

§ 405.2404 Termination of rural health clinic agreements.

(a) *Termination by RHC*—(1) *Notice to Secretary*. If the RHC wishes to terminate its agreement it shall file with the Secretary a written notice stating the intended effective date of termination.

(2) *Action by the Secretary*. (i) The Secretary may approve the date proposed by the RHC, or set a different date no later than 6 months after the date of the RHC's notice.

(ii) The Secretary may approve a date which is less than 6 months after the date of notice if the Secretary determines that termination on that date would not:

(A) Unduly disrupt the furnishing of services to the community serviced by the RHC; or

(B) Otherwise interfere with the effective and efficient administration of the Medicare program.

(3) *Cessation of business*. If a RHC ceases to furnish services to the community, the Secretary deems it to be a voluntary termination of the agreement by the RHC, effective on the last day of business.

(b) *Termination by the Secretary*—(1) *Cause for termination*. The Secretary may terminate an agreement if he or she determines that the RHC:

(i) No longer meets the conditions for certification under part 491 of this chapter;

(ii) Is not in substantial compliance with the provisions of the agreement, the requirements of this subpart, any other applicable regulations of this part, or any applicable provisions of title XVIII of the Act; or

(iii) Has undergone a change of ownership.

(2) *Notice of termination*. The Secretary gives notice of termination to the RHC at least 15 days before the effective date stated in the notice.

(3) *Appeal by the RHC*. A RHC may appeal the termination of its agreement in accordance with the provisions set forth in part 498 of this chapter.

(c) *Effect of termination*. Payment will not be available for RHC services furnished on or after the effective date of termination.

(d) *Notice to the public*. Prompt notice of the date and effect of termination

must be given to the public by either of the following:

(1) The RHC, after the Secretary has approved or set a termination date.

(2) The Secretary, when he or she has terminated the agreement.

(e) *Conditions for reinstatement after termination of agreement by the Secretary*. When an agreement with a RHC is terminated by the Secretary, the RHC may not file another agreement to participate in the Medicare program unless the Secretary:

(1) Finds that the reason for the termination of the prior agreement has been removed; and

(2) Is assured that the reason for the termination will not recur.

[43 FR 8261, Mar. 1, 1978, as amended at 52 FR 22454, June 12, 1987; 79 FR 25474, May 2, 2014; 82 FR 38509, Aug. 14, 2017]

§ 405.2410 Application of Part B deductible and coinsurance.

(a) *Application of deductible*. (1) Medicare payment for RHC services begins only after the beneficiary has incurred the deductible.

(2) Medicare payment for services covered under the FQHC benefit is not subject to the usual Part B deductible.

(b) *Application of coinsurance*. Except for preventive services for which Medicare pays 100 percent under § 410.152(1) of this chapter, a beneficiary's responsibility is either of the following:

(1) For RHCs that are authorized to bill on the basis of the reasonable cost system—

(i) A coinsurance amount that does not exceed 20 percent of the RHC's reasonable customary charge for the covered service; and

(ii)(A) The beneficiary's deductible and coinsurance amount for any one item or service furnished by the RHC may not exceed a reasonable amount customarily charged by the RHC for that particular item or service; or

(B) For any one item or service furnished by a FQHC, a coinsurance amount that does not exceed 20 percent of a reasonable customary charge by the FQHC for that particular item or service.

(2) For FQHCs authorized to bill under the PPS, a coinsurance amount which is 20 percent of the lesser of—

(i) The FQHC's actual charge; or