SUBSECTION, the reasonable cost to the center DETERMINED IN ACCORDANCE WITH PARACRAPH (2) OF THIS SUBSECTION in providing those services.

- (2) (I) The reasonable cost to a federally qualified health center in providing services to enrollees shall be determined in accordance with § 1902(a)(13)(C)(i) of the Social Security Act, as amended by the Balanced Budget Act of 1997, and any applicable regulations.
- (II) BEFORE THE END OF EACH FISCAL YEAR, THE DEPARTMENT SHALL WORK IN CONJUNCTION WITH EACH FEDERALLY QUALIFIED HEALTH CENTER TO DETERMINE FOR THE CENTER THE REASONABLE COST OF PROVIDING SERVICES TO ENROLLEES FOR THE NEXT FISCAL YEAR.
- (III) THE REASONABLE COST OF PROVIDING SERVICES TO ENROLLEES SHALL BE CALCULATED ON A FEE FOR SERVICE AND CAPITATED PER MEMBER PER MONTH BASIS AND PROVIDED TO EACH FEDERALLY QUALIFIED HEALTH CENTER BEFORE THE BEGINNING OF THE FISCAL YEAR.
- $$\rm (IV)$$ $\rm (II)$ EACH FEDERALLY QUALIFIED HEALTH CENTER SHALL PROVIDE THE DEPARTMENT WITH ITS ENROLLMENT DATA, ENCOUNTER DATA, AND COST REPORTS TO ASSIST THE DEPARTMENT IN CALCULATING:
- $\underline{\mathbf{1}}$ The reasonable cost of providing services to enrollees, and
- 2. THE DIFFERENCE BETWEEN THE PAYMENT RECEIVED BY THE CENTER FROM A MANAGED CARE ORGANIZATION AND THE REASONABLE COST TO THE CENTER IN PROVIDING THE SERVICES.
- (3) (i) At the request of a federally qualified health center, the Department shall review the payments made to the center by a Medicaid managed care organization that has a contractual arrangement with the center to determine the difference between the payments made to the center and the reasonable cost to the center AS DETERMINED IN ACCORDANCE WITH PARAGRAPH (2) OF THIS SUBSECTION in providing services to enrollees of the managed care organization.
- (II) A FEDERALLY QUALIFIED HEALTH CENTER MAY MAKE A REQUEST AT ANY TIME FOR THE DEPARTMENT TO REVIEW THE PAYMENTS MADE TO THE CENTER BY A MEDICAID MANAGED CARE ORGANIZATION THAT HAS A CONTRACTUAL ARRANGEMENT WITH THE CENTER-
 - 1. DURING THE FIRST QUARTER OF EACH FISCAL YEAR: OR
- 2. WITHIN 90 DAYS OF NOTIFICATION BY A MEDICAID MANAGED CARE ORGANIZATION TO THE CENTER THAT THE MEDICAID MANAGED CARE ORGANIZATION IS CHANGING ITS REIMBURSEMENT TO THE CENTER.
- (III) THE EFFECTIVE DATE FOR ADJUSTMENTS MADE IN RESPONSE TO A REQUEST BY A FEDERALLY QUALIFIED HEALTH CENTER SHALL BE:
 - 1. THE DATE THE DEPARTMENT RECEIVES THE REQUEST;

OR