§ 54.605 Determining the urban rate.

(a) If a rural health care provider requests an eligible service to be provided over a distance that is less than or equal to the “standard urban distance,” as defined in paragraph (c) of this section, for the state in which it is located, the urban rate for that service shall be a rate no higher than the highest tariffed or publicly-available rate charged to a commercial customer for a functionally similar service. The health care provider shall submit to the Administrator paper copies of the responses or bids received in response to the requested services.

(b) If a rural health care provider requests an eligible service to be provided over a distance that is greater than the “standard urban distance,” as defined in paragraph (c) of this section, for the state in which it is located, the urban rate for that service shall be a rate no higher than the highest tariffed or publicly-available rate charged to a commercial customer for a functionally similar service.

(c) The “standard urban distance” for a state is the average of the longest diameters of all cities with a population of 50,000 or more in that state, calculated as if it were provided between two points within the city.

(d) The Administrator shall calculate the “standard urban distance” and shall post the “standard urban distance” on its website.