February 4, 2013

The Honorable Kathleen Sebelius
Department of Health and Human Services
200 Independence Avenue, S.W.
Washington, D.C. 20201

Re: Eligibility of Public Health Clinics for Increased Medicaid Payments for Primary Care Services (CMS-2370-F)

Dear Secretary Sebelius:

On behalf of the members of the National Association of County and City Health Officials (NACCHO), the Association of State and Territorial Health Officials (ASTHO), and the Association of Immunization Managers (AIM), we write to urge that public health department clinics that meet criteria specified in CMS-2370-F be considered eligible for increased reimbursement during 2013 and 2014 for primary care services provided to Medicaid beneficiaries.

Following publication of CMS-2370-F in the Federal Register on November 6 2012, Centers for Medicare & Medicaid Services (CMS) staff stated both in a telephone inquiry in November 2012 and during a teleconference with members of the American Academy of Pediatrics on December 12, 2012 that public health department providers would be eligible for increased reimbursement if they met eligibility criteria specified in CMS-2370-F. We understand these to be:

- Providers bill Medicaid using a physician fee schedule
- Providers are not reimbursed by Medicaid on a per diem or per encounter basis
- Primary care services to Medicaid beneficiaries provided directly by a pediatricians, family physicians, general internists or physicians for whom at least 60% of services billed to Medicaid are included in the eligible primary care billing codes, or by practitioners working under their supervision
- Providers are not delivering services at a federally-qualified community health center or rural health center

We strongly support eligibility for increased reimbursement under these conditions because public health department clinics provide an invaluable safety net for primary care services, including life- and cost-saving preventive services such as immunization. While we expect the provisions of the Patient Protection and Affordable Care Act (PPACA), such as those implemented via CMS-2370-F, to expand the number of Medicaid providers outside of public health departments and the number of beneficiaries served by them, the primary care services provided by public health department clinics will continue to be needed during both routine and extraordinary circumstances, including epidemics and pandemics.

Public health department clinics are typically underfunded for the critical services they provide. Many public health department clinics depend on Medicaid reimbursement as their primary source of funding yet do not qualify for the reimbursement available to federally-qualified community health centers or
rural health centers. The additional reimbursement available in 2013-2014 under CMS-2370-F would help eligible public health clinics to continue to provide vital care to their communities.

We strongly encourage the Department to permit public health department clinics to receive increased reimbursement under CMS-2370-F provided they meet other eligibility criteria.

If you have any questions regarding this letter, please do not hesitate to contact Paul Etkind petkind@naccho.org, Kathy Talkington ktalkington@astho.org or Claire Hannan channan@immunizationmanagers.org.

Sincerely,

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