**Section 545.200 Rate Setting by the Department**

a) Rates which have not been established by other agencies and which are not established by providers (Section 545.100(a)(2)) are established by DHS through negotiations with individual providers.

b) When rates established by other agencies are not acceptable to DHS' providers, DHS will establish rates based upon:

1) the direct and indirect costs of such service to the service provider,

2) a survey of usual rate charged for the service, and

3) consultation with DHS' physicians.

c) Rates established per subsection (b) will be adjusted when:

1) service providers are unwilling to provide specific services at the established rate, and

2) funds are available to pay for such adjustments.