



Notification Date:	4/15/2026
Claims Initiative Topic:	FQHC, RHC, THC Reimbursement Recoupment
Announcement:	FQHC, RHC, THC Reimbursement
Line of Business	Medicaid
Impacted Specialties:	Multiple
Status:	In Process
Estimated Completion:	7/1/2026

Initiative Description:

Following a post-adjudication audit, McLaren Health Plan identified claims that were inappropriately reimbursed. McLaren Health Plan aligns with MDHHS reimbursement guidelines. Originally, when FQHC, RHC and THC billing changed to the UB-40 claim form, McLaren elected to continue reimbursement on a fee-for-service (FFS) basis. FFS reimbursement is structured as follows:

- Anything on the fee schedule noted with a **1-12** in the qualifying visit column paid at MDHHS listed fee.
- Anything on the fee schedule noted with a **0** in the qualifying visit column and “YES” in the Excluded Procedure Codes paid at MDHHS listed fee.
- Anything on the fee schedule noted with a **0** in the qualifying visit and nothing in the Excluded Procedure Codes column are not separately reimbursed.

Starting in 2025, FQHC, RHC and THC providers who elected to be reimbursed per-diem rates will now be reimbursed as follows:

- Anything on the fee schedule noted with a **1-12** in the qualifying visit column paid at the MDHHS per diem reimbursement rate (multiplied by the number in the qualifying visit column)
- Anything on the fee schedule noted with a **0** in the qualifying visit column and “YES” in the Excluded Procedure Codes paid at MDHHS listed fee in addition to the per diem rate
- Anything on the fee schedule noted with a **0** in the qualifying visit and nothing in the Excluded Procedure Codes column are not separately reimbursed

As mentioned in the MDHHS Provider Manual, a maximum of three encounters are allowed per beneficiary per day (one medical, one dental, and one behavioral health).



Dates of services reviewed are back to 1/1/2024 to current. This will be a one-time post-payment recoupment/reprocessing project in accordance with contractual obligations. McLaren will be outreaching to providers and providing additional financial impact for each entity. This project will include payments and offsets.

To ensure compliance with Medicaid requirements, McLaren will be initiating a recovery of the impacted payments. The reprocessing/recovery process will begin 6/15/2026 with an estimated completion for this project by July 2026.

Additional information regarding Medicaid guidelines can be found at:

MDHHS

https://www.michigan.gov/mdhhs/doing-business/providers/providers/billingreimbursement/clinic-institutional-billing_2

<https://www.mdch.state.mi.us/dch-medicaid/manuals/MedicaidProviderManual.pdf>

Provider Manual, Federally Qualified Health Centers and Tribal Health Centers section, page 7.