements to receive a grant under section 330 of the PHS Act;

(b) Based on the recommendation of the PHS, is determined by CMS to meet the requirements for receiving such a grant;

(c) Was treated by CMS, for purposes of medicare part B, as a comprehensive federally funded health center (FFHC) as of January 1, 1990; or

(d) Is an outpatient health program or facility operated by a tribe or tribal organization under the federal Indian Self-Determination and Education Assistance Act of 1975 or an Urban Indian organization receiving funding under Title V of the federal Indian Health Care Improvement Act of 1976.

**"Fee-for-service"** - A payment method the agency uses to pay providers for covered medical services provided to Washington apple health clients, which excludes services provided by the agency's contracted managed care organizations and services that qualify for an encounter rate.

**"Interim rate"** - The rate the agency establishes to pay an FQHC for covered FQHC services prior to the establishment of a permanent rate for that FQHC.

**"Medicare economic index (MEI)"** - An index published in the Federal Register used in the calculation of changes to determine allowed charges for physician services. The agency adjusts FQHC encounter rates and enhancement rates by the MEI each year on January 1st.

**"Rebasing"** - The process of recalculating encounter rates using actual cost report data.

[Statutory Authority: 42 U.S.C. 1396a(bb), 42 U.S.C. 1396d (2)(A), RCW 41.05.021, and 41.05.160. WSR 22-22-049, § 182-548-1100, filed 10/27/22, effective 1/1/23. Statutory Authority: RCW 41.05.021 and 41.05.160. WSR 15-11-008, § 182-548-1100, filed 5/7/15, effective 6/7/15. WSR 11-14-075, recodified as § 182-548-1100, filed 6/30/11, effective 7/1/11. Statutory Authority: RCW 74.08.090, BIPA of 2000 Section 702, sections 201 and 209 of 2009-2011 budget bill, and 42 U.S.C. 1396a(bb). WSR 10-09-002, § 388-548-1100, filed 4/7/10, effective 5/8/10.]