



BETTER BENEFITS – MORE CHOICES

*Good News about the Medicare Prescription Drug, Improvement
and Modernization Act of 2003!*

Reimbursement for Federally Qualified Health Centers (FQHCs) Providing Services Under Medicare Advantage Plans (MA)

- ❖ The Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA) establishes a wrap-around payment in Medicare to make up for any shortfall between
 - (1) What a Medicare Advantage (MA) plan pays a Federally Qualified Health Center (FQHC) plus any cost sharing it may collect for services to MA plan enrollees, and
 - (2) The payments the FQHC would receive under Medicare fee-for-service.
- ❖ The Secretary is to make these payments directly to the FQHC, and payments are to be made not less frequently than quarterly.
- ❖ Medicare Advantage plans are required to pay FQHCs the same levels and amounts that they pay other providers for similar services.
- ❖ These provisions take effect for services provided on or after January 1, 2006 and contract years beginning on or after January 1, 2006.